

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 | NRM2023854921 |
| District RP | |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

| | |
|--|---------------------------------|
| Responsible Party: Spur Energy Partners LLC | OGRID: 328947 |
| Contact Name: Kenny Kidd | Contact Telephone: 575-616-5400 |
| Contact email: kkidd@spurepllc.com | Incident # (assigned by OCD): |
| Contact mailing address: 920 Memorial City Way Suite 1000 Houston, TX 77024 | |

Location of Release Source

Latitude 32.636384 Longitude -104.478333 (location of source)
(NAD 83 in decimal degrees to 5 decimal places)

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|--|-----------------------------------|
| Site Name: Ross Ranch 22 #014H | Site Type: Oil Production Battery |
| Date Release Discovered: August 22, 2020 | API# (if applicable) 30-015-45695 |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|--------|
| D | 27 | 19S | 25E | 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) 6 bbls | Volume Recovered (bbls) 3bbls |
| | Is the concentration of dissolved chloride in the produced water >10,000 mg/l? | <input type="checkbox"/> Yes <input checked="" 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:

A welded 4" line developed a pin hole from corrosion, causing a release of mixed oil and water. All fluid remained inside the containment. A hydro vac truck was dispatched and recovered approximately 3 bbls of fluid.

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|----------------|---------------|
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| | |
|--|--|
| Was this a major release as defined by 19.15.29.7(A) NMAC? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, for what reason(s) does the responsible party consider this a major release? |
| If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Immediate notice was provided by Kenny Kidd of Spur Energy via email to the BLM, and Victoria Venegas with the NMOCD | |

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>Rebecca Pons</u> Title: <u>Project Manager</u> | |
| Signature: <u>Rebecca Pons</u> <small>Digitally signed by Rebecca Pons DN: cn=Rebecca Pons, o=Taloni LP, ou=Operations, email=Rpons@taloni-lp.com, c=US Date: 2020.08.25 09:52:19 -0600</small> | Date: <u>8/25/2020</u> |
| email: <u>Rpons@taloni-lp.com</u> | Telephone: <u>575-441-0980</u> |
| OCD Only Received by: <u>Ramona Marcus</u> Date: <u>8/25/2020</u> | |