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	nAPP2130550702
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party Spur Energy Partners, LLC	OGRID 328947	
Contact Name Braidy Moulder Contact Telephone 713-264-2517		
Contact email bmoulder@spurepllc.com	Incident # (assigned by OCD) nAPP2130550702	
Contact mailing address 2407 Pecos Avenue, Artesia, NM 88210		

Location of Release Source

Latitude 32.636090

Longitude -104.452190 (NAD 83 in decimal degrees to 5 decimal places)

Site Name Morris Arco 26 #002	Site Type Production
Date Release Discovered 8/26/2021	API# (<i>if applicable</i>) 30-015-29258

Unit Letter	Section	Township	Range	County
В	26	19S	25E	Eddy

Surface Owner: State Federal Tribal X 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)
X Produced Water	Volume Released (bbls) 40 bbls	Volume Recovered (bbls) 35 bbls
	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

Due to corrosion, a valve at the wellhead failed causing a release of fluid onto the ground. The release affected the well pad and adjacent pasture area.

rived by OCD: 12/21/2021 9:45:28 AM State of New Mexico			Page 2 of 3	
orm C-141		Incident ID	nAPP2130550702	
ge 2	Oil Conservation Division	District RP		
		Facility ID		
		Application ID		
Was this a major release as defined by 19.15.29.7(A) NMAC? X Yes No	If YES, for what reason(s) does the responsible part This was a release of more than 25 bbls.	ty consider this a major release?		
If YES, was immediate n	otice given to the OCD? By whom? To whom? Wh	en and by what means (phone, e	email, etc)?	
Notice was given on th	ne date of discovery to Mike Bratcher on 8/26/20)21 via email from Dakota Ne	el	

Initial Response

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

 \mathbf{X} The source of the release has been stopped.

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X 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 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: Dakota Neel	Title: HSE Coordinator	
Signature: Jakons Red	Date: 12/21/2021	
email: dneel@spurepllc.com	Telephone: 832-849-7837	
OCD Only		
Received by:Ramona Marcus	Date: <u>12/21/2021</u>	

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:
Pima Environmental Services, LLC	329999
1601 N. Turner	Action Number:
Hobbs, NM 88240	68185
	Action Type:
	[C-141] Release Corrective Action (C-141)

CONDITIONS Created By Condition Condition Date When submitting future reports regarding this release, please submit the calculations used or specific justification for the volumes reported on the initial C-12/21/2021 rmarcus 141

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Action 68185