

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

JUN 03 2016

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

RECEIVED

Release Notification and Corrective Action

NAB16110035483

OPERATOR

X Initial Report Final Report

Name of Company: J. Cleo Thompson <i>11181</i>	Contact: Amador Pando, Production Foreman
Address: 117 West Yukon, Odessa, TX 79764	Telephone No.: (432) 664-2578
Facility Name: West Square Lake Unit 002 (Leonard "E")	Facility Type: Production
Surface Owner: Federal	Mineral Owner: API No.: 3001503967

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	33	16S	30E	1980	FSL	660	FEL	Eddy

Latitude 32.87723° N Longitude -103.97278° W

NATURE OF RELEASE

Type of Release: Well Fluids (from three wells going to satellite battery)	Volume of Release Est.: 5-10 bbl	Volume Recovered: 0 bbl
Source of Release: Hole in flowline	Date and Hour of Occurrence: Just prior to discovery	Date and Hour of Discovery: May 26, 2016 (hour unknown)
Was Immediate Notice Given? X Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Unknown. BLM Natural Resource Specialist made initial release notification. The Specialist also notified Amador Pando, Production Foreman with J. Cleo Thompson.	
By Whom? BLM Natural Resource Specialist made initial release notification.	Date and Hour: May 26, 2016 (hour unknown)	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse. n/a	

If a Watercourse was Impacted, Describe Fully.*
The release did not impact a watercourse.

Describe Cause of Problem and Remedial Action Taken.* The release was caused by a hole in a flowline that was discovered by the BLM's Natural Resource Specialist ("Specialist") on Thursday, May 26, 2016. The Specialist notified J. Cleo Thompson ("J. Cleo") of the release. The release source was remedied resulting in a minimal impact footprint due to low release volumes. On May 27, 2016, the BLM and J. Cleo performed a joint release evaluation at the site. Sport Environmental Services, LLC (environmental consultant) performed initial remedial efforts at the release site on Monday, May 30, 2016. Based upon visual assessment, *Micro-Blaze* was applied to the hydrocarbon impacted-areas at the site where residual impact was present (no free liquids). Attached please find a site plan denoting area impacted and *Micro-Blaze* application quantities. The BLM would like to perform an archeology study in the immediate release area prior to any further remedial efforts and potential soils disturbance by J. Cleo Thompson.

Describe Area Affected and Cleanup Action Taken.* The affected area is remote in location. The flowline was moving well fluids from three wells to a satellite battery to be ultimately transferred to the consolidated battery location. A hole in flowline resulting in an estimated well fluids loss of 5-10 bbl. Product was adsorbed into surficial soils resulting in non-recovery of released fluids. Impacted area is roughly 1,704 square feet. *Micro-Blaze* treatment was applied on 575 square feet (34%) of the affected area. See the section above for a complete description of remedial and cleanup actions taken to date. See attached site plan (demarcated aerial imagery) for release specifics.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC 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 NMOC 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, NMOC 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>Deborah S. Moore</i>	OIL CONSERVATION DIVISION	
Printed Name: Deborah S. Moore, Agent for J. Cleo Thompson	Approved by Environmental Specialist: <i>[Signature]</i>	
Title: President of Sport Environmental Services, LLC	Approval Date: <i>6/18/16</i>	Expiration Date: <i>N/A</i>
E-mail Address: <i>debi@spornv.com</i>	Conditions of Approval: Remediation per O.C.D. Rules & Guidelines <input type="checkbox"/>	
Date: June 3, 2016 Phone: (432) 683-1100/(432) 553-8555 cell	SUBMIT REMEDIATION PROPOSAL NO	

LATER THAN: *7/19/16* *ARP-3718*

* Attach Additional Sheets If Necessary

Patterson, Heather, EMNRD

From: Debi Moore <debi@sportenvironmental.com>
Sent: Friday, June 03, 2016 4:12 PM
To: Patterson, Heather, EMNRD; Henryetta Price; Bratcher, Mike, EMNRD
Cc: sbilberry@jcleo.com; Jay McKee; apando@jcleo.com
Subject: Release Notification - J. Cleo Thompson WSLU 002
Attachments: Leonard -E- flowline release.pdf; Signed C-141.pdf

Mike, Heather and Henryetta,

Please let this email serve as written release notification to both the BLM and the NMOCD. Attached please find a signed C-141 and site plan associated with the release discussed within this email chain. Specifics with regard to remedial efforts performed by Sport Environmental to date are included within the C-141. Please let us know the outcome of the archeology study to be performed by the BLM at the release site.

If you have any questions or comments, please feel free to contact me.

Thank you and have a nice weekend,
Debi Moore



DEBI SPORT MOORE, ME, REPA, CESCO, RSO
President
Sport Environmental Services, LLC
502 North Big Spring Street
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From: "Patterson, Heather, EMNRD" <Heather.Patterson@state.nm.us>
Date: Friday, June 3, 2016 at 1:04 PM
To: Shelly Bilberry <sbilberry@jcleo.com>
Cc: Mike Bratcher <mike.bratcher@state.nm.us>, Henryetta Price <hprice@blm.gov>
Subject: FW: Spill in Loco Hills

Ms. Bilberry,

BLM inspectors have discovered a spill on a J. Cleo Thompson location. Please investigate and get back to me as soon as you can.

Thank you,

Heather Patterson
Environmental Specialist
NMOCD District II
Office (575)748-1283 ext.101
Cell (575)703-0228

From: Jones, Kellie, EMNRD
Sent: Friday, June 03, 2016 7:34 AM
To: Price, Henryetta
Cc: Patterson, Heather, EMNRD; Bratcher, Mike, EMNRD
Subject: FW: Spill in Loco Hills

Henryetta,

I am forwarding this to Heather and Mike to review.

Thanks!

Kellie Jones
District Geologist Artesia
Oil Conservation Division, EMNRD
Office - 575 748 1283 xt. 103
Fax - 575 748 9720
E-Mail: kellie.jones@state.nm.us

From: Price, Henryetta [<mailto:hprice@blm.gov>]
Sent: Thursday, June 02, 2016 12:37 PM
To: Jones, Kellie, EMNRD
Subject: Spill in Loco Hills

Hey Kellie,

Just wondering if this location has been reported to you yet. It was found by our Natural Resource Specialist while doing a survey last Thursday. My pictures were taken the next day. They have not communicated with me yet. No C141 has been across my desk. I have not given them approval for additional surface disturbance since I needed to check for Arc and such.

Henryetta Price
Environmental Protection Specialist
Bureau Of Land Management
Hprice@blm.gov

Phone 575-234-5951

Cell 575-706-2780

Fax 575-234-5927