

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

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-141
Revised August 8, 2011

AUG 26 2016

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

RECEIVED

Release Notification and Corrective Action

NAB 1024241470 OPERATOR Initial Report Final Report

Name of Company Cimarex Energy <i>162683</i>	Contact Christine Alderman
Address 600 N Marienfeld Ste 600 Midland TX	Telephone No. 432-853-7059
Facility Name Vern 1 Fed #1	Facility Type production

Surface Owner BLM	Mineral Owner	API No. 30-015-34109
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the 1600	North/South Line	Feet from the 1200	East/West Line	County
H	01	25S	25E		N		E	Eddy

Latitude 32.16200 Longitude -104.34468

NATURE OF RELEASE

Type of Release produced water	Volume of Release 104 bbls	Volume Recovered 100
Source of Release fiberglass tank	Date and Hour of Occurrence 8/25/2016	Date and Hour of Discovery 8/25/2016
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Shelly Tucker/Heather Patterson	
By Whom? Christine Alderman	Date and Hour 8/26/2016	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.

Describe Cause of Problem and Remedial Action Taken.

During the night a fiberglass produced water tank was struck by lightning. The tank was blown out of containment onto the pad. The well is shut in and last gauging showed 104 bbls of produced water. All the fluids were contained within a lined berm which stayed intact.

Describe Area Affected and Cleanup Action Taken.

All fluids were removed from the berm and the liner will be checked for breaches. Rainwater was also in the containment.

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: <i>Christine Alderman</i>	OIL CONSERVATION DIVISION	
Printed Name: Christine Alderman	Approved by Environmental Specialist: <i>[Signature]</i>	
Title: ESH Supervisor	Approval Date: <i>8/29/16</i>	Expiration Date: <i>NIA</i>
E-mail Address: calderman@cimarex.com	Conditions of Approval: <i>Remediation</i> per O.C.D. Rules & Guidelines <input type="checkbox"/> SUBMIT REMEDIATION PROPOSAL NO	
Date: 8/26/2016 Phone: 432-853-7059	LATER THAN: <i>9/29/16</i>	

* Attach Additional Sheets If Necessary

2RP. 3850