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

Energy Minerals and Natural Resources Department

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

 ${\it State\ of\ New\ Mexico}\ \ {\it NM\ Oil\ Conservation\ Div}.$

Form C-141 Revised August 24, 2018

Dist. II - Artesia Received mit to appropriate OCD District office

11/9/2018

Incident ID	NAB1831937668
District RP	2RP-5048
Facility ID	
Application ID	pAB1831934412

Release Notification

Responsible Party

			Resp	onsibic i a	ity		
Responsible Party Hadaway Consulting & Engineering				OGRII	OGRID 371985		
Contact Name Alan Hadaway				Contac	Contact Telephone 806-323-9836		
Contact email hadaway@hadeng.com			Incide	Incident # (assigned by OCD) NAB1831937668			
Contact mailing address PO Box 188, Canadian, TX 79014							
			Location	of Release	Source		
Latitude 33.45105 Longitude -104.01894 (NAD 83 in decimal degrees to 5 decimal places)							
Site Name JP White #4 (660' FNL & 1980' FEL of sec 18)			8) Site Ty	pe Abandoneo	I well P&A in 1948		
Date Release Discovered November 8 2018				API# (if applicable) 30-005-00411			
Unit Letter	Section	Township	Range	C	ounty]	
В	18	10S	29E	(Chaves		
Surface Owner: State XXFederal Tribal X Private (Name: LE Ranch - DK Boyd							
Nature and Volume of Release							
Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)							
Crude Oil		Volume Release	d (bbls)		Volume Reco	vered (bbls)	
Produced Water Volume Released (bbls)				Volume Reco	Volume Recovered (bbls)		
Is the concentration of dissolved chloride produced water >10,000 mg/l?		hloride in the	☐ Yes ☐ N	Го			
Condensate Volume Released (bbls)			Volume Reco	vered (bbls)			
☐ Natural G	Natural Gas Volume Released (Mcf)				Volume Reco	vered (Mcf)	
X Other (describe) Volume/Weight Released (provide units) Unknown, have been advised as of 2			e units) as of 2 pm	Volume/Weig 100 bbl water	tht Recovered (provide units) trucked from emergency containment		

Cause of Release

water from P&A wellbore

The Muirfield #2H (SHL 50' FSL & 1270' FEL of same section 18) is a 1 mile lateral from south to north w/ a lateral toe bottom hole location approximately 1320 FEL and 100' FNL of section 18. The well was frac stimulated and after stimulation a leak from the offset well described above was discovered on 11/8/2018. The offset well was drilled to a TD of 2875' in 1948 with only 15' of 10 3/4" conductor in the hole. The well was then P&A with one 10 sx cement plug at 2400', and one 5 sx cement plug at the surface.

to disposal

11/9/2018 leak has stopped flowing.

State of New Mexico Oil Conservation Division

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Was this a major release as defined by 19.15.29.7(A) NMAC?	If YES, for what reason(s) does the respon	sible party consider this a major release?				
X Yes No	Greater than 25 bbl.					
If YES, was immediate no	otice given to the OCD? By whom? To wh	om? When and by what means (phone, email, etc)?				
Immediate notice to Ray Podany @ OCD by John Maxey via telecon 11/8/2018. A follow up call to Mike Bratcher by John Maxey took place on 11/9/2018. Follow up email to Mike Bratcher and Maria Pruitt on 11/9/2018.						
	Initial Re	esponse				
The responsible p	party must undertake the following actions immediately	unless they could create a safety hazard that would result in injury				
X The source of the rele	ase has been stopped.					
X The impacted area has	s been secured to protect human health and	the environment.				
X Released materials ha	we been contained via the use of berms or d	ikes, absorbent pads, or other containment devices.				
X All free liquids and re	ecoverable materials have been removed and	managed appropriately.				
Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please 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:Jo	ohn C Maxey	Title: Pet Engr				
Signature:	CMary	Date: 11/9/2018				
	axeyengineering.com	Telephone: 575-623-0438				
OCD Only Received by:	Intamente	Date:				