

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

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

☒ Initial Report

☒ Final Report

Name of Company	LRE Operating, LLC 281994	Contact	Michael Barrett
Address	1111 Bagby Street, Suite 4600, Houston, TX 77002	Telephone No.	575-623-8424
Facility Name	Staley State Battery (Well #1)	Facility Type	Production & Storage
Surface Owner	C.O.G.	Mineral Owner	State
		API No.	30-015-32184

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	30	17S	28E	660	North	1980	East	Eddy

Latitude 32.637158

Longitude 104.077749

NATURE OF RELEASE

Type of Release	Oil & Produced Water	Volume of Release	18 Oil & 3 Wtr	Volume Recovered	7 Oil & 1 Wtr
Source of Release	Heater Treater Gasket	Date and Hour of Occurrence	4/5/14 pm	Date and Hour of Discovery	4/5/14 @ 8:45 pm
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required				
By Whom?	N/A	Date and Hour	N/A		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				

If a Watercourse was Impacted, Describe Fully.*

N/A

Describe Cause of Problem and Remedial Action Taken.*

6x20 Heater treater gasket failed causing fluid to spray a large area of pasture with a fine mist.
Picked up standing fluid.
Replaced gasket.

RECEIVED

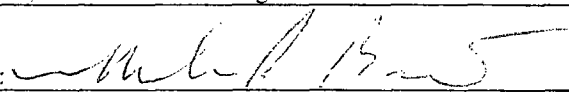
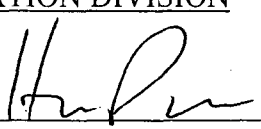
APR 15 2014

NMOCD ARTESIA

Describe Area Affected and Cleanup Action Taken.*

Standing fluid was mainly in bermed area of battery.
Hand dug and hydro vac was used to remove contaminated soil around flow lines and equipment.
Area that was covered by spray was treated 3 times with micro-blaze.

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.

Signature: 	OIL CONSERVATION DIVISION	
Printed Name: Michael Barrett	Approved by Environmental Specialist: 	
Title: Production Supervisor	Approval Date: 5/1/14	Expiration Date: NA
E-mail Address: mbarrett@limerockresources.com	Conditions of Approval: Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION PROPOSAL NO LATER THAN: 6/1/14	Attached <input type="checkbox"/>
Date: 04/14/14	Phone: 575-623-8424	

* Attach Additional Sheets If Necessary

2RP-2274