

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 | NRM2009745985 |
| District RP | |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

| | |
|---|---------------------------------|
| Responsible Party: Cimarex Energy Co. of Colorado | OGRID: 162683 |
| Contact Name: Laci Luig | Contact Telephone: 432.571.7800 |
| Contact email: llui@cmarex.com | Incident # (assigned by OCD) |
| Contact mailing address: 600 N Marienfeld Street, Ste. 600 Midland, TX 79701 | |

Location of Release Source

Latitude 32.091425 Longitude -104.273896
(NAD 83 in decimal degrees to 5 decimal places)

| | |
|------------------------------------|-----------------------------------|
| Site Name: Hayduke 34 Federal 1H | Site Type: Battery |
| Date Release Discovered: 3/26/2020 | API# (if applicable) 30-015-36601 |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|--------|
| A | 34 | 25S | 26E | Eddy |

Surface Owner: ☐ State ☒ Federal ☐ Tribal ☐ Private (Name: _____)

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

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|--|--|--|
| <input type="checkbox"/> Crude Oil | Volume Released (bbls) | Volume Recovered (bbls) |
| <input checked="" type="checkbox"/> Produced Water | Volume Released (bbls) 32 bbls | Volume Recovered (bbls) 30 bbls |
| | Is the concentration of dissolved chloride in the produced water >10,000 mg/l? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Condensate | Volume Released (bbls) | Volume Recovered (bbls) |
| <input type="checkbox"/> Natural Gas | Volume Released (Mcf) | Volume Recovered (Mcf) |
| <input type="checkbox"/> Other (describe) | Volume/Weight Released (provide units) | Volume/Weight Recovered (provide units) |

Cause of Release

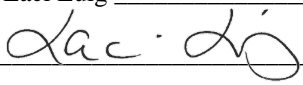
The 2" ball valve right before the water transfer pump washed out from the inside due to corrosion, spilling 32 bbls of produced water in the gravel lined containment. We recovered 30 barrels of produced water and the valve has been replaced. We will remove gravel to inspect the liner, make sure the liner is intact and request an inspection from the NMOCD and BLM before replacing the gravel.

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| | |
|--|---|
| Was this a major release as defined by 19.15.29.7(A) NMAC? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | If YES, for what reason(s) does the responsible party consider this a major release? The amount of the release is over 25 barrels. |
| If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? By: Gloria Garza Emailed: Mike Bratcher, Robert Hamlet, Victoria Venegas, NM CFO Spill and Jim Griswold | |

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

| | |
|--|---------------------------------|
| <input checked="" type="checkbox"/> The source of the release has been stopped. <input checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input checked="" type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately. | |
| If all the actions described above have <u>not</u> been undertaken, explain why: | |
| 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: Laci Luig _____ | Title: Engineer Tech _____ |
| Signature:  _____ | Date: 4/2/2020 _____ |
| email: lluigcimarex.com _____ | Telephone: (432) 571-7810 _____ |
| <u>OCD Only</u> | |
| Received by: <u>Ramona Marcus</u> _____ | Date: <u>4/6/2020</u> _____ |