

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 | nAPP2314234153 |
| District RP | |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

| | | | |
|-------------------------|----------------------------------|------------------------------|----------------|
| Responsible Party | NGL Water Solutions Permian, LLC | OGRID | 372338 |
| Contact Name | Joseph Vargo | Contact Telephone | 303-815-1010 |
| Contact email | Joseph.Vargo@nglep.com | Incident # (assigned by OCD) | nAPP2314234153 |
| Contact mailing address | | | |

Location of Release Source

Latitude 32.036359 Longitude -103.637814
(NAD 83 in decimal degrees to 5 decimal places)

| | | | |
|-------------------------|--------------------|----------------------|--------------------|
| Site Name | Salado Draw SWD 13 | Site Type | Saltwater Disposal |
| Date Release Discovered | 5.19.2023 | API# (if applicable) | 30-025-42354 |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|--------|
| P | 14 | 26S | 32E | Lea |

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) 875 | Volume Recovered (bbls) 825 |
| | 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

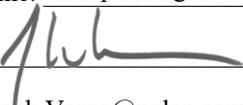
Inclement weather moving through the area caused a loss of internal communications between a booster location and the saltwater disposal location, which caused a continued push of produced water to the tanks at the disposal location. The communication loss impacted the ability for the high-level alarms to detect level in the tanks and caused the tanks to overflow and fill up the concrete containment and some produced water, 250 bbls, go outside of containment. With vac trucks able to recover 200 of the 250 outside containment. The other 625 bbls within containment was completely recovered.

| | |
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| | |
|---|---|
| Was this a major release as defined by 19.15.29.7(A) NMAC? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | If YES, for what reason(s) does the responsible party consider this a major release? More than 25 bbls |
| If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Notice of Release was provided by Joseph Vargo through OCD online | |

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>Joseph Vargo</u> | Title: <u>Regulatory Director</u> |
| Signature: <u></u> | Date: <u>5.22.23</u> |
| email: <u>Joseph.Vargo@nglep.com</u> | Telephone: <u>303-815-1010</u> |
| <u>OCD Only</u> | |
| Received by: <u>Jocelyn Harimon</u> | Date: <u>05/22/2023</u> |

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 1625 N. French Dr., Hobbs, NM 88240
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 1000 Rio Brazos Rd., Aztec, NM 87410
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 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
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Santa Fe, NM 87505

CONDITIONS

Action 219031

CONDITIONS

| | |
|--|---|
| Operator: NGL WATER SOLUTIONS PERMIAN, LLC 865 North Albion Street Denver, CO 80220 | OGRID: 372338 |
| | Action Number: 219031 |
| | Action Type: [C-141] Release Corrective Action (C-141) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|--|----------------|
| jharimon | When submitting future reports regarding this release, please submit the calculations used or specific justification for the volumes reported on the initial C-141 | 5/22/2023 |