

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

30-05-20460
NMLB0420230106

Release Notification and Corrective Action

OPERATOR ☒ Initial Report ☐ Final Report

Name of Company	Sandel Operating Company	Contact	Rick Sledge
Address	P.O. Box 1917, Huntsville, TX 77342	Telephone No.	936-291-1002
Facility Name	Gradonoco	Facility Type	gas well
Surface Owner	State	Mineral Owner	Several
		Lease No.	L-1582

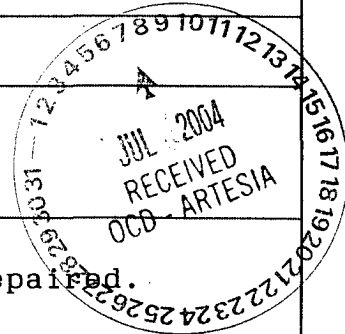
LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
H	2	23S	26E	2500	North	330	East	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	Condensate	Volume of Release	139 bbls	Volume Recovered	0
Source of Release	storage tank	Date and Hour of Occurrence	6-27-04	Date and Hour of Discovery	6-27-04
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Mike Stubblefield 11:00 a.m.		
By Whom?	Rick Sledge & Jimmy Ogine	Date and Hour	6-28-04 8:30 a.m.		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			
If a Watercourse was Impacted, Describe Fully.*					
Describe Cause of Problem and Remedial Action Taken.*					
Hole in tank. Tank plugged and emptied and will be repaired.					
Describe Area Affected and Cleanup Action Taken.*					
Hired Safety and Environmental Solutions to determine area affected and create work plan.					
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOC marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOC acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.					



Signature: <i>Ricky W. Sledge</i>		OIL CONSERVATION DIVISION	
Printed Name: Ricky W. Sledge		Approved by District Supervisor:	
Title: Petroleum Engineer	Approval Date:	Expiration Date:	
E-mail Address: jbsandel@lcc.net	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 6-29-04	Phone: 936-291-1002		

* Attach Additional Sheets If Necessary



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

July 20, 2004

Sandel Operating Co.
Attn: Rick Sledge
PO Box 1917
Huntsville TX 77342

Re: Gradonoco #1 H-2-23s-26e API: 30-015-20460

Dear Operator,

The Artesia Oil Conservation Division is in receipt of the initial Form C-141 (copy included) dated 6/29/004 from Sandel Operating Co.

Please submit a Corrective Action Work Plan to the Artesia O.C.D. for correction/remediation of this release. Please use the "Guidelines For Remediation of Leaks, Spills, and Releases as your guide.

A copy of the Guidelines for Remediation of Leaks, Spills, and Releases, published 1993, can be found at the O.C.D. web address WWW.EMNRD.STATE.NM.US/OCD.

The published document can be found on the O.C.D. web page under Publications/Environmental Handbook/Miscellaneous Guidelines/Spill Prevention Clean up.

The work plan presented to the O.C.D. must include general site characteristics, soil remediation action levels, soil remediation methods, and planned analytical testing for TPH, B-TEX and Chlorides if applicable.

A final Form C-141 is required for closure of the event or release and must include a report of remediation actions taken with final analytical results attached.

Please have the requested work plan in the Artesia office on or before August 20, 2004.

The Artesia O.C.D. must be notified 24 hours prior to any remediation actions and/or subsequent soil samples taken for analysis.

In the event that a satisfactory response is not received to this letter further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe. Such a hearing may result in imposition of **CIVIL PENALTIES** for your violation of OCD rules.

If I can be of assistance in this matter please do not hesitate to contact me at 505-748-1283
Or E-mail me at mbratcher@state.nm.us.

Sincerely,

Mike Bratcher

Compliance Officer.

N.M.O.C.D.