

Kaiser-Francis Oil Company

PO BOX 21468  
TULSA, OK 74121-1468  
(918) 491-4232

May 6, 2026

**RE: Containment Liner Inspection & Closure Report  
Red Hills Pad 5  
Unit D, Section 31, Township 25 South, Range 33 East  
Coordinates: 32.093948, -103.618446  
Facility I.D: fAPP2205542755  
Incident Number nAPP2606351801  
Lea County, New Mexico**

Dear NMOCD designate,

Kaiser Francis Oil Company (KFOC), hereafter referred to as KFOC, is pleased to present the following letter report summarizing the response efforts, liner inspection, and closure of the associated crude oil release, incident: nAPP2606351801, which occurred at the Red Hills Pad 5 (hereafter referred to as the "site"). On March 3, 2026, the high-level alarms on the slop tank failed to activate as designed, elevating pressure in the water knockout vessel, which caused the pop-off valves to open and divert excessive fluid into the slop tank, ultimately overflowing into secondary containment. Approximately 23 barrels (bbls) of a crude oil and produced water mixture were released inside the secondary containment and 23 bbls were recovered with a vac truck.

On March 4, 2026; the liner was power washed and rinsate was recovered and hauled off-site for proper disposal. KFOC reported the release to the New Mexico Oil Conservation Division (NMOCD) on March 4, 2026. NMOCD accepted the submitted notification of release and subsequently assigned Incident Number nAPP2606351801 to this spill.

The first liner inspection occurred on March 13, 2026. KFOC personnel determined a thorough inspection could not be completed due to residual fluids in the containment. Therefore, a second liner inspection occurred on May 4, 2026. Please note that a precipitation event occurred on Friday May 1<sup>st</sup>. A vac truck was mobilized on May 3 to remove rainwater collected within the containment in preparation for the May 4<sup>th</sup> liner inspection.

C-141 approvals are provided in Appendix A.

The May 4<sup>th</sup> liner inspection was conducted in coordination with Vertex Resource Services, competent in conducting inspections of on-site equipment and facilities

Visual observation of the liner was completed on all sides and the base of the containment, around equipment, and of all seams in the liner. During the inspection, KFOC personnel identified multiple patches of varying ages. All patches were confirmed to be fully adhered and sound. The liner integrity was confirmed to be intact and had the ability to contain the subject release. The Daily Field Log for the liner inspection that includes photographic documentation is presented in Attachment B.

If you have any questions or comments, please do not hesitate to contact myself at 918-491-4615 or [huttona@fkoc.net](mailto:huttona@fkoc.net).

Sincerely,

Hutton Andrew, EHS Lead, Kaiser Francis Oil Company

# REFERENCE MATERIALS

## ATTACHMENTS

**ATTACHMENT A.** C-141 Approval Correspondence

**ATTACHMENT B.** Liner Inspection Daily Field Report

**ATTACHMENT C.** Maps and Research Data

# ATTACHMENT A

## C-141 Approval Correspondence

# OCD Permitting



Home / Operator Data / Action Status / Action Search Results / Action Status Item Details

## [C-141] Initial C-141 (C-141-V-INITIAL) Application

### Submission Information

<b>Submission ID:</b>	561512	<b>Districts:</b>	Hobbs
<b>Operator:</b>	<a href="#">[12361]</a> KAISER-FRANCIS OIL CO	<b>Counties:</b>	Lea
<b>Description:</b>	KAISER-FRANCIS OIL CO [12361] , Red Hills Pad 5 , nAPP2606351801		
<b>Status:</b>	Approved		
<b>Status Date:</b>	03/16/2026		
<b>References (0):</b>			

### Forms

**Attachments:** [Volume Calculation](#)

### Questions

#### Prerequisites

Incident ID (n#)	nAPP2606351801
Incident Name	NAPP2606351801 RED HILLS PAD 5 @ D-31-25S-33E
Incident Type	Oil Release
Incident Status	Initial C-141 Received

#### Location of Release Source

Please answer all the questions in this group.

Site Name	Red Hills Pad 5
Date Release Discovered	03/03/2026
Surface Owner	Federal

#### Incident Details

Please answer all the questions in this group.

Incident Type	Oil Release
---------------	-------------

## OCD Permitting

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: Equipment Failure | Production Tank | Crude Oil | Released: 23 BBL | Recovered: 23 BBL | Lost: 0 BBL.**

Produced Water Released (bbls) Details **Not answered.**

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.**

### 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

## OCD Permitting

### 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	NM OSE iWaters Database Search
Did this release impact groundwater or surface water	No

#### 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	Between ½ and 1 (mi.)
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Between 1000 (ft.) and ½ (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	Between ½ and 1 (mi.)
Incorporated municipal boundaries or a defined municipal fresh water well field	Greater than 5 (mi.)
A wetland	Between 1000 (ft.) and ½ (mi.)
A subsurface mine	Greater than 5 (mi.)
An (non-karst) unstable area	Between ½ and 1 (mi.)
Categorize the risk of this well / site being in a karst geology	Medium
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.

### Acknowledgments

This submission type does not have acknowledgments, at this time.

### Comments

No comments found for this submission.

## OCD Permitting

remediation closure is due to the OCD no later than 90-days after the date of discovery, not to exceed 06/02/2026.

### Reasons

No reasons found for this submission.

[Go Back](#)

**From:** [OCDOnline@emnrd.nm.gov](mailto:OCDOnline@emnrd.nm.gov)  
**To:** [Andrew Parker](#)  
**Subject:** The Oil Conservation Division (OCD) has accepted the application, Application ID: 580141  
**Date:** Wednesday, April 29, 2026 9:18:24 AM

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**Caution:** This email is from an external sender. Please take care when clicking links or opening attachments. When in doubt, contact your IT Department

To whom it may concern (c/o Andrew Parker for KAISER-FRANCIS OIL CO),

The OCD has received the submitted *Notification for Liner Inspection for a Release (C-141L)*, for incident ID (n#) nAPP2606351801.

The liner inspection is expected to take place:

**When:** 05/04/2026 @ 09:00

**Where:** D-31-25S-33E Lot: L 0 FNL 0 FEL (32.09409,-103.61831)

**Additional Information:** Lakin Pullman. Cell: 701-495-1722

**Additional Instructions:** Latitude, Longitude: 32.093948, -103.618446

An OCD representative may be available onsite at the date and time reported. In the absence or presence of an OCD representative, liner inspection pursuant to 19.15.29.11.A(5)(a) NMAC is required. Should there be a change in the scheduled date and time of the sampling event, then another notification should be resubmitted through OCD permitting as soon as possible.

- **Failure to notify the OCD of liner inspections including any changes in date/time per the requirements of 19.15.29.11.A(5)(a)(ii) NMAC, may result in the inspection not being accepted.**

If you have any questions regarding this application, or don't know why you have received this email, please contact us.

**New Mexico Energy, Minerals and Natural Resources Department**  
1220 South St. Francis Drive  
Santa Fe, NM 87505

# ATTACHMENT B

## Liner Inspection Report



Daily Field Log
Site: Red Hills Pad 5

05/04/2026

Location: Default Site Location

By: Lakin Pullman

Table with 4 columns: Field Name, Value, Field Name, Value. Includes Weather, Staff On-site, Staff From Time, Tailgate meeting conducted, Contractor, Contractor Crew, Equipment On Site, Incident ID Number.

Work Summary:

On site to complete liner inspection for release inside tank battery containment.

Time Observations

Table with 2 columns: Time, Observations. Contains 5 rows of inspection notes with timestamps from 10:19:34 to 11:33:55.

Inspector: Lakin Pullman



Daily Field Log  
Site: Red Hills Pad 5

Pictures/Attachments

Date: 5/4/2026  
 Time: 12:04  
 Notes: Northwest corner of release area facing east.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: W



Date: 5/4/2026  
 Time: 12:04  
 Notes: North edge of release area facing southeast.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: W





### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

Date: 5/4/2026  
 Time: 12:04  
 Notes: Northwest corner of release area facing south.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: W



Date: 5/4/2026  
 Time: 12:04  
 Notes: Northeast corner of release area facing west.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: W





### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

Date: 5/4/2026  
 Time: 12:04  
 Notes: Northeast corner of release area facing southwest.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: W



Date: 5/4/2026  
 Time: 12:04  
 Notes: Northeast corner of release area facing south-southwest.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: W





Daily Field Log  
Site: Red Hills Pad 5

Pictures/Attachments

Date: 5/4/2026  
 Time: 12:04  
 Notes: Northeast corner of release area facing south.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: W



Date: 5/4/2026  
 Time: 12:05  
 Notes: East edge of release area facing north.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N





### Daily Field Log

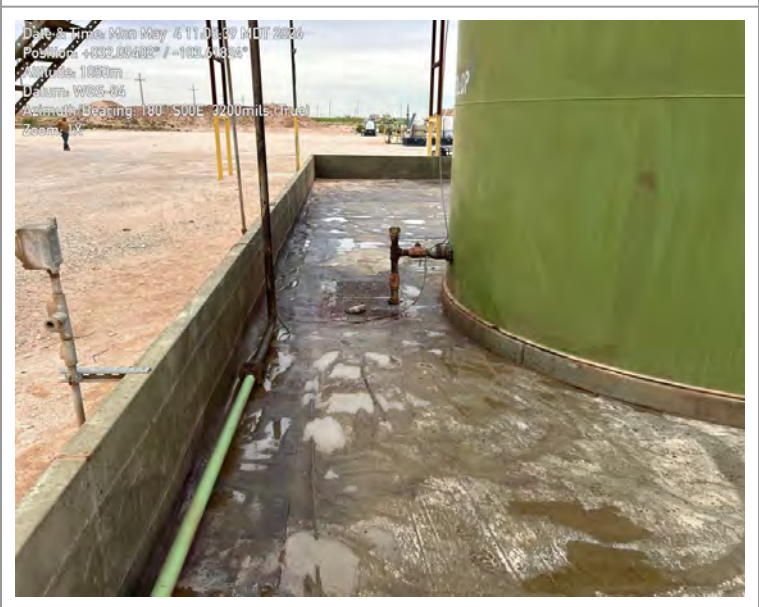
Site: Red Hills Pad 5

#### Pictures/Attachments

Date: 5/4/2026  
 Time: 12:05  
 Notes: East edge of release area facing west  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



Date: 5/4/2026  
 Time: 12:05  
 Notes: East edge of release area facing south.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N





### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

Date: 5/4/2026  
 Time: 12:05  
 Notes: Southeast corner of release area facing south.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



Date: 5/4/2026  
 Time: 12:05  
 Notes: Southeast corner of release area facing northwest.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N





### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

Date: 5/4/2026  
 Time: 12:05  
 Notes: Southeast corner of release area facing west.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



Date: 5/4/2026  
 Time: 12:05  
 Notes: Inside containment facing northeast.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N





### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

Date: 5/4/2026  
 Time: 12:05  
 Notes: Southwest corner of release area facing north.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



Date: 5/4/2026  
 Time: 12:05  
 Notes: Southwest corner of release area facing northwest.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N





### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

Date: 5/4/2026  
 Time: 12:06  
 Notes: Inside containment facing north.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



Date: 5/4/2026  
 Time: 12:06  
 Notes: Inside containment facing north.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



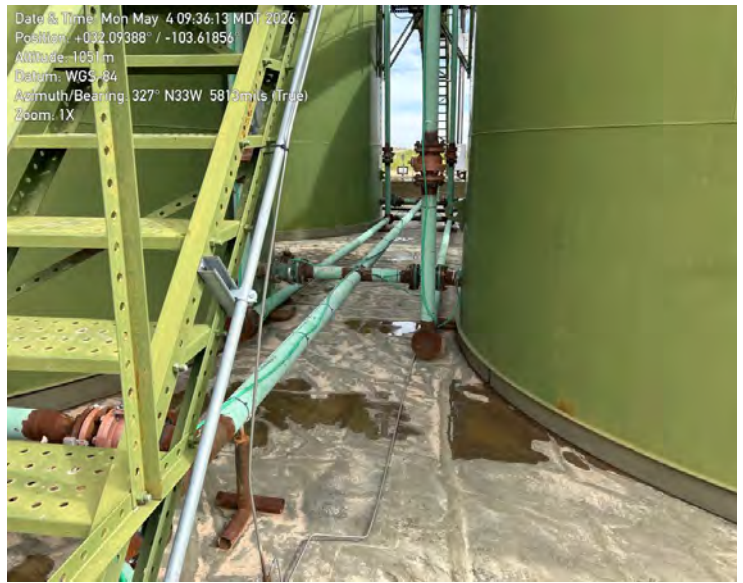


### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

Date: 5/4/2026  
 Time: 12:06  
 Notes: Inside containment facing northwest.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



Date: 5/4/2026  
 Time: 12:06  
 Notes: West end of containment facing north.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N





### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

Date: 5/4/2026  
 Time: 12:06  
 Notes: Southwest corner of containment facing east.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



Date: 5/4/2026  
 Time: 12:06  
 Notes: Southwest corner of containment facing northeast.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N





### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

Date: 5/4/2026  
 Time: 12:06  
 Notes: Southwest corner of containment facing north.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



Date: 5/4/2026  
 Time: 12:06  
 Notes: South edge of containment facing west.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N





### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

<p>Date: 5/4/2026  Time: 12:06  Notes: South edge of containment facing east.  Latitude: -6.8597  Longitude: 79.0201  Direction: N</p>	<p>Date &amp; Time: Mon May 4 09:35:23 MDT 2026  Position: +032.09384° / -103.61849°  Altitude: 1050m  Datum: WGS-84  Azimuth/Bearing: 078° N78E 1387mils (True)  Zoom: 1X</p> 
<p>Date: 5/4/2026  Time: 12:06  Notes: Inside containment facing east.  Latitude: -6.8597  Longitude: 79.0201  Direction: N</p>	<p>Date &amp; Time: Mon May 4 09:34:02 MDT 2026  Position: +032.09396° / -103.61867°  Altitude: 1053m  Datum: WGS-84  Azimuth/Bearing: 106° S74E 1884mils (True)  Zoom: 1X</p> 



### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

Date: 5/4/2026  
 Time: 12:08  
 Notes: Northwest corner of containment facing south.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



Date: 5/4/2026  
 Time: 12:08  
 Notes: Northwest corner of containment facing southeast.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N





### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

Date: 5/4/2026  
 Time: 12:08  
 Notes: Northwest corner of containment facing east.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



Date: 5/4/2026  
 Time: 12:08  
 Notes: Between tanks facing south.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



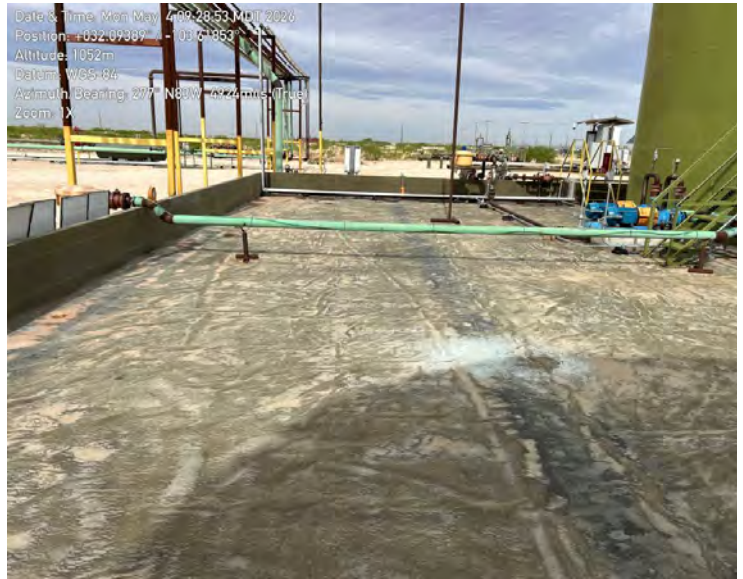


### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

Date: 5/4/2026  
 Time: 12:08  
 Notes: Inside containment facing west.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



Date: 5/4/2026  
 Time: 12:08  
 Notes: Inside containment facing west.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N






### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

<p>Date: 5/4/2026  Time: 12:08  Notes: Inside containment facing east.  Latitude: -6.8597  Longitude: 79.0201  Direction: N</p>	<p>Date &amp; Time: Mon May 4 09:28:39 MDT 2026  Position: +032.09396 / -103.61847  Altitude: 1050m  Datum: WGS-84  Azimuth/Bearing: 086° N86E 1529mils (True)  Zoom: 1X</p> 
<p>Date: 5/4/2026  Time: 12:08  Notes: Inside containment facing east.  Latitude: -6.8597  Longitude: 79.0201  Direction: N</p>	<p>Date &amp; Time: Mon May 4 09:28:32 MDT 2026  Position: +032.09391 / -103.61849  Altitude: 1049m  Datum: WGS-84  Azimuth/Bearing: 098° S82E 1742mils (True)  Zoom: 1X</p> 



### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

Date: 5/4/2026  
 Time: 12:08  
 Notes: Inside containment facing north.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



Date: 5/4/2026  
 Time: 12:08  
 Notes: Inside containment facing south.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N







### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

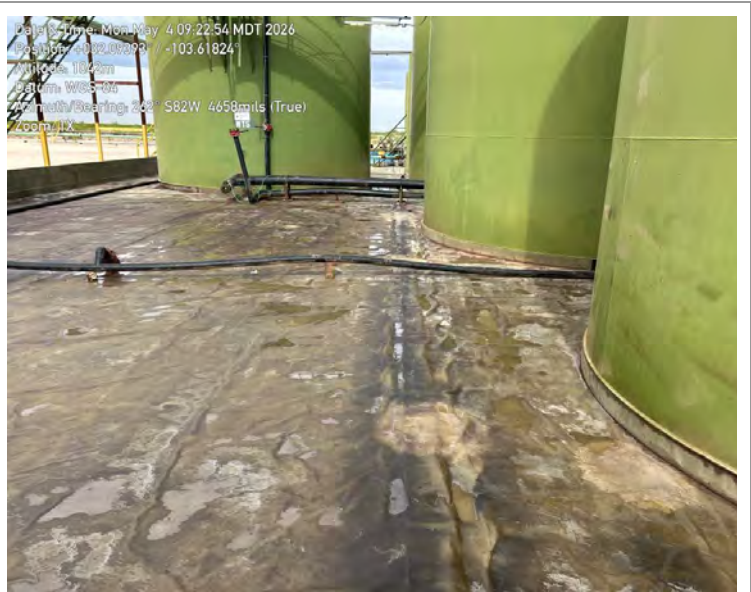
<p>Date: 5/4/2026  Time: 12:09  Notes: Inside containment facing west.  Latitude: -6.8597  Longitude: 79.0201  Direction: N</p>	<p>Date &amp; Time: Mon May 4 09:23:36 MDT 2026  Position: +032.09396 / -103.61836  Altitude: 1047m  Datum: WGS-84  Azimuth/Bearing: 271° N89W 4818mils (True)  Zoom: 1X</p> 
<p>Date: 5/4/2026  Time: 12:09  Notes: East containment facing west.  Latitude: -6.8597  Longitude: 79.0201  Direction: N</p>	<p>Date &amp; Time: Mon May 4 09:23:08 MDT 2026  Position: +032.09388 / -103.61837°  Altitude: 1048m  Datum: WGS-84  Azimuth/Bearing: 254° S74W 4516mils (True)  Zoom: 1X</p> 



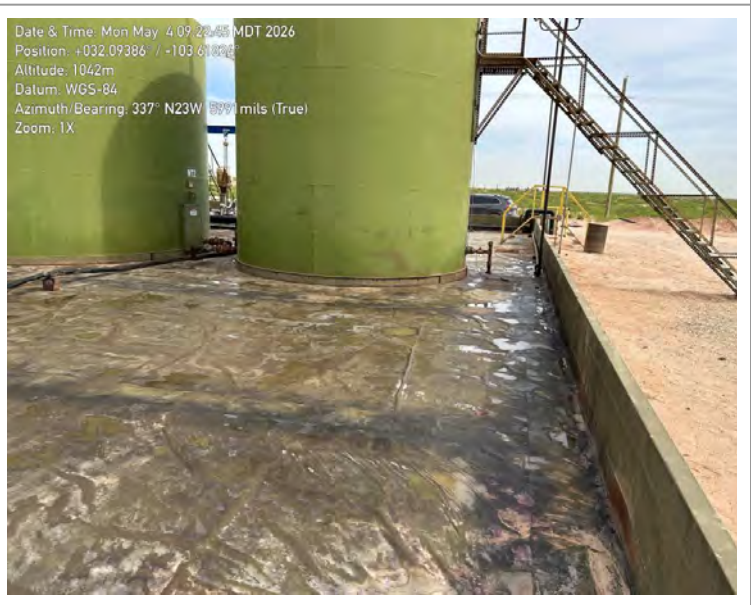
Daily Field Log  
Site: Red Hills Pad 5

Pictures/Attachments

Date: 5/4/2026  
 Time: 12:09  
 Notes: East end of containment facing west.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



Date: 5/4/2026  
 Time: 12:09  
 Notes: Southeast corner of containment facing north.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



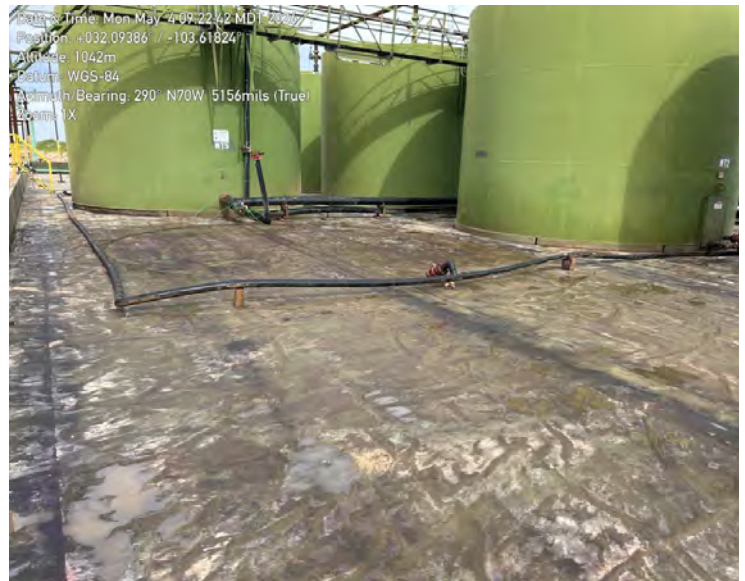


### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

Date: 5/4/2026  
 Time: 12:09  
 Notes: Southeast corner of containment facing northwest.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



Date: 5/4/2026  
 Time: 12:09  
 Notes: Southeast corner of containment facing west.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N





### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

Date: 5/4/2026  
 Time: 12:09  
 Notes: Northeast corner of containment facing south.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



Date: 5/4/2026  
 Time: 12:09  
 Notes: Northeast corner of containment facing northwest.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N





### Daily Field Log

Site: Red Hills Pad 5

#### Pictures/Attachments

Date: 5/4/2026  
 Time: 12:09  
 Notes: Northeast corner of containment facing west.  
 Latitude: -6.8597  
 Longitude: 79.0201  
 Direction: N



Date: 5/4/2026  
 Time: 12:18  
 Notes: South of containment facing north-northeast.  
 Latitude: 32.09406666666667  
 Longitude: -103.61858333333333  
 Direction: NE



# ATTACHMENT C

## Maps and Research Data

Location: Red Hills Pad 5  
 Incident ID: nAPP2606351801  
 32.09409, -103.61830  
 UL D; Sec. 31. T25S.R33E.  
 Facility ID: fAPP2205542755

<b>Site Characterization</b>	
What is the shallowest depth to groundwater (ft bgs) <b>Plate 2</b>	C-4537 POD1 - DTW 280 ft (6/16/2021)- ~1.24 miles SE of location.
What measure was used to determine this?	OSE Well Log
Did this release impact ground or surface water?	No
<b>What is the minimum distance, between the closest lateral extents of the release and the following surface areas:</b>	
<ul style="list-style-type: none"> <li>A continuously flowing watercourse or any other significant watercourse. <b>Plate 4</b></li> </ul>	Intermittent stream 4,233 ft to WSW of location
<ul style="list-style-type: none"> <li>Any lakebed, sinkhole or playa lake (measured from the ordinary high-water mark). <b>Plate 4</b></li> </ul>	Lake/Pond 1,098 ft west of location (dry depression).
<ul style="list-style-type: none"> <li>An occupied permanent residence, school, hospital, institution or church.</li> </ul>	>5 miles. Deserted ranch at location of nearest well ~1.24 miles SE of location.
<ul style="list-style-type: none"> <li>A spring or private domestic fresh water well used by less than five households for domestic or stock watering purposes. <b>Plate 3/4</b></li> </ul>	Stock tank 4,497 ft East of location (Misc-123)
<ul style="list-style-type: none"> <li>Any other fresh water well or spring. <b>Plate 3</b></li> </ul>	Stock tank 4,497 ft East of location
<ul style="list-style-type: none"> <li>Incorporated municipal boundaries or a defined municipal fresh water well field.</li> </ul>	>5 miles
<ul style="list-style-type: none"> <li>A wetland.</li> </ul>	Freshwater Emergent Wetland 1,098 ft west of location (dry depression).
<ul style="list-style-type: none"> <li>A subsurface mine.</li> </ul>	>5 miles
<ul style="list-style-type: none"> <li>A (non-karst) unstable area.</li> </ul>	
<ul style="list-style-type: none"> <li>Categorize the risk of this well/site being in a karst geology.</li> </ul>	Overlies area of Medium Karst Occurrence; >10 miles to area of High Karst Occurrence
<ul style="list-style-type: none"> <li>A 100-year floodplain.</li> </ul>	>5 miles
Did the release impact areas not on an exploration, development, production, or storage site?	No

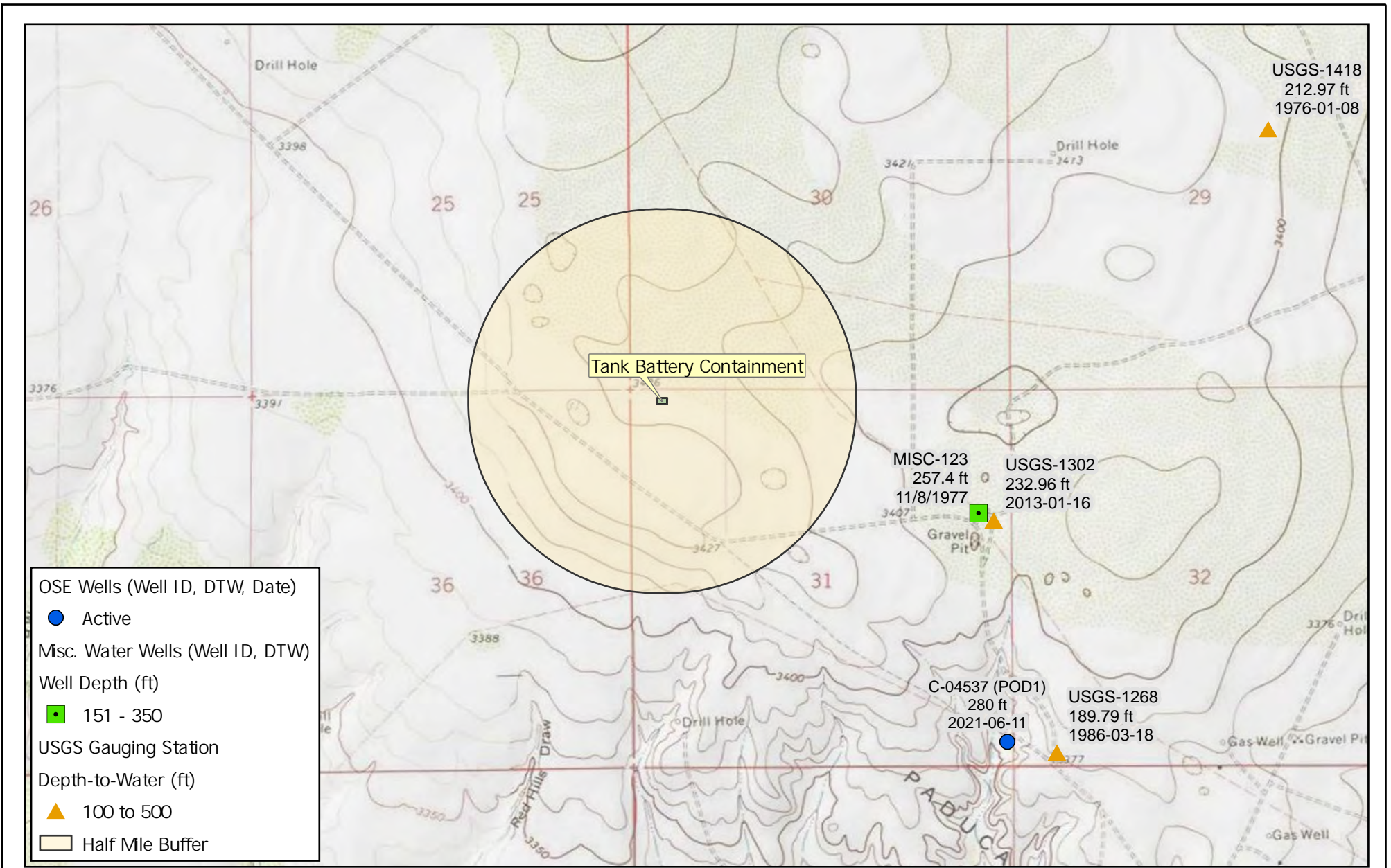


	<p>Map Center: Lat/Long: 32.093953°N, 103.618376°W</p>		<p>Site Map Red Hills Pad 5</p>	<p>PLATE: 1</p>	<p>Kaiser-Francis Oil Company</p>
	<p>Date: May 06/26</p>				

Geospatial data presented in this figure may be derived from external sources and Vertex does not assume any liability for inaccuracies. This figure is intended for reference use only and is not certified for legal, survey, or engineering purposes.

Note: Georeferenced image from Esri, 2025. Site features from GPS, Vertex, 2025.

VERSATILITY. EXPERTISE.

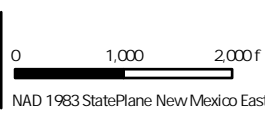
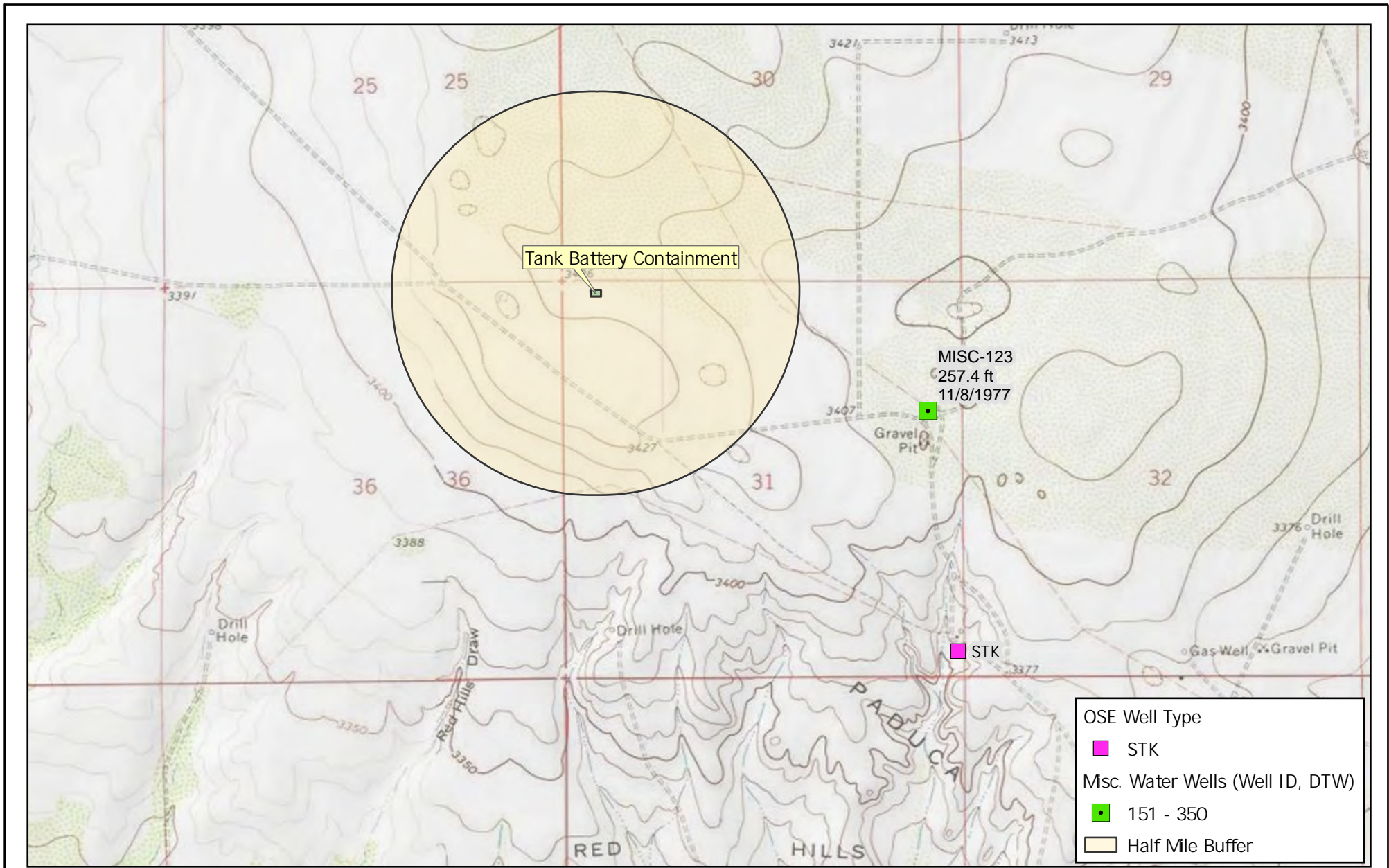


	Map Center: Lat/Long: 32.09224°N, 103.616892°W		DTW Red Hills Pad 5	PLATE: 2	Kaiser-Francis Oil Company
	Date: May 06/26 NAD 1983 StatePlane New Mexico East FIPS 3001 Feet				

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Note: Georeferenced image from Esri, 2025. Site features from GPS, Vertex, 2025.

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Map Center:  
 Lat/Long: 32.088361°N, 103.614033°W  
 Date: May 05/26  
 NAD 1983 StatePlane New Mexico East FIPS 3001 Feet



Wellhead Protect on  
 Red Hills Pad 5

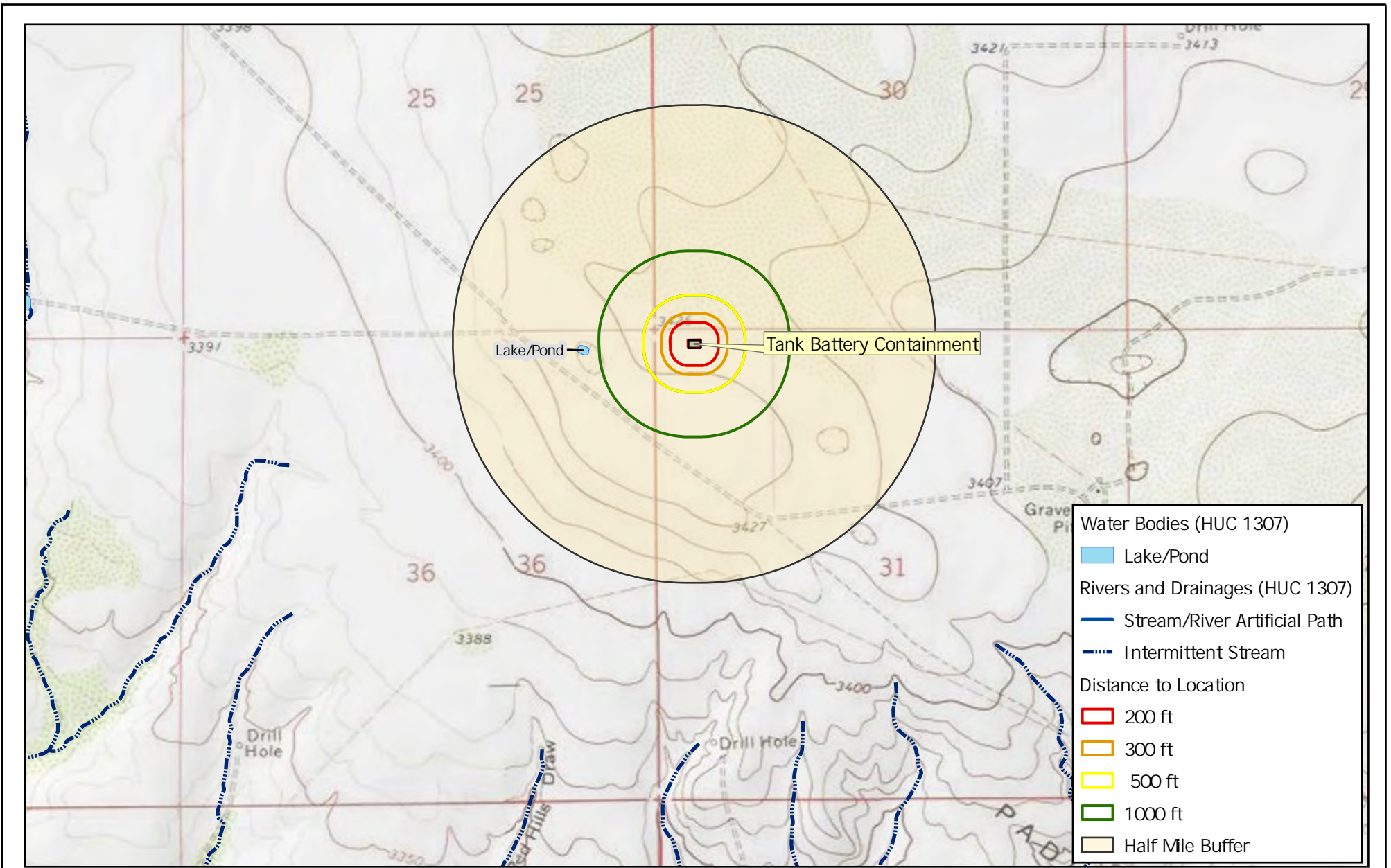
PLATE:  
 3

Kaiser-Francis Oil Company

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Note: Georeferenced image from Esri, 2025. Site features from GPS, Vertex, 2025.

**VERSATILITY. EXPERTISE.**



	Map Center: Lat/Long: 32.090816°N, 103.618372°W		Significant Watercourses Red Hills Pad 5	PLATE:	
	Date: May 06/26			4	

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**VERSATILITY. EXPERTISE.**



# WELL RECORD & LOG

OFFICE OF THE STATE ENGINEER

www.ose.state.nm.us

OSE 07 JUN 21 2021 #10113

1. GENERAL AND WELL LOCATION	OSE POD NO. (WELL NO.) C-4537 <b>POD1</b>		WELL TAG ID NO. 20E6C		OSE FILE NO(S). C-4537	
	WELL OWNER NAME(S) BASIN PROPERTIES RANCHES LLC				PHONE (OPTIONAL)	
	WELL OWNER MAILING ADDRESS 3300 N A STREET, BLDG 1, STE 220				CITY MIDLAND	STATE TX
					ZIP 79705	
	WELL LOCATION (FROM GPS)	DEGREES LATITUDE	MINUTES 04	SECONDS 50.8	N	* ACCURACY REQUIRED: ONE TENTH OF A SECOND
	LONGITUDE	103	36	10.7	W	* DATUM REQUIRED: WGS 84
DESCRIPTION RELATING WELL LOCATION TO STREET ADDRESS AND COMMON LANDMARKS - PLSS (SECTION, TOWNSHIP, RANGE) WHERE AVAILABLE						

2. DRILLING & CASING INFORMATION	LICENSE NO. WD1706	NAME OF LICENSED DRILLER Bryce Wallace			NAME OF WELL DRILLING COMPANY Elite Drillers Corporation			
	DRILLING STARTED 06/11/21	DRILLING ENDED 06/12/21	DEPTH OF COMPLETED WELL (FT) 500	BORE HOLE DEPTH (FT) 500	DEPTH WATER FIRST ENCOUNTERED (FT) 280			
	COMPLETED WELL IS: <input type="checkbox"/> ARTESIAN <input type="checkbox"/> DRY HOLE <input checked="" type="checkbox"/> SHALLOW (UNCONFINED)				STATIC WATER LEVEL IN COMPLETED WELL (FT) 280			
	DRILLING FLUID: <input checked="" type="checkbox"/> AIR <input type="checkbox"/> MUD ADDITIVES - SPECIFY:							
	DRILLING METHOD: <input checked="" type="checkbox"/> ROTARY <input type="checkbox"/> HAMMER <input type="checkbox"/> CABLE TOOL <input type="checkbox"/> OTHER - SPECIFY:							
	DEPTH (feet bgl)		BORE HOLE DIAM (inches)	CASING MATERIAL AND/OR GRADE (include each casing string, and note sections of screen)	CASING CONNECTION TYPE (add coupling diameter)	CASING INSIDE DIAM. (inches)	CASING WALL THICKNESS (inches)	SLOT SIZE (inches)
	FROM	TO						
	0	20	12 3/4	STEEL	N/A	8.28	.337	
	0	300	7 7/8	SDR17 PVC	SPLINE	4.3	SDR17	
	300	500	7 7/8	SDR17 PVC	SPLINE	4.3	SDR17	.032

3. ANNULAR MATERIAL	DEPTH (feet bgl)		BORE HOLE DIAM. (inches)	LIST ANNULAR SEAL MATERIAL AND GRAVEL PACK SIZE-RANGE BY INTERVAL	AMOUNT (cubic feet)	METHOD OF PLACEMENT
	FROM	TO				
	0	20	12 3/4	CEMENT	10	TOP FILL
	0	20	7 7/8	CEMENT	6	TOP FILL
	300	500	7 7/8	8/16 SILICA SAND	46	TOP FILL

FOR OSE INTERNAL USE		WR-20 WELL RECORD & LOG (Version 06/30/17)			
FILE NO.	C-4537	POD NO.		TRN NO.	CA5385
LOCATION	SHK	255.33E.31.444	WELL TAG ID NO.	20E6C	PAGE 1 OF 2



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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 582106

**QUESTIONS**

Operator: KAISER-FRANCIS OIL CO PO Box 21468 Tulsa, OK 741211468	OGRID: 12361
	Action Number: 582106
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

**QUESTIONS**

<b>Prerequisites</b>	
Incident ID (n#)	nAPP2606351801
Incident Name	NAPP2606351801 RED HILLS PAD 5 @ D-31-25S-33E
Incident Type	Oil Release
Incident Status	Remediation Closure Report Received

<b>Location of Release Source</b>	
<i>Please answer all the questions in this group.</i>	
Site Name	RED HILLS PAD 5
Date Release Discovered	03/03/2026
Surface Owner	Federal

<b>Incident Details</b>	
<i>Please answer all the questions in this group.</i>	
Incident Type	Oil 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	Cause: Equipment Failure   Production Tank   Crude Oil   Released: 23 BBL   Recovered: 23 BBL   Lost: 0 BBL.
Produced Water Released (bbls) Details	Not answered.
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 582106

**QUESTIONS (continued)**

Operator: KAISER-FRANCIS OIL CO PO Box 21468 Tulsa, OK 741211468	OGRID: 12361
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	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

**QUESTIONS**

<b>Nature and Volume of Release (continued)</b>	
Is this a gas only submission (i.e. only significant Mcf values reported)	<b>No, according to supplied volumes this does not appear to be a "gas only" report.</b>
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	<b>No</b>
Reasons why this would be considered a submission for a notification of a major release	<i>Unavailable.</i>

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

*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: <b>Hutton Andrew</b> Email: <b>huttona@kfoc.net</b> Date: <b>05/07/2026</b>
--	---

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QUESTIONS, Page 3

Action 582106

**QUESTIONS (continued)**

Operator: KAISER-FRANCIS OIL CO PO Box 21468 Tulsa, OK 741211468	OGRID: 12361
	Action Number: 582106
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

**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	NM OSE iWaters Database Search
Did this release impact groundwater or surface water	No
<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	Between ½ and 1 (mi.)
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Between 1000 (ft.) and ½ (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	Between ½ and 1 (mi.)
Incorporated municipal boundaries or a defined municipal fresh water well field	Greater than 5 (mi.)
A wetland	Between 1000 (ft.) and ½ (mi.)
A subsurface mine	Greater than 5 (mi.)
An (non-karst) unstable area	Between ½ and 1 (mi.)
Categorize the risk of this well / site being in a karst geology	Medium
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	Yes
<i>Attach a comprehensive report demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined, pursuant to 19.15.29.11 NMAC and 19.15.29.13 NMAC.</i>	
Have the lateral and vertical extents of contamination been fully delineated	Yes
Was this release entirely contained within a lined containment area	Yes
<i>Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.</i>	
On what estimated date will the remediation commence	03/04/2026
On what date will (or did) the final sampling or liner inspection occur	05/04/2026
On what date will (or was) the remediation complete(d)	05/03/2026
What is the estimated surface area (in square feet) that will be remediated	0
What is the estimated volume (in cubic yards) that will be remediated	0

*These estimated dates and measurements are recognized to be the best guess or calculation at the time of submission and may (be) change(d) over time as more remediation efforts are completed. 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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QUESTIONS, Page 4

Action 582106

**QUESTIONS (continued)**

Operator: KAISER-FRANCIS OIL CO PO Box 21468 Tulsa, OK 741211468	OGRID: 12361
	Action Number: 582106
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

**QUESTIONS**

**Remediation Plan (continued)**

*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.*

**This remediation will (or is expected to) utilize the following processes to remediate / reduce contaminants:**

*(Select all answers below that apply.)*

Is (or was) there affected material present needing to be removed	Not answered.
Is (or was) there a power wash of the lined containment area (to be) performed	Yes
OTHER (Non-listed remedial process)	Yes
Other Non-listed Remedial Process. Please specify	Removed 23 barrels of free-fluid for proper off-site disposal.

*Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.*

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: Hutton Andrew Email: huttona@kfoc.net Date: 05/07/2026
--	--

*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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QUESTIONS, Page 6

Action 582106

**QUESTIONS (continued)**

Operator: KAISER-FRANCIS OIL CO PO Box 21468 Tulsa, OK 741211468	OGRID: 12361
	Action Number: 582106
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

**QUESTIONS**

<b>Liner Inspection Information</b>	
Last liner inspection notification (C-141L) recorded	<b>580141</b>
Liner inspection date pursuant to Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC	<b>05/04/2026</b>
Was all the impacted materials removed from the liner	<b>Yes</b>
What was the liner inspection surface area in square feet	<b>12221</b>

<b>Remediation Closure Request</b>	
<i>Only answer the questions in this group if seeking remediation closure for this release because all remediation steps have been completed.</i>	
Requesting a remediation closure approval with this submission	<b>Yes</b>
Have the lateral and vertical extents of contamination been fully delineated	<b>Yes</b>
Was this release entirely contained within a lined containment area	<b>Yes</b>
What was the total surface area (in square feet) remediated	<b>0</b>
What was the total volume (cubic yards) remediated	<b>0</b>
Summarize any additional remediation activities not included by answers (above)	<b>Release remained within lined containment that showed to have structural integrity.</b>

*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 (in .pdf format) 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.*

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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

I hereby agree and sign off to the above statement	Name: Hutton Andrew Email: huttona@kfoc.net Date: 05/07/2026
--	--

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CONDITIONS

Action 582106

**CONDITIONS**

Operator: KAISER-FRANCIS OIL CO PO Box 21468 Tulsa, OK 741211468	OGRID: 12361
	Action Number: 582106
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

**CONDITIONS**

Created By	Condition	Condition Date
michael.buchanan	Liner inspection and closure report approved.	5/14/2026