

Jennifer Rampone

From: Randy Stephan
Sent: Monday, January 26, 2026 10:43 AM
To: Jennifer Rampone; Stewart Park
Cc: Garrett Egger; Mikey Pham
Subject: Spill at the Mexico J&L
Attachments: IMG_20260125_165617.heic; IMG_20260125_165624.heic; IMG_20260125_165630.heic; IMG_20260125_165635.heic

Mexico J&L Battery Spill Report

- Event Started approximately at 21:00 on Saturday night on the 23rd of January.
- Spill discovered at 16:30 Sunday afternoon on the 24th of January.
- Spill ended at 16:40. Lease operator shut production in.
- Spill composition: Produced Water.
- Spill Volume Est.: 500-600 BBLS
- Source: Mexico J&L Battery Water Tank
- Cause: Frozen transfer pump caused a high level in the water tank.
- Lease operators were not notified due to a stuck/ frozen float. No Night Lease Operator was available.

- At 16:45 we called for two vac trucks to remove the standing water in the containment. The trucks removed approximately 500 barrels. The lease operator was able to get the spare transfer pump running but the flow line remains frozen today. Production remains down until we can reestablish flow out there.

Randy Stephan
Dollarhide Gas plant Foreman

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Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

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

QUESTIONS

Action 548017

QUESTIONS

Operator: SCOUT ENERGY MANAGEMENT LLC 13800 Montfort Road Dallas, TX 75240	OGRID: 330949
	Action Number: 548017
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

QUESTIONS

Prerequisites	
Incident ID (n#)	nAPP2602637894
Incident Name	NAPP2602637894 MEXICO J&L TANK BATTERY @ FOY1829648635
Incident Type	Produced Water Release
Incident Status	Initial C-141 Received
Incident Facility	[FOY1829648635] MEXICO J&L TANK BATTERY # 9

Location of Release Source

Please answer all the questions in this group.

Site Name	Mexico J&L Tank Battery
Date Release Discovered	01/25/2026
Surface Owner	State

Incident Details

Please answer all the questions in this group.

Incident Type	Produced Water Release
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	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

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.

Crude Oil Released (bbls) Details	<i>Not answered.</i>
Produced Water Released (bbls) Details	<i>Cause: Freeze Water Tank Produced Water Released: 500 BBL Recovered: 500 BBL Lost: 0 BBL.</i>
Is the concentration of chloride in the produced water >10,000 mg/l	<i>No</i>
Condensate Released (bbls) Details	<i>Not answered.</i>
Natural Gas Vented (Mcf) Details	<i>Not answered.</i>
Natural Gas Flared (Mcf) Details	<i>Not answered.</i>
Other Released Details	<i>Not answered.</i>
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	<i>Not answered.</i>

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QUESTIONS (continued)

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Nature and Volume of Release (continued)	
Is this a gas only submission (i.e. only significant Mcf values reported)	No, according to supplied volumes this does not appear to be a "gas only" report.
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	Yes
Reasons why this would be considered a submission for a notification of a major release	From paragraph A. "Major release" determine using: (1) an unauthorized release of a volume, excluding gases, of 25 barrels or more.

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.

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	True
All free liquids and recoverable materials have been removed and managed appropriately	True
If all the actions described above have not been undertaken, explain why	<i>Not answered.</i>

Per Paragraph (4) of Subsection B of 19.15.29.8 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 Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC), please prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.

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.

I hereby agree and sign off to the above statement	Name: Jennifer Rampone Title: HSE Coordinator Email: jennifer.rampone@scoutep.com Date: 01/29/2026
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QUESTIONS (continued)

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QUESTIONS

Site Characterization	
<i>Please answer all the questions in this group (only required when seeking remediation plan approval and beyond). This information must be provided to the appropriate district office no later than 90 days after the release discovery date.</i>	
What is the shallowest depth to groundwater beneath the area affected by the release in feet below ground surface (ft bgs)	Not answered.
What method was used to determine the depth to ground water	Not answered.
Did this release impact groundwater or surface water	Not answered.
What is the minimum distance, between the closest lateral extents of the release and the following surface areas:	
A continuously flowing watercourse or any other significant watercourse	Not answered.
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Not answered.
An occupied permanent residence, school, hospital, institution, or church	Not answered.
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Not answered.
Any other fresh water well or spring	Not answered.
Incorporated municipal boundaries or a defined municipal fresh water well field	Not answered.
A wetland	Not answered.
A subsurface mine	Not answered.
An (non-karst) unstable area	Not answered.
Categorize the risk of this well / site being in a karst geology	Not answered.
A 100-year floodplain	Not answered.
Did the release impact areas not on an exploration, development, production, or storage site	Not answered.

Remediation Plan	
<i>Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.</i>	
Requesting a remediation plan approval with this submission	No
<i>The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.</i>	

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CONDITIONS

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CONDITIONS

Created By	Condition	Condition Date
nvelez	None	1/30/2026