District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III

State of New Mexico **Energy Minerals and Natural** Resources Department

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

1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 7205

Responsible Party FORTY ACRES ENERGY

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

Incident ID	NOY1829058192		
District RP	1RP-5240		
Facility ID			
Application ID	pOY1829045974		

Release Notification

Responsible Party

OGRID 371416

	T@FAENERGYI 11777 KATY FR		05B	Incident # ((assigned by OCD)	NOY182905	58192
		REEWAY STE 3	05B			1	
		Location	of R	elease So	ource 3	2.43818, -10	3.30041
.4444084	· · · · · · ·	(NAD 83 in de			103.2980957 al places)		
Site Name J K Rector 5				Site Type OIL WELL			
Date Release Discovered 9/28/2018				API# (if applicable) 30-025-04860			
Section	Township	Range		Count	ty		
31	21S	36E	LEA				
Materia		ll that apply and attach			ustification for the v		ow)
	<u> </u>			<u>``</u>			
Is the concentration of dissolved chloride			in the	☐ Yes ☐ No			
ite	Volume Released (bbls)				Volume Recovered (bbls)		
as	Volume Released (Mcf) ~ 35 mcf			ncf	Volume Recovered (Mcf)		
Other (describe) Volume/Weight Released (provide units)			:	Volume/Weight Recovered (provide units)			
ease The	flowline	hed a	hel	e who	re gas	was c	scapins.
	Section 31 r: State Materia I Water ate ias escribe)	Section Township 31 21S r: State Federal Township Material(s) Released (Select all Volume Release Volume Release Is the concentrate produced water produced water ate Volume Release Sizes Volume Release Volume Release	Section Township Range 31 21S 36E	Section Township Range	Site Type O Discovered 9/28/2018 API# (if appl Section Township Range Count 31 21S 36E LEA T: State Federal Tribal Private (Name: Nature and Volume of F Material(s) Released (Select all that apply and attach calculations or specific Volume Released (bbls) Water Volume Released (bbls) Is the concentration of dissolved chloride in the produced water >10,000 mg/l? API# (if appl) Nature Output Nature and Volume: Volume Released (bbls) Is the concentration of dissolved chloride in the produced water >10,000 mg/l? API# (if appl) Nature Appl Nature and Volume of F Nature and Volume (Name: Volume Released (bbls) Is the concentration of dissolved chloride in the produced water >10,000 mg/l? API# (if appl) Nature Appl Nature and Volume (Name: Nature and Volume (Name: Volume Released (bbls)	Section Township Range County	Site Type OIL WELL

State of New Mexico Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

Was this a major	If YES, for what reason(s) does the responsible party consider this a major release?				
release as defined by 19.15.29.7(A) NMAC?	Given the known duration of the relace and				
☐ Yes ☐ No	the historical production associated with the well.				
	The historial production associated with the west.				
	It is estimated to have been a release of 35 mcf.				
If YES, was immediate no	otice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?				
The release	was reported into the OCD from a 3rd party witness.				
Initial Response					
The responsible	party must undertake the following actions immediately unless they could create a safety hazard that would result in injury				
★ The source of the rele	ease has been stopped.				
	s been secured to protect human health and the environment.				
	ave been contained via the use of berms or dikes, absorbent pads, or other containment devices.				
	ecoverable materials have been removed and managed appropriately.				
	d above have not been undertaken, explain why:				
has begun, please attach	IAC the responsible party may commence remediation immediately after discovery of a release. If remediation a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred at area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.				
I hereby certify that the info	rmation given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and				
	required to report and/or file certain release notifications and perform corrective actions for releases which may endanger ment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have				
failed to adequately investig	ate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In				
addition, OCD acceptance of and/or regulations.	f a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws				
	ret Johnson Title: Engineer				
, // ,					
Signature:					
email: garretéfaenergyus.com Telephone: 918-697-8311					
OCD Only					
RECE					
Received by: By Oliv	via Yu at 4:13 pm, Oct 17, 2018 Date:				