

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

DEC 12 2007
OCD-ARTESIA
Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

30-015-33408

OPERATOR

X Initial Report ☐ Final Report

Name of Company: Nadel & Gussman Permian, LLC	Contact: Kem McCready
Address: 601 N. Marienfeld St. Suite 508, Midland, TX 79701	Telephone No.: 432-682-4429
Facility Name: Romulus Fee No. 1	Facility Type: Gas

Surface Owner: D. Brantley	Mineral Owner	Lease No.
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LOCATION OF RELEASE

API No.: 30-015-33408

Unit Letter D	Section 17	Township 23S	Range 28E	Feet from the 840'	North/South Line N	Feet from the 660'	East/West Line W	County Eddy
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Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release: Water/Oil mix	Volume of Release: Unknown but likely close to the recovered amount.	Volume Recovered: 15 bbls.
Source of Release: Rupture disc on separator failed	Date and Hour of Occurrence: Unknown	Date and Hour of Discovery: 1330 Hours, 12/9/07
Was Immediate Notice Given? X Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher	
By Whom? Cheryl Winkler	Date and Hour: 12/9/07 0910 Hours	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse. N/A	

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*

A vacuum truck was called to remove approximately 6" of liquid which consisted of 15 bbls. from inside the firewall surrounding the separator. The spill was contained within the firewall with the exception of some material which sprayed out toward the pump jack but this was negligible and didn't penetrate the soil more than a couple of inches where it landed. No spill material left the location. No threat of further spillage is possible.

Describe Area Affected and Cleanup Action Taken.*

No further cleanup action shall be taken until the current inclement weather in the area has gone and the soil has dried out sufficiently enough to drive on and work the area.

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>Kem McCready</i>	OIL CONSERVATION DIVISION	
Printed Name: Kem McCready	Approved by District Supervisor: <i>[Signature]</i>	
Title: Operations Manager	Approval Date: DEC 13 2007	Expiration Date:
E-mail Address: kemm@naguss.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 10 December 2007	Phone: 432-682-4429	

* Attach Additional Sheets If Necessary

Mr. Kem McCready
Operations Engineer
NADEL AND GUSSMAN PERMIAN, LLC
601 N. Marienfeld
Suite 508
Midland, TX 79701

DEC 12 2007
OCD-ARTESIA

9 December 2007

Mr. Mike Bratcher
OIL CONSERVATION DIVISION
1301 West Grand Avenue
Artesia, NM 88210

Re: Romulus Fee No. 1 Corrective Action/ Work Plan
API No: 30-015-33408 (U/L D S17, T23S, R23E, 840' FNL and 660' FWL)

Dear Mr. Bratcher:

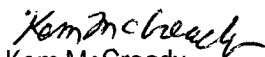
Pursuant to the State of New Mexico regulatory requirements and guidelines for *Remediation of Leaks, Spills and Releases*, please find enclosed a copy of Nadel and Gussman Permian, LLC's, hereinafter (NGP), Form C-141 for the release of approximately 15 barrels of water and oil which was contained within the separator firewalls on location. The spill was discovered on Sunday, 9 December at approximately 1330 hours.

A vacuum truck was called Sunday and removed the liquid from inside the firewalls. Currently inclement weather in the area is preventing further remediation activity. Therefore sampling and all other remediation actions shall take place once the weather has improved and the area dried out sufficiently enough to support heavy equipment and drivability on the roadbed leading to the location. There is no concern at this time that further spillage shall occur since all mechanical failures have either been corrected or the equipment turned off. NMOCD will be notified once the sampling is completed and further action intended.

NGP intends to remain compliant with New Mexico, OCD remediation requirements regarding both the spill cleanup and the closure of the location.

Should you have questions, please call 432-682-4429 (office) or 432-425-6347 (cell).

Sincerely,


Kem McCready
Operations Engineer

Enclosures: C-141 (initial)