

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

Received 12/15/2016
NMOCD Dist 2

Form C-141
Revised August 8, 2011

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

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

Release Notification and Corrective Action

nAB1616035683 OPERATOR Initial Report Final Report (OCD Event 2RP-3718)

Name of Company J. Cleo Thompson	Contact Amador Pando, Production Foreman	
Address 117 West Yukon, Odessa, TX 79764	Telephone No. (432) 664-2578	
Facility Name West Square Lake Unit (WSLU) Tract 003 Well #9	Facility Type Production	
Surface Owner Federal	Mineral Owner	API No. 3001503967

LOCATION OF RELEASE

WSLU 2

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	33	16S	30E	1980	FSL	660	FEL	Eddy

Latitude 32.87723° N Longitude -103.97278° W

NATURE OF RELEASE

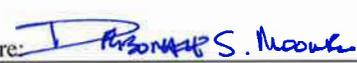
Type of Release Well Fluids (from three wells going to satellite battery)	Volume of Release Est. 5-10 bbl	Volume Recovered 0 bbl
Source of Release Hole in flowline	Date and Hour of Occurrence Just prior to discovery	Date and Hour of Discovery May 26, 2016 (hour unknown)
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Unknown. BLM Natural Resource Specialist made initial release notification. The Specialist also notified Amador Pando, Production Foreman with J. Cleo Thompson.	
By Whom? BLM Natural Resource Specialist made initial release notification.	Date and Hour May 26, 2016 (hour unknown)	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. n/a	

If a Watercourse was Impacted, Describe Fully.*
The release did not impact a watercourse.

Describe Cause of Problem and Remedial Action Taken.* **The release was caused by a hole in a flowline that was discovered by the BLM's Natural Resource Specialist ("Specialist") on Thursday, May 26, 2016. The Specialist notified J. Cleo Thompson ("J. Cleo") of the release. On May 27, 2016, the BLM and J. Cleo performed a joint release evaluation at the site. Sport Environmental Services, LLC (environmental consultant) performed initial remedial efforts at the release site on Monday, May 30, 2016. The BLM Programmatic Agreement (PA) and payment into the Permian Basin Cultural Resource Mitigation Fund was made to comply with the archeology study requirements for the potential soils disturbance area. The release source was remedied as outlined within the West Square Lake Unit (WSLU) Tract 003 Well #9 Flowline Release Final Report (Final Report) dated November 29, 2016.**

Describe Area Affected and Cleanup Action Taken.* **The affected area is remote in location. The flowline was moving well fluids from three wells to a satellite battery to be ultimately transferred to the consolidated battery location. A hole in flowline resulted in an estimated well fluids loss of 5-10 bbl. Remedial efforts performed were in accordance with the NMOCD/BLM approved Remediation Work Plan Proposal. Please refer to the Final Report for a complete description of remedial and cleanup actions performed. In general, all impacted soils with concentrations of analyzed constituents above acceptable levels were excavated and disposed of off-site at an approved disposal facility. In addition, delineation of chlorides to the 250 ppm level was performed as requested by the OCD.**

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: Deborah S. Moore, Agent for J. Cleo Thompson	Approved by Environmental Specialist: 	
Title: President of Sport Environmental Services, LLC	Approval Date: 9/28/17	Expiration Date: N/A
E-mail Address: debi@sportenv.com	Conditions of Approval: Like approval BLM	Attached <input type="checkbox"/>
Date: November 29, 2016 Phone: (432) 683-1100	FINAL	

* Attach Additional Sheets If Necessary

2RP-3718