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

* Attach Additional Sheets If Necessary

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

2RP-858

Form C-141 Revised August 1, 2011

30-015-38142

Release Notification and Corrective Action

258462						OPERATOR			☐ Initial Report ☐ Final Report					
Name of Co			Contact; Ke											
Address; P.			Telephone No. 575-626-1936											
Facility Nar	ne; AID S		Facility Type; Oil Tank Battery											
Surface Ow	ner; State	wner;	State			Lease No. K-3630-2								
	LOCATION OF RELEASE													
Unit Letter	Section	Township	Range	Feet from the	North	South Line	Feet from the	East/\	West Line	County				
A	13	17S	28E	990		North	330		East	Eddy				
Latitude 32.840325° N Longitude 104.121932° W														
NATURE OF RELEASE														
Type of Relea	ase;				Volume of Release 1 bbl Volume Recovered, N/A									
Source of Rel	lease	Date and Hour of Occurrence Date and 7/29/2011, 7:30pm 7/29/201				Hour of Discovery								
Was Immedia	ate Notice (If YES, To Whom?												
Yes No Not Required														
By Whom?		Date and Hour												
Was a Water	course Reac		If YES, Volume Impacting the Watercourse.											
								(A)	\					
If a Watercourse was Impacted, Describe Fully.*													٦	
	•					•				CEI.	tto	\		
Yes No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken* Lighting hitting fiberglass water tank. Burnt tank, No oil tanks effected. Tank was empty prior to fire														
Describe Cause of Problem and Remedial Action Taken*														
Lighting hitting fiberglass water tank. Burnt tank, No oil tanks effected. Tank was empty prior to fire														
D 3	A CC . 1	1.01	(D.)										4	
Describe Area				en.* Pick up and remo	wad ald	f tank liner an	d fiberalass water	r tank h	anled to CD	I Dalina du	ka wit	20 mil		
								tank na	auteu to CN	ii. Keilile üy	KC WILL	1 20 11111		
liner, sand blasted oil tank and repainted. Rebuild tank battery. Put well back on production.														
Thombu anni	C. sheethe :	· · · · · · · · · · · · · · · · · · ·	1	:	-4-4-41		1.1.1		1.1		- CITO			
regulations all	ly man me n Lonerators:	nionnation gr are required to	ven above report an	is true and compl d/or file certain re	ete to tr	tifications an	knowieage and ui	nderstan	id that purs	uant to NMC	CD ru	les and	١	
public health	or the envir	onment. The	acceptanc	e of a C-141 repor	rt by the	NMOCD ma	rked as "Final Re	eport" d	oes not reli	eve the opera	itor of	liability		
should their o	perations ha	ave failed to a	dequately	investigate and re	mediate	e contamination	on that pose a thre	eat to gr	ound water	, surface wat	er, hur	nan health		
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.														
rederal, state,	or locar law	s and/or regu	lations.				OIL CONG	TEDM	ATION	DIVICIO	N.Y		\dashv	
	1/	11					OIL CONS	SEK V	A HON	DIAIZIO	<u>N</u>		İ	
Signature: /	with				Ciman Allak									
Printed Name:	Keith Can	1	Approved by District Supervisor.											
Title: Drilling	Superinten	Approval DateSEP 1 3 2011 Expiration Date: NA												
,						Expiration Date. 741								
E-mail Address: kcannon@heycoenergy.com						Conditions of Approval:								
Date:: 9/7/201	1	P	none: 575-	623-6601			· —	nat		1				