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

)

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| Incident ID | NRM2033528219 |
|----------------|---------------|
| District RP | |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

| Responsible Party SPUR ENERGY PARTNERS | OGRID 328947 | |
|--|--------------------------------|--|
| Contact Name BRAIDY MOULDER | Contact Telephone 713-264-2517 | |
| Contact email <u>bmoulder@spurepllc.com</u> | Incident # (assigned by OCD) | |
| Contact mailing address 919 MILAM STREET SUITE 2475 HOUSTON, TX 77002 | | |

Location of Release Source

Latitude 32.7860909

Longitude -103.9436874 (NAD 83 in decimal degrees to 5 decimal places

(NAD 83 in decimal degrees to 5 decimal places)

| Site Name LOCO HILLS SWD 35 #002 | Site Type PRODUCTION |
|-----------------------------------|-----------------------------------|
| Date Release Discovered 11/5/2020 | API# (if applicable) 30-015-37268 |

| Unit Letter | Section | Township | Range | County | |
|-------------|---------|----------|-------|--------|--|
| N | 35 | 175 | 30E | 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)

| Crude Oil | Volume Released (bbls) 2 | Volume Recovered (bbls) 1.5 |
|------------------|--|---|
| Produced Water | Volume Released (bbls) 38 | Volume Recovered (bbls) 28.5 |
| | Is the concentration of dissolved chloride in the produced water >10,000 mg/l? | Yes No |
| Condensate | Volume Released (bbls) | Volume Recovered (bbls) |
| 🗌 Natural Gas | Volume Released (Mcf) | Volume Recovered (Mcf) |
| Other (describe) | Volume/Weight Released (provide units) | Volume/Weight Recovered (provide units) |
| | 12 | |

Cause of Release

THE INLET VALVE FAIL ON THE GUNBARREL CAUSING OUR SKIM TANKS TO RUN OVER. THIS IS A LINED FACILITY ALL FLUID STAYED INSIDE CONTAINMENT.

| ge 2 | | Incident ID | NRM2033528219 |
|---|--|---|--|
| | Oil Conservation Division | District RP | |
| | | Facility ID | |
| | | Application ID | |
| Was this a major | If YES, for what reason(s) does the responsible par | rty consider this a major release | ? |
| release as defined by 19.15.29.7(A) NMAC? | AMOUNT OF FLUID RELEASED | | |
| 🛛 Yes 🗌 No | | | |
| | notice given to the OCD? By whom? To whom? When the OCD? By whom? To whom? When the NOTIFIED ON 11/5/2020 BY EMAIL AT 9:15A | | email, etc)? |
| | Initial Respons | se | |
| The responsible | e party must undertake the following actions immediately unless the | ey could create a safety hazard that wo | ıld result in injury |
| | | | |
| | lease has been stopped. | | |
| | as been secured to protect human health and the envir | ronment. | |
| Dologgad motorials h | | | |
| Released materials h | ave been contained via the use of berms or dikes, abs | orbent pads, or other containme | ent devices. |
| | ave been contained via the use of berms or dikes, abs | • | ent devices. |
| All free liquids and r | | • | ent devices. |
| All free liquids and r If all the actions describe Per 19.15.29.8 B. (4) NM has begun, please attach | recoverable materials have been removed and manage | ed appropriately. on immediately after discovery ave been successfully complete | of a release. If remediation d or if the release occurred |
| All free liquids and r If all the actions describe Per 19.15.29.8 B. (4) NM has begun, please attach within a lined containme I hereby certify that the infor regulations all operators are public health or the environ failed to adequately investig | recoverable materials have been removed and manage ed above have <u>not</u> been undertaken, explain why: MAC the responsible party may commence remediation a narrative of actions to date. If remedial efforts ha | ed appropriately. on immediately after discovery ave been successfully complete ach all information needed for c v knowledge and understand that pu and perform corrective actions for r not relieve the operator of liability ndwater, surface water, human hea | of a release. If remediation d or if the release occurred losure evaluation. ursuant to OCD rules and eleases which may endanger should their operations have th or the environment. In |
| All free liquids and r If all the actions describe Per 19.15.29.8 B. (4) NM has begun, please attach within a lined containme I hereby certify that the infor regulations all operators are public health or the environ failed to adequately investig addition, OCD acceptance of | AAC the responsible party may commence remediations a narrative of actions to date. If remedial efforts have and required to report and/or file certain release notifications a ment. The acceptance of a C-141 report by the OCD does not relieve the operator of responsible part release not responsible part of a complete to the part of a complete to gate and remediate contamination that pose a threat to group of a C-141 report does not relieve the operator of responsible part and complete to the part of the part and the part of the certain release notifications a ment. The acceptance of a C-141 report by the OCD does not relieve the operator of responsible part and the part of the part | ed appropriately. on immediately after discovery ave been successfully complete ach all information needed for c y knowledge and understand that pu and perform corrective actions for r not relieve the operator of liability ndwater, surface water, human hea ility for compliance with any other NTAL AND REGULATORY | of a release. If remediation d or if the release occurred losure evaluation. rrsuant to OCD rules and eleases which may endanger should their operations have th or the environment. In federal, state, or local laws |

| OCD | Only |
|-----|------|
| | |

Received by: Ramona Marcus

Date: 11/30/2020