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 8750 State of New Mexic Energy Minerals and Natural

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.

1220 S. St. Fran	cis Dr., Santa	a Fe, NM 87505	5	Sa	anta I	Fe, NM 875	505						
			Rele	ease Notific	catio	on and Co	orrective A	ction	1				
						OPERA	ГOR		🛛 Initia	al Report		Final Report	
Name of Co	mpany: M	Contact: Zack Thomas											
Address: PO) Box 527	Telephone No. 575-393-5905											
Facility Name: Bone Springs Central Water Flood Facility							Facility Type: Water Flood Injection Facility						
Surface Owner: BLM Mineral Owner: I							BLM API No.						
Surface Ow	ner: BLM						_						
						DN OF RE				-			
Unit Letter N							Feet from the 1980'	East/West Line West		County Eddy			
			La	titude32.727	5472_	Longitud	e103.738986	51					
				NAT	URI	E OF REL	EASE						
Type of Release: Produced water							bbls				Recovered: 66 bbls		
Source of Release: Fiberglass water tank							8-24-16 8-24-16			Hour of Discovery 9:00 am			
Was Immediate Notice Given?													
By Whom?		Date and Hour 8-25-15 7:00 am											
Was a Water	course Read	ched?	If YES, Volume Impacting the Watercourse.										
If a Watercon	urse was Im	pacted, Descr	ibe Fully.*	¢		1							
Describe Cau	ise of Proble	em and Reme	dial Action	n Taken.*									
				Upon being stru secondary contai			ater tanks caught	fire. M	laljamar VF	D was cont	acted to	extinguish	
Describe Are	a Affected	and Cleanup A	Action Tak	ten.*									
				ondary containmo			fluid within secon	ndary c	ontainment	was recove	red wit	h a vacuum	
regulations a public health should their o or the enviro	ll operators or the envir operations h nment. In a	are required to ronment. The lave failed to a	o report ar acceptanc adequately OCD accep	nd/or file certain r ce of a C-141 report investigate and r	release ort by f remedia	notifications a the NMOCD m ate contaminat	knowledge and u nd perform correc parked as "Final Re ion that pose a thre ye the operator of r	tive act eport" c eat to g	tions for rel does not rel round wate	eases which ieve the ope r, surface wa	may en erator of ater, hu	ndanger f liability man health	
						OIL CONSERVATION DIVISION							
Signature: 3. Akomas						Approved by Environmental Specialist Jam Huge							
Printed Nam	e: Zack Tho	omas											
Title: Environmental Rep.						Approval Date: 08/31/2016 Expiration Date: 10/31/2016							
		s@mewbourn			Conditions of Approval: Discrete samples only. Delineate and remediate per				Attached 1RP 4425				
Date: 8-25-1		ets If Necess		e: 575-602-2188		NMOCD guid approval.	elines. Ensure BLN	<u>A conc</u>	urrence/	nJXK1624 pJXK1624			