

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

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.

Release Notification and Corrective Action

**DAB1518141553**

|   |  |  |                                       |
|---|--|--|---------------------------------------|
| <b>OPERATOR</b>                             |  | <input checked="" type="checkbox"/> Initial Report | <input type="checkbox"/> Final Report |
| Name of Company Cimax Energy <b>215099</b>  |  | Contact Christine Alderman                         |                                       |
| Address 600 N Marienfeld Ste 600 Midland TX |  | Telephone No. 432-853-7059                         |                                       |
| Facility Name DaVinci 7 Fed Com 3           |  | Facility Type production                           |                                       |
| Surface Owner Federal                       |  | Mineral Owner                                      | API No. 30-015-40203                  |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| O           | 07      | 25S      | 27E   | 10            | S                | 165           | E              | Eddy   |

Latitude 32.13728 Longitude -104.22624

NATURE OF RELEASE

|  |   |                                       |
|--|---|---------------------------------------|
| Type of Release produced water   | Volume of Release 15 bbls                 | Volume Recovered 0                    |
| Source of Release poly flowline  | Date and Hour of Occurrence 06/21/2015    | Date and Hour of Discovery 06/21/2015 |
| Was Immediate Notice Given?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom?<br>Mike Bratcher/BLM     |                                       |
| By Whom? Christine Alderman  | Date and Hour 6/22/2015 4:00pm            |                                       |
| Was a Watercourse Reached?<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  | If YES, Volume Impacting the Watercourse. |                                       |

If a Watercourse was Impacted, Describe Fully.\*

NM OIL CONSERVATION

ARTESIA DISTRICT

Describe Cause of Problem and Remedial Action Taken.\*  
Poly flowline ruptured

JUN 26 2015

Describe Area Affected and Cleanup Action Taken.\*  
ROW area of pasture. Diversified will assess and develop workplan.

RECEIVED

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: <u>Christine Alderman</u>  |  | OIL CONSERVATION DIVISION   |                             |
| Printed Name: Christine Alderman      |  | Approved by Environmental Specialist: <u>[Signature]</u>                        |                             |
| Title: ESH Supervisor                 |  | Approval Date: <u>6/30/15</u>   | Expiration Date: <u>N/A</u> |
| E-mail Address: calderman@cimaxex.com |  | Conditions of Approval:<br><b>Remediation per O.C.D. Rules &amp; Guidelines</b> |                             |
| Date: 6/26/2015 Phone: 432-853-7059   |  | Attached <input type="checkbox"/><br><b>SUBMIT REMEDIATION PROPOSAL NO</b>      |                             |

\* Attach Additional Sheets If Necessary

LATER THAN: 8/1/15

2RP-3081