District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., 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

Form C-141 Revised August 8, 2011

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action														
nlwh	1327	7564		OPERA'	ГOR			al Report		Final Repor				
Name of Co				Contact Merle Lewis										
Address P.C Facility Nar				Telephone No. 575-748-6304 Facility Type Oil Well										
Surface Ow	ner				Mineral (
	[a .:	Т1	D	F . c			OF REI	r	L . (1)					
Unit Letter C							South Line H	Feet from the 2310	East/West Line WEST		County EDDY			
	Latitude_32.7271300239255 Longitude103.909386055786													
Type of Release Spill Volume of Release 7 bbls Volume Recovered 2														
Source of Relea		n heater treate						Volume Recovered 2 Date and Hour of Discovery						
			9-13	3 10/29/13 , 3:00 PM 10/29/13 , 3:00 PM										
Was Immedia	ite Notice C	equired	If YES, To Whom? Jeffery Robins/BLM, Mike Bratcher/OCD											
By Whom? Jaime Castillo, Assistant Foreman Was a Watercourse Reached?							Date and Hour 10/01/2013, BLM 2:27pm, OCD 2:31pm							
			If YES, Volume Impacting the Watercourse. RECEIVED											
Describe Area Affected and Cleanup Action Taken.* At the Shugart 19-2, the heater treater developed a hole in the bottom of the vessel and leaked 7 bbls of produced water. Lease operator shut in production, and plans to repair or replace heater treater before putting back into operation. At this time it is still under investigation to see if repairs can be made or it														
must be replaced. 2 bbls of produced water was recovered.														
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD 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, NMOCD 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.														
							OIL CONSERVATION DIVISION							
Signature: Gran	ida C. Basar	nante												
Printed Name:	Graciela C	Bustamante	A	Approved by Environmental Specialist: Signed By Mile Brance										
Title: Field Ad	min. Tech			A	OCT 0 4 2013 Approval Date: Expiration Date:									
E-mail Address	s: Gracie.B	ustamante@d	vn.com			_ C	onditions of a ediation pe	Approval: r OCD Rule & Gu	idelines	s, &	Attached			
Date: 10/02/20			proval by B	LM. <u>SUBMIT RE</u>	MEDIA									
Attach Additio	Date: 10/02/2013 Phone: 575-746-5561 like approval by BLM. SUBMIT REMEDIATION Attach Additional Sheets If Necessary PROPOSAL NO LATER THAN: Overwher 4, 2013 Proposal No Later Than:												971	