HOBBSOCD District I 1625 N. French Dr., Hobbs, NM 88240 State of New Mexico District II Energy Minerals and Natural Resources Form C-141 811 S. First St., Artesia, NM 88210 Revised August 8, 2011 District III Oil Conservation Division 1000 Rio Brazos Road, Aztec, NM 87410 Submit 1 Copy to appropriate District Office in District IV accordance with 19.15.29 NMAC. 1220 South St. Francis Dr. RECEIVED 1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 **Release Notification and Corrective Action OPERATOR** Name of Company John H. Hendrix Corporation Initial Report Final Report Contact Carolyn Doran Haynes Address P. O. Box 3040, Midland, TX 79702 Telephone No. 432-684-6631 Facility Name Morning Glory Facility Type Production Battery Surface Owner Mineral Owner API No. 30-025-24244 LOCATION OF RELEASE Unit Letter Section Township Range Feet from the North/South Line Feet from the East/West Line Η County 17 22S 37E 1880 North 330 East Lea Latitude__32.393944°__ Longitude__-103.177521° NATURE OF RELEASE Type of Release Produced Water Volume of Release 100-150 bbl Volume Recovered 15-20 bbls Source of Release water tank failure Date and Hour of Occurrence Date and Hour of Discovery 04/18/15 04/18/15 9:30 am Was Immediate Notice Given? If YES, To Whom? As soon as info was gathered Yes I No I Not Required Call to Maxey Brown; w/follow-up Email of C-141 to Tomáš Oberding By Whom? Carolyn Doran Haynes Date and Hour 04/18/15 10:15 am Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. □ Yes ⊠ No If a Watercourse was Impacted, Describe Fully.* RECEIVED By OCD District 1 at 9:17 am, Oct 05, 2015 Describe Cause of Problem and Remedial Action Taken.* Steel Tank seam failure, releasing produced fluids into the facility berm. Some water flowed from a break in the berm onto the surrounding caliche pad and roadway. All standing fluid was recovered and disposed at Sundance Disposal. The water tank will be replaced. Describe Area Affected and Cleanup Action Taken.* RP-3611 Area affected was inside the water tank berm, facility caliche pad area and roadway. Water tank was junked. A new water tank was placed inside the main facility berm. Soils at the old water tank site were excavated and replaced. Affected caliche pad surrounding the facility was scraped-up; a total of 16 yds³ was disposed at Sundance. Area around the gas meter run was scraped and replaced with caliche turn-around for easy reader access to the gas meter. Attached photos describe discharge and clean-up. 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 OIL CONSERVATION DIVISION Signature: - Hanne Approved by Environmental Specialist: Printed Name: Carolyn Doran Haynes Approval Date: 10/05/2015 Title: Engineer Expiration Date: // E-mail Address: cdoranhaynes@jhhc.org Conditions of Approval: Attached \Box Date: 09/29/15 The site will remain open and complete Phone: 432-684-6631

* Attach Additional Sheets If Necessary

remediation will occur at the time of closure.



Morning Glory #1 Accidental discharge April 18, 2015











Water tank now inside battery berm with gun barrel and oil tank



Old water tank removed, area cleaned and resurfaced