

HOBBS OCD

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
RECEIVED
South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised August 8, 2011

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

Release Notification and Corrective Action

OPERATOR Initial Report Final Report

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|---|--|
| Name of Company Nabors Completion and Production Service Co. (Nabors) | Contact Les Teague |
| Address 5 miles West of Hobbs on Highway 180, Hobbs NM | Telephone No. 281 775-4201 |
| Facility Name Hobbs Former Reclamation Plant | Facility Type: O&G Waste Management Facility permit No. NM-01-0022 |

| | | |
|-----------------------------------|------------------|------------|
| Surface Owner State of New Mexico | Mineral Owner NA | API No. NA |
|-----------------------------------|------------------|------------|

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| | 3 | 19S | 37E | 1775 | to the West | 750 | to the North | Lea |

Latitude 32.694748 degrees Longitude 103.242135 degrees

NATURE OF RELEASE

| | | |
|--|---|------------------------------------|
| Type of Release Hydrocarbon | Volume of Release Unknown | Volume Recovered Unknown |
| Source of Release Unknown | Date and Hour of Occurrence Unknown | Date and Hour of Discovery Unknown |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? SEE Describe Cause Below. | |
| 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.*
Cause Unknown. During decommissioning of the tanks associated with the former reclamation plant area, stained soils were observed. Notification was provided to NMOCD. Mr. Leking was the NMOCD representative assigned to the case. Work plans and reports were presented to Mr. Leking. Affected soils have been excavated and disposed.

Describe Area Affected and Cleanup Action Taken.*
The affected area is approximately 50 feet by 60 feet and approximately one foot deep to the top of the cap rock. Soil sampling to delineate the affected soils has been completed. Analytical results and reports with path forward have been submitted to the NMOCD (Mr. Leking). Affected soil been excavated and been disposed off-site at a NMOCD permitted facility (R360 Permian basin, LLC). Confirmation samples collected show two areas above 100 mg/kg DRO). These areas have been treated with hydrocarbon degrading microbial solution.

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: Les Teague | Approved by Environmental Specialist: | |
| Title: Senior Environmental Manager | Approval Date: 10-14-14 | Expiration Date: 12-14-14 |
| E-mail Address: les.teague@Nabors.com | Conditions of Approval: SITE samples upon Rebate & reduce over area NMOCD guide - Submit final C-141 by 12-14-14 | Attached <input type="checkbox"/> IRP-3380 |
| Date: 2014 10 13 Phone: 281 775 4201 | ogrid 295925 FT01428 752020 NTO 1428 752202 P70 1428 7524 51 | |

* Attach Additional Sheets If Necessary

OCT 17 2014