

## C-141 Follow-Up Narrative

Incident ID: nAPP2530057607

Site Name: Hollywood Star North Pad

Operator: Paloma Resources, LLC

Property Owner: Calvinini Farms

Point of Contact: Dean Calvinini

### Description of Incident and Follow-Up Information

The release occurred within a privately owned pecan orchard operated by Calvinini Farms. A total of 81 mature pecan trees and 2 saplings were within the affected area. Impacted vegetation is visible in the attached drone and NDVI imagery, which delineate the extent of the impact.

The release originated from a 10-inch layflat hose used to transfer produced water. The hose has a capacity of 0.14 barrels per foot, and a total of 3,116 feet was in service, equating to approximately 436 barrels of fluid capacity. Transfer operations began at 5:00 PM, with flow confirmed at the AST. The leak was discovered between 5:02 and 5:03 PM and was immediately reported to Tanmar personnel at 5:03 PM, followed by notification to Lelan Anders at 5:23 PM, and to the Calvinini family at 7:11 PM. Field personnel met with Mr. Kevin Calvinini at approximately 7:30 PM to discuss response and site access.

Based on hose capacity, the estimated volume released was approximately 436 barrels, with about 100 barrels recovered by vacuum from the affected irrigation ditch, leaving an estimated 336 barrels unrecovered. The release was contained entirely within the orchard and did not extend beyond Calvinini Farms' property boundary.

The release occurred over a dry irrigation channel at the downstream end of the orchard's system. Because the channel was dry and located at the terminal point of flow, there was no potential for upstream migration or surface-water impact. The channel is being thoroughly cleaned and inspected to ensure all residual fluids are removed.

No injuries or structural property damage occurred. Environmental impact was limited to surface soil and vegetation within the orchard. The property owner, Mr. Dean Calvinini, has been notified and remains the primary contact for coordination of cleanup, soil assessment, and remediation. No additional properties were affected.

Drone and NDVI imagery are attached to this report for documentation and confirmation of containment.



Paloma Permian AssetCo, LLC  
HOLLYWOOD STAR FEE 17 18 #704H  
Incident #nAPP2530057607  
32.392285,-104.202408 NAD83  
Private Surface



Diamondback Disposal  
Services, Inc  
P.O. Box 2491  
Hobbs, NM 88241  
575-392-9996

↓ Release Point  
Visible Impact Area



Paloma Permian AssetCo, LLC  
HOLLYWOOD STAR FEE 17 18 #704H  
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32.392285,-104.202408 NAD83  
Private Surface



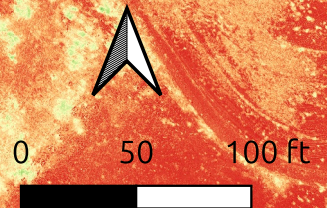
Diamondback Disposal  
Services, Inc  
P.O. Box 2491  
Hobbs, NM 88241  
575-392-9996



69644 sqft

264 sqft

808 sqft



Paloma Permian AssetCo, LLC  
HOLLYWOOD STAR FEE 17 18 #704H  
Incident #nAPP2530057607  
32.392285,-104.202408 NAD83  
Private Surface

Released to Imaging: 11/7/2025 8:32:06 AM



Diamondback Disposal  
Services, Inc  
P.O. Box 2491  
Hobbs, NM 88241  
575-392-9996

Sante Fe Main Office  
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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 522233

**QUESTIONS**

|                                                                                            |                                                         |
|--------------------------------------------------------------------------------------------|---------------------------------------------------------|
| Operator:<br>Paloma Permian AssetCo, LLC<br>1100 Louisiana, Ste. 5100<br>Houston, TX 77002 | OGRID:<br>332449                                        |
|                                                                                            | Action Number:<br>522233                                |
|                                                                                            | Action Type:<br>[C-141] Initial C-141 (C-141-v-Initial) |

**QUESTIONS**

|                      |                                                        |
|----------------------|--------------------------------------------------------|
| <b>Prerequisites</b> |                                                        |
| Incident ID (n#)     | nAPP2530057607                                         |
| Incident Name        | NAPP2530057607 HOLLYWOOD STAR NORTH PAD @ 30-015-56241 |
| Incident Type        | Produced Water Release                                 |
| Incident Status      | Initial C-141 Received                                 |
| Incident Well        | [30-015-56241] HOLLYWOOD STAR FEE 17 18 #704H          |

|                                                       |                          |
|-------------------------------------------------------|--------------------------|
| <b>Location of Release Source</b>                     |                          |
| <i>Please answer all the questions in this group.</i> |                          |
| Site Name                                             | Hollywood Star North pad |
| Date Release Discovered                               | 10/25/2025               |
| Surface Owner                                         | Private                  |

|                                                                                                      |                        |
|------------------------------------------------------------------------------------------------------|------------------------|
| <b>Incident Details</b>                                                                              |                        |
| <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                     |

|                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Nature and Volume of Release</b>                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <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   Coupling   Produced Water   Released: 436 BBL   Recovered: 100 BBL   Lost: 336 BBL.                                                                                                                                                                                                                                                                                                                                                                                                 |
| Is the concentration of chloride in the produced water >10,000 mg/l                                                                                                                         | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 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)                                        | Release occurred within a privately owned pecan orchard operated by Calvin Farms. A 10" layflat hose (0.14 bbl/ft, 3,116 ft total) failed during transfer at 5:02 PM, releasing an estimated 436 bbl. Approximately 100 bbl were recovered by vacuum, leaving an estimated 336 bbl unrecovered. Impact was limited to the orchard; no surface water or offsite areas were affected. The irrigation channel was dry and is being cleaned. Property owner Dean Calvin has been notified. Drone imagery attached. |

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QUESTIONS, Page 2

Action 522233

**QUESTIONS (continued)**

|                                                                                            |                                                         |
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|                                                                                            | Action Number:<br>522233                                |
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**QUESTIONS**

| <b>Nature and Volume of Release (continued)</b>                                                                                                         |                                                                                                                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| 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                                                                                  | Yes                                                                                                                                    |
| Reasons why this would be considered a submission for a notification of a major release                                                                 | From paragraph A. "Major release" determine using:<br>(1) an unauthorized release of a volume, excluding gases, of 25 barrels or more. |
| 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: Jason Owsley<br>Email: <a href="mailto:jasono@diamondbacknm.com">jasono@diamondbacknm.com</a><br>Date: 10/31/2025 |
|----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|

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QUESTIONS, Page 3

Action 522233

**QUESTIONS (continued)**

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**QUESTIONS**

|                                                                                                                                                                                                                                                      |               |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| <b>Site Characterization</b>                                                                                                                                                                                                                         |               |
| <i>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.</i> |               |
| 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. |
| <b>What is the minimum distance, between the closest lateral extents of the release and the following surface areas:</b>                                                                                                                             |               |
| 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. |

|                                                                                                                                                                                                                                                                                                                                                                                       |    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| <b>Remediation Plan</b>                                                                                                                                                                                                                                                                                                                                                               |    |
| <i>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.</i>                                                                                                                                                                                      |    |
| Requesting a remediation plan approval with this submission                                                                                                                                                                                                                                                                                                                           | No |
| <i>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.</i> |    |

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CONDITIONS

Action 522233

CONDITIONS

|                                                                                            |                                                         |
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|                                                                                            | Action Type:<br>[C-141] Initial C-141 (C-141-v-Initial) |

CONDITIONS

| Created By       | Condition                                                                                                                                                                                                                 | Condition Date |
|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| michael.buchanan | Initial C141 approved. The next report submittal is due to OCD no later than 90-days from the date of discovery of the release, which is reported as occurring on 10/25/2025. The final due date to submit is 01/29/2026. | 11/7/2025      |