

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

Form C-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

OCT 24 2014

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☒ Final Report

| | |
|---|----------------------------|
| Name of Company Cimax Energy | Contact Christine Alderman |
| Address 600 N Marienfeld Ste 600 Midland TX | Telephone No. 432-853-7059 |
| Facility Name Tres Equis 5 State #1 Battery | Facility Type Production |

| | | |
|---------------|---------------|----------------------|
| Surface Owner | Mineral Owner | API No. 30-025-40532 |
|---------------|---------------|----------------------|

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| D | 05 | 24S | 33E | 330 | N | 660 | W | Lea |

Latitude 32.25309 Longitude -103.60069

NATURE OF RELEASE

| | | |
|--|---|---|
| Type of Release oil | Volume of Release 16 bbls | Volume Recovered 13 bbls |
| Source of Release tank ran over | Date and Hour of Occurrence 10/23/14 | Date and Hour of Discovery 10/23/14 4:00 pm |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? | |
| By Whom? Christine Alderman | Date and Hour 10/24/14 | |
| 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.*

Describe Cause of Problem and Remedial Action Taken.*

Transfer pump failed causing tanks to overfill and run over

Describe Area Affected and Cleanup Action Taken.*

All fluids were contained within a lined berm so no soil was impacted.

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: | | OIL CONSERVATION DIVISION | |
| Printed Name: Christine Alderman | | Approved by Environmental Specialist: | |
| Title: ESH Supervisor | Approval Date: 10-24-14 | Expiration Date: — | |
| E-mail Address: calderman@cimaxex.com | Conditions of Approval: | Attached <input type="checkbox"/> | |
| Date: 10/24/14 Phone: 432-853-7059 | — | IRP-3394 | |

* Attach Additional Sheets If Necessary

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OCT 27 2014