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 | nAPP2320232652 |
|----------------|----------------|
| District RP | |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

| | Operating, LLC | 7 | (| OGRID: 24 9 | 099 | | |
|--|--|---|---|---------------------|---|--|--|
| Contact Name: Kevin Ga | arrett | | (| Contact Tele | phone: (432) | 556-8508 | |
| Contact email: kgarrett@cazapetro.com Inc | | | Incident # (assigned by OCD) nAPP2320232652 | | | | |
| Contact mailing address: | 200 N. Loraine, | Suite 1550 Midl | land, TX 7 | 9701 | | | |
| | | | | | | | |
| | | Location | n of Rel | lease Sou | ırce | | |
| Latitude | 32.353235 | | Lo | ongitude | | -103.381495 | |
| | | (NAD 83 in a | | es to 5 decimal | places) | | |
| Site Name: Lennox 33 St | ate No. 6H | | S | Site Type: Pı | oduction | | |
| Date Release Discovered: | 4/25/2023 | | A | API# (if applic | able) 30-025- 4 | 13349 | |
| | | | | | | | |
| Unit Letter Section | Township | Range | | County | | | |
| A 32 | 22S | 35E | Lea | | | | |
| Surface Switch State | | iibai 🖂 Fiivate | (Name: | Me | rchant Lives | tock) | |
| | | Nature an | nd Volu | me of Ro | elease | | |
| | | Nature and attact that apply and attact | nd Volu | me of Ro | elease | volumes provided below) | |
| Material | l(s) Released (Select a | Nature and attacked (bbls) | nd Volu | me of Ro | elease | volumes provided below) evered (bbls) | |
| Material Crude Oil | l(s) Released (Select a Volume Release Volume Release | Nature and attacked (bbls) ed (bbls) tion of dissolved | nd Volument calculation | me of Ro | elease stification for the | volumes provided below) vered (bbls) vered (bbls) | |
| Material Crude Oil | Volume Release Volume Release Volume Release Is the concentra | Nature and attacked (bbls) ed (bbls) ed (bbls) attion of dissolved >10,000 mg/l? | nd Volument calculation | ns or specific just | elease Stiffication for the Volume Reco Volume Reco | e volumes provided below) evered (bbls) evered (bbls) fo | |
| Material ☐ Crude Oil ☐ Produced Water | Volume Release Volume Release Volume Release Is the concentrate produced water | Nature and attacked (bbls) ed (bbls) ed (bbls) attion of dissolved >10,000 mg/l? ed (bbls) | nd Volument calculation | ns or specific just | elease stification for the Volume Recovery Yes N | e volumes provided below) evered (bbls) evered (bbls) fo evered (bbls) | |
| Material Crude Oil Produced Water Condensate | Volume Released Is the concentrate produced water Volume Release Volume Release Volume Release | Nature and attacked (bbls) ed (bbls) ed (bbls) attion of dissolved >10,000 mg/l? ed (bbls) | ch calculation 3.4 chloride in | n the | elease Stification for the Volume Reco Volume Reco Yes N Volume Reco Volume Reco | e volumes provided below) evered (bbls) evered (bbls) fo evered (bbls) | |
| Material ☐ Crude Oil ☐ Produced Water ☐ Condensate ☐ Natural Gas ☐ Other (describe) | Volume Released Is the concentrate produced water Volume Release Volume Release Volume Release Volume Release Volume Release | Nature and attacked (bbls) ed (bbls) ed (bbls) attion of dissolved (>10,000 mg/l? ed (bbls) ed (Mcf) | ch calculation 3.4 chloride in | n the | elease Stification for the Volume Reco Volume Reco Yes N Volume Reco Volume Reco | evolumes provided below) evered (bbls) evered (bbls) fo evered (bbls) evered (bbls) evered (bbls) evered (bbls) | |
| Material ☐ Crude Oil ☐ Produced Water ☐ Condensate ☐ Natural Gas | Volume Released Is the concentrate produced water Volume Release Volume Release Volume Release Volume Release Volume Release | Nature and attacked (bbls) ed (bbls) ed (bbls) attion of dissolved (>10,000 mg/l? ed (bbls) ed (Mcf) | ch calculation 3.4 chloride in | n the | elease Stification for the Volume Reco Volume Reco Yes N Volume Reco Volume Reco | evolumes provided below) evered (bbls) evered (bbls) fo evered (bbls) evered (bbls) evered (bbls) evered (bbls) | |
| Material ☐ Crude Oil ☐ Produced Water ☐ Condensate ☐ Natural Gas ☐ Other (describe) | Volume Released Is the concentrate produced water Volume Release Volume Release Volume Release Volume Release Volume Release | Nature and attacked (bbls) ed (bbls) ed (bbls) attion of dissolved (>10,000 mg/l? ed (bbls) ed (Mcf) | ch calculation 3.4 chloride in | n the | elease Stification for the Volume Reco Volume Reco Yes N Volume Reco Volume Reco | evolumes provided below) evered (bbls) evered (bbls) fo evered (bbls) evered (bbls) evered (bbls) evered (bbls) | |
| Material ☐ Crude Oil ☐ Produced Water ☐ Condensate ☐ Natural Gas ☐ Other (describe) | Volume Released Is the concentrate produced water Volume Release Volume Release Volume Release Volume Release Volume Release | Nature and attacked (bbls) ed (bbls) ed (bbls) attion of dissolved (>10,000 mg/l? ed (bbls) ed (Mcf) | ch calculation 3.4 chloride in | n the | elease Stification for the Volume Reco Volume Reco Yes N Volume Reco Volume Reco | evolumes provided below) evered (bbls) evered (bbls) fo evered (bbls) evered (bbls) evered (bbls) evered (bbls) | |

Page 2 of 4

| Incident ID | nAPP2320232652 |
|----------------|----------------|
| District RP | |
| Facility ID | |
| Application ID | |

| Was this a major | If YES, for what reason(s) does the | responsible party consider this | a major release? |
|-------------------------------|--|--|--|
| release as defined by | II TES, for what reason(s) does the | esponsible party consider and | a major release: |
| 19.15.29.7(A) NMAC? | | | |
| ☐ Yes ⊠ No | | | |
| | | | |
| | | | |
| If VFS was immediate n | tice given to the OCD? By whom? | To whom? When and by what | means (phone email etc.)? |
| ii 125, was iiiiiiediate ii | once given to the OCD. By whom: | 10 whom: when and by what | means (phone, eman, etc): |
| | | | |
| | | | |
| | Initia | al Response | |
| The responsible | party must undertake the following actions imm | ediately unless they could create a sa | fety 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 healt | h and the environment. | |
| Released materials ha | ave been contained via the use of berm | as or dikes, absorbent pads, or | other containment devices. |
| All free liquids and re | ecoverable materials have been remov | ed and managed appropriately | |
| If all the actions described | d above have <u>not</u> been undertaken, ex | plain why: | |
| | <u> </u> | • | |
| | | | |
| | | | |
| | | | |
| | | | |
| Per 19.15.29.8 B. (4) NM | AC the responsible party may comme | ence remediation immediately | after discovery of a release. If remediation |
| C 1 | | | sfully completed or if the release occurred |
| | nt area (see 19.15.29.11(A)(5)(a) NMA | | |
| | | | understand that pursuant to OCD rules and ctive actions for releases which may endanger |
| public health or the environr | nent. The acceptance of a C-141 report by | the OCD does not relieve the op | erator of liability should their operations have |
| | | | water, human health or the environment. In ce with any other federal, state, or local laws |
| and/or regulations. | 1 | 1 7 1 | , , |
| Printed Name: | Kellan Smith Ti | tle: Project | Scientist |
| Signature: | ~ South | Date: <u>7/21/23</u> | |
| | mith@ntglobal.com | | <u>(580) 682-1889</u> |
| Ciliuli. | mith@ntglobal.com | reiephone. | (300) 002-1002 |
| | | | |
| OCD Only | | | |
| Received by: Shelly Well | S | Date: <u>7/21/2023</u> | _ |
| - | | | |

| ***** LIQUID SPILLS - VOLUME CALCULATIONS ***** | | | | | | | | | | | | |
|---|--------------------|------------------------|--------------------|--|---------------|--|---|-------------------------|---------------|-----------|------------------------|----------|
| Locati | on of spill: | Lennox 33 S | State No. | 6H | | Date of Spill: | 25-Apr | -2023 | | | | |
| | | If the leak/spill | l is assoc | ciated with p | roduction | n equipment, i.e wellhead | l, stuffing box, | _ | | | | |
| | | flowline, tank batte | ery, produ | uction vessel, | transfer p | oump, or storage tank place | an "X" here: | | | | | |
| | | | | | Input I | Data: | OIL: | WA | ATER: | | | |
| If spill vol | umes from me | easurement, i.e. mete | ering, tan | k volumes, et | c. are kno | own enter the volumes here: | | | 0.0 BE | 3L | | |
| If "known" | • | • | ata for th | ne following ' | 'Area Cal | culations" is optional. Th | | | | | mes. | |
| | l otal Are | a Calculations | | wet soil | | | Standing Liq | uid Caici | ulatior | 15 | | |
| Total Surface Area | width | length | | depth | oil (%) | Standing Liquid Area | width | | ngth | | liquid depth | oil (%) |
| Rectangle Area #1 Rectangle Area #2 | 30 ft 0 ft X | 125 ft 0 ft | X | 3.00 in | 0% 0% | Rectangle Area #1 Rectangle Area #2 | | X | 0 ft 0 ft | X X | 0 in | 0% 0% |
| Rectangle Area #2 Rectangle Area #3 | 0 ft X | | X | 0 in 0 in | 0% | Rectangle Area #2 Rectangle Area #3 | | X | 0 π 0 ft | X | 0 in 0 in | 0% 0% |
| Rectangle Area #4 | 0 ft X | | X | 0 in | 0% | Rectangle Area #4 | | X | 0 ft | X | 0 in | 0% |
| Rectangle Area #5 | 0 ft X | | X | 0 in | 0% | Rectangle Area #5 | | Χ | 0 ft | Χ | 0 in | 0% |
| Rectangle Area #6 | 0 ft X | | X | 0 in | 0% | Rectangle Area #6 | | X | 0 ft | Χ | 0 in | 0% |
| Rectangle Area #7 Rectangle Area #8 | 0 ft X 0 ft X | | X | 0 in 0 in | 0% 0% | Rectangle Area #7 Rectangle Area #8 | 0 ft 0 ft | X X | 0 ft 0 ft | X X | 0 in 0 in | 0% 0% |
| | | | | | | | | | | | | |
| | | | | | okay | | | | | | | |
| | | product | tion syst | em leak - DA | ILY PROI | DUCTION DATA REQUIRE | D | | | | | |
| Average Daily Production: | Oil 0 B | BL Water 0 | BBL | 0 Gas | (MCFD) | | | | | | | |
| | | | | | | Total Hydrocarbon C | ontent in gas: |) <mark>%</mark> (perce | entage) | | | |
| Did leak occur before the separ | rator?: | YES | N/A | (place an "X") |) | H2S Content in P | roduced Gas: | 0 PPM | | | | |
| · | _ | | _ | , | | H2S Content in | Tank Vapors: | 0 PPM | | | | |
| Amount of Free Liquid | | | | | | Percentage of Oil | in Free Liquid | | | | | |
| Recovered: | 0 BBL | | okay | | | r crocinage or on | Recovered: |)% (perce | entage) | | | |
| Liquid holding factor *: | 0.14 gal pe | er gal <u>Use the</u> | e following v | when the spill we | ts the grains | s of the soil. | Use the following whe | en the liquid co | mpletely | fills the | pore space of the so | oil: |
| _ | | | | lon (gal.) liquid pe | | | Occurs when the spill | | | | riers, natural (or not |). |
| | | | | | | gal. volume of soil. | * Clay loam = 0.20 ga | | | | | |
| | | | | soil = 0.14 gal lid gal. liquid per ga | | | * Gravelly (caliche) lo * Sandy loam = 0.5 ga | | | | lume of soil. | |
| | | Ciay | 10am - 0.10 | gai. liquid per ga | ai. volume oi | 1 3011. | Sandy Ioann - 0.3 g | ai. iiquiu pei g | ai. voiuine | or son. | | |
| Total Solid/Liquid Volume: | 3,750 sq. ft. | 938 cu. ft. | | cu. f | t. | Total Free Liquid Volume: | sq. | ft. | cu | . ft. | cu. | ft. |
| Estimated Volumes | Spilled | | | | | Estimated Production | n Volumes Lost | | | | | |
| Liquid | in Soil: | <u>H2O</u> 23.4 BBL | | OIL 0.0 BBL | | Estimated Produ | uction Spilled: | | H2O 0.0 BE | BL | OIL 0.0 BBI | |
| Free | Liquid: Totals: | 0.0 BBL 23.4 BBL | | 0.0 BBL 0.0 BBL | | Estimated Surfa | · | | | | | |
| | Totals. | 23.4 BBE | | U.U DDL | | Surface Area: | | ft. | | | | |
| Total Liquid Spill | Liquid: | 23.4 BBL | | 0.00 BBL | | Surface Area: | .0861 acr | e | | | | |
| Recovered Volun | <u>nes</u> | | | | | Estimated Weights, | and Volumes | | | | | |
| Estimated oil recovered: | BBL | che | ck - okay | | | Saturated Soil = | 105,000 lbs | | 938 cu | . ft. | 35 cu. | yds. |
| Estimated water recovered: | BBL | che | ck - okay | | | Total Liquid = | 23 BB | L | 982 ga | llon | 8,168 lbs | <i></i> |
| | | | | | | | | | | | | |
| Air Emission from flowl | ine leaks: | | | | | Air Emission of Reporti | ng Requirements | s: | | | | |
| Volume of oil spill: | - BBL | | | | | | New Mexico | _ | | xas | | |
| Separator gas calculated: | - MCF | | | | | HC gas release reportable? | | | NC | | | |
| Separator gas released: | - MCF | | | | | H2S release reportable? | NO | | NC |) | | |
| Gas released from oil: | - Ib | | | | | | | | | | | |
| H2S released: Total HC gas released: | - lb - lb | | | | | | | | | | | |
| Total HC gas released: | - ID - MCF | | | | | | | | | | | |
| | | | | | | | | | | | | |

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

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 243119

CONDITIONS

| Operator: | OGRID: |
|---------------------------------------|--|
| CAZA OPERATING, LLC | 249099 |
| 200 N Loraine St Midland, TX 79701 | Action Number: 243119 |
| | Action Type: [C-141] Release Corrective Action (C-141) |

CONDITIONS

| Created By | | Condition Date |
|------------|------|-------------------|
| scwells | None | 7/21/2023 |