

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

RECEIVED

By JKeyes at 3:17 pm, Nov 18, 2015

Revised August 8, 2011

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.

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

| | | | |
|-----------------|---|---------------|----------------------|
| Name of Company | EOG Resources Inc. | Contact | Zane Kurtz |
| Address | 5509 Champions Drive, Midland, TX 79706 | Telephone No. | (432) 686-3667 |
| Facility Name | Red Hills North Unit 706 | Facility Type | Water Injection Well |
| Surface Owner | BLM | Mineral Owner | BLM |
| | | API No. | 30-025-32814 |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| I | 7 | 25S | 34E | 1830 | South | 660 | East | Lea |

Latitude 32.1427 Longitude -103.5026

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|-----------------------------------|----------------------------|-----------------------------------|
| Type of Release | Produced water | Volume of Release | 20 BBLs | Volume Recovered | 0 BBLs |
| Source of Release | 4" pipeline rupture | Date and Hour of Occurrence | 6/26/2015 at approximately 7:00am | Date and Hour of Discovery | 6/26/2015 at approximately 9:30am |
| Was Immediate Notice Given? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? | | | |
| By Whom? | | Date and Hour | | | |
| 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.*

APPROVED
By JKeyes at 3:17 pm, Nov 18, 2015

Describe Cause of Problem and Remedial Action Taken.*
A four inch pipeline located near the wellhead ruptured approximately 10 feet below ground surface. The line was uncovered by excavation and repaired upon discovery.

Describe Area Affected and Cleanup Action Taken.*
Impacted soil was excavated and disposed of in a landfill. A 20 mil liner was placed in areas where chloride concentrations extended deeper than 4 feet below ground surface. The excavated area was backfilled with cleans soil and revegetated.

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>Zane Kurtz</i> | <u>OIL CONSERVATION DIVISION</u> | |
| Printed Name: | Zane Kurtz | Approved by Environmental Specialist: | <i>Jane Keyes</i> |
| Title: | SR. Environmental Rep | Approval Date: | 11/18/2015 |
| E-mail Address: | zane.kurtz@eogresources.com | Expiration Date: | /// |
| Date: | 11-18-15 | Conditions of Approval: | /// |
| Phone: | 432.425.2023 | Attached | <input type="checkbox"/> |
| | | | IRP 3704 |

* Attach Additional Sheets If Necessary