

June 7, 2015 McCurley #1 Oil Spill Cleanup Update

On June 3, 2015, Array Operating personnel reported tank gauges and volumes that when calculated, would show that there is 131.93 bbl of oil still missing from the McCurley #1 tank battery. On June 7, 2015, Array Operating personnel offered a different set of tank gauges and volumes that when calculated, would show that there is 45.09 bbls of oil still missing. The following is an explanation of the two different sets of numbers.

June 3, 2015

Array Operating reported the inventory on location before the leak as:

| | | |
|--------------------------------|---------|-------------|
| Tank # 112368 | 13' 00" | 260.00 bbls |
| Tank # 112369 | 6' 08" | 133.36 bbls |
| TOTAL on Location before spill | | 393.36 bbls |

Array Operating reported the inventory on location after the leak as:

| | | |
|-------------------------------|--------|--------------|
| Tank # 112368 | 0'00" | 0 bbls |
| Tank # 112369 | 11'01" | 221.67 bbls |
| Oil tank on Allred Lease ? | | 40.00 bbls * |
| SW tank on Allred Lease ? | | 00.00 bbls |
| TOTAL on Location AFTER spill | | 261.67 bbls |

TOTAL VOLUME OF SPILL BASED ON GAUGES GIVEN 6-3-2015:

$393.36 - 261.67 = 131.69$ bbls

June 7, 2015

Array Operating reported the inventory on location before the leak as:

| | | |
|--------------------------------|--------|-------------|
| Tank #112368 | 12'10" | 257.18 bbls |
| Tank #112369 | 6'02" | 123.58 bbls |
| TOTAL on Location before spill | | 380.76 |

Array Operating reported the inventory on & off location AFTER the leak as:

| | | |
|-------------------------------|--------|--------------|
| Tank #112368 | 0'00" | 0 bbls |
| Tank #112369 | 11'01" | 221.67 bbls |
| Oil tank on Allred lease | | 60.00 bbls * |
| SW tank on Allred lease | | 53.44 bbls * |
| TOTAL on Location AFTER Spill | | 335.11 bbls |

TOTAL VOLUME OF SPILL BASED ON GAUGES GIVEN 6-7-2015:

$380.76 - 335.11 = 45.65$ bbls

*Beginning gauges were not verified before putting oil in these tanks

*Denotes oil reported moved from McCurley #1 to Allred lease

*MSOGB was not notified that oil was being moved from the McCurley #1