

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	nAPP2136132623
District RP	
Facility ID	
Application ID	68785

Release Notification

Responsible Party

Responsible Party: Novo Oil & Gas Northern Delaware, LLC	OGRID: 372920
Contact Name: Kurt A. Shipley	Contact Telephone: 405-286-3916
Contact email: kshipley@novooog.com	Incident # (assigned by OCD): nAPP2136132623
Contact mailing address: 1001 West Wilshire Blvd., Suite 206 Oklahoma City, OK 73116	

Location of Release Source

Latitude 32.308641Longitude -104.052567
(NAD 83 in decimal degrees to 5 decimal places)

Site Name: Ovation Pad - O	Site Type: Well Pad
Date Release Discovered: 12/18/2021	API# (if applicable)

Unit Letter	Section	Township	Range	County
A	14	T23S	R28E	Eddy

Surface Owner: ☐ State ☐ Federal ☐ Tribal ☒ Private (Name: Lionel Onsurez)

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 type="checkbox"/> Produced Water	Volume Released (bbls):	Volume Recovered (bbls):
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input 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 checked="" type="checkbox"/> Other (EnerLite – 35% diesel/65% brine)	Volume/Weight Released (provide units) – 15 bbls	Volume/Weight Recovered (provide units) – 15 bbls

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Cause of Release

During drilling the Ovation 212H Well with brine-diesel emulsion drilling fluid (EnerLite drilling fluid – 35% diesel/65% brine water), the flowline packed off with cuttings and mud and filled up the gas separator. Drilling fluid then flowed out to the flare line and up and out the flare stack. Approximately 15 bbls of drilling fluid spilled on the location. The release was centralized to the northwest corner of the earthen bermed pad. The berm near the flare stack had been inadvertently knocked down, resulting in approximately 3.5 bbls of drilling fluid that impacted privately owned property (approximately 3-6 feet wide x 60 feet in length). The affected area on the drilling pad was 20 feet x 40 feet. The landowner was notified on 12/18/2021 and the affected soil was excavated and hauled to Republic Services for disposal.

Volume of the release was calculated by the volume in the active steel drilling pits prior to the spill and the volume of the active drilling pits after the spill. The difference was 15 barrels and was confirmed by adding 15 barrels of new drilling fluid into the steel drilling pits to bring back to full status.

Was this a major release as defined by 19.15.29.7(A) NMAC?

☐ Yes ☒ No

If YES, for what reason(s) does the responsible party consider this a major release?

NA – Minor Release

If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?

NA – Minor Release

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

- ☒ The source of the release has been stopped.
- ☒ The impacted area has been secured to protect human health and the environment.
- ☒ Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.
- ☒ All free liquids and recoverable materials have been removed and managed appropriately.

If all the actions described above have not been undertaken, explain why:

All initial response actions above have been completed.

Remediation efforts (excavated affected soil) will be confirmed with sampling.

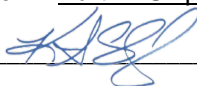
Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.

State of New Mexico
Oil Conservation Division

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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: Kurt A. Shipley Title: Chief Operating Officer

Signature:  Date: December 27, 2021

email: kshipley@novoog.com Telephone: 405-286-3916

OCD Only

Received by: Ramona Marcus Date: 12/27/2021

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

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CONDITIONS

Action 68852

CONDITIONS

Operator: NOVO OIL & GAS NORTHERN DELAWARE, LLC 1001 West Wilshire Blvd Oklahoma City, OK 73116	OGRID: 372920
	Action Number: 68852
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
rmarcus	The submitted C-141 is accepted with the following condition(s): The lateral and longitudinal information does not match the ULSTR regarding the release location. Please correct the conflicting information and report back to OCD. The latitude and longitude information on the C-141 resulted in the following ULSTR: H-14-23S-28W. Finally, when submitting future reports regarding this release, please submit the calculations used or specific justification for the volumes reported on the initial C-141.	12/27/2021