Oil Conservation Division

	Page 1 of 2	27
Incident ID	NAPP2118846106	
District RP		
Facility ID		
Application ID		

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 ite	ms must be included in the closure report.				
A scaled site and sampling diagram as described in 19.15.29.11 NMAC					
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)					
Laboratory analyses of final sampling (Note: appropriate ODC 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 a should their operations have failed to adequately investigate and remu- human health or the environment. In addition, OCD acceptance of a compliance with any other federal, state, or local laws and/or regulati restore, reclaim, and re-vegetate the impacted surface area to the com- accordance with 19.15.29.13 NMAC including notification to the OC	ediate contamination that pose a threat to groundwater, surface water, C-141 report does not relieve the operator of responsibility for ons. The responsible party acknowledges they must substantially ditions that existed prior to the release or their final land use in CD when reclamation and re-vegetation are complete.				
Printed Name: Chad Hensley	Title: HSE Coordinator				
Signature:	Date: 09/09/2022				
email: <u>chensley@spurenergy.com</u>	Telephone: 346-339-1494				
OCD Only					
Received by: <u>Robert Hamlet</u>	Date: <u>9/9/2022</u>				
	f liability should their operations have failed to adequately investigate and ater, human health, or the environment nor does not relieve the responsible r regulations.				
Closure Approved by: <u><i>Robert Hamlet</i></u>	Date: <u>9/9/2022</u>				
Printed Name: <u>Robert Hamlet</u>	Title: Environmental Specialist - Advanced				

Page 5

LINER INSPECTION AND CLOSURE REPORT REPORTABLE RELEASE

Spur Energy Partners

Seacrest ET AL #1 Incident ID: NAPP2118846106 API #30-015-22321 Eddy County, NM



Paragon Environmental LLC 1601 N. TURNER ST. STE.500 Hobbs, NM 88240 575-964-7814

GENERAL DETAILS

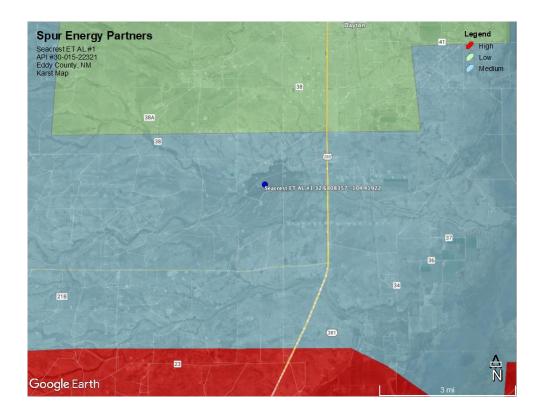
This report was prepared by Paragon Environmental LLC (Paragon) in response to the release for Spur Energy Partners (Spur) at the **Seacrest ET AL #1 (Seacrest)**.

<u>Site Coordinates</u>: Latitude: 32.6808357 Longitude: -104.41922 <u>Unit</u> UL B, Section 07, Township 19S, Range 26E <u>Incident ID: NAPP2118846106</u>

REGULATORY FRAMEWORK

Depth to Groundwater: According to the New Mexico State of Engineers Office, the nearest water data is 8/10ths mile away and is 175 feet below ground surface (BGS). See Appendix A for details.

Soil Survey: Per the New Mexico Bureau of Geology and Mineral Resources, the geology is in the Piedmont alluvial deposits (Holocene to lower Pleistocene)-Includes deposits of higher gradient tributaries bordering major stream valleys, alluvial veneers of the piedmont slope, and alluvial fans. May locally include uppermost Pliocene deposits (QP). According to the United States Department of Agriculture Natural Resources Conservation Service soil survey, the soil in this area is comprised of the Pima silt loam, with 0 to 1 percent slopes. The drainage courses in this area is well-drained. The karst geology in the area of the Seacrest is not in High Karst. See the map below.



RELEASE DETAILS

This release was due to equipment failure. The H-Pump at the facility went down and the actuator didn't close the tanks causing the tank to overflow. The 216 bbls of produced water released were contained in the Falcon Lined containment. A vacuum truck was dispatched and recovered the 215 bbls of the fluids.

Date of Spill: 06/05/2021

<u>Comments</u>: Reportable release. Released: 0 bbls of Oil and 216 bbls of Produced Water Recovered: 0 bbls of Oil and 215 bbls of Produced Water

INITIAL SITE ASSESSMENT

On July 13, 2022, Paragon went to the Seacrest and conducted an initial assessment. There were obvious staining on the liner from the spill. There were no signs outside the containment that the liner had been breached. Therefore, no samples were taken. See the site map below showing the affected area.



REMEDIATION ACTIVITIES

On July 14, 2022, Paragon returned to the site with equipment and personnel to conduct cleanup activities. We initially sprayed the affected area with surface cleaner. We then power washed and squeegeed the runoff to where the vacuum truck could capture the fluids.

On July 20, 2022, Paragon returned to the site to conduct a liner inspection. A 48-hour notification was sent out to the NMOCD on July 18, 2022. The liner inspection concluded that the liner was all intact and in good condition. The integrity of the liner appears to have the ability to contain spills. See Appendix D for the email notification and liner report.

CLOSURE REQUEST

After careful review, Paragon requests that the incident, NAPP2118846106, be closed. Spur has complied with the applicable closure requirements. If you have any questions or need additional information, please contact Chris Jones at 575-964-7814 or <u>chris@paragonenvironmental.net</u>.

Respectfully,

Chris Jones Environmental Professional Paragon Environmental LLC

Attachments

Figures:

- 1- Торо Мар
- 2- Aerial Map

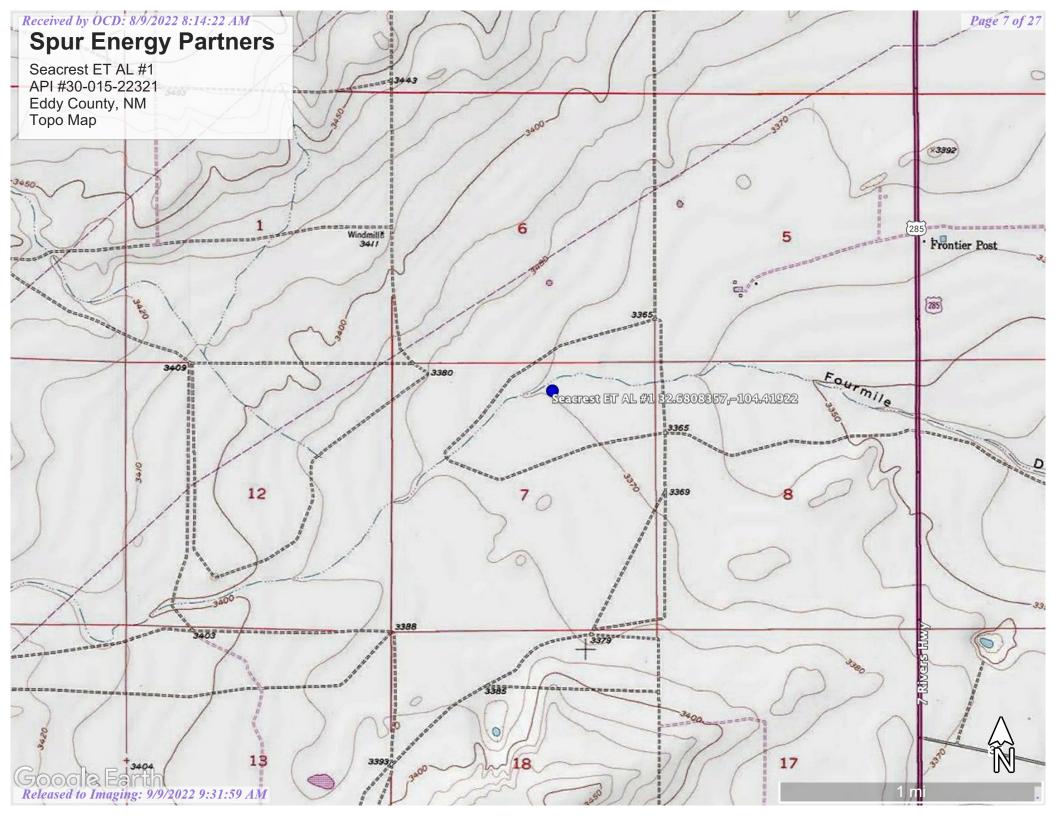
Appendices:

- Appendix A- Referenced Water Data
- Appendix B- Soil Survey & FEMA Flood Map
- Appendix C- C-141
- Appendix D- Email, Liner Inspection and Photographic Documentation



Figures:

1-Topo Map 2- Aerial Map



Received by OCD: 8/9/2022 8:14:22 AM Spur Energy Partners

Seacrest ET AL #1 API #30-015-22321 Eddy County, NM Aerial Map

29

Seacrest ET AL #1 32.6808357,-104.41922

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Dayton

Page 8 of

41

37

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36

34

4 mi

Google Earth Released to Imaging: 9/9/2022 9:31:59 AM

21B

38A

38

23



Appendix A Referenced Water Data:

New Mexico State of Engineers Office



New Mexico Office of the State Engineer Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates th POD has been replaced & no longer serves a water right file.)	replaceu,	ned,	1	` 1			V 2=NE est to la	3=SW 4= rgest)	SE) (NAD83 U	JTM in n	neters)	(In t	feet)	
		POD Sub-	County	Q Q (A 16	-	Tuna	Dua		7	V	DistanceDe	41 WallD		Vater
POD Number RA 07954	Code	RA	County ED		4 Sec 3 05		26E	55556	X 6 36167	Y /63*	DistanceDep 1322	290	175	115
										Avera	age Depth to Wa Minimum De		175 fee 175 fee	
												1	175 fe	
											Maximum De	pin:	1/5 16	el
Record_Count: 1														
UTMNAD83 Rag	lius_Search_(in_	<u>meters)</u>	:											
Easting (X):	554449.866		North	ning (Y)	361	6053.72	29		Radius	: 1500				
*UTM location was der	ived from PLSS	- see Hel	p											
The data is furnished by t the accuracy, completenes									ig that the (DSE/ISC 1	make no warrantio	es, expressed o	r implied, cor	ncerning
8/5/22 11:17 AM											WATER COI WATER	LUMN/ AVEI	RAGE DEPT	ГН ТО



Appendix B Soil Survey:

U.S.D.A.

FEMA Flood Map

Eddy Area, New Mexico

PM—Pima silt loam, 0 to 1 percent slopes

Map Unit Setting

National map unit symbol: 1w56 Elevation: 600 to 4,200 feet Mean annual precipitation: 8 to 25 inches Mean annual air temperature: 60 to 70 degrees F Frost-free period: 195 to 290 days Farmland classification: Farmland of statewide importance

Map Unit Composition

Pima and similar soils: 98 percent Minor components: 2 percent Estimates are based on observations, descriptions, and transects of the mapunit.

Description of Pima

Setting

Landform: Flood plains, alluvial flats, alluvial fans Landform position (three-dimensional): Talf, rise Down-slope shape: Convex, linear Across-slope shape: Linear, convex Parent material: Alluvium

Typical profile

H1 - 0 to 3 inches: silt loam *H2 - 3 to 60 inches:* silty clay loam

Properties and qualities

Slope: 0 to 1 percent
Depth to restrictive feature: More than 80 inches
Drainage class: Well drained
Runoff class: Medium
Capacity of the most limiting layer to transmit water (Ksat): Moderately high (0.20 to 0.60 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: RareNone
Frequency of ponding: None
Calcium carbonate, maximum content: 15 percent
Maximum salinity: Nonsaline to slightly saline (0.0 to 4.0 mmhos/cm)
Sodium adsorption ratio, maximum: 1.0
Available water supply, 0 to 60 inches: High (about 11.9 inches)

Interpretive groups

Land capability classification (irrigated): 1 Land capability classification (nonirrigated): 7c Hydrologic Soil Group: C Ecological site: R042XC017NM - Bottomland Hydric soil rating: No

Minor Components

Dev

Percent of map unit: 1 percent *Ecological site:* R042XC017NM - Bottomland *Hydric soil rating:* No

Reagan

Percent of map unit: 1 percent *Ecological site:* R042XC007NM - Loamy *Hydric soil rating:* No

Data Source Information

Soil Survey Area: Eddy Area, New Mexico Survey Area Data: Version 17, Sep 12, 2021

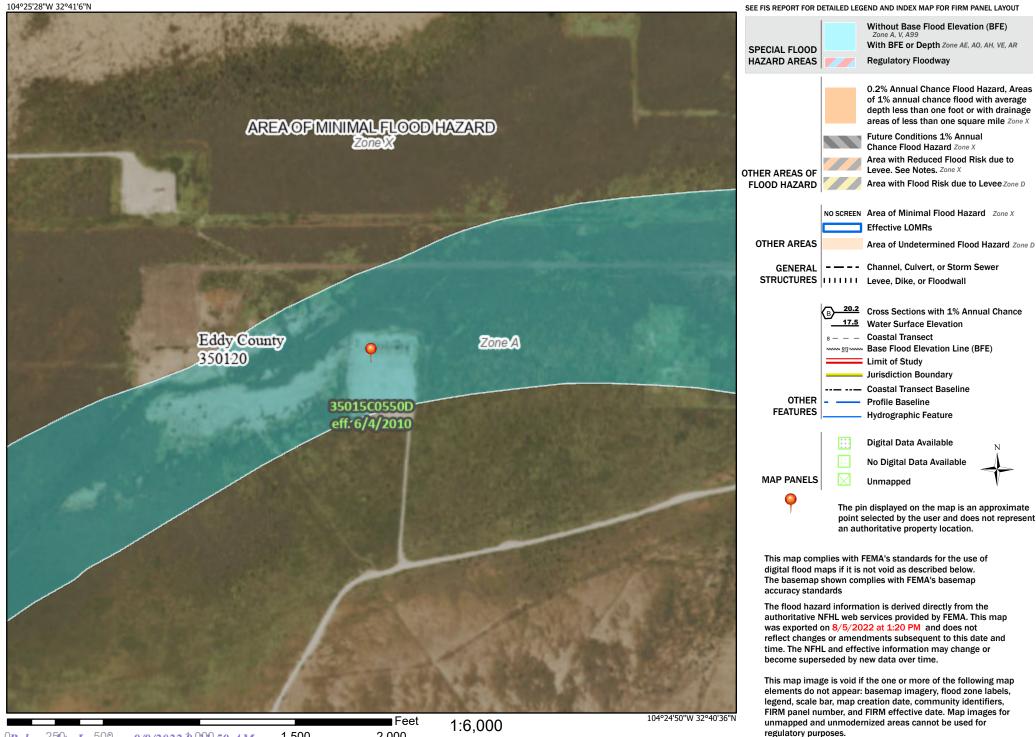


Received by OCD: 8/9/2022 8:14:22 AM National Flood Hazard Layer FIRMette



Legend

Page 14 of 27



Releaseato Imaging: 9/9/2022 9.999.59 AM 1,500 2.000

Basemap: USGS National Map: Orthoimagery: Data refreshed October, 2020



Appendix C:

C-141

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	NAPP2118846106
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) NAPP2118846106			
Contact mailing add	Contact mailing address 2407 Pecos Avenue, Artesia, NM 88210				

Location of Release Source

Latitude 32.6808357

(NAD 83 in decimal degrees to 5 decimal places)

Site Name SECREST ET AL #001	Site Type Production
Date Release Discovered 6/05/2021	API# (if applicable) 30-015-22321

Unit Letter	Section	Township	Range	County
В	7	19S	26E	Eddy

Surface Owner: State Federal Tribal Private (Name: _____

Nature and Volume of Release

Crude Oil	ial(s) Released (Select all that apply and attach calculations or speci Volume Released (bbls)	Volume Recovered (bbls)
Produced Water	Volume Released (bbls) 216	Volume Recovered (bbls)215
	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)
Cause of Release The	H-Pump at the facility went down and the	actuator never closed to the tanks.

orm C-141	State of New Mexico	Inc	ident ID	NAPP2118846106
ge 2	Oil Conservation Division		strict RP	NAPP2118846106
			cility ID	
			plication ID	
Was this a major	If YES, for what reason(s) does the responsi	ible party consider this a	a major release?	
release as defined by 19.15.29.7(A) NMAC?	>25 bbls			
Yes 🗌 No			· · · · ·	
	notice given to the OCD? By whom? To whor	•		email, etc)?
Dakota Neel (SPUF	R) sent an email to Mike Bratcher a	nd Jim Griswold o	n 6/6/2021.	
	Initial Res	ponse		
The responsible	party must undertake the following actions immediately u	inless they could create a safe	ty hazard that woul	d result in injury
The source of the rel	ease has been stopped.			
The impacted area has a second sec	as been secured to protect human health and the	e environment.		
Released materials h	ave been contained via the use of berms or dike	es, absorbent pads, or o	ther containmer	nt devices.
	ecoverable materials have been removed and n	-		
	coverable materials have been removed and h			
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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	NAPP2118846106
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party Spur Energy Partners	OGRID 328947
Contact Name Chad Hensley	Contact Telephone 346-339-1494
Contact email chensley@spurenergy.com	Incident # NAPP2118846106
Contact mailing address 919 Milam Street Suite 2475	
Houston, TX 77002	

Location of Release Source

Latitude 32.6808357 Longitude -104.41922 (NAD 83 in decimal degrees to 5 decimal places)

Site Name Seacrest ET AL #1	Site Type Production
Date Release Discovered 06/05/2021	API# 30-015-22321

Unit Letter	Section	Township	Range	County
В	7	19S	26E	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)

Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
Produced Water	Volume Released 216 (bbls)	Volume Recovered 215 (bbls)
	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)
Cause of Release		
The H-Pump at the fa	acility went down and the actuator didn't close the t	anks causing the tank to overflow.

Page 2

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?	Greater than 25 bbls
🗌 Yes 🖾 No	
If YES, was immediate ne	otice 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

 \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: Chad Hensley	Title: HSE Coordinator
Signature:	Date:
email: <u>chensley@spurenergy.com</u>	Telephone: 346-339-1494
OCD Only	
Received by:	Date:

Received by OCD: 8/9/2022 8:14:22 AM Form C-141 State of New Mexico

Oil Conservation Division

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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.

What is the shallowest depth to groundwater beneath the area affected by the release?	<u>175</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
- \square Depth to water determination
- Determination of water sources and significant watercourses within ¹/₂-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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			Facility ID	
			Application ID	
regulations all operators are required public health or the environment. The failed to adequately investigate and the		ications and perform co CD does not relieve the at to groundwater, surfac	prective actions for rele operator of liability sho ce water, human health iance with any other feo ator	ases which may endanger ould their operations have or the environment. In
OCD Only				
Received by:		Date:		

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.

<u>Closure Report Attachment Checklist</u> : Each of the following iter	ms must be included in the closure report.	
A scaled site and sampling diagram as described in 19.15.29.11	NMAC	
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)		
Laboratory analyses of final sampling (Note: appropriate ODC)	District office must be notified 2 days prior to final sampling)	
Description of remediation activities		
	ediate contamination that pose a threat to groundwater, surface water, C-141 report does not relieve the operator of responsibility for ons. The responsible party acknowledges they must substantially litions that existed prior to the release or their final land use in	
Signature:	Date: 09/09/2022	
email: <u>chensley@spurenergy.com</u>	Telephone: 346-339-1494	
OCD Only		
Received by:	Date:	
	f liability should their operations have failed to adequately investigate and ater, human health, or the environment nor does not relieve the responsible regulations.	
Closure Approved by:	Date:	
Printed Name:	Title:	

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Appendix D:

Liner Inspection

Email Notification

Photographic Documentation



Paragon Environmental LLC

Liner Inspection Form

Company Name:	SPUR ENERGY PARTNER	S			
Site:	Seacrest ET AL #1 SWD				
Lat/Long:	32.6808398, -104.4192201				
NMOCD Incident ID	: nAPP2118846106				
Incident Date:	06/05/21				
2-Day Notification Sent:	07/18/2022				
Inspection Date:	07/20/2022				
Liner Type:	Earthen w/liner	Earthen no liner	Polystar		
(Steel w/poly liner	Steel w/spray epoxy	No Liner		
Other:					

Visualization	Yes	No	Comments
Is there a tear in the liner?		X	
Are there holes in the liner?		х	
Is the liner retaining any fluids?		Х	
Does the liner have integrity to contain a leak?	X		

Comments: _____

Inspector Name: Tristan Jones

Subject:	Liner Inspections
Date:	Monday, July 18, 2022 at 7:04:13 PM Mountain Daylight Time
From:	Chris Jones
То:	OCDOnline@state.nm.us, Bratcher, Mike, EMNRD, Hamlet, Robert, EMNRD, Nobui, Jennifer, EMNRD
CC:	Chad Hensley, Braidy Moulder

Attachments: image001.jpg

Mike,

This is to inform you all that Paragon will be conducting Liner Inspections on behalf of Spur Energy on 7-20-22 beginning at 800 am MST at the following locations going in this order.

HEARSE 36 STATE COM BATTERY- nAPP2113945611- 32.61025,-104.43676

Shelby 23 Tank Battery- nAPP2202848888- 32.636495,-104.449015

Bradley 8 Fee #2- nRM2020535132- 32.6684265,-104.4068375

SECREST ET AL #001- nAPP2118846106- 32.6808357,-104.41922

Clydesdale 1 Fee #6H Battery- nAPP2130547657- 32.68579,-104.4303

These are all in a general location from each other and should be an easy day of it. If you have any questions or show up at a site we are not at feel free to give me a call and verify.

Thank You,

Chris Jones Environmental Professional 1601 N. Turner Ste. 500 Hobbs, NM 88240 chris@paragonenvironmental.net 575-631-6977 cell



"We do not inherit the Earth from our ancestors; we borrow it from our children." Chief Seattle



Photographic Documentation

Liner Inspection









Released to Imaging: 9/9/2022 9:31:59 AM

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

CONDITIONS

Operator:	OGRID:
Spur Energy Partners LLC	328947
9655 Katy Freeway	Action Number:
Houston, TX 77024	132300
	Action Type:
	[C-141] Release Corrective Action (C-141)

CONDITIONS

Created By Condition

We have received your closure report and final C-141 for Incident #NAPP2118846106 SECREST ET AL #001, thank you. This closure is approved. 9/9/2022 rhamlet

CONDITIONS

Action 132300

Condition Date