

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

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

| | | | |
|-----------------|----------------------------|---------------|------------------------------------|
| Name of Company | Pyote Water Solutions, LLC | Contact | Jerry Burton NM Operations Manager |
| Address | 400 W Illinois, Ste 950 | Telephone No. | (432)448-4917 |
| Facility Name | Willow Lake SWD | Facility Type | Salt Water Disposal |

| | | | | | |
|---------------|----------------------------|---------------|----------------------------|---------|--------------|
| Surface Owner | Pyote Water Solutions, LLC | Mineral Owner | Pyote Water Solutions, LLC | API No. | 30-015-21499 |
|---------------|----------------------------|---------------|----------------------------|---------|--------------|

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| | | | | 200 ft | South | no | no | Eddy |

Latitude _____ Longitude _____

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|------------------------------------|----------------------------|------------------|
| Type of Release | production water | Volume of Release | 1200 bbls | Volume Recovered | 1200 bbls |
| Source of Release | Franco's driver hit cement barrier, took out load lines 1 & 2 | Date and Hour of Occurrence | 4-25-14 | Date and Hour of Discovery | 4/25/14 14:25 am |
| Was Immediate Notice Given? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? | Jerry Burton NM Operations Manager | | |
| By Whom? | anonymous driver reported this | Date and Hour | 4/25/14 15:75 am | | |
| 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.*

NONE


Describe Cause of Problem and Remedial Action Taken.*

see initial report

Describe Area Affected and Cleanup Action Taken.* 1. called in Talon for soil samples, checked high on chloride's. 2. Brought in S&B Services, LLC excavating, took out contaminated soil. (3) Talon came back in ran soil samples, chloride check was good. (4) S&B brought in fresh top soil. (5) Talon came back in and re-seeded with #2 BLM seed.

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.

OIL CONSERVATION DIVISION

| | | | |
|--|---------------------------------------|------------------|-----------------------------------|
| Signature:  | Approved by Environmental Specialist: | | |
| Printed Name: Jerry Burton | | | |
| Title: New Mexico Operations Manager | Approval Date: | Expiration Date: | |
| E-mail Address: jerry@pyotewatersystems.com | Conditions of Approval: | | Attached <input type="checkbox"/> |
| Date: 8-10-14 Phone: 432-448-4917 | | | |

* Attach Additional Sheets If Necessary