

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720
District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720
District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170
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

QUESTIONS

Action 216864

QUESTIONS

Operator: FAE II Operating LLC 11757 Katy Freeway, Suite 725 Houston, TX 77079	OGRID: 329326
	Action Number: 216864
	Action Type: [NOTIFY] Notification Of Release (NOR)

QUESTIONS

Location of Release Source	
<i>Please answer all the questions in this group.</i>	
Site Name	Federal F #003
Date Release Discovered	04/20/2023
Surface Owner	Federal

Incident Details	
<i>Please answer all the questions in this group.</i>	
Incident Type	Release Other
Did this release result in a fire or is the result of a fire	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	No
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

Nature and Volume of Release	
<i>Material(s) released, please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission.</i>	
Crude Oil Released (bbls) Details	Cause: Equipment Failure Flow Line - Production Crude Oil Released: 3 BBL Recovered: 0 BBL Lost: 3 BBL.
Produced Water Released (bbls) Details	Cause: Equipment Failure Flow Line - Production Produced Water Released: 2 BBL Recovered: 0 BBL Lost: 2 BBL.
Is the concentration of dissolved chloride in the produced water >10,000 mg/l	No
Condensate Released (bbls) Details	Not answered.
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Not answered.
Other Released Details	Not answered.
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	Historical release prior to obtaining operatorship of wellbore. We will be removing 25 x 35 dry hydrocarbon release, removing chem bucket, and 20 x 10 release at production line near lease road.

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QUESTIONS, Page 2

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QUESTIONS (continued)

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QUESTIONS

Nature and Volume of Release (continued)	
Is this a gas only submission (i.e. only significant Mcf values reported)	More volume information must be supplied to determine if this will be treated as a "gas only" report.
Was this a major release as defined by 19.15.29.7(A) NMAC	No, minor release.
Reasons why this would be considered a submission for a notification of a major release	
If YES, was immediate notice given to the OCD, by whom	<i>Not answered.</i>
If YES, was immediate notice given to the OCD, to whom	<i>Not answered.</i>
If YES, was immediate notice given to the OCD, when	<i>Not answered.</i>
If YES, was immediate notice given to the OCD, by what means (phone, email, etc.)	<i>Not answered.</i>
<i>With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e. gas only) are to be submitted on the C-129 form.</i>	

Initial Response	
<i>The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury.</i>	
The source of the release has been stopped	True
The impacted area has been secured to protect human health and the environment	True
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	False
All free liquids and recoverable materials have been removed and managed appropriately	False
If all the actions described above have not been undertaken, explain why	We are currently working to schedule the clean-up of this surface location. This was a historical release that occurred prior to FAE II assuming operatorship.
<i>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 prepare and attach a narrative of actions to date in the follow-up C-141 submission. 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 prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.</i>	

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ACKNOWLEDGMENTS

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ACKNOWLEDGMENTS

<input checked="" type="checkbox"/>	I acknowledge that I am authorized to submit notification of a releases on behalf of my operator.
<input checked="" type="checkbox"/>	I acknowledge that upon submitting this application, I will be creating a new incident file (assigned to my operator) to track the notification(s) and corrective action(s) for a release, pursuant to NMAC 19.15.29.
<input checked="" type="checkbox"/>	I acknowledge that creating a new incident file will require my operator to file subsequent submission(s) of form "C-141, Application for administrative approval of a release notification and corrective action", pursuant to NMAC 19.15.29.
<input checked="" type="checkbox"/>	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.
<input checked="" type="checkbox"/>	I acknowledge the fact that 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.
<input checked="" type="checkbox"/>	I acknowledge the fact that, 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.

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CONDITIONS

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CONDITIONS

Created By	Condition	Condition Date
alexbolanos	When submitting future reports regarding this release, please submit the calculations used or specific justification for the volumes reported on the initial C-141.	5/15/2023