



October 1, 2018

Mike Bratcher

**New Mexico Energy, Minerals & Natural Resources Oil Conservation Division,
Environmental Bureau - District 2
811 S. First St.
Artesia, NM 88210**

RE: Work Plan

**Burnett Oil Co., Inc. – Grayburg Jackson San Andreas Unit 0022 Inj. Well
UL/L sec. 14 T17S R30E**

Mr. Bratcher

The above location is located approximately 2 miles northeast of Loco Hills, New Mexico at UL/L sec. 14 T17S R30E (API# 30-015-04148). The site is located in an area of no known groundwater.

On June 4, 2018, a release was discovered a release of 100 barrels of total fluid. The release occurred when a steel injection flowline ruptured, releasing fluid in the pasture approx. 200' North of the Gissler A #18 well location. The area impacted is 275'x5'-40' area in the pasture and on the pad. The BLM and the NMOCD were both notified of the release on June 4, 2018 with the initial C-141 being filed later that same day.

Corrective Action Plan

On June 26, 2018 Burnett Oil Co., Inc. sampled the impacted area, and took the samples to an accredited lab for analytical analysis. To remediate the impacted soil, Burnett Oil Co., Inc. enlisted the services of Aspen Grow LLC. to apply Probiotic compounds to the impacted area. The probiotics will be applied with fresh water to the impacted area once a week for four weeks. In that time the probiotics and the fresh water will be able to begin remediating the hydrocarbons in the impacted area. The impacted area of will be sampled at the end of the



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probiotic application. Pending the results of the analytical, further application could be required. The impacted area will be delineated deeper with the aid of an auger drill.

Following the approval of the plan, Burnett Oil Co., Inc. will begin remediating the impacted area to Regulatory standards.

Please feel free to contact me with any questions concerning this remediation plan request.

Sincerely,

A handwritten signature in blue ink, appearing to read 'JT', with a large, sweeping flourish extending to the right.

Johnny Titsworth
HSE Coordinator
Burnett Oil Co., Inc.
P.O. Box 188 / CR 220 North
Loco Hills, NM 88255
(432)-425-2891
Email: jtitsworth@burnettoil.com

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

Form C-141
Revised August 8, 2011

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

X Initial Report

Final Report

| | | |
|--|------------------------------|----------------------|
| Name of Company: Burnett Oil Co., Inc. | Contact: Johnny Titsworth | |
| Address: Burnett Plaza-Site 1500, 801 Cherry St-Unit 9, Fort Worth, TX 76102 | Telephone No. (432) 425-2891 | |
| Facility Name: Grayburg Jackson SA Unit # 022 Inj line | Facility Type: well location | |
| Surface Owner: BLM | Mineral Owner: BLM | API No. 30-015-04148 |

LOCATION OF RELEASE

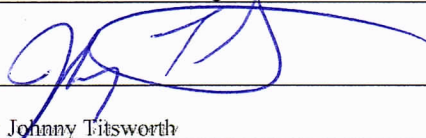
| | | | | | | | | |
|------------------|---------------|-----------------|--------------|-----------------------|-------------------------|----------------------|-----------------------|----------------|
| Unit Letter L | Section 14 | Township 17S | Range 30E | Feet from the 1650 | North/South Line PSL | Feet from the 350 | East/West Line FWL | County Eddy |
|------------------|---------------|-----------------|--------------|-----------------------|-------------------------|----------------------|-----------------------|----------------|

Latitude: 32.83182 Longitude: -103.95013

NATURE OF RELEASE

| | | |
|---|---|---|
| Type of Release: oil & pw | Volume of Release: 100 bbls | Volume Recovered 0 bbls |
| Source of Release: Inj. Line flow leak | Date and Hour of Occurrence: 6/4/18 10:00 am | Date and Hour of Discovery 6/4/18 11:00 am |
| Was Immediate Notice Given? X Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? OCD - M. Bratcher BLM - S. Tucker | |
| By Whom? Johnny Titsworth | Date and Hour: | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes X No | If YES, Volume Impacting the Watercourse. | |
| If a Watercourse was Impacted, Describe Fully.* N/A | | |
| Describe Cause of Problem and Remedial Action Taken.* buried steel injection line developed a leak and released PW & oil into pasture. The impacted area will be sampled and remediated to regulatory standards. | | |
| Describe Area Affected and Cleanup Action Taken.* Release occurred approx. 280 ft. to the NW of the Gissler A 18 well location (32.83108, -103.94649). The impacted area measures approx. 400' x 1'-40'. | | |

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: Johnny Titsworth | Approved by Environmental Specialist: | |
| Title: HSE Coordinator | Approval Date: | Expiration Date: |
| E-mail Address: jtitsworth@burnettoil.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: 6/8/18 Phone: (432) 425-2891 | | |

* Attach Additional Sheets If Necessary

6/5/18

GJSAU #22 In Map

APT 30-015-04148

1650 FSL 350 FWL

L-14-175-30E

32.8318 -103.95013

North

32.83102

-103.94726

GJSAU #22
Top Line

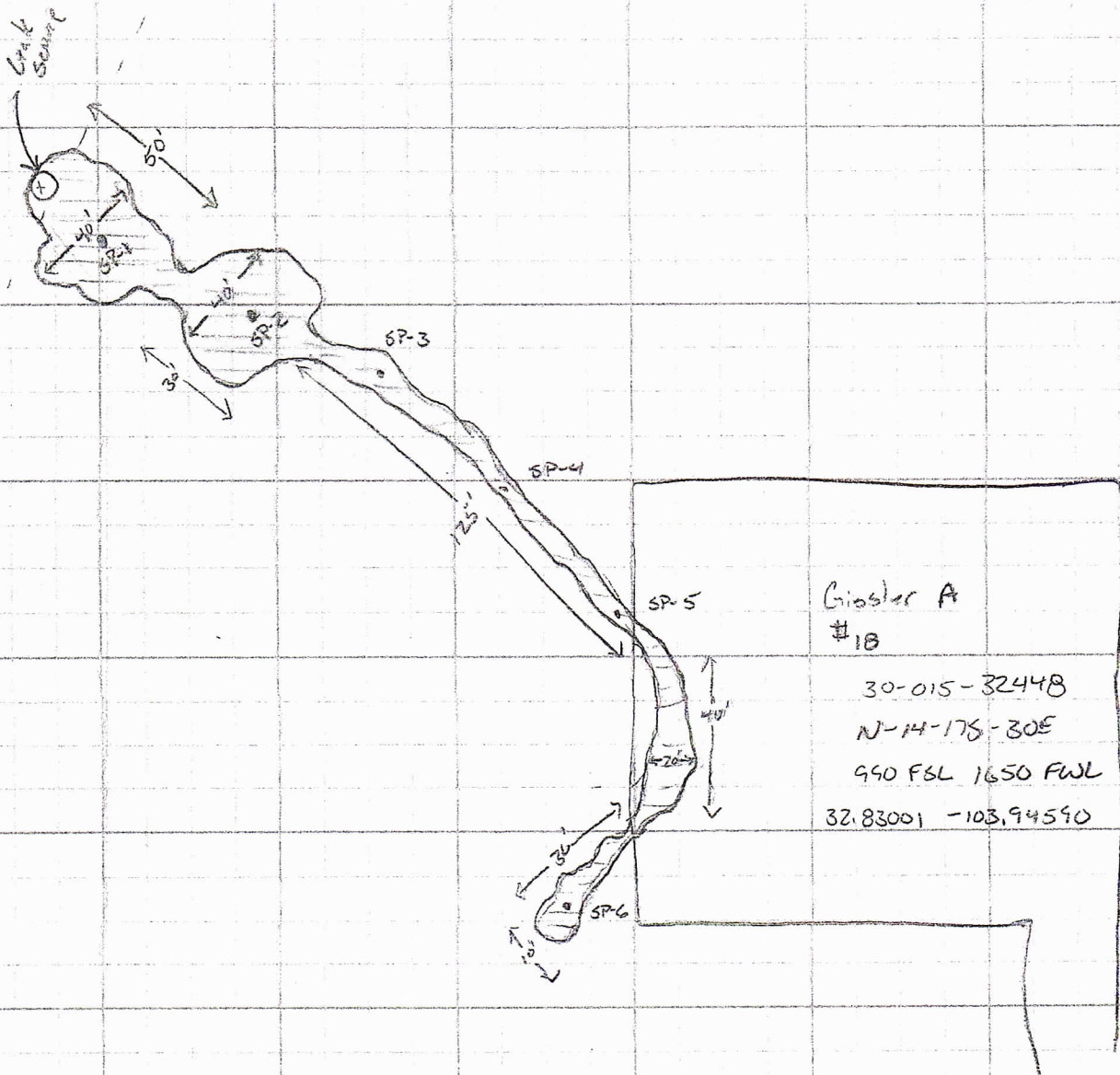


Table 1 - Analytical Results

| Date | Sample ID | Depth | Chloride | TPH - GRO | TPH - DRO | TPH-Total | Benzene | Toluene | Ethylbenzene | Xylene | BTEX |
|-----------|-----------|-------|----------|-----------|-----------|-----------|---------|---------|--------------|--------|------|
| 6/26/2018 | SP-1 | 0-1' | 5300 | ND | ND | ND | ND | ND | ND | ND | ND |
| 6/26/2018 | SP-1 | 1'-2' | 5500 | | | | | | | | |
| 6/26/2018 | SP-1 | 2'-3' | 8200 | | | | | | | | |
| 6/26/2018 | SP-1 | 3'-4' | 8500 | | | | | | | | |
| 6/26/2018 | SP-2 | 0-1' | 8700 | ND | ND | ND | ND | ND | ND | ND | ND |
| 6/26/2018 | SP-2 | 1'-2' | 7900 | | | | | | | | |
| 6/26/2018 | SP-2 | 2'-3' | 9100 | | | | | | | | |
| 6/26/2018 | SP-2 | 3'-4' | 15000 | | | | | | | | |
| 6/26/2018 | SP-3 | 0-1' | 4000 | ND | ND | ND | ND | ND | ND | ND | ND |
| 6/26/2018 | SP-3 | 1'-2' | 6600 | | | | | | | | |
| 6/26/2018 | SP-3 | 2'-3' | 8500 | | | | | | | | |
| 6/26/2018 | SP-3 | 3'-4' | 11000 | | | | | | | | |

Table 1 - Analytical Results

| Date | Sample ID | Depth | Chloride | TPH - GRO | TPH - DRO | TPH-Total | Benzene | Toluene | Ethylbenzene | Xylene | BTEX |
|-----------|-----------|-------|----------|-----------|-----------|-----------|---------|---------|--------------|--------|------|
| 6/26/2018 | SP-4 | 0-1' | 5600 | ND | ND | ND | ND | ND | ND | ND | ND |
| 6/26/2018 | SP-4 | 1'-2' | 9700 | | | | | | | | |
| 6/26/2018 | SP-4 | 2'-3' | 10000 | | | | | | | | |
| 6/26/2018 | SP-4 | 3'-4' | 9800 | | | | | | | | |
| 6/26/2018 | SP-4 | 4'-5' | 9800 | | | | | | | | |
| 6/26/2018 | SP-4 | 5'-6' | 19000 | | | | | | | | |
| 6/26/2018 | SP-4 | 6'-7' | 11000 | | | | | | | | |
| 6/26/2018 | SP-4 | 7'-8' | 13000 | | | | | | | | |
| 6/26/2018 | SP-4 | 8'-9' | 14000 | | | | | | | | |
| 6/26/2018 | SP-5 | 0-1' | 4200 | ND | ND | ND | ND | ND | ND | ND | ND |
| 6/26/2018 | SP-6 | 0-1' | 340 | ND | ND | ND | ND | ND | ND | ND | ND |
| 6/26/2018 | SP-6 | 1'-2' | 420 | | | | | | | | |



Location: GJSAU 22

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Table 1 - Analytical Results

[illegible]