<u>District I</u> 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

OIL CONS. DIV DIST. 3

Form C-141 Revised April 3, 2017

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

| Release Notification and Corrective Action | | |
|--|--|---|
| | OPERATOR | |
| Name of Company JUNIPER RESRC EXPLRN CO LLC | Contact JUSTIN DAVIS | |
| Address 3624 OAK LAWN AVE. STE 222 DALLAS, TX 75219 | Telephone No. 214-443-0001 | |
| Facility Name PINON UNIT 306H | Facility Type NON-PRODUCIN | G WELLBORE |
| Surface Owner: Federal Mineral Owner: State of New Mexico API No. 30-045-35638-00-X1 | | |
| LOCATION OF RELEASE | | |
| 1 | The state of the s | West Line County WEST SAN JUAN |
| Latitude 36.3094124 N Longitude 107.9087406 W NAD83 | | |
| NATURE OF RELEASE | | |
| Type of Release FRAC FLUID (WATER / GEL) | Volume of Release 20 BBLS | Volume Recovered 20 BBLS |
| Source of Release WELLHEAD | Date and Hour of Occurrence 1/22/18 – 03:00 am | Date and Hour of Discovery 1/22/18 – 03:00 am |
| Was Immediate Notice Given? | | |
| By Whom? | Date and Hour | |
| Was a Watercourse Reached? | If YES, Volume Impacting the Water | ercourse. |
| ☐ Yes ☒ No | | |
| If a Watercourse was Impacted, Describe Fully.* | | 7 to 8,985 150 |
| | | |
| | | |
| Describe Cause of Problem and Remedial Action Taken.* Following fracturing operations on the Pinon Unit 305H (located on the same pad – both wells owned by Juniper), bubbles and then slight fluid flow was noticed out of one of the open wellhead valves on the 306H. Operations were immediately halted and all wellhead valves on the 306H were closed. A flowline was then run from the 306H wellhead to the flowback tank on location and the well was opened back up to reduce any wellhead pressure. The well flowed for 3 hrs, approximately 20 bbls, and then died. Describe Area Affected and Cleanup Action Taken.* Surface area was not affected, all fluid was contained to the cellar, and removed via vacuum truck and sent to the appropriate disposal. The 306H | | |
| wellhead was secured and is being monitored. | | |
| 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 CONSERV | ATION DIVISION |
| Signature: | | 1 // (/ |
| Printed Name: JUSTIN DAVIS | Approved by Environmental Specialist: | |
| Title: VP - ENGINEERING / OPERATIONS | Approval Date: 2/6/18 | Expiration Date: |
| E-mail Address: Justin.Davis@jnpresources.com | Conditions of Approval: | Attached |
| Date: 1/29/2018 Phone: 469-729-8181 | No Add Ironal Rendiation | Rea |
| Attach Additional Sheets If Necessary | At this Time | 1764 |

#NOS 1803753824