-015-26407 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

State of New Mexico Energy Minerals and Natural Resources

Form C-141

Revised August 8, 2011

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

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

1220 S. St. Francis Dr., Santa Fe, NM 87505 **Release Notification and Corrective Action OPERATOR** Initial Report Final Report Name of Company Devon Energy Production Company **Contact** Wesley Ryan, Production Foreman Address 6488 Seven Rivers Hwy Artesia, NM 88210 **Telephone No.** 575-390-5436 Facility Name Laguna Salado South 1 Facility Type Gas **Mineral Owner State API No** 30-015-26407 **Surface Owner State** LOCATION OF RELEASE Feet from the North/South Line Feet from the East/West Line County Unit Letter Township Section Range 1980 2030 F 22 23S 29E North West Eddy Latitude: 32.2922554 Longitude: -103.9748001 NATURE OF RELEASE Type of Release Volume of Release Volume Recovered Produced Water 21bbls 10bbls Source of Release Date and Hour of Occurrence **Date and Hour of Discovery** Transfer line January 26, 2017 @ 6:00PM January 26, 2017 @ 6:00PM If YES, To Whom? Was Immediate Notice Given? Shelly Tucker, BLM Mike Bratcher, OCD By Whom? Date and Hour Wesley Ryan, Production Foreman Shelly Tucker, BLM January 27, 2017 @1:14 PM Mike Bratcher, OCD January 27, 2017 @ 9:25 AM Was a Watercourse Reached? If YES, Volume Impacting the Watercourse ☐ Yes ⊠ No N/A If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* Water transfer line between the Laguna Salado South 1 and the Remuda Basin SWD 1 was struck by a rancher's backhoe. The transfer pumps were immediately shut down and the pipeline was isolated on both ends. Describe Area Affected and Cleanup Action Taken.* Approximately 21bbls produced water was released due to the line strike. The release traveled in a West direction along the lease road in approximately a 4'to 24' wide by 1135' long area, it also traveled down a sandy two track road in a Southwest direction in an approximately a 12' wide by 107' long area. A vacuum truck was called and recovered approximately 10bbls. Environmental agency will be contacted for remediation. 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. OIL CONSERVATION DIVISION Signature: Sheila Fisher Printed Name: Sheila Fisher Approved by Environmental Specialist: Title: Field Admin Support Approval Date: **Expiration Date:** E-mail Address: Sheila.fisher@dvn.com Conditions of Approval: Attached

Date: 1/31/17

Phone: 575.748.1829

^{*} Attach Additional Sheets If Necessary