



August 15, 2018

Ms. Olivia Yu
New Mexico - Oil Conservation Division - District 1
1625 N. French Drive
Hobbs, NM 88240

Re: Form C-141 - Initial Release Notification
Kizer SWD #1
Unit P, Section 17, T8S-R34E, Roosevelt Co., NM
API # 30-041-20968

Dear Ms. Yu:

Enclosed please find Form C-141 documenting the release of fluids from our Kizer SWD #1 as a result of lightning striking the well's tank battery on Wednesday, August 8. I provided verbal notification of the incident to you on Thursday, August 9. Please note that we will be supplementing this filing as we conduct environmental surveys of the impacted area in addition to providing the additional information requested in the new release report format published by NMOCD this week.

If you have any questions, please contact me at alantiedeman@rileypermian.com.

Regards,

Alan Tiedeman
Production Manager
Riley Exploration - Permian, LLC

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 April 3, 2017

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	Riley Permian Operating Company LLC	Contact	Alan Tiedeman, Production Manager
Address	29 E Reno, Suite 500, Oklahoma City, OK 73104	Telephone No.	405-306-4292 (M)
Facility Name	Kizer SWD #1	Facility Type	SWD

Surface Owner	Mr. Shannon Kizer	Mineral Owner	Fee (D)	API No.	30-041-20968
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
P	17	8S	34E	270	SOUTH	235	East	Roosevelt

Latitude 33.614493 Longitude 103.479174 NAD83

NATURE OF RELEASE

Type of Release	Lightning Strike at Battery; Oil and Salt Water	Volume of Release ~300 BO / ~1200 BW	Volume Recovered 510 Bbls - Mostly Water
Source of Release	SWD Tank Battery	Date and Hour of Occurrence 8-8-18 10:00 PM MDT	Date and Hour of Discovery 8-8-18 10:15 PM MDT
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Olivia Yu	
By Whom?	Alan Tiedeman, Production Manager	Date and Hour 8-9-18 8:18 AM MDT	
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

RECEIVED

If a Watercourse was Impacted, Describe Fully.*

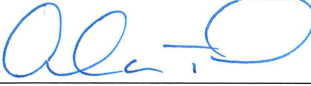

Describe Cause of Problem and Remedial Action Taken.*

Lightning struck the Kizer SWD #1 tank battery at ~10:00 pm MDT on Wednesday, August 8, 2018. The strike caused an explosion and fire which destroyed the battery and caused a release of fluids that were in the oil and water tanks there. Most of the oil appears to have burned in the fire although some of the released fluids were deposited on location while some were washed to two adjacent sides of the well pad. We were notified of the event at ~10:15 pm MDT on the same day by the Milnesand VFD. We immediately shut down all wells that fed into the battery and the firemen extinguished the blaze. As the rains had stopped, no more liquids were moving, and the situation was stable, we deferred additional action until the following morning.

Describe Area Affected and Cleanup Action Taken.*

Affected areas include some oil spots on the well pad, significant damage to the tank battery, and oil / water drainage off two sides of the location. We mobilized vacuum trucks and roustabout crews which began arriving on location at ~8:00 am MDT on Thursday, August 9, 2018. They began recovering all standing fluids from the sides of the location, on the well pad, and in the battery containment. We also built a berm on the drainage side of the well pad to prevent further movement of fluids out of the area. We are engaging an environmental firm to conduct a site survey to determine if additional remedial activities are necessary. We are also coordinating w/service companies to remove and properly dispose of the destroyed tanks, lines, and ancillary equipment. We will then rebuild the battery prior to returning the SWD to service.

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: Alan Tiedeman	Approved by Environmental Specialist: 	
Title: Production Manager	Approval Date: 8/20/2018	Expiration Date:
E-mail Address: alantiedeman@rileypermian.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 8/15/18 Phone: 405-306-4292	NMAC 19.15.29 effective August 14, 2018. Complete release characterization before any significant remediation.	

* Attach Additional Sheets If Necessary

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