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

Responsible Party Vanguard Operating, LLC

State of New Mexico Energy Minerals and Natural Resources Department

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-141 Revised August 24, 2018 Submit to appropriate OCD District office

Incident ID	NAB1905629426
District RP	2RP-5255
Facility ID	fAB1833436889
Application ID	pAB1905628903

Release Notification

Responsible Party

OGRID 258350

Contact Name Jason Fisher			Contact Telephone 505-918-0523					
Contact email jfisher@vnrenergy.com			Incident #	(assigned by OCD)	NAB1905629426			
Contact mail 79762	ing address	4001 Penbrook St	ite 201 Odessa,	TX				
			Location	n of R	Release So	ource		
I atitude 32 8	03921		(NAD 83 in a	decimal de	I ongitude grees to 5 decim	-104 ?0977? nat places)		
Site Name Sta	aley State A	Battery			Site Type Tank Battery			
Date Release	Discovered	1-21-2019			API# Please	e see attached		
Unit Letter	Section	Township	Range		Coun	ty		
I	30	17S	28E	Edd	y			
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 W	ater	Volume Released (bbls)			Volume Recovered (bbls)			
		Is the concentration of dissolved chloride produced water >10,000 mg/l?		e in the	Yes No			
Condensa	ite	Volume Released (bbls)				Volume Recovered (bbls)		
Natural G	ias	Volume Released (Mcf) 1860				Volume Recovered (Mcf) 0		
Other (de	scribe)	Volume/Weight Released (provide units))	Volume/Weight Recovered (provide units)		
The gas purc	haser had an	l emergency shut o	lown to make rep	pairs to t	their plant. T	l The gas was sent	to flare for 74 hours.	

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State of New Mexico Oil Conservation Division

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Was this a major release as defined by	If YES, for what reason(s) does the responsible party consider this a major release?			
19.15.29.7(A) NMAC?	**Unauthorized release of gases exceeding 500 mcf.			
Yes 🛛 No				
** Yes				
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?				
**Email to Amalia Bustamante, OCD Dist. II: 1/22/2019 from Chuck Johnston, Jason Fisher @ Vanguard. "All batteries on Flare 3pm. Will inform when emergency flare is complete."				

Initial Response

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

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☐ 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 <u>not</u> 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:1-31-2019_				
email:cjohnston@vnrenergy.com Telephone:432-202-4771				
OCD Only				
Received by:				

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State of New Mexico Oil Conservation Division

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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	s must be included in the closure report.			
☐ A scaled site and sampling diagram as described in 19.15.29.11 N	MAC N/A			
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 Dis	strict 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 and regulations all operators are required to report and/or file certain rel may endanger public health or the environment. The acceptance of a C-should their operations have failed to adequately investigate and remedi human health or the environment. In addition, OCD acceptance of a C-compliance with any other federal, state, or local laws and/or regulation restore, reclaim, and re-vegetate the impacted surface area to the condition accordance with 19.15.29.13 NMAC including notification to the OCD	ease notifications and perform corrective actions for releases which -141 report by the OCD does not relieve the operator of liability atte contamination that pose a threat to groundwater, surface water, 141 report does not relieve the operator of responsibility for s. The responsible party acknowledges they must substantially ions that existed prior to the release or their final land use in			
Printed Name:Chuck Johnston Title: E	HS Specialist			
Signature: Da	ate:1-31-2019			
email: cjohnston@vnrenergy.com	elephone:432-202-4771			
Received by:	Date: 2/25/2019			
Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.				
Closure Approved by: Anglas Josamunte	Date: 2/25/2019			
Printed Name: Amalia Bustamante	Title: Business Operations Spec O			

<u>API</u>	<u>Well Name</u>	Well Number
3001536252	STALEY STATE	#004
3001537044	STALEY STATE	#005
3001537056	STALEY STATE	#006
3001536976	STALEY STATE	#011
3001537673	STALEY STATE	#012
3001537674	STALEY STATE	#014
3001540026	STALEY STATE	#017
3001540027	STALEY STATE	#018
3001540340	STALEY STATE	#019
3001541064	STALEY STATE	#023
3001541065	STALEY STATE	#024
3001540988	STALEY STATE	#026
3001542727	STALEY STATE	#030