

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
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

JUL 24 2014

Form C-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

OPERATOR Initial Report Final Report

| | |
|--|--|
| Name of Company Primexx Energy Partners | Contact Jay McKee, Operations Manager |
| Address 4849 Greenville Ave. suite 1600 Dallas, TX 75206 | Telephone No. (806) 495-0388 |
| Facility Name Coy Lowe #1 SWD | Facility Type SWD |
| Surface Owner Coy Lowe & Vivian Lowe Anselmi | Mineral Owner Federal API No. 30-025-29705 (Lease No. NM57730) |

LOCATION OF RELEASE

| | | | | | | | | |
|---------------|-----------|--------------|-----------|--------------------|------------|-------------------|-----------|------------|
| Unit Letter E | Section 7 | Township 13S | Range 38E | 1600 Feet from the | North Line | 500 Feet from the | West Line | County Lea |
|---------------|-----------|--------------|-----------|--------------------|------------|-------------------|-----------|------------|

Latitude 33° 12' 31.05" N Longitude -103° 8' 37.15" N

NATURE OF RELEASE

| | | |
|--|---|---|
| Type of Release Produced Water and Skim Oil | Volume of Release 1200 bbl | Volume Recovered 1094 bbl |
| Source of Release Tank Overflow | Date and Hour of Occurrence Thursday morning (1-10-2013) | Date and Hour of Discovery Thursday (1-10-2013) at 12pm |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Left a message on the agency non-emergency line | |
| By Whom? Jay McKee | Date and Hour Saturday (1-12-2013) | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse: N/A | |
| If a Watercourse was Impacted, Describe Fully.* N/A | | |
| Describe Cause of Problem and Remedial Action Taken.* Electrical failure resulting in tank overflow. | | |
| Describe Area Affected and Cleanup Action Taken.* Approximately 1094 bbl of produced water with an oil sheen were removed from secondary containment at the battery location and transported off-site for disposal. A small breach in the secondary containment berm resulted in an overflow of water with an oil sheen. Visually impacted soils have been scrapped and stockpiled on location until such time when they can be properly addressed. | | |
| 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: Jay McKee | Approved by Environmental Specialist: | |
| Title: Operations Manager | Approval Date: 7-24-14 | Expiration Date: 9-28-14 |
| E-mail Address: jay.mckee@primexx.com | Conditions of Approval: Site Samples required | Attached <input type="checkbox"/> IRP 2902 |
| Date: January 16, 2013 Phone: 806-495-0388 | | |

* Attach Additional Sheets If Necessary

Delinere & remediate area
as per NMOCD guides
Submit final C-141 by 9-28-14

09/19 153888
1701420 556723
p 70 1420 556853

JUL 25 2014