

RECEIVED**By JKeyes at 8:13 am, May 18, 2016**

Revised August 8, 2011

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action**OPERATOR** Initial Report Final Report

| | |
|---|---|
| Name of Company: Great Western Drilling Company | Contact: Mr. Dennis Pender |
| Address: 700 W. Louisiana Ave., Midland, TX 79701 | Telephone No.: (432) 682-5241 |
| Facility Name: SOUTH CARTER SA UNIT No. 302 | Facility Type: Production Facility |
| Surface Owner: Great Western Drilling Company | Mineral Owner: Great Western Drilling Company |
| API No.: 30-025-07932 | |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| C | 8 | 18S | 39E | 330 | N | 1650 | W | Lea |

Latitude 32.767782 Longitude -103.069444 (approximate center point of suspected release)

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release: Suspected Release of produced fluids | Volume of Release: Unknown | Volume Recovered: Unknown |
| Source of Release: Suspected Release Source is unknown. | Date and Hour of Occurrence: Unknown (please see below) | Date and Hour of Discovery: Unknown (please see below) |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Not Applicable | |
| By Whom? : Not Applicable | Date and Hour: Not Applicable | |
| 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.*

Although the cause of the suspected historical release is unknown, it seems possible that a pipeline carrying produced fluids from the location may have leaked. Remedial action has not yet occurred; however, the section below outlines action plans to assess and address the area.

Describe Area Affected and Cleanup Action Taken.*

At the NMOCD's request, Great Western Drilling Company has reviewed historical and current aerial imagery related to vegetation at the location. This review suggests that a release may have occurred in the past as a change in vegetation appears in imagery from September 1991. The initial review of the suspected release did not suggest any impact to a watercourse. Great Western plans to perform an assessment of current conditions at the site and to address any visual staining at the location.

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:  | OIL CONSERVATION DIVISION | |
| Printed Name: Dennis Pender | Approved by Environmental Specialist:  | |
| Title: Purchasing - Environmental | Approval Date: 05/18/2016 | Expiration Date: 07/18/2016 |
| E-mail Address: dpender@gwdc.com | Conditions of Approval: Discrete samples only. Delineate and remediate per NMOCD guidelines. | Attached <input type="checkbox"/> IRP 4282 |
| Date: 01/12/2016 | Phone: (432) 682-5241 x141 | |

* Attach Additional Sheets If Necessary

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