

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

NM OCD
State of New Mexico District II Artesia
Energy Minerals and Natural Resources Closed on 9/21/17
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 X Final Report

Name of Company: Lucid Energy Delaware	Contact: Kerry Egan
Address: 326 West Quay Artesia, NM 88210	Telephone No.: 575 513-8988
Facility Name: Preston Battery	Facility Type: Pipeline ROW

Surface Owner: BLM	Mineral Owner	API No.
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LOCATION OF RELEASE

Unit Letter	Section 35	Township 20S	Range 24E	Feet from the	North/South Line	Feet from the	East/West Line	County EDDY
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Latitude 32.526772° Longitude -104.564768°

NATURE OF RELEASE

Type of Release: Natural Gas	Volume of Release: Unknown	Volume Recovered: None
Source of Release: Leaking flange in the line.	Date and Hour of Occurrence: 8/10/2017	Date and Hour of Discovery: 8/10/2017
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
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.*

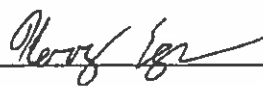
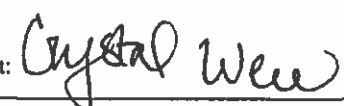
Describe Cause of Problem and Remedial Action Taken.* The source of the leak was determined to be a steel gas line leaving the battery, and connecting to a 8" steel trunk line. Upon discovery the battery was shut in, and the leaking line was isolated to prevent further loss.

Describe Area Affected and Cleanup Action Taken.*

Initial assessments show soil in an approximately a 15' radius to have been affected by the gas leak. There are no obvious signs of a release of liquids associated with this gas release. The line was excavated to identify the leak. All excavated material has been stockpiled on site. The excavation floor and sidewalls, along with the exfill pile have been sampled. A work plan will be prepared pending the sample results.

Updated 8/30/2017: Sample analyses have shown the excavation's floors and sidewalls, along with the exfill pile to exhibit contamination below RRAL for this site (given a site ranking of 0). As such Lucid is requesting approval to backfill using the excavated soil, and close the spill.

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: Kerry Egan	Approved by Environmental Specialist: 	
Title: Environmental Compliance Coordinator	Approval Date: 9/21/17	Expiration Date: N/A
E-mail Address: KEgan@lucid-energy.com	Conditions of Approval: FINAL	Attached <input type="checkbox"/>
Date: 8/30/2017 Phone: 575 810-6021		

* Attach Additional Sheets If Necessary

2RP-4356