

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBS OCD

JUL 15 2014

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

RECEIVED

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

| | |
|---|------------------------------|
| Name of Company : Legacy Reserves Operating, LP | Contact : Freddie Gibbs |
| Address : 303 W. Wall St. Ste 1300, Midland, TX 79701 | Telephone No. : 432-221-6369 |
| Facility Name : WAKA TANKA Battery 1 & 2 | Facility Type: Battery |

| | | |
|---------------------|----------------|--------------------|
| Surface Owner : BLM | Mineral Owner: | Lease No. : 080128 |
|---------------------|----------------|--------------------|

LOCATION OF RELEASE

30-005-21075

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County: CHAVES |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|----------------|
| C | 34 | 13S | 31E | | | | | |

Latitude 33.152158631 N Longitude -103.811651268 W

NATURE OF RELEASE

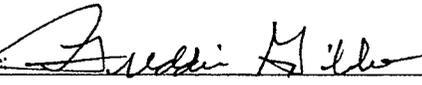
| | | |
|--|---|-------------------------------------|
| Type of Release : Produced Fluids | Volume of Release : 45 bbls | Volume Recovered: 40 bbls |
| Source of Release : Transfer Pump Malfunctioned | Date and Hour of Occurrence: 6/30/14 | Date and Hour of Discovery: 6/30/14 |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? NMOCD/Geoffrey Leking | |
| By Whom? | Date and Hour : | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | |

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.* The transfer pump failed causing a release of 45 barrels of mixed fluids. All wells were shut in and the transfer pump was repaired. A vac truck was immediately called and recovered 40 barrels of fluid. Talon/LPE was contacted for initial site assessment and to generate a work plan.

Describe Area Affected and Cleanup Action Taken.* The area inside the facility containment was impacted, measuring approximately 150-feet long by 60-feet wide. The fluid breached the containment in 2 places. The west flow path was down the raven measuring approximately 150-feet long and ranging from 50-feet to 1-4 feet wide. The north flow path measures approximately 300-feet by 1-2 feet wide from the northwest corner of the location fence.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD 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.

| | | |
|--|--|-----------------------------------|
| Signature:  | OIL CONSERVATION DIVISION | |
| Printed Name: Freddie Gibbs | Approved by District Supervisor:  Environmental Specialist | |
| Title: Production Superintendent | Approval Date: 7-15-14 | Expiration Date: 9-18-14 |
| E-mail Address: fgibbs@legacyp.com | Conditions of Approval: Site Samples required | Attached <input type="checkbox"/> |
| Date: 7/3/2014 Phone: 432-221-6369 | | 7-14-3178 |

* Attach Additional Sheets If Necessary

Delimitate & remediate as
per NMOCD guides.
Submit final C-141 by
9-18-14

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