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

NMOCD

Form C-141 Revised April 3, 2017

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

1220 South St. Francis Dr.
Santa Fe, NM 87505

Release Notification and Corrective Action OPERATOR Final Report Initial Report Name of Company Hilcorp Energy Company Contact Clara Cardoza Address 382 CR 310 Aztec NM 87410 Telephone No. 505-564-0733 Facility Name P O Pipkin 2F Facility Type Well Surface Owner Federal Mineral Owner Federal API No. 30-045-32676 LOCATION OF RELEASE Feet from the North/South Line East/West Line Unit Letter Section Township Feet from the County Range N 08 27N 10W 660 North 1965 West San Juan Latitude 36.584328 Longitude -107.920587 NAD83 NATURE OF RELEASE Type of Release Compressor oil/produced oil Volume of Release 24 bbl Volume Recovered 24 bbl Source of Release Pit Tank Date and Hour of Occurrence Date and Hour of Discovery 06/19/2018 14:53 Unknown Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☐ No ☒ Not Required By Whom? Date and Hour Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☒ No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* Underestimated production of fluids and delayed visit to facility resulted in well tank over the top. Vac truck was called to pull contents of tank and pit. Describe Area Affected and Cleanup Action Taken.* Tank was pulled and lined pit was cleaned with a soapy water wash. Pit liner appeared to be in excellent condition. All fluids were removed with a vac truck; tank was reset and placed back in 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: Approved by Environmental Specialist: Printed Name: Clara Cardoza Title: Environmental Specialist Approval Date: Expiration Date: Conditions of Approval: E-mail Address: ccardoza@hilcorp.com Attached

Phone: 505-564-0733

* Attach Additional Sheets If Necessary

Date: 07/03/2018

NVE1820439779