

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S First St., 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
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

nMLB/1125549978		228051	OPERATOR	<input checked="" type="checkbox"/> Initial Report	<input type="checkbox"/> Final Report
Name of Company Americo Energy Resources, LLC			Contact Ehsan Bayat		
Address 7575 SAN FELIPE ST. STE 200 Houston, TX 77063			Telephone No. 713-984-9700		
Facility Name East Shugart Unit #3			Facility Type Injection line		
Surface Owner		Mineral Owner Americo Energy Resources, LLC		API No. 30-015-05683	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	34	18S	31E	990	North	330	East	Eddy

Latitude 32.708431 Longitude -103.849419

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 380	Volume Recovered 330
Source of Release Injection line	Date and Hour of Occurrence 8/11/11 900	Date and Hour of Discovery 8/11/11 9:15
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Tim Gum (575-626-0824)	
By Whom? Danny White	Date and Hour 8/11/11	
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.*

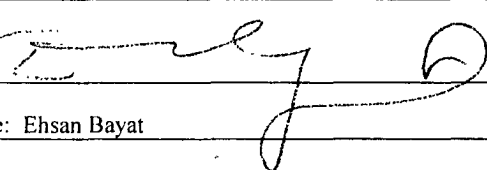
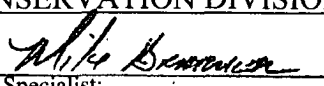
Describe Cause of Problem and Remedial Action Taken.*

Injection well number 3 south bank off main injection line sprung a leak between valve bank and well.

Describe Area Affected and Cleanup Action Taken.*

Backhoe has been ordered to dig up South bank to dig up south bank and repair. Vacuum trucks were dispatched immediately. All visible standing water was picked up.

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: Ehsan Bayat		Signed By  Approved by Environmental Specialist:	
Title: Regulatory Analyst		Approval Date SEP 12 2011	Expiration Date:
E-mail Address: ehsan.bayat@americoenergy.com		Conditions of Approval:	
Date: 8/11/11 Phone: 713-984-9700		Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: 10/12/2011	
Attach Additional Sheets If Necessary		Attached <input type="checkbox"/>	

2RP-892