

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

HOBBS OCD

Form C-141
Revised August 8, 2011

Submit to appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

| | | |
|---|------------------------------------|-----------------------------|
| Name of Company Devon Energy | Contact Kenny Kidd | |
| Address PO Box 250 Artesia, NM 88211 | Telephone No. 575- 513-8545 | |
| Facility Name Morton Solid State Unit #4 | Facility Type Oil | |
| Surface Owner State | Mineral Owner | API No. 30-025-35228 |

LOCATION OF RELEASE

| | | | | | | | | |
|-------------------------|---------------------|------------------------|---------------------|-----------------------------|----------------------------------|------------------------------|-------------------------------|----------------------|
| Unit Letter C | Section 4 | Township 15S | Range 34E | Feet from the 660 | North/South Line NORTH | Feet from the 1980 | East/West Line WEST | County LEA |
|-------------------------|---------------------|------------------------|---------------------|-----------------------------|----------------------------------|------------------------------|-------------------------------|----------------------|

Latitude: ___ Longitude: ___

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release Produced Water | Volume of Release 36bbls | Volume Recovered 20bbls |
| Source of Release Fiberglass tank struck by lightning | Date and Hour of Occurrence 5/24/14 | Date and Hour of Discovery 5/24/14 8:45 am |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Kenny Kidd-Foreman/ Ruben Garcia-Assistant Foreman/ Scott Poe-EHS/Jerry Mathews-Superintendent/Hobbs OCD-Voicemail/BLM-Voicemail | |
| By Whom? Jeff Ables | Date and Hour 5/24/14 8:45 am | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | |

If a Watercourse was Impacted, Describe Fully.*

Depth to g420 ~50'-75'

Describe Cause of Problem and Remedial Action Taken.*

Fiberglass tank was struck by lightning causing 36 barrels of produced water to be released within the burm facility. A vacuum truck was immediately called to location and 20 bbls of produced water was recovered from the burned area. The burm was breached with a flow path to the south of the burm. The facility was shut in for repairs.

Describe Area Affected and Cleanup Action Taken.*

The area affected was within the burm approximately 20 feet wide by 80 feet long and to the south of the burm. Talon LPE was contacted to perform the site assessment and soil sampling activities.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD 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.

| | | |
|--|---|-----------------------------------|
| Signature: <i>Shammy Ingram</i> | OIL CONSERVATION DIVISION | |
| Printed Name: Shammy Ingram | Approved by Environmental Specialist: | |
| Title: Field Admin Support | Approval Date: 5-27-2014 | Expiration Date: 7-28-2015 |
| E-mail Address: Shammy.Ingram@dm.com | Conditions of Approval: <i>Site Samples required. Determine Remediate the</i> | Attached <input type="checkbox"/> |
| Date: May 27, 2014 Phone: 575-748-0174 | <i>area as per NMOC reg. Submit final C-141 by 7-28-2014.</i> | |

* Attach Additional Sheets If Necessary

MAY 27 2014