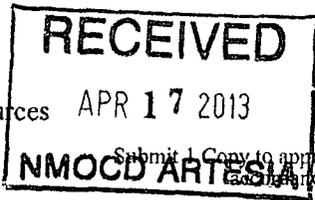


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

OPERATOR

Initial Report Final Report

Name of Company LRE Operating, LLC	Contact Michael Barrett
Address Bagby Street Suite 4600 Houston, TX 77002	Telephone No. 575-623-8424
Facility Name Corral Fly 10 Battery	Facility Type Battery
Surface Owner Unknown	Mineral Owner Federal
API No. 30-015-35623	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	10	25S	29E	2520	North	1650	West	Eddy County

Latitude 32.145057 Longitude 103.969135

NATURE OF RELEASE

Type of Release Oil	Volume of Release 39 bbls	Volume Recovered 21 bbls
Source of Release Transfer pump failure	Date and Hour of Occurrence 1/26/2012 am	Date and Hour of Discovery 1/23/2013 @4:00pm
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher/NMOCD by Voice mail Jim Amos/BLM	
By Whom? Michael Barrett	Date and Hour 01/26/13 8:45am	
Was a Watercourse Reached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

Transfer pump failed to start, overflowed stock tank into berm. The berm contained a drain line which was open at the time of release.

Describe Area Affected and Cleanup Action Taken.*

Impacted area was lined berm, the dune area located south of battery was impacted. Fluid was removed from lined berm area, the impacted area located south of battery was excavated, and removed materials were transported to Lea Land LLC for disposal. Talon/LPE was contacted for soil sampling and construction of final report.

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: Mike Barrett	Approved by Environmental Specialist:	
Title: Production Supervisor	Approval Date: 5/18/15	Expiration Date: N/A
E-mail Address: mbarrett@limerockresources.com	Conditions of Approval: <i>Final</i>	Attached <input type="checkbox"/>
Date: 4/4/2013	Phone: 575-623-8424	

2AP-1539