

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 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 | |
| District RP | |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

| | | | |
|-------------------------|-----------------------------|-------------------|-------------------|
| Responsible Party | DJR Operating, LLC | OGRID | 371838 |
| Contact Name | Amy Archuleta | Contact Telephone | 505-632-3476 x201 |
| Contact email | aarchuleta@djrlc.com | Incident # | (assigned by OCD) |
| Contact mailing address | 1 Road 3263 Aztec, NM 87410 | | |

Location of Release Source

NMOCD

JUN 21 2019

DISTRICT III

Latitude 36.2626762 Longitude -107.8369064
(NAD 83 in decimal degrees to 5 decimal places)

| | | | |
|-------------------------|----------------------------|----------------------|--------------|
| Site Name | Good Times D06 2309 #00111 | Site Type | Well |
| Date Release Discovered | 6-15-2019 | API# (if applicable) | 30-045-35419 |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|----------|
| D | 06 | 23N | 09W | San Juan |

Surface Owner: ☐ State ☐ Federal ☐ Tribal ☐ Private (Name: _____)

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

| | | |
|--|--|--|
| <input type="checkbox"/> Crude Oil | Volume Released (bbls) | Volume Recovered (bbls) |
| <input type="checkbox"/> Produced Water | Volume Released (bbls) | Volume Recovered (bbls) |
| | Is the concentration of total dissolved solids (TDS) in the produced water >10,000 mg/l? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Condensate | Volume Released (bbls) | Volume Recovered (bbls) |
| <input checked="" type="checkbox"/> Natural Gas | Volume Released (Mcf) Unknown | Volume Recovered (Mcf) |
| <input checked="" type="checkbox"/> Other (describe) | Volume/Weight Released (provide units) Unknown | Volume/Weight Recovered (provide units) |

Cause of Release

The enardo valve on the produced water tank on this location caught fire. The oil hauling company found the fire and reported to the lease operator. The lease operator was able to put the fire out by shutting off the gas at the meter. This valve has been replaced and the well is back on production. The amount of the release is unknown. No sales gas was involved in this fire, only vapors from the produced water tank.

11

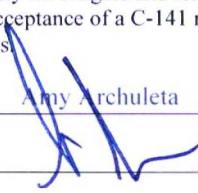
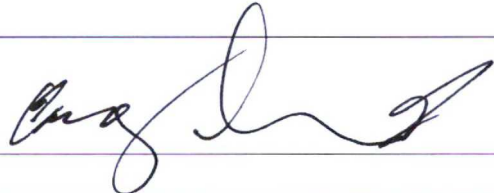
State of New Mexico
Oil Conservation Division

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| | |
|---|--|
| Was this a major release as defined by 19.15.29.7(A) NMAC? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | If YES, for what reason(s) does the responsible party consider this a major release? A fire occurred. |
| If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Yes, by phone to Cory Smith at the NMOCD District 3 office. | |

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

| | |
|--|------------------------------------|
| <input checked="" type="checkbox"/> The source of the release has been stopped. <input checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input checked="" type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately. | |
| If all the actions described above have <u>not</u> been undertaken, explain why: | |
| Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation. | |
| 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat 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: <u>Amy Archuleta</u> | Title: <u>Regulatory</u> |
| Signature:  | Date: <u>06-20-19</u> |
| email: <u>aarchuleta@djrlc.com</u> | Telephone: <u>505-632-3476 201</u> |
| OCD Only Received by:  Date: <u>6/27/19</u> | |

State of New Mexico
Oil Conservation Division

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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? | >100 (ft bgs) |
| Did this release impact groundwater or surface water? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Are the lateral extents of the release within 1000 feet of any other fresh water well or spring? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Are the lateral extents of the release within 300 feet of a wetland? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Are the lateral extents of the release overlying a subsurface mine? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Are the lateral extents of the release overlying an unstable area such as karst geology? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Are the lateral extents of the release within a 100-year floodplain? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Did the release impact areas not on an exploration, development, production, or storage site? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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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Oil Conservation Division

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Printed Name: Amy Archuleta Title: Regulatory

Signature:  Date: 06-20-2019

email: aarchuleta@djrlc.com Telephone: 505-632-3476

OCD Only

Received by: _____ Date: _____

State of New Mexico
Oil Conservation Division

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Closure

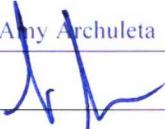
The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled 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.

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

- ☐ A scaled site and sampling diagram as described in 19.15.29.11 NMAC N/A
- ☐ 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) N/A
- ☐ Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling) N/A
- ☒ Description of remediation activities

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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat 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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

Printed Name: Amy Archuleta Title: Regulatory

Signature:  Date: 06-20-2019

email: aarchuleta@djrlc.com Telephone: 505-632-3476

OCD Only

Received by: OWD Date: 6/24/19

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: 6/27/19

Printed Name: Cory Title: Environmental Spec.

June 17, 2019

Location: Good Times D06-2309 01H Unit D
Event: Enardo Valve Fire
Date: June 15, 2019

Details of Incident:

At approximately 7:20pm on June 15, 2019, Beau Dibble received a phone call from a Western driver informing him that one of the enardo valves on a tank at the Good Times D06 was on fire. He then drove to the site and saw that the enardo valve on the produced water tank was on fire. Beau called Richard Baldwin and was instructed to shut off the gas supply. After doing so, the flame extinguished in about 15 minutes.

On Monday morning, June 17, 2019, Wendell had Calder replace the valve and then put the well back into service.

At the time of the fire, there was a storm passing through the area and lightening or static electricity as a result of lightening is believed to have caused the fire. All tanks are properly grounded and there are no visible signs of a lightening strike.

Lori Florence
HSE, Field Operations
DJR Operating, LLC
505.860.2413



Good Times D06 2309 001H

API: 30-045-35419
Location: D-06-23N-09W
210' FNL X 667' FWL
San Juan County

Legend

- BLM
- GOOD TIMES D06-2309 1H

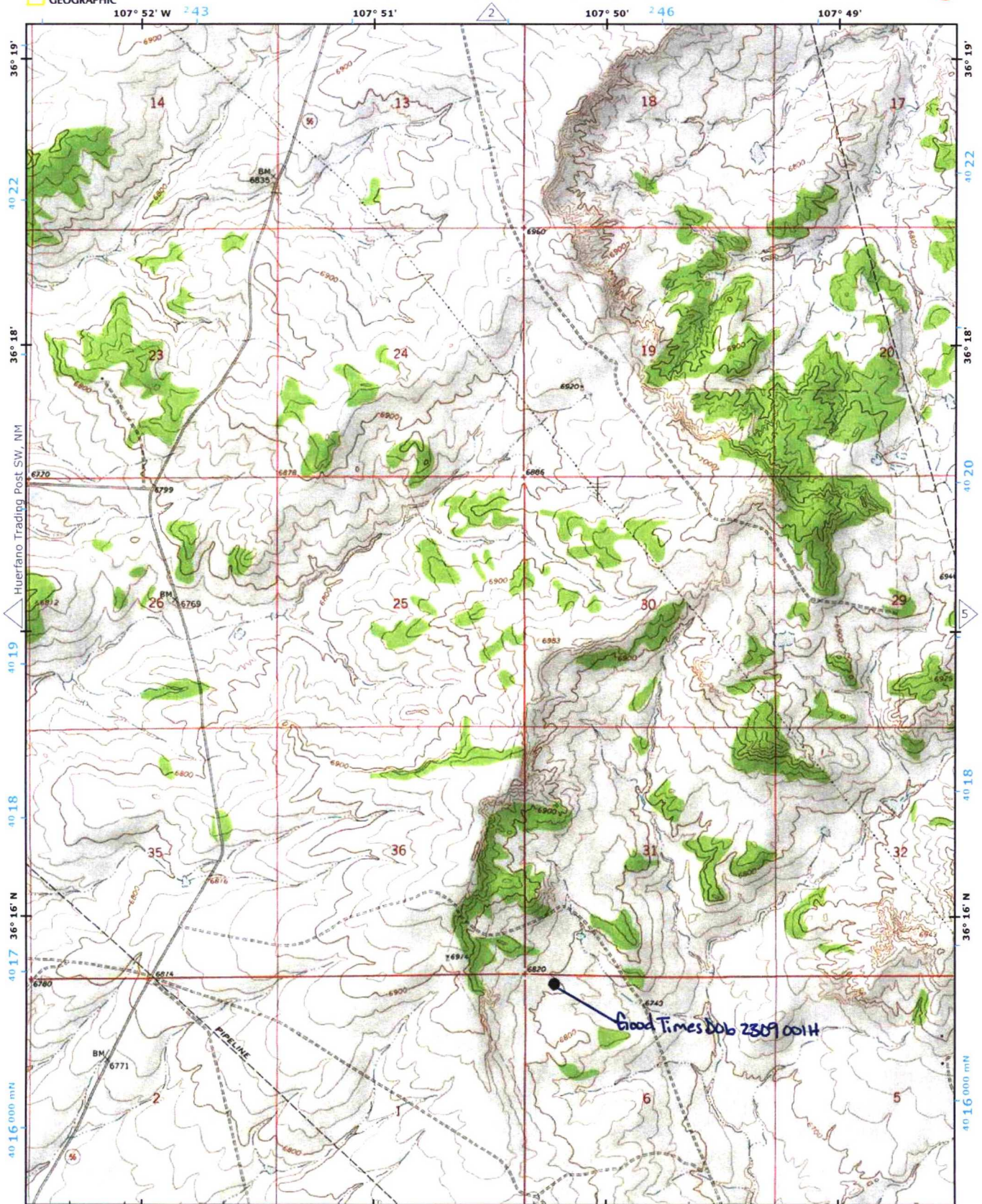
GOOD TIMES D06-2309 1H

Google Earth

©2018 Google

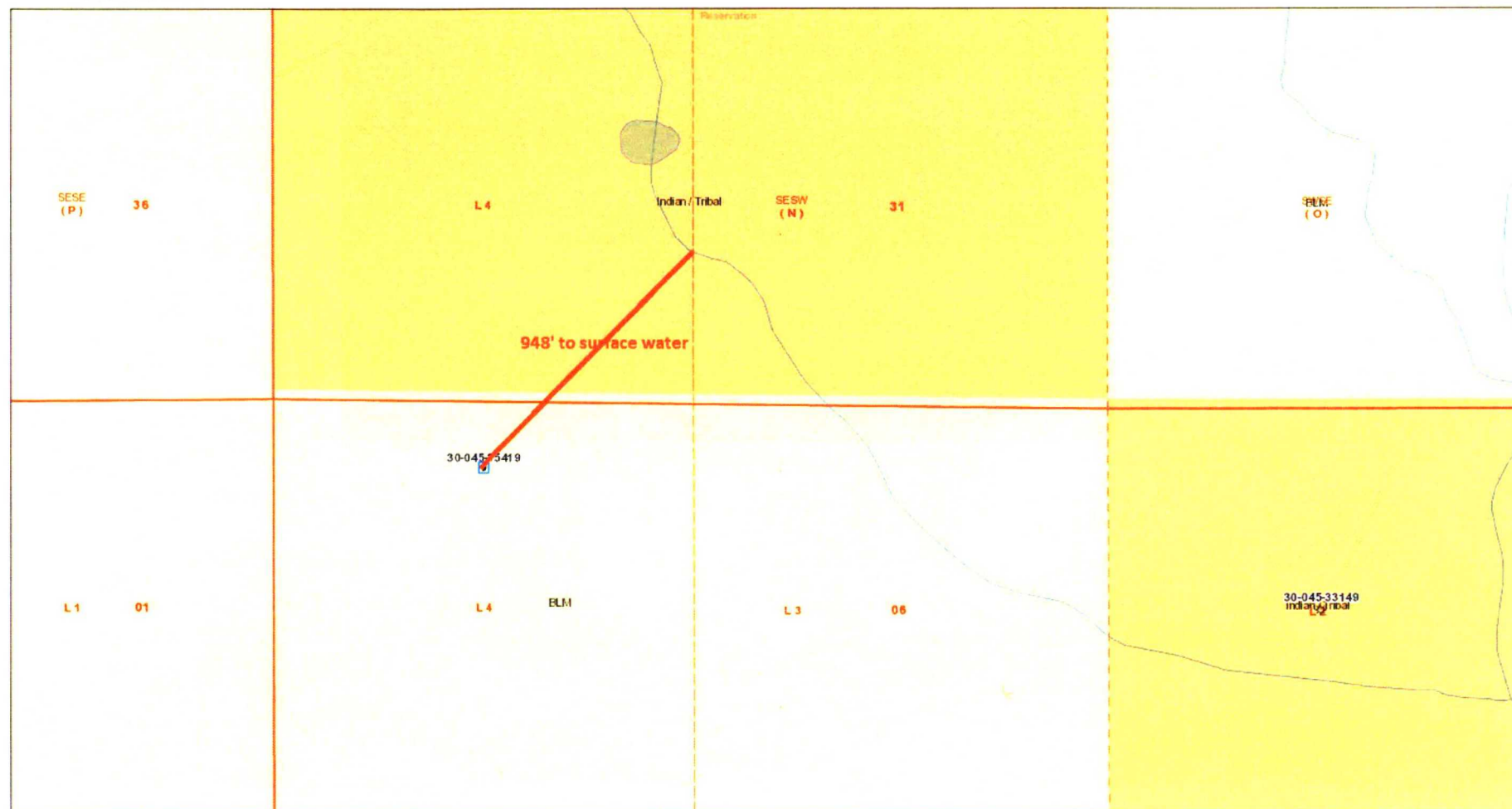
100 ft





Good Times D06 2309 001H
API: 30-045-35419
D06-23N-09W

OCD Well Locations



6/20/2019, 8:39:41 AM

Well Locations - Small Scale

- Active
- New
- Plugged
- Cancelled
- Temporarily Abandoned

Well Locations - Large Scale

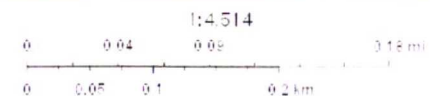
- Miscellaneous
- CO2 Active
- CO2 Cancelled
- CO2 New
- CO2 Plugged
- CO2 Temporarily Abandoned

- Gas Active
- Gas, Cancelled, Never Drilled
- Gas, New
- Gas, Plugged
- Gas, Temporarily Abandoned
- Injection, Active

- Injection, Cancelled
- Injection, New
- Injection, Plugged
- Injection, Temporarily Abandoned
- Oil, Active
- Oil, Cancelled

- Oil, New
- Oil, Plugged
- Oil, Temporarily Abandoned
- Salt Water Injection, Active
- Salt Water Injection, Cancelled
- Salt Water Injection, New

- Salt Water Injection, Plugged
- Salt Water Injection Temporarily Abandoned
- Water, Active
- Water, Cancelled
- Water, New
- Water, Plugged



U.S. BLM, Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeBCo, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), Swisstopo, Mapbox, and the GIS User Community



New Mexico Office of the State Engineer
Point of Diversion With Meter Attached

PLSS Search:

Section(s): 06

Township: 23N

Range: 09W

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

6/20/19 9:02 AM

POINT OF DIVERSION WITH METER ATTACHED



New Mexico Office of the State Engineer

Wells with Well Log Information

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right

(R=POD has been replaced.
O=orphaned.
C=the file is closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest)

(NAD83 UTM in meters)

(in feet)

| POD Number | Code | Subbasin | County | Source | q q q | Sec | Tws | Rng | X | Y | Start Date | Finish Date | Log File Date | Depth Well | Depth Water | Driller | License Number |
|-------------------------|------|----------|--------|---------|-------|-----|-----|---------|--------|----------|------------|-------------|---------------|------------|-------------|---------|----------------|
| SJ00001 | | SJ | SJ | Shallow | 64164 | 4 | 12 | 23N 09W | 253534 | 4014427* | 08/15/1952 | 08/22/1952 | 11/17/1953 | 695 | 630 | | |

Record Count: 1

PLSS Search:

Township: 23N Range: 09W

*UTM location was derived from PLSS - see Help

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6/20/19 9:02 AM

WELLS WITH WELL LOG INFORMATION