

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

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

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-141

Revised August 8, 2011

JAN 06 2015

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

RECEIVED

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

| | |
|---|---|
| Name of Company: BOPCO, L.P. | Contact: Tony Savoie |
| Address: 522 W. Mermod, Suite 704 Carlsbad, N.M. 88220 | Telephone No. 575-887-7329 |
| Facility Name: PLU-430H The release point was 2,984 ft. southwest of the well pad. The well is in section 14 the spill was in section 22 (2RP-2466) | Facility Type: Exploration and Production |

| | | |
|------------------------|------------------------|----------------------|
| Surface Owner: Federal | Mineral Owner: Federal | API No. 30-015-42374 |
|------------------------|------------------------|----------------------|

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|---------------|-----------------|--------------|---------------|------------------|---------------|----------------|----------------|
| Unit Letter H | Section 22 | Township 24S | Range 30E | Feet from the | North/South Line | Feet from the | East/West Line | County Eddy |
|------------------|---------------|-----------------|--------------|---------------|------------------|---------------|----------------|----------------|

Latitude N 32.20524 Longitude W 103.86047

NATURE OF RELEASE

| | | |
|--|--|---|
| Type of Release: Produced water | Volume of Release: 400 bbls | Volume Recovered: None |
| Source of Release: 8" lay flat frac hose | Date and Hour of Occurrence 8/20/14 between 3:30 a.m. and 5:30 a.m. | Date and Hour of Discovery 8/20/14 at about 6:13 a.m. |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Mike Bratcher NMOCD and Jim Amos BLM | |
| By Whom? Tony Savoie | Date and Hour: 8/20/14 at 7:07 a.m. | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | |

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

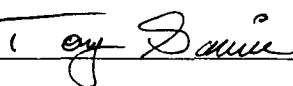
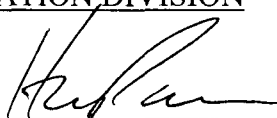

Produced water was being transferred from a BOPCO SWD line to a frac at the PLU-430H well. The Victaulic clamp that holds the lay-flat hose together failed due to a combination of loosened bolts on the clamp and a possible spike in pressure at or near the time of the clamp failure. The transfer pumps were shut down and the hose was pinched off to stop the water flow. The clamp was replaced along with a new section of hose.

Describe Area Affected and Cleanup Action Taken.*

The spill impacted approximately 1200 sq.ft. of caliche road and approximately 38,000 sq.ft. of pasture. Basin Env. Collected soil samples from several points along the flow path to determine the horizontal extent. The hand auger used in the sampling event could not penetrate the caliche that ranged from 6" to 18" in depth.

The spill was cleaned up in accordance to the NMOCD and BLM remediation guidelines. Please reference the attached Site Closure Request Dated December 2014 prepared by Basin Environmental.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

| | | | |
|--|---------------------|---|-----------------------------------|
| Signature:  | | OIL CONSERVATION DIVISION | |
| Printed Name: Tony Savoie | | Approved by Environmental Specialist:  | |
| Title: Waste Management and Remediation Specialist | | Approval Date: 1/13/15 | Expiration Date: NA |
| E-mail Address: tasavoie@basspet.com | | Conditions of Approval:  | Attached <input type="checkbox"/> |
| Date: 1/6/15 | Phone: 432-556-8730 | | |

* Attach Additional Sheets If Necessary

2RP-2466