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

Revised October 10, 2003 Submit 2 Copies to appropriate District Office in accordance

Form C-141

with Rule 116 on back side of form

Release Notification and Corrective Action i sebora 8331443 **OPERATOR** Initial Report Final Report nseb 0828331145 Name of Company Tandem Energy Corporation Contact Brandi Barthels 236183 Address P. O. Box 1559, Midland, TX 79702 Telephone No. 361-935-9377 Facility Name: Lothian; James Federal #1 Facility Type pumping unit JAMES FEDERAL DOI Surface Owner; Federal Mineral Owner Lease No. 1 30.015.20122 LOCATION OF RELEASE Unit Letter Section Township Feet from the North/South Line | Feet from the East/West Line Range County 30E **FWL** 26 16S 660 Eddy Μ Latitude Longitude NATURE OF RELEASE Type of Release oil Volume of Release 5bbls Volume Recovered Obbls Source of Release Flowline Date and Hour of Occurrence 09-Date and Hour of Discovery:09-26-08 26-08 Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☐ No ☒ Not Required By Whom? Date and Hour Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☐ No If a Watercourse was Impacted, Describe Fully.* N/A Describe Cause of Problem and Remedial Action Taken.* Leak in flowline. The remedial action plan will be developed and executed for the site after soil sampling is conducted. Describe Area Affected and Cleanup Action Taken.* The affected area is 82' x 4'. The remediation plan will be developed and executed based upon the soil analysis results. 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. OIL CONSERVATION DIVISION Kirmann Carabacter Signature: Remediation Actions to be completed and Approved by District Supervisor: Final C-141 submitted with confunction analyses/documentation on or before he Printed Name: Brandi Barthels Toumby SB Expiration Date. Approval Date: 10-09-08 Title: Regulatory & Environmental Affairs Manager Expiration Date: 12-08-08 E-mail Address: bbarthels@platenergy.com Conditions of Approval: Attached 🔽

Phone: 361.935.9377

* Attach Additional Sheets If Necessary

SEB0828331523

Date: 10/02/08

Within 30 days, on or before 11-08-08, completion of a remediation work plan based on delineation should be tinalized and submitted for approval to the Division summarizing all actions taken and/or to be taken to mitigate environmental damage