

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	NAPP2322554757
District RP	
Facility ID	
Application ID	

## Release Notification

### Responsible Party

Responsible Party	MR NM Operating LLC	OGRID
Contact Name	Klint Farrar	Contact Telephone (469) 906-2004
Contact email	klint@cypressnr.com	Incident # (assigned by OCD)
Contact mailing address	5950 Berkshire Lane Suite 1000 Dallas, TX 75225	

### Location of Release Source

Latitude 32.85551 Longitude -103.95222  
(NAD 83 in decimal degrees to 5 decimal places)

Site Name	Westall Line Release	Site Type	Flowline
Date Release Discovered	7/31/23	API# (if applicable)	

Unit Letter	Section	Township	Range	County
A	10	17S	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)

<input type="checkbox"/> Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
<input checked="" type="checkbox"/> Produced Water	Volume Released (bbls) 150 bbls	Volume Recovered (bbls) 25 bbls
	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

The release was noticed by Cypress personnel around 3:30 pm on 7/31/23 from a poly water disposal line. The line was shut-in by 4 pm and repaired that evening. During repairs, a drag mark on the poly line was determined to be the source of the release, likely damaged during the installation. Twenty feet of poly line was removed and replaced with new poly. A vac truck removed approximately 25 bbls of produced water from the surface on 7/31/23. MR NM calculated the time between notification of the leak and when the line was last driven and calculated the estimated rate through the flowline from CNR facilities. Recovered volumes were reported by the quantity removed by the vac truck.

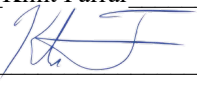
## Oil Conservation Division

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Was this a major release as defined by 19.15.29.7(A) NMAC?  <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release?  This incident is an unauthorized release of a volume, excluding gases, of 25 barrels or more.
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Mike Bratcher at the OCD (575-626-0857) was notified via phone on 8.1.23 by Katherine Kahn (CDH Consulting, LLC). Additionally, this form was emailed to the OCD.Enviro@emnrd.nm.gov. Jose Martinez at the BLM (575-234-5972) was also notified of the spill by phone and email on 8.1.23 by Katherine Kahn since it occurred on federal land.	

### Initial Response

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

<input checked="" type="checkbox"/> The source of the release has been stopped. <input checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input checked="" type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately.	
If all the actions described above have <u>not</u> 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>Klint Farrar</u>	Title: <u>President</u>
Signature: <u></u>	Date: <u>8/1/23</u>
email: <u>klint@cypressnr.com</u>	Telephone: <u>469-906-2004</u>
<b><u>OCD Only</u></b>	
Received by: <u>Shelly Wells</u>	Date: <u>8/15/2023</u>

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
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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

Action 251425

CONDITIONS

Operator: MR NM Operating LLC 5950 Berkshire Lane Dallas, TX 75225	OGRID: 330506
	Action Number: 251425
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
scwells	None	8/15/2023