

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company : LRE Operating, LLC	Contact : Mike Barrett	
Address : 1111 Bagby Street Suite 4600, Houston, TX 77002	Telephone No. : 575-623-8424	
Facility Name : Karlsbad Corral Central Battery	Facility Type: tank battery	
Surface Owner : State	Mineral Owner: State	Lease No. : API #30-015-33324 2RP-1310

LOCATION OF RELEASE

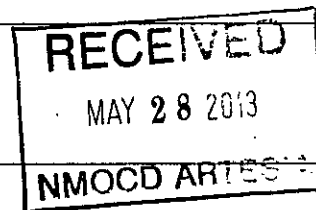
Unit Letter O	Section 2	Township 25S	Range 29E	Feet from the 330'	North/South Line FSL	Feet from the 1980'	East/West Line FEL	County Eddy Eddy
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Latitude 32.15289 N Longitude -103.95308 W

NATURE OF RELEASE

Type of Release : Produced Water	Volume of Release : 92 bbls	Volume Recovered: 70 bbl
Source of Release : Broken Nipple on Triplex	Date and Hour of Occurrence: 9/4/12 am	Date and Hour of Discovery: 9/4/12 11:30 am
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher	
By Whom? Mike Barrett	Date and Hour : 9/5/12 @ 11:00 am	
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.*

A 0.25-inch nipple cracked on triplex pump.
Used Hydro Vac to recovered heavily impacted surface soil.

Describe Area Affected and Cleanup Action Taken.*

Talon/LPE was contacted for the correction of the release. The impacted area was excavated to a depth of 2-4 feet deep in the battery. Analytical testing was completed and the impacted soils were transported to Lea Land, LLC a NMOCD approved solid waste disposal facility. A 20 Mil. liner was installed into the tank battery. The excavated areas were backfilled to grade with new material transported to location.
See Remediation and Closure Report dated May 22, 2013.

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: Michael Barrett	Approved by District Supervisor:	
Title: Production Supervisor	Approval Date: <u>1/12/16</u>	Expiration Date: <u>N/A</u>
E-mail Address: mbarrett@limerockresources.com	Conditions of Approval: <u>Final</u>	Attached <input type="checkbox"/>
Date: 5/22/2013 Phone: 575-623-8424		

* Attach Additional Sheets If Necessary

2RP-1310