

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  
Revised October 10, 2003

Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

**Release Notification and Corrective Action**

*NAB1515455677*

**OPERATOR**  Initial Report  Final Report

Name of Company: <b>LRE Operating, LLC.</b> <i>281994</i>	Contact: <b>Mike Barrett</b>
Address: <b>1111 Bagby Street Suite 4600, Houston, TX 77002</b>	Telephone No.: <b>575-623-8424</b>
Facility Name: <b>Marathon 25 State #8</b>	Facility Type: <b>Battery</b>

Surface Owner: <b>State</b>	Mineral Owner:	<b>API #30-015-29967</b>
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**LOCATION OF RELEASE**

Unit Letter <b>C</b>	Section <b>25</b>	Township <b>17S</b>	Range <b>28E</b>	Feet from the <b>990'</b>	North/South Line <b>FNL</b>	Feet from the <b>1650'</b>	East/West Line <b>FWL</b>	County <b>Eddy</b>
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Latitude **32.8122139954 N** Longitude **-104.133053542 W**

**NATURE OF RELEASE**

Type of Release: <b>Oil</b>	Volume of Release: <b>103 bbl Oil</b>	Volume Recovered: <b>97 bbls Oil</b>
Source of Release: <b>Valve Malfunction</b>	Date and Hour of Occurrence: <b>5/14/15 4:00 pm</b>	Date and Hour of Discovery: <b>4/14/15 4:00 pm</b>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <b>NMOCD * Heather Patterson via phone @ 10:45 am</b>	
By Whom? <b>Kimberly Wilson with Talon/LPE</b>	Date and Hour: <b>5/15/15 @ 10:45 am</b>	
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.\* **A valve malfunctioned inside the facility causing the release of 103 barrels of oil. A vac truck was immediately called to the location and recovered 97 barrels of oil. All wells were shut in, the valve was replaced and the facility was brought back into service. The release stayed within the berm of the facility. No fluids breached the berms of the facility.**

Describe Area Affected and Cleanup Action Taken.\* **Talon/LPE was on site on May 15, 2015 for the initial site assessment activities. Hydrovac operations are in progress May 15, 2015. A work plan will be generated.**

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>Michael Barrett</i>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: <b>Michael Barrett</b>	Approved by District Supervisor: <i>[Signature]</i>	
Title: <b>Production Supervisor</b>	Approval Date: <b>5/18/15</b>	Expiration Date: <b>N/A</b>
E-mail Address: <b>mbarrett@limerockresources.com</b>	Conditions of Approval: Remediation per O.C.D. Rules & Guidelines <input type="checkbox"/> <b>SUBMIT REMEDIATION PROPOSAL NO</b>	
Date: <b>5/18/2015</b> Phone: <b>575-623-8424</b>	<b>LATER THAN: 7/19/15</b> <i>28P-3038</i>	

\* Attach Additional Sheets If Necessary

**NM OIL CONSERVATION**  
ARTESIA DISTRICT

JUN 8 2015

RECEIVED