

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	nAPP2400842400
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party: Caza Operating, LLC	OGRID: 249099
Contact Name: Kevin Garrett	Contact Telephone: (432) 556-8508
Contact email: kgarrett@cazapetro.com	Incident # (assigned by OCD) nAPP2400842400
Contact mailing address: 200 N. Loraine, Suite 1550 Midland, TX 79701	

Location of Release Source

Latitude 32.293911 Longitude -104.170287
(NAD 83 in decimal degrees to 5 decimal places)

Site Name: Forehand Ranch North 22 21 State #002H	Site Type: Production
Date Release Discovered: 11/27/2023	API# (if applicable) 30-015-44621

Unit Letter	Section	Township	Range	County
H	22	23S	27E	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)

☐ Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
☒ Produced Water	Volume Released (bbls) 20 BBLs	Volume Recovered (bbls) 15 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: **Transfer Pump Leak**

Incident ID	nAPP2400842400
District RP	
Facility ID	
Application ID	

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?
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?	

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>Kellan Smith</u>	Title: <u>Project Scientist</u>
Signature: <u>Kellan Smith</u>	Date: <u>1/08/24</u>
email: <u>ksmith@ntglobal.com</u>	Telephone: <u>(580) 682-1889</u>
<u>OCD Only</u>	
Received by: _____	Date: _____

***** LIQUID SPILLS - VOLUME CALCULATIONS *****

Location of spill:Forehand Ranch North 22 21 State 2H

Date of Spill:27-Nov-2023

If the leak/spill is associated with production equipment, i.e. - wellhead, stuffing box, flowline, tank battery, production vessel, transfer pump, or storage tank place an "X" here:

X

Input Data:

OIL:0.0 BBL

WATER:0.0 BBL

If spill volumes from measurement, i.e. metering, tank volumes, etc. are known enter the volumes here:

If "known" spill volumes are given, input data for the following "Area Calculations" is optional. The above will override the calculated volumes.

Total Area Calculations						Standing Liquid Calculations							
Total Surface Area	width	length	wet soil depth	oil (%)		Standing Liquid Area	width	length	liquid depth	oil (%)			
Rectangle Area #1	30 ft	110 ft	X	0.75 in	0%	Rectangle Area #1	0 ft	X	0 ft	X	0 in	0%	
Rectangle Area #2	0 ft	X	0 ft	X	0 in	0%	Rectangle Area #2	0 ft	X	0 ft	X	0 in	0%
Rectangle Area #3	0 ft	X	0 ft	X	0 in	0%	Rectangle Area #3	0 ft	X	0 ft	X	0 in	0%
Rectangle Area #4	0 ft	X	0 ft	X	0 in	0%	Rectangle Area #4	0 ft	X	0 ft	X	0 in	0%
Rectangle Area #5	0 ft	X	0 ft	X	0 in	0%	Rectangle Area #5	0 ft	X	0 ft	X	0 in	0%
Rectangle Area #6	0 ft	X	0 ft	X	0 in	0%	Rectangle Area #6	0 ft	X	0 ft	X	0 in	0%
Rectangle Area #7	0 ft	X	0 ft	X	0 in	0%	Rectangle Area #7	0 ft	X	0 ft	X	0 in	0%
Rectangle Area #8	0 ft	X	0 ft	X	0 in	0%	Rectangle Area #8	0 ft	X	0 ft	X	0 in	0%

okay

production system leak - DAILY PRODUCTION DATA REQUIRED

Average Daily Production:Oil0 BBLWater0 BBL0 Gas (MCFD)

Total Hydrocarbon Content in gas:0% (percentage)

Did leak occur before the separator?:

YES

N/A

(place an "X")

H2S Content in Produced Gas:0 PPM

H2S Content in Tank Vapors:0 PPM

Amount of Free Liquid Recovered:0 BBLokay

Percentage of Oil in Free Liquid Recovered:0% (percentage)

Liquid holding factor *:0.14 gal per gal

Use the following when the spill wets the grains of the soil.
* Sand = 0.08 gallon (gal.) liquid per gal. volume of soil.
* Gravelly (caliche) loam = 0.14 gal. liquid per gal. volume of soil.
* Sandy clay loam soil = 0.14 gal liquid per gal. volume of soil.
* Clay loam = 0.16 gal. liquid per gal. volume of soil.

Use the following when the liquid completely fills the pore space of the soil:
Occurs when the spill soaked soil is contained by barriers, natural (or not).
* Clay loam = 0.20 gal. liquid per gal. volume of soil.
* Gravelly (caliche) loam = 0.25 gal. liquid per gal. volume of soil.
* Sandy loam = 0.5 gal. liquid per gal. volume of soil.

Total Solid/Liquid Volume:			Total Free Liquid Volume:		
sq. ft.	cu. ft.	cu. ft.	sq. ft.	cu. ft.	cu. ft.
Estimated Volumes Spilled Liquid in Soil:5.1 BBL Free Liquid:0.0 BBL Totals:5.1 BBL H2O0.0 BBL OIL0.0 BBL Total Liquid Spill Liquid:5.1 BBL0.00 BBL			Estimated Production Volumes Lost Estimated Production Spilled: H2O0.0 BBL OIL0.0 BBL Estimated Surface Damage Surface Area:3,300 sq. ft. Surface Area:.0758 acre Estimated Weights, and Volumes Saturated Soil =23,100 lbs Total Liquid =5 BBL 206 cu. ft. 8 cu. yds. 216 gallon 1,797 lbs		
Recovered Volumes Estimated oil recovered:BBLcheck - okay Estimated water recovered:BBLcheck - okay					

Air Emission from flowline leaks:		Air Emission of Reporting Requirements:	
Volume of oil spill:	- BBL	New Mexico	Texas
Separator gas calculated:	- MCF	HC gas release reportable?	NO
Separator gas released:	- MCF	H2S release reportable?	NO
Gas released from oil:	- lb		
H2S released:	- lb		
Total HC gas released:	- lb		
Total HC gas released:	- MCF		

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

QUESTIONS

Action 301063

QUESTIONS

Operator: CAZA OPERATING, LLC 200 N Loraine St Midland, TX 79701	OGRID: 249099
	Action Number: 301063
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

QUESTIONS

Prerequisites	
Incident ID (n#)	nAPP2400842400
Incident Name	NAPP2400842400 FOREHAND RANCH NORTH 22 21 STATE #002H @ 30-015-44621
Incident Type	Produced Water Release
Incident Status	Initial C-141 Received
Incident Well	[30-015-44621] FOREHAND RANCH NORTH 22 21 STATE #002H

Location of Release Source	
<i>Please answer all the questions in this group.</i>	
Site Name	FOREHAND RANCH NORTH 22 21 STATE #002H
Date Release Discovered	11/27/2023
Surface Owner	State

Incident Details	
<i>Please answer all the questions in this group.</i>	
Incident Type	Produced Water Release
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	No
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

Nature and Volume of Release	
<i>Material(s) released, please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission.</i>	
Crude Oil Released (bbls) Details	Not answered.
Produced Water Released (bbls) Details	Cause: Equipment Failure Pump Produced Water Released: 20 BBL Recovered: 15 BBL Lost: 5 BBL.
Is the concentration of chloride in the produced water >10,000 mg/l	No
Condensate Released (bbls) Details	Not answered.
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Not answered.
Other Released Details	Not answered.
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	Not answered.

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QUESTIONS, Page 2

Action 301063

QUESTIONS (continued)

Operator: CAZA OPERATING, LLC 200 N Loraine St Midland, TX 79701	OGRID: 249099
	Action Number: 301063
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

QUESTIONS

Nature and Volume of Release (continued)	
Is this a gas only submission (i.e. only significant Mcf values reported)	No, according to supplied volumes this does not appear to be a "gas only" report.
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	No
Reasons why this would be considered a submission for a notification of a major release	Unavailable.
With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e. gas only) are to be submitted on the C-129 form.	

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	True
The impacted area has been secured to protect human health and the environment	True
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True
All free liquids and recoverable materials have been removed and managed appropriately	True
If all the actions described above have not been undertaken, explain why	Not answered.

Per Paragraph (4) of Subsection B of 19.15.29.8 NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative of actions to date in the follow-up C-141 submission. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC), please prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.

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.

I hereby agree and sign off to the above statement	Name: Kelly Arrendondo Title: Production Reporting Manager Email: karredondo@ntglobal.com Date: 01/08/2024
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QUESTIONS, Page 3

Action 301063

QUESTIONS (continued)

Operator: CAZA OPERATING, LLC 200 N Loraine St Midland, TX 79701	OGRID: 249099
	Action Number: 301063
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

QUESTIONS**Site Characterization**

Please answer all the questions in this group (only required when seeking remediation plan approval and beyond). This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release in feet below ground surface (ft bgs)	Not answered.
What method was used to determine the depth to ground water	Not answered.
Did this release impact groundwater or surface water	Not answered.
What is the minimum distance, between the closest lateral extents of the release and the following surface areas:	
A continuously flowing watercourse or any other significant watercourse	Not answered.
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Not answered.
An occupied permanent residence, school, hospital, institution, or church	Not answered.
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Not answered.
Any other fresh water well or spring	Not answered.
Incorporated municipal boundaries or a defined municipal fresh water well field	Not answered.
A wetland	Not answered.
A subsurface mine	Not answered.
An (non-karst) unstable area	Not answered.
Categorize the risk of this well / site being in a karst geology	Not answered.
A 100-year floodplain	Not answered.
Did the release impact areas not on an exploration, development, production, or storage site	Not answered.

Remediation Plan

Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

Requesting a remediation plan approval with this submission	No
The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.	

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CONDITIONS

Action 301063

CONDITIONS

Operator: CAZA OPERATING, LLC 200 N Loraine St Midland, TX 79701	OGRID: 249099
	Action Number: 301063
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

CONDITIONS

Created By	Condition	Condition Date
scwells	None	1/9/2024