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 Page 1 of 3

| Incident ID | nAPP2307966624 |
|----------------|----------------|
| District RP | |
| Facility ID | |
| Application ID | 199006 |

Release Notification

Responsible Party

| Responsible Party: Novo Oil & Gas Northern Delaware, LLC | OGRID: 372920 |
|-----------------------------------------------------------------------------------------|----------------------------------------------|
| Contact Name: Kurt A. Shipley | Contact Telephone: 405-286-3916 |
| Contact email: kshipley@novoog.com | Incident # (assigned by OCD): nAPP2307966624 |
| Contact mailing address: 1001 West Wilshire Blvd., Suite 206 Oklahoma City, OK 73116 | |

Location of Release Source

Latitude <u>32.34321760</u>

Longitude <u>-104.08546710</u>

(NAD 83 in decimal degrees to 5 decimal places)

| Site Name: Goonch Fed Com 0409-214H | Site Type: Open Area between CTB and wellhead |
|-------------------------------------|-----------------------------------------------|
| Date Release Discovered: 03/18/2023 | API# (if applicable) |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|--------|
| М | 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) | | | |
|-------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-----------------------------------------|--|
| Crude Oil | Volume Released (bbls): Estimated 2 | Volume Recovered (bbls): Estimated 1 | |
| Produced Water | Volume Released (bbls): Estimated 3 | Volume Recovered (bbls): Estimated 2 | |
| | Is the concentration of dissolved chloride in the | Yes No | |
| | produced water >10,000 mg/l? | | |
| Condensate | Volume Released (bbls) | Volume Recovered (bbls) | |
| Natural Gas | Volume Released (Mcf) | Volume Recovered (Mcf) | |
| Other | Volume/Weight Released (provide units) | Volume/Weight Recovered (provide units) | |
| | | | |
| C CD 1 | | | |

Cause of Release

On 03/18/2023 at approximately 5:00pm, a minor release of oil and produced water occurred near the Novo Goonch Fed Com 0409-214H pad area. The entire volume of the release was contained within the immediate area. Field operation personnel indicate the cause of the release was the result of a leak from a 4" production flowline lead between the wellhead and central tank battery (CTB). Novo was able to quickly identify the failure and shut in flow.

Volume of the release was estimated based on approximate dimensions of the release area (approximately 50' x 10' and irregular shaped.

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| | Page 2 of | f 3 |
|----------------|----------------|-----|
| Incident ID | nAPP2307966624 | |
| District RP | | |
| Facility ID | | |
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| Was this a major release | If YES, for what reason(s) does the responsible party consider this a major release? |
|--------------------------|--------------------------------------------------------------------------------------|
| as defined by | |
| 19.15.29.7(A) NMAC? | Released volume does not exceed 25 bbl |
| | |
| 🗌 Yes 🖾 No | |
| | |
| | |
| | |
| If YES, was immediate no | tice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? |
| 03/20/2023 – Bryan Har | ney conducted NMOCD online notification to obtain incident ID |
| 03/20/2023 – Bryan Har | ney provided email notification to NMOCD - Mike Bratcher and Robert Hamlet |
| 03/20/2023 – Bryan Har | ney provided email notification to BLM - Crisha |
| | |
| | |

Initial Response

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

 \square 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 not been undertaken, explain why:

All initial response actions above have been completed.

Remediation efforts (excavated affected soil) will be confirmed with sampling.

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: k | Kurt A. Shipley | Title: Chief Operating Officer | |
|--------------------------|-----------------|--------------------------------|--|
| Signature: | 2 C | Date: March 21, 2023 | |
| email: <u>kshipley@r</u> | novoog.com | Telephone: <u>405-286-3916</u> | |
| | | | |
| OCD Only | | | |
| Received by: | Jocelyn Harimon | Date: 03/27/2023 | |

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: |
|---------------------------------------|-------------------------------------------|
| NOVO OIL & GAS NORTHERN DELAWARE, LLC | 372920 |
| 1001 West Wilshire Blvd | Action Number: |
| Oklahoma City, OK 73116 | 200381 |
| | Action Type: |
| | [C-141] Release Corrective Action (C-141) |

CONDITIONS

| Created By | | Condition Date |
|------------|------|-------------------|
| jharimon | None | 3/27/2023 |

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Action 200381