State of New Mexico

District II

1301 W Grand Avenue, Artesia, NM 88210

State of New Mexico

Minerals and Natural Resources

District III

District IV 1220 S of Francis Dr., Santa Fe, NM 87505 | DEC 2 & 2011 Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 | Santa Fe, NM 87505

Form C-141 Revised October 10, 2003

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

| | | | | | ` | | OPERA' | ГOR | | Initi | al Report | | Final Repor | | |
|--|--|--|---|----------------------------|--|------------------------------------|---|---|-------------------------------------|--|--|---------------------------------|-------------------------------------|--|--|
| Name of Co | | Pride Ener | | | Contact Matthew L. Pride | | | | | | | | | | |
| Address P | | | | | Telephone No. 918-524-9200 | | | | | | | | | | |
| Facility Name Bagley #2 | | | | | | | Facility Type Oil well | | | | | | | | |
| Surface Ow Pearce Trus | | | Mineral C | wner | | | | Lease 1 | No. | | | | | | |
| realce Ilus | L | | ree | | | | | | | | | | | | |
| LOCATION OF RELEASE | | | | | | | | | | | | | | | |
| Unit Letter | Section | Township | Range | Feet | from the | North | South Line | Feet from the | East/W | est Line | County | | | | |
| G | 9 | 11S | 33E | 1905 | 5 | North | | 2130 | East | | Lea | | | | |
| | e | le | | | | | | | | | | | | | |
| NATURE OF RELEASE API # 30.025.38192.00.00 | | | | | | | | | | | | | | | |
| Type of Release Saltwater and some oil Volume of Release 2 gallons Volume Recovered 2 gallons | | | | | | | | | | | | | | | |
| Source of Release | | | | | | | | | | | d Hour of Discovery | | | | |
| wellhead | | | | | Approx. 11/8/09 11/9/09 | | | | | | | | | | |
| Was Immedia | ite Notice (| Given? ⊠ | ☐ Not Re | equired | If YES, To Whom? d OCD (Maxey Brown) (see comments below) | | | | | | | | | | |
| By Whom? See comments below | | | | | | | Date and Hour | | | | | | | | |
| Was a Watero | course Read | ched? | | | If YES, Volume Impacting the Watercourse | | | | | | | | | | |
| If a Watercou | rce was Im | nacted Decor | ibe Fully * | | (not applic | ahle) | <u> </u> | | | | | | | | |
| Describe Cau | | | | | | autej | | | | | | | | | |
| Fluids dripping from wellhead; wellhead bolts have now been tightened to stop the dripping WATER 9 41 | | | | | | | | | | | | | | | |
| Describe Area Affected and Cleanup Action Taken.* | | | | | | | | | | | | | | | |
| Contaminated | l soil aroun | d wellhead; | | | | | | | | | ı | | | | |
| Maxey Brown | n, field insp | ector for OCI | D, discover | ed the | e release be | fore pun | nper got to the | e well for gauging | Ş | | | | | | |
| Contaminated | l soil has no | ow been remo | ved and pro | operly | y disposed o | of | | | | | | | | | |
| Fiberglass tar | ık top Soutl | n of location a | ınd tank sta | irway | East of loc | ation ha | ave now been | removed and pro | perly dis | posed of | | | | | |
| regulations all public health should their o | l operators or the envir perations h ment. In a | are required to conment. The ave failed to a dditton, NMC | o report and acceptance acceptance acceptance acceptance accept | d/or fi e of a inves | ile certain re C-141 repo tigate and re | elease no et by the emediate | otifications ar e NMOCD ma e contamination | knowledge and und perform correctarked as "Final Room that pose a three the operator of r | tive action eport" do eat to gro | ons for rele oes not rele ound water | eases which leve the ope r, surface wa | may en rator of ater, hur | ndanger Tliability man health | | |
| ^ | | | | | | | | OIL CONS | SERV. | ATION | DIVISIO | <u>)N</u> | | | |
| Signature: Mattle L. Pride | | | | | | | ENV ENGINEER: | | | | | | | | |
| Printed Name: Matthew L. Pride | | | | | | | Approved by District Supervisor: Sleaffrey Laking | | | | | | | | |
| | President of Pride Production Co., Inc. as General Partner of Pride Energy Company | | | | | | Approval Date. Exp. | | | xpiration Date: | | | | | |
| E-mail Address: mattp@pride-energy.com | | | | | | | Conditions of Approval DELINEATE TO | | | | | | | | |
| | | | | | | | Conditions of Approval: DELINEATE TO CLEANTI. PROVIDE PHOTOGRAPHS AND CONFIRMATION SAMPLING RESULTS WITH FINAL (-141. IRP-10.1.238) | | | | | | | | |
| Attach Additional Sheets If Necessary | | | | | | | SUBMIT FINAL C-141 BY | | | | | | | | |
| FARL | 1000 | 73485 | 59 | | | | 03/08/10. | | | | | | | | |

District I 1625 N French Dr , Hobbs, NM 88240 District II 1301 W Grand Avenue, 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 Resource ECEIVED

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Form C-141 Revised October 10, 2003

MUDBOOIT Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

DEC 28 2009 HOBBSOCD Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

| | | | | | | OPERATOR Initial Report Final | | | | | Final | l Report | |
|---|---------------|---|--|----------------------|--------------------------|-----------------------------------|---------------------------|-------------|-----------------------|---------------|--------|----------|----|
| Name of Co | mpany | Pride Ener | any | | Contact Matthew L. Pride | | | | | | | | |
| Address P | | 1950, Tulsa, | OK 7417 | 0 | ' | Telephone No. 918-524-9200 | | | | | | | |
| Facility Nan | | | | | | Facility Type Oil well | | | | | | | |
| | | | | | | | | | | | | | |
| Surface Own | | | | Mineral O | wner | | | | Lease N | Jo. | | | |
| Pearce Trust | | | | Fee | | | | | | | | | |
| LOCATION OF RELEASE | | | | | | | | | | | | | |
| Unit Letter | Section | ion Township Range Feet from the No | | | | th/South Line Feet from the East | | | st/West Line County | | | | |
| G | 9 | 118 | 33E | 1905 | North | | 2130 | East | | Lea | | | |
| Latitude Longitude | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| Type of Release Saltwater and some oil NATURE OF RELEASE AP 1 30.025-38192.00.00 Volume of Release 2 gallons Volume Recovered 2 gallons | | | | | | | | | | | | | |
| Source of Rel | | iter and some | Date and Hour of Occurrence Date and Hour of Disc | | | | | | 15 | | | | |
| wellhead | casc | | Approx 11/8/09 11/9/09 | | | | Tiour or Disc. | JVCIY | | | | | |
| Was Immedia | te Notice C | Given? | | | | If YES, To Whom? | | | | | | | |
| ☐ Yes ☐ No ☐ Not Required | | | | | | | | | | | | | |
| By Whom? | See comm | ents below | | ., | | Date and Hour | | | | | | | |
| Was a Watero | ourse Reac | If YES, Volume Impacting the Watercourse. | | | | | | | | | | | |
| | | | Yes 🛚 | No | | | | | | | | | |
| If a Watercourse was Impacted, Describe Fully.* (not applicable) | | | | | | | | | | | | | |
| Describe Cause of Problem and Remedial Action Taken.* | | | | | | | | | | | | | |
| | 4 | | | | | | | | | | | | |
| Fluids drippin | ng from we | llhead, wellhe | ad bolts h | ive now been tigh | tened to | stop the drip | ping. | | | | | | |
| Describe Area | Affected : | and Cleanup A | Action Tak | en.* | | | | | | | | | |
| | | | | | | | , | | | | | | |
| Contaminated | l soil aroun | d wellhead; | | | | | | | | | | | - |
| Maxey Brown | n, field insp | ector for OCI | O, discover | ed the release bef | ore pun | nper got to the | e well for gauging | <u> </u> | | | | | |
| Contaminated | l soil has no | w been remo | ved and pr | operly disposed o | f | | | | | | | | |
| | | | • | | | | | | | | | | |
| Fiberglass tan | k top Soutl | of location a | ınd tank st | airway East of loc | ation ha | eve now been | removed and prop | perly dis | posed of | | | | |
| I hereby certif | fy that the i | nformation gi | ven above | is true and compl | ete to th | ne best of my | knowledge and u | nderstan | d that purs | uant to NMO | CD ru | les an | d |
| regulations all | operators | are required to | o report an | d/or file certain re | elease no | otifications ar | nd perform correct | tive action | ons for rele | eases which n | nay en | dange | er |
| 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 NMOCD marked as "Final Report" does not relieve the operator of liability | | | | | | | | | | | | | |
| should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health | | | | | | | | | | | | | |
| or the environment. In addition, NMOCD 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. | | | | | | | | | | | | | |
| | | | | | | | OIL CONSERVATION DIVISION | | | | | | |
| | 1010 | ethu | OIL CONDERVITION DIVISION | | | | | | | } | | | |
| Signature: | INC | emu | ~ 1/. | 11100 | | | enal lengality | יימטי | | | | | İ |
| | | | ENV ENCINEER: Approved by District Supervisor: | | | | .00 | | | | | | |
| Printed Name | : Matthew | L. Pride | - | | | • | REFFREY JOHN | | | | | | |
| Title President of Pride Production Co , Inc. as General Partner of Pride Energy Company | | | | | | Approval Date: | | | Evaluation Date: | | | | |
| | | | | | | | | | Expiration Date: | | | | |
| 111001 | LINGLY COL | 1104117 | | | | | 0111-110 | | | 1 | | | |
| | | | | | | Conditions of Approval: Attached | | | | Attached | | | _ |
| | | | | | | | | | | Ll | 1 7201 | | |
| Date: 12/23/ | 109 | | Phone | 918-524-9200 | | | | | 1RP-10 | · · · | 42 | 01 | |