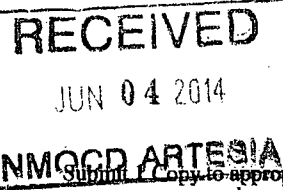


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Release Notification and Corrective Action

W HMP 1415745556

OPERATOR		<input checked="" type="checkbox"/> Initial Report	<input type="checkbox"/> Final Report
Name of Company Burnett Oil Co. <i>3080</i>		Contact Shawna Matthews	
Address 87 Square Lake Rd, Loco Hills, NM 88255		Telephone No. (575) 219-6370	
Facility Name Powers 31 Federal #3		Facility Type SWD	
Surface Owner BLM		Mineral Owner	API No. 30-015-31806

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
H	31	17S	31E	1980	FNL	660	FEL	Eddy

Latitude 32.792864 Longitude -103.902551

NATURE OF RELEASE

Type of Release Produced water and oil	Volume of Release 1,400 bbls produced water/60 bbls oil	Volume Recovered 1,126 bbs of fluid
Source of Release SWD tanks	Date and Hour of Occurrence 5/24/14 3:00 am	Date and Hour of Discovery 5/24/14 3:00 am
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Jim Amos - BLM and NMOC D (voicemail)	
By Whom? Jake Kamplain - RECS	Date and Hour 5/28/14 3:27 pm	
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.*

Lightning struck a produced water tank at the SWD and burnt down both tanks at the site causing a release of 1,460 barrels of produced water and oil. The supply line was shut off at 3:30 am. Fire trucks arrived on the scene and extinguished the fire. Vacuum trucks were called to the site and recovered 1,226 bbls of fluid.

Describe Area Affected and Cleanup Action Taken.*

A total of 27,196 square feet of bermed battery, lease pad, caliche road and pasture land were affected by the release. The release will be remediated to NMOC D and BLM standards.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC D 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 D 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 D 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>Shawna Matthews</i>		OIL CONSERVATION DIVISION	
Printed Name: Shawna Matthews		Approved by Environmental Specialist: <i>[Signature]</i>	
Title: Senior Production Technician		Approval Date: <i>6/6/14</i>	Expiration Date: <i>NA</i>
E-mail Address: smatthews@burnettoil.com		Conditions of Approval:	
Date: _____ Phone: (575) 219-6370		Remediation per OCD Rule & Guidelines, & like approval by BLM. SUBMIT REMEDIATION PROPOSAL NO LATER THAN: <i>7/6/14</i>	
		Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary

2RP-2331