

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 X Final Report

Name of Company: Lucid Energy Delaware	Contact Kerry Egan	
Address 201 South Fourth Street Artesia, NM 88210	Telephone No. 575 513-8988	
Facility Name: Rojo Toro	Facility Type: Pipeline ROW	
Surface Owner: Private (B. Madera)	Mineral Owner	API No.

LOCATION OF RELEASE

Unit Letter	Section 15	Township 24S	Range 34E	Feet from the: 1200	North/South Line South Line	Feet from the: 1500	East/West Line East Line	County Lea
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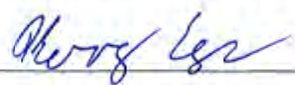
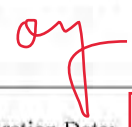
Latitude 32.2136030° Longitude -103.454173°

APPROVED

By Olivia Yu at 7:13 am, Apr 26, 2018

NATURE OF RELEASE

Type of Release: Fresh Water	Volume of Release: 8,000 bbls	Volume Recovered: None
Source of Release: Pipeline rupture during hydrotest.	Date and Hour of Occurrence: 3/23/2018; 0200 – 0300 hrs	Date and Hour of Discovery: 3/23/2018; 0200 – 0300 hrs
Was Immediate Notice Given? ☒ Yes ☐ No ☒ Not Required	If YES, To Whom? Phone call with Jim Griswold on afternoon of 3/23/2018. Left a voicemail for Olivia Yu (District 1) on 3/23/2018.	
By Whom? Kerry Egan	Date and Hour 3/23/18; 4:00 – 5:00PM	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse.	
If a Watercourse was Impacted, Describe Fully.*		
Describe Cause of Problem and Remedial Action Taken.* During a hydrostatic test of a gas line (still under construction, having never transported hydrocarbons), the pipeline failed, releasing approximately 8,000 bbls of fresh water. The water flowed along the pipeline ROW, and made it outside of the ROW into the pasture. The line was isolated as soon as possible to prevent any further release.		
Describe Area Affected and Cleanup Action Taken.* The location of the line rupture was in a low spot relative to the surrounding topography. The total area wetted by the fresh water was approximately 200-300 yds by 50-75 yds. Upon investigation, there were no observable indications of hydrocarbon or chloride contamination. Soil samples from the release point and within the "affected area" were collected to confirm there was no contamination related to the release of the fresh water. <i>Update:</i> Soil sampling results have shown no negative impact due to the release of the fresh water. All samples have been shown to be well below NMOCD RRALS, and no remediation will occur. Lucid is requesting final closure of 1RP-5002.		
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: Kerry Egan		Approved by Environmental Specialist: 	
Title: Environmental Compliance Coordinator		Approval Date: 4/26/2018	Expiration Date: xx/xx/xxxx
E-mail Address: KEgan@lucid-energy.com		Conditions of Approval:	
Date: 4/3/2018 Phone: 575 810-6021		Attached ☐	

* Attach Additional Sheets If Necessary

1RP-5002





