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	nAPP2300652445
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party Earthstone Operating, LLC	OGRID
Contact Name Chris Martin	Contact Telephone
Contact email CMartin@earthstoneenergy.com	Incident # (assigned by OCD)
Contact mailing address 600 N. Marienfeld Suite 1000, Midland, Texas 79701	

Location of Release Source

Latitude <u>32.652962</u>

Longitude <u>-103.712913</u> (NAD 83 in decimal degrees to 5 decimal places)

Site Name Diamondback 24-25 CTB	Site Type Tank Battery
Date Release Discovered 12/25/2022	API# (if applicable)

Unit Letter	Section	Township	Range	County
А	24	19S	32E	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) 100	Volume Recovered (bbls) 70
Produced Water	Volume Released (bbls) 30	Volume Recovered (bbls) 10
	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

Equipment failure from gasket on the fire tube of a heater treater. Repairs have been made and the release stopped.

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Incident ID	nAPP2300652445
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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	Spill is over 25 BBLS
19.15.29.7(A) NMAC?	
Yes 🗌 No	
If YES, was immediate n	otice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?
Immediate notice was	given by Chris Martin via email (CMartin@earthstoneenergy.com) to Rosa Romero via email
(Rosalvi.Romero(<i>u</i>)emn	ard.nm.gov) and OCD (ocd.enviro@state.nm.us) at 4:38 PM MT on 12/25/22.
	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 rele	ease 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.

Neterased materials have been contained via the use of bernis of dikes, absorbent paus, of other containing in the second sec

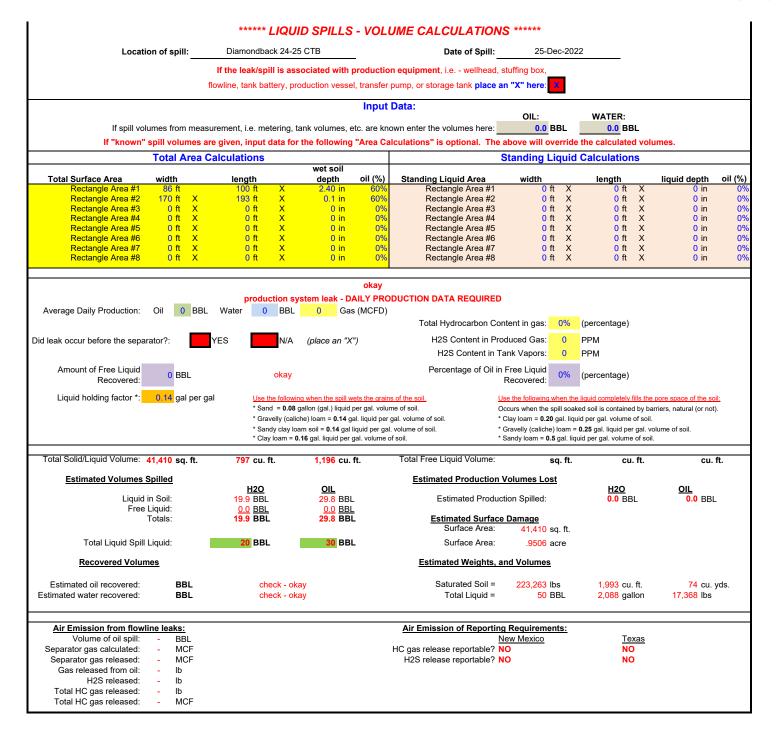
All free liquids and recoverable materials have been removed and managed appropriately.

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: <u>Rebecca Haskell</u>	Title: Senior Project Manager
Signature: Rebecca Haskell	Date: <u>1/6/2023</u>
email: <u>bhaskell@ntglobal.com</u>	Telephone: <u>432-766-1918</u>
OCD Only Received by: Jocelyn Harimon	Date:01/09/2023



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:
Earthstone Operating, LLC	331165
1400 Woodloch Forest; Ste 300	Action Number:
The Woodlands, TX 77380	173551
	Action Type:
	[C-141] Release Corrective Action (C-141)

CONDITIONS

Created By		Condition Date
jharimon	When submitting future reports regarding this release, please submit the calculations used or specific justification for the volumes reported on the initial C- 141	1/9/2023

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Action 173551