

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	Agave Energy Company	Contact	Kerry Egan
Address	326 West Quay Artesia, NM 88210	Telephone No.	575 513-8988
Facility Name:	Larue Compressor Station	Facility Type:	Compressor Station
Surface Owner:	BLM	Mineral Owner	
		API No.	

### LOCATION OF RELEASE

Unit Letter SE/NW	Section 3	Township 20S	Range 24E	Feet from the	North/South Line	Feet from the	East/West Line	County EDDY
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Latitude 32.6056 Longitude-104.5787

### NATURE OF RELEASE

Type of Release: Natural Gas, possibly minor amounts of liquids.	Volume of Release: Unknown volume of gas, <5 bbls of liquids	Volume Recovered: N/A
Source of Release: Open-ended line connected to backpressure valve on a separator.	Date and Hour of Occurrence: Unknown	Date and Hour of Discovery: 6/15/2015 8:30AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.\*

Describe Cause of Problem and Remedial Action Taken.\*

The source of contamination was found to be a line that was connected to a backpressure valve on a horizontal separator. Any time the separator would pressure up and the backpressure valve open, a small amount of gas would be released. Additionally, a minor amount of liquid was released in the same manner.


Upon discovery the lines to the separator were shut in, and the separator taken out of service until engineering changes can prevent further releases.

Describe Area Affected and Cleanup Action Taken.\*

The total area of contaminated soil ended up being approximately 7 ft wide by 20 ft long. Agave excavated the west end of affected area to a depth of approximately 4 ft to remove stained soil, and all observable indications of contamination.

The excavated material has been placed on a plastic pit liner, and attempts to remediate on site are ongoing. The pile has been turned to encourage flashing of any remaining hydrocarbons. No material will be placed back in the excavation without prior OCD approval.

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: 	<u>OIL CONSERVATION DIVISION</u>		
Printed Name: Kerry Egan	Approved by Environmental Specialist:		
Title: Engineering Tech	Approval Date: 7/24/15	Expiration Date: N/A	
E-mail Address: KEgan@agaveenergy.com	Conditions of Approval: N/A FINAL		Attached <input type="checkbox"/>
Date: 7/20/15	Phone: 575 748-4555		

\* Attach Additional Sheets If Necessary

2RP-3071