District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Santa Fe, NM 87505

OCT 31 2014

RECEIVED

Form C-141 Revised August 8, 2011

NMOGIDMANGORAND appropriate District Office in accordance with 19.15.29 NMAC. Oil Conservation Division 1220 South St. Francis Dr.

Release Notification and Corrective Action OPERATOR Final Report Name of Company Hunt Cimarron Limited Partnership [77] Contact Richard C. Gilliland Address P.O. Box 1592, Roswell, NM 88202 Telephone No. (575) 623-9799 Facility Name Anchor Deep Unit Water Transfer Line Facility Type Exploration and Production API No. 30-005-00433 Mineral Owner Federal Surface Owner Federal - BLM LOCATION OF RELEASE Feet from the North/South Line Feet from the East/West Line County Unit Letter Section Township Range 29-E Chaves. Latitude 3.134287 Longitude -104.03436 **NATURE OF RELEASE** Volume of Release 80 Bbls (est) Volume Recovered None Type of Release Produced Water Source of Release 3" Poly Pipe Water transfer line Date and Hour of Discovery 4PM 10/22 Date and Hour of Occurrence Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☒ No ☐ Not Required 10/23 notified BLM and Grazing Lessee By Whom? Date and Hour If YES, Volume Impacting the Watercourse. Was a Watercourse Reached? ☐ Yes ⊠ No If a Watercourse was Impacted, Describe Fully.* N/A Describe Cause of Problem and Remedial Action Taken.* Failure in 3" poly-pipe water transfer line. Water transfer was immediately shut in and affected section of transfer line was repaired/replaced. Describe Area Affected and Cleanup Action Taken.* Sandy dune area approximately 2,500 sq. ft. All water soaked into sand. Will be remediated as per requirements of NMOCD and BLM. I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability. should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

* Attach Additional Sheets If Necessary

E-mail Address: richard.gilliland@huntcompanies.com

Kacha

Printed Name: Richard C. Gilliland

Signature:

Title: Vice President

Date: 10/27/2014

Phone: 623-979 Remediation per O.C.D. Rules & Guidelines SUBMIT REMEDIATION PROPOSAL NO LATER THAN: 13

Signed By

Approved by Environmental Specialis

Approval Date:

Conditions of Approval:

OIL CONSERVATION DIVISION

Expiration Date:

Attached

7RP-2519

Bratcher, Mike, EMNRD

From: Richard Gilliland <Richard.Gilliland@HuntCompanies.com>

Sent: Friday, October 31, 2014 9:39 AM

To: Bratcher, Mike, EMNRD

Cc: Albert W. Collar (acollar@blm.gov); Janet Royal

Subject: RE: Hunt Cimarron produced water release

Attachments: C-141 sw release.10-2014.pdf

Mike,

Please find attached a clean copy of the C-141 previously submitted to the District 1 office in error.

Again, please accept my apologies for the erroneous submission and the resulting delay. I thank you for your patience. Let me know if there is anything further you need at this time.

Thank you, Richard



CIMARRON, LP

Richard C. Gilliland | Vice President | Natural Resource Investments

Phone: 575.623.9799 X301 | Cell: 575.420.6264

P.O. Box 1592 | Roswell, NM | 88202

Hunt Companies | richard.gilliland@huntcompanies.com

www.huntcompanies.com

DEVELOP. INVEST. MANAGE.

From: Bratcher, Mike, EMNRD [mailto:mike.bratcher@state.nm.us]

Sent: Friday, October 31, 2014 7:50 AM

To: Richard Gilliland

Subject: RE: Hunt Cimarron produced water release

Good morning Richard,

Could you send a "clean" copy of this C-141 to the Artesia office. If you can email it to me, that would be great.

Thanks and sorry for the inconvenience.

Mike Bratcher NMOCD District 2 811 S. First Street Artesia, NM 88210 O: 575-748-1283 X108 C: 575-626-0857

F: 575-748-9720

From: Richard Gilliland [mailto:Richard.Gilliland@HuntCompanies.com]

Sent: Thursday, October 30, 2014 4:23 PM

To: Bratcher, Mike, EMNRD; Collar, Albert; Oberding, Tomas, EMNRD

Subject: RE: Hunt Cimarron produced water release

Hello Mr. Bratcher,

My apologies on the error. Please find attached a copy of the C-141 that was previously sent to the Hobbs office. Mr.

Oberding has uploaded this to the NMOCD website.

Please let me know if you require anything else at this time.

Thank you, Richard



Richard C. Gilliland | Vice President | Natural Resource Investments

Phone: 575.623.9799 X301 | Cell: 575.420.6264

P.O. Box 1592 | Roswell, NM | 88202

Hunt Companies | richard.gilliland@huntcompanies.com

www.huntcompanies.com

DEVELOP. INVEST. MANAGE.

From: Bratcher, Mike, EMNRD [mailto:mike.bratcher@state.nm.us]

Sent: Thursday, October 30, 2014 4:06 PM

To: Collar, Albert; Richard Gilliland; Oberding, Tomas, EMNRD

Subject: RE: Hunt Cimarron produced water release

Mr. Gilliland,

NMOCD will require a Form C-141 be submitted to the District 2 – Artesia office. Your Anchor Deep Unit 1 & 2 wells are in District 2, while the remainder wells are in District 1 – Hobbs.

Thank you,

Mike Bratcher NMOCD District 2 811 S. First Street Artesia, NM 88210 O: 575-748-1283 X108 C: 575-626-0857

F: 575-748-9720

From: Collar, Albert [mailto:acollar@blm.gov]
Sent: Thursday, October 30, 2014 3:40 PM

To: richard.gilliland@huntcompanies.com; Oberding, Tomas, EMNRD; Bratcher, Mike, EMNRD

Subject: Hunt Cimarron produced water release

Good Afternoon.

Briefly.....

A release of produced water occurred on Wednesday, October 22 from a flow line in section 4, T14S, R29E.

The water transfer was immediately shut-in and the flowline was promptly repaired.

About 75-80 bbls was released. The impacted area is about 50' x 40'.

Hand samples were taken to start determination of lateral and vertical extent.

Since the release area is within sand dune lizard and lesser prairie chicken habitat, no further actions have been authorized.

A BLM biologist and realty specialist are going to the visit the site on Friday, October 31.

The response actions required from Hunt Cimarron for further assessment and cleanup will be based on the BLM habitat assessment, which we will probably have completed early next week.

Please email me if you have comments or concerns

Thanks

Αl

Al Collar geologist 575-627-0270 (work) 575-420-0645 (cell)

A: Please consider the environment before printing this e-mail

This e-mail, including all information contained therein and any attachments, is intended solely for the person or entity to which it is addressed and may contain confidential and/or privileged material. If you are not an intended recipient, or an agent responsible for delivering it to an intended recipient, you have received this email in error. In such event, please immediately (i) notify the sender by reply email, (ii) do not review, copy, save, forward or print this email or any of its attachments, and (iii) delete and/or destroy this email and its attachments and all copies thereof. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, any e-mail sent in error, including all information contained therein and any attachments, by persons or entities other than the intended recipient is prohibited. Please visit our website at www.huntcompanies.com for important information about our privacy policies. For your protection, please do not transmit account information or instructions by e-mail or include account numbers, Social Security numbers, credit card numbers, passwords or other personal information.