

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	NAPP2222148803
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party	Forty Acres Energy	OGRID	371416
Contact Name	Brittney Storfa	Contact Telephone	832-241-8080
Contact email	brittney@faenergyus.com	Incident # (assigned by OCD)	nAPP2222148803
Contact mailing address	11757 Katy FWY Suite 725, Houston, TX 77079		

Location of Release Source

Latitude 32.527933 Longitude -103.329817
(NAD 83 in decimal degrees to 5 decimal places)

Site Name	West Eumont Injection Station	Site Type	Battery
Date Release Discovered	07/22/2022	API# (if applicable)	

Unit Letter	Section	Township	Range	County
L	35	20 S	36E	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)

<input type="checkbox"/> Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
<input checked="" type="checkbox"/> Produced Water	Volume Released (bbls) 98 bbls	Volume Recovered (bbls) 97 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

Injection pump threw a rod and the discharge line disconnected. All fluid was contained in the lined containment.

Form C-141

State of New Mexico
Oil Conservation Division

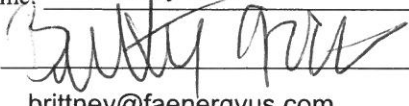
Page 2

Incident ID	NAPP2222148803
District RP	
Facility ID	
Application ID	

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? The release was over 25 bbls. but was all contained in the lined battery containment.
If YES, was immediate notice 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

<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>Brittney Storfa</u> Signature:  email: <u>brittney@faenergyus.com</u>	Title: <u>Production Engineer</u> Date: <u>8/9/2022</u> Telephone: <u>832-241-8080</u>
OCD Only Received by: <u>Jocelyn Harimon</u> Date: <u>08/10/2022</u>	

Incident ID	NAPP2222148803
District RP	
Facility ID	
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?	_____ (ft bgs)
Did this release impact groundwater or surface water?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a wetland?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying a subsurface mine?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying an unstable area such as karst geology?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within a 100-year floodplain?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Did the release impact areas not on an exploration, development, production, or storage site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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
- ☐ Depth to water determination
- ☐ Determination of water sources and significant watercourses within ½-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.

State of New Mexico
Oil Conservation Division

Page 4

Incident ID	NAPP2222148803
District RP	
Facility ID	
Application ID	

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 Bolanos Title: Regulatory & Production Analyst
Signature: *Alex Bolanos* Date: 8/22/2023
email: alex@faenergyus.com Telephone: (832) 689-3788

OCD Only

Received by: Shelly Wells Date: 8/24/2023

Incident ID	NAPP2222148803
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.

Closure Report Attachment Checklist: *Each of the following items 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

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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

Printed Name: Alex Bolanos Title: Regulatory & Production Analyst

Signature: *Alex Bolanos* Date: 12/06/2023

email: alex@faenergyus.com Telephone: (832)689-3788

OCD Only

Received by: _____ Date: _____

Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.

Closure Approved by: *Nelson Velez* Date: 12/22/2023

Printed Name: Nelson Velez Title: Environmental Specialist - Adv

Liner Inspection Report

Operator: forty acres energy

Site Name: West Eumont Unit, Central Injection Facility; nAPP2222148803

Leak Date: 7/22/2022

Inspection Date: 6/22/2023

Inspection Results:

Liner Integrity: Good ☒ Bad ☐

Debris Removal: Yes ☐ No ☒

Remediation Activities:

Gravel Removal: Yes ☐ No ☒

Power Wash: Yes ☒ No ☐

Closure Photos: ☒

Inspected By: Cliff Brunson

Date: 6/22/2023

Forty Acres Energy

West Eumont Injection Facility

Photo taken: 8/21/2023

Lat: 32.527933 Long: -103.329817



West Eumont Injection Facility

Exhibit: 2

Photo taken: 8/21/2023

Lat: 32.527933 Long: -103.329817



Received by OCD: 8/24/2023 7:36:05 AM

Forty Acres Energy
West Eumont Injection Facility
Photo taken: 8/21/2023
Lat: 32.527933 Long: -103.329817



Released to Imaging: 12/22/2023 9:17:30 AM

Forty Acres Energy
West Eumont Injection Facility
Photo taken: 8/21/2023
Lat: 32.527933 Long: -103.329817



Forty Acres Energy
West Eumont Injection Facility
Release Assessment Area
Lat: 32.527933, Long: -103.329817
Lea County, New Mexico

Exhibit 7



Google Earth

Exhibit: 6

Site Location

WEST EUMONT UNIT

West Eumont Unit Injection Facility
Site Location
Unit L Section 35 T20S Range 35E
Lea County, New Mexico
Lat: 32.527933 Long: -103.329817

323053103191201
4/16/1991
DTW = 118.1

0.2km



August 22, 2023

Ms. Rosa Romero
Environmental Bureau Chief
New Mexico Oil Conservation Division
1625 North French Drive
Hobbs, New Mexico 88240

Re: Characterization Report for Forty Acres Energy, LLC, West Eumont Injection Station, Incident No.;
nAPP2222148803, Lat: 32.527933 Long: -103.329817

Dear Ms. Romero,

On July 22, 2022 Forty Acres Energy, LLC "Forty Acres" discovered a release of 98 barrels of produced water at the West Eumont Injection Station Facility. On August 9, 2022, Forty Acres submitted a Notice of Release (Incident No.: NAPP2222148803) to report the release that occurred at the West Eumont Injection Station, Unit L, Section 35, Township 20S, Range 36E, Lea County, New Mexico "Site". The site location is shown on the overview map below (**Exhibit 6**).

Per the C-141 Release Notification Report, a major release of 98 barrels of produced water was caused by a failure of the injection pump, which resulted in a disconnection at a discharge line. Forty Acres stopped the source of the release and repaired the discharge line. The entire release was 100% fully retained within line battery containment of the site (**Exhibit 7**).

Forty Acres hired a 3rd party company who assisted Forty Acres in recovering all 98 barrels of the produced water that was released. As previously mentioned, the impacted area was 100% within lined containment of the battery (**see exhibits 1-4,7**). On June 22, 2023, BBC International, Inc. initially assessed/inspected the site on behalf of Forty Acres to ensure the integrity of the liner and to determine if soil/gravel removal and testing is necessary. As per the Liner Inspection report attached (**see Exhibit 5**), the initial inspection determined good liner integrity and that no additional debris would need to be removed. The inspection report also provides that gravel removal is not necessary, but the site should be power washed, and photos should be provided of the site.

Based on the liner inspection results and above stated facts, Forty Acres assesses that there is no need for soil contamination sampling, offset water sources, and/or a depth to water determination. Forty Acres Energy proposes that the NMOCD inspect the release site and liner to confirm good liner integrity within the next two weeks. If the NMOCD agrees that the release site was 100% within a reliably lined containment and that no sampling or further remediation is required, Forty Acres will move to submitting Final Closure for this release.

If you have any questions or require additional information, please contact me by phone at (832) 689-3788 or email at alex@faenergyus.com

Respectfully Submitted,

FORTY ACRES ENERGY, LLC

A handwritten signature in black ink that reads "Alex Bolanos".

Alex Bolanos
Regulatory & Production Analyst

11757 Katy Freeway Suite 725, Houston, TX 77079

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

Action 255917

CONDITIONS

Operator: FORTY ACRES ENERGY, LLC 11757 KATY FWY HOUSTON, TX 77079173	OGRID: 371416
	Action Number: 255917
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
nvelez	Liner inspection approved. Release resolved.	12/21/2023