

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

nAB1629541723

OPERATOR

Initial Report Final Report

| | |
|---|-----------------------------|
| Name of Company: Lime Rock Resources | Contact: Michael Barrett |
| Address: P.O. Box 2147, Roswell, NM 88202 | Telephone No.: 505.353.2644 |
| Facility Name: Hawk 8 No. 46 | Facility Type: Gas Line |

| | | |
|--------------------|---------------------|-----------|
| Surface Owner: BLM | Mineral Owner State | Lease No. |
|--------------------|---------------------|-----------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| | 5 | 18S | 27E | | | | | Eddy |

Latitude 32.77049 Longitude -104.30511

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release: mixed fluids | Volume of Release: 20 BBLs | Volume Recovered 0 |
| Source of Release: gas line | Date and Hour of Occurrence 10/14/16 | Date and Hour of Discovery 10/14/16 4pm |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? | |
| By Whom? | Date and Hour | |
| Was a Watercourse Reached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | If YES, Volume Impacting the Watercourse. 20 BBL | |

If a Watercourse was Impacted, Describe Fully.*

A dry water course, ravine/draw leading to the Pecos River was impacted. However no fluids reached the river.

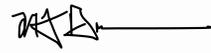
Describe Cause of Problem and Remedial Action Taken.*

The line was immediately shut in. Talon/LPE was contracted to perform site assessment and sampling activities within the draw. BLM was consulted prior to any dirt work in the area to insure cultural resources were adequately protected.

Describe Area Affected and Cleanup Action Taken.*

The affected area was the draw only. Fluids migrated several hundred feet but did not reach the river. Oil absorbent booms were placed down gradient to contain the movement of oil in the event of rainfall. After receiving analytical data from the soil sampling event a sump was constructed within the draw at the end of the flow path. The draw was then flushed with 6 loads of water containing biodegradable surfactants followed by 6 load of freshwater. On November 16, 2016 personnel from NMOCD, Talon/LPE, and Lime Rock conducted a site inspection. It was determined that the draw should be flushed again and that the soil at sample location S-3 should be resampled after the second flush and analyzed for TPH. November 22, 2016 the draw was flushed again with 2 loads of water containing biodegradable surfactants and 4 loads of freshwater. On November 30, 2016 S-3 was sampled and analyzed for TPH per NMOCD stipulations.

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 Superintendent | Approval Date: 12/13/16 | Expiration Date: N/A |
| E-mail Address: mbarrett@limerockresources.com | Conditions of Approval: Like approval BLM | |
| Date: 12/6/2016 Phone: 505.353.2644 | Final | Attached <input type="checkbox"/> |