

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  
40 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**

**OPERATOR**

Initial Report  Final Report

|  |                              |
|--|------------------------------|
| Name of Company – Corkran Energy                   | Contact – Dennis Corkran     |
| Address – 300 Beardsley Lane C204 Austin, TX 78746 | Telephone No. – 512-329-6140 |
| Facility Name – Orleans 25 #1                      | Facility Type – Drilling Pit |
| Surface Owner – Private                            | Mineral Owner –              |
| Lease No. 30-015-35260                             |                              |

**LOCATION OF RELEASE**

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| B           | 25      | 18S      | 26E   |               |                  |               |                | Eddy   |

Latitude 32° 43.444' N Longitude 104° 19.923' W

**NATURE OF RELEASE**

|  |   |                                    |
|--|---|------------------------------------|
| Type of Release – Drilling Pit Contents  | Volume of Release – N/A                   | Volume Recovered – N/A             |
| Source of Release – Drilling Pit   | Date and Hour of Occurrence NA            | Date and Hour of Discovery 9-24-09 |
| Was Immediate Notice Given?<br><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom?                          |                                    |
| By Whom?   | Date and Hour                             |                                    |
| Was a Watercourse Reached?<br><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.\* Drilling pit contents leaked into underlying soil.

Describe Area Affected and Cleanup Action Taken.\* Pit bottoms were tested and delineated to NMOCD standards. Attached is a plat map, field analytical and lab confirmations of the delineation. The approved remediation plan was completed. The impacted soil was excavated at the following areas: TP1, TP2, TP3 and TP4 was excavated to 10' bgs and TP5 was excavated to 20' bgs. The impacted soil was excavated and hauled to Lea Land Disposal. The site was backfilled and seeded per the original pit closure plan.

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:  | <b>OIL CONSERVATION DIVISION</b>   |                                   |
| Printed Name: DENNIS CORCRAN, PRESIDENT  | Approved by District Supervisor:  |                                   |
| Title: HUMMINGBIRD INVESTMENTS LLC, C.P.   | Approval Date: 5/13/10   | Expiration Date: N/A              |
| Email Address: D.CORCRAN@CORKRANENERGY.COM   | Conditions of Approval: Final  | Attached <input type="checkbox"/> |
| Date: 10/18/09 Phone: 512-329-6140   |  |                                   |

\* Attach Additional Sheets If Necessary

22P-343