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 | |
|----------------|---|
| District RP | 2 |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

| Responsible Party LH Operating, LLC | | | OGRID | OGRID 329319 | | |
|--|--|-----------------------|--------------------------------|---|--|--|
| Contact Name Mike Burton | | Contact T | Contact Telephone 575-499-5306 | | | |
| Contact email mike@ | lhoperating.com | | Incident # | (assigned by OCD) | | |
| Contact mailing address | 3730 Kirby Drive | e Suite 1200 Hou | ston TX 77098 | | | |
| | 3730 Illioy Billy | 2 2410 1200 1104 | 31011 111 / / 050 | | | |
| | | Location | of Release S | ource | | |
| Latitude 32.829087 | | | Longitude | Longitude -103.905238 | | |
| | | (NAD 83 in dec | cimal degrees to 5 decir | nal places) | | |
| Site Name Turner A ba | ttery fire | | Site Type | Oil battery | | |
| Date Release Discovered | | | API# (if app | * | | |
| | | | | | | |
| Unit Letter Section | Township | Range | Cour | nty | | |
| O 18 | 17S | 31E | Eddy | | | |
| S | Trademal Truit | hal Duinnes (A | N | | | |
| Surface Owner: State | A rederal 111 | bai Private (/ | vame: |) | | |
| | | Nature and | l Volume of | Release | | |
| Materia | al(s) Released (Select all | that apply and attach | calculations or specific | ; justification for the volumes provided below) | | |
| x Crude Oil | Volume Released (bbls) 5 | | - I Specific | Volume Recovered (bbls) 0 | | |
| ☐ Produced Water | Volume Released | | | Volume Recovered (bbls) 0 | | |
| | Is the concentrati | | hloride in the | X Yes No | | |
| Condensate | produced water >10,000 mg/l? Volume Released (bbls) | | | Volume Recovered (bbls) | | |
| Natural Gas | Volume Released (Mcf) | | | Volume Recovered (Mcf) | | |
| Other (describe) | ` ' | | e units) | Volume/Weight Recovered (provide units) | | |
| | | | | | | |
| Cause of Release Heater treater leak causing a fire. | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

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| | | | | | | |

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| Was this a major | If YES, for what reason(s) does the respon | sible party consider this a major release? |
|---|--|---|
| release as defined by 19.15.29.7(A) NMAC? | Release caused by fire. | |
| X Yes ☐ No | | |
| | | |
| If YES, was immediate no | otice given to the OCD? By whom? To wh | om? When and by what means (phone, email, etc)? |
| Mike Bratcher. Phone m | essage. | |
| | Initial Re | esponse |
| The responsible | party must undertake the following actions immediately | vunless they could create a safety hazard that would result in injury |
| x The source of the rele | ease has been stopped. | |
| | s been secured to protect human health and | the environment. |
| x Released materials ha | ave been contained via the use of berms or d | ikes, absorbent pads, or other containment devices. |
| X All free liquids and re | ecoverable materials have been removed and | l managed appropriately. |
| If all the actions described | d above have <u>not</u> been undertaken, explain v | vhy: |
| | | |
| | | |
| | | |
| | | |
| has begun, please attach | a narrative of actions to date. If remedial | emediation immediately after discovery of a release. If remediation efforts have been successfully completed or if the release occurred lease attach all information needed for closure evaluation. |
| regulations all operators are public health or the environr failed to adequately investig | required to report and/or file certain release notified. The acceptance of a C-141 report by the Oate and remediate contamination that pose a three | best of my knowledge and understand that pursuant to OCD rules and fications and perform corrective actions for releases which may endanger CD does not relieve the operator of liability should their operations have at to groundwater, surface water, human health or the environment. In responsibility for compliance with any other federal, state, or local laws |
| and/or regulations. | The control of the co | |
| Printed Name: _Mike Bu | rton | Title: |
| Signature: Michael | l Burton | Date: 1/25/2024 |
| email: _Mike@lhoperatin | ig.com | Telephone: 575-499-5306 |
| | | |
| OCD Only | | |
| Received by: | | Date: |

| State of New Mexico | |
|---------------------------|-----|
| | Inc |
| Oil Conservation Division | Dia |

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| Incident ID | | | | |
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Site Assessment/Characterization

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? | 320 (ft bgs) | | | |
|---|--------------|--|--|--|
| Did this release impact groundwater or surface water? | ☐ Yes ☐ No | | | |
| Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse? | Yes X No | | | |
| Are the lateral extents of the release within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)? | Yes X No | | | |
| Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church? | Yes X No | | | |
| Are the lateral extents of the release within 500 horizontal feet of a spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes? | Yes X No | | | |
| Are the lateral extents of the release within 1000 feet of any other fresh water well or spring? | Yes X No | | | |
| Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field? | Yes X No | | | |
| Are the lateral extents of the release within 300 feet of a wetland? | Yes X No | | | |
| Are the lateral extents of the release overlying a subsurface mine? | Yes X No | | | |
| Are the lateral extents of the release overlying an unstable area such as karst geology? | Yes X No | | | |
| Are the lateral extents of the release within a 100-year floodplain? | | | | |
| Did the release impact areas not on an exploration, development, production, or storage site? | Yes X No | | | |
| Attach a comprehensive report (electronic submittals in .pdf format are preferred) demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined. Refer to 19.15.29.11 NMAC for specifics. | | | | |
| Characterization Report Checklist: Each of the following items must be included in the report. | | | | |
| Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells. Field data Data table of soil contaminant concentration data Depth to water determination Determination of water sources and significant watercourses within ½-mile of the lateral extents of the release Boring or excavation logs Photographs including date and GIS information Topographic/Aerial maps Laboratory data including chain of custody | | | | |

If the site characterization report does not include completed efforts at remediation of the release, the report must include a proposed remediation plan. That plan must include the estimated volume of material to be remediated, the proposed remediation technique, proposed sampling plan and methods, anticipated timelines for beginning and completing the remediation. The closure criteria for a release are contained in Table 1 of 19.15.29.12 NMAC, however, use of the table is modified by site- and release-specific parameters.

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| Incident ID | | | |
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| Facility ID | | | |
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| I hereby certify that the information given above is true and complete to the regulations all operators are required to report and/or file certain release not public health or the environment. The acceptance of a C-141 report by the failed to adequately investigate and remediate contamination that pose a thr addition, OCD acceptance of a C-141 report does not relieve the operator of and/or regulations. | OCD does not relieve the operator of liability should their operations have eat to groundwater, surface water, human health or the environment. In |
|---|--|
| Printed Name:Mike Burton | Title: |
| Signature: Michael Burton | |
| email: _mike@lhoperating.com | Telephone:575-499-5306 |
| | |
| OCD Only | |
| Received by: | Date: |
| | |

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| Incident ID | |
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| Application ID | |

Remediation Plan

| Remediation Plan Checklist: Each of the following items must b | e included in the plan. | | |
|--|--|--|--|
| □ Detailed description of proposed remediation technique □ Scaled sitemap with GPS coordinates showing delineation points □ Estimated volume of material to be remediated □ Closure criteria is to Table 1 specifications subject to 19.15.29.12(C)(4) NMAC □ Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is required) | | | |
| Deferral Requests Only: Each of the following items must be con | nfirmed as part of any request for deferral of remediation. | | |
| Contamination must be in areas immediately under or around predeconstruction. | roduction equipment where remediation could cause a major facility | | |
| Extents of contamination must be fully delineated. | | | |
| Contamination does not cause an imminent risk to human health | n, the environment, or groundwater. | | |
| 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: _Mike Burton | Title: | | |
| Signature: Michael Burton | | | |
| email: _mike@lhoperating.com | Telephone: | | |
| OCD Only | | | |
| Received by: | Date: | | |
| Approved | Approval | | |
| Signature: | <u>Date:</u> | | |

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Incident ID
District RP 2
Facility ID
Application ID

Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: Each of the following items must be included in the closure report.

| ☐ A scaled site and sampling diagram as described in 19.15.29.1 | 1 NMAC |
|--|---|
| Photographs of the remediated site prior to backfill or photos must be notified 2 days prior to liner inspection) | of the liner integrity if applicable (Note: appropriate OCD District office |
| ☐ Laboratory analyses of final sampling (Note: appropriate ODC | C District office must be notified 2 days prior to final sampling) |
| Description of remediation activities | |
| | |
| and regulations all operators are required to report and/or file certain may endanger public health or the environment. The acceptance of | nediate contamination that pose a threat to groundwater, surface water, a C-141 report does not relieve the operator of responsibility for tions. The responsible party acknowledges they must substantially neditions that existed prior to the release or their final land use in CD when reclamation and re-vegetation are complete. |
| Signature: | Date: |
| email: | Telephone: |
| | |
| OCD Only | |
| Received by: | Date: |
| | of liability should their operations have failed to adequately investigate and water, human health, or the environment nor does not relieve the responsible or regulations. |
| Closure Approved by: | Date: |
| Printed Name: | Title: |

<u>District I</u> 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

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**

QUESTIONS

Action 309448

QUESTIONS

| C | Operator: | OGRID: |
|---|-------------------|---|
| | LH Operating, LLC | 329319 |
| | 3730 Kirby Drive | Action Number: |
| | Houston, TX 77098 | 309448 |
| | | Action Type: |
| | | [C-141] Initial C-141 (C-141-v-Initial) |

QUESTIONS

| Prerequisites | |
|------------------|--|
| Incident ID (n#) | nAPP2403039770 |
| Incident Name | NAPP2403039770 TURNER A BATTERY FIRE @ 0 |
| Incident Type | Fire |
| Incident Status | Initial C-141 Received |

| Location of Release Source | |
|--|-----------------------|
| Please answer all the questions in this group. | |
| Site Name | Turner A battery fire |
| Date Release Discovered | 01/25/2024 |
| Surface Owner | Federal |

| Incident Details | |
|--|------|
| Please answer all the questions in this group. | |
| Incident Type | Fire |
| Did this release result in a fire or is the result of a fire | Yes |
| 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 | | |
|--|---|--|
| 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. | | |
| Crude Oil Released (bbls) Details | Cause: Fire Treating Tower Crude Oil Released: 5 BBL Recovered: 0 BBL Lost: 5 BBL. | |
| Produced Water Released (bbls) Details | Cause: Fire Treating Tower Produced Water Released: 39 BBL Recovered: 0 BBL Lost: 39 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) | Not answered. | |

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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, Page 2

Action 309448

| Phone:(505) 476-3470 Fax:(505) 476-3462 | |
|---|--|
| QUEST | IONS (continued) |
| Operator: | OGRID: |
| LH Operating, LLC | 329319 |
| 3730 Kirby Drive | Action Number: |
| Houston, TX 77098 | 309448 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 | Yes |
| Reasons why this would be considered a submission for a notification of a major release | From paragraph A. "Major release" determine using: (1) an unauthorized release of a volume, excluding gases, of 25 barrels or more; (2) an unauthorized release of a volume that: (a) results in a fire or is the result of a fire. |
| With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e. | 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 s | 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 | Actions completed |
| | iation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative of ted or if the release occurred within a lined containment area (see Subparagraph (a) of Paragraph (5) of evaluation in the follow-up C-141 submission. |
| to report and/or file certain release notifications and perform corrective actions for releathe OCD does not relieve the operator of liability should their operations have failed to | knowledge and understand that pursuant to OCD rules and regulations all operators are required asses which may endanger public health or the environment. The acceptance of a C-141 report by adequately investigate and remediate contamination that pose a threat to groundwater, surface t does not relieve the operator of responsibility for compliance with any other federal, state, or |
| I hereby agree and sign off to the above statement | Name: Michael Burton Title: Enviromental Manager Email: mike@lhoperating.com |

Date: 01/30/2024

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QUESTIONS, Page 3

Action 309448

QUESTIONS (continued)

| Operator: | OGRID: |
|-------------------|---|
| LH Operating, LLC | 329319 |
| 3730 Kirby Drive | Action Number: |
| Houston, TX 77098 | 309448 |
| | 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) | Between 100 and 500 (ft.) | |
| What method was used to determine the depth to ground water | OCD Imaging Records Lookup | |
| Did this release impact groundwater or surface water | No | |
| What is the minimum distance, between the closest lateral extents of the release ar | nd the following surface areas: | |
| A continuously flowing watercourse or any other significant watercourse | Between ½ and 1 (mi.) | |
| Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark) | Between ½ and 1 (mi.) | |
| An occupied permanent residence, school, hospital, institution, or church | Greater than 5 (mi.) | |
| A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes | Between ½ and 1 (mi.) | |
| Any other fresh water well or spring | Greater than 5 (mi.) | |
| Incorporated municipal boundaries or a defined municipal fresh water well field | Greater than 5 (mi.) | |
| A wetland | Greater than 5 (mi.) | |
| A subsurface mine | Greater than 5 (mi.) | |
| An (non-karst) unstable area | Greater than 5 (mi.) | |
| Categorize the risk of this well / site being in a karst geology | None | |
| A 100-year floodplain | Greater than 5 (mi.) | |
| Did the release impact areas not on an exploration, development, production, or storage site | No | |

| 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 309448

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| Operator: | OGRID: |
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| 3730 Kirby Drive | Action Number: |
| Houston, TX 77098 | 309448 |
| | Action Type: |
| | [C-141] Initial C-141 (C-141-v-Initial) |

CONDITIONS

| Created By | | Condition Date |
|------------|------|-------------------|
| scwells | None | 1/30/2024 |