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 _{NM} Energy Minerals and Natural Resources Department

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

NM Oil Conservation Div. I Dist. II - Artesia Received 10/05/2018 Form C-141 Revised August 24, 2018 Submit to appropriate OCD District office 10/05/2018

Incident ID	NAB1828444414
District RP	2RP-5002
Facility ID	
Application ID	pAB1828444497

Release Notification

Responsible Party

Responsible Party Vanguard Operating, LLC	OGRID 258350
Contact Name Jason Fisher	Contact Telephone 505-918-0523
Contact email jfisher@vnrenergy.com	Incident # (assigned by OCD) NAB1828444414
Contact mailing address 4001 Penbrooke Suite 201 Odessa, TX 79762	

Location of Release Source

Latitude 32.798611	Longitude -104.226804
(1	AD 83 in decimal degrees to 5 decimal places)
Site Name Resler State Battery	Site Type Tank Battery
	(N)

She Fune Region State Datery	She Type Tune Bullety
Date Release Discovered 9-25-2018	API# Please see attached (30-015-31283)

Unit Letter	Section	Township	Range	County
Р	25	17S	27E	Eddy

Surface Owner: XX State Federal Tribal Private (Name: _

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

Crude Oil	Volume Released (bbls)	Volume Recovered (bbls) 0
Produced Water	Volume Released (bbls)	Volume Recovered (bbls)
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	Yes 🗌 No
Condensate	Volume Released (bbls)	Volume Recovered (bbls)
🛛 Natural Gas	Volume Released (Mcf) 954	Volume Recovered (Mcf) 0
Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)
The gas purchaser requ 01-2018.	ested a reduction in gas due to equipment issues in the	ir plant. The site was put to flare and back to sales on 1–

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State of New Mexico Oil Conservation Division

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Was this a major	If YES, for what reason(s) does the responsible party consider this a major release?
release as defined by	Greater than 500 mcf.
19.15.29.7(A) NMAC?	
X Yes No	
	otice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?
Yes by Chuck Johnston to	o Mike Bratcher, Marie Pruett, Jim Griswold and Amalia Bustamante by email 9-28-2018 1:08 pm.
-	

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

 \boxtimes The source of the release has been stopped.

The impacted area has been secured to protect human health and the environment.

Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.

All free liquids and recoverable materials have been removed and managed appropriately.

If all the actions described above have not been undertaken, explain why:

Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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.

Printed Name:Chuck Johnston	Title:EHS Operations Specialist
Signature: Chiph	Date:10-4-2018_
email: cjohnston@vnrenergy.com	Telephone: 432-202-4771
OCD Only Received by:	Date: 10/11/2018

State of New Mexico Oil Conservation Division

Incident ID	NAB1828444414
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Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: Each of the following it	tems must be included in the closure report.
A scaled site and sampling diagram as described in 19.15.29.1	II NMAC N/A
Photographs of the remediated site prior to backfill or photos must be notified 2 days prior to liner inspection)	of the liner integrity if applicable (Note: appropriate OCD District office
Laboratory analyses of final sampling (Note: appropriate ODC	C District office must be notified 2 days prior to final sampling)
Description of remediation activities	
	(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
and regulations all operators are required to report and/or file certain may endanger public health or the environment. The acceptance of should their operations have failed to adequately investigate and rer human health or the environment. In addition, OCD acceptance of a compliance with any other federal, state, or local laws and/or regula restore, reclaim, and re-vegetate the impacted surface area to the con accordance with 19.15.29.13 NMAC including notification to the O	 mediate contamination that pose a threat to groundwater, surface water, a C-141 report does not relieve the operator of responsibility for ations. The responsible party acknowledges they must substantially nditions that existed prior to the release or their final land use in OCD when reclamation and re-vegetation are complete. e: EHS Specialist
email: cjohnston@vnrenergy.com	Telephone:432-202-4771
OCD Only Received by:	Date: _10/11/2018
	of liability should their operations have failed to adequately investigate and water, human health, or the environment nor does not relieve the responsible or regulations.
Closure Approved by:	Date: 10/11/2018
Printed Name: Amalia Bustamante	Title: Business Operations Spec O

<u>API</u>	<u>Well Name</u>	<u>Well Number</u>
30-015-31283	RESLER STATE	#001
30-015-35973	RESLER STATE	#002
30-015-37313	RESLER STATE	#003
30-015-38514	RESLER STATE	#004

Good morning Chuck,

When did the flaring begin? Today?

Amalia Bustamantg Oil Conservation Division-District II

From: Chuck Johnston <cjohnston@vnrenergy.com>
Sent: Friday, September 28, 2018 7:21 AM
To: Pruett, Maria, EMNRD <Maria.Pruett@state.nm.us>; Bustamante, Amalia, EMNRD
<Amalia.Bustamante@state.nm.us>
Subject: [EXT] Flaring

Maria, we have tuned several batteries to flare due to issues at the Frontier plant. I will complete the C-141 forms once our flaring is complete. I know I have to give notice if the release is over 500 mcf but is it 500 mcf per day or when the total flaring exceeds 500 mcf? Either way I will have to give notice but my list is shorter if it is 500 mcf per day.

Chuck Johnston EHS / Operations Specialist 432-202-4771 Cell 432-248-8154 Office 4001 Penbrooke Ste. 201 Odessa, TX 79762

