I will see that Steve Ruppert, the operator, gets this ASAP.

Steve & JoAnn Ruppert PO Box 550 Tesuque, NM 87574

Cell: (505) 401-6319

On Aug 22, 2018, at 9:42 AM, Yu, Olivia, EMNRD <<u>Olivia.Yu@state.nm.us</u>> wrote:

Dear Mr. Ruppert:

NMOCD was informed on July 31, 2018 of a reportable release at the Silver Federal #4 (API #30-025-02476) location. Please be advised that per NMAC 19.15.29, the Responsible Operator must inform NMOCD of a release within 15 days of discovery. A C-141 form is required and was due on August 13, 2018. Submit the initial C-141 by 4 pm MST today, August 22, 2018.

Currently, the Responsible Operator is not in compliance with NMOCD regulations. Please review to ensure compliance with NMAC 19.15.29. <u>http://164.64.110.134/parts/title19/19.015.0029.html</u>

Thanks,

Olivia Yu Environmental Specialist NMOCD, District I <u>Olivia.yu@state.nm.us</u> 575-393-6161 x113

OCD approval does not relieve the operator of liability should their operations fail to adequately investigate and remediate contamination that may pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations. Lightning hit this tank this morning. Less than 10 BBlâ€<sup>M</sup>s in dike. Dike is lined as you can see. This is a federal lease. Well sign has wrong operator. It is Steven Rupert-Silver Fed. # 4. 30-025-02476

From:	Steven D Ruppert
To:	Yu, Olivia, EMNRD
Subject:	Ruppert Silver Fed#4
Date:	Wednesday, August 22, 2018 11:45:04 AM
Attachments:	ATT00001.txt

Hello from Steve! Image was taken a couple of days ago. It is difficult to see but there are (3) piles of pea gravel on the caliche pad: the good, the bad, and the ugly. The good pea gravel has been put into the containment pit as a base for the new tank. I will remove the bad & ugly piles. Danny Berry, my pumper, owns the Lazy Ace Dirt Farm right next door to the Silver Lease, so he won't miss this one. More to follow. Best Regards, SR

From:	Steven D Ruppert
To:	Yu, Olivia, EMNRD
Cc:	Steven D Ruppert
Subject:	Fwd: Ruppert Silver Lightning Strike
Date:	Wednesday, August 22, 2018 12:43:46 PM

Hello! this is a copy of the image Danny Berry sent me on July 31, 2018, along with my discussion of the incident to joint interest owners. Best, SR

## Steve & JoAnn Ruppert

rupperts@msn.com

PO Box 550 Tesuque, NM 87574

JSR Cell: (505) 401-1553 SDR Cell: (505) 401-6319

H: (505) 983-0072

Begin forwarded message:

 From: Steven D Ruppert <rupperts@msn.com>

 Subject: Fwd: Ruppert Silver Lightning Strike

 Date: August 11, 2018 at 1:21:49 PM MDT

 To: Harry Hinkle 

 mink@sbcglobal.net>, Todd Westmoreland 

 to: Harry Hinkle 

 hink@sbcglobal.net>, Todd Westmoreland 

 to: Stivley" 

 bob.sivley@me.com>

 Cc: Steven D Ruppert <rupperts@msn.com>

Hello from Steve! Now that I look at this image on my iMac, instead of my phone, I now am able to see the electrical conduit under the surface of the brine which means that there is not really that much oil floating on the water. This is what Danny saw on July 31. I wasn't contacted by Dwight Henderson with our insurance company until a couple of days after the incident. Best, SR

Begin forwarded message:

From: Steven D Ruppert <<u>rupperts@msn.com</u>> Subject: Fwd: Ruppert Silver Lightning Strike Date: August 10, 2018 at 3:20:17 PM MDT To: Justin <<u>conroe@frontieradjusters.com</u>> Cc: Steven D Ruppert <<u>rupperts@msn.com</u>>

Begin forwarded message:

From: Steven D Ruppert <<u>rupperts@msn.com</u>> Subject: Ruppert Silver Lightning Strike Date: August 3, 2018 at 4:46:34 PM MDT To: Dwight Henderson <<u>dwight.henderson@rlicorp.com</u>>

This is one of two images sent by a text from Danny Berry to inform me of the problem at the lease. The image makes it look like the containment pit was full of crude, but it is just a little oil floating on produced water. The refinery will not take deliveries of crude that has too high%water, so we end up putting back a little of the production. So this was taken before the vacuum truck hauled away the spill. All the previous images were taken after the spill was picked up.



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From:	Steven D Ruppert
To:	Yu, Olivia, EMNRD
Subject:	Ruppert Silver Fed#4
Date:	Wednesday, August 22, 2018 11:48:32 AM
Attachments:	ATT00001.txt

Hello! Containment pit image sent by roustabout tool pusher after setting new tank base with new pea gravel (good pile). Best, SR

From:	Steven D Ruppert
To:	Yu, Olivia, EMNRD
Subject:	Ruppert Silver #4@
Date:	Wednesday, August 22, 2018 11:54:15 AM
Attachments:	ATT00001.txt

Hello from Steve! This is what I saw when I first arrived at the lease a couple of weeks ago. The bad and the ugly pea gravel was removed from the containment pit for disposal. The well head is out of the containment pit in red to the right. Best, SR

From:	Steven D Ruppert
To:	Yu, Olivia, EMNRD
Cc:	Steven D Ruppert
Subject:	Ruppert C-141 Release Notification
Date:	Wednesday, August 22, 2018 12:38:48 PM
Attachments:	C-1414-3-17 Release Notification.pages

Hello from Steve! I am really sorry to have caused you some concern over this incident. I hope to be able to get this lease back in operation and the paperwork completed with you by early next week. The new tank goes in tomorrow and then there are flow lines and electrical to reinstall. I have not received the bill from the vacuum truck company that Danny called several weeks ago, so I do not know the actual extent of the spill, but it was certainly over 5 bbls. There is no evidence that fluids escaped the containment pit. When this happened four years ago the damage was obvious. I consider this incident a considerable improvement over the last time, but I was wrong to think that there was no paperwork to do. With regrets, Steve

Steve & JoAnn Ruppert

rupperts@msn.com

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H: (505) 983-0072

From:	Steven D Ruppert
To:	Yu, Olivia, EMNRD
Cc:	Steven D Ruppert
Subject:	Ruppert Silver Federal #4 July 31, 2018
Date:	Wednesday, August 22, 2018 12:50:26 PM

Hello from Steve! This was what Danny Berry sent me by text on July 31, 2018 to inform me of the lightning incident at the Silver Lease. I am submitting this to show that there was no spill. Best, SR

S



Steve & JoAnn Ruppert

rupperts@msn.com

PO Box 550 Tesuque, NM 87574 JSR Cell: (505) 401-1553 SDR Cell: (505) 401-6319

H: (505) 983-0072







