

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

NM OIL CONSERVATION
ARTESIA DISTRICT

Form C-141
Revised August 8, 2011

APR 10 2015

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

| | |
|--|---|
| Name of Company: BOPCO, L.P. | Contact: Tony Savoie |
| Address: 522 W. Mermod, Suite 704 Carlsbad, N.M. 88220 | Telephone No. 575-887-7329 |
| Facility Name: South Loop 10" SWD Mainline. The spill location was 1,608 ft. east of the PLU-CVX-JV-BS #021H | Facility Type: Exploration and Production |

| | | |
|------------------------|------------------------|----------------------|
| Surface Owner: Federal | Mineral Owner: Federal | API No. 30-015-41554 |
|------------------------|------------------------|----------------------|

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|---------------|-----------------|--------------|---------------|------------------|---------------|----------------|----------------|
| Unit Letter N | Section 13 | Township 25S | Range 30E | Feet from the | North/South Line | Feet from the | East/West Line | County Eddy |
|------------------|---------------|-----------------|--------------|---------------|------------------|---------------|----------------|----------------|

Latitude N 32.124577 Longitude W 103.835877

NATURE OF RELEASE

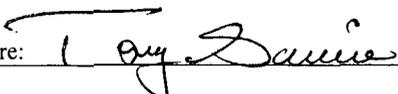
| | | |
|--|---|---|
| Type of Release: Produced water | Volume of Release: 384 bbls. | Volume Recovered: 10 bbls. |
| Source of Release: 10" Poly pipe | Date and Hour of Occurrence: 9/6/14 time unknown | Date and Hour of Discovery 9/6/14 at 7:30 a.m. |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? NMOCD Emergency #104 and Jim Amos "BLM" | |
| By Whom? Tony Savoie | Date and Hour: 9/6/14 at 2:17 p.m. | |
| Was a Watercourse Reached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | |

If a Watercourse was Impacted, Describe Fully.* The spill traveled approximately 120 ft. and ponded up in a low lying area consistent with the definition of a playa lake. At the time of review at 3:00 p.m. on 9/6/14 the only water standing in the playa area was produced water from the spill. However over the course of the next 2 days approximately 3 inches of rain fell.

Describe Cause of Problem and Remedial Action Taken.*
A weld failed on the poly pipe. The affected portion of pipe was isolated by block valves located to the north and south of the release point. The section of pipe with the failed weld was cut out and replaced on 9/8/14.

Describe Area Affected and Cleanup Action Taken.*
Approximately 10 bbls of water was recovered at the release point. The remainder of the fluid soaked into the ground. The release impacted approximately 720 sq.ft. of pipeline right of way and approximately 14,310 sq.ft. of pasture area. Samples were collected on 9/10/14 by Basin Env. From the point of release and the ponded areas. The area impacted by the release will be cleaned up in accordance to the NMOCD and BLM remediation guidelines.
For closure details please reference The Remediation Summary and Site Closure Request prepared by Basin Environmental dated April 2015.

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.

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|--|---|--|
| Signature:  | OIL CONSERVATION DIVISION | |
| Printed Name: Tony Savoie | Approved by Environmental Specialist:  | |
| Title: Waste Management and Remediation Specialist | Approval Date: 4/13/15 | Expiration Date: N/A |
| E-mail Address: tasavoie@basspet.com | Conditions of Approval:  | Attached <input checked="" type="checkbox"/> |
| Date: 4/10/15 | Phone: 432-556-8730 | |

* Attach Additional Sheets If Necessary

2RP-2489