

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 NM Oil Conservation Div.
Energy Minerals and Natural Dist. II - Artesia
Resources Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised August 24, 2018
Received Submit to appropriate OCD District office
10/05/2018

Incident ID	NAB1828351925
District RP	2RP-5000
Facility ID	
Application ID	pAB1828356319

Release Notification

Responsible Party

Responsible Party Vanguard Operating, LLC	OGRID 258350
Contact Name Jason Fisher	Contact Telephone 505-918-0523
Contact email jfisher@vnrenergy.com	Incident # (assigned by OCD) NAB1828351925
Contact mailing address 4001 Penbrook Suite 201 Odessa, TX 79762	

Location of Release Source

Latitude 32.785996

Longitude -104.190366

(NAD 83 in decimal degrees to 5 decimal places)

Site Name Kersey State Battery	Site Type Tank Battery
Date Release Discovered 9-25-2018	API# Please see attached (30-015-30888)

Unit Letter	Section	Township	Range	County
P	32	17S	28E	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)

<input type="checkbox"/> Crude Oil	Volume Released (bbls)	Volume Recovered (bbls) 0
Produced Water	Volume Released (bbls)	Volume Recovered (bbls)
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	Yes <input type="checkbox"/> No
<input type="checkbox"/> Condensate	Volume Released (bbls)	Volume Recovered (bbls)
<input checked="" type="checkbox"/> Natural Gas	Volume Released (Mcf) 2213	Volume Recovered (Mcf) 0
<input type="checkbox"/> Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

The gas purchaser requested a reduction in gas due to equipment issues in their plant. The site was put to flare and back to sales on 1—01-2018.

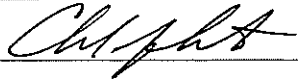

State of New Mexico
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Was this a major release as defined by 19.15.29.7(A) NMAC? X Yes <input type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release? Greater than 500 mcf.
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Yes by Chuck Johnston to Mike Bratcher, Marie Pruett, Jim Griswold and Amalia Bustamante by email 9-28-2018 1:08 pm.	

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 type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input 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: <u>Chuck Johnston</u>	Title: <u>EHS Operations Specialist</u>
Signature: <u></u>	Date: <u>10-4-2018</u>
email: <u>cjohnston@vnrenergy.com</u>	Telephone: <u>432-202-4771</u>
<u>OCD Only</u>	
Received by: <u></u>	Date: <u>10/10/2018</u>

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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: Chuck Johnston Title: EHS Specialist

Signature:  Date: 10-4-2018

email: cjohnston@vnrenergy.com Telephone: 432-202-4771

OCD Only

Received by:  Date: 10/10/2018

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: 10/10/2018

Printed Name: Amalia Bustamante Title: Business Operations Spec. - O

<u><i>API</i></u>	<u><i>Well Name</i></u>	<u><i>Well Number</i></u>
30-015-30888	KERSEY STATE	#001
30-015-30889	KERSEY STATE	#002
30-015-35562	KERSEY STATE	#003
30-015-37692	KERSEY STATE	#004
30-015-37693	KERSEY STATE	#005
30-015-41165	KERSEY STATE	#006
30-015-42162	KERSEY STATE	#007
30-015-42163	KERSEY STATE	#008