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 Department

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-141 Revised August 24, 2018 Submit to appropriate OCD District office

| Incident ID | NMAP1825553144 | |
|----------------|----------------|--|
| District RP | 2RP-4968 | |
| Facility ID | N/A | |
| Application ID | pMAP1825552716 | |

Release Notification

| Responsible Party | | | | | | |
|--|--------------|--|---|--------------------------|---|--|
| Responsible Party XTO Energy | | | | OGRID ₅₃ | 80 | |
| | | | | | elephone 432-221-7331 | |
| | | | | Incident # | (assigned by OCD) | |
| Contact mail | ling address | 522 W. Mermod, | Carlsbad, NM 882 | 220 | | |
| Contact mailing address 522 W. Mermod, Carlsbad, NM 88220 Location of Release Source | | | | | | |
| 32.3 | 27534 | | Location | | -103.94429 | |
| Latitude 32.2 | 27334 | | (NAD 83 in day | Longitude _ | | |
| G!: NT | | | (IVII) OS III dece | | . , | |
| Site Name Re | muda North | 25 State 122H | | | Production well | |
| Date Release Discovered 8/28/2018 | | | | API# (if app | licable) 30-015-44307 | |
| Unit Letter | Section | Township | Range | Coun | ty | |
| L | 25 | 23S | 29E | Eddy | | |
| | | | | | | |
| Surface Owne | r: X State | Federal Tr | ibal 🗌 Private (A | Name: New Mexico |) | |
| Nature and Volume of Release | | | | | | |
| | Materia | d(s) Released (Select al | I that apply and attach | calculations or specific | justification for the volumes provided below) | |
| Crude Oil Volume Released (bbls) | | Januarion V. Special | Volume Recovered (bbls) | | | |
| Produced | Water | Volume Release | d (bbls) | | Volume Recovered (bbls) | |
| | | Is the concentration of total dissolved solids (TDS) in the produced water >10,000 mg/l? | | | ☐ Yes ☐ No | |
| Condensate | | Volume Released (bbls) | | | Volume Recovered (bbls) | |
| ☐ Natural Gas Volume Released | | d (Mcf) | | Volume Recovered (Mcf) | | |
| ▼ Other (describe) Volume/Weight Released (provide un | | units) | Volume/Weight Recovered (provide units) | | | |
| 10% HCl fluid 20 bbls | | | 19 bbls | | | |
| Cause of Rel | ease | *** | | | | |
| Acid mixture was released due to a faulty internal acid tank liner. The leaked fluid escaped into lined containment surrounding the acid tank. One barrel of fluid then escaped the lined containment to the well pad through a hole in the containment. The fluid remaining within the compromised tank and containment was recovered. The tank and containment were both replaced. An environmental contractor will be retained to assist with remediation efforts when well work at the location is complete. | | | | | | |

State of New Mexico Oil Conservation Division

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| release as defined by 19.15.29.7(A) NMAC? | N/A | isible party consider this a major release? | | | | |
|--|---|---|--|--|--|--|
| ☐ Yes ☒ No | | | | | | |
| | | | | | | |
| If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? N/A | | | | | | |
| Initial Response | | | | | | |
| The responsible p | The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury | | | | | |
| ★ The source of the release has been stopped. | | | | | | |
| ▼ The impacted area ha | s been secured to protect human health and | the environment. | | | | |
| ■ Released materials ha | ve been contained via the use of berms or d | ikes, absorbent pads, or other containment devices. | | | | |
| ✓ All free liquids and recoverable materials have been removed and managed appropriately. | | | | | | |
| If all the actions described above have <u>not</u> been undertaken, explain why: | | | | | | |
| | | emediation immediately after discovery of a release. If remediation | | | | |
| | | efforts have been successfully completed or if the release occurred lease attach all information needed for closure evaluation. | | | | |
| I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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. | | | | | | |
| Printed Name: Kyle Littre | ell | Title: SH&E Coordinator | | | | |
| Signature: | Filme () | Date: 9-12-18 | | | | |
| email: Kyle Littrell@xto | energy.com | Telephone: 432-221-7331 | | | | |
| OCD Only Received by: | Muco | Date:09/12/18 | | | | |