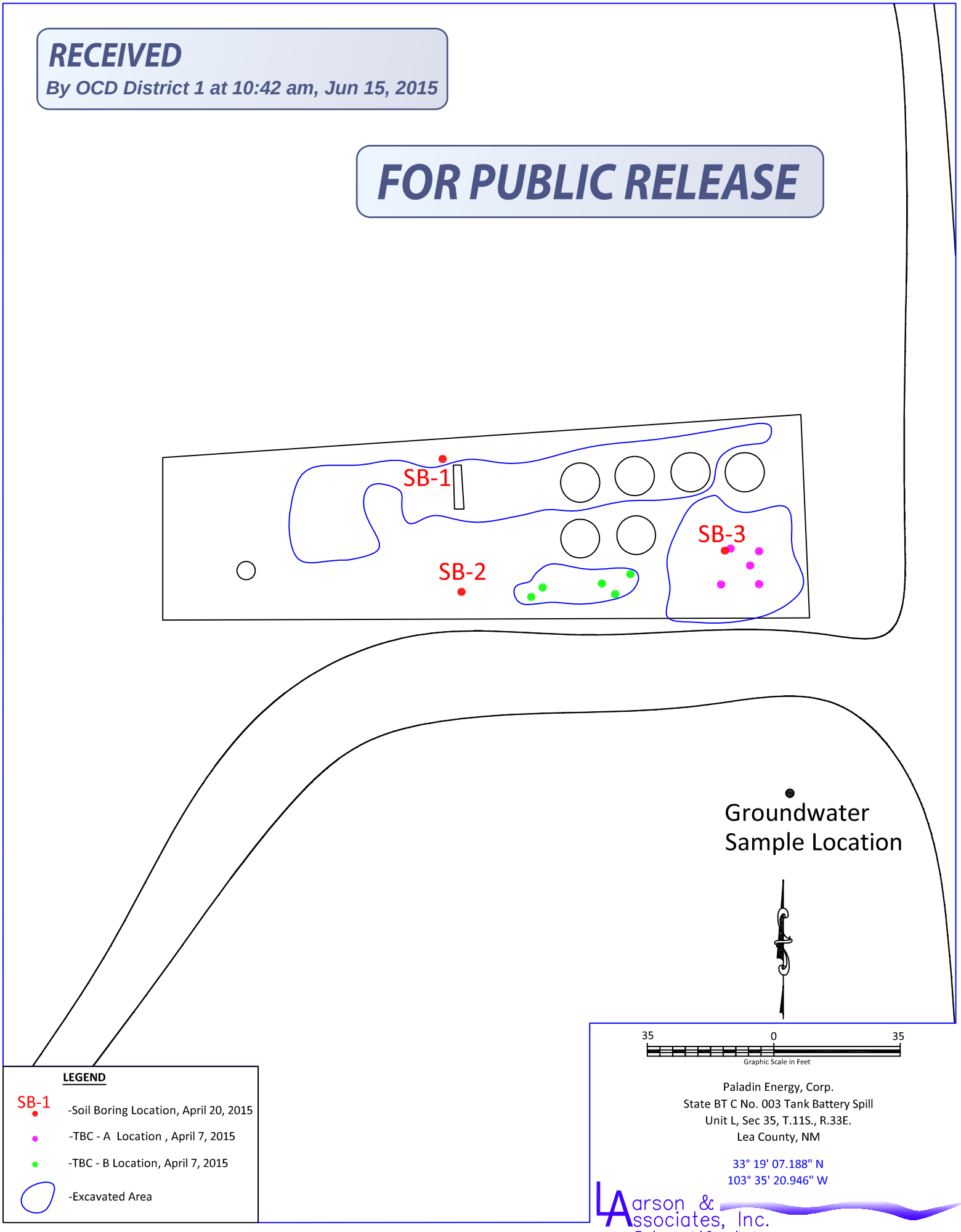

Figure 3 - Site Drawing

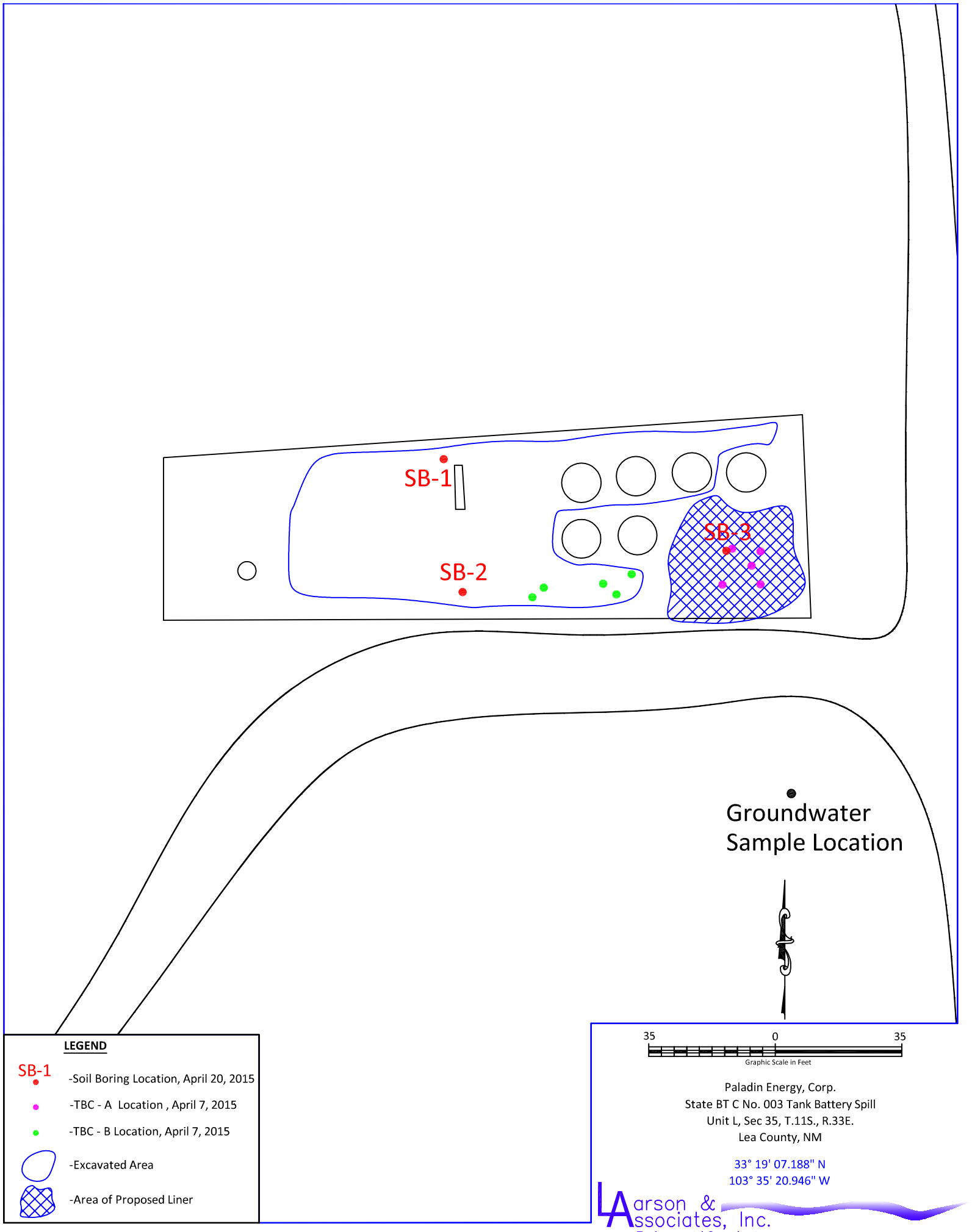

Figure 4 - Excavation and Liner Area

Table 2
Soil Boring Analytical Data Summary
Paladin Energy Corp., State BT "C" No. 003 Tank Battery
Lea County, New Mexico
1RP-3593

Sample	Depth (Feet)	Collection Date	PID (ppm)	Benzene (mg/Kg)	BTEX (mg/Kg)	C6 - C12 (mg/Kg)	>C12 - C28 (mg/Kg)	>C28 - C35 (mg/Kg)	TPH (mg/Kg)	Chloride (mg/Kg)
OCD RRAL:				**10**	**50**				**100**	
SB-1	0	4/21/2015	27.4	--	--	296	9080	833	**10,200**	420
	5	4/21/2015	264	<0.00111	0.6	493	2780	305	**3,580**	397
	10	4/21/2015	15	--	--	<27.5	35.1	<27.5	**35**	280
	15	4/21/2015	11.5	--	--	<26.3	<26.3	<26.3	<26.3	122
	20	4/21/2015	4.4	--	--	<26.6	<26.6	<26.6	<26.6	75
	25	4/21/2015	32.7	--	--	<26.9	35	<26.9	**35**	67
	30	4/21/2015	4.4	--	--	--	--	--	**--**	44
	35	4/21/2015	2.6	--	--	--	--	--	**--**	103
SB-2	0	4/21/2015	22.1	--	--	72.50	1,870	106	**2,050**	125
	5	4/21/2015	153	<0.00114	0.04555	<28.4	98.6	<28.4	**98.6**	480
	10	4/21/2015	112	--	--	43.50	399	<25.5	***443**	83.3
	15	4/21/2015	57	--	--	<29.8	<29.8	<29.8	<29.8	6.55
	20	4/21/2015	15	--	--	<27.2	<27.2	<27.2	<27.2	72.2
	25	4/21/2015	53.9	--	--	--	--	--	**--**	4.54
	30	4/21/2015	2.0	--	--	--	--	--	**--**	440
	35	4/21/2015	18.0	--	--	--	--	--	**--**	47.7
SB-3	1	4/21/2015	16	--	**--**	<32.1	685	70.5	**756**	363
	5	4/21/2015	223	<0.00130	0.3902	137	683	39.4	**860**	8.78
	10	4/21/2015	130	--	**--**	<27.5	177	<27.5	**177**	52.4
	15	4/21/2015	29	--	**--**	28.7	270	<26.0	**298**	44.5
	20	4/21/2015	13	--	**--**	<30.5	<30.5	<30.5	<30.5	<1.22
	25	4/21/2015	7.9	--	**--**	<26.9	<26.9	<26.9	<26.9	65.4
	30	4/21/2015	2.0	--	**--**	--	--	--	--	82.3
	35	4/21/2015	2.0	--	**--**	--	--	--	--	96.1

Notes: Laboratory analysis performed by Permian Basin Environmental Lab, Midland, Texas, by EPA SW-846 methods 8021B (BTEX), 8015M (TPH) and method 300 (chloride).
Depth in feet below ground surface (bgs)
mg/Kg: milligrams per kilogram equivalent to parts per million (ppm)
* Indicates sample may be cross contaminated
Bold indicates that analyte was detected above the method concentration limit
Bold and highlighted indicates that analyte was detected above the OCD recommended remediation action level (RRAL)

Table 3
Groundwater Analytical Data Summary
Paladin Energy Corp., State BT "C" No. 003 Tank Battery
Lea County, New Mexico
1RP-3593

Sample ID	Date	Benzene	Toluene	Ethylbenzene	Xylenes	Chlorides
WQCC Limit:		**0.01**	**0.8**	**0.75**	**0.62**	**250**
TMW-1	11/18/2008	<0.00100	<0.00100	<0.00100	<0.00300	**40.4**

Notes: Analysis performed by Permian Basin Environmental Lab (PBELAB), Midland, Texas
Analysis performed by EPA method SW-846-8021B (BTEX) and 300.0 (chloride)
All values reported in milligrams per liter (mg/L) equivelent to parts per million (ppm)
Bold indicates analyte was detected above reporting limit (RL) but below the regulatory limit

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

1RP-3593
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: Paladin Energy Corp.	Contact: Mickey Horn
Address: 10290 Monroe Dr., Ste. 301, Fort Worth, TX 75229	Telephone No.: (214) 352-7273
Facility Name: State BT "C" No. 003	Facility Type: Tank Battery

Surface Owner: State of New Mexico	Mineral Owner: State of new Mexico	API No.30-025-01017-00-00

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County: Lea
L	35	11S	33E	1,980	South	660	West	

Latitude: N 33° 19' 0.4" Longitude: W 103° 34' 12"

NATURE OF RELEASE

Type of Release: Crude Oil and Produced Water	Volume of Release: 15bbl oil/ 40 bbl water	Volume Recovered: 7 bbl
Source of Release: Valve failure at free water knockout	Date and Hour of Occurrence: 03/15/2015	Date and Hour of Discovery: 03/16/2015
Was Immediate Notice Given? ☐ Yes ☒ No ☐ Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.* Pop-off relief valve failed at free water knock out causing liquids to spill onto ground. Spill is limited to area inside firewall and no liquids escaped firewall. A vacuum truck was used to pick up free liquid. Backhoe and roust-a-bout crew picked up oil soil for disposal at OCD approved facility.

Describe Area Affected and Cleanup Action Taken.*Spill is limited to area inside firewall. Three (3) brings were drilled inside firewall to delineate the spill and 1 boring outside (southeast) to collect a groundwater sample. TPH was delineated with at least 2 clean samples from each boring. Chloride was delineated vertically to 250 mg/Kg. Groundwater not affected by spill with chloride being less than 50 mg/L. About 275 cubic yards of soil was excavated from inside firewall and hauled to Gandy Marley Landfill. Liner was installed in southeast corner of battery and excavations were filled with clean soil before replacing firewall.

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: Mickey Horn	**1RP-3593** OIL CONSERVATION DIVISION	
Printed Name: Mickey Horn (Paladin Energy Corp.)	Approved by: :	
Title: Sr. Project Manager / President, Larson and Associates, Inc.	Approval Date:	Expiration Date:
E-mail Address: paladinmid@suddenlink.net	Conditions of Approval:	Attached ☐
Date: 06/09/2015 Phone: (432) 522-2162		

* Attach Additional Sheets If Necessary