

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 | NAPP2118844603 |
| District RP | |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

| | | | |
|-------------------------|--------------------------------------|------------------------------|----------------|
| Responsible Party | Spur Energy Partners LLC | OGRID | 328947 |
| Contact Name | Braidy Moulder | Contact Telephone | 713-264-2517 |
| Contact email | bmoulder@spurepllc.com | Incident # (assigned by OCD) | NAPP2118844603 |
| Contact mailing address | 2407 Pecos Avenue, Artesia, NM 88210 | | |

Location of Release Source

Latitude 32.6474571 Longitude -104.4607391
(NAD 83 in decimal degrees to 5 decimal places)

| | | | |
|-------------------------|--------------------|----------------------|--------------|
| Site Name | Arkansas 23 Fee #3 | Site Type | Production |
| Date Release Discovered | 06/05/2021 | API# (if applicable) | 30-015-40192 |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|--------|
| E | 23 | 19S | 25E | Eddy |

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 checked="" type="checkbox"/> Produced Water | Volume Released (bbls) 9.5 | Volume Recovered (bbls) 1 |
| | Is the concentration of dissolved chloride in the produced water >10,000 mg/l? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Condensate | Volume Released (bbls) | Volume Recovered (bbls) |
| <input type="checkbox"/> Natural Gas | Volume Released (Mcf) | Volume Recovered (Mcf) |
| <input type="checkbox"/> Other (describe) | Volume/Weight Released (provide units) | Volume/Weight Recovered (provide units) |

Cause of Release A hole developed in a 4 inch nipple due to corrosion.

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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, for what reason(s) does the responsible party consider this a major release? |
| If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? | |

Initial Response


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

- ☒ 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: Dakota Neel Title: HSE Coordinator
Signature:  Date: 06/23/2021
email: dneel@spurepllc.com Telephone: 832-849-7837

OCD Only

Received by: Ramona Marcus Date: 7/7/2021

Spill Volume(Bbls) Calculator*Inputs in blue, Outputs in red*

| Length(Ft) | Width(Ft) | Depth(In) |
|-------------------------------|-----------------------------------|----------------|
| <u>80.000</u> | <u>20.000</u> | <u>4.000</u> |
| Cubic Feet Impacted | | <u>533.333</u> |
| Barrels | | <u>94.98</u> |
| Soil Type | | Clay |
| Bbls Assuming 100% Saturation | | <u>9.50</u> |
| Saturation | Fluid present with shovel/backhoe | |
| Estimated Barrels Released | | 9.50000 |

Instructions

1. Input spill measurements below. Length and width need to be input in feet and depth in inches.
2. Select a soil type from the drop down menu.
3. Select a saturation level from the drop down menu.

(For data gathering instructions see appendix table 1)

Measurements

| | |
|-------------|----|
| | |
| Length (ft) | 80 |
| Width (ft) | 20 |
| Depth (in) | 4 |

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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Energy, Minerals and Natural Resources
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Santa Fe, NM 87505

CONDITIONS

Action 35251

CONDITIONS

| | |
|---|---|
| Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024 | OGRID: 328947 |
| | Action Number: 35251 |
| | Action Type: [C-141] Release Corrective Action (C-141) |

CONDITIONS

| | | |
|------------|-----------|----------------|
| Created By | Condition | Condition Date |
| marcus | None | 7/7/2021 |