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

Responsible Party

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

| Incident ID | NRH2003535484 |
|----------------|---------------|
| District RP | |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

OGRID

372165

Centennial Resources Development

| Contact Nan | ne Zane | Kurtz | | | Contact Te | elephone | 432-701-5672 |
|---|---|--|--|---------------------------------|-------------------------------|---------------------------|--|
| Contact email zane.kurtz@cdevinc.com | | | Incident # | (assigned by O | CD) | | |
| Contact mail Midland, To | | | ois Ave, Suite | 500, | | | |
| | | | Locati | on of R | elease So | ource | |
| Latitude 32 | 2.36974 | | (NAD 83 i | in decimal de | Longitude grees to 5 decin | -103.42675 nal places) | |
| Site Name: N | Merchant L | ivestock 24 State | Com 2H | | Site Type | Oil Well a | nd Tank Battery |
| Date Release | Discovered | : November 16, 2 | 2019 | | API# (if app | licable): 30-0 | 025-413470000 |
| Unit Letter | Section | Township | Range | | Coun | ty | |
| N | 24 | 22S | 34E | Lea | | | |
| ☑ Crude Oil | Materia | ıl(s) Released (Select a Volume Release | Nature a Il that apply and at ed (bbls) 3 | | | justification for | the volumes provided below) covered (bbls) 2 |
| Produced | Water | Volume Release | ed (bbls) 104 | 10 | | Volume Re | covered (bbls) 1000 |
| | Is the concentration of dissolved chloride produced water >10,000 mg/l? | | in the | ☐ Yes 🏻 | No | | |
| Condensa | te | Volume Released (bbls) | | | Volume Re | covered (bbls) | |
| ☐ Natural G | as | Volume Release | ed (Mcf) | | | Volume Re | covered (Mcf) |
| Other (describe) Volume/Weight Released (provide units) | | | Volume/We | eight Recovered (provide units) | | | |
| Cause of Rele containment | ease: Cheo . Then it ov | ck valve on the w ver ran the conta | ater transfer pinment and ra | pump faile an south of | d and cause the battery | d transfer p | ump to spill out and fill lined e pasture area. |
| | | | | | | | |

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| TYT .1 | | |
|---|--|--|
| Was this a major release as defined by 19.15.29.7(A) NMAC? | If YES, for what reason(s) does the responsible party consider this a major release? The release was over 25 bbls and the release ran off the pad and into pasture. | |
| Yes No | | |
| | | |
| | | |
| If YES, was immediate no | otice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? | |
| | | |
| | | |
| | Initial Response | |
| The responsible p | party must undertake the following actions immediately unless they could create a safety hazard that would result in injury | |
| N | | |
| The source of the rele | •• | |
| | s been secured to protect human health and the environment. | |
| | we been contained via the use of berms or dikes, absorbent pads, or other containment devices. | |
| | ecoverable materials have been removed and managed appropriately. | |
| if an the actions described | d above have not been undertaken, explain why: | |
| | | |
| | | |
| | | |
| | | |
| has begun, please attach a | AC the responsible party may commence remediation immediately after discovery of a release. If remediation a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred t area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation. | |
| I hereby certify that the infor | mation given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and | |
| regulations all operators are republic health or the environmental failed to adequately investigations. | required to report and/or file certain release notifications and perform corrective actions for releases which may endanger nent. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have ate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws | |
| Printed Name:Zane Kurtz Title:Sr. Environmental Analyst | | |
| Signature: | | |
| email:zane.kurtz(| | |
| 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? | | |
| 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. Field data Data table of soil contaminant concentration data Depth to water determination Determination of water sources and significant watercourses within ½-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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| I however courtified at the first of the fir | | |
|--|--|--|
| 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 (| CD does not relieve the operator of liability should their operations have | |
| falled to adequately investigate and remediate contamination that pose a three | at 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 O-I- | | |
| OCD Only | | |
| Descrived by | _ | |
| Received by: | Date: | |
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Remediation Plan

| Remediation Plan Checklist: Each of the following items must be | e included in the plan. |
|---|--|
| Detailed description of proposed remediation technique | |
| Scaled sitemap with GPS coordinates showing delineation point | ts |
| Estimated volume of material to be remediated | |
| Closure criteria is to Table 1 specifications subject to 19.15.29. | 12(C)(4) NMAC |
| Proposed schedule for remediation (note if remediation plan times) | neline is more than 90 days OCD approval is required) |
| | approval is required) |
| D.C. ID. (O.L. B. L. C.C. C.W.) | |
| Deferral Requests Only: Each of the following items must be co | nfirmed as part of any request for deferral of remediation. |
| Contamination must be in areas immediately under or around p deconstruction. | roduction equipment where remediation could cause a major facility |
| Extents of contamination must be fully delineated. | |
| Contamination does not cause an imminent risk to human healt | h, the environment, or groundwater. |
| | |
| rules and regulations all operators are required to report and/or file which may endanger public health or the environment. The accepta liability should their operations have failed to adequately investigat surface water, human health or the environment. In addition, OCD responsibility for compliance with any other federal, state, or local | e and remediate contamination that pose a threat to groundwater, acceptance of a C-141 report does not relieve the operator of |
| Printed Name: | Title: |
| Signature: | Date: |
| email: | Telephone: |
| OCD Only | |
| | |
| Received by: | Date: |
| Approved | Approval Denied Deferral Approved |
| Signature: | Date: |

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Closure Report Attachment Checklist: Each of the following items must be included in the closure report.

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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.

| 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 | | |
| | | |
| and regulations all operators are required to report and/or file certain may endanger public health or the environment. The acceptance of | nediate contamination that pose a threat to groundwater, surface water, a C-141 report does not relieve the operator of responsibility for tions. The responsible party acknowledges they must substantially aditions that existed prior to the release or their final land use in | |
| Printed Name: | Title: | |
| Signature: | | |
| 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: | Title | |
| | Title: | |