

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

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	Saber Resources, Inc.	Contact	Doug Keathley
Address	400 W. Illinois, Suite 950, Midland, TX 79701	Telephone No.	(432) 685-0169
Facility Name	C.E. Brooks #2	Facility Type	Tank Battery

Surface Owner	Joe Tarber	Mineral Owner	Fee Lease - Various Owners	API No. 30-025-29334 IRP # 1404
---------------	------------	---------------	----------------------------	---

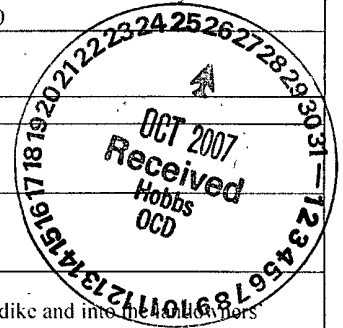
LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
E	18	17S	39E	1980	North	660	West	Lea

Latitude N 32 deg. 50.224' Longitude W 103 deg. 05.591'

NATURE OF RELEASE

Type of Release	Oil and Water	Volume of Release	400 bbl	Volume Recovered	385
Source of Release	Produced Water Storage Tank	Date and Hour of Occurrence	6/4/07 @ 0700	Date and Hour of Discovery	6/4/07 @ 1000
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Larry Johnson - OCD, Hobbs		
By Whom?	Nelson Patton	Date and Hour	6/4/07 1600		
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.*
Produced water tank overflowed. Spill was primarily contained within the firewall. Approximately 10 bbl ran over the dike and into the field. Using vacuum trucks, approximately 380 bbl of fluid was removed from the tank battery firewall and approximately 5 bbl was removed from the field.

Describe Area Affected and Cleanup Action Taken.*
Firewall dimensions are approximately 120' x 50'. Dimensions of field area affected are approximately 40' x 20'. Impacted soil was removed from the tank battery and field, and disposed at an NMOCD approved disposal facility. Soil samples were collected following the excavation of each area, and laboratory results are attached. The tank battery area will be backfilled with clean soil. The field will be re-seeded if the landowner requests.

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.

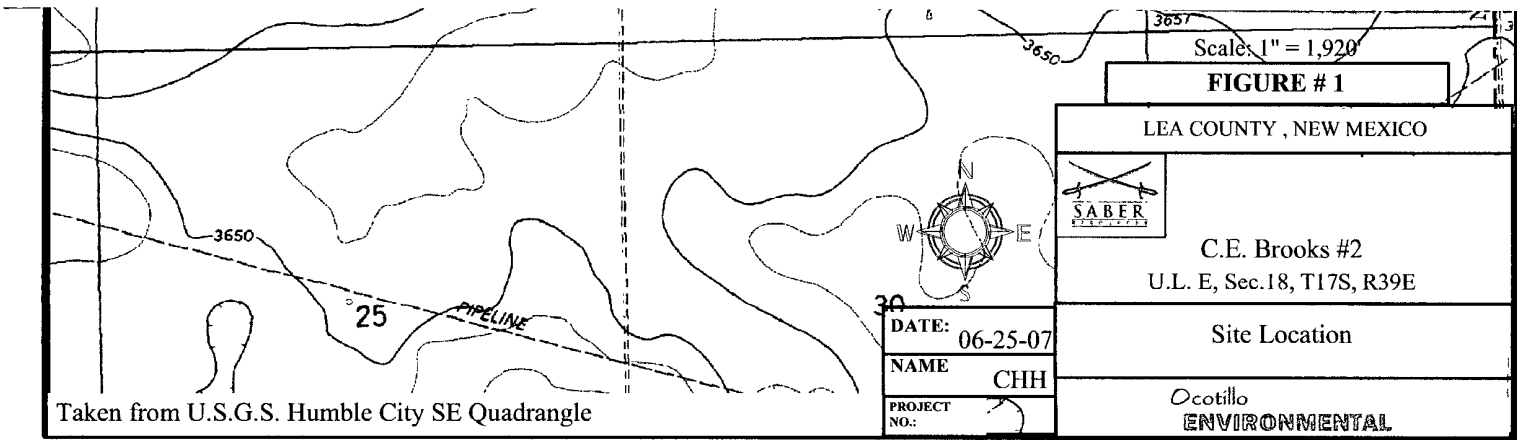
Signature:	OIL CONSERVATION DIVISION ENVIRONMENTAL ENGINEER	
Printed Name: Doug Keathley	Approved by District Supervisor	
Title: R. DOUGLAS KEATHLEY, VICE-PRESIDENT OPERATIONS	Approval Date: 10.26.07	Expiration Date:
E-mail Address: Doug@SaberResources.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 10/23/07 Phone (432) 685-0169		

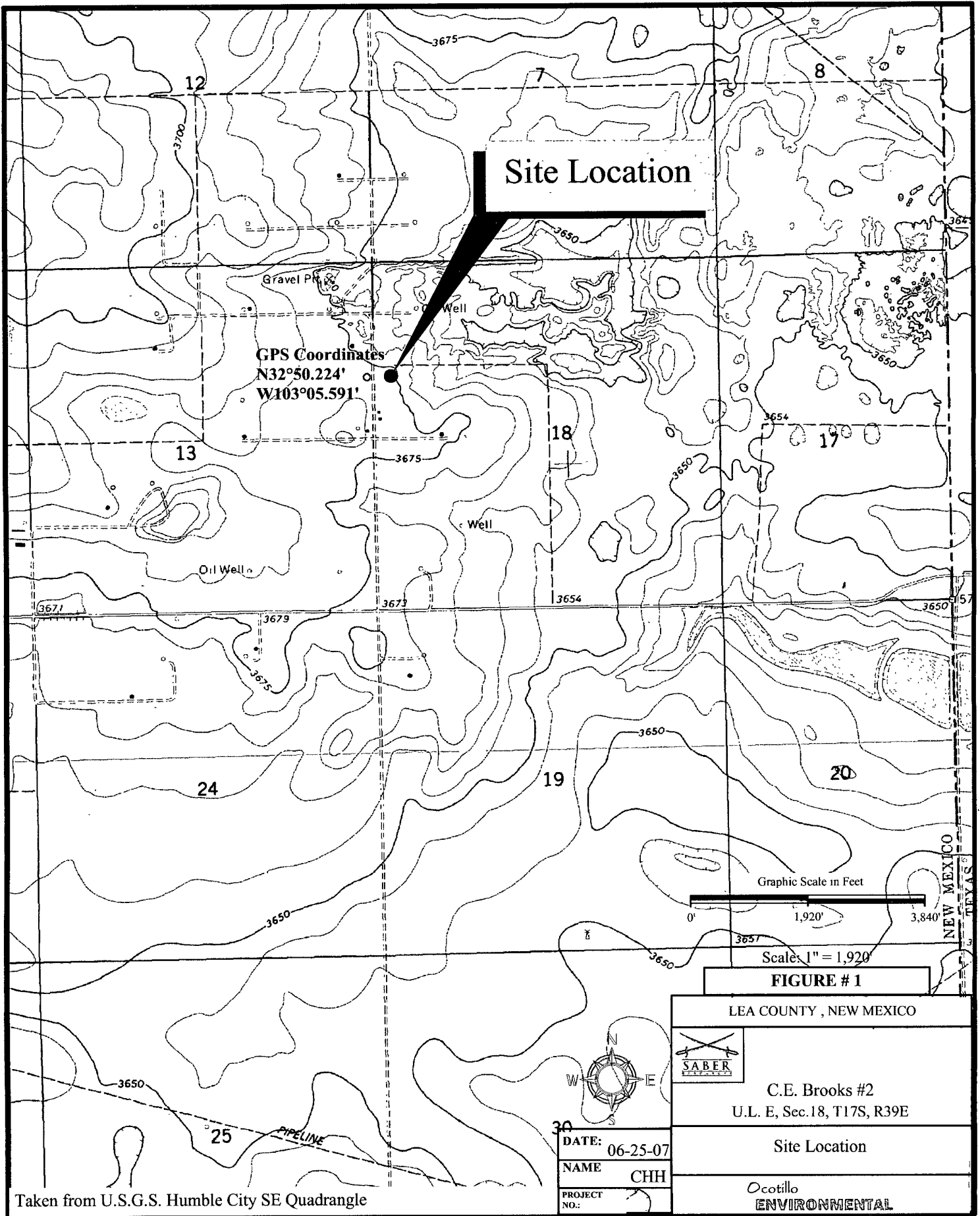
* Attach Additional Sheets If Necessary

Table 1: Summary of Laboratory Analysis of Confirmation Soil Samples
Saber Resources, C. E. Brooks #2
Section 18, Township 17 South, Range 39 East
Lea County, New Mexico

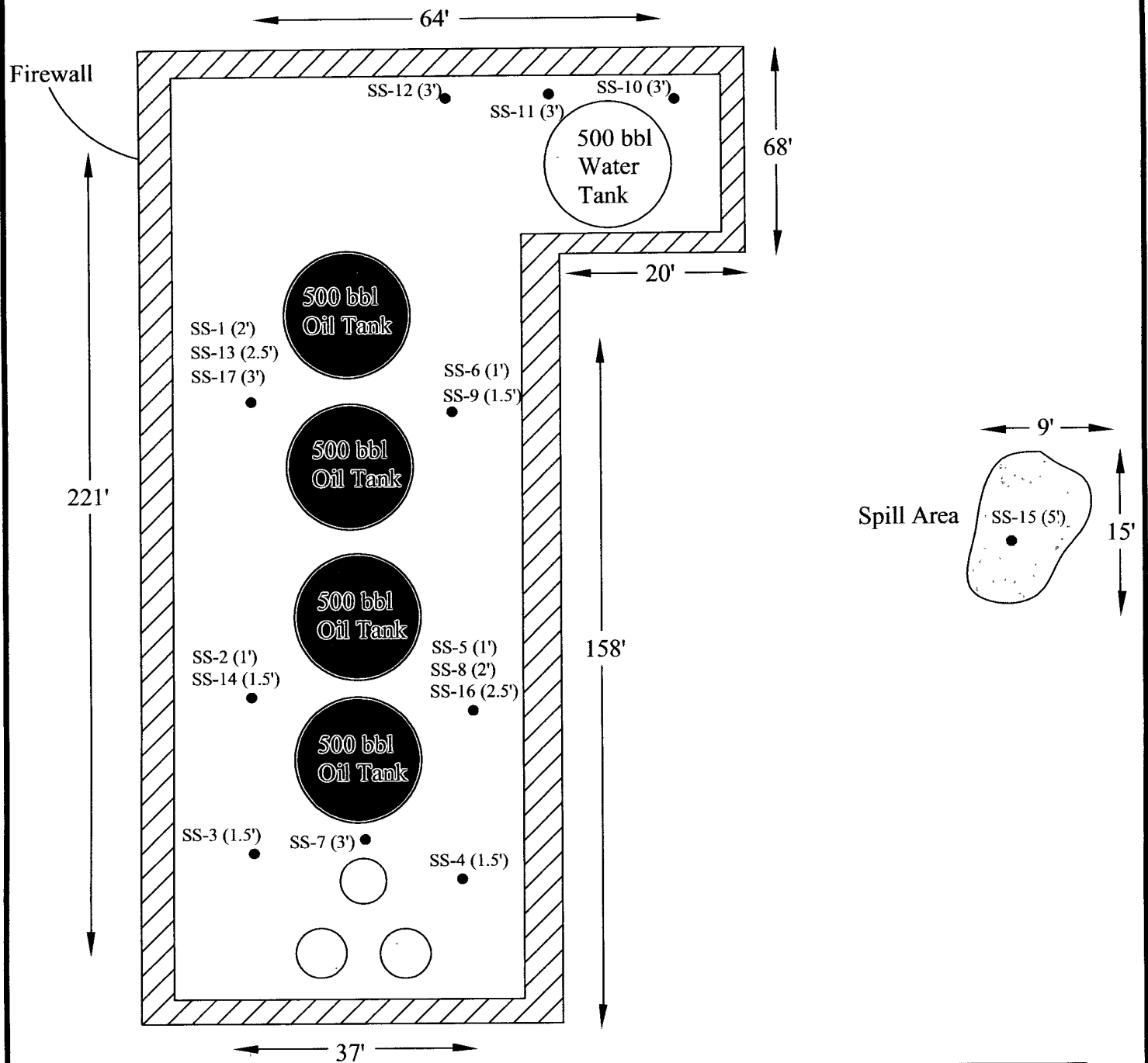
Sample Date	Soil Sample Number	Sample Depth (feet BGS)	GRO (C6-C10)	DRO >(C10-C28)	Total TPH	Chloride
8/21/07	SS-1	2	<10.0	270	270	464
9/5/07	SS-13	2.5	<25.0	3,090	3,090	3070
9/12/07	SS-17	3	<10.0	314	314	352
8/21/07	SS-2	1	784	5870	6654	1870
9/5/07	SS-14	1.5	<10.0	192	192	1140
8/21/07	SS-3	1.5	<10.0	88.9	88.9	624
8/21/07	SS-4	1.5	<10.0	298	298	832
8/21/07	SS-5	1	15.8	1260	1275.8	1260
9/5/07	SS-8	2	<25.0	2920	2920	960
9/12/07	SS-16	2.5	<10.0	<10.0	<20.0	112
8/21/07	SS-6	1	<10.0	874	874	480
9/5/07	SS-9	1.5	<10.0	763	763	1230
9/5/07	SS-7	3	<10.0	571	571	736
9/5/07	SS-10	3	<10.0	137	137	112
9/5/07	SS-11	3	<10.0	240	240	352
9/5/07	SS-12	3	<10.0	<10.0	<20.0	176
9/5/07	SS-15	5	<10.0	121	121	96

Notes:
1. BGS: Depth in feet below ground surface
2. mg/kg: Milligrams per kilogram



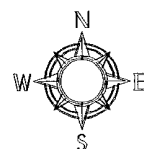


Taken from U.S.G.S. Humble City SE Quadrangle



Legend

- SS-1 (2') Soil Sample Location with Depth (feet).
- Separator
- Heater Treater



DATE: 10-20-07
 NAME: CHH
 PROJECT NO.: 0807-027R

FIGURE # 2

LEA COUNTY, NEW MEXICO



Saber Resources

C.E. Brooks #2
 U.L-E, Sec.18, T17S, R34E

Site Drawing
 (Not to Scale)

Ocotillo
 ENVIRONMENTAL

Permian Treating Chemicals, Inc.

WATER ANALYSIS REPORT

SAMPLE

Oil Co. : **Sabre Res.**
 Lease : **Brooks**
 Well No.: **#2**
 Location:
 Attention:

Date Sampled : **06-September-2005**
 Date Analyzed: **13-September-2005**
 Lab ID Number: **Sep1305.001- 2**
 Salesperson :
 File Name : **G:\ANALYSES\DATA\Sep1305.001**

ANALYSIS

- | | |
|------------------------------|--------------------|
| 1. Ph | 7.440 |
| 2. Specific Gravity 60/60 F. | 1.033 |
| 3. CACO3 Saturation Index | @ 80F 0.800 |
| | @140F 1.750 |

Dissolved Gasses

- | | |
|---------------------|-----------------------|
| 4. Hydrogen Sulfide | Present |
| 5. Carbon Dioxide | Not Determined |
| 6. Dissolved Oxygen | Not Determined |

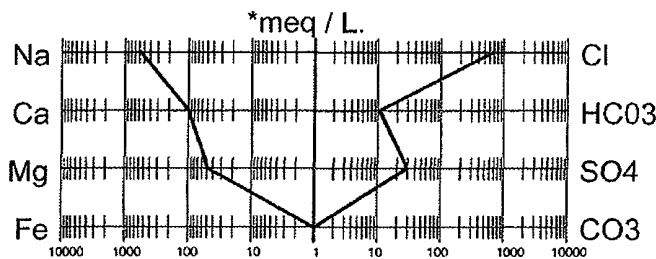
Cations

- | | | | |
|------------------------------|-----------------------|-----------------|---------------|
| 7. Calcium (Ca++) | 1,936 | / 20.1 = | 96.32 |
| 8. Magnesium (Mg++) | 562 | / 12.2 = | 46.07 |
| 9. Sodium (Na+) (Calculated) | 12,536 | / 23.0 = | 545.04 |
| 10. Barium (Ba++) | Not Determined | | |

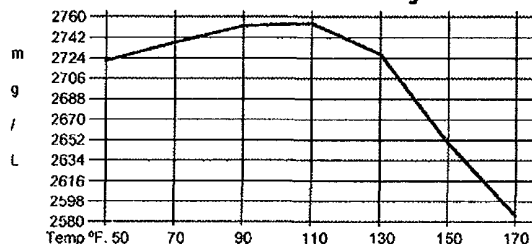
Anions

- | | | | |
|--------------------------------------|---------------|---------------------|---------------|
| 11. Hydroxyl (OH+) | 0 | / 17.0 = | 0.00 |
| 12. Carbonate (CO3=) | 0 | / 30.0 = | 0.00 |
| 13. Bicarbonate (HCO3-) | 634 | / 61.1 = | 10.38 |
| 14. Sulfate (SO4=) | 1,400 | / 48.8 = | 28.69 |
| 15. Chloride (Cl-) | 22,995 | / 35.5 = | 647.75 |
| 16. Total Dissolved Solids | 40,063 | | |
| 17. Total Iron (Fe) | 6 | / 18.2 = | 0.30 |
| 18. Total Hardness as CaCO3 | 7,146 | | |
| 19. Resistivity @ 75 F. (Calculated) | 0.216 | Ohm · meters | |

LOGARITHMIC WATER PATTERN



Calcium Sulfate Solubility Profile



PROBABLE MINERAL COMPOSITION

COMPOUND	*meq/L	X	EQ. WT. =	mg/L.
Ca(HCO3)2	10.38	81.04		841
CaSO4	28.69	68.07		1,953
CaCl2	57.25	55.50		3,178
Mg(HCO3)2	0.00	73.17		0
MgSO4	0.00	60.19		0
MgCl2	46.07	47.62		2,194
NaHCO3	0.00	84.00		0
NaSO4	0.00	71.03		0
NaCl	544.43	58.46		31,827

* milliequivalents per Liter

J.R. Alford
 J.R. Alford, Analyst



PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
OCOTILLO ENVIRONMENTAL LLC
ATTN: CINDY CRAIN
P.O. BOX 1816
HOBBS, NM 88241
FAX TO: (432) 272-0304

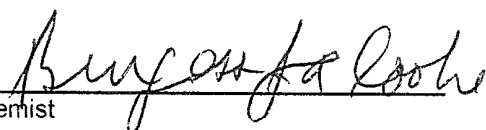
Receiving Date: 08/21/07
Reporting Date: 08/22/07
Project Owner: SABER
Project Name: C E. BROOKS #2
Project Location: LEA CO., NM

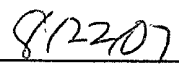
Sampling Date: 08/21/07
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: AB
Analyzed By: BC/KS

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/Kg)	DRO (>C ₁₀ -C ₂₈) (mg/Kg)	CI* (mg/Kg)
		08/21/07	08/21/07	08/22/07
H13147-1	SS-1	<10.0	270	464
H13147-2	SS-2	784	5870	1870
H13147-3	SS-3	<10.0	88.9	624
H13147-4	SS-4	<10.0	298	832
H13147-5	SS-5	15.8	1260	1260
H13147-6	SS-6	<10.0	874	480
Quality Control		767	792	500
True Value QC		800	800	500
% Recovery		95.9	99.1	100
Relative Percent Difference		0.7	0.7	<0.1

METHODS: TPH GRO & DRO. EPA SW-846 8015 M; CI* Std Methods 4500-CI*B

*Analyses performed on 1:4 w:v aqueous extracts.


Chemist


Date

H13147 OCO

PLEASE NOTE **Liability and Damages** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603
(505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325) 673-7020

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: <u>Oestillo Environmental LLC</u>				BILL TO				ANALYSIS REQUEST																			
Project Manager: <u>Cindy Crain</u>				P.O. #:				<div style="display: flex; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">TPH 8015 M</div> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">Chloride</div> </div>																			
Address: <u>2125 French Drive</u>				Company: <u>Oestillo</u>																							
City: <u>Hobbs</u> State: <u>NM</u> Zip: <u>88240</u>				Attn:																							
Phone #: <u>505-441-7244</u> Fax #: <u>432-272-0304</u>				Address:																							
Project #: <u>6-1209</u> Project Owner: <u>Saber</u>				City:																							
Project Name: <u>C.E. Brooks #2</u>				State: Zip:																							
Project Location: <u>Lea County NM</u>				Phone #:																							
Sampler Name:				Fax #:																							
FOR LAB USE ONLY		Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP # CONTAINERS	MATRIX						PRESERV			SAMPLING													
					GROUNDWATER	WASTEWATER	SOIL	SOIL	SLUDGE	OTHER	ACID/BASE	ICE / COOL	OTHER	DATE	TIME												
		H13147-1	55-1	G 1			✓				✓	8-21-07	9:42	✓	✓												
		-2	55-2	G 1			✓				✓	"	9:55	✓	✓												
		-3	55-3	G 1			✓				✓	"	10:08	✓	✓												
		-4	55-4	G 1			✓				✓	"	10:15	✓	✓												
		-5	55-5	G 1			✓				✓	"	10:21	✓	✓												
		-6	55-6	G 1			✓				✓	"	10:34	✓	✓												

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Relinquished By:		Date:	Received By:	Phone Result: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Add'l Phone #:
		Time:		Fax Result: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Add'l Fax #:
Relinquished By:		Date: <u>08/21/07</u>	Received By:	REMARKS: <u>432-272-0304</u>
<u>Steve Crain</u>		Time: <u>1:25pm</u>	<u>ASB</u>	
Delivered By: (Circle One)			CHECKED BY: (Initials) <u>ASB</u>	
Sampler - UPS - Bus - Other:			Sample Condition Cool Intact <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476



ARDINAL LABORATORIES

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
OCOTILLO ENVIRONMENTAL LLC
ATTN: CINDY CRAIN
P.O. BOX 1816
HOBBS, NM 88241
FAX TO: (432) 272-0304

Receiving Date: 09/05/07
Reporting Date: 09/10/07
Project Number: 6-1209
Project Name: C.E. BROOKS #2
Project Location: LEA COUNTY, NM

Sampling Date: 09/05/07
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: KR
Analyzed By: CK/KS

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₂) (mg/Kg)	DRO (>C ₁₂ -C ₂₈) (mg/Kg)	CI* (mg/Kg)
		09/07/07	09/07/07	09/07/07
H13239-1	SS-7	<10.0	571	736
H13239-2	SS-8	<25.0	2920	960
H13239-3	SS-9	<10.0	763	1230
H13239-4	SS-10	<10.0	137	112
H13239-5	SS-11	<10.0	240	352
H13239-6	SS-12	<10.0	<10.0	176
H13239-7	SS-13	<25.0	3090	3070
H13239-8	SS-14	<10.0	192	1140
H13239-9	SS-15	<10.0	121	96
Quality Control		453	530	500
True Value QC		500	500	500
% Recovery		90.7	106	100
Relative Percent Difference		0.3	0.87	<0.1

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; Std. Methods 4500-CF-B

*Analyses performed on 1:4 w:v aqueous extracts.

Chemist

Date

H13239 Ocotillo

PLEASE NOTE **Liability and Damages** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476



ARDINAL LABORATORIES

PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E MARLAND • HOBBS NM 88240

ANALYTICAL RESULTS FOR
OCOTILLO ENVIRONMENTAL, LLC
ATTN: CINDY CRAIN
P.O. BOX 1816
HOBBS, NM 88241
FAX TO: (432) 272-0304

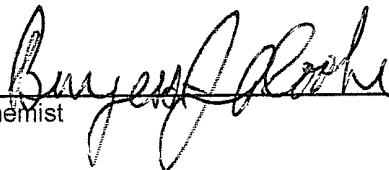
Receiving Date: 09/12/07
Reporting Date: 09/14/07
Project Number: 6-1290
Project Name: C.E. BROOKS #2
Project Location: LEA COUNTY, NM

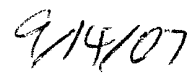
Sampling Date: 09/12/07
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: NF
Analyzed By: BC/HM

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/Kg)	DRO (>C ₁₀ -C ₂₈) (mg/Kg)	Cl* (mg/Kg)
		09/12/07	09/12/07	09/13/07
H13283-1	SS-16 @ 2.5'	<10.0	<10.0	112
H13283-2	SS-17 @ 3'	<10.0	314	352
Quality Control		570	611	500
True Value QC		600	600	500
% Recovery		95.0	102	100
Relative Percent Difference		2.4	1.1	<0.1

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; Cl: Std. Methods 4500-ClB

*Analyses performed on 1:4 w:v aqueous extracts


Chemist


Date

H13283 OCO

PLEASE NOTE **Liability and Damages** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603
(505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325) 673-7020

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

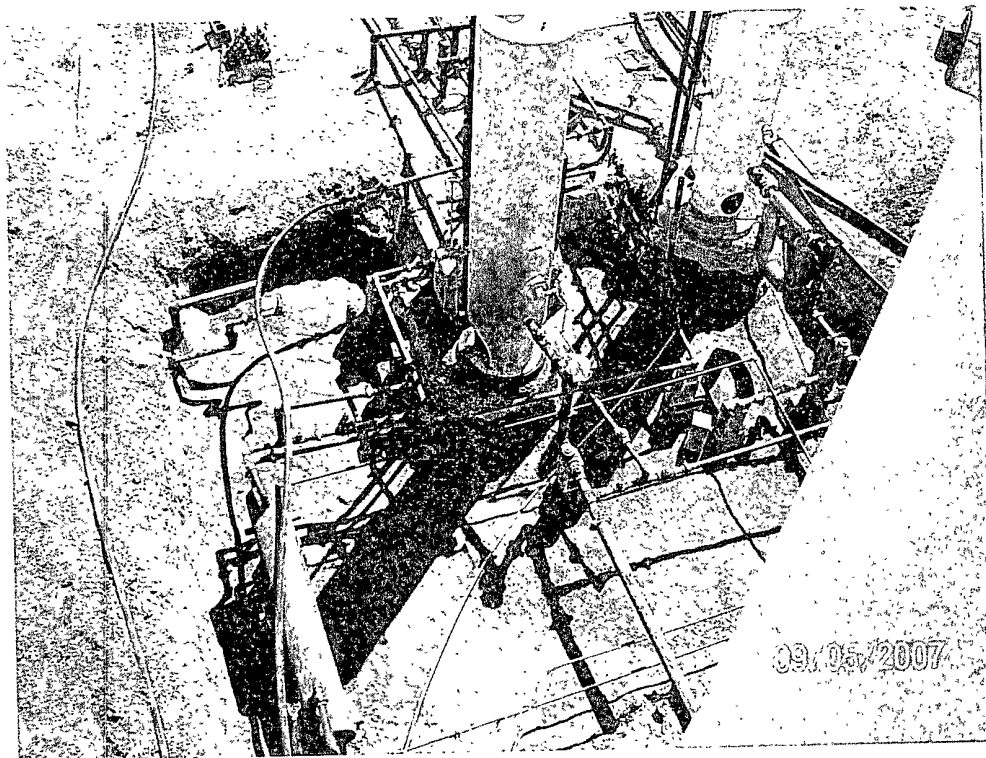
Company Name: <u>Ocotillo Environmental LLC</u>		BILL TO		ANALYSIS REQUEST																						
Project Manager: <u>Cindy Crain</u>		P.O. #:		<div style="display: flex; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); font-size: 2em; margin-right: 10px;">TPH 8015M</div> <div style="writing-mode: vertical-rl; transform: rotate(180deg); font-size: 2em;">Chloride</div> </div>																						
Address: <u>2125 French Dr</u>		Company:																								
City: <u>Hobbs</u> State: <u>N.M.</u> Zip: <u>88240</u>		Attn:																								
Phone # <u>505-441-7244</u> Fax # <u>432-272-0304</u>		Address:																								
Project #: <u>6-1290</u> Project Owner: <u>Saber Resource</u>		City:																								
Project Name: <u>C.E. Brooks #2</u>		State: Zip:																								
Project Location: <u>Lea County NM</u>		Phone #:																								
Sampler Name: <u>Steve Cannon</u>		Fax #:																								
FOR LAB USE ONLY																										
Lab I.D.	Sample I.D.	GRAB OR (C)OMP	# CONTAINERS	MATRIX				PRESERV.		SAMPLING																
				GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	ACID/BASE	ICE / COOL	OTHER	DATE	TIME												
H13283-1	55-16 @ 2.5'	G	1			✓				✓			9-12-07	10:15	X	X										
-2	55-17 @ 3'	G	1			✓				✓			"	10:25	X	X										

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

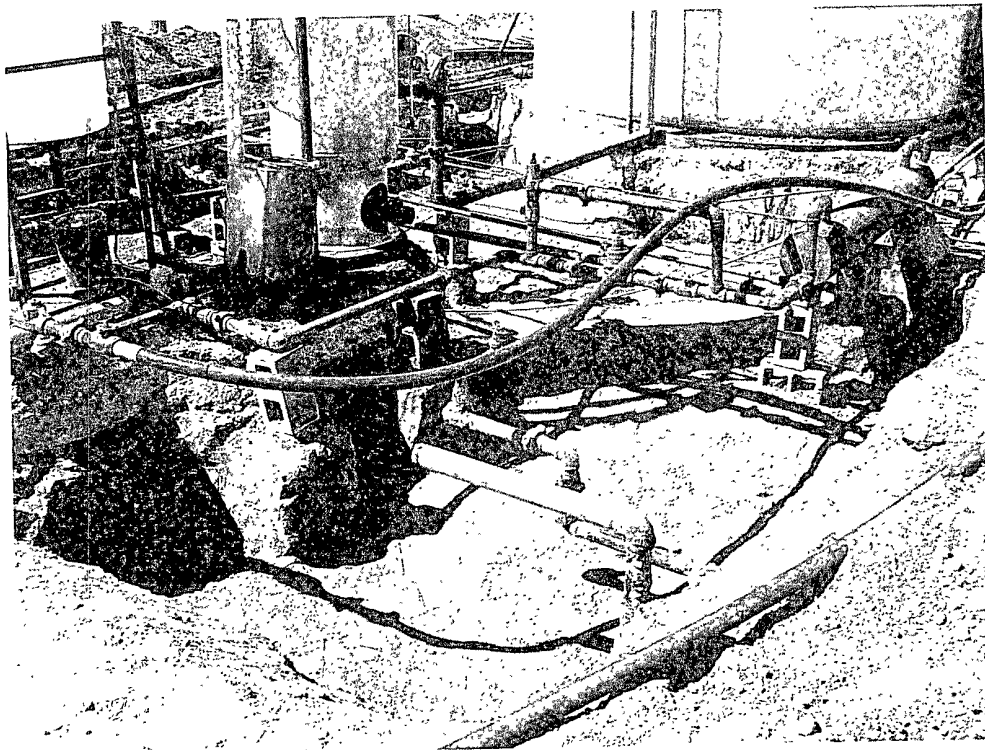
Relinquished By: <u>Steve Cannon</u>	Date: <u>9-12-07</u> Time: <u>11:15 AM</u>	Received By: <u>Phil Fuller</u>	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Phone #:
Relinquished By:	Date:	Received By:	Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Fax #:
Time:		REMARKS:	
Delivered By: (Circle One) Sampler - UPS - Bus - Other:		Sample Condition Cool Intact <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No	CHECKED BY: (Initials)

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

SABER RESOURCES
C. E. Brooks #2

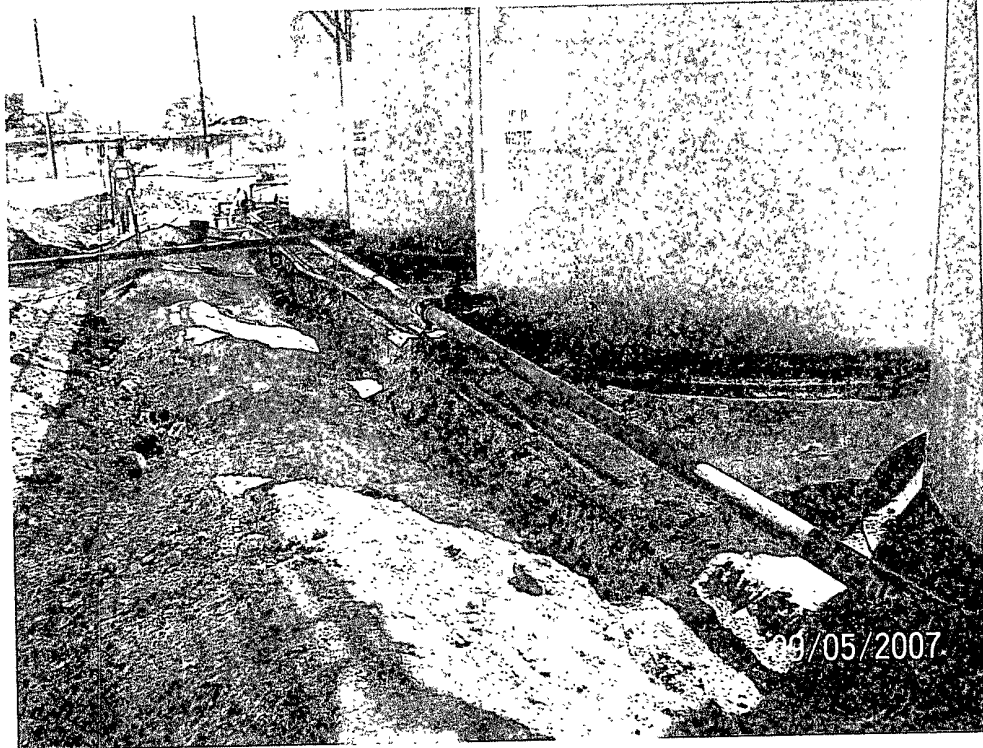


1. View of remediation south of tanks.

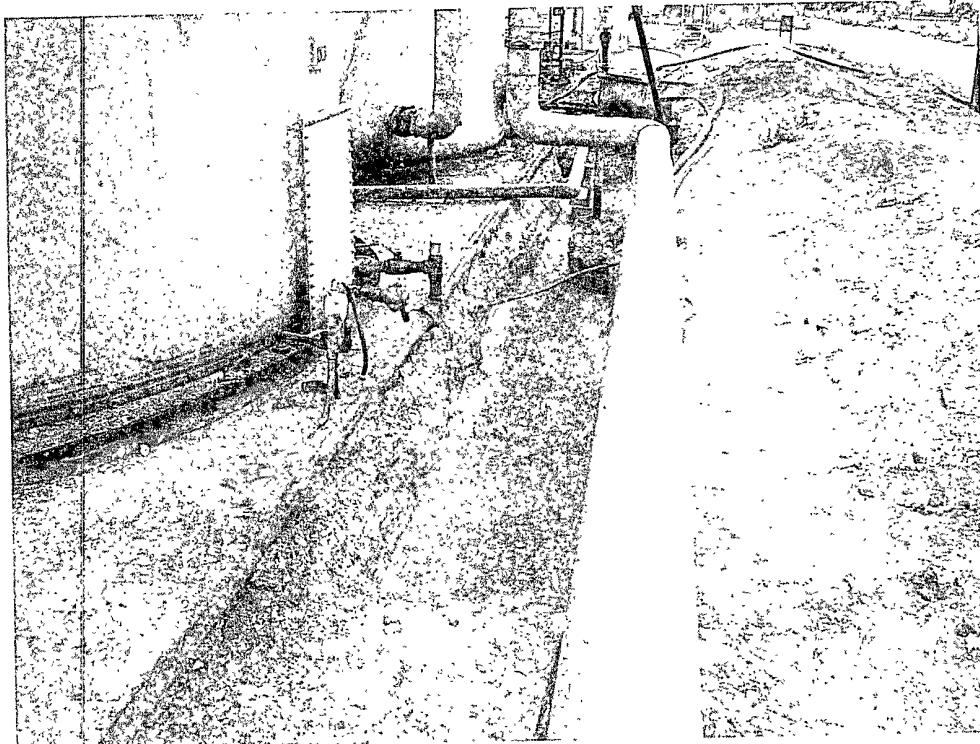


2. View of remediation south of tanks.

SABER RESOURCES
C. E. Brooks #2

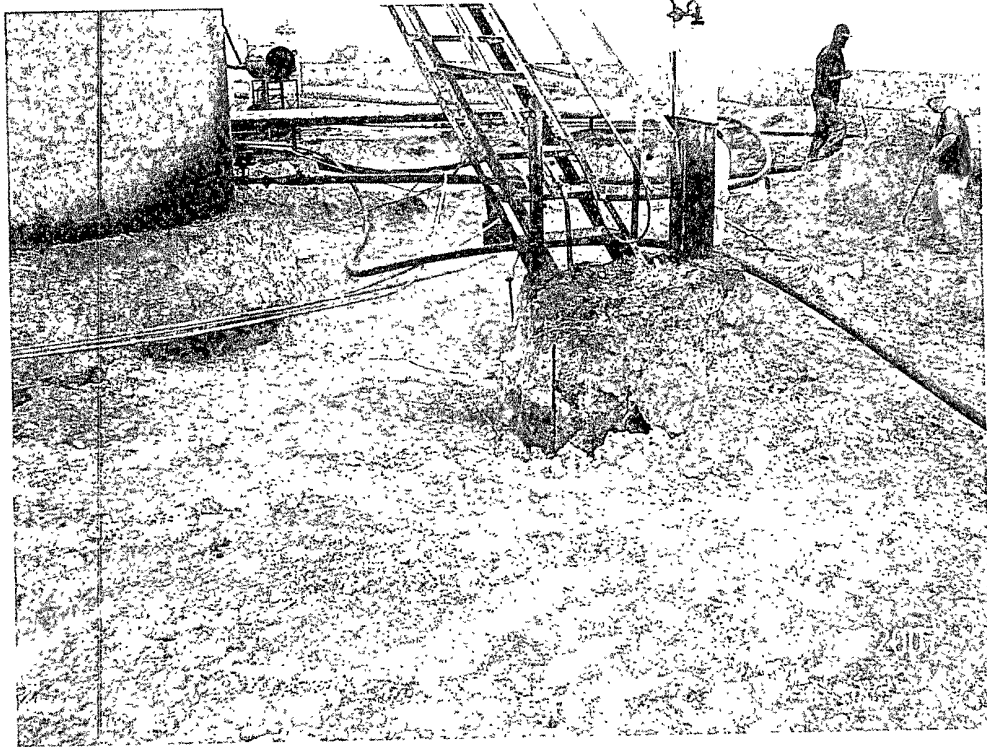


3. View to south along east side of tanks.

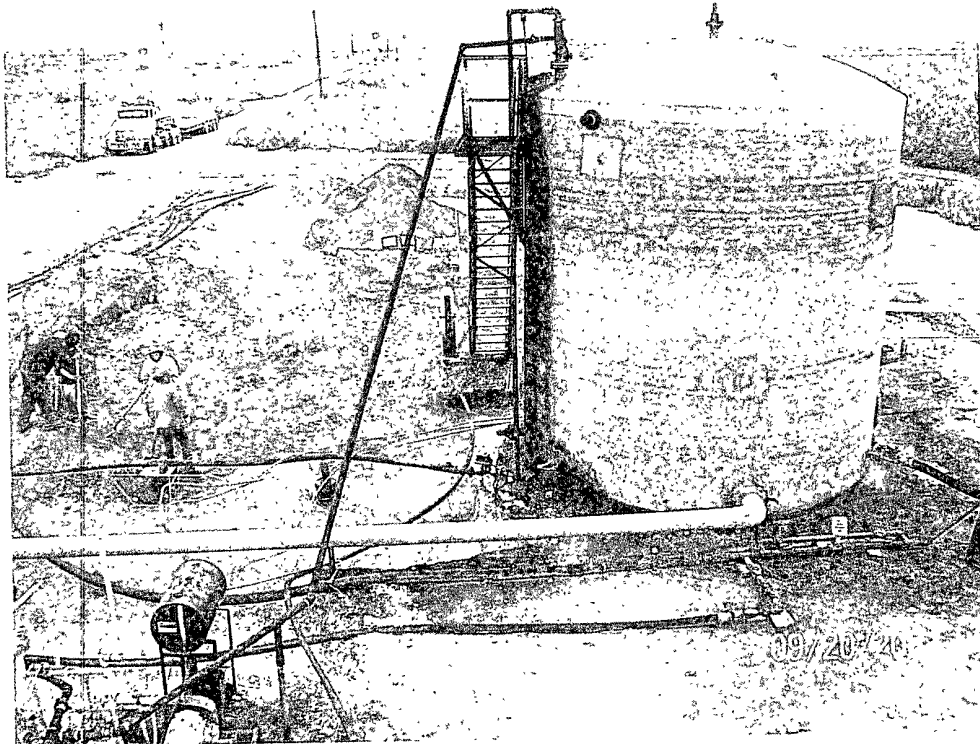


4. View to south along west side of tanks.

SABER RESOURCES
C. E. Brooks #2

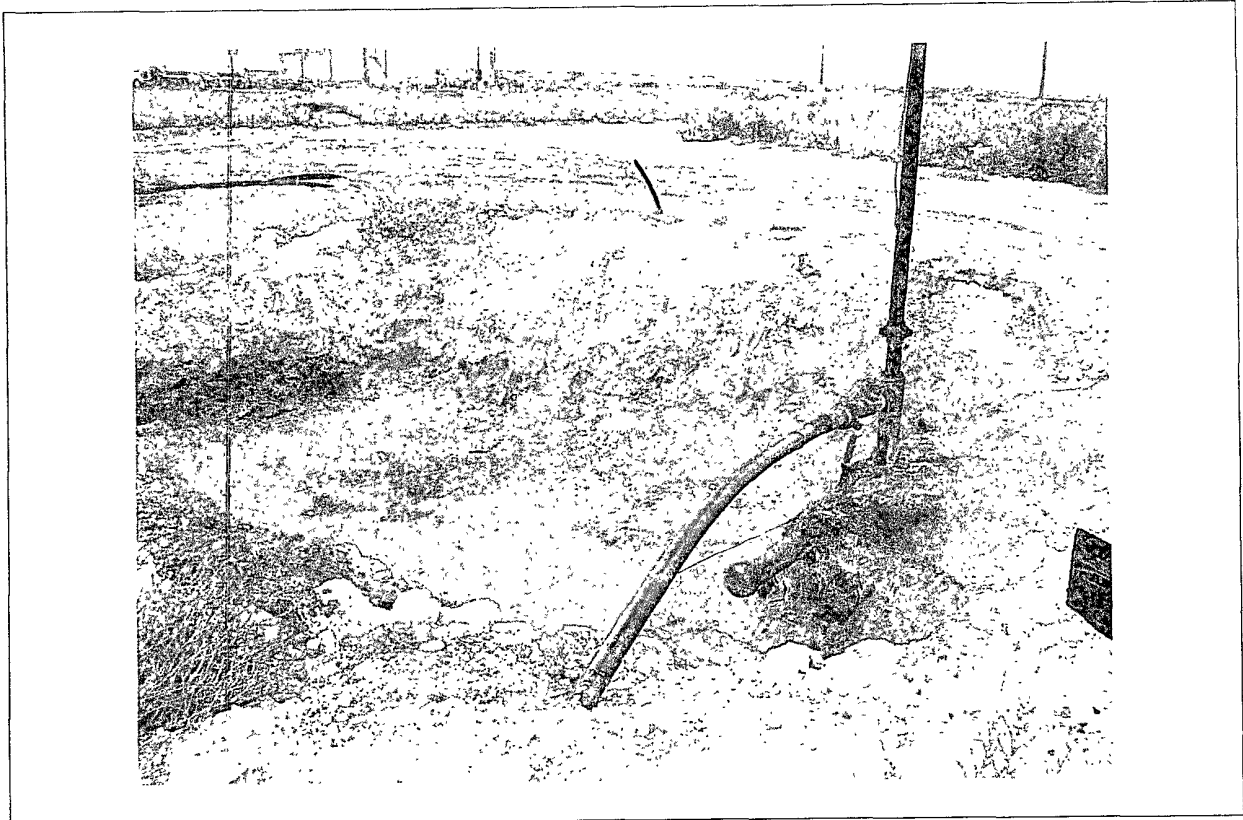


5. View to northwest of remediation.

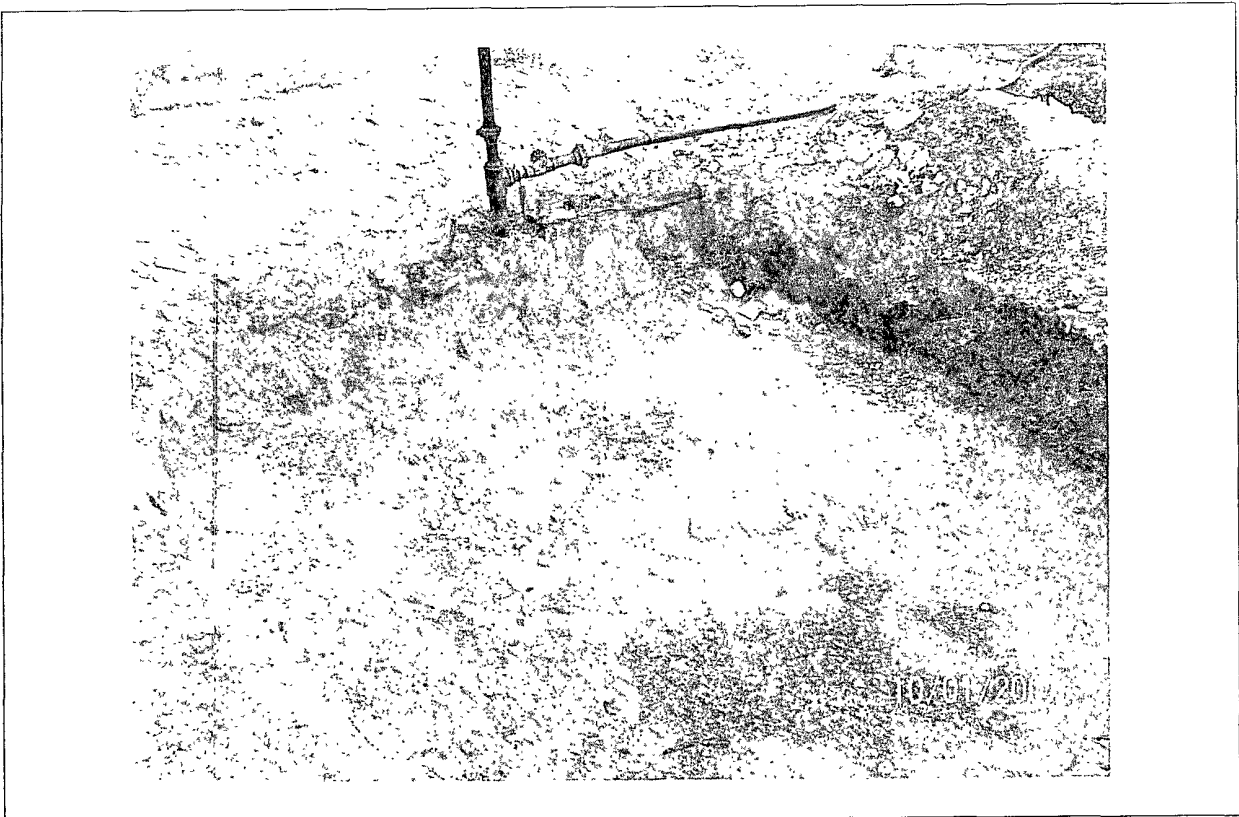


6. View to northwest of remediation.

SABER RESOURCES
C. E. Brooks #2



7. View to northwest of flare pit remediation.



8. View of flare pit remediation.