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

Page 1 of 3

| Incident ID    | NAPP2316652967 |
|----------------|----------------|
| District RP    |                |
| Facility ID    | A              |
| Application ID |                |

# **Release Notification**

### **Responsible Party**

| Responsible Party Forty Acres Energy              | OGRID 371416                                |
|---|---|
| Contact Name Alex Bolanos                         | Contact Telephone 832-689-3788              |
| Contact email alex@faenergyus.com                 | Incident # (assigned by OCD) NAPP2316652967 |
| Contact mailing address 11757 Katy FWY Suite 725, | Houston, TX 77079                           |

#### Location of Release Source

Latitude 32.516528

Longitude -103.340494 (NAD 83 in decimal degrees to 5 decimal places)

| Site Name                         | West Eumont Unit Lea 407 Battery | Site Type Battery    |  |
|-----------------------------------|----------------------------------|----------------------|--|
| Date Release Discovered 6/14/2023 |                                  | API# (if applicable) |  |

| Unit Letter | Section | Township | Range | County |  |
|-------------|---------|----------|-------|--------|--|
| С           | 02      | 21 S     | 35E   | Lea    |  |

Surface Owner: State Federal Tribal Private (Name: Dale Cooper

## Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

| Volume Released (bbls) 25 bbls   | Volume Recovered (bbls) 25 bbls  |  |
|--|--|--|
| Is the concentration of dissolved chloride in the produced water >10.000 mg/l? | X Yes No   |  |
| Volume Released (bbls)   | Volume Recovered (bbls)  |  |
| Volume Released (Mcf)  | Volume Recovered (Mcf)   |  |
| Volume/Weight Released (provide units)   | Volume/Weight Recovered (provide units)  |  |
|  | Is the concentration of dissolved chloride in the<br>produced water >10.000 mg/l?<br>Volume Released (bbls)<br>Volume Released (Mcf) |  |

Cause of Release

A hole was found in the bottom of a still oil tank.

#### Received by OCD: 10/23/2023 10:12:26 AM

| Form C-141       | State of New Mexico                                | Incident ID                       | NAPP2316652967 |
|------------------|--|-----------------------------------|----------------|
| Page 2           | Oil Conservation Division                          | District RP                       | NAFF2310032907 |
|                  |  | Facility ID                       |                |
|                  |  | Application ID                    |                |
| <b>NV</b> 411    |  |                                   |                |
| Was this a major | If VFS for what reason(s) does the responsible par | ty consider this a major release? | )              |

| Was this a major<br>release as defined by<br>19.15.29.7(A) NMAC?   | If YES, for what reason(s) does the responsible party consider this a major release?<br>The release was over 25 bbls of water, which was contained within the battery containment.<br>Forty Acres has removed the water and soil from location. |  |  |
|--|---|--|--|
| 🛛 Yes 🗌 No   |   |  |  |
| If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? |   |  |  |
| Yes, Jame Martinez put a one call into Mike Bratsher on 6/14/2023.   |   |  |  |

# **Initial Response**

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

X The source of the release has been stopped.

X 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.

X 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:Alex Bojanos        | Title:Regulatory & Production Analyst |
|----------------------------------|---------------------------------------|
| Signature: Clife Blit            | Date:6/15/2023                        |
| email:alex@faenergyus.com        | Telephone: 832-689-3788               |
|                                  |                                       |
| OCD Only                         |                                       |
| Received by: <u>Shelly Wells</u> | Date: <u>10/23/2023</u>               |
| OCD Only                         |                                       |

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

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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:                                    |
|-------------------------|---|
| FORTY ACRES ENERGY, LLC | 371416                                    |
| 11757 KATY FWY          | Action Number:                            |
| HOUSTON, TX 77079173    | 278261                                    |
|                         | Action Type:                              |
|                         | [C-141] Release Corrective Action (C-141) |
| CONDITIONS              |   |

Created By Condition scwells None

CONDITIONS

Action 278261

Condition Date 10/23/2023