

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 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	NCS1926052330
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party Mustang Resources, LLC	OGRID 373495
Contact Name Deb Lemon	Contact Telephone 720-550-7507 ext 105
Contact email dlemon@mustangresourcesllc.com	Incident # (assigned by OCD)
Contact mailing address	NCS1926052330

Location of Release Source

Latitude 36.35871 Longitude 108.193165
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Serendipity #3R	Site Type Gas Well
Date Release Discovered September 3, 2019	API# (if applicable) 30-045-30811

Unit Letter	Section	Township	Range	County
M	26	26N	13W	San Juan

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)
<input checked="" type="checkbox"/> Produced Water	Volume Released (bbls) 160	Volume Recovered (bbls) 0
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Condensate	Volume Released (bbls)	Volume Recovered (bbls)
<input type="checkbox"/> Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
<input type="checkbox"/> Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release

Mustang was informed on September 3rd at 10:35am that the produced water tank at this location overflowed. This was the result of an oversight with a water hauling contractor and not the result of a mechanical failure. Mustang estimates that approximately 160 BBLs of produced water was released.

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Was this a major release as defined by 19.15.29.7(A) NMAC? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release? An unauthorized release of a volume greater than 25 barrels of produced water
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Initial Response was given via email to: Mr. Cory Smith, OCD district office; Mr. Jim Griswold, OCD environmental bureau; Mr. Virgil Lucero, BLM district field office engineer.	

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 checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input checked="" 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>Deborah Lemon</u> Title: <u>Regulatory Manager</u> Signature: <u><i>Deborah Lemon</i></u> Date: <u>9/5/2019</u> email: <u>dlemon@mustangresourcesllc.com</u> Telephone: <u>720-550-7507 Ext 105</u>
<u>OCD Only</u> Received by: <u><i>Cory Smith</i></u> Date: <u>9/17/19</u>