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    | NRM2028236295 |
|----------------|---------------|
| District RP    |               |
| Facility ID    |               |
| Application ID |               |

## **Release Notification**

## **Responsible Party**

| Responsible Party: 3 Bear Delaware Operating – NM, LLC   |                                       |   |                   | OGRID: 372603                           |                  |   |
|--|---------------------------------------|---|-------------------|---|------------------|---|
| Contact Name: Liz Klein  |                                       |   | Contact Te        | Contact Telephone: (303) 882-4404       |                  |   |
| Contact email: lklein@3bearllc.com   |                                       |   | Incident #        | # (assigned by OCD)                     |                  |   |
| Contact mailing address 1512 Larimer St. Suite 540, Denver, CO 80202   |                                       |   |                   |   |                  |   |
| Location of Release Source   |                                       |   |                   |   |                  |   |
| Latitude 32.472194 Longitude -103.465925   |                                       |   |                   |   |                  |   |
|  | -                                     |   | (NAD 83 in d      | lecimal de                              | grees to 5 decim | rimal places)   |
| Site Name: Ou  | tland Com                             | pressor Station                           |                   |   | Site Type:       | e: Compressor Station   |
| Date Release I   | Discovered:                           | : 9/21/20                                 |                   |   | API# (if app     | pplicable):   |
| Unit Letter  | Castian                               | Ta  | D                 |   | Comm             |   |
|  | Section 15                            | Township 21S                              | Range 34E         | Lea                                     | Coun             | inty  |
| M  |                                       | 215                                       | 3.12              | Lea                                     |                  |   |
| Surface Owner:   | State                                 | Federal T                                 | ribal   Private   | (Name:                                  | 3Bear)           |   |
|  |                                       |   | Nature an         | d Va                                    | luma of I        | Dologo  |
|  |                                       |   | Mature an         | iu vo                                   | iuille of r      | Release   |
| Crude Oil  | Materia                               | l(s) Released (Select a<br>Volume Release |                   | h calculat                              | ions or specific | ic justification for the volumes provided below)  Volume Recovered (bbls) |
| Produced V   | Water                                 |   | ed (bbls) 115 bbl | s                                       |                  | Volume Recovered (bbls) 110 bbls  |
| Troduced   | · · · · · · · · · · · · · · · · · · · |   | tion of dissolved |   | e in the         | Yes No  |
| produced water >10,000 mg/1?   |                                       |   | CIIIOTIG          | o in the                                |                  |   |
| Condensate   |                                       | Volume Release                            |                   |   |                  | Volume Recovered (bbls)   |
| Natural Gas Volume Released (Mcf)  |                                       |   |                   | Volume Recovered (Mcf)                  |                  |   |
| Other (describe) Volume/Weight Released (provide unit Less than 3.75 MCF   |                                       | de units)                                 | )                 | Volume/Weight Recovered (provide units) |                  |   |
| Cause of Release: A nipple failed on a 1" fuel gas line on a rental engine, Engine C2200. A small fire was discovered quickly and put out. There were no injuries and only limited localized damage to the engine wiring occurred. Less than 3.75 MCF is estimated to have been released as a result of this incident. J-W Power Company, the owner of the unit, found that the cause was excess vibration and engineered a different design for the assembly which now includes bracing. All J-W rental units on 3Bear facilities are having the new engineered design installed. |                                       |   |                   |   |                  |   |

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| Was this a major release as defined by  | If YES, for what reason(s) does the responsible party consider this a major release?  Because a fire occurred this is considered a major release.  |  |  |  |
|---|--|--|--|--|
| 19.15.29.7(A) NMAC?   | , and the second |  |  |  |
| ⊠ Yes □ No  |  |  |  |  |
|   |  |  |  |  |
|   |  |  |  |  |
| If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Initial notification was given via email on 9/23/2020 to Jim Griswold, Ramona Marcus and EMNRD-OCD-District when confirmed that all fires have to reported to OCD.   |  |  |  |  |
|   | Initial Response   |  |  |  |
| The responsible p   | party must undertake the following actions immediately unless they could create a safety hazard that would result in injury  |  |  |  |
| ∑ The source of the rele  | ease has been stopped.   |  |  |  |
| ∑ The impacted area ha  | s been secured to protect human health and the environment.  |  |  |  |
| Released materials ha   | we been contained via the use of berms or dikes, absorbent pads, or other containment devices.   |  |  |  |
| All free liquids and re   | ecoverable materials have been removed and managed appropriately.  |  |  |  |
| If all the actions described  | d above have not been undertaken, explain why:   |  |  |  |
|   |  |  |  |  |
|   |  |  |  |  |
|   |  |  |  |  |
|   |  |  |  |  |
| Dor 10 15 20 8 B (4) NM   | AC the responsible party may commence remediation immediately after discovery of a release. If remediation   |  |  |  |
| 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. |  |  |  |  |
|   | rmation given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and   |  |  |  |
|   | required to report and/or file certain release notifications and perform corrective actions for releases which may endanger nent. 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 Composition of the operator of responsionity for composition and other reactal, state, or focus and  |  |  |  |
| Printed Name: <u>Liz F</u>  | Klein Title:Director, EHS Regulatory Compliance  |  |  |  |
| Signature:  | Date: _10/7/2020   |  |  |  |
| email:lklein@3b   | pearllc.com Telephone:(303) 882-4404   |  |  |  |
|   |  |  |  |  |
| OCD Only  |  |  |  |  |
| Received by:Ramo  | ona Marcus Date: 10/8/2020   |  |  |  |
|   |  |  |  |  |