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

Form C-141

obtaining samples where analyses

are to be presented to OCD

NOV - 1 2008

Submit 2 Copies to appropriate

OCD-ARTES A with Rule 116 on back
side of form

Release Notification and Corrective Action

	_			OPERATOR			☐ Initial Report ☐ Final Report						
Name of Company Tandem Energy Corporation 236183						Contact Brandi Barthels							
	20 S. Mair		Telephone No. 361-935-9377										
Facility Name Ballard BALLARD GRAYBURG SAN ANDRES UNIT 003						Facility Type Ballard 003 8-3							
Surface Ow	ner	wner	Lease No.API# 3001503295						295				
30-015-	03295	•		LOCA	TIO	N OF REI	LEASE						
Unit Letter	Section	Township	Range	Feet from the		South Line	Feet from the	East/\	West Line	County			
С	05	18S	29E	990	FNL		2310	FWL	·	Eddy			
			La	titude		Longitud	le						
NATURE OF RELEASE													
Type of Relea	ase saltwate	•	Volume of Release 10 BBLS Saltwater; 1 BBL oil			Volume Recovered 0							
Source of Rel	ease Leak f			Date and Hour of Occurrence			Date and Hour of Discovery						
	. 37 11 6		10/22/08 4		10/22/08 4:00 p.m.								
Was Immediate Notice Given? Yes No Not Required If YES, To Whom?													
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 caused by scale forming inside of poly line plugging off flow. The remedial action plan will be developed and executed for the site after soil sampling is conducted.													
Describe Area Affected and Cleanup Action Taken.* A 2' x 200' area was affected. 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.													
Signature:	Bn G		OIL CONSERVATION				N DIVISION Remediation Actions to be completed and						
Printed Name: Brandi Barthels						Approved by District Supervisor:			Final C-14' submitted with confirmation analyses/documentation on or before the				
Title: Regulat	Title: Regulatory & Environmental Affairs Manager					Approval Date: 11-19-08 Expiration				Expiration Date Date: 1-19-09			
E-mail Addres	mail Address: bbarthels@platenergy.com					Conditions of Approval:				Attached [4]			
	Nate: 10/30/08 Phone: 361.935.9377 Within 30 days, on or before 12-19-08 completion of a remediation work plan based on delineation should be finalized and submitted for								9				
					ap	proval to the	Division summariz be taken to mitiga	zing all a	actions	Notity OCD		s prior to here analyses	

environmental damage.