

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 Department  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-141  
Revised August 24, 2018  
Submit to appropriate OCD District office

**HOBBS OCD**

|                |               |
|----------------|---------------|
| Incident ID    | NOY1827137381 |
| District RP    | 1RP-5214      |
| Facility ID    | fOY1827136767 |
| Application ID | pOY1827139495 |

SEP 27 2018

**RECEIVED**

## Release Notification

### Responsible Party

|  |  |
|--|--|
| Responsible Party: Southwest Royalties, Inc                | OGRID: 21355                               |
| Contact Name: Lindsay Livesay                              | Contact Telephone: 432-207-3054            |
| Contact email: llivesay@swrpermian.com                     | Incident # (assigned by OCD) NOY1827137381 |
| Contact mailing address: P.O. Box 53570; Midland, TX 79710 |  |

### Location of Release Source

Latitude: 33.50139

Longitude: -103.59389

(NAD 83 in decimal degrees to 5 decimal places)

|                                    |   |
|------------------------------------|---|
| Site Name: Flying M SA Unit #2     | Site Type: 4" Trunk Line from Battery to Injection Well |
| Date Release Discovered: 9/25/2018 | API# (if applicable) 30-025-24692                       |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|--------|
| K           | 29      | 29S      | 33E   | Lea    |

Fee minerals

Surface Owner: ☐ State ☐ Federal ☐ Tribal ☒ Private (Name: Jarrod Johnson)

### Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

|  |  |   |
|--|--|---|
| <input checked="" type="checkbox"/> Crude Oil      | Volume Released (bbls) 5 bbl   | Volume Recovered (bbls) 5bbl  |
| <input checked="" type="checkbox"/> Produced Water | Volume Released (bbls) 75 bbl  | Volume Recovered (bbls) 75 bbl                                      |
|  | Is the concentration of dissolved chloride in the produced water >10,000 mg/l? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <input type="checkbox"/> Condensate                | Volume Released (bbls)   | Volume Recovered (bbls)   |
| <input type="checkbox"/> Natural Gas               | Volume Released (Mcf)  | Volume Recovered (Mcf)  |
| <input type="checkbox"/> Other (describe)          | Volume/Weight Released (provide units)   | Volume/Weight Recovered (provide units)                             |

Cause of Release

|                |  |
|----------------|--|
| Incident ID    |  |
| District RP    |  |
| Facility ID    |  |
| Application ID |  |

|  |   |
|--|---|
| Was this a major release as defined by 19.15.29.7(A) NMAC?<br><br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  | If YES, for what reason(s) does the responsible party consider this a major release?<br><br>Leak of a volume greater than 25 bbl. |
| If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?<br><br>Yes; by Merch Merchant (VP of Southwest Royalties, Inc) to Maxey Brown via phone call. |   |

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

|  |                                  |
|--|----------------------------------|
| <input checked="" type="checkbox"/> The source of the release has been stopped.  |                                  |
| <input checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment.  |                                  |
| <input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.  |                                  |
| <input checked="" type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately.  |                                  |
| If all the actions described above have <u>not</u> been undertaken, explain why:<br><br>   |                                  |
| Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.  |                                  |
| I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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. |                                  |
| Printed Name: <u>TANNER CULP</u>   | Title: <u>PETROLEUM ENGINEER</u> |
| Signature: <u>Tanner Culp</u>  | Date: <u>9/26/18</u>             |
| email: <u>tannerculp@swrpermian.com</u>  | Telephone: <u>(432) 207-3055</u> |
| <b>OCD Only</b>  |                                  |
| Received by: <b>RECEIVED</b><br><b>By Olivia Yu at 10:23 am, Sep 28, 2018</b>  | Date: _____                      |