

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

Form C-141
Revised August 24, 2018
Submit to appropriate OCD District office

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

| | |
|----------------|----------------|
| Incident ID | NAPP2110553681 |
| District RP | |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

| | |
|---|--------------------------------|
| Responsible Party CHISHOLM ENERGY OPERATING, LLC | OGRID 372137 |
| Contact Name TIM GREEN | Contact Telephone 432-413-9747 |
| Contact email tgreen@chisholmenergy.com | Incident # (assigned by OCD) |
| Contact mailing address 801 CHERRY STREET, SUITE 1200-UNIT 20, FORT WORTH, TX 76102 | |

Location of Release Source

Latitude 32.0201029 Longitude -104.292598
(NAD 83 in decimal degrees to 5 decimal places)

| | |
|-------------------------------------|------------------------|
| Site Name COTTONWOOD 28-33 EAST PAD | Site Type PAD LOCATION |
| Date Release Discovered 04/08/2021 | API# (if applicable) |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|--------|
| P | 21 | 26S | 26E | EDDY |

Surface Owner: State Federal Tribal Private (Name: _____)

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

| | | |
|--|--|---|
| <input type="checkbox"/> Crude Oil | Volume Released (bbls) | Volume Recovered (bbls) |
| <input checked="" type="checkbox"/> Produced Water | Volume Released (bbls) 21 | Volume Recovered (bbls) 0 |
| | Is the concentration of dissolved chloride in the produced water >10,000 mg/l? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Condensate | Volume Released (bbls) | Volume Recovered (bbls) |
| <input type="checkbox"/> Natural Gas | Volume Released (Mcf) | Volume Recovered (Mcf) |
| <input type="checkbox"/> Other (describe) | Volume/Weight Released (provide units) | Volume/Weight Recovered (provide units) |

Cause of Release

LEAK HAPPENED OVERNIGHT; SPILL WAS DISCOVERED NEXT MORNING

50' x 170' x 0.5" = 355 cuft @ 30% porosity = 21 bbls

| | |
|----------------|----------------|
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| | |
|---|--|
| Was this a major release as defined by 19.15.29.7(A) NMAC? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, for what reason(s) does the responsible party consider this a major release? AMOUNT SPILLED WAS LESS THAN 25 BBLS |
| If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? | |

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

| |
|--|
| <input checked="" type="checkbox"/> The source of the release has been stopped. <input checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input checked="" type="checkbox"/> 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: |
| 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: <u>JENNIFER ELROD</u> Title: <u>SR. REGULATORY ANALYST</u> Signature: <u><i>Jennifer Elrod</i></u> Date: <u>04/15/2021</u> email: <u>jelrod@chisholmenergy.com</u> Telephone: <u>817-953-3728</u> |
| <u>OCD Only</u> Received by: <u>Ramona Marcus</u> Date: <u>5/7/2021</u> |

District I
 1625 N. French Dr., Hobbs, NM 88240
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District III
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District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 24232

CONDITIONS OF APPROVAL

| | | | | | | | | | |
|-----------|--------------------------------|-------------------|---------------------|--------|--------|----------------|-------|--------------|-------|
| Operator: | CHISHOLM ENERGY OPERATING, LLC | 801 Cherry Street | Fort Worth, TX76102 | OGRID: | 372137 | Action Number: | 24232 | Action Type: | C-141 |
|-----------|--------------------------------|-------------------|---------------------|--------|--------|----------------|-------|--------------|-------|

| | |
|--------------|---|
| OCD Reviewer | Condition |
| marcus | The submitted C-141 is accepted with the following condition(s): The lateral and longitudinal information does not match the ULSTR regarding the release location. Please correct the conflicting information and report back to OCD. The lat/long. information provided on C-141 is producing the following ULSTR: A-28-26S-26E. |