

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

OCT 01 2008 Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form
OCD-ARTESIA

Release Notification and Corrective Action

SEB0828235995
SEB0828235552

236183

OPERATOR

☒ Initial Report ☐ Final Report

| | | | |
|-----------------|----------------------------------|---------------|-----------------|
| Name of Company | Tandem Energy Corporation | Contact | Brandi Barthels |
| Address | P.O. Box 1559, Midland, TX 79702 | Telephone No. | 361-935-9377 |
| Facility Name | Turkey Track SEC 3 Unit 003 | Facility Type | Injection - SWD |

| | | | |
|---------------|---------------|-----------|---|
| Surface Owner | Mineral Owner | Lease No. | 3 |
|---------------|---------------|-----------|---|

30-015-10454

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| XC | 3 | 19S | 29E | 1315 | North | 2635 | West | Eddy |

Latitude 32.420630 Longitude 104.034842

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|-----------------------|------------------------------|--------------------|
| Type of Release | Saltwater | Volume of Release | 30 bbls | Volume Recovered | 5 bbls |
| Source of Release | Over flow | Date and Hour of Occurrence | 09/15/08 4:30 p.m. | Date and Hour of Discovery | 09/15/08 4:30 p.m. |
| Was Immediate Notice Given? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? | Mike Bratcher @ NMOCD | 2008 SEP 23 PM 2 54 RECEIVED | |
| By Whom? | Brandi Barthels | Date and Hour | 09/15/08 4:45 p.m. | | |
| 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.*

N/A

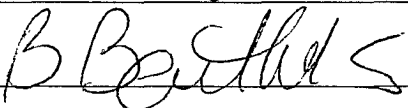
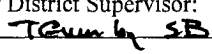
Describe Cause of Problem and Remedial Action Taken.*

The Murphy Switch malfunctioned causing overflow or leak. The remedial action plan will be developed and executed for the site after soil sampling is conducted.

Describe Area Affected and Cleanup Action Taken.*

The spill covered an area shaped like a V. One leg covered an area of approximately 97' x 6' and the other leg covered an area of approximately 165' x 6'. The remediation plan will be developed and executed based upon the soil analysis results.

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:  | <u>OIL CONSERVATION DIVISION</u> | |
| Printed Name: Brandi Barthels | Approved by District Supervisor:  | Remediation Actions to be completed and Final C-141 submitted with confirmation analyses/documentation on or before the Expiration Date. |
| Title: Regulatory & Environmental Affairs Manager | Approval Date: 10-8-08 | Expiration Date: 12-8-08 |
| E-mail Address: bbarthels@platenergy.com | Conditions of Approval: | Attached <input checked="" type="checkbox"/> |
| Date: 09/18/2008 Phone: 361.935.9377 | Within 30 days, on or before 11-08-08, completion of a remediation work plan based on delineation should be finalized and submitted for approval to the Division summarizing all actions taken and/or to be taken to mitigate environmental damage. | -2RP - 240 |

* Attach Additional Sheets If Necessary

SEB0828236048

Notify OCD 48 hours prior to obtaining samples where analyses are to be presented to OCD