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

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-141 Revised August 24, 2018 Submit to appropriate OCD District office

Incident ID	NRM2002447363
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

PP3GA5-191210-C-1410

Responsible Party Salt Creek Midstream, LLC	OGRID 373554
Contact Name Mike Poffinbarger	Contact Telephone (832) 998-1113
Contact email michael.poffinbarger@armenergy.com	Incident # (assigned by OCD)
Contact mailing address 20320 State Hwy 249 4th Floor, He	ouston, TX 77070

Location of Release Source

Longitude ____103.943759

Latitude	32.004861

Site Name	Nailed It, Lateral Pipeline (station 252+00)	Site Type Pipeline ROW, under construction
Date Release	Discovered December 6 2019	API# (if applicable)

(NAD 83 in decimal degrees to 5 decimal places)

Unit Letter	Section	Township	Range	County	
			-		
Surface Owne	r: X State	Federal T	ina Pivate (1	vome. Sate of New Mexico	ed

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)				
Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)		
Produced Water	Volume Released (bbls) <2500	Volume Recovered (bbls) 0		
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	X Yes No		
Condensate	Volume Released (bbls)	Volume Recovered (bbls)		
Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)		
Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)		
Cause of Palaasa	·			

Cause of Release

At approximately 4:30pm on Friday, December 6th, 2019, while engaged in the construction of Salt Creek Midstream's Nailed it Lateral gas pipeline, Lonestar Pipeline Contractors (a contractor of SCM, LLC.), ruptured a buried produced water line operated by Mewbourne Oil. The backhoe operator struck the visible water line with the tip of the hammer ram while hammering rock around the marked line with the spotters watching. Location Station#252+71. Water was subsequently diverted into SCM's pipeline ditch to contain the spread of the spill.

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orm C-141 age 2	State of New Mexico Oil Conservation Division	Incident ID District RP Facility ID Application ID	NRM2002447363
Was this a major release as defined by 19.15.29.7(A) NMAC? X Yes No	If YES, for what reason(s) does the responsible party	y consider this a major release?	
If YES, was immediate no	otice given to the OCD? By whom? To whom? Whe Initial Response		mail, etc)?
The responsible [party must undertake the following actions immediately unless they	could create a safety hazard that would	d result in injury

 \checkmark The source of the release has been stopped.

 \checkmark The impacted area has been secured to protect human health and the environment.

Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.

X All free liquids and recoverable materials have been removed and managed appropriately.

If all the actions described above have not been undertaken, explain why:

Not Accepted

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: Matthew Veltri

Signature: Matthew T. Veltri

email: mvelt4201@yahoo.com

Title: Environmental Inspector

Date: 12/7/2019

n _____ Telephone: 724-914-1229

OCD Only

Received by: <u>rlm</u>

Date: 1/24/2020

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Site Assessment/Characterization

This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release?	<u>120</u> (ft bgs)
Did this release impact groundwater or surface water?	Yes V No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	\Box Yes X No
Are the lateral extents of the release within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)?	🗌 Yes 🗹 No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	🗌 Yes 🗹 No
Are the lateral extents of the release within 500 horizontal feet of a spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes?	🗌 Yes 🗹 No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	🗌 Yes 🗌 No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	🗌 Yes 🗌 No
Are the lateral extents of the release within 300 feet of a wetland?	🗌 Yes 🗹 No
Are the lateral extents of the release within 300 feet of a wetland? DICC	🗌 Yes 🗌 No
Are the lateral extents of the release overlying an unstable area such as karst geology?	🗌 Yes 🗌 No
Are the lateral extents of the release within a 100-year floodplain?	🗌 Yes 🗹 No
Did the release impact areas not on an exploration, development, production, or storage site?	🗌 Yes 🗹 No

Attach a comprehensive report (electronic submittals in .pdf format are preferred) demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined. Refer to 19.15.29.11 NMAC for specifics.

Characterization Rep	ort Checklist:	Each of the	following items	s must be included	in the report

Scaled site map showing impacted area, surface features, subsurface features, delineation points,

- Field data
- Data table of soil contaminant concentration data
- Depth to water determination
- Determination of water sources and significant watercourses within ½-mile of the lateral extents of the release
- Boring or excavation logs
- Photographs including date and GIS information
- Topographic/Aerial maps
- Laboratory data including chain of custody

If the site characterization report does not include completed efforts at remediation of the release, the report must include a proposed remediation plan. That plan must include the estimated volume of material to be remediated, the proposed remediation technique, proposed sampling plan and methods, anticipated timelines for beginning and completing the remediation. The closure criteria for a release are contained in Table 1 of 19.15.29.12 NMAC, however, use of the table is modified by site- and release-specific parameters.

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Form C-141 Page 4		ate of New Mexico Conservation Division		Incident ID District RP Facility ID Application ID	NRM2002447363
regulations all operators as public health or the enviro failed to adequately invest	hew T. Veltri	ease notifications is by the OCD does ose a threat to grou erator of responsib Title: Date:	and perform co not relieve the ndwater, surfac ility for compli	rrective actions for rel- operator of liability sh be water, human health iance with any other fe ental Inspector	eases which may endanger nould their operations have n or the environment. In
OCD Only Received by: <u>rlm</u>			Date: <u>01/24</u>	1/2020	

Not Accepted

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<u>Remediation Plan Checklist</u>: Each of the following items must be included in the plan.

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Remediation Plan

 Detailed description of proposed remediation technique Scaled sitemap with GPS coordinates showing delineation points Estimated volume of material to be remediated Closure criteria is to Table 1 specifications subject to 19.15.29.12(C)(4) NMAC Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is required) 				
Deferral Requests Only: Each of the following items must be confirmed as part of any request for deferral of remediation.				
Contamination must be in areas immediately under or around production equipment where remediation could cause a major facility deconstruction.				
Extents of contamination must be fully delineated.				
Contamination does not cause an imminent risk to human health, the environment, or groundwater.				
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.				
Signature:				
email:	Date: Telephone:			
OCD Only				
Received by:	Date:			
Approved Approved with Attached Conditions of	Approval Denied Deferral Approved			
Signature:	Date:			

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Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: Each of the following items must be included in the closure report.

A scaled site and sampling diagram as described in 19.15.29.11 NMAC

Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)

Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)

Description of remediation activities

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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

Printed Name:	Title:			
Signature:	Date:			
email:	Telephone:			
OCD Only				
OCD Only				
Received by:	Date:			
Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.				
Closure Approved by:	Date:			
Printed Name:	Title:			