

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
30 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 October 10, 2003

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

### Release Notification and Corrective Action

nMLB 1520493233 OPERATOR  Initial Report  Final Report

|  |                                    |
|--|------------------------------------|
| Name of Company <i>Nadel &amp; Co. Inc. Permian, LLC</i>     | Contact <i>Kem McCreedy</i>        |
| Address <i>601 N. Main St., Suite 508, Midland, TX 79701</i> | Telephone No. <i>432-682-4429</i>  |
| Facility Name <i>Big Chief Fee No. 10</i>                    | Facility Type <i>Oil &amp; Gas</i> |

|                                   |               |           |
|-----------------------------------|---------------|-----------|
| Surface Owner <i>Shelby Adair</i> | Mineral Owner | Lease No. |
|-----------------------------------|---------------|-----------|

### LOCATION OF RELEASE API No. 30-015-35337

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| D           | 22      | 22S      | 2BE   |               |                  |               |                | Eddy   |

Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

### NATURE OF RELEASE

|  |   |  |
|--|---|--|
| Type of Release <i>Brine H<sub>2</sub>O</i>  | Volume of Release <i>350-400 bbl</i>      | Volume Recovered <i>40 bbl</i>           |
| Source of Release <i>STEEL TANK on location</i>  | Date and Hour of Occurrence               | Date and Hour of Discovery <i>4-2-07</i> |
| Was Immediate Notice Given?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? <i>unknown</i>           | <i>1000 hrs.</i>                         |
| By Whom? <i>Cheryl Winkler</i>   | Date and Hour <i>4-2-07</i>               | <i>1418 hrs.</i>                         |
| Was a Watercourse Reached?<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  | If YES, Volume Impacting the Watercourse. |  |

If a Watercourse was Impacted, Describe Fully.\*  
*N/A*

Describe Cause of Problem and Remedial Action Taken.\*  
*See report attached*

Describe Area Affected and Cleanup Action Taken.\*  
*See report attached*

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: <i>Kem McCreedy</i>                  | <b>OIL CONSERVATION DIVISION</b>     |   |
| Printed Name: <i>Kem McCreedy</i>               | Signed By <i>Mike Brannon</i>        |   |
| Title: <i>Operations Engineer</i>               | Approved by District Supervisor:     | Approval Date: <i>7/23/15</i> Expiration Date: <i>N/A</i> |
| E-mail Address: <i>kem.mccreedy@nmsr.com</i>    | Conditions of Approval: <i>Final</i> | Attached <input type="checkbox"/>                         |
| Date: <i>4-23-07</i> Phone: <i>432-682-4429</i> |                                      |   |

\* Attach Additional Sheets If Necessary

*22A-3149*