State of New Mexico Energy Minerals and Natural Resources

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

.

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

| Release Notifica | tion and Corrective Action |
|---|--|
| | OPERATOR Initial Report Sinal Repo |
| Name of Company : Quantum Resources Management, LLC | |
| Address : 1905 West Sears Ave., Artesia, New Mexico 88210 | |
| Facility Name : Artesia Unit #32 | Facility Type: WIW |
| Surface Owner : State Mineral Owner | Image: Vner Lease No. : API #30-015-01764 2RP-769 2RP-769 |
| LOCAT | TION OF RELEASE |
| | North/South LineFeet from the 330'East/West Line WestCounty Eddy |
| Latitude <u>32.78729 N</u> | Longitude104.13741 W |
| | RE OF RELEASE |
| Type of Release : Produced Water | Volume of Release : 15-20 bbls Volume Recovered: -0- bbls |
| Source of Release : Water Injection Line | Date and Hour of Occurrence:Date and Hour of Discovery: same4/15/201112:00 pm |
| Was Immediate Notice Given? | If YES, To Whom? |
| Y us mineciale rivere civel: X Yes No Not Requ | |
| By Whom? Garrett Newton | Date and Hour : 4/15/2011 12:30 pm |
| Was a Watercourse Reached? | If YES, Volume Impacting the Watercourse. |
| 🗌 Yes 🖾 No | |
| If a Watercourse was Impacted, Describe Fully.* | |
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