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

32.42174

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 | NAPP2317251245 |
|----------------|----------------|
| District RP | |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

| Responsible Party FAE II | OGRID 329326 | |
|---|----------------------------------|--|
| Contact Name Alex Bolanos | Contact Telephone (832) 689-3788 | |
| Contact email alex@faenergyus.com Incident # (assigned by OCD) nAPP2317251245 | | |
| Contact mailing address 11757 Katy Freeway, Suite 725 Houston, TX 77079 | | |

Location of Release Source

Latitude

-103.30337 Longitude

(NAD 83 in decimal degrees to 5 decimal places)

| Site Name Tom Closson Battery | Site Type Battery |
|---------------------------------|-----------------------------------|
| Date Release Discovered 6/20/23 | API# (if applicable) 30-025-08803 |

| Uni | it Letter | Section | Township | Range | County |
|-----|-----------|---------|----------|-------|--------|
| | G | 06 | 22S | 36E | LEA |

Surface Owner: State X 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) | Volume Recovered (bbls) |
|------------------|--|---|
| Produced Water | Volume Released (bbls) 320 | Volume Recovered (bbls) 320 |
| | Is the concentration of dissolved chloride in the produced water >10,000 mg/l? | X 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) |

Cause of Release

A connection at the pump split.

Page 2

Oil Conservation Division

| Incident ID | NAPP2317251245 |
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| Was this a major | If YES, for what reason(s) does the responsible party consider this a major release? | |
|--|--|--|
| release as defined by 19.15.29.7(A) NMAC? | Greater than 25 barrels of produced water. | |
| X Yes 🗌 No | | |
| | | |
| | | |
| If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? | | |
| Yes, James Martinez called/emailed Mike Bradsher on 06/20/2023. | | |

Initial Response

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

 \checkmark The source of the release has been stopped.

X The impacted area has been secured to protect human health and the environment.

X Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.

X All free liquids and recoverable materials have been removed and managed appropriately.

If all the actions described above have not 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: Alex Bolanos | Title: Reg/Prod Analyst |
|----------------------------------|-------------------------|
| Signature: Alex Bolanos | Date: |
| email: alex@faenergyus.com | Telephone: |
| | |
| OCD Only | |
| Received by: <u>Shelly Wells</u> | Date: <u>9/1/2023</u> |

Release Volume Calculation

38'x61'x .78'=1808.04ft^3 to bbl = 320 Bbl's

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

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

CONDITIONS

| Operator: | OGRID: |
|-------------------------------|---|
| FAE II Operating LLC | 329326 |
| 11757 Katy Freeway, Suite 725 | Action Number: |
| Houston, TX 77079 | 261435 |
| | Action Type: |
| | [C-141] Release Corrective Action (C-141) |
| CONDITIONS | |

CONDITIONS

Created By Condition scwells None

Page 4 of 4

CONDITIONS

Action 261435

Condition Date

9/1/2023