

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

Form C-141
Revised August 8, 2011

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 EnergyQuest II, LLC	Contact Larry D. Davis	
Address 4526 Research Forest Dr, Ste 200, The Woodlands, TX 77381	Telephone No. 281.651.5201	
Facility Name STATE AO #2 and STATE C #1 & #2	Facility Type Oil & Gas flow lines from wells to co-mingled battery	
Surface Owner	Mineral Owner	API No.

LOCATION OF RELEASE

Unit Letter (State AO #2) F	Section 4	Township 12S	Range 33E	Feet from the 1980	North/South Line North line	Feet from the 2050	East/West Line West line	County LEA
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Latitude 33.3096581 Longitude -103.6211777

NATURE OF RELEASE

Type of Release Oil & Gas	Volume of Release Not measurable	Volume Recovered None (burned up by fire)
Source of Release Poly lines - Grass fire caused by lightning damaged the poly lines	Date and Hour of Occurrence 16 July 2016 -1800	Date and Hour of Discovery 16 July 2016 - 1900 (by Tatum VFD)
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Shane Ferguson (pumper)	
By Whom? Tatum VFD	Date and Hour 16 July 2016 1900 Hours	
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 Olivia Yu at 1:28 pm, Dec 21, 2017

Describe Cause of Problem and Remedial Action Taken.*

Lightning strike caused grass fire in proximity of wells. Intensity of the fire damaged approximately 1100 feet of 3" inactive poly lines, 500 feet of 3" active poly lines, and 1100 feet of 2" active poly lines. All product in active lines consumed by fire. All pumps shut-in until replacement of lines could be made.

Describe Area Affected and Cleanup Action Taken.* Fire burned over several sections. Removed all damaged inactive lines and replaced all damaged active poly lines. Soil samples taken and submitted to Cardinal Labs. Results attached; residual contaminants not present or below reportable levels. **March 1, 2107 - Supplement to Action Taken** - EnergyQuest allowed burned areas to remain fallow through the balance of the year, allowing Nature to restore natural vegetation. The areas exhibit new growth and vegetation recovery. (See attached photos - July 2016, February 2017, October 2017) In October 2017, EnergyQuest contracted for soil analysis per specifications of NMOCD. Analysis and Delineation Report submitted November 17, 2017. NMOCD approved the delineation report for 1RP-4359 on December 19, 2017, with no further remediation required. NMSLO approved the delineation report on December 21, 2017, also with no further remediation required.

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:	OIL CONSERVATION DIVISION	
Printed Name: Larry D. Davis	Approved by Environmental Specialist: 	
Title: Environmental Quality Manager	Approval Date: 12/21/2017	Expiration Date: xx/xx/xxxx
E-mail Address: larry.davis@energyquest.us	Conditions of Approval:	Attached <input checked="" type="checkbox"/>
Date: 21 Dec 2017	Phone: 281-651-5201	

* Attach Additional Sheets If Necessary

1RP-4359

Photos of fire damage (July 2016) – State AO #2 and State C #1 & #2



Picture 1



Picture 3



Picture 2



Picture 4



Picture 5 - Powerline pole on fire

Photos of Vegetation Recovery (February 2017) - State AO #2 and State C #1 & #2



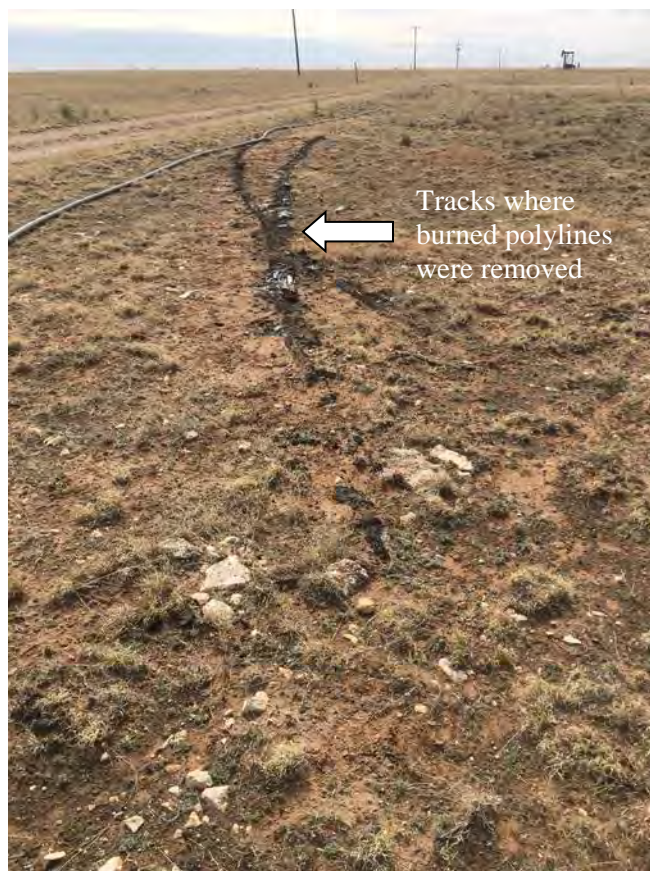
Picture 6 - February 2017



Picture 8 - February 2017



Picture 7 - February 2017



Picture 9 - February 2017

Photos of Vegetation Recovery (October 2017) - State AO #2 and State C #1 & #2



Picture 10 - October 2017



Picture 12 - October 2017



Picture 11 - October 2017



Picture 13 - October 2017