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

Revised August 8, 2011

Form C-141

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: Enervest Operating LLC Contact Lee Gardner Address: 2700 Farmington Ave, Farmington NM 87041 Telephone No. 505-325-0318 Facility Name Jicarilla Apache Tribal 125-1 Facility Type Oil/Gas Production Mineral Owner BLM Surface Owner Jicarilla Tribe API No. 30-039-20966 LOCATION OF RELEASE Township Feet from the North/South Line Unit Letter Section Range Feet from the East/West Line County 25N 4W M 35 South 830 Rio Arriba West **Latitude** 36.356133 N **Longitude** 107.22076 W NATURE OF RELEASE Type of Release Unknown Volume of Release Unknown Volume Recovered 0 Source of Release Rupture flow line Date and Hour of Occurrence Date and Hour of Discovery Unknown 14:00 5-29-2014 Was Immediate Notice Given? If YES, To Whom? Yes X No Not Required By Whom? Date and Hour Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. X Yes \square No Unknown OIL CONS. DIV DIST 3 If a Watercourse was Impacted, Describe Fully.* Oil from the ruptured flow line flowed into a wash and traveled downstream approximately 1800 feet. JUN 05 2014 Describe Cause of Problem and Remedial Action Taken.* It appears that an exposed flow line rubbed on the rocks over time and developed a hole. The flow line was shut down and repaired Describe Area Affected and Cleanup Action Taken.* Enviro-Tech Inc has been contracted to develop a remediation plan. The remediation plan will be presented to the Jicarilla Apache Nation for approval. . The Jicarilla Apache Nation would prefer a bio-remediation process to address the spill. Due to the inaccessibility of the location, the usage of mechanical equipment for clean- up activities is not possible. The location is accessible only by foot. 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: Approved by Environmental Specialist: Printed Name: Lee Gardner Expiration Date: Approval Date: 6 Title: Sr. HSE Specialist Conditions of Approval: E-mail Address: wgardner@enervest.net Attached

Date: 6-4-2014

Phone: 505-325-0318