

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

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-141
Revised August 8, 2011

DEC 30 2015

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

RECEIVED

Release Notification and Corrective Action

NAB153648194

OPERATOR

Initial Report Final Report

Name of Company <i>Cimarex Energy</i> <i>1101083</i>	Contact <i>Christine Alderman</i>
Address <i>600 N Marienfeld Ste 600 Midland TX</i>	Telephone No. <i>432-853-7059</i>
Facility Name <i>Montana 1 Fee 3</i>	Facility Type <i>production</i>

Surface Owner	Mineral Owner	API No. <i>30-015-39616</i>
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<i>M</i>	<i>01</i>	<i>19S</i>	<i>25E</i>	<i>990</i>	<i>S</i>	<i>330</i>	<i>W</i>	<i>Eddy</i>

Latitude *32.6854* Longitude *-104.4459*

NATURE OF RELEASE

Type of Release <i>oil/ due to fire</i>	Volume of Release <i>270 bbls</i>	Volume Recovered <i>80</i>
Source of Release tank	Date and Hour of Occurrence <i>12/29/2015</i>	Date and Hour of Discovery <i>12/29/2015 1:00 pm</i>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <i>Mike Bratcher/Heather Patterson</i>	
By Whom? <i>Christine Alderman</i>	Date and Hour <i>12/30/2015 10:00 am</i>	
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.*
This well is shut in but the center oil tank blew up and out of the containment. When it did it tore the connecting valve off the oil tank next to it. Some fluids got out of the containment and into the pasture area. A vacuum truck was on location after the fire was put out and recovered what fluid it could.

Describe Area Affected and Cleanup Action Taken.*
Tank battery area and some pasture area. An environmental consulting company will assess the impact and develop a workplan.

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: <i>Christine Alderman</i>	<u>OIL CONSERVATION DIVISION</u>	
Printed Name: <i>Christine Alderman</i>	Approved by Environmental Specialist: <i>[Signature]</i>	
Title: <i>ESH Supervisor</i>	Approval Date: <i>12/30/15</i>	Expiration Date: <i>N/A</i>
E-mail Address: <i>calderman@cimarex.com</i>	Conditions of Approval: Remediation per O.C.D. Rules & Guidelines <input type="checkbox"/>	
Date: <i>12/30/2015</i> Phone: <i>432-853-7059</i>	SUBMIT REMEDIATION PROPOSAL NO	

* Attach Additional Sheets If Necessary

LATER THAN: *1/31/16*

2RP3468

Patterson, Heather, EMNRD

From: Christine Alderman <calderman@cimarex.com>
Sent: Wednesday, December 30, 2015 8:22 AM
To: Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD
Subject: Montana 1 Fee 3 (API 30-015-39616)
Attachments: 20151230080015917.pdf

All,

We had a tank battery fire yesterday afternoon at the above named lease. The cause of the fire is still being investigated, and the well was shut in at the time. The center oil storage tank exploded and flew out of containment. Four (4) local volunteer fire departments responded and put the fire out. There was 270 bbls of oil at the battery and approximately 80 bbls were recovered. There was some fluids that got out into the pasture area. I will have Diversified assess the impact and develop a workplan.

Please let me know if you need anything further at this time. See attached C-141.

Christine Alderman

ESH Supervisor – Permian Basin

Mobile: 432-853-7059

Office: 432-620-1982

