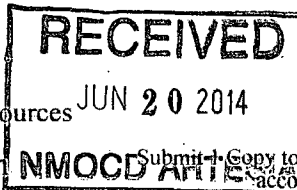


District I:  
1625 N. French Dr., Hobbs, NM 88240  
District II:  
811 S. First St., Artesia, NM 88210  
District III:  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV:  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

**Release Notification and Corrective Action**

*nHMP1418340931*

**OPERATOR**

☒ Initial Report ☐ Final Report

Name of Company <b>Southwest Royalties</b>	<i>21355</i>	Contact <b>Luis Gonzalez</b>
Address <b>6 Desta Dr Suite 2100, Midland, TX</b>		Telephone No. <b>432-661-4708</b>
Facility Name <b>North Hackberry Yates Well #105</b>		lgonzalez@claytonwilliams.com
		Facility Type <b>Injection Well</b>
Surface Owner <b>BLM</b>	Mineral Owner	API No. <b>30-015-04618</b>

**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<b>H</b>	<b>23</b>	<b>19S</b>	<b>30E</b>					<b>Eddy</b>

Latitude 32.6465 Longitude -103.9374

**NATURE OF RELEASE**

Type of Release <b>Produced Water/Oil</b>	Volume of Release <b>Unknown</b>	Volume Recovered <b>0</b>
Source of Release <b>Injection Line</b>	Date and Hour of Occurrence <b>16Jun14</b>	Date and Hour of Discovery <b>16Jun14</b>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <b>Mike Bratcher, NMOCD and Jennifer Van Curren, BLM</b>	
By Whom? <b>Vernon K. Black</b>	Date and Hour <b>16Jun14</b>	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. <b>N/A</b>	
If a Watercourse was Impacted, Describe Fully.* <b>N/A</b>		
Describe Cause of Problem and Remedial Action Taken.* <b>Upon discovery, the well was shut in and the line repaired. Hungry Horse, LLC conducted emergency actions by mechanically excavating the top 3"-6" of saturated and stained soil from the arroyo. All impacted soil was placed on plastic awaiting disposal. Remediation of the impacted area will continue with soil samples collected and analyzed. Lab results will be presented to NM OCD and BLM.</b>		
Describe Area Affected and Cleanup Action Taken.*		
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: <i>[Signature]</i> Agent for Southwest Royalties		OIL CONSERVATION DIVISION	
Printed Name: <b>Vernon K. Black-Hungry Horse, LLC</b>		Approved by Environmental Specialist: <i>[Signature]</i>	
Title: <b>HSE</b>		Approval Date: <b>7/2/14</b>	Expiration Date: <b>NA</b>
E-mail Address: <b>vblack@hungry-horse.com</b>		Conditions of Approval: Remediation per OCD Rule & Guidelines, & like approval by BLM. <b>SUBMIT REMEDIATION</b>	
Date: <b>19Jun14</b> Phone: <b>575-631-2253</b>		Attached <input type="checkbox"/>	

\* Attach Additional Sheets If Necessary

**PROPOSAL NO LATER THAN:**

*8/2/14*

*2RP-2365*