

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

Form C-141
Revised August 8, 2011

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company Caza Operating LLC	Contact Tony Sam
Address 200 N. Lorraine St. #1550, Midland, TX 79701	Telephone No. 432-682-7424
Facility Name Eagleclaw Federal 1H	Facility Type Battery

Surface Owner	Mineral Owner	API No. 30-025-42988
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LOCATION OF RELEASE

Unit Letter D	Section 5	Township 20S	Range 35E	Feet from the 190	North/South Line north	Feet from the 467	East/West Line west	County Lea
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Latitude 32° 36' 32.62" Longitude -103° 29' 11.6"

NATURE OF RELEASE

Type of Release oil and water	Volume of Release 2bbls	Volume Recovered 2bbls
Source of Release transfer hose	Date and Hour of Occurrence 11/24/17 17:00	Date and Hour of Discovery 11/24/17 17:00
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

RECEIVED
By Olivia Yu at 2:28 pm, Dec 06, 2017

Describe Cause of Problem and Remedial Action Taken.*
Fluid was being transfered to the treater. The hose coupling leaked. Transfer was shut down and the coupling connection was repaired.

Describe Area Affected and Cleanup Action Taken.*
The leak was caught by the secondary containment and the a vac truck was used to clean up the leaked out oil and water. The affected area was steam cleaned and then vacuumed again.

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.

Signature: 	OIL CONSERVATION DIVISION	
Printed Name: Steve Morris	Approved by Environmental Specialist: 	
Title: Contract Engineer	Approval Date: 12/6/2017	Expiration Date:
E-mail Address: steve.morris@mojoenergy.com	Conditions of Approval:	Attached <input checked="" type="checkbox"/>
Date: 11/28/2017 Phone: 403-923-9750	Please inspect liner in question. Provide NMOCD with a concise report of the inspection with affirmation the liner has and will continue to contain liquids.	

nOY1734129187

* Attach Additional Sheets If Necessary

From: [Yu, Olivia, EMNRD](#)
To: "[Steve Morris](#)"
Subject: RE: Eagleclaw Federal 1H (30-025-42988) - spill
Date: Thursday, December 7, 2017 8:12:00 AM
Attachments: Eagleclaw Federal 1H C-141 Release Notification and Corrective Action-signed (002).pdf
image001.png
image002.png
image003.png

Good morning Mr. Morris:

Please see the attachment for your records.

Please inspect the liner in question. It is NMOCD's understanding that all impacted material in the containment has been removed and the liner inspected for integrity. Provide NMOCD with a concise report of the inspection with affirmation the liner has and will continue to contain liquids. Pictures and a record of the removal of contaminated fill or proper disposal of liquids are strongly encouraged to accompany submission of initial C-141s.

Thanks,

Olivia Yu
Environmental Specialist
NMOCD, District I
Olivia.yu@state.nm.us
575-393-6161 x113

OCD approval does not relieve the operator of liability should their operations fail to adequately investigate and remediate contamination that may pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

From: Steve Morris [mailto:Steve.Morris@mojoenergy.com]
Sent: Monday, December 4, 2017 4:12 PM
To: Yu, Olivia, EMNRD <Olivia.Yu@state.nm.us>
Subject: RE: Eagleclaw Federal 1H (30-025-42988) - spill

Olivia

I will check with our field hand on the pictures. There is no impact to pasture as the leak was within the secondary containment.

Regards,

Steve Morris P.Eng

VP and COO



A Full Service Oil & Gas Engineering Company

MOJO Energy Group, LP

Cell 403-923-9750

steve.morris@mojoenergy.com

From: Yu, Olivia, EMNRD [<mailto:Olivia.Yu@state.nm.us>]

Sent: Monday, December 04, 2017 1:44 PM

To: Steve Morris <Steve.Morris@mojoenergy.com>

Subject: RE: Eagleclaw Federal 1H (30-025-42988) - spill

Mr. Morris:

Thank you for the below information. Do you have photos available now? If there is potential impact to pasture, NMOCD will require confirmation surface soil samples.

Olivia

From: Steve Morris [<mailto:Steve.Morris@mojoenergy.com>]

Sent: Thursday, November 30, 2017 5:57 AM

To: Yu, Olivia, EMNRD <Olivia.Yu@state.nm.us>

Subject: RE: Eagleclaw Federal 1H (30-025-42988) - spill

Olivia

The volume was calculated. The release was about 1" deep and spanned 7' by 20'.

$$0.083' * 7' * 20' = 11.67'^3$$

$$11.67'^3 * 0.178 = 2.078 \text{ bbls}$$

Regards,

Steve Morris P.Eng

VP and COO



A Full Service Oil & Gas Engineering Company

MOJO Energy Group, LP

Cell 403-923-9750

steve.morris@mojoenergy.com

From: Yu, Olivia, EMNRD [<mailto:Olivia.Yu@state.nm.us>]
Sent: Wednesday, November 29, 2017 12:19 PM
To: Steve Morris <Steve.Morris@mojoenergy.com>
Subject: RE: Eagleclaw Federal 1H (30-025-42988) - spill

Mr. Morris:

To clarify, please explain how was the volume of release was estimated.

Thanks,
Olivia

From: Steve Morris [<mailto:Steve.Morris@mojoenergy.com>]
Sent: Wednesday, November 29, 2017 10:39 AM
To: Yu, Olivia, EMNRD <Olivia.Yu@state.nm.us>
Subject: RE: Eagleclaw Federal 1H (30-025-42988) - spill

Olivia

I am unsure as to what you mean by rationale that the release is not of reportable volume. We reported with the C-141 that I sent you. I will have photos later this week.

Regards,

Steve Morris P.Eng
VP and COO



A Full Service Oil & Gas Engineering Company

MOJO Energy Group, LP
Cell 403-923-9750
steve.morris@mojoenergy.com

From: Yu, Olivia, EMNRD [<mailto:Olivia.Yu@state.nm.us>]
Sent: Tuesday, November 28, 2017 10:39 AM
To: Steve Morris <Steve.Morris@mojoenergy.com>
Subject: RE: Eagleclaw Federal 1H (30-025-42988) - spill

Dear Mr. Morris:

Thank you for your prompt response. FYI, paper copies are not necessary. Please provide photo documentation and rationale that the release is not of reportable volume.

Thanks,

Olivia Yu
Environmental Specialist
NMOCD, District I
Olivia.yu@state.nm.us
575-393-6161 x113

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From: Steve Morris [<mailto:Steve.Morris@mojoenergy.com>]
Sent: Tuesday, November 28, 2017 7:51 AM
To: Yu, Olivia, EMNRD <Olivia.Yu@state.nm.us>
Subject: Eagleclaw Federal 1H (30-025-42988) - spill

Olivia

Attached is the C-141. I will be mailing in copies as well today.

Regards,

Steve Morris P.Eng
VP and COO



A Full Service Oil & Gas Engineering Company

MOJO Energy Group, LP
Cell 403-923-9750
steve.morris@mojoenergy.com

From: [Yu, Olivia, EMNRD](#)
To: tsam@cazapetro.com
Subject: Reportable release at API well #30-025-42988
Date: Monday, November 27, 2017 2:25:00 PM

Mr. Sam:

NMOCD was informed of a probable reportable release at API well # 30-025-42988 that was discovered on November 24, 2017. Please be advised that if the release is a reportable volume, an initial C-141 is due on December 12, 2017.

Thanks,

Olivia Yu
Environmental Specialist
NMOCD, District I
Olivia.yu@state.nm.us
575-393-6161 x113

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