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**

accordance with 19.15.29 NMAC.

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

Submit 1 Copy to appropriate District Office in

Form C-141

Revised August 8, 2011

Release Notification and Corrective Action **OPERATOR** Initial Report Final Report Name of Company: BP America Production Company Contact: Courtney Cochran Address: 200 Energy Ct. Farmington, NM 87401 Telephone No.: 505-326-9457 Facility Name: Shane GC 1B Facility Type: Natural Gas Well Surface Owner: Federal Mineral Owner: Federal API No.: 3004530108 **LOCATION OF RELEASE** Unit Letter Township Feet from the Section Range North/South Line Feet from the East/West Line County: San Juan M 14 29N 09W 910 South 660 West **Latitude** 36.72034 **Longitude** 107.75522 NATURE OF RELEASE Type of Release: Produced Water Volume of Release: 9 bbls Volume Recovered: 95 bbls were recovered from the BGT - recovered fluid was a mix of rain water and produced water Source of Release: 95 bbl BGT Date and Hour of Occurrence: Date and Hour of Discovery: 9/23/2013 9/22/2013 Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☐ No ☒ Not Required RCVD NOV 1'13 By Whom? Date and Hour Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. **OIL CONS. DIV.** ☐ Yes 🏻 No DIST. 3 If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* During a rain storm event rain run-off from the mesa above the location created a drainage ditch that ran through location and flooded the BGT. Estimated volume in BGT before event 9 bbls taken from last gauge on 9/14/2013. The BGT is a 95 bbl BGT and was full after rain event occurred. The 95 bbls of fluid were pulled after the discovery was made. Describe Area Affected and Cleanup Action Taken.* All fluid released was contained on location. The produced water did have a slight oil sheen and a visible stain is present. Impacted soil will be remediated when erosion repair takes place. Erosion repair and remediation are currently being planned. 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: Courtney Cochran Approval Date: Expiration Date: Title: Field Environmental Advisor E-mail Address: Courtney.Cochran@bp.com Conditions of Approval: Attached

Phone: 505-326-9457

Date: 10/30/2013