

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.
Energy Minerals and Natural
Resources Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Dist. II - Artesia

Received

10/05/2018

Incident ID	NAB1828443859
District RP	2RP-5003
Facility ID	
Application ID	pAB1828443970

Form C-141
Revised August 24, 2018
Submit to appropriate OCD District office

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) NAB1828443859
Contact mailing address 4001 Penbrook Suite 201 Odessa, TX 79762	

Location of Release Source

Latitude 32.803921

Longitude -104.209772

(NAD 83 in decimal degrees to 5 decimal places)

Site Name Staley State A Battery	Site Type Tank Battery
Date Release Discovered 9-25-2018	API# Please see attached (30-015-36252)

Unit Letter	Section	Township	Range	County
I	30	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)

<input type="checkbox"/> 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 <input type="checkbox"/> No
<input type="checkbox"/> Condensate	Volume Released (bbls)	Volume Recovered (bbls)
<input checked="" type="checkbox"/> Natural Gas	Volume Released (Mcf) 4607	Volume Recovered (Mcf) 0
<input type="checkbox"/> Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

The gas purchaser requested a reduction in gas due to equipment issues in their plant. The site was put to flare and back to sales on 1—01-2018.

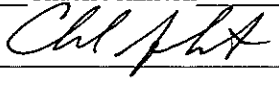

State of New Mexico
Oil Conservation Division

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Was this a major release as defined by 19.15.29.7(A) NMAC? X Yes <input type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release? Greater than 500 mcf.
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Yes by Chuck Johnston 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

<input checked="" type="checkbox"/> The source of the release has been stopped. <input type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input type="checkbox"/> 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: <u>Chuck Johnston</u> Signature: <u></u> email: <u>cjohnston@vnrenergy.com</u>	Title: <u>EHS Operations Specialist</u> Date: <u>10-4-2018</u> Telephone: <u>432-202-4771</u>
<u>OCD Only</u> Received by: <u></u> Date: <u>10/11/2018</u>	

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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 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 Title: EHS Specialist

Signature:  Date: 10-4-2018

email: cjohnston@vnrenergy.com Telephone: 432-202-4771

OCD Only

Received by:  Date: 10/11/2018

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:  Date: 10/11/2018

Printed Name: Amalia Bustamante Title: Business Operations Spec. - O

<u><i>API</i></u>	<u><i>Well Name</i></u>	<u><i>Well Number</i></u>
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