

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	nAPP2327553474
District RP	
Facility ID	
Application ID	272383

Release Notification

Responsible Party

Responsible Party FAE II Operating LLC	OGRID 329326
Contact Name Tyler D. Van Howe	Contact Telephone (281) 798-4516
Contact email tyler@faenergyus.com	Incident # (assigned by OCD) nAPP2327553474
Contact mailing address 11757 KATY FWY, STE 725, HOUSTON, TX 77079	

Location of Release Source

Latitude 32.105561 Longitude -103.21510
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Sholes B 25 Tank Battery	Site Type Tank Battery
Date Release Discovered 10/02/2023	API# (if applicable) 30-025-09812

Unit Letter	Section	Township	Range	County
H	25	25S	36E	LEA

Surface Owner: ☐ State ☐ Federal ☐ Tribal ☒ Private (Name: Gregg Fulfer (Fulfer Ranch LLC))

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) 10 bbls	Volume Recovered (bbls) 9 bbls
☒ Produced Water	Volume Released (bbls) 80 bbls	Volume Recovered (bbls) 75 bbls
	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)

Cause of Release

The Free Water Knockout at the production facility lost all pressure, sending all the fluid to the oil tanks, which in turn overflowed into the containment area around the tanks. Most all of the fluid was contained, with a small amount migrating over the berm onto the pad and lease road to the West of the battery.

Oil Conservation Division

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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? Released volume that exceeded 25 barrels
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Yes. James Martinez (Operations Manager) informed Mike Bratcher on 10/02/2023 by phone	

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 <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>Tyler D Van Howe</u>	Title: <u>Production Engineer</u>
Signature: <u><i>Tyler D. Van Howe</i></u>	Date: <u>10/4/2023</u>
email: <u>tyler@faenergyus.com</u>	Telephone: <u>(281) 798-4516</u>
<u>OCD Only</u>	
Received by: <u>Shelly Wells</u>	Date: <u>10/4/2023</u>

Released Volume Calculation	
Length	110 feet
Width	50 feet
Thickness	1.1 in

Volume = L*W*T

Total Released Volume = 3771.428 gallons (US, liq)
 89.80 bbls

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1625 N. French Dr., Hobbs, NM 88240
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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 272383

CONDITIONS

Operator: FAE II Operating LLC 11757 Katy Freeway, Suite 725 Houston, TX 77079	OGRID: 329326
	Action Number: 272383
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
scwells	None	10/4/2023