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

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

Form C-141 NM OIL CONSERVATIONed August 8, 2011

Submit Stop 15 appropriate District Office in SEP $0^{\frac{2}{2}}$ 2014

Release Notification and Corrective Action RECEIVED									
NAB1424633443		OPERATOR Initial Report					Final Report		
			Contact: Tony Savoie						
			Telephone No. 575-887-7329 Facility Type: Exploration and Production						
southwest of the well pad. The well is in section 14 the spill									
was in section 22									
Surface Owner: Federal Mineral Owner:			Federal			API No. 30-015-42374			
LOCATION OF RELEASE									
Unit LetterSectionTownshipRangeH2224S30E	Feet from the Nor	rth/South Line	Feet from the	East/West Line		County Eddy			
Latitude_N 32.20524_Longitude_W 103.86047									
NATURE OF RELEASE									
Type of Release: Produced water		Volume of Release: 400 bbls Volume Recovered: None							
Source of Release: 8" lay flat frac hose			lour of Occurrenc tween 3:30 a.m. a		ate and out 6:13	d Hour of Discovery 8/20/14 at			
			m						
Was Immediate Notice Given?		If YES, To Whom? Mike Bratcher NMOCD and Jim Amos BLM							
By Whom? Tony Savoie			Date and Hour: 8/20/14 at 7:07 a.m.						
Was a Watercourse Reached?			If YES, Volume Impacting the Watercourse.						
If a Watercourse was Impacted, Describe Fully.*									
Describe Cause of Problem and Remedial Action Taken.* Produced water was being transferred from a BOPCO SWD line to a frac at the PLU-430H well. The Victaulic clamp that holds the lay-flat hose together failed due to a combination of loosened bolts on the clamp and a possible spike in pressure at or near the time of the clamp failure. The transfer pumps were shut down and the hose was pinched off to stop the water flow. The clamp was replaced along with a new section of hose.									
Describe Area Affected and Cleanup Action Taken.* The spill impacted approximately 1200 sq.ft. of caliche road and approximately 38,000 sq.ft. of pasture. Basin Env. Collected soil samples from several points along the flow path to determine the horizontal extent. The hand auger used in the sampling event could not penetrate the caliche that ranged from 6" to 18' in depth. The remediation will begin as soon as the BLM clears the Arch survey. The spill will be cleaned up in accordance to the NMOCD and BLM remediation guidelines.									
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.									
			OIL CONSERVATION DIVISION						
Signature: 1 an Denne									
Printed Name: Tony Savoie		Approved by Environmental Specialist:							
Title: Waste Management and Remediation Spe	cialist	Approval Date: 9/3/14 Expiration Date: N/A							
E-mail Address: tasavoie@basspet.com		Conditions of	nditions of Approval:						
Date: 9/2/14	Phone: 432-556-8730	Remedia	ion per OCD F	Rule &	İ	Attached			
Attach Additional Sheets If Necessary	-Guidelines.	SUBMIT REME	DIATION		·	100	Allala		
		PROPOS	SIL4	HAN:		l	'.KP	2-24CeLe	