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

NAB1530234949

State of New Mexico Energy Minerals and Natural Resources

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.

Form C-141

Final Report

Revised August 8, 2011

Release Notification and Corrective Action 6/37 OPERATOR

| Name of Company Devon Energy Production Company | | | | | | Contact Joah Weidemann; Production Foreman | | | | |
|---|------------------------------|-------------|------------|------------------|----------|---|-------------------|--------------------|---|--|
| Address 6488 Seven Rivers Hwy Artesia, NM 88210 | | | | | | Telephone No. 575-513-1528 | | | | |
| Facility Name Cotton Draw Unit SWD 181 | | | | | | Facility Type Salt Water Disposal | | | | |
| Surface Owner: Federal Mineral Owner: Federal API No 30-015-41649 | | | | | | | | | | |
| Surface Owner: redetal Infineral Owne | | | | | | r: Federal API No 30-015-41649 | | | | |
| LOCATION OF RELEASE | | | | | | | | | | |
| Unit Letter | Section | Township | Range | Feet from the | | n/South Line | Feet from the | East/West Line | County | |
| H | 36 | 24S | 31Ē | 1568 | | North | 1189 | East | Eddy | |
| <u></u> | | | | | | | | | | |
| Latitude: N 32.1767786 Longitude: W 103.7268063 | | | | | | | | | | |
| | | | | | | | | | | |
| NATURE OF RELEASE | | | | | | | | | | |
| Type of Release produced water spill | | | | | | Volume of Release 100BBLS | | | Volume Recovered 30BBLS Date and Hour of Discovery | |
| Source of Release Load line valve left open | | | | | | | | | | |
| Was Immediate Notice Given? | | | | | | February 24, 2015 3:00 PM February 24, 2015 3:00 PM If YES, To Whom? | | | | |
| Yes No Not Required Jeff Robertson; BLM & Mike Bratcher; OCD | | | | | | | | | | |
| | | | | | | | | | | |
| By Whom? Assistant Production Foreman; Kevin Phillips | | | | | | Date and Hour February 24, 2015 @6:45PM If YES, Volume Impacting the Watercourse | | | | |
| Was a Watercourse Reached? ☐ Yes ☒ No | | | | | | N/A | | | | |
| | | | | | | | | | | |
| If a Watercourse was Impacted, Describe Fully.* | | | | | | | | | | |
| N/A Describe Cause of Problem and Remedial Action Taken.* | | | | | | | | | | |
| A load line valve was left open resulting in 100BBLS of produced water being released onto the location. The valve was shut as soon as the release | | | | | | | | | | |
| was noticed. | | | | | | | | | | |
| | | | | | | | | | | |
| D the Area Affected and Cleanus Action Tales # | | | | | | | | | | |
| Describe Area Affected and Cleanup Action Taken.* The 100BBLS of released produced water affected an area approximately 50' x 100' on the southwest side of the location. A vacuum truck | | | | | | | | | | |
| recovered 30BBLS of the released fluid. The produced water did not leave the pad and did not reach the pasture. | | | | | | | | | | |
| | | | | | | | | | | |
| 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 | | | | | | | | | | |
| | | | | | | | | | eases which may endanger | |
| nublic health | operators a or the enviro | onment. The | acceptance | of a C-141 repor | t by the | e NMOCD ma | rked as "Final Re | port" does not rel | ieve the operator of liability | |
| 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: Sandy Farley | | | | | | OIL CONSERVATION DIVISION | | | | |
| | | | | | | | | | | |
| Printed Name: Sandra Farley | | | | | | Approved by Environmental Specialist: // 2/// | | | | |
| Title: Field Admin Support | | | | | | 1010015 1110 | | | | |
| | | | | | | Approval Date: \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\ | | | | |
| E weil Address condu forley@dyr | | | | | | Conditions of Approval: | | | | |
| E-mail Address: sandy.farley@dvn.com | | | | | | Remediation per O.C.D. Rules & Guidenteesed L. | | | | |
| Date: 2,26.15 Phone: 575.746.5587 | | | | | | SUBMIT REMEDIATION PROPOSAL NO | | | | |
| Attach Additi | onal Sheet | | | | | ATER THA | N: IIIA | 7115_ | 0 - 10 | |
| 200.33/1d | | | | | | | | | | |
| | NM OIL CONSERVATION | | | | | | | | | |

NM OIL CONSERVATION

ARTESIA DISTRICT

OCT 28 2015