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 NM Oil Conservation Div.

Form C-141

Energy Minerals and Natural Resources Department

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 10/05/2018Incident IDNAB1828442277District RP2RP-5005Facility IDApplication IDpAB1828442520

ì

Release Notification

Responsible Party

| Responsible Party Vanguard Operating, LLC | OGRID 258350 |
|---|--|
| Contact Name Jason Fisher | Contact Telephone 505-918-0523 |
| Contact email jfisher@vnrenergy.com | Incident # (assigned by OCD) NAB1828442277 |
| Contact mailing address 4001 Penbrook Suite 201 Odessa, TX 79762 | |

Location of Release Source

Latitude 32.804490_

Longitude -104.186193 (NAD 83 in decimal degrees to 5 decimal places)

| Site Name Tigner State Battery | Site Type Tank Battery |
|--------------------------------|---|
| | API# Please see attached (30-015-31387) |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|--------|
| L | 28 | 17S | 28E | Eddy |

Surface Owner: State Federal Tribal Private (Name:

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

| Crude Oil | Volume Released (bbls) | Volume Recovered (bbls) 0 |
|-----------------------------------|--|--|
| Produced Water | Volume Released (bbls) | Volume Recovered (bbls) |
| | Is the concentration of dissolved chloride in the produced water >10,000 mg/l? | Yes 🗌 No |
| Condensate | Volume Released (bbls) | Volume Recovered (bbls) |
| 🛛 Natural Gas | Volume Released (Mcf) 1213 | Volume Recovered (Mcf) 0 |
| Other (describe) | Volume/Weight Released (provide units) | Volume/Weight Recovered (provide units) |
| | | |
| The gas purchaser reques 01-2018. | sted a reduction in gas due to equipment issues in their p | plant. The site was put to flare and back to sales on 1— |
| | | |
| | | |
| | | |

Dist. II - Artesia Revised August 24, 2018 Received Submit to appropriate OCD District office

State of New Mexico Oil Conservation Division

| Incident ID | NAB1828442277 |
|----------------|---------------|
| District RP | 2RP-5005 |
| Facility ID | |
| Application ID | pAB1828442520 |

| Was this a major release as defined by 19.15.29.7(A) NMAC? | If YES, for what reason(s) does the responsible party consider this a major release? Greater than 500 mcf. |
|--|---|
| X Yes 🗌 No | |
| | otice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? To Mike Bratcher, Marie Pruett, Jim Griswold and Amalia Bustamante by email 9-28-2018 1:08 pm. |
| | |

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

 \boxtimes The source of the release has been stopped.

The impacted area has been secured to protect human health and the environment.

Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.

All free liquids and recoverable materials have been removed and managed appropriately.

If all the actions described above have not been undertaken, explain why:

Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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.

| Printed Name:Chuck Johnston | Title:EHS Operations Specialist |
|--------------------------------|---------------------------------|
| Signature: | Date:10-4-2018_ |
| email: cjohnston@vnrenergy.com | Telephone:432-202-4771 |
| | |
| OCD Only | |
| Received by: America Intamante | Date: 10/11/2018 |

Form C-141 Page 6 State of New Mexico Oil Conservation Division

| Incident ID | NAB1828442277 |
|----------------|---------------|
| District RP | 2RP-5005 |
| Facility ID | |
| Application ID | pAB1828442520 |

Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: Each of the following items must be included in the closure report.

A scaled site and sampling diagram as described in 19.15.29.11 NMAC

Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)

Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)

Description of remediation activities

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

| Printed Name: | Chuck Johnston T | Title: EHS Specialist | |
|---------------------|---|--|--------|
| Signature: | I ph | Date:10-4-2018 | - |
| email: cjohnston@v | nrenergy.com | Telephone:432-202-4771 | |
| | | | |
| | | | |
| OCD Only | 16× 1 | | |
| Received by: | matio Dotamente | Date: <u>10/11/2018</u> | |
| Closure approval by | the OCD does not relieve the remonsible pa | rty of liability should their operations have failed to adequately investiga | to and |
| | | ce water, human health, or the environment nor does not relieve the respo | |
| | with any other federal, state, or local laws an | | |
| | Annhot to mante | 10/11/2019 | |
| Closure Approved b | y: <u>L'Alland Spannance</u> | Date: 10/11/2018 | |
| Printed Name: Ar | nalia Bustamante | Title: Business Operations Spec O | _ |

| <u>API</u> | <u>Well Name</u> | <u>Well Number</u> |
|--------------|------------------|--------------------|
| 30-015-31387 | TIGNER STATE | #001 |
| 30-015-34994 | TIGNER STATE | #002 |
| 30-015-40067 | TIGNER STATE | #003 |
| 30-015-40086 | TIGNER STATE | #004 |

Good morning Chuck,

When did the flaring begin? Today?

Amalia Bustamantg Oil Conservation Division-District II

From: Chuck Johnston <cjohnston@vnrenergy.com>
Sent: Friday, September 28, 2018 7:21 AM
To: Pruett, Maria, EMNRD <Maria.Pruett@state.nm.us>; Bustamante, Amalia, EMNRD
<Amalia.Bustamante@state.nm.us>
Subject: [EXT] Flaring

Maria, we have tuned several batteries to flare due to issues at the Frontier plant. I will complete the C-141 forms once our flaring is complete. I know I have to give notice if the release is over 500 mcf but is it 500 mcf per day or when the total flaring exceeds 500 mcf? Either way I will have to give notice but my list is shorter if it is 500 mcf per day.

Chuck Johnston EHS / Operations Specialist 432-202-4771 Cell 432-248-8154 Office 4001 Penbrooke Ste. 201 Odessa, TX 79762

