

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  
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

JAN 02 2008  
OCD-ARTESIA

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

30-015-28204

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	Americo Energy Resources, LLC	Contact	Oscar Nosrati
Address	7575 San Felipe, Ste. 200, Houston, TX 77063	Telephone No.	713-984-9700
Facility Name	East Shugart Unit Well #75	Facility Type	Injection Well

Surface Owner	BLM	Mineral Owner	BLM	Lease No.
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	65	18 S	31 E	2,560	South	1,350	West	Eddy

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

NATURE OF RELEASE

Type of Release	Produced water with slight oil cut	Volume of Release	350 bbls.	Volume Recovered	200 bbls.
Source of Release	Blown 'Y' strainer valve near injection wellhead	Date and Hour of Occurrence	12/14/2007 2:00 am	Date and Hour of Discovery	12/14/2007 12 noon
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Mike Bratcher		
By Whom?	Larry Wood	Date and Hour	12/14/2007 3:00 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.\*



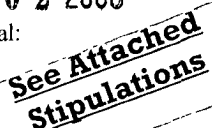
Describe Cause of Problem and Remedial Action Taken.\*

The drain/bleed valve and its nipple blew off the injection line 'Y' strainer. The valve and nipple have been replaced.

Describe Area Affected and Cleanup Action Taken.\*

An approximate area of 75' by 400' was affected by the release. A vacuum truck was brought onsite to remove recoverable liquids. Soil will be cleaned and tilled.

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: Jeffrey Alan Keese		Approved by District Supervisor: 	
Title: Senior Engineer		Approval Date: JAN 02 2008	Expiration Date:
E-mail Address: alan.keese@americoenergy.com		Conditions of Approval:	Attached <input checked="" type="checkbox"/>
Date: 12/21/2007 Phone: 713-984-9700			

\* Attach Additional Sheets If Necessary

## Guye, Gerry, EMNRD

**From:** Guye, Gerry, EMNRD  
**Sent:** Wednesday, January 02, 2008 11:13 AM  
**To:** 'Nosrati, Oscar'  
**Subject:** Spill on East Shugart Unit #75

This office is in receipt of your C-141 on the oil and produced water release, at this facility.

NMOCD Rule 19.15.3.116 states in part ... "The responsible person must complete **division approved corrective action** for releases which endanger public health or the environment. Releases will be addressed in accordance with a remediation plan submitted to and approved by the division or with an abatement plan submitted in accordance with Section 19 of 19.15.1 NMAC."

Information and tools for proper corrective action may be found in the Environmental Handbook on our web site [www.emnrd.state.nm.us/ocd](http://www.emnrd.state.nm.us/ocd) under the heading publications.

Remediation requirements may be subject to other federal, state and local laws or regulations.

Within 30 days, **on or before February 2, 2008**, completion of a remediation work plan should be finalized and submitted to the Division, summarizing all actions taken or to be taken to mitigate environmental damage related to the leak, spill or release, for approval.

Please be advised that NMOCD acceptance and/or approval of documents or work plans 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 and/or approval of documents or work plans do not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

If I may be of further service or if you have any questions please feel free to contact me.

**Gerry Guye**  
Compliance Officer  
NMOCD - Artesia  
Office (505)748-1283x105  
Mobile (505)626-0843  
E-Mail: [gerry.guye@state.nm.us](mailto:gerry.guye@state.nm.us)