

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	nAPP2328543797
District RP	
Facility ID	
Application ID	275070

Release Notification

Responsible Party

Responsible Party: Novo Oil & Gas (Earthstone Energy, Inc.)	OGRID : 372920
Contact Name: Chris Martin	Contact Telephone: 432-894-0004
Contact email: cmartin@earthstoneenergy.com	Incident # (assigned by OCD): nAPP2328543797
Contact mailing address: 600 N. Marienfeld, Suite 1000, Midland, Texas 79701	

Location of Release Source

Latitude 32.341990°Longitude -104.085981°
(NAD 83 in decimal degrees to 5 decimal places)

Site Name: Culebra Bluff CTB3 Produced Water Release	Site Type: Produced Water Line (production) – off pad
Date Release Discovered: 10/10/2023 at 11:00 am	API# (if applicable)

Unit Letter	Section	Township	Range	County
P	33	T22S	R28E	Eddy

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): 50	Volume Recovered (bbls): 25
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input checked="" 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 type="checkbox"/> Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release


The weld connection on the pipeline riser failed. This resulted in an approximate release of 50 barrels of produced water on the right-of-way and adjacent property. Volume of release was estimated based on approximate visual impacts and dimensions (approximately 60' x 80' area).

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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? An estimated 50-barrels of produced water was released. The 50-barrels exceeds the threshold for a minimum release.
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? NOTE: Novo Oil & Gas assets were recently purchased by Earthstone. Email notification of the release was provided by Kevin Hart to the NMOCD Spill Hotline on October 11, 2023 at 11:00am. Email notification of the release was also provided by Bryan Haney to Crisha Morgan (BLM) on October 12, 2023, at 11:37 am. Bryan Haney with Altamira-US (on behalf of Earthstone Energy) submitted notification of a release (NOR) on the online OCD system on October 12, 2023.	

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: All actions above have been completed. One call has been completed and excavation is scheduled to begin on 10/13/2023.	
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>Kevin Hart</u>	Title: <u>Sr HSE Advisor</u>
Signature: <u></u>	Date: <u>October 12, 2023</u>
email: <u>khart@earthstoneenergy.com</u>	Telephone: <u>432-212-2081</u>
<u>OCD Only</u>	
Received by: <u>Shelly Wells</u>	Date: <u>10/12/2023</u>

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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 275212

CONDITIONS

Operator: NOVO OIL & GAS NORTHERN DELAWARE, LLC 1001 West Wilshire Blvd Oklahoma City, OK 73116	OGRID: 372920
	Action Number: 275212
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
scwells	None	10/12/2023