

May 21, 2026

New Mexico Oil Conservation Division

New Mexico Energy, Minerals, and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505



Re: Closure Report
Sneaky Snake 24 CTB 1
Incident Number: nAPP2606123234 & nAPP2609130005
Lea County, New Mexico

To Whom It May Concern:

Safety & Environmental Solutions (SESI), on behalf of Devon Energy Production Company, LP (Devon), has prepared this Closure Report to document the findings of a liner integrity inspection at the Sneaky Snake 24 CTB 1 (Site) following two releases of produced water within the secondary lined containment. Based on the liner integrity inspection activities, Devon is submitting this Closure Report, describing the inspection results and requesting closure for Incident Number nAPP2606123234 & nAPP2609130005.

SITE DESCRIPTION AND RELEASE SUMMARY

The Site is located in Unit M, Section 24, Township 23 South, Range 32 East, Lea County, New Mexico (32.286214, -103.634024 NAD83) and is associated with oil and gas exploration and production on Federal Land managed by the Bureau of Land Management (BLM).

nAPP2606123234

Incident C-141 received on 03/02/2026 for release on 02/27/2026 Incident: "Pinhole leak on separator allowed fluids to lined secondary containment". Produced Water released (bbls): Cause: Equipment Failure | Separator | Produced Water | Released: 20 BBL | Recovered: 20 BBL | Lost: 0 BBL.

nAPP2609130005

Incident C-141 received on 04/01/2026 for release on 04/01/2026 Incident: "Leak on water pipe allowed fluids to lined secondary containment.". Produced Water released (bbls): Cause: Equipment Failure | Separator | Produced Water | Released: 46 BBL | Recovered: 46 BBL | Lost: 0 BBL.

SITE CHARACTERIZATION and CLOSURE CRITERIA

The Site was characterized to assess the applicability of Table I Closure Criteria for Soils Impacted by a Release, as specified in 19.15.29 NMAC. Results of the desktop review are summarized below; receptors are identified in Figure 1, with supporting well records provided in Appendix A.

- Surface elevation is approximately 3,719 feet above mean sea level (msl).
- The nearest lakebed (Bell Lake), sinkhole, or playa lake is located 4.71 miles southeast of the Site.
- The nearest wetland (riverine) is located 3 miles northeast of the Site.
- The nearest freshwater pond is located 0.95 mile northwest of the Site.
- The nearest subsurface mine is more than 15 miles northwest of the Site, associated with Mosaic Potash mining near Carlsbad.
- According to the FEMA National Flood Hazard Layer (NFHL) FIRMette map, the Site is located entirely within Zone D (Area of Undetermined Flood Hazard). The property is not located within a mapped 100-year floodplain (Zone A or AE), and no regulatory floodways are mapped at or immediately adjacent to the Site. The nearest mapped Zone A area is located approximately 12.1 miles southwest of the Site.
- USGS/OCD karst occurrence mapping designates the Site area as having low karst occurrence potential.
- The NRCS Web Soil Survey identifies the Site as PU—Pyote and Maljamar fine sands (map unit symbol PU), comprising 100 percent of the 3.7-acre area of interest. The mapped soils occur on uplands/plains at



Devon Energy Production Company, LP
Sneaky Snake 24 CTB 1
nAPP2606123234 and nAPP2609130005
Closure Report

- elevations from 3,000 to 3,900 feet.
- Based on the NRCS map unit description, Site soils are generally well-drained upland sandy soils formed in sandy eolian deposits derived from sedimentary rock. The Pyote component consists typically of fine sand over fine sandy loam, while the Maljamar component consists typically of fine sand over sandy clay loam with cemented/petrocalcic material at depth. The mapped unit is not hydric and is not subject to flooding or ponding.
- Groundwater in the area is inferred to occur at depths greater than 105 feet below ground surface (bgs) based on the nearest registered point of diversion and associated boring information. Records from the New Mexico Office of the State Engineer indicate that C-05013-POD1 is located 1.77 mile Southeast of the Site in Section 30, Township 23 South, Range 33 East and was permitted as an exploratory borehole to determine groundwater depth. The boring was advanced to a total depth of 105 feet, with approximate water depth listed as unknown, and the plugging plan states the boring is anticipated to be a dry hole.
- Additional nearby OSE points of diversion shown on the OSE POD location map include C-02445, C-02276, C-02275. Available ownership/change records confirm these as livestock/commercial water-right-related wells or PODs in the Site vicinity, but the uploaded records do not provide sufficient construction or groundwater-depth data to refine the groundwater interpretation established by C-05013-POD1.

Based on the results of the Site Characterization, groundwater in the area occurs at depths greater than 105 feet bgs. However, C-05013-POD1 is greater than a 0.50 mile from the Site. Therefore, pursuant to Table I Closure Criteria for Soils Impacted by a Release as specified in 19.15.29 NMAC, the following closure criteria apply to the Site:

- Benzene: 10 milligrams per kilogram (mg/kg)
- Benzene, toluene, ethylbenzene, and total xylenes (BTEX): 50 mg/kg
- Total petroleum hydrocarbons (TPH): 100 mg/kg
- Chloride: 600 mg/kg

LINER INTEGRITY INSPECTION ACTIVITIES

Following the releases, a liner integrity inspection was conducted to verify the integrity of the secondary containment system and confirm that all released fluids remained fully contained within the lined containment area.

<i>Facility</i>	<i>Liner Inspection Notice Date</i>	<i>High-Pressure Cleaning Date</i>	<i>Liner Integrity Inspection Date</i>
nAPP2606123234	04/20/2026 & 05/13/2026	05/14/2026	05/15/2026
nAPP2609130005	04/29/2026 & 05/13/2026	05/14/2026	05/15/2026

The two notice dates reflected above correspond to the original inspection notification and a subsequent notification submitted following additional liner cleaning activities prior to completion of the final liner integrity inspection.

Initial high-pressure cleaning of the Sneaky Snake 24 CTB 1 secondary containment was completed on April 27–28, 2026. Due to the nature of the releases, residual salt accumulation and mineral staining remained across portions of the liner surface following the initial cleaning effort. Upon arrival for the scheduled April 29, 2026 inspection, SESI documented widespread salt crystallization and mineral residue throughout multiple sections of the containment area, including the primary containment floor and perimeter channel areas.

Photographic documentation collected during the April 29, 2026 site visit demonstrates that residual salt deposits and mineral staining obscured portions of the liner surface and limited the ability to conduct a complete visual integrity assessment at that time. The documented conditions included white crystalline salt precipitation and reddish-brown mineral staining consistent with produced water residue and evaporation. Because residual salt accumulation of this extent can obscure potential surface defects and prevent a conclusive visual inspection, SESI recommended additional cleaning prior to conducting the formal liner integrity inspection.



Devon Energy Production Company, LP
Sneaky Snake 24 CTB 1
nAPP2606123234 and nAPP2609130005
Closure Report

In conjunction with the interior assessment, SESI completed a full exterior perimeter inspection of the secondary containment system on April 29, 2026. Photographic documentation of all sides of the containment perimeter confirmed that surrounding soils and vegetation remained dry and undisturbed, with no evidence of staining, saturation, seepage, or fluid migration beyond the containment boundary. The containment berms and walls were observed to be structurally intact with no indication of liner breach or release to the surrounding environment.

Additional high-pressure cleaning was subsequently completed on May 14, 2026, and an updated 48-hour advance notification was submitted to NMOCD prior to the follow-up inspection. SESI conducted the liner integrity inspection on May 15, 2026. Both incidents occurred within the same section of lined containment.

Photographic documentation collected during the May 15, 2026 inspection shows the liner surface was clean and accessible at the beginning of inspection activities. The inspection commenced under dry conditions, allowing for direct visual observation of the liner surface. As inspection activities progressed, rainfall developed onsite and standing water accumulated within portions of the containment area. The observed accumulation was attributable to precipitation occurring during the inspection and is not associated with the reported releases.

The standing water documented during the inspection remained fully contained within the lined containment system and is consistent with the secondary containment functioning as designed. Photographic documentation further confirms that areas outside the containment remained dry and unaffected during the precipitation event.

The liner integrity inspection confirmed the liner was intact and operating as designed, with no rips, tears, holes, punctures, seam separations, or other visible damage identified within the inspected areas of the containment system. All released fluids had been fully recovered prior to completion of the inspection activities.

Photographic documentation of the April 29, 2026 assessment and the May 15, 2026 liner integrity inspection is included in Appendix B.

CLOSURE REQUEST

Both produced water releases (nAPP2606123234: February 27, 2026 and nAPP2609130005 April 1, 2026) were fully contained within the lined secondary containment system at Sneaky Snake 24 CTB 1. The liner was inspected and confirmed intact and functioning as designed, and all released fluids were recovered with no impact to soil or water resources.

Based on the containment integrity, absence of environmental impact, and satisfaction of the applicable closure criteria, Devon Energy Production Company, LP respectfully requests closure of Incident Numbers nAPP2606123234 and nAPP2609130005.

If you have any questions or comments, please contact Sheila Babb at (575) 390-2033 or sbabb@sesi-nm.com.

Sincerely,

Safety & Environmental Solutions, Inc.

Sheila Babb, CEO

Cc: Jim Raley, Devon



Devon Energy Production Company, LP
Sneaky Snake 24 CTB 1
nAPP2606123234 and nAPP2609130005
Closure Report

Appendices:

Figure 1. Site Vicinity and Receptor Map

Figure 2. Soil Survey Map

Appendix A. Well Records & Logs

Appendix B. Photographic Log

Appendix C. C-141 Forms and Correspondence

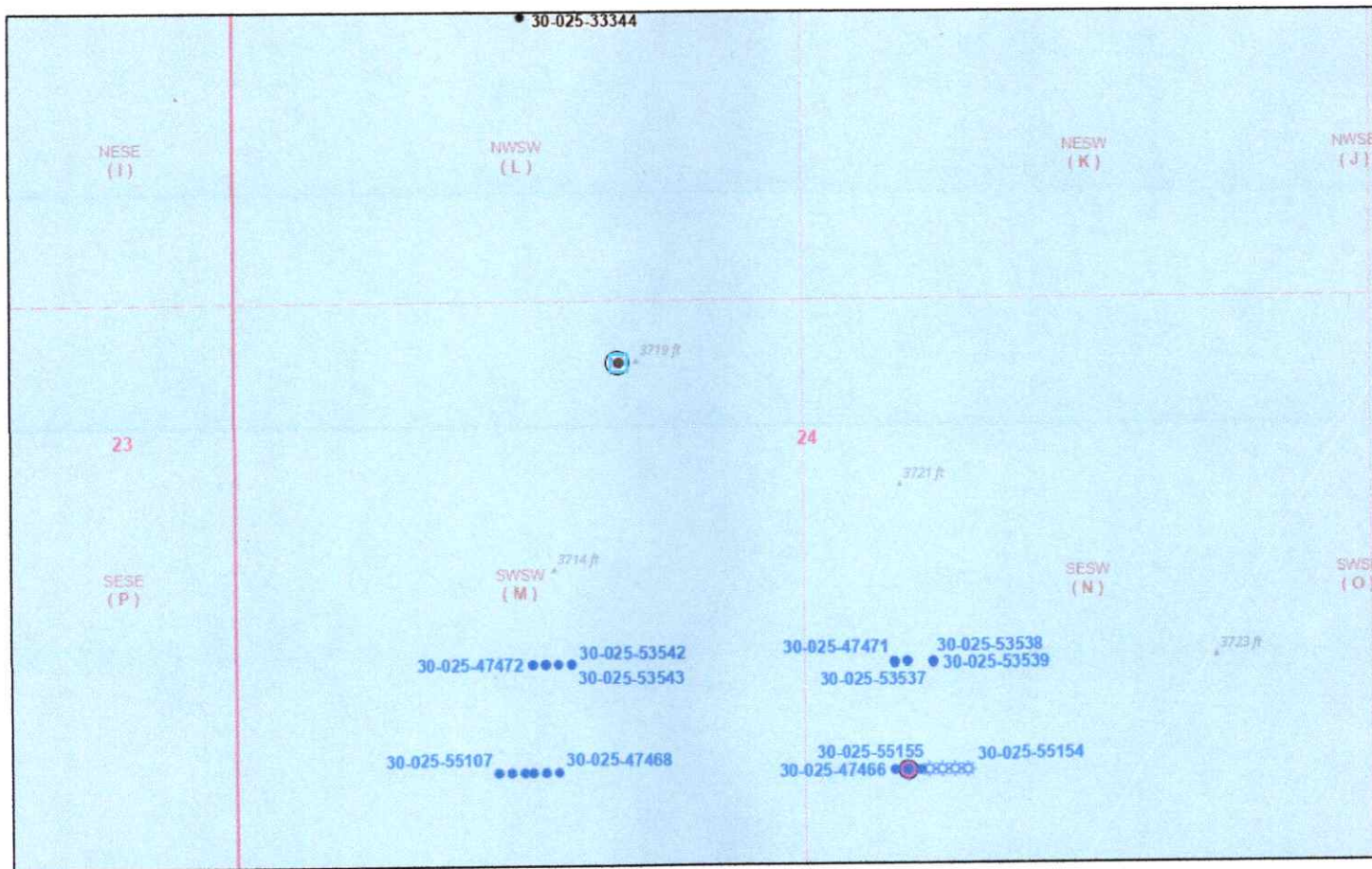
Devon Energy Production Company, LP
Sneaky Snake 24 CTB 1
nAPP2606123234 and nAPP2609130005
Closure Report



Figure 1. Site Vicinity and Receptor Map



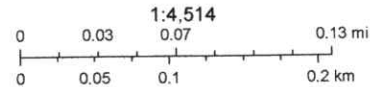
OCD Well Locations | Karst Map



3/6/2026, 9:56:42 AM

- Wells - Large Scale
- Oil, New
- Gas, New
- Oil, Active
- Incident Release
- Produced Water Release

- Release Other
- Karst Occurrence Potential
- PLSS Second Division
- PLSS First Division
- Low



Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, USGS, BLM, OCD, New Mexico Tech, BLM, New Mexico Oil Conservation Division

NM OCD Oil and Gas Map. <http://nm-emnrd.maps.arcgis.com/apps/webappviewer/index.html?id=4d017f2306164de29fd2fb9f8f35ca75> New Mexico Oil Conservation Division

OSE POD Locations Map

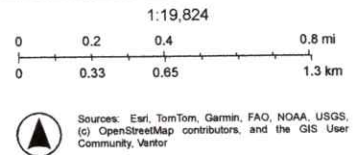


3/6/2026, 10:28:39 AM

GIS WATERS PODs

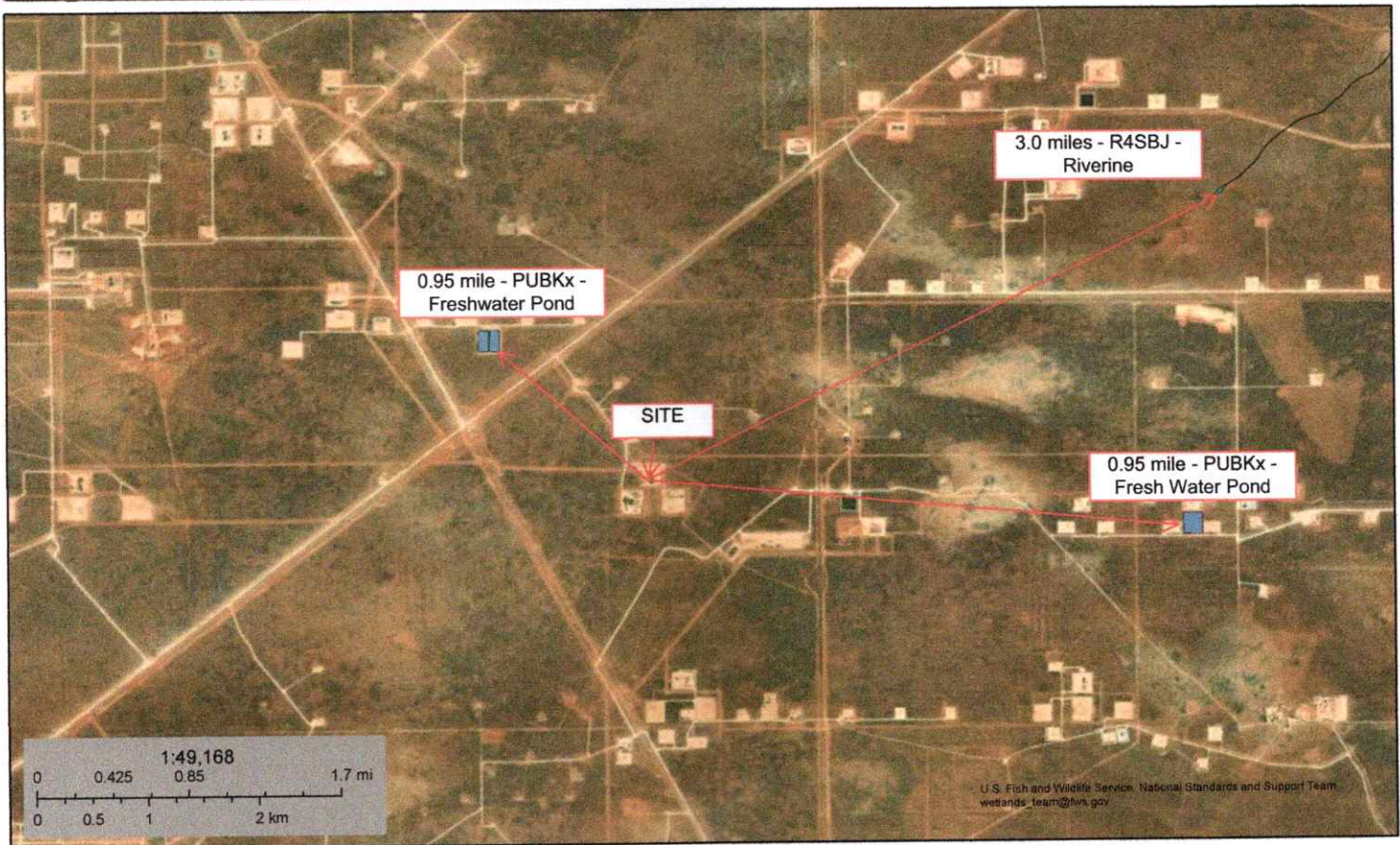
- Pending
- Active
- Inactive
- Changed Location of Well
- Capped
- Plugged
- Unknown
- Pending
- Active
- Inactive
- Changed Location of Well
- Capped
- Plugged
- Unknown
- World Imagery

- Low Resolution 15m Imagery
- High Resolution 60cm Imagery
- High Resolution 30cm Imagery
- Citations
- 4.8m Resolution Metadata





Wetlands Map



U.S. Fish and Wildlife Service, National Standards and Support Team
wetlands_team@fws.gov

March 6, 2026

Wetlands

- | | | | | | |
|---|--------------------------------|---|-----------------------------------|---|----------|
|  | Estuarine and Marine Deepwater |  | Freshwater Emergent Wetland |  | Lake |
|  | Estuarine and Marine Wetland |  | Freshwater Forested/Shrub Wetland |  | Other |
| | |  | Freshwater Pond |  | Riverine |

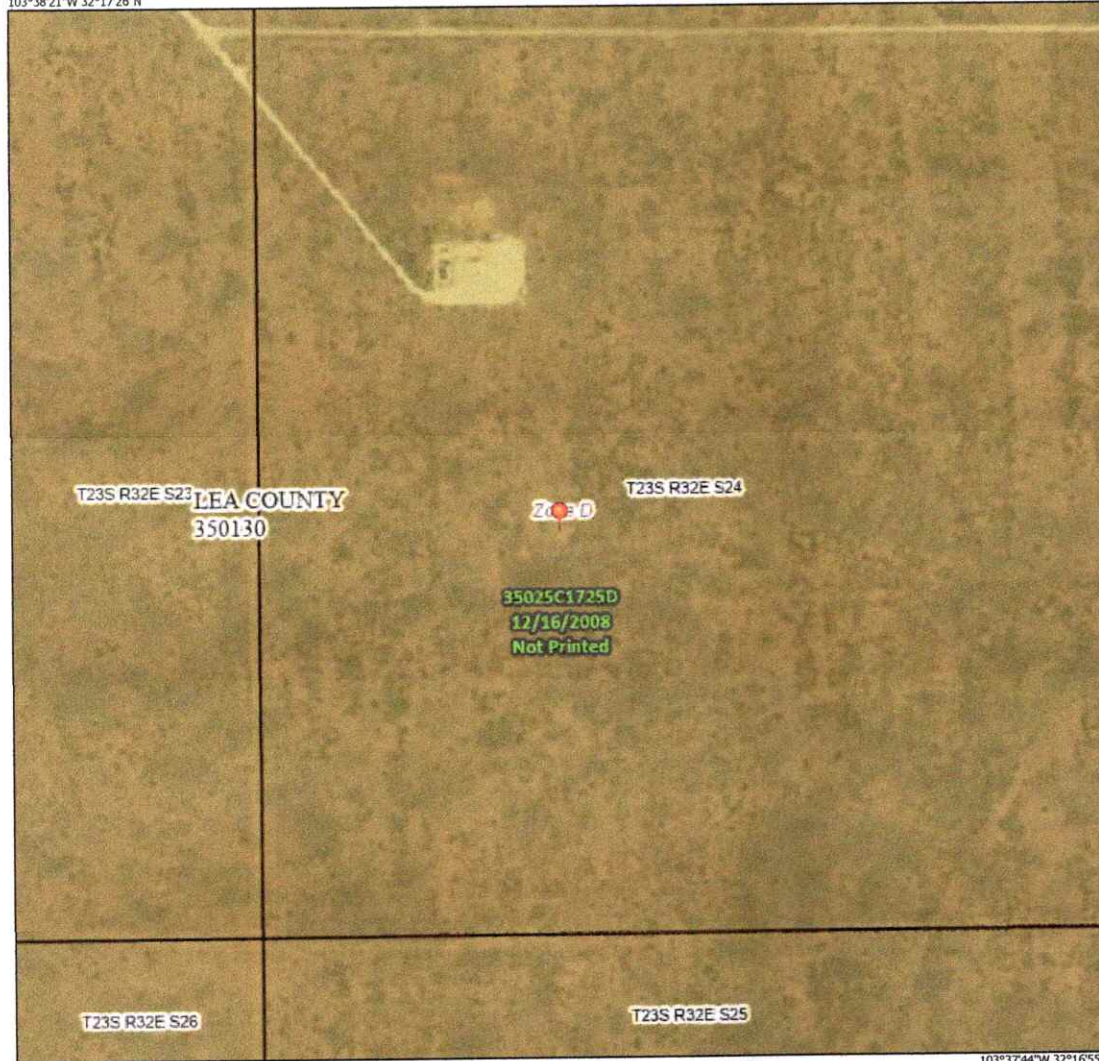
This map is for general reference only. The US Fish and Wildlife Service is not responsible for the accuracy or currentness of the base data shown on this map. All wetlands related data should be used in accordance with the layer metadata found on the Wetlands Mapper web site.

National Wetlands Inventory (NWI)
This page was produced by the NWI mapper

National Flood Hazard Layer FIRMette



103°38'21"W 32°17'26"N



Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS		Without Base Flood Elevation (BFE) Zone A, V, A99
		With BFE or Depth Zone AE, AO, AH, VE, AR
		Regulatory Floodway
OTHER AREAS OF FLOOD HAZARD		0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
		Future Conditions 1% Annual Chance Flood Hazard Zone X
		Area with Reduced Flood Risk due to Levee. See Notes. Zone X
		Area with Flood Risk due to Levee Zone D
OTHER AREAS		NO SCREEN Area of Minimal Flood Hazard Zone X
		Effective LOMRs
		Area of Undetermined Flood Hazard Zone D
GENERAL STRUCTURES		Channel, Culvert, or Storm Sewer
		Levee, Dike, or Floodwall
OTHER FEATURES		Cross Sections with 1% Annual Chance Water Surface Elevation
		Coastal Transect
		Base Flood Elevation Line (BFE)
		Limit of Study
		Jurisdiction Boundary
		Coastal Transect Baseline
MAP PANELS		Digital Data Available
		No Digital Data Available
		Unmapped

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

0 250 500 1,000 1,500 2,000 Feet 1:6,000

Basemap Imagery Source: USGS National Map 2023

103°37'44"W 32°16'55"N

Devon Energy Production Company, LP
Sneaky Snake 24 CTB 1
nAPP2606123234 and nAPP2609130005
Closure Report

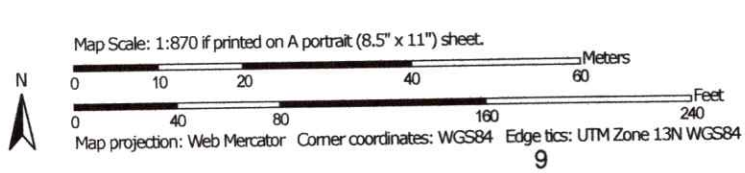


Figure 2. Soil Survey Map

Custom Soil Resource Report Soil Map



Soil Map may not be valid at this scale.



Custom Soil Resource Report

MAP LEGEND		MAP INFORMATION
<p>Area of Interest (AOI)</p> <ul style="list-style-type: none"> Area of Interest (AOI) <p>Soils</p> <ul style="list-style-type: none"> Soil Map Unit Polygons Soil Map Unit Lines Soil Map Unit Points <p>Special Point Features</p> <ul style="list-style-type: none"> Blowout Borrow Pit Clay Spot Closed Depression Gravel Pit Gravelly Spot Landfill Lava Flow Marsh or swamp Mine or Quarry Miscellaneous Water Perennial Water Rock Outcrop Saline Spot Sandy Spot Severely Eroded Spot Sinkhole Slide or Slip Sodic Spot 	<ul style="list-style-type: none"> Spoil Area Stony Spot Very Stony Spot Wet Spot Other Special Line Features <p>Water Features</p> <ul style="list-style-type: none"> Streams and Canals <p>Transportation</p> <ul style="list-style-type: none"> Rails Interstate Highways US Routes Major Roads Local Roads <p>Background</p> <ul style="list-style-type: none"> Aerial Photography 	<p>The soil surveys that comprise your AOI were mapped at 1:20,000.</p> <div style="border: 1px solid black; padding: 5px;"> <p>Warning: Soil Map may not be valid at this scale.</p> <p>Enlargement of maps beyond the scale of mapping can cause misunderstanding of the detail of mapping and accuracy of soil line placement. The maps do not show the small areas of contrasting soils that could have been shown at a more detailed scale.</p> </div> <p>Please rely on the bar scale on each map sheet for map measurements.</p> <p>Source of Map: Natural Resources Conservation Service Web Soil Survey URL: Coordinate System: Web Mercator (EPSG:3857)</p> <p>Maps from the Web Soil Survey are based on the Web Mercator projection, which preserves direction and shape but distorts distance and area. A projection that preserves area, such as the Albers equal-area conic projection, should be used if more accurate calculations of distance or area are required.</p> <p>This product is generated from the USDA-NRCS certified data as of the version date(s) listed below.</p> <p>Soil Survey Area: Lea County, New Mexico Survey Area Data: Version 22, Sep 9, 2025</p> <p>Soil map units are labeled (as space allows) for map scales 1:50,000 or larger.</p> <p>Date(s) aerial images were photographed: Feb 7, 2020—May 12, 2020</p> <p>The orthophoto or other base map on which the soil lines were compiled and digitized probably differs from the background imagery displayed on these maps. As a result, some minor shifting of map unit boundaries may be evident.</p>

Custom Soil Resource Report

Lea County, New Mexico**PU—Pyote and Maljamar fine sands****Map Unit Setting**

National map unit symbol: dmqq
Landscape: Uplands
Elevation: 3,000 to 3,900 feet
Mean annual precipitation: 10 to 12 inches
Mean annual air temperature: 60 to 62 degrees F
Frost-free period: 190 to 205 days
Farmland classification: Not prime farmland

Map Unit Composition

Pyote and similar soils: 46 percent
Maljamar and similar soils: 44 percent
Minor components: 10 percent
Estimates are based on observations, descriptions, and transects of the mapunit.

Description of Pyote**Setting**

Landscape: Uplands
Landform: Plains
Landform position (three-dimensional): Rise
Down-slope shape: Linear
Across-slope shape: Linear
Parent material: Sandy eolian deposits derived from sedimentary rock

Typical profile

A - 0 to 30 inches: fine sand
Bt - 30 to 60 inches: fine sandy loam

Properties and qualities

Slope: 0 to 3 percent
Depth to restrictive feature: More than 80 inches
Drainage class: Well drained
Runoff class: Negligible
Capacity of the most limiting layer to transmit water (Ksat): High (2.00 to 6.00 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: None
Frequency of ponding: None
Calcium carbonate, maximum content: 5 percent
Gypsum, maximum content: 1 percent
Maximum salinity: Nonsaline to very slightly saline (0.0 to 2.0 mmhos/cm)
Sodium adsorption ratio, maximum: 2.0
Available water supply, 0 to 60 inches: Low (about 5.1 inches)

Interpretive groups

Land capability classification (irrigated): 6e
Land capability classification (nonirrigated): 7s
Hydrologic Soil Group: A
Ecological site: R070BD003NM - Loamy Sand
Hydric soil rating: No

Custom Soil Resource Report

Description of Maljamar**Setting**

Landscape: Uplands

Landform: Plains

Landform position (three-dimensional): Rise

Down-slope shape: Linear

Across-slope shape: Linear

Parent material: Sandy eolian deposits derived from sedimentary rock

Typical profile

A - 0 to 24 inches: fine sand

Bt - 24 to 50 inches: sandy clay loam

Bkm - 50 to 60 inches: cemented material

Properties and qualities

Slope: 0 to 3 percent

Depth to restrictive feature: 40 to 60 inches to petrocalcic

Drainage class: Well drained

Runoff class: Very low

Capacity of the most limiting layer to transmit water (Ksat): Very low to moderately low (0.00 to 0.06 in/hr)

Depth to water table: More than 80 inches

Frequency of flooding: None

Frequency of ponding: None

Calcium carbonate, maximum content: 5 percent

Gypsum, maximum content: 1 percent

Maximum salinity: Nonsaline to very slightly saline (0.0 to 2.0 mmhos/cm)

Sodium adsorption ratio, maximum: 2.0

Available water supply, 0 to 60 inches: Low (about 5.6 inches)

Interpretive groups

Land capability classification (irrigated): 6e

Land capability classification (nonirrigated): 7e

Hydrologic Soil Group: B

Ecological site: R070BD003NM - Loamy Sand

Hydric soil rating: No

Minor Components**Kermit**

Percent of map unit: 10 percent

Ecological site: R070BC022NM - Sandhills

Hydric soil rating: No

Devon Energy Production Company, LP
Sneaky Snake 24 CTB 1
nAPP2606123234 and nAPP2609130005
Closure Report



Appendix A. Well Records & Logs



WELL RECORD & LOG

OFFICE OF THE STATE ENGINEER

www.ose.state.nm.us

1. GENERAL AND WELL LOCATION	OSE POD NO (WELL NO.) Pod-1		WELL TAG ID NO		OSE FILE NO(S) C-05013			
	WELL OWNER NAME(S) Coterra Energy Co.				PHONE (OPTIONAL) 432-208-3035			
	WELL OWNER MAILING ADDRESS 840 Gessner Rd, Ste. 1400				CITY Houston	STATE TX	ZIP 77024-4152	
	WELL LOCATION (FROM GPS)	DEGREES LATITUDE 32	MINUTES 16	SECONDS 11.13	N	* ACCURACY REQUIRED: ONE TENTH OF A SECOND		
		LONGITUDE 103	36	34.61	W	* DATUM REQUIRED: WGS 84		
DESCRIPTION RELATING WELL LOCATION TO STREET ADDRESS AND COMMON LANDMARKS - PLSS (SECTION, TOWNSHIP, RANGE) WHERE AVAILABLE SWSE S-30 T-23S R-33E								
2. DRILLING & CASING INFORMATION	LICENSE NO WD-1862		NAME OF LICENSED DRILLER James Hawley			NAME OF WELL DRILLING COMPANY H&R Enterprises, LLC		
	DRILLING STARTED 10/21/25	DRILLING ENDED 10/21/25	DEPTH OF COMPLETED WELL (FT) 105	BORE HOLE DEPTH (FT) 105	DEPTH WATER FIRST ENCOUNTERED (FT) Dry Hole			
	COMPLETED WELL IS: <input type="checkbox"/> ARTESIAN *add Centralizer info below <input checked="" type="checkbox"/> DRY HOLE <input type="checkbox"/> SHALLOW (UNCONFINED)				STATIC WATER LEVEL IN COMPLETED WELL (FT)	DATE STATIC MEASURED		
	DRILLING FLUID: <input checked="" type="checkbox"/> AIR <input type="checkbox"/> MUD ADDITIVES - SPECIFY:							
	DRILLING METHOD: <input checked="" type="checkbox"/> ROTARY <input type="checkbox"/> HAMMER <input type="checkbox"/> CABLE TOOL <input type="checkbox"/> OTHER - SPECIFY:						CHECK HERE IF PITLESS ADAPTER IS INSTALLED <input type="checkbox"/>	
	DEPTH (feet bgl)		BORE HOLE DIAM (inches)	CASING MATERIAL AND/OR GRADE (include each casing string, and note sections of screen)	CASING CONNECTION TYPE (add coupling diameter)	CASING INSIDE DIAM. (inches)	CASING WALL THICKNESS (inches)	SLOT SIZE (inches)
	FROM	TO						
				No casing left in hole				
3. ANNULAR MATERIAL	DEPTH (feet bgl)		BORE HOLE DIAM. (inches)	LIST ANNULAR SEAL MATERIAL AND GRAVEL PACK SIZE - RANGE BY INTERVAL <i>*(if using Centralizers for Artesian wells- indicate the spacing below)</i>	AMOUNT (cubic feet)	METHOD OF PLACEMENT		
	FROM	TO						
				N/A				

FOR OSE INTERNAL USE				WR-20 WELL RECORD & LOG (Version 09/22/2022)			
FILE NO	C-5013	POD NO	1	TRN NO	791588		
LOCATION	235-33E-30	334		WELL TAG ID NO	NA	PAGE 1 OF 2	



WELL PLUGGING PLAN OF OPERATIONS



NOTE: A Well Plugging Plan of Operations shall be filed with and accepted by the Office of the State Engineer prior to plugging. This form may be used to plug a single well, or if you are plugging multiple monitoring wells on the same site using the same plugging methodology.

Alert! Your well may be eligible to participate in the Aquifer Mapping Program (AMP)-NM Bureau of Geology geoinfo.nmt.edu/resources/water/cgmn/ if within an area of interest and meets the minimum construction requirements, such as there is still water in your well, and the well construction reflected in a well record and log is not compromised, contact AMP at 575-835-5038 or -6951, or by email nmbg-waterlevels@nmt.edu, prior to completing this prior form. Showing proof to the OSE that your well was accepted in this program, may delay the plugging of your well until a later date.

I. FILING FEE: There is no filing fee for this form.

II. GENERAL / WELL OWNERSHIP: Check here if proposing one plan for multiple monitoring wells on the same site and attaching WD-08m

Existing Office of the State Engineer POD Number (Well Number) for well to be plugged: C-5013-POA1

Name of well owner: Coterra Energy Co.

Mailing address: 840 Gessner Rd. Ste. 1400 County: _____

City: Houston State: TX Zip code: 77024-415

Phone number: 432-208-3035 E-mail: Laci.Luig@coterra.com

III. WELL DRILLER INFORMATION:

Well Driller contracted to provide plugging services: James Hawley/H&R Enterprises, LLC.

New Mexico Well Driller License No.: WD-1862 Expiration Date: June 16, 2027

IV. WELL INFORMATION: Check here if this plan describes method for plugging multiple monitoring wells on the same site and attach supplemental form WD-08m and skip to #2 in this section.

Note: A copy of the existing Well Record for the well(s) to be plugged should be attached to this plan.

1) GPS Well Location: Latitude: 32 deg, 16 min, 11.13 sec
Longitude: 103 deg, 36 min, 34.61 sec, NAD 83

2) Reason(s) for plugging well(s):

Temporary well to determine depth of groundwater at remediation site. OSE DII ROSWELL NM
10 SEP '25 PM2:32

3) Was well used for any type of monitoring program? no If yes, please use section VII of this form to detail what hydrogeologic parameters were monitored. If the well was used to monitor contaminated or poor quality water, authorization from the New Mexico Environment Department may be required prior to plugging.

4) Does the well tap brackish, saline, or otherwise poor quality water? NO If yes, provide additional detail, including analytical results and/or laboratory report(s): _____

5) Static water level: unknown feet below land surface / feet above land surface (circle one)

6) Depth of the well: 105 feet

- 7) Inside diameter of innermost casing: 2 inches.
- 8) Casing material: PVC
- 9) The well was constructed with:
 - an open-hole production interval, state the open interval: _____
 - a well screen or perforated pipe, state the screened interval(s): 10ft
- 10) What annular interval surrounding the artesian casing of this well is cement-grouted? N/A
- 11) Was the well built with surface casing? no If yes, is the annulus surrounding the surface casing grouted or otherwise sealed? _____ If yes, please describe:
- 12) Has all pumping equipment and associated piping been removed from the well? N/A If not, describe remaining equipment and intentions to remove prior to plugging in Section VII of this form.

V. DESCRIPTION OF PLANNED WELL PLUGGING: If plugging method differs between multiple wells on same site, a separate form must be completed for each method.

Note: If this plan proposes to plug an artesian well in a way other than with cement grout, placed bottom to top with a tremie pipe, a detailed diagram of the well showing proposed final plugged configuration shall be attached, as well as any additional technical information, such as geophysical logs, that are necessary to adequately describe the proposal. Attach a copy of any signed OSE variance to this plugging plan.

Also, if this planned plugging plan requires a variance to 19.27.4 NMAC, attach a detailed variance request signed by the applicant.

- 1) Describe the method by which cement grout shall be placed in the well, or describe requested plugging methodology proposed for the well:

We anticipate this to be a dry hole, drill cuttings to 10'BGS, hydrated bentonite chips from 10' BGS to surface.
- 2) Will well head be cut-off below land surface after plugging? N/A

VI. PLUGGING AND SEALING MATERIALS:

Note: The plugging of a well that taps poor quality water may require the use of a specialty cement or specialty sealant. Attach a copy of the batch mix recipe from the cement company and/or product description for specialty cement mixes or any sealant that deviates from the list of OSE approved sealants.

- 1) For plugging intervals that employ cement grout, complete and attach Table A.
- 2) For plugging intervals that will employ approved non-cement based sealant(s), complete and attach Table B.
- 3) Theoretical volume of grout required to plug the well to land surface: 154.35
- 4) Type of Cement proposed: 3/8 bentonite hole plug
- 5) Proposed cement grout mix: _____ gallons of water per 94 pound sack of Portland cement.
- 6) Will the grout be: _____ batch-mixed and delivered to the site
 x mixed on site

OSE DII ROSWELL NM
10 SEP '25 PM2:32

7) Grout additives requested, and percent by dry weight relative to cement:

N/A

8) Additional notes and calculations:

VII. ADDITIONAL INFORMATION: List additional information below, or on separate sheet(s):

VIII. SIGNATURE:

I, James Hawley, say that I have carefully read the foregoing Well Plugging Plan of Operations and any attachments, which are a part hereof; that I am familiar with the rules and regulations of the State Engineer pertaining to the plugging of wells and will comply with them, and that each and all of the statements in the Well Plugging Plan of Operations and attachments are true to the best of my knowledge and belief.

[Handwritten Signature]

Signature of Applicant

9/8/25

Date

IX. ACTION OF THE STATE ENGINEER:

This Well Plugging Plan of Operations is:

- Approved subject to the attached conditions.
- Not approved for the reasons provided on the attached letter.

OSE DII ROSWELL NM
10 SEP '25 PM2:32

Witness my hand and official seal this 10th day of September 2025

Elizabeth K. Anderson P.E.

.. New Mexico State Engineer



By: K. Parekh
Kashyap Parekh

Water Resources Manager I

WD-08 Well Plugging Plan
Version: March 07, 2022
Page 3 of 5

TABLE A - For plugging intervals that employ cement grout. Start with deepest interval.

	Interval 1 – deepest	Interval 2	Interval 3 – most shallow
			Note: if the well is non-artesian and breaches only one aquifer, use only this column.
Top of proposed interval of grout placement (ft bgl)			
Bottom of proposed interval of grout placement (ft bgl)			
Theoretical volume of grout required per interval (gallons)			
Proposed cement grout mix gallons of water per 94-lb. sack of Portland cement			
Mixed on-site or batch-mixed and delivered?			
Grout additive 1 requested			
Additive 1 percent by dry weight relative to cement			
Grout additive 2 requested			DSE DII ROSWELL NM 10 SEP '25 PM2:32
Additive 2 percent by dry weight relative to cement			

TABLE B - For plugging intervals that will employ approved non-cement based sealant(s). Start with deepest interval.

	Interval 1 – deepest	Interval 2	Interval 3 – most shallow
			Note: if the well is non-artesian and breaches only one aquifer, use only this column.
Top of proposed interval of sealant placement (ft bgl)			0-10' hydrated bentonite chips
Bottom of proposed sealant of grout placement (ft bgl)			10'-105' drill cuttings
Theoretical volume of sealant required per interval (gallons)			154.35
Proposed abandonment sealant (manufacturer and trade name)			Baroid 3/8 hole plug

OSE DII ROSWELL NM
10 SEP '25 PM2:32



STATE OF NEW MEXICO
OFFICE OF THE STATE ENGINEER
ROSWELL

Elizabeth K. Anderson P.E. State Engineer

DISTRICT II

1900 West Second St.
Roswell, New Mexico 88201
Phone: (575) 622-6521
Fax: (575) 623-8559

September 11, 2025

Coterra Energy Co.
840 Gessner Rd Ste 1400
Houston, NM 77024

RE: Well Plugging Plan of Operations for well no. C-5013-POD1

Greetings:

Enclosed is your copy of the Well Plugging Plan of Operations for the above referenced well subject to the attached Conditions of Approval. The proposed method of operation is found to be acceptable and in accordance with the Rules and Regulations Governing Well Driller Licensing: Construction, Repair and Plugging of Wells 19.27.4 NMAC adopted June 30, 2017 by the State Engineer. subject to the attached Conditions of Approval.

Within 30 days after the well is plugged, the well driller is required to file a complete plugging record with the OSE and the permit holder.

Sincerely,

A handwritten signature in black ink that reads "K. Parekh".

Kashyap Parekh
Supervisor, Water Resources



STATE OF NEW MEXICO
OFFICE OF THE STATE ENGINEER
ROSWELL
 1900 West Second St.
 Roswell, New Mexico 88201
 Phone: (575) 622-6521
 Fax: (575) 623- 8559

Applicant has identified a well, listed below, to be plugged. H & R Enterprises LLC (WD-1862) will perform the plugging.

Permittee: Coterra Energy Co.
 NMOSE Permit Number: C-5013-POD1

NMOSE File	Casing diameter (inches)	Well depth (feet bgl)	Approximate static water level (feet bgl)	Latitude	Longitude
C-5013-POD1	2.0 (6.0 inch borehole)	105.0	Unknown	32° 16' 11.13"	103° 36' 34.61"

Specific Plugging Conditions of Approval for Well located in Lea County.

1. Water well drilling and well drilling activities, including well plugging, are regulated under 19.27.4 NMAC, which requires any person engaged in the business of well drilling within New Mexico to obtain a Well Driller License issued by the New Mexico Office of the State Engineer (NMOSE). Therefore, the firm of a New Mexico licensed Well Driller shall perform the well plugging.

2. Ground Water encountered: The total Theoretical volume of sealant required for abandonment of soil boring well is approximately 154.16 gallons. The total minimum volume of necessary sealant shall be calculated upon sounding the actual pluggable depth of well, which is estimated at 105 feet.

3. Dry Hole: The total Theoretical volume of sealant required for abandonment of soil boring well is approximately 14.68 gallons. Total minimum volume of necessary sealant shall be calculated upon sounding the actual pluggable depth of well, which is estimated at 10 feet.

4. Ground Water encountered: Bentonite chips are approved for plugging the well. Fresh water to be added above water column at rate of 5 gallons per 50-lb sack/bucket.

5. Dry Hole: (a) Drill cuttings up to ten feet of land surface. (b) 10 feet to 0 feet – Bentonite chips. Fresh water to be added above water column at rate of 5 gallons per 50-lb sack/bucket.

6. Placement of the sealant within the wells shall be by tremie pipe extending to near well bottom and kept below top of the slurry column as the well is plugged from bottom-upwards in a manner that

displaces the standing water column. The tremie shall be incrementally removed to retain the tremie bottom a limited distance above the top of the rising column of chips throughout the plugging process.

7. Any open annulus encountered surrounding the casing shall also be sealed by the placement of the approved sealant. When plugging shallow wells with no construction or environmental concerns, and if the well record on a well to be plugged shows a proper 20-foot annular seal, a plugging plan can propose the use of clean fill material to a nominal 30 feet bgs, then placing an OSE approved sealant to surface. Lacking that information, we would require an excavation of at least 2-feet which shall then be filled in its entirety with sealant to surface.

8. Should the NMED, or another regulatory agency sharing jurisdiction of the project authorize, or by regulation require a more stringent well plugging procedure than herein acknowledged, the more-stringent procedure should be followed. This, in part, includes provisions regarding pre-authorization to proceed, contaminant remediation, inspection, pulling/perforating of casing, or prohibition of free discharge of any fluid from the borehole during or related to the plugging process.

9. NMOSE witnessing the plugging of the soil boring will not be required.

10. Any deviation from this plan must obtain an approved variance from this office prior to implementation.

11. A Well Plugging Record itemizing actual abandonment process and materials used shall be filed with the State Engineer within 30 days after completion of well plugging. For the plugging record, please resurvey coordinate location for well and note coordinate system for GPS unit. Please attach a copy of these plugging conditions.

The NMOSE Well Plugging Plan of Operations is hereby approved with the aforesaid conditions applied.

Witness my hand and seal this 11th day of September 2025

Elizabeth K. Anderson P.E., State Engineer

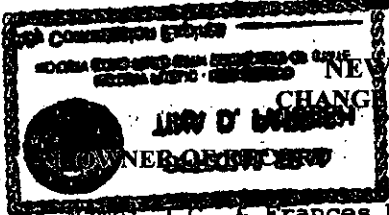
By: K. Parekh

Kashyap Parekh
Supervisor, Water Resources



4

File Number: C-2445
(For OSE Use Only)



NEW MEXICO OFFICE OF THE STATE ENGINEER
CHANGE OF OWNERSHIP OF WATER RIGHT (CORPORATION)

2-26-546
12

Name: J.C. & Frances Mills Family Partnership, LTD // Bureau of Land Management
Contact: Stacy Mills // Susan Britt
Address: P.O. Box 190 // 620 East Greene
City/State: Abernathy, TX // Carlsbad, NM
Zip: 79311 // 88220-6292
Phone: 575-390-2779 // 575-234-5945

NEW OWNER

Name: The Jimmy Mills GST Trust // Bureau of Land Management
The Jimmy Mills 2005 GST Trust //
Trustee: Frankie Jo Mills //
Contact: Stacy Mills // Susan Britt
Address: 1505 Avenue M. 602 Ave I // 620 East Greene
City/State: Abernathy, TX // Carlsbad, NM
Zip: 79311 // 88220-6292
Phone: 575-390-2779 // 575-234-5945

2. AMOUNT CONVEYED

State Engineer File Number: C-2445
Sub-file Number _____ of Cause Number _____
Owner of record has conveyed all of said right.
(all or part)

Consumptive Use: _____ acre-feet per annum
Diversion Amount: 3.0 acre-feet per annum
Other: _____ (units)

STATE ENGINEER OFFICE
ROSWELL, NEW MEXICO
2009 FEB - 2 P 5: 39

3. PURPOSE OF USE

Domestic: _____ Livestock: XXX Irrigation: _____ Municipal: _____ Industrial: _____
Commercial: _____ Other (specify): _____
Specific use: _____

4. PLACE OF USE

N/A acres of land described as follows:

Subdivision of Section (District or Hydrographic Survey)	Section (Map No.)	Township (Tract No.)	Range	Acres	Priority
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Do Not Write Below This Line

File Number: C-2445 Trn Number: 422947

File Number: C-2445
(For OSE Use Only)

**NEW MEXICO OFFICE OF THE STATE ENGINEER
CHANGE OF OWNERSHIP OF WATER RIGHT (CORPORATION)**

5. WELLS TO ACCOMPANY CONVEYED RIGHT

Well File No.	Subdivision	Section	Township	Range
<u>C-2445</u>	<u>SW¹ SW¹ SW¹</u>	<u>13</u>	<u>23S</u>	<u>32E</u>

6. CONSENT TO LAWFUL CHANGE IN PLACE AND/OR PURPOSE OF USE

(I, We) the above owner(s) of record, hereby consent to a lawful change in the place and/or purpose of use of the above-described water right: (To be completed only if it is an irrigation water right and has been conveyed separate from the land to which it was appurtenant.)

(Signature) _____ (Signature)

7. ADDITIONAL STATEMENTS OR EXPLANATIONS:

This stock well was converted from an existing hole that was drilled in the early 1980's for a water supply for oil/gas exploration.

STATE ENGINEER OFFICE
ROSWELL, NEW MEXICO
2009 FEB 2 P 5:39

ACKNOWLEDGMENT FOR CORPORATION

Stacy Mills
Signature of Officer

State of (NM)
County of (Eddy) ss.

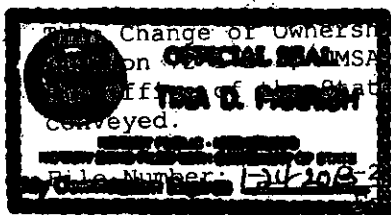
This instrument was acknowledged before me this 2nd day of February,
A.D. 2009, By Stacy Mills, Executor
(Name of Officer) (Title of Officer)

of JC & Frances Mills FPL, a TX corporation,
(Name of Corporation Acknowledging) (State of Corporation)

on behalf of said corporation.

My commission expires 1-24-2013 Jana P. Parrish
Notary Public

Do Not Write Below This Line



This Change of Ownership form is hereby accepted for filing in accordance with the Official Seal MSA-1978 (1985 Repl. Pam), as amended. The acceptance by the Office of the State Engineer does not constitute validation of the right conveyed.

File Number: C-2445 Trn Number: 422947
Form: wr-02c (Corporation) - page 2 of 2

After recording return to: T. Mike Field, 2112 Indiana, Lubbock, Texas 79410

STATE ENGINEER'S OFFICE
ROSWELL, NEW MEXICO
2009 FEB - 2 10 53 39

SPECIAL WARRANTY DEED

Date: December 23, 2008

Grantor: **The J.C. & Frances Mills Family Partnership, Ltd.**, a Texas limited partnership, acting by and through its general partner, 701 Texas, LLC, a Texas limited liability company

Grantor's Mailing Address (including county):

701 Texas Avenue, Abernathy, Hale County, Texas 79311

Grantees: (1) **Frankie Jo Mills**, Trustee of **The Jimmy Mills GST Trust**, created pursuant to the Last Will and Testament of J.C. Mills, probated in Cause No. 12744 of the County Court of Hale County, Texas; and

(2) **Frankie Jo Mills**, Trustee of **The Jimmy Mills 2005 GST Trust**, created pursuant to the Last Will and Testament of Frances Mills, probated in Cause No. 13664 of the County Court of Hale County, Texas

Grantee's Mailing Address (including county):

1505 Avenue M, Abernathy, Hale County, Texas 79311

Consideration: Distribution to limited partners in accordance with the terms of the limited partnership agreement of Grantor, and Buyer's assumption of the unpaid principal with interest from December 15, 2008, on

(1) the note in the original principal sum of \$137,000.00, dated May 24, 2004, executed by Frances Mills as General Partner of The J.C. & Frances Mills Family Partnership, Ltd., and payable to the order of Farm Credit of New Mexico, FLCA. The note is secured by a mortgage and security agreement dated May 24, 2004, from The J.C. & Frances Mills Family Partnership, Ltd., to Farm Credit of New Mexico, FLCA, recorded in Book 1306, Page 467, official public records of Lea County, New Mexico; and

(2) the note in the original principal sum of \$375,000.00, dated January 18, 1996, executed by J.C. Mills and Frances J. Mills, and payable to the order of Farm Credit Bank of Wichita. The note is secured by a mortgage and security agreement dated January 18, 1996, from J.C. Mills and Frances J. Mills, husband and wife, to Farm Credit Bank of Wichita, recorded in Book 703, Page 510, official public records of Lea County, New Mexico.

TRW* 422947

Grantee agrees to indemnify and hold Grantor from payment of the notes and from performance of Grantor's obligations specified in the instruments securing payment of the notes. Payment of the notes and performance of Grantor's obligations specified in the instruments securing payment of the notes is secured by superior title retained in this deed and by a deed of trust to secure assumption of even date from Grantee to T. Mike Field, Trustee. Grantor assigns to Grantee any casualty insurance policy on the property.

Property (including any improvements):

All of the surface estate only (which surface estate is expressly provided herein to include any caliche) of the following tracts:

- Tract 1: NW¼ of Section 26; North 1/3 of E½SW¼ of Section 26; NE¼NE¼ of Section 7; E½SW¼, SE¼SE¼ of Section 6; Lots 6 and 7 of Section 6; and W½SE¼ of Section 6; Range 31 East, Township 23 South, Eddy County, New Mexico;
- Tract 2: S½, SE¼NE¼ of Section 34; and S½ of Section 35; Range 32 East, Township 21 South, Lea County, New Mexico; and
- Tract 3: N½, SE¼ of Section 3; Lot 1, S½NE¼ of Section 4; S½SE¼ Section 5; S½NW¼ of Section 9; N½NE¼ of Section 10; and SW¼NW¼ of Section 19; Range 32 East, Township 22 South, Lea County, New Mexico.

STATE ENGINEER OFFICE
ROSWELL, NEW MEXICO
2006 FEB 22 P 5:39

Reservations from and Exceptions to Conveyance and Warranty:

THERE IS EXCEPTED FROM THIS CONVEYANCE, and this conveyance expressly made, SUBJECT TO, any prior reservations and/or conveyances by predecessors in title of royalty interests, interests in royalty, or interests in the oil, gas and other minerals in and under the Property as reflected by instruments of record in the Official Real Property Records of Eddy County, New Mexico, and Lea County, New Mexico; and
SUBJECT TO all valid and subsisting easements, encumbrances, rights-of-way, exceptions, reservations, covenants and conditions, of whatsoever nature, either of record in Eddy County, New Mexico, or Lea County, New Mexico, or visible to the eye upon inspection of the properties; all rights of adjoining owners in any walls and fences situated on a common boundary; any discrepancies, conflicts or shortages in area or boundary lines; any encroachments or overlapping of improvements; and ad valorem taxes for current year.

TRN# 422947

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells, and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's successors or assigns forever. Grantor binds Grantor and Grantor's successors to warrant and forever defend all and singular the property to Grantee and Grantee's successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to conveyance and warranty, when the claim is by, through or under Grantor but not otherwise.

Superior title to the Property is retained until each note described is fully paid according to its terms, at which time this deed will become absolute.

When the context requires, singular nouns and pronouns include the plural.

GRANTOR:

The J.C. & Frances Mills Family Partnership, Ltd., a Texas limited partnership

By: 701 Texas, LLC, a Texas limited liability company, its general partner

By: Patsy Mills Baker
Patsy Mills Baker, Member

By: Jenna Wolcott
Jenna Wolcott, Member

By: [Signature]
Kelly Mills, Member

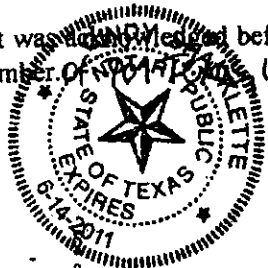
By: [Signature]
Stacey Mills, Member

STATE ENGINEER OFFICE
ROSWELL, NEW MEXICO
1 2009 FEB - 2 P 5: 39

TRN # H22947

STATE OF TEXAS §
COUNTY OF LUBBOCK §

This instrument was acknowledged before me on the 23rd day of December, 2008, by Patsy Mills Baker, Member of 101 Texas, LLC, a Texas limited liability company.

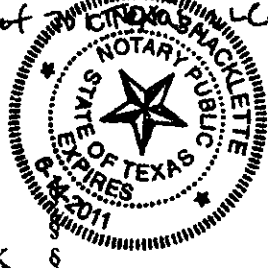


Cindy Shacklette
Notary Public, State of Texas

STATE ENGINEER OFFICE
ROSWELL, NEW MEXICO
1-2011 FEB 2 P 5:39

STATE OF TEXAS §
COUNTY OF LUBBOCK §

This instrument was acknowledged before me on the 23rd day of December, 2008, by Jenna Wolcott, Member of 101 Texas, LLC, a Texas limited liability company.



Cindy Shacklette
Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF LUBBOCK §

This instrument was acknowledged before me on the 23rd day of December, 2008, by Kelly Mills, Member of 101 Texas, LLC, a Texas limited liability company.



Cindy Shacklette
Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF LUBBOCK §

This instrument was acknowledged before me on the 23rd day of December, 2008, by Stacey Mills, Member of 101 Texas, LLC, a Texas limited liability company.



Cindy Shacklette
Notary Public, State of Texas

TRN #422947

SHORT FORM WARRANTY DEED - New Mexico Statutory Form
Approved by State Comptroller Standard Form, Oct. 6, 1947

Printed and For Sale by
Hall-Johnson, Inc., Roswell, New Mexico
Form 312

NM Ranch

WARRANTY DEED

T. T. SANDERS, JR., and his wife, IDAMAYE SANDERS

_____ , for consideration paid, grant _____ to

the following described real estate in Eddy and Lea _____ counties,
_____ , New Mexico:

Eddy County, Township 23 South, Range 31 East

NW $\frac{1}{4}$ of Section 26, North 1/3 of E $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 26,
NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 7, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 6, Lots
6 and 7 of Section 6, W $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 6.

Lea County, Township 21 South, Range 32 East

S $\frac{1}{2}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 34, S $\frac{1}{2}$ of Section 35

Township 22 South, Range 32 East *See*

N $\frac{1}{2}$, SE $\frac{1}{4}$ of Section 3, Lot 1, S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 4, S $\frac{1}{2}$ SE $\frac{1}{4}$
of Section 5, S $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 9, N $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 10,
SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 19

This conveyance is made subject to the following:

1. An existing first mortgage in favor of the Federal Land Bank of Wichita, Kansas, which grantee assumes and agrees to pay in accordance with the terms and conditions.
2. All reservations of oil, gas, and other minerals made by predecessors in title.
3. An outstanding oil and gas lease in favor of Hannagan Petroleum Company on a portion of the lands in Eddy County.

with warranty covenants.

WITNESS OUR _____ hand^S and seal^S this 28th day of
February 19 79.

T. T. Sanders, Jr. (Seal)
Idamayye Sanders (Seal)

(Seal)

STATE OF NEW MEXICO, }
County of Chaves } ss.

The foregoing instrument was acknowledged before me this 28th day of February,
19 79 by T. T. SANDERS, JR. and his wife, IDAMAYE SANDERS.

My Commission expires Feb 4, 19 81.
Michael A. Wadley
Notary Public

STATE OF NEW MEXICO, }
County of _____ } ss.

I hereby certify that this instrument was filed for
record on the _____ day of _____
_____, A. D. 19_____
at _____ o'clock _____ M., and duly recorded in
Book _____ Page _____ of _____

Records of Deeds of said County.

County Clerk
By _____, Deputy
Rec. _____ Fees, \$ _____
Return to _____

STATE ENGINEER OFFICE
ROSWELL - NEW MEXICO
2000 FEB - 2 P 5: 39

422947

Field, Manning, Stone, Hawthorne & Aycock, P.C.

T. Mike Field
Nevill Manning
Stephen J. Stone ▲
Samuel J. Hawthorne ▲▲
Robert A. (Andy) Aycock
W. J. Wade, Jr. ◆
Judson Paul (J. Paul) Manning
Anna McKim ◆
Carrissa A. Cleavinger

ATTORNEYS AT LAW

2112 Indiana Avenue, Lubbock, Texas 79410
Phone: 806-792-0810 Fax: 806-792-9148
www.lubbocklawfirm.com

Board Certified by the Texas Board of Legal Specialization in:
▲ Estate Planning & Probate Law ▲CH&B Trust Law
◆ The Law of Family Law
◆ Also Licensed in the State of New Mexico

Kimberly Miller
Dax D. Voss
Michelle N. Dodd
Vicki A. Darris
TyScott Hamme◆

Of Counsel:
Marilyn E. Phelan ◆
Bill Harriger ◆

Writer's Email
kmliller@lubbocklawfirm.com

January 7, 2009

Ms. Susan Britt
Bureau of Land Management
Carlsbad Field Office
620 East Greene St.
Carlsbad, NM 88220-6292

RE: Allotment #77032 Antelope Ridge; Authorization #3006646

Dear Susan:

Thank you for visiting with me over the last month or so in regard to a requested transfer of the above-referenced federal grazing permit. This permit is currently held in the name of The J.C. & Frances Mills Family Partnership, Ltd. As we discussed, this partnership is in process of being dissolved with the property of the partnership being distributed to its partners. As part of this dissolution, the New Mexico ranch owned by the partnership, which includes the partnership's interest in this grazing permit, is being distributed in equal shares to Frankie Jo Mills, Trustee of The Jimmy Mills GST Trust and Trustee of The Jimmy Mills 2005 GST Trust. The Jimmy Mills GST Trust was created under the terms of the Last Will and Testament of J.C. Mills, and The Jimmy Mills GST Trust was created under the terms of the Last Will and Testament of Frances Mills, both for the primary benefit of Frankie Jo Mills.

These trusts will not be the operator of the ranch, however. Frankie's sons, Kelly Mills and Stacey Mills, have formed a New Mexico corporation, Slash 46, Inc., to sublease the New Mexico ranch from these trusts. Slash 46, Inc., will own and operate the cattle operation on the ranch.

I am writing to ask you to process the necessary paperwork to assign the grazing permit to these trusts, with a subsequent sublease to Slash 46, Inc. In visiting with you, you indicated you might be able to handle this paperwork as a name change given that these "transfers" are essentially within the family.

Per your request, I have enclosed a copy of the following documents:

- Application for Probate of Will and for Letters Testamentary (with copy of the Will of J.C. Mills attached);
- Order Admitting Will (of J.C. Mills) to Probate and Authorizing Letters Testamentary;

STATE ENGINEER
ROSWELL, NEW MEXICO
2009 FEB -2 P 12

422947

Letter to Susan Britt
Letter dated January 7, 2009
Page 2

- Application for Probate of Will and for Letters Testamentary (with copy of the Will of Frances Mills attached);
- Order Admitting Will (of Frances Mills) to Probate and Authorizing Letters Testamentary;
- Grazing Lease dated December 23, 2008, between Frankie Jo Mills as Trustee of The Jimmy Mills GST Trust and as Trustee of The Jimmy Mills 2005 GST Trust, and Slash 46, Inc.

Please let me know of any additional information or documentation you may need to process my request. My telephone number is 806/792-0810. I appreciate your help in this regard.

Sincerely yours,



Kimberly Miller

Enclosures

xc: Mrs. Frankie Jo Mills
1602 Avenue J
Abernathy, Texas 79311
(w/o enclosure)

Mr. Kelly Mills
P. O. Box 246
Abernathy, Texas 79311
(w/o enclosure)

Mr. Stacey Mills
P. O. Box 1358
Loving, New Mexico 88256
(w/o enclosure)

STATE ENGINEER OFFICE
ROSWELL, NEW MEXICO
2009 FEB - 2 P 5:39

422947

OPERATOR COPY

AUTH NUMBER: 3006646
DATE PRINTED: 12/11/2006

Form 4130-2a
(February 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

STATE NM
OFFICE 520
AUTH NUMBER 3006646
PREFERENCE CODE 03
DATE PRINTED 12/11/2006
TERM 12/11/2006 TO 02/28/2017

GRAZING PERMIT

MILLS FAMILY LP, J C & FRANCIS
P.O. BOX 190
ABERNATHY TX 79311-0190

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE
620 EAST GREENE ST
CARLSBAD NM 88220-6292

THIS GRAZING PERMIT IS OFFERED TO YOU UNDER 43 CFR PART 4100 BASED ON YOUR RECOGNIZED QUALIFICATIONS. YOU ARE AUTHORIZED TO MAKE GRAZING USE OF LANDS UNDER THE JURISDICTION OF THE BUREAU OF LAND MANAGEMENT AND COVERED BY THIS PERMIT, UPON YOUR ACCEPTANCE OF THE TERMS AND CONDITIONS OF THIS PERMIT AND PAYMENT OF GRAZING FEES WHEN DUE. CONTACT YOUR LOCAL BLM OFFICE AT 505-234-5972 IF YOU HAVE QUESTIONS.

MANDATORY TERMS AND CONDITIONS

ALLOTMENT	PASTURE	LIVESTOCK NUMBER KIND	GRAZING PERIOD		% PL TYPE USE	AUMS
			BEGIN	END		
77032 ANTELOPE RIDGE		950 CATTLE	03/01	02/28	84 ACTIVE	9576

OTHER TERMS AND CONDITIONS:

GRAZING USE WILL BE IN ACCORDANCE WITH THE ALLOTMENT MANAGEMENT PLAN DATED 6-23-67 AS AMENDED 3-13-84. GRAZING USE WILL BE IN ACCORDANCE WITH THE RANGE USE ADJUSTMENT AGREEMENT DATED 10/1/93. GRAZING USE WILL BE IN ACCORDANCE WITH BILLING AGREEMENT.

SITE SPECIFIC ANALYSIS HAS BEEN COMPLETED PRIOR TO ISSUANCE OF THIS GRAZING PERMIT. GRAZING MANAGEMENT WILL BE CONSISTENT WITH THE STANDARDS OF RANGELAND HEALTH (43 CFR 4180.2) EAM NM-520-06-1415

43 CFR 4130.6-2(D) REQUIRES ACTUAL USE BE SUBMITTED BY MARCH 15 OF EVERY YEAR.

IN ACCORDANCE WITH THE PRESENT GRAZING REGULATIONS 4130.7-1(E), FAILURE TO PAY GRAZING BILLS WITHIN 15 DAYS OF THE DUE DATE OF THE BILL WILL RESULT IN A LATE FEE ASSESSMENT OF \$25.00 OR 10% OF THE GRAZING BILL, WHICHEVER IS GREATER, NOT TO EXCEED \$250.00. FAILURE TO MAKE PAYMENT WITHIN 30 DAYS WILL RESULT IN THE POSSIBILITY OF YOUR PERMIT OR LEASE BEING CANCELLED OR SUSPENDED

STATE ENGINEER OFFICE
ROSWELL, NEW MEXICO
JUN FEB - 2 P 5:39

ALLOTMENT SUMMARY (AUMS)

ALLOTMENT	ACTIVE AUMS	SUSPENDED AUMS	GRAZING PREFERENCE
77032 ANTELOPE RIDGE	9576	3660	13,236

422947

OPERATOR COPY

AUTH NUMBER: 3008646
DATE PRINTED: 12/11/2006

Standard
Terms and Conditions

1. Grazing permit or lease terms and conditions and the fees charged for grazing use are established in accordance with the provisions of the grazing regulations now or hereafter approved by the Secretary of the Interior.
2. They are subject to cancellation, in whole or in part, at any time because of:
 - a. Noncompliance by the permittee/lessee with rules and regulations.
 - b. Loss of control by the permittee/lessee of all or a part of the property upon which it is based.
 - c. A transfer of grazing preference by the permittee/lessee to another party.
 - d. A decrease in the lands administered by the Bureau of Land Management within the allotment(s) described.
 - e. Repeated willful unauthorized grazing use.
 - f. Loss of qualifications to hold a permit or lease.
3. They are subject to the terms and conditions of allotment management plans if such plans have been prepared. Allotment management plans MUST be incorporated in permits or leases when completed.
4. Those holding permits or leases MUST own or control and be responsible for the management of livestock authorized to graze.
5. The authorized officer may require counting and/or additional or special marking or tagging of the livestock authorized to graze.
6. The permittee's/lessee's grazing case file is available for public inspection as required by the Freedom of Information Act.
7. Grazing permits or leases are subject to the nondiscrimination clauses set forth in Executive Order 11246 of September 24, 1964, as amended. A copy of this order may be obtained from the authorized officer.
8. Livestock grazing use that is different from that authorized by a permit or lease MUST be applied for prior to the grazing period and MUST be filed with and approved by the authorized officer before grazing use can be made.
9. Billing notices are issued which specify fees due. Billing notices, when paid, become a part of the grazing permit or lease. Grazing use cannot be authorized during any period of delinquency in the payment of amounts due, including settlement for unauthorized use.
10. Grazing fee payments are due on the date specified on the billing notice and MUST be paid in full within 15 days of the due date, except as otherwise provided in the grazing permit or lease. If payment is not made within that time frame, a late fee (the greater of \$25 or 10 percent of the amount owed but not more than \$250) will be assessed.
11. No Member of, or Delegate to, Congress or Resident Commissioner, after his/her election or appointment, or either before or after he/she has qualified, and during his/her continuance in office, and no officer, agent, or employee of the Department of the Interior, other than members of Advisory committees appointed in accordance with the Federal Advisory Committee Act (5 U.S.C. App. 1) and Sections 309 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) shall be admitted to any share or part in a permit or lease, or derive any benefit to arise therefrom; and the provision of Section 3741 Revised Statute (41 U.S.C. 22), 18 U.S.C. Sections 431-433, and 43 CFR Part 7, enter into and form a part of a grazing permit or lease, so far as the same may be applicable.

THIS PERMIT: 1. CONVEYS NO RIGHT, TITLE OR INTEREST HELD BY THE UNITED STATES IN ANY LANDS OR RESOURCES AND 2. IS SUBJECT TO (A) MODIFICATION, SUSPENSION OR CANCELLATION AS PROVIDED BY LAND PLANS AND APPLICABLE LAW; (B) REVIEW AND MODIFICATION OF TERMS AND CONDITIONS AS APPROPRIATE; AND (C) THE TAYLOR GRAZING ACT, AS AMENDED, THE FEDERAL LAND POLICY AND MANAGEMENT ACT, AS AMENDED, THE PUBLIC RANGELANDS IMPROVEMENT ACT, AND THE RULES AND REGULATIONS NOW OR HEREAFTER PROMULGATED THEREUNDER BY THE SECRETARY OF THE INTERIOR.

ACCEPTED:
SIGNATURE OF PERMITTEE: *[Handwritten Signature]*

DATE: * 12/20/06

APPROVED
BLM AUTHORIZED OFFICER:

DATE:

STATE ENGINEER OFFICE
ROSWELL, NEW MEXICO
2006 FEB -2 P 5:39

422947

John R. D Antonio, Jr., P.E.
State Engineer



Roswell Office
1900 WEST SECOND STREET
ROSWELL, NM 88201

**STATE OF NEW MEXICO
OFFICE OF THE STATE ENGINEER**

Trn Nbr: 422947
File Nbr: C 02445

Feb. 02, 2009

STACY MILLS
THE JIMMY MILLS GST TRUST
602 AVE J
ABERNATHY, TX 79311

Greetings:

Enclosed is one original copy of a Change of Ownership of a Water Right submitted to this office for filing. This Change of Ownership is accepted for filing in accordance with Section 72-1-2.1, NMSA 1978 (1996 Supp.), effective May 15, 1996. The acceptance by the State Engineer Office does not constitute validation of the right claimed.

According to Section 72-1-2.1, NMSA 1978 (1996 Supp.), you must record this Change of Ownership with the clerk of the county in which the water is located. The filing shall be public notice of the existence and contents of the instruments so recorded.

Sincerely,

A handwritten signature in cursive script that reads "Bill Duemling".

Bill Duemling
(505) 622-6521

Enclosure

chngowrc

F C-2276



NEW MEXICO OFFICE OF THE STATE ENGINEER

CHANGE OF OWNERSHIP OF WATER RIGHT (NON-72-12-1) FOR (check one):



Important: Acceptance of the form for filing by the State Engineer does not constitute verification of the right conveyed.

<input type="checkbox"/> Individual	<input type="checkbox"/> Corporation
<input type="checkbox"/> Trustee	<input type="checkbox"/> Partnership
<input type="checkbox"/> Estate	<input checked="" type="checkbox"/> Limited Liability Co.

1. OWNER OF RECORD (Seller)

Name: Brininstool XL Ranch, LLC	Name:	2017 SEP 25 AM 4:06 STATE ENGINEER'S OFFICE ROSWELL, NEW MEXICO
Phone: <input type="checkbox"/> Home <input type="checkbox"/> Cell Phone (Work): 575-393-0505 (atty's office)	Phone: <input type="checkbox"/> Home <input checked="" type="checkbox"/> Cell Phone (Work):	
a. Owner of Record File No: C-2276	b. Sub-file No.: c. Cause No.:	

Well Tag ID No. (if applicable): _____

2. NEW OWNER (Buyer) Note: If more owners need to be listed, attach a separate sheet. Attached? Yes

Name: HUGHES PROPERTIES, LLC	Name: BRININSTOOL XL RANCH, LLC (Mortgagee)
Contact or Agent: <input type="checkbox"/> check here if Agent TREY HUGHES	Contact or Agent: <input type="checkbox"/> check here if Agent CHRISTINE BRININSTOOL
Mailing Address: PO BOX 5097	Mailing Address: 1523 BUTLER RD
City: CARLSBAD	City: SAN ANGELO
State: NM Zip Code: 88221	State: TX Zip Code: 76904
Phone: <input type="checkbox"/> Home <input type="checkbox"/> Cell Phone (Work): 575-236-6012	Phone: <input type="checkbox"/> Home <input type="checkbox"/> Cell Phone (Work):
E-mail (optional):	E-mail (optional):

Required: Submit warranty deed(s) or other instrument(s) of conveyance properly recorded with the county clerk's office.

3. PURPOSE OF USE & AMOUNT CONVEYED

Check all that apply: <input type="checkbox"/> Domestic <input type="checkbox"/> Industrial <input checked="" type="checkbox"/> Livestock <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Irrigation <input type="checkbox"/> Other Uses (specify): _____ <input type="checkbox"/> Municipal	Amount of Water (acre-feet per annum): If more details are needed, type "See Comments" in "Other" field below, and explain in Additional Statements Section. Diversion: _____ Consumptive Use: <u>64.5</u> Other (include units): _____
Owner of record has conveyed all or part of said right (please check one) <input checked="" type="checkbox"/> All <input type="checkbox"/> Part	

FOR USE INTERNAL USE		Change of Ownership, Form wr-02, Rev 6/30/17	
File No.: C-2276	Trn. No.: 614431	Well Tag ID No. (if applicable):	
Trans Desc. (optional):		Sub-Basin: CUB	Receipt No.: 2-38056

4. LIST ALL KNOWN POINT(S) OF DIVISION (POD) FOR THE WATER RIGHT CONVEYANCE

OSE POD No.	POD Coordinates: (X & Y or Lat/Long or Easting/Northing)	Section	Township	Range
C-2276	SW/4, NW/4, SE/4	19	23S	33E

Check all that apply: Well Pump Ditch Name _____ River Course _____

5. PLACE(S) OF USE (list each individually)

a. _____ Acres of Irrigated Land Described as Follows (applicable to irrigation use only):

b. Legally Described By:	c.	d.	e.	f.	g.
<input checked="" type="checkbox"/> Public Land Survey System (PLSS) <input type="checkbox"/> Hydrographic Survey Report or Map <input type="checkbox"/> Irrigation or Conservation District Map <input type="checkbox"/> Subdivision PLSS Quarters or Halves, <u>and/or</u> Name of Hydrographic Survey or District, <u>and/or</u> Name and County of Subdivision	PLSS Section <u>and/or</u> Map No. <u>and/or</u> Lot No.	PLSS Township <u>and/or</u> Tract No. (Please list each tract individually) <u>and/or</u> Block No.	PLSS Range	Acres	Priority
SW/4, NW/4, SE/4	19	23S	33E		2017 SEP 25 AM 4:06

h. Other description relating place of use to common landmarks, streets, or other:

i. Place of use is on land owned by:

j. Are there other sources of water for these lands? No Yes If yes, describe by OSE file number:

Note: If on Federal or State Land, please provide copy of lease

6. ADDITIONAL STATEMENTS OR EXPLANATIONS

FOR OSE INTERNAL USE		Change of Ownership, Form wr-02, Rev 6/30/17	
File No.: C-2276	Trn. No.: 61443	Well Tag ID No. (if applicable):	
Trans Desc. (optional):		Sub-Basin: CVB	Receipt No.:

7. CONSENT TO LAWFUL CHANGE IN PLACE AND/OR PURPOSE OF USE

(to be completed only if it is an irrigation water right and has been conveyed separate from the land to which it was appurtenant.)

(I, We) the above owner(s) of record, hereby consent to a lawful change in the place and/or purpose of use of the above-described water right:

Signature

Signature

ACKNOWLEDGEMENT FOR INDIVIDUAL

I, We (name of owner(s)),

Print Name(s)

affirm that the foregoing statements are true to the best of (my, our) knowledge and belief.

Signature

Signature

State of _____)
County of _____)
ss.

This instrument was acknowledged before me this _____ day of _____ A.D., 20 _____, by (name of owner(s)):

Notary Public:

My commission expires:

ACKNOWLEDGEMENT FOR CORPORATION

I, We (name of owner(s)), Hughes Properties, LLC

Print Name(s)

affirm that the foregoing statements are true to the best of (my, our) knowledge and belief.

Officer Signature

Officer Signature

State of New Mexico)
County of Lea)
ss.

This instrument was acknowledged before me this 21 day of September A.D., 20 17, by the following on behalf of said corporation.

Name of Officer: Trey Hughes

Title of Officer: Manager

Name of Corporation Acknowledging: Hughes Properties, LLC

State of Corporation: New Mexico



OFFICIAL SEAL
BROOKLYN D. CHESTER
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 4/4/20

Notary Public:

My commission expires:

Brooklyn D Chester

April 4, 2020

FOR OSE INTERNAL USE

Change of Ownership, Form wr-02, Rev 09/08/17

Table with 4 columns: File No., Trm. No., Well Tag ID No., Sub-Basin, Receipt No., Trans Desc. (optional)

50-
2

LEA COUNTY, NM
KEITH MANES, COUNTY CLERK
000013391
Book 2122 Page 529
1 of 2
09/22/2017 02:32 PM
BY CHERI LONG

SPECIAL WARRANTY DEED

For consideration paid, the receipt and adequacy of which is hereby acknowledged, Brininstool XL Ranch, LLC, a New Mexico limited liability company, hereby grants to HUGHES PROPERTIES, LLC, a New Mexico limited liability company, whose address is PO Box 5097, Carlsbad, New Mexico 88221, the following described real estate in Lea County, New Mexico:

SURFACE ONLY TO:

Township 23 South, Range 32 East, N.M.P.M.

Section 21: NE4NE4, SE4NE4

Township 23 South, Range 33 East, N.M.P.M.

Section 19: All
Section 20: All
Section 21: All
Section 24: All
Section 25: All
Section 26: All
Section 28: All
Section 29: E/2
Section 30: W/2

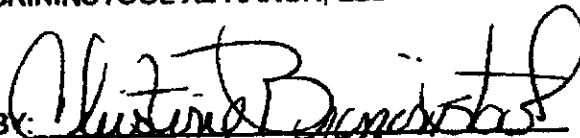
Township 25 South, Range 33 East, N.M.P.M.

- Section 20: S/2NE/4, SE/4
- Section 21: S2NW4, SW4
- Section 29: NE/4

INCLUDING all improvements thereon and all water rights appurtenant thereto.

with special warranty covenants. Subject to reservations, easements and restrictions of record.

BRININSTOOL XL RANCH, LLC

B: 
CHRISTINE BRININSTOOL, Manager

2017 SEP 25 AM 12
COUNTY CLERK'S OFFICE
CARLSBAD, NEW MEXICO

{00379370}

Tom Blaine, P.E.
State Engineer



swell Office
-- 00 WEST SECOND STREET
ROSWELL, NM 88201

**STATE OF NEW MEXICO
OFFICE OF THE STATE ENGINEER**

Trn Nbr: 614431
File Nbr: C 02276

Oct. 03, 2017

MSTAPLETON LLC
910 W PIERCE ST #138
CARLSBAD, NM 88220

RE: TREY HUGHES
HUGHES PROPERTIES LLC
PO BOX 5097
CARLSBAD, NM 88221

BRININSTOOL XL RANCH LLC
CHRISTINE BRININSTOOL, MORTGAGEE
1523 BUTLER RD
SAN ANGELO, TX 76904

Greetings:

Enclosed is one original copy of a Change of Ownership of a Water Right submitted to this office for filing. This Change of Ownership is accepted for filing in accordance with Section 72-1-2.1, NMSA 1978 (1996 Supp.), effective May 15, 1996. The acceptance by the State Engineer Office does not constitute validation of the right claimed.

According to Section 72-1-2.1, NMSA 1978 (1996 Supp.), you must record this Change of Ownership with the clerk of the county in which the water is located. The filing shall be public notice of the existence and contents of the instruments so recorded.

The Conditions of Approval of your permit require that your well(s) be metered and that meter readings be submitted to this office in writing.

A form(s) have been enclosed for your convenience for submittal of meter readings. Please make copies of this form(s) for your use. If you have any questions, please feel free to contact us.

Sincerely,

Yolanda Mendiola
(575) 622-6521

Enclosure

mtrown_req

STATE ENGINEER OFFICE
METER READING FORM



Roswell Office
1900 WEST SECOND STREET
ROSWELL, NM 88201

**STATE OF NEW MEXICO
OFFICE OF THE STATE ENGINEER**

File Nbr: C 02276
Well File Nbr: C 02276

TREY HUGHES
HUGHES PROPERTIES LLC
PO BOX 5097
CARLSBAD, NM 88221

1. WATER METER INFORMATION:

Well File Nbr: C 02276
Serial Number: 152782
Number of Dials: 6
Unit of Measure: GALS

Meter Rec Nbr: 515
Meter Make: MASTER METER
Multiplier: 10.0000

2. METER READING INFORMATION:

Meter Reading: _____

Meter Reading Date: _____

3. COMMENTS:

Submitted by: _____

Instructions:

Meter readings shall be submitted to the District at the above address on or before the 10th of January, April, July, and October of each year for the 3 preceding calendar months.

- Section 1. If meter has been replaced, complete all items in Section 1 for the new meter.
- Section 2. Please enter meter reading and the date of the reading;
- Section 3. Under comments, give any pertinent information concerning repair of meter and dates out of service, meter change out, etc.

** Please make copies of this form for submitting your meter readings.

mtrread

Hughes Properties, LLC
PO Box 5097
Carlsbad, NM 88221
Trey 575-361-3217 or Kali 575-308-8981

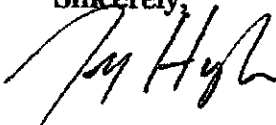
September 22, 2017

New Mexico Office of the State Engineer
1900 West Second St.
Roswell, NM 88201

To whom it may concern;

I, Trey Hughes give M.Stapleton, LLC my permission to act as my agent on the transactions for water rights on the Hughes Properties, LLC.

Sincerely,



Trey Hughes
575-361-3217

2017 SEP 23 AM 4:12

STATE ENGINEER OFFICE
ROSWELL, NEW MEXICO

F... C-2275



NEW MEXICO OFFICE OF THE STATE ENGINEER

CHANGE OF OWNERSHIP OF WATER RIGHT (NON-72-12-1) FOR (check one):



Important: Acceptance of the form for filing by the State Engineer does not constitute verification of the right conveyed.

<input type="checkbox"/> Individual	<input type="checkbox"/> Corporation
<input type="checkbox"/> Trustee	<input type="checkbox"/> Partnership
<input type="checkbox"/> Estate	<input checked="" type="checkbox"/> Limited Liability Co.

1. OWNER OF RECORD (Seller)

Name: Brininstool XL Ranch, LLC		Name:	
Phone: <input type="checkbox"/> Home <input type="checkbox"/> Cell Phone (Work): 575-393-0505 (atty's office)		Phone: <input type="checkbox"/> Home <input type="checkbox"/> Cell Phone (Work):	
a. Owner of Record File No: C-2275	b. Sub-file No.:	c. Cause No.: 2017 SEP 25 AM 4:06	

Well Tag ID No. (if applicable): _____

2. NEW OWNER (Buyer) Note: If more owners need to be listed, attach a separate sheet. Attached? Yes

Name: HUGHES PROPERTIES, LLC		Name: BRININSTOOL XL RANCH, LLC (Mortgagee)	
Contact or Agent: <input type="checkbox"/> check here if Agent TREY HUGHES		Contact or Agent: <input checked="" type="checkbox"/> check here if Agent CHRISTINE BRININSTOOL	
Mailing Address: PO BOX 5097		Mailing Address: 1523 BUTLER RD	
City: CARLSBAD		City: SAN ANGELO	
State: NM Zip Code: 88221		State: TX Zip Code: 76904	
Phone: <input type="checkbox"/> Home <input type="checkbox"/> Cell Phone (Work): 575-236-6012		Phone: <input type="checkbox"/> Home <input type="checkbox"/> Cell Phone (Work):	
E-mail (optional):		E-mail (optional):	

Required: Submit warranty deed(s) or other instrument(s) of conveyance properly recorded with the county clerk's office.

3. PURPOSE OF USE & AMOUNT CONVEYED

Check all that apply: <input type="checkbox"/> Domestic <input type="checkbox"/> Industrial <input checked="" type="checkbox"/> Livestock <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Irrigation <input type="checkbox"/> Other Uses (specify): _____ <input type="checkbox"/> Municipal	Amount of Water (acre-feet per annum): If more details are needed, type "See Comments" in "Other" field below, and explain in Additional Statements Section. Diversion: _____ Consumptive Use: <u>64.5</u> Other (include units): _____
Owner of record has conveyed all or part of said right (please check one) <input checked="" type="checkbox"/> All <input type="checkbox"/> Part	

FOR USE INTERNAL USE		Change of Ownership, Form wr-02, Rev 6/30/17	
File No.: C-2275	Trn. No.: 614427	Well Tag ID No. (if applicable):	
Trans Desc. (optional):		Sub-Basin: CVB	Receipt No.: 2-38656

4. LIST ALL KNOWN POINT(S) OF DIVISION (POD) FOR THE WATER RIGHT CONVEYANCE

OSE POD No.	POD Coordinates: (X & Y or Lat/Long or Easting/Northing)	Section	Township	Range
C-2275	SW/4 SW/4 NE/4	19	23S	33E

Check all that apply: Well Pump Ditch Name _____ River Course _____

5. PLACE(S) OF USE (list each individually)

a. _____ Acres of Irrigated Land Described as Follows (applicable to irrigation use only):

b. Legally Described By:	c. PLSS Section and/or Map No. and/or Lot No.	d. PLSS Township and/or Tract No. (Please list each tract individually) and/or Block No.	e. PLSS Range	f. Acres	g. Priority
<input checked="" type="checkbox"/> Public Land Survey System (PLSS) <input type="checkbox"/> Hydrographic Survey Report or Map <input type="checkbox"/> Irrigation or Conservation District Map <input type="checkbox"/> Subdivision PLSS Quarters or Halves, and/or Name of Hydrographic Survey or District, and/or Name and County of Subdivision					
SW/4 SW/4 NE/4	19	23S	33E		

h. Other description relating place of use to common landmarks, streets, or other: _____

i. Place of use is on land owned by: _____

j. Are there other sources of water for these lands? No Yes If yes, describe by OSE file number: _____

STATE ENGINEERING OFFICE
 ROSWELL, NEW MEXICO
 2017 SEP 25 AM 11:06

Note: If on Federal or State Land, please provide copy of lease

6. ADDITIONAL STATEMENTS OR EXPLANATIONS

Change of Ownership, Form wr-02, Rev 6/30/17

FOR OSE INTERNAL USE	File No.: C-2275	Trn. No.: 614427	Well Tag ID No. (if applicable):
Trans Desc. (optional):	Sub-Basin: CUB		Receipt No.:

7. CONSENT TO LAWFUL CHANGE IN PLACE AND/OR PURPOSE OF USE

(to be completed only if it is an irrigation water right and has been conveyed separate from the land to which it was appurtenant.)

(I, We) the above owner(s) of record, hereby consent to a lawful change in the place and/or purpose of use of the above-described water right:

Signature _____ Signature _____

ACKNOWLEDGEMENT FOR INDIVIDUAL

I, We (name of owner(s)), _____ Print Name(s)

affirm that the foregoing statements are true to the best of (my, our) knowledge and belief.

Signature _____ Signature _____

State of _____)
County of _____)
ss.

This instrument was acknowledged before me this _____ day of _____ A.D., 20 _____, by (name of owner(s)):

Notary Public: _____
My commission expires: _____

ACKNOWLEDGEMENT FOR CORPORATION

I, We (name of owner(s)), Hughes Properties, LLC Print Name(s)

affirm that the foregoing statements are true to the best of (my, our) knowledge and belief.

Officer Signature _____ Officer Signature _____

State of New Mexico)
County of Lea)
ss.

This instrument was acknowledged before me this 21 day of September A.D., 20 17, by the following on behalf of said corporation.

Name of Officer: Trey Hughes
Title of Officer: Manager
Name of Corporation Acknowledging: Hughes Properties, LLC
State of Corporation: New Mexico



OFFICIAL SEAL
BROOKLYNN D. CHESTER
NOTARY PUBLIC-STATE OF NEW MEXICO
My commission expires: 4/4/20

Notary Public: Brooklyn D. Chester
My commission expires: April 4, 2020

2017 SEP 25 11:40:06
STATE OF NEW MEXICO
ROSWELL, NEW MEXICO

FOR OSE INTERNAL USE

Change of Ownership, Form wr-02, Rev 09/08/17

Table with 3 columns: File No. (C-2275), Trm. No. (614427), Well Tag ID No. (if applicable); Trans Desc. (optional); Sub-Basin (CUB), Receipt No.

802

LEA COUNTY, NM
KEITH FAMES, COUNTY CLERK
000013391
Book 2122 Page 529
1 of 2
09/22/2017 02:32 PM
BY CHERI LONG

SPECIAL WARRANTY DEED

For consideration paid, the receipt and adequacy of which is hereby acknowledged, Brininstool XL Ranch, LLC, a New Mexico limited liability company, hereby grants to HUGHES PROPERTIES, LLC, a New Mexico limited liability company, whose address is PO Box 5097, Carlsbad, New Mexico 88221, the following described real estate in Lea County, New Mexico:

SURFACE ONLY TO:

Township 23 South, Range 32 East, N.M.P.M.

Section 21: NE4NE4, SE4NE4

Township 23 South, Range 33 East, N.M.P.M.

Section 19: All
Section 20: All
Section 21: All
Section 24: All
Section 25: All
Section 26: All
Section 28: All
Section 29: E/2
Section 30: W/2

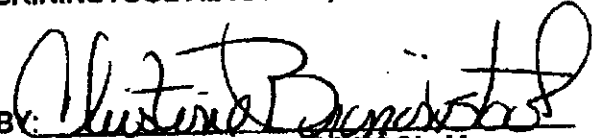
Township 25 South, Range 33 East, N.M.P.M.

- Section 20: S/2NE/4, SE/4
- Section 21: S2NW4, SW4
- Section 29: NE/4

INCLUDING all improvements thereon and all water rights appurtenant thereto.

with special warranty covenants. Subject to reservations, easements and restrictions of record.

BRININSTOOL XL RANCH, LLC

B: 
CHRISTINE BRININSTOOL, Manager

2017 SEP 25 AM 4:12
COUNTY CLERK
LEA COUNTY, NEW MEXICO

{00379370}


LEA COUNTY, NM
KEITH MANES, COUNTY CLERK
000013391
Book 2122 Page 529
2 of 2
09/22/2017 02:32 PM
BY CHERI LONG

STATE OF NEW MEXICO)
) SS.
COUNTY OF LEA)

The foregoing instrument was acknowledged before me on September 21, 2017, by CHRISTINE BRININSTOOL, Manager, on behalf of Brininstool XL Ranch, LLC, a New Mexico limited liability company.

Janice Jones

JANICE JONES, NOTARY PUBLIC

 OFFICIAL SEAL
JANICE JONES
NOTARY PUBLIC-STATE OF NEW MEXICO
My commission expires: 2-18-2018

After recording, return to:
Hughes Properties, LLC
Attn: Trey Hughes
PO Box 5097
Carlsbad, New Mexico 88221

2017 SEP 25 AM 4:12

COUNTY CLERK'S OFFICE
LEA COUNTY, NEW MEXICO

{00379370}

Tom Blaine, P.E.
State Engineer



swell Office
1900 WEST SECOND STREET
ROSWELL, NM 88201

**STATE OF NEW MEXICO
OFFICE OF THE STATE ENGINEER**

Trn Nbr: 614427
File Nbr: C 02275

Oct. 03, 2017

MSTAPLETON LLC
910 W PIERCE ST #138
CARLSBAD, NM 88220

RE: TREY HUGHES
HUGHES PROPERTIES LLC
PO BOX 5097
CARLSBAD, NM 88220

BRININSTOOL XL RANCH LLC
CHRISTINE BRININSTOLL, MORTGAGEE
1523 BUTLER RD
SAN ANGELO, TX 76904

Greetings:

Enclosed is one original copy of a Change of Ownership of a Water Right submitted to this office for filing. This Change of Ownership is accepted for filing in accordance with Section 72-1-2.1, NMSA 1978 (1996 Supp.), effective May 15, 1996. The acceptance by the State Engineer Office does not constitute validation of the right claimed.

According to Section 72-1-2.1, NMSA 1978 (1996 Supp.), you must record this Change of Ownership with the clerk of the county in which the water is located. The filing shall be public notice of the existence and contents of the instruments so recorded.

The Conditions of Approval of your permit require that your well(s) be metered and that meter readings be submitted to this office in writing.

A form(s) have been enclosed for your convenience for submittal of meter readings. Please make copies of this form(s) for your use. If you have any questions, please feel free to contact us.

Sincerely,

Yolanda Mendiola
(575) 622-6521

Enclosure

mtrown_req

STATE ENGINEER OFFICE
METER READING FORM



Roswell Office
1900 WEST SECOND STREET
ROSWELL, NM 88201

**STATE OF NEW MEXICO
OFFICE OF THE STATE ENGINEER**

File Nbr: C 02275
Well File Nbr: C 02275

TREY HUGHES
HUGHES PROPERTIES LLC
PO BOX 5097
CARLSBAD, NM 88220

1. WATER METER INFORMATION:

Well File Nbr: C 02275
Serial Number: 1527874
Number of Dials: 6
Unit of Measure: GALS

Meter Rec Nbr: 514
Meter Make: MASTER METER
Multiplier: 10.0000

2. METER READING INFORMATION:

Meter Reading: _____

Meter Reading Date: _____

3. COMMENTS:

Submitted by: _____

Instructions:

Meter readings shall be submitted to the District at the above address on or before the 10th of January, April, July, and October of each year for the 3 preceeding calendar months.

Section 1. If meter has been replaced, complete all items in Section 1 for the new meter.

Section 2. Please enter meter reading and the date of the reading;

Section 3. Under comments, give any pertinent information concerning repair of meter and dates out of service, meter change out, etc.

** Please make copies of this form for submitting your meter readings.

mtrread

Hughes Properties, LLC
PO Box 5097
Carlsbad, NM 88221
Trey 575-361-3217 or Kali 575-308-8981

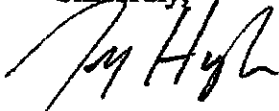
September 22, 2017

New Mexico Office of the State Engineer
1900 West Second St.
Roswell, NM 88201

To whom it may concern;

I, Trey Hughes give M.Stapleton, LLC my permission to act as my agent on the transactions for water rights on the Hughes Properties, LLC.

Sincerely,



Trey Hughes
575-361-3217

2017 SEP 25 AM 4:12

STATE ENGINEER OFFICE
CARRISBADO, NEW MEXICO

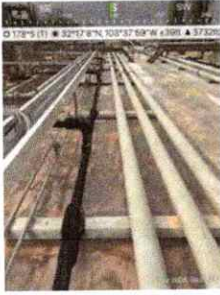
Devon Energy Production Company, LP
Sneaky Snake 24 CTB 1
nAPP2606123234 and nAPP2609130005
Closure Report



Appendix B. Photographic Log

Field Inspection Photo Log | Sneaky Snake 24 CTB 1

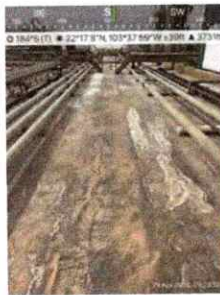
April 29, 2026



Secondary containment — west side berm top

09:23:47 178°S 32°17'8"N 103°37'59"W

Secondary containment berm top, looking south along tank battery. Multiple process pipe runs on berm surface. Salt/mineral residue and brine staining present across berm surface.



Secondary containment — berm top, south view

09:23:55 184°S 32°17'8"N 103°37'59"W

Looking south down berm top. White salt crystallization streaking down center of berm surface. Brine staining across full width of berm.



Secondary containment — berm top, pipe runs

09:24:13 167°S 32°17'8"N 103°37'59"W

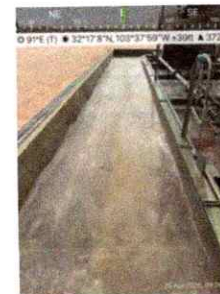
Berm top with multiple pipe runs. Widespread brine/salt residue coating across berm surface. Containment wall edge visible and intact.



Secondary containment — heavy brine residue on berm

09:24:45 159°S 32°17'8"N 103°37'59"W

Heavy salt/mineral crystallization and brine staining across both sections of berm surface. No observations of standing fluid or breach of containment wall.

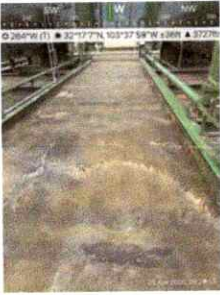


Secondary containment — east-facing berm section

09:26:07 91°E 32°17'8"N 103°37'59"W

Berm top facing east. Lighter brine residue staining compared to other sections. Containment wall edge visible and intact on left.

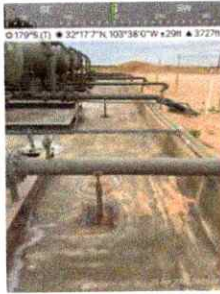
Field Inspection Photo Log | Sneaky Snake 24 CTB 1



Secondary containment — berm between tank batteries

09:26:53 264°W 32°17'7"N 103°37'59"W

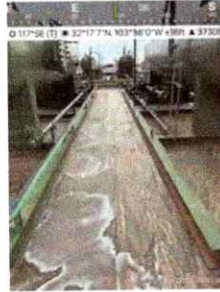
Berm between two oil storage tanks facing west. Staining and irregular salt/mineral deposits across berm surface. No breach of containment wall observed.



Secondary containment — berm surface, tank manifold area

09:28:22 179°S 32°17'7"N 103°38'0"W

Berm surface adjacent to tank manifold headers. Berm surface wet with produced water/brine. No breach of containment wall or observations of standing fluid outside berm.



Secondary containment — berm walkway, separator vessels

09:30:39 117°SE 32°17'7"N 103°38'0"W

Berm walkway between separator vessels (V104). Heavy salt/brine crystallization covering majority of berm surface. Containment wall visible and intact.



Secondary containment — berm surface with overhead pipe rack

09:30:51 106°E 32°17'7"N 103°38'0"W

Berm surface below overhead pipe rack. Moderate brine/salt residue with linear flow patterns from prior fluid migration. Containment wall intact.



Secondary containment — full berm length, east view

09:33:02 89°E 32°17'7"N 103°37'59"W

Full-length view of berm looking east. Extensive white salt crystallization and brine residue across berm surface. Containment wall intact along full observed length.

Field Inspection Photo Log | Sneaky Snake 24 CTB 1



Secondary containment — berm surface, valve manifold area

09:35:26 346°N 32°17'6"N 103°37'59"W

Berm surface in valve manifold area, looking north. Berm surface wet with produced water/brine. No observations of fluid outside containment.



Secondary containment — north-facing berm, gate valve

09:35:47 3°N 32°17'6"N 103°37'59"W

Berm surface looking north. Brine/salt staining and wet areas across berm surface. Containment wall intact. No breach observed.



Secondary containment — NW berm, wet surface

09:35:51 293°NW 32°17'6"N 103°37'59"W

Berm surface looking NW. Active wet/brine fluid presence on berm with mineral stain patterns. No breach of containment wall observed. Perimeter exterior not visible from this angle.



Exterior perimeter — underground pipe entry, north view

10:06:10 9°N 32°17'6"N 103°38'0"W

Large-diameter insulated pipe with flanged elbow transitioning to underground at berm exterior. Orange safety cap on vent/drain stub. Exterior perimeter ground dry. No staining observed at pipe penetration.

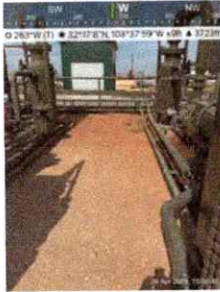


Exterior perimeter — west side, loose flange cap on ground

10:08:32 256°W 32°17'8"N 103°37'59"W

West exterior berm area near yellow-handrail access stairs. Loose blind flange/gasket component lying in sandy soil. Scrub vegetation present. Exterior perimeter ground dry. No staining observed.

Field Inspection Photo Log | Sneaky Snake 24 CTB 1

**Exterior perimeter — west side, ground between equipment skids**

10:08:42 263°W 32°17'8"N 103°37'59"W

Ground between two equipment skids on west side of facility. Green building with roll-up door in background. Loose conduit/wiring lying on ground at center of frame. Exterior perimeter ground dry. No staining observed.

**Exterior perimeter — south side, debris at berm base**

10:04:49 179°S 32°17'8"N 103°38'0"W

Exterior south side of containment berm. Pile of rusted metal hardware/fittings deposited in sandy soil adjacent to berm base. Vegetation growing along berm edge. Loose debris and cardboard on ground. Exterior perimeter ground dry. No staining observed.

**Exterior perimeter — east side, berm wall and cable tray**

10:05:22 96°E 32°17'7"N 103°38'0"W

Exterior east face of containment berm at ground level. Cable tray runs along top edge of berm wall. Brine/fluid residue visible on berm top surface from exterior vantage. Exterior perimeter ground dry. No staining observed on exterior ground.

**Exterior perimeter — south side, insulated pipe entries to underground**

10:05:29 191°S 32°17'7"N 103°38'0"W

Multiple large insulated pipes transitioning to underground at south berm perimeter. Orange safety caps on vent/drain stub points. Yellow pipeline markers and white/orange stakes in field. Exterior perimeter ground dry. No staining observed around pipe penetrations.

**Exterior perimeter — north side, insulated pipe entry with flanged elbow**

10:06:10 9°N 32°17'6"N 103°38'0"W

Large insulated pipe with flanged elbow transitioning to underground at north berm perimeter. Orange safety cap on vent/drain stub. Cable tray with conduit runs along berm edge. Exterior perimeter ground dry. No staining observed at pipe penetration.

Field Inspection Photo Log | Sneaky Snake 24 CTB 1



Exterior perimeter — east side, full berm wall length

10:06:15 83°E 32°17'6"N 103°38'0"W

Full-length exterior east face of containment berm. Berm wall on elevated support legs intact along full observed length. Access road alongside berm dry. No staining or standing fluid observed outside berm.



Exterior perimeter — west side, tank battery berm

10:06:49 281°W 32°17'6"N 103°37'59"W

Exterior west face of tank battery berm. Berm wall on support legs intact. Brine residue visible on berm top surface from exterior vantage. Exterior perimeter ground dry. No staining observed on exterior ground outside berm.



Exterior perimeter — north side, underground pipe headers

10:06:58 343°N 32°17'6"N 103°37'59"W

Row of insulated pipes (V110/302N, V108/503N, V106/203N labeled) transitioning to underground at north berm perimeter. Multiple parallel pipes angling into ground. Yellow pipeline stakes in background. Exterior perimeter ground dry. No staining observed around pipe penetrations.



Exterior perimeter — south side, pipe row at ground level

10:07:21 171°S 32°17'7"N 103°37'59"W

Ground-level view of insulated pipes entering the ground along south berm perimeter. Yellow pipeline markers visible in field beyond. Exterior perimeter ground dry. No staining observed around pipe penetrations.

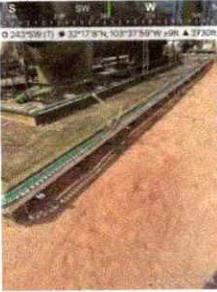


Exterior perimeter — north side, loose conduit on ground

10:07:30 359°N 32°17'7"N 103°37'59"W

North exterior berm perimeter. Loose electrical conduit/wiring lying on ground alongside berm base. Vegetation growth at berm base. Exterior perimeter ground dry. No staining observed.

Field Inspection Photo Log | Sneaky Snake 24 CTB 1



Exterior perimeter — SW side, vegetation through cable tray gap

10:07:48 243°SW 32°17'8"N 103°37'59"W

SW exterior berm edge. Vegetation growing through gap in cable tray at berm lip. Exterior perimeter ground dry. No staining observed outside berm.



Exterior perimeter — east side, berm base at ground level

10:08:22 81°E 32°17'8"N 103°37'59"W

East exterior berm perimeter at ground level. Cable tray with green conduit along berm face. Boot prints in sandy soil. Exterior perimeter ground dry. No staining or standing fluid observed outside berm.

Field Inspection Photo Log | Sneaky Snake 24 CTB 1

May 15, 2026

Weather Conditions: Overcast skies at start of inspection; rainfall occurred throughout. All wet surfaces on secondary containment berm are attributed to rainfall and are not indicative of a release.



Secondary containment — berm top, SSW view

08:35:52 209°S 32°17'8"N 103°38'0"W

Berm top looking SSW with multiple process pipe runs. Berm surface wet from rainfall during inspection. No observations of brine staining or standing fluid attributable to a release. Containment wall intact.



Secondary containment — berm top, south view

08:36:04 203°S 32°17'8"N 103°38'0"W

South view down berm top with pipe runs and pipe rack crossing. Berm surface wet from rainfall. No observations of release. Containment wall intact.



Secondary containment — berm top, NW view toward storage tanks

08:36:31 343°NW 32°17'8"N 103°38'0"W

Looking NW toward storage tanks. Multiple pipe runs on berm surface. Berm wet from rainfall. No staining or release observations. Containment wall intact.



Secondary containment — manifold area, south view

08:36:40 178°S 32°17'8"N 103°37'59"W

Wide south view of manifold area with flanged pipe headers and gate valves at berm level. Berm surface wet from rainfall. No observations of release. Containment wall intact on both sides.

Field Inspection Photo Log | Sneaky Snake 24 CTB 1



Secondary containment — berm walkway, north view
08:38:22 7°N 32°17'7"N 103°38'0"W

Berm walkway looking north beside large vessel base. Berm surface wet from rainfall. Loose black trash bag on exterior ground — housekeeping item. Containment wall intact.



Secondary containment — berm surface, separator vessel row
08:38:46 166°SE 32°17'7"N 103°38'0"W

Separator vessel row (V103/2H) with gate valve and pipe headers. Berm surface wet from rainfall. Drain/vent stub with base plate present on berm surface. Containment wall intact. Exterior desert terrain visible and dry.



Secondary containment — north view, V117/302N
09:10:57 12°N 32°17'6"N 103°38'0"W

Looking north between separator vessels (V117/302N). Berm surface wet from rainfall. No observations of release or breach. Containment wall intact.



Secondary containment — east berm, long view
09:11:05 80°E 32°17'6"N 103°38'0"W

East-facing long view of berm. Berm surface wet from rainfall. Some prior salt/brine residue from operations also visible. Exterior sandy ground dry — no staining outside berm. Containment wall intact.



Secondary containment — manifold berm, south view
09:13:51 197°S 32°17'7"N 103°38'0"W

Dense pipe manifold with headers and flanged connections. Berm surface wet from rainfall. No observations of release. Containment wall intact.

Field Inspection Photo Log | Sneaky Snake 24 CTB 1



Secondary containment — separator vessel row, SE view, V-104/4H
 09:14:05 155°SE 32°17'7"N 103°37'59"W

Separator vessel row (V-104/4H and others). Berm surface wet from rainfall. No observations of release or staining. Containment wall intact.



#39 Secondary containment — manifold berm center, north view
 09:15:10 9°N 32°17'6"N 103°38'0"W

Wide north view down manifold berm with pipe headers on both sides. Berm surface wet from rainfall. No observations of release. Containment wall intact along full observed length.



#40 Secondary containment — east berm edge, ball valve
 09:15:16 88°E 32°17'6"N 103°38'0"W

Berm edge facing east with flanged ball valve and pipe headers. Berm surface wet from rainfall. Exterior ground beyond berm wall dry. No staining outside berm. Containment wall intact.



#41 Secondary containment — NW view, V112/202H and V110/302H
 09:17:36 333°NW 32°17'6"N 103°37'59"W

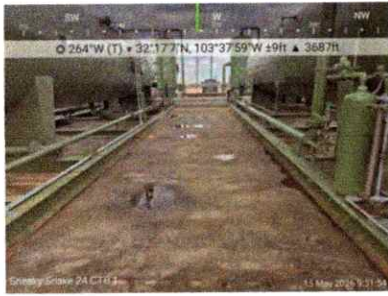
Separator vessel row (V112/202H, V110/302H). Berm surface dry in this section. No staining or fluid observed. Containment wall intact.



#42 Secondary containment — south view, separator vessel row
 09:31:34 192°S 32°17'7"N 103°37'59"W

Separator vessel row with flanged ball valve and pipe headers. Berm surface dry to slightly wet from rainfall. No staining or release observations. Containment wall intact.

Field Inspection Photo Log | Sneaky Snake 24 CTB 1



#43 Secondary containment — west view, between storage tanks

09:31:54 264°W 32°17'7"N 103°37'59"W

Looking west between two large storage tanks. Rainwater accumulation on berm surface consistent with active rainfall during inspection — not attributed to a release. Containment wall intact.



#44 Secondary containment — west berm edge, SW view

09:32:13 250°SW 32°17'8"N 103°37'59"W

West-facing view along berm edge. Rainwater on berm surface. Exterior perimeter ground dry. No staining observed outside berm. Containment wall intact.



#45 Secondary containment — south berm edge, compressor skid

09:32:19 196°S 32°17'8"N 103°37'59"W

South berm edge at compressor/motor skid. Rainwater on berm surface. Loose black conduit draped across berm wall onto exterior ground — housekeeping item to address. Containment wall intact.

Devon Energy Production Company, LP
Sneaky Snake 24 CTB 1
nAPP2606123234 and nAPP2609130005
Closure Report



Appendix C. C-141 Forms and Correspondence

4/6/26, 9:52 AM

OCD Permitting - Incidents

SIGN-IN HELP

OCD Permitting

Home Searches Incidents Incident Details

nAPP2606123234 SNEAKY SNAKE 24 CTB 1

General Incident Information

Well:
 Facility: [\[fAPP2411737594\]](#) SNEAKY SNAKE 24 CTB 1
 Operator: [\[6137\]](#) DEVON ENERGY PRODUCTION COMPANY, LP
 Status: Active
 Stage: Initial C-141 Approved, Pending submission of Site Characterization / Remediation Plan OR Remediation Closure Report from the operator
 Type: Produced Water Release **Severity:**

Incident
 Location: M-24-23S-32E 1005 FSL 1101 FWL
 Lat/Long: 32.286214,-103.634024 NAD83
 District: Hobbs **County:** Lea (25)
 Surface Owner: Federal

Severity Indicators

Resulted In Fire: **Resulted In Injury:**
 Endangered Public Health: **Will or Has Reached Watercourse:**
 Fresh Water Contamination: **Property Or Environmental Damage:**

Notes

Source of Referral: Industry Rep **Action / Escalation:**

Contact Details

Contact Name: **Contact Title:**

Event Dates

Date of Discovery: 02/27/2026 **Initial C-141 Report Due:** 3/16/2026
Remediation Closure Report Due: 05/28/2026

- Quick
- [Generi](#)
- [Materi](#)
- [Events](#)
- [Orders](#)
- [Action](#)
- Assoc
- [Facility](#)
- [Incider](#)
- New S
- [New F](#)
- [New In](#)
- [New O](#)
- [New P](#)
- [New V](#)

Incident Dates

19.15.29 NMAC - RELEASES

Type	Action	Received	Denied	Approved
Initial C-141 Report	[559324]	03/03/2026		03/03/2026
Notification	[558800]	03/02/2026		03/02/2026

19.15.30 NMAC - REMEDIATION

Type	Action	Received	Denied	Approved

Compositional Analysis of Vented and/or Flared Natural Gas

No Compositional Analysis Found

4/6/26, 9:52 AM

OCD Permitting - Incidents

SIGN-IN HELP

		Unk.	Released	Recovered	Lost	
Equipment Failure	Separator	Produced Water	<input type="checkbox"/>	20	20	0 BBL

The concentration of dissolved chloride in the produced water >10,000 mg/l: Yes No

Cause of Release OR Additional Details provided for materials released:
Pinhole leak on separator allowed fluids to lined secondary containment.

Incident Events

Date	Detail
03/03/2026	The (03/03/2026, C-141) application [559324] was accepted by OCD. The operator was emailed with details of this event.
03/03/2026	An application [559324] was submitted to OCD for review. It was submitted, indicating that it was an: [C-141] Application for administrative approval of a release notification and corrective action The operator was emailed confirmation of this event.
03/03/2026	The (03/03/2026, C-141) application [559324] was assigned to this incident.
03/02/2026	The (03/02/2026, NOR) application [558800] was assigned to this incident.
03/02/2026	New incident created by the operator, upon the submission of notification of release.
02/27/2026	Release discovered by the operator.

Incident Severity

Major release as defined by 19.15.29.7(A) NMAC?
 Yes No

Incident Corrective Actions

Initial Response

- 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 not been undertaken, explain why:

No site characterization data was found for this incident.

Remediation Plan

Have the lateral and vertical extents of contamination been fully delineated? Yes No

On what estimated date will the remediation commence?

On what date will (or did) the final sampling occur?

4/6/26, 9:52 AM

OCD Permitting - Incidents

[SIGN-IN](#) [HELP](#)

No reclamation report data was found for this incident.

No re-vegetation report data was found for this incident.

Orders

No Orders Found

New Mexico Energy, Minerals and Natural Resources Department | Copyright 2012
1200 South St. Francis Drive | Santa Fe, NM 87506 | P: (505) 476-3200 | F: (505) 476-3220
[EMNRD Home](#) [OCD Main Page](#) [OCD Rules](#) [Help](#)

Spill Volume Calculations	
Free Standing Fluid Volume	
How do you want to enter area?	Total area from app
Area from app (ft ²)	2738.00
Depth of fluid	0.50 in
Number of Tanks in Fluid Affected Area (if any):	0
Tank Diameter (if needed):	15.0 ft
Volume of Standing Fluid	20.32 bbl
Contaminated Soil Calculations	
How do you want to enter area?	Total area from app
Area from app (ft ²)	
Depth of impacted soil	in
Soil Type	Caliche
Spilled Material	Produced Water
Soil Saturation	Wet - hand is wet/muddy after handling
Volume of Spill In Soil	0.00 bbls
Total Spill Volume	20.32 bbls

Liner Integrity Inspection Report

Name of Site: Sneaky Snake 24 CTB 1 **Project #:** DEV-26-004 & DEV-26-007

Inspection Tech: Erick Gonzalez **Date of Inspection:** 4/29/2026 **Time:** 8:00 AM

Visual Inspection:

<u>Type of Secondary Containment:</u>	<u>Status:</u>	<u>Comments:</u>
Earthen <input type="checkbox"/>	Free Fluid in Secondary Containment <input type="checkbox"/>	_____
Clay <input type="checkbox"/>	Intermittant Pooling <input checked="" type="checkbox"/>	_____
Supported, Coated Fabrics and Laminates <input checked="" type="checkbox"/>	Sump has Fluid <input type="checkbox"/>	_____
Unsupported <input type="checkbox"/>	Dry <input checked="" type="checkbox"/>	_____
Geomembranes <input type="checkbox"/>	Release or leak traces inside containment <input checked="" type="checkbox"/>	_____
Steel <input checked="" type="checkbox"/>	Release or leak traces outside containment <input type="checkbox"/>	_____
Cement <input type="checkbox"/>		_____

OBSERVATIONS

<u>Environmental Damage:</u>	<u>Comments:</u>
<ul style="list-style-type: none"> •Damage from animals or vegetation compromising liner integrity <input type="checkbox"/> •Discoloration, erosion, or chemical degradation of the liner <input type="checkbox"/> •Degradation of the liner system from storm water flow or erosion of the secondary containment system <input type="checkbox"/> 	<p><u>Heavy accumulation of sand on East and West Side of Containment and West Side of Containment</u></p> <p>_____</p>

<u>Physical Damage:</u>	<u>Comments:</u>
<ul style="list-style-type: none"> •Cracks, bulges, stains, chips, seepages in the liner system <input type="checkbox"/> •Improper or deferred maintenance of the liner system <input type="checkbox"/> •Dike wall, foundation, or embankment movement, settlement, or deterioration compromising or that may compromise the integrity of the liner system <input type="checkbox"/> •Degradation of the liner system at penetrations (piping, supports, wells, foundations, pads, etc.) <input type="checkbox"/> •Damage to the liner system from equipment, vehicles, foot traffic, frost heave, etc. <input type="checkbox"/> •Evidence of foundation movement, settlement, or deterioration <input type="checkbox"/> 	<p><u>No damage to liner</u></p> <p>_____</p>

Liner Integrity Inspection Report

Name of Site: Sneaky Snake 24 CTB 1 Project #: DEV-26-004 & DEV-26-007

Inspection Tech: Jayden Corpus Date of Inspection: 5/15/2026 Time: 8:00 AM

Visual Inspection:

<u>Type of Secondary Containment:</u>	<u>Status:</u>	<u>Comments:</u>
Earthen <input type="checkbox"/>	Free Fluid in Secondary Containment <input type="checkbox"/>	
Clay <input type="checkbox"/>	Intermittant Pooling <input checked="" type="checkbox"/>	<u>Due to weather</u>
Supported, Coated Fabrics and Laminates <input checked="" type="checkbox"/>	Sump has Fluid <input type="checkbox"/>	
Unsupported Geomembranes <input type="checkbox"/>	Dry <input checked="" type="checkbox"/>	
Steel <input checked="" type="checkbox"/>	Release or leak traces inside containment <input checked="" type="checkbox"/>	
Cement <input type="checkbox"/>	Release or leak traces outside containment <input type="checkbox"/>	

OBSERVATIONS

<u>Environmental Damage:</u>	<u>Comments:</u>
•Damage from animals or vegetation compromising liner integrity <input type="checkbox"/>	_____
•Discoloration, erosion, or chemical degradation of the liner <input type="checkbox"/>	_____
•Degradation of the liner system from storm water flow or erosion of the secondary containment system <input type="checkbox"/>	_____
<u>Physical Damage:</u>	<u>Comments:</u>
•Cracks, bulges, stains, chips, seepages in the liner system <input type="checkbox"/>	_____
•Improper or deferred maintenance of the liner system <input type="checkbox"/>	_____
•Dike wall, foundation, or embankment movement, settlement, or deterioration compromising or that may compromise the integrity of the liner system <input type="checkbox"/>	_____
•Degradation of the liner system at penetrations (piping, supports, wells, foundations, pads, etc.) <input type="checkbox"/>	_____
•Damage to the liner system from equipment, vehicles, foot traffic, frost heave, etc. <input type="checkbox"/>	_____
•Evidence of foundation movement, settlement, or deterioration <input type="checkbox"/>	_____

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 591266

QUESTIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 591266
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Prerequisites	
Incident ID (n#)	nAPP2609130005
Incident Name	NAPP2609130005 SNEAKY SNAKE 24 CTB 1 @ FAPP2411737594
Incident Type	Produced Water Release
Incident Status	Remediation Closure Report Received
Incident Facility	[fAPP2411737594] SNEAKY SNAKE 24 CTB 1

Location of Release Source	
<i>Please answer all the questions in this group.</i>	
Site Name	SNEAKY SNAKE 24 CTB 1
Date Release Discovered	04/01/2026
Surface Owner	Federal

Incident Details	
<i>Please answer all the questions in this group.</i>	
Incident Type	Produced Water Release
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	No
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

Nature and Volume of Release	
<i>Material(s) released, please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission.</i>	
Crude Oil Released (bbls) Details	Not answered.
Produced Water Released (bbls) Details	Cause: Corrosion Flow Line - Production Produced Water Released: 46 BBL Recovered: 46 BBL Lost: 0 BBL.
Is the concentration of chloride in the produced water >10,000 mg/l	Yes
Condensate Released (bbls) Details	Not answered.
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Not answered.
Other Released Details	Not answered.
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	Leak on water pipe, allowed fluids to lined secondary containment.

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Energy, Minerals and Natural Resources
Oil Conservation Division
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QUESTIONS, Page 2

Action 591266

QUESTIONS (continued)

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 591266
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Nature and Volume of Release (continued)	
Is this a gas only submission (i.e. only significant Mcf values reported)	No, according to supplied volumes this does not appear to be a "gas only" report.
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	Yes
Reasons why this would be considered a submission for a notification of a major release	From paragraph A. "Major release" determine using: (1) an unauthorized release of a volume, excluding gases, of 25 barrels or more.
<i>With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e. gas only) are to be submitted on the C-129 form.</i>	

Initial Response

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

The source of the release has been stopped	True
The impacted area has been secured to protect human health and the environment	True
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True
All free liquids and recoverable materials have been removed and managed appropriately	True
If all the actions described above have not been undertaken, explain why	<i>Not answered.</i>

Per Paragraph (4) of Subsection B of 19.15.29.8 NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative of actions to date in the follow-up C-141 submission. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC), please prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.

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.

I hereby agree and sign off to the above statement	Name: James Raley Title: EHS Professional Email: jim.raley@dvn.com Date: 06/03/2026
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QUESTIONS, Page 3

Action 591266

QUESTIONS (continued)

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 591266
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Site Characterization
Please answer all the questions in this group (only required when seeking remediation plan approval and beyond). This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release in feet below ground surface (ft bgs)	Between 100 and 500 (ft.)
What method was used to determine the depth to ground water	U.S. Geological Survey
Did this release impact groundwater or surface water	No
What is the minimum distance, between the closest lateral extents of the release and the following surface areas:	
A continuously flowing watercourse or any other significant watercourse	Between 1 and 5 (mi.)
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Between 1 and 5 (mi.)
An occupied permanent residence, school, hospital, institution, or church	Greater than 5 (mi.)
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Between ½ and 1 (mi.)
Any other fresh water well or spring	Between ½ and 1 (mi.)
Incorporated municipal boundaries or a defined municipal fresh water well field	Greater than 5 (mi.)
A wetland	Between 1 and 5 (mi.)
A subsurface mine	Greater than 5 (mi.)
An (non-karst) unstable area	Greater than 5 (mi.)
Categorize the risk of this well / site being in a karst geology	Low
A 100-year floodplain	Greater than 5 (mi.)
Did the release impact areas not on an exploration, development, production, or storage site	No

Remediation Plan
Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

Requesting a remediation plan approval with this submission	Yes
<i>Attach a comprehensive report demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined, pursuant to 19.15.29.11 NMAC and 19.15.29.13 NMAC.</i>	
Have the lateral and vertical extents of contamination been fully delineated	Yes
Was this release entirely contained within a lined containment area	Yes
<i>Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.</i>	
On what estimated date will the remediation commence	05/15/2026
On what date will (or did) the final sampling or liner inspection occur	05/15/2026
On what date will (or was) the remediation complete(d)	05/15/2026
What is the estimated surface area (in square feet) that will be remediated	0
What is the estimated volume (in cubic yards) that will be remediated	0

These estimated dates and measurements are recognized to be the best guess or calculation at the time of submission and may (be) change(d) over time as more remediation efforts are completed. The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.

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QUESTIONS, Page 4

Action 591266

QUESTIONS (continued)

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 591266
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Remediation Plan (continued)	
<i>Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.</i>	
This remediation will (or is expected to) utilize the following processes to remediate / reduce contaminants:	
<i>(Select all answers below that apply.)</i>	
Is (or was) there affected material present needing to be removed	Yes
Is (or was) there a power wash of the lined containment area (to be) performed	Yes
OTHER (Non-listed remedial process)	Not answered.
<i>Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.</i>	
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.	
I hereby agree and sign off to the above statement	Name: James Raley Title: EHS Professional Email: jim.raley@dvnm.com Date: 06/03/2026
<i>The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.</i>	

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QUESTIONS, Page 6

Action 591266

QUESTIONS (continued)

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 591266
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Liner Inspection Information	
Last liner inspection notification (C-141L) recorded	584555
Liner inspection date pursuant to Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC	05/15/2026
Was all the impacted materials removed from the liner	Yes
What was the liner inspection surface area in square feet	17516

Remediation Closure Request	
<i>Only answer the questions in this group if seeking remediation closure for this release because all remediation steps have been completed.</i>	
Requesting a remediation closure approval with this submission	Yes
Have the lateral and vertical extents of contamination been fully delineated	Yes
Was this release entirely contained within a lined containment area	Yes
What was the total surface area (in square feet) remediated	0
What was the total volume (cubic yards) remediated	0
Summarize any additional remediation activities not included by answers (above)	Liner Inspected

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 (in .pdf format) 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.

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.

I hereby agree and sign off to the above statement	Name: James Raley Title: EHS Professional Email: jim.raley@dmv.com Date: 06/03/2026
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CONDITIONS

Action 591266

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 591266
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

CONDITIONS

Created By	Condition	Condition Date
rhamlet	We have received your Remediation Closure Report for Incident #nAPP2609130005 SNEAKY SNAKE 24 CTB 1, thank you. This Remediation Closure Report is approved.	6/3/2026