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	nRM2021650802
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party: Cimarex Energy Co.	OGRID: 215099
Contact Name: Laci Luig	Contact Telephone: (432) 571-7800
Contact email: lluig@cimarex.com	Incident # (assigned by OCD) nRM2021650802
Contact mailing address: 600 N Marienfeld Street, Ste. 600 Midland, TX 79701	

Location of Release Source

Latitude 32.382542_

(NAD 83 in decimal degrees to 5 decimal places)

Site Name: Merchant Livestock 19 State 1	Site Type: Battery
Date Release Discovered: 7/27/2020	API# (if applicable)

Unit Letter	Section	Township	Range	County
D	19	22S	33E	Lea

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)

Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
Produced Water	Volume Released (bbls) 20	Volume Recovered (bbls) 20
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	Yes No
Condensate	Volume Released (bbls)	Volume Recovered (bbls)
Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)
C (D L H		

Cause of Release: Human Error

The valve before the spill container where water haulers connect to was left open after the last water haul allowing produced water to be released into the lined containment. A total of 20 barrels produced water was released, all fluids were recovered. The containment has been cleaned.

Page	2
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Oil Conservation Division

Incident ID	nRM2021650802
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Facility ID	
Application ID	

Was this a major release as defined by 19.15.29.7(A) NMAC? ☐ Yes ⊠ No	If YES, for what reason(s) does the responsible party consider this a major release?
If YES, was immediate n By: Gloria Garza To: EMNRD OCD Distri By: Email	otice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? ct 1 Spills

Initial Response

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

 \square The source of the release has been stopped.

The impacted area has been secured to protect human health and the environment.

Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.

All free liquids and recoverable materials have been removed and managed appropriately.

If all the actions described above have not 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: Laci Luig	Title: Engineer Tech
Signature: $\Delta c \cdot \Delta c$	Date: 8/3/2020
email: lluig@cimarex.com	Telephone: (432) 571-7810
OCD Only	
Received by:	Date:

Received by OCD: 12/9/2020 3:52:41 PM Form C-141 State of New Mexico

Oil Conservation Division

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Incident ID	nRM2021650802
District RP	
Facility ID	
Application ID	

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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?	<u>382</u> (ft bgs)
Did this release impact groundwater or surface water?	🗌 Yes 🛛 No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	🗌 Yes 🛛 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)?	🗌 Yes 🛛 No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	🗌 Yes 🛛 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?	🗌 Yes 🛛 No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	🗌 Yes 🛛 No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	🗌 Yes 🛛 No
Are the lateral extents of the release within 300 feet of a wetland?	🗌 Yes 🛛 No
Are the lateral extents of the release overlying a subsurface mine?	🗌 Yes 🛛 No
Are the lateral extents of the release overlying an unstable area such as karst geology?	🗌 Yes 🛛 No
Are the lateral extents of the release within a 100-year floodplain?	🗌 Yes 🛛 No
Did the release impact areas not on an exploration, development, production, or storage site?	🗌 Yes 🖂 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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eceived by OCD: 12/9/202	0 3:52:41 PM State of New Mexico			Page 4 of
			Incident ID	nRM2021650802
age 4	Oil Conservation Division	on	District RP	
			Facility ID	
			Application ID	
public health or the environm failed to adequately investiga addition, OCD acceptance of and/or regulations. Printed Name: Laci Luig_ Signature:	equired to report and/or file certain release tent. The acceptance of a C-141 report by te te and remediate contamination that pose a a C-141 report does not relieve the operato	the OCD does not relieve the a threat to groundwater, surfa or of responsibility for comp Title: Engineer Tech.	e operator of liability sho ace water, human health liance with any other feo	ould their operations have or the environment. In deral, state, or local laws
OCD Only Received by:		Date:		

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Oil Conservation Division

Incident ID	nRM2021650802
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Closure

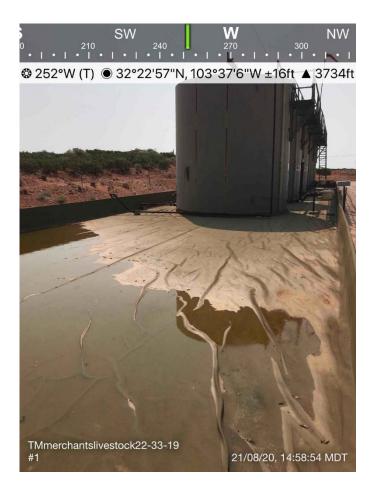
The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled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

<u>Closure Report Attachment Checklist</u> : Each of the following in	tems must be included in the closure report.	
A scaled site and sampling diagram as described in 19.15.29.1	1 NMAC	
Photographs of the remediated site prior to backfill or photos must be notified 2 days prior to liner inspection)	of the liner integrity if applicable (Note: appropriate OCD District office	
Laboratory analyses of final sampling (Note: appropriate ODC	C District office must be notified 2 days prior to final sampling)	
Description of remediation activities		
and regulations all operators are required to report and/or file certain may endanger public health or the environment. The acceptance of should their operations have failed to adequately investigate and rer human health or the environment. In addition, OCD acceptance of compliance with any other federal, state, or local laws and/or regular restore, reclaim, and re-vegetate the impacted surface area to the co accordance with 19.15.29.13 NMAC including notification to the O Printed Name: Laci Luig	ations. The responsible party acknowledges they must substantially nditions that existed prior to the release or their final land use in CD when reclamation and re-vegetation are complete. Title: Engineer Tech	
Signature:	Date: 8/25/2020	
email: lluig@cimarex.com	Telephone: (432) 571-7810	
OCD Only		
Received by:	Date:	
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:	
Printed Name:		



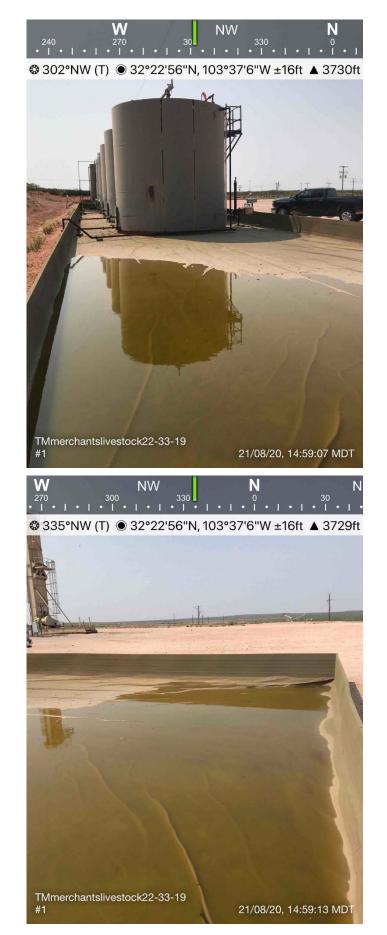






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Oil Conservation Division

	Pagea D of 2	13
Incident ID	nRM2021650802	
District RP		
Facility ID		
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Closure

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Description of remediation activities			
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Printed Name: Laci Luig			
Signature:	Date: 8/25/2020		
email: lluig@cimarex.com	Telephone: (432) 571-7810		
OCD Only			
Received by: <u>Robert Hamlet</u>	Date: <u>12/9/2020</u>		
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: <u>Robert Hamlet</u>	Date: <u>12/9/2020</u>		
Printed Name: <u>Robert Hamlet</u>	Title: Environmental Eng. Tech. III		

Page 6

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

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Incident ID	nRM2021650802
District RP	
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Application ID	

Release Notification

Responsible Party

Responsible Party: Cimarex Energy Co.	OGRID: 215099
Contact Name: Laci Luig	Contact Telephone: (432) 571-7800
Contact email: lluig@cimarex.com	Incident # (assigned by OCD) nRM2021650802
Contact mailing address: 600 N Marienfeld Street, Ste. 600 Midland, TX 79701	·

Location of Release Source

Latitude 32.382542_

(NAD 83 in decimal degrees to 5 decimal places)

Site Name: Merchant Livestock 19 State 1	Site Type: Battery
Date Release Discovered: 7/27/2020	API# (if applicable)

Unit Letter	Section	Township	Range	County
D	19	22S	33E	Lea

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)

Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
Produced Water	Volume Released (bbls) 20	Volume Recovered (bbls) 20
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	Yes No
Condensate	Volume Released (bbls)	Volume Recovered (bbls)
Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)
C (D L H		

Cause of Release: Human Error

The valve before the spill container where water haulers connect to was left open after the last water haul allowing produced water to be released into the lined containment. A total of 20 barrels produced water was released, all fluids were recovered. The containment has been cleaned.

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Oil Conservation Division

Incident ID	nRM2021650802
District RP	
Facility ID	
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Was this a major	If YES, for what reason(s) does the responsible party consider this a major release?		
release as defined by			
19.15.29.7(A) NMAC?			
🗌 Yes 🖾 No			
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?			
By: Gloria Garza			
To: EMNRD OCD District 1 Spills			
By: Email			
bj. Lindi			
Initial Response			
The man analytic most understate the following actions in a distaly unless that could arrest a suffice has and that would arrest in initial			
The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury			

 \boxtimes The source of the release has been stopped.

The impacted area has been secured to protect human health and the environment.

Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.

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If all the actions described above have not been undertaken, explain why:

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Printed Name: Laci Luig	Title: Engineer Tech
Signature: <u>Ac</u>	Date: 8/3/2020
email: lluig@cimarex.com	Telephone: (432) 571-7810
OCD Only	
Received by:	Date:

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Oil Conservation Division

	Page 14 of 2
Incident ID	nRM2021650802
District RP	
Facility ID	
Application ID	

Site Assessment/Characterization

This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

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Did this release impact groundwater or surface water?	🗌 Yes 🛛 No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	🗌 Yes 🖾 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)?	🗌 Yes 🛛 No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	🗌 Yes 🛛 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?	🗌 Yes 🛛 No
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Are the lateral extents of the release within a 100-year floodplain?	🗌 Yes 🛛 No
Did the release impact areas not on an exploration, development, production, or storage site?	🗌 Yes 🔀 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.

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Received by OCD: 12/9/2020 3:52:41 PM Form C-141 State of New Mexi			Page 15 of		
			Incident ID	nRM2021650802	
Page 4	Oil Conservation Divisi	ion	District RP		
			Facility ID		
			Application ID		
public health or the enviro failed to adequately invest addition, OCD acceptance and/or regulations. Printed Name: Laci Lui Signature:	e required to report and/or file certain release nment. The acceptance of a C-141 report by igate and remediate contamination that pose a of a C-141 report does not relieve the operate	the OCD does not relieve the a threat to groundwater, surfator of responsibility for comp Title: Engineer Tech Date: 8/25/2020	e operator of liability sho ace water, human health liance with any other feo	ould their operations have or the environment. In deral, state, or local laws	
OCD Only Received by:		Date:			

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Oil Conservation Division

Incident ID	nRM2021650802
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Closure

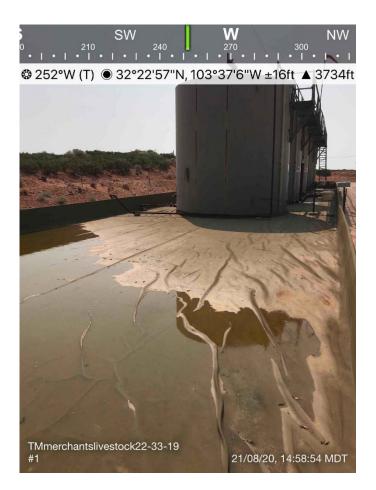
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Description of remediation activities			
and regulations all operators are required to report and/or file certain may endanger public health or the environment. The acceptance of	tions. The responsible party acknowledges they must substantially nditions that existed prior to the release or their final land use in		
Printed Name: Laci Luig	Title: Engineer Tech		
Signature:	Date: 8/25/2020		
email: lluig@cimarex.com	Telephone: (432) 571-7810		
OCD Only			
Received by:	Date:		
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Closure Approved by:	Date:		
Printed Name:	Title:		

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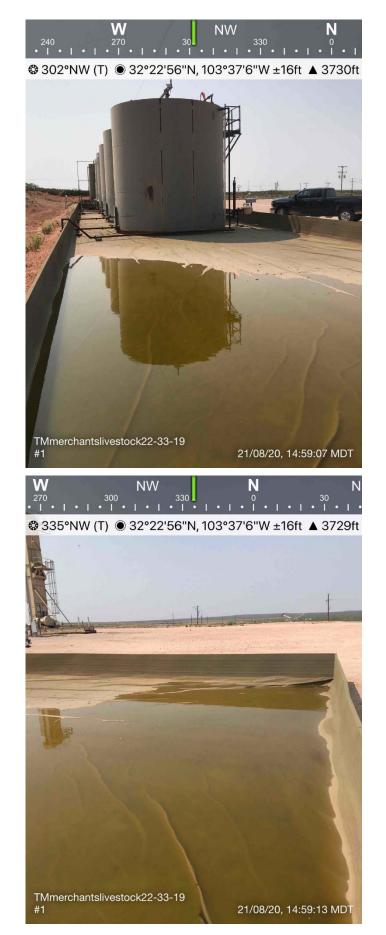






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COMMENTS

Action 9841

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District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

COMMENTS

Operator:		OGRID:	Action Number:	Action Type:
CI	AREX ENERGY CO. 600 N. Marienfeld Street	215099	9841	C-141
Suite 600	Midland, TX79701			
•		•	•	
Created By	ad By Comment			Comment Date
rhamlet	let We have received your closure report and final C-141 for Incident #NRM2021650802 Merchant Livestock 19 St 1, thank you. This closure is approved.			12/09/2020

CONDITIONS

Action 9841

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District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS OF APPROVAL

Operator:		OGRID:	Action Number:	Action Type:
CIMAR	EX ENERGY CO. 600 N. Marienfeld Street	215099	9841	C-141
Suite 600	Midland, TX79701			
-				
OCD Reviewer	Condition			
rhamlet We have received your closure report and final C-141 for Incident #NRM2021650802 Merchant Livestock 19 St 1, thank you. This closure is approved.				

rhamlet We have received your closure report and final C-141 for Incident #NRM2021650802 Merchant Livestock 19 St 1, thank you. This closure is approved.