

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

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-141
Revised August 8, 2011

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

DEC 21 2015
Submit Copy to appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

NAB1535756628 (Roca Prod.) 258350 OPERATOR X Initial Report Final Report

Name of Company VanGuard National Resources, LLC *297843* Contact Dennis Howard

Address 5847 San Felipe St. Ste.3000, Houston, TX 77057 Telephone No. 505-918-0293

Facility Name Aspen 32 State Com. No.1 transfer line release

Surface Owner State Mineral Owner State API No. 30-015-34148

LOCATION OF RELEASE

Unit Letter J	Section 32	Township 17S	Range 28E	Feet from the 1370'	North/South Line FSL	Feet from the 1609'	East/West Line FEL	County EDDY
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Latitude 32.775554 Longitude 104.20605

NATURE OF RELEASE

Type of Release produced waters	Volume of Release 50 bbls	Volume Recovered 12 bbls
Source of Release 3" transfer line	Date and Hour of Occurrence unknown	Date and Hour of Discovery 12/11/2015 2:30pm
Was Immediate Notice Given? X Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher/NMOCD Artesia Office/voice mail box	
By Whom? Mike Stubblefield	Date and Hour 12/11/2015 2:59pm	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
The source of release was a pinhole in a valve transition on the 3" line bringing produced water from the Aspen 32 State Com. No.1 to the Walter Solt State No.1 an SWD, resulting in a release of 50 bbls of Produced water. The valve transition was replace, the 3" line was placed back into service. A vacuum truck was immediately brought to the release site. standing fluids were recovered.

Describe Area Affected and Cleanup Action Taken.*
The affected area is located in Ut. E sec.5-T18S-R28E, this area being near the Walter Solti State No.1 SWD, 200yds west of county Rd. 206. The impacted area was measured to be 240' L x 138' W. R.T Hicks Consultants has been contracted to construct a Remediation plan for the correction on the release.

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.

AMENDED	OIL CONSERVATION DIVISION	
Signature: <i>Dennis Howard</i>	Approved by Environmental Specialist: <i>[Signature]</i>	
Printed Name: <i>Dennis Howard</i>	Approval Date: <i>12/23/15</i>	Expiration Date: <i>N/A</i>
Title: Production Supervisor	Conditions of Approval: Attached <input type="checkbox"/>	
E-mail Address: Dennis Howard <dhoward@vnrllc.com>	Remediation per O.C.D. Rules & Guidelines	
Date: 12/21/2015 Phone: 505-918-0293	SUBMIT REMEDIATION PROPOSAL NO	

* Attach Additional Sheets If Necessary

LATER THAN: 1/21/16 *2RP-3465*