District 1 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 Department

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-141 Revised August 24, 2018 Submit to appropriate OCD District office

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| Incident ID | NRH2003528584 |
|----------------|---------------|
| District RP | |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

| ct Telephone: 432-701-5672 |
|----------------------------|
| nt # (assigned by OCD) |
| |

Location of Release Source

Latitude 32.412120_

Longitude -103.395387_ (NAD 83 in decimal degrees to 5 decimal places)

| Site Name; Carne Asada Lay Flat | Site Type: Lease Road and Pasture |
|-------------------------------------|-----------------------------------|
| Date Release Discovered: 10-20-2019 | API# (if applicable) 30-025-46021 |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|--------|
| G | 18 | 228 | 35E | Lea |

Surface Owner: State Federal Tribal Private (Name:

Nature and Volume of Release

| Crude Oil | rial(s) Released (Select all that apply and attach calculations or spec Volume Released (bbls) | Volume Recovered (bbls) |
|---|---|--|
| Produced Water | Volume Released (bbls) 900 | Volume Recovered (bbls) 755 |
| | 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) | Volume Recovered (Mcf) |
| Other (describe) | Volume/Weight Released (provide units) | Volume/Weight Recovered (provide units) |
| from a holding tank on (produced) water near t | our Sour Sop 5 SC 2H (32.41402, -103.392736) to the | d hill (south) to a low lying area in the road and then it ran |

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| Was this a major release as defined by 19.15.29.7(A) NMAC? | If YES, for what reason(s) does the responsible part pasture and more than 25 bbls of produced water. | ty consider this a major release? Off location and in a | |
| | | | |
| in 123, was inimediate n | otice given to the OCD? By whom? To whom? Whe | en and by what means (phone, email, etc)? No | |
| | Initial Response | 2 | |
| The responsible | party must undertake the following actions immediately unless they | could create a safety hazard that would result in injury | |
| The source of the rele | ease has been stopped. | | |
| The impacted area ha | s been secured to protect human health and the environ | nment. | |
| Released materials ha | we been contained via the use of berms or dikes, absor | rbent pads, or other containment devices | |
| | coverable materials have been removed and managed | | |
| | above have <u>not</u> been undertaken, explain why: | | |
| | above have <u>not</u> been undertaken, explain why: | | |
| | | | |
| | | | |
| | <i>.</i> | | |
| | | | |
| | | | |
| | | immediately after discovery of a release. If remediation | |

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 | Zane Kurtz | Title:Sr. Environmental Analyst | |
|----------------|---------------------------|---------------------------------|--|
| Signature: | Sm/ | Date:10-22-2019 | |
| email: | _zane.kurtzin@cdevinc.com | | |
| OCD Only | | | |
| Received by: _ | Robert Hamlet | Date: 2/4/2020 | |

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Site Assessment/Characterization

This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

| What is the shallowest depth to groundwater beneath the area affected by the release? | (ft bgs) |
|---|------------|
| Did this release impact groundwater or surface water? | 🗌 Yes 🗌 No |
| Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse? | 🗌 Yes 🗌 No |
| Are the lateral extents of the release within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)? | 🗌 Yes 🗌 No |
| Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church? | 🗌 Yes 🗌 No |
| Are the lateral extents of the release within 500 horizontal feet of a spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes? | 🗌 Yes 🗌 No |
| Are the lateral extents of the release within 1000 feet of any other fresh water well or spring? | 🗌 Yes 🗌 No |
| Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field? | 🗌 Yes 🗌 No |
| Are the lateral extents of the release within 300 feet of a wetland? | 🗌 Yes 🗌 No |
| Are the lateral extents of the release overlying a subsurface mine? | 🗌 Yes 🗌 No |
| Are the lateral extents of the release overlying an unstable area such as karst geology? | 🗌 Yes 🗌 No |
| Are the lateral extents of the release within a 100-year floodplain? | Yes No |
| Did the release impact areas not on an exploration, development, production, or storage site? | 🗌 Yes 🗌 No |

Attach a comprehensive report (electronic submittals in .pdf format are preferred) demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined. Refer to 19.15.29.11 NMAC for specifics.

Characterization Report Checklist: Each of the following items must be included in the report.

Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells.

Data table of soil contaminant concentration data

Depth to water determination

Determination of water sources and significant watercourses within 1/2-mile of the lateral extents of the release

Boring or excavation logs

Photographs including date and GIS information

Topographic/Aerial maps

Laboratory data including chain of custody

If the site characterization report does not include completed efforts at remediation of the release, the report must include a proposed remediation plan. That plan must include the estimated volume of material to be remediated, the proposed remediation technique, proposed sampling plan and methods, anticipated timelines for beginning and completing the remediation. The closure criteria for a release are contained in Table 1 of 19.15.29.12 NMAC, however, use of the table is modified by site- and release-specific parameters.

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| public health or the environment. The failed to adequately investigate and re | viven above is true and complete to the best of my to report and/or file certain release notifications a e acceptance of a C-141 report by the OCD does emediate contamination that pose a threat to grou report does not relieve the operator of responsibility | and perform corrective actions for relea not relieve the operator of liability sho indwater, surface water, human health a | ases which may endanger build their operations have |

| Printed Name: | Title: |
|---------------|------------|
| Signature: | Date: |
| email: | Telephone: |
| | |
| OCD Only | |
| Received by: | Date: |
| · · | |

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Received by OCD: 12/31/2019 10:51:44 AM

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| | Remediation P | Plan |
| Remediation Plan Chee | klist: Each of the following items must be included in | the plan. |
| Scaled sitemap with | of proposed remediation technique GPS coordinates showing delineation points material to be remediated | |
| Closure criteria is to | Table 1 specifications subject to 19.15.29.12(C)(4) NM or remediation (note if remediation plan timeline is more | AC than 90 days OCD approval is required) |
| Deferral Requests Only | : Each of the following items must be confirmed as pa | rt of any request for deferral of remediation. |
| | be in areas immediately under or around production equ | |
| Extents of contamina | tion must be fully delineated. | |
| Contomination data | not cause an imminent risk to human health, the environ | |

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: _____ Title: _____ Signature: Date: _____ email: Telephone: OCD Only Received by: _____ Date: _____ Approved Approved with Attached Conditions of Approval Denied Deferral Approved Signature: Date:

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Closure

Application ID

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 items must be included in the closure report. |
|---|
| A scaled site and sampling diagram as described in 19.15.29.11 NMAC |
| Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection) |
| Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling) |

Description of remediation activities

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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

| Printed Name: | _ Title: | | |
|---|------------|--|--|
| Signature: | Date: | | |
| email: | Telephone: | | |
| | | | |
| OCD Only | | | |
| | | | |
| Received by: | Date: | | |
| Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations. | | | |
| Closure Approved by: | Date: | | |
| Printed Name: | | | |