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

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Incident ID	nAPP2235556172
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party	MR NM Operating LLC	OGRID	330506
Contact Name	Josh Verner	Contact Telephone	(281) 224-3430
Contact email	josh@mr-nm.com	Incident # (assigned by OCD)	nAPP2235556172
Contact mailing address 5950 Berkshire Lane Suite 1000 Dallas, TX 75225			

Location of Release Source

Latitude 32.8613129

(NAD 83 in decimal degrees to 5 decimal places)

-103.9286346

Site Name	Jackson B #029Y	Site Type	Plugged and Abandoned
Date Release Discovered	09/29/2022	API# (if applicable)	30-015-21473

Unit Letter	Section	Township	Range	County
К	01	178	30E	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 (bbls) 18	Volume Recovered (bbls) 0
	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

Leak was coming up the $4\frac{1}{2}$ '' x 8 5/8'' annulus through a open value below the dry hole marker.

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Was this a major release as defined by 19.15.29.7(A) NMAC?	If YES, for what reason(s) does the responsible party consider this a major release?
🗌 Yes 🔀 No	
If YES, was immediate no	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

 \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.

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:	Ben Barr	Title: Vice President
Signature: email:	Ben@Cypressnr.com	Date: <u>12/22/2022</u> Telephone:(281) 224-3430
OCD Only Received by:	Jocelyn Harimon	12/22/2022 Date:

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:		
M	R NM Operating LLC	330506		
59	950 Berkshire Lane	Action Number:		
D	allas, TX 75225	167334		
		Action Type:		
		[C-141] Release Corrective Action (C-141)		
CONDITIONS				
Created By	Condition	Conditio	ion Date	

Created By Condition

jharimon None CONDITIONS

Action 167334

12/22/2022