

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

Incident ID	
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

NMOC
OCT 03 2018
DISTRICT III

Responsible Party Hilcorp Energy Company	OGRID
Contact Name Jennifer Deal	Contact Telephone (505-801-6517
Contact email jdeal@hilcorp.com	Incident # (assigned by OCD)
Contact mailing address 382 Road 3100, Aztec NM 87410	

Location of Release Source

Latitude 36.7962799 Longitude -108.0538712
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Jose Jaquez 1	Site Type Gas Well
Date Release Discovered 9/30/2018 @ 10:30am	API# 30-045-09341

Unit Letter	Section	Township	Range	County
K	24	30N	12W	San Juan

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

Nature and Volume of Release

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

<input type="checkbox"/> Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
<input type="checkbox"/> Produced Water	Volume Released (bbls)	Volume Recovered (bbls)
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input type="checkbox"/> Yes <input 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 checked="" type="checkbox"/> Other (describe) Screw Oil	Volume/Weight Released (provide units) ~3 gallons	Volume/Weight Recovered (provide units)

Cause of Release

A release of ~3 gallons of screw oil was discovered by the landowner who called it in to the SJC Emergency dispatch. Hilcorp was notified and the operator went to location. It was discovered that the compressor was installed incorrectly and the compressor blew down and sprayed screw oil on approximately 5'x5' area inside the location's fence and an 11'x5' are on the landowners property for a total area of 16'x5'. Operator shut in the compressor.

5

State of New Mexico
Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

Was this a major release as defined by 19.15.29.7(A) NMAC? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release? This is considered a major release as per NMAC 19.15.29.7(2)(c) "may with reasonable probability endanger public health"
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Email notification was made to Jim Griswold, Vanessa Fields and Cory Smith on 10/2/2018 at 1:43pm <i>-> Notification was provided after directed see E-mail Page 4-5</i>	

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 release has been stopped.
- ☒ The impacted area has been secured to protect human health and the environment.
- ☒ Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.
- ☒ All free liquids and recoverable materials have been removed and managed appropriately.

If all the actions described above have not been undertaken, explain why:

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: Jennifer Deal Title: Environmental Specialist

Signature: *Jennifer Deal* Date: 10/2/2018

email: jdeal@hilcorp.com Telephone: 505-801-6517

OCD Only

Received by: *Vanessa* Date: 10/10/2018

Jose Jaquez #1

Description of Remediation activities:

Hilcorp Energy Company shut in the compressor on 9/30/18 and cleaned up all stained soil and hauled off for proper disposal.

Two composite samples were taken on October 2, 2018 and will be sent to labs for analysis to determine path forward.

Fields, Vanessa, EMNRD

From: Jennifer Deal <jdeal@hilcorp.com>
Sent: Tuesday, October 2, 2018 1:30 PM
To: Fields, Vanessa, EMNRD
Subject: [EXT] RE: [EXTERNAL] Jaquez Jose #001 30-045-09341

Thank you!

Jennifer Deal
Environmental Specialist
Hilcorp Energy – L48 West
jdeal@hilcorp.com
Office: (505) 324-5128
Cell: 505-801-6517

From: Fields, Vanessa, EMNRD [mailto:Vanessa.Fields@state.nm.us]
Sent: Tuesday, October 2, 2018 1:29 PM
To: Jennifer Deal <jdeal@hilcorp.com>
Subject: RE: [EXTERNAL] Jaquez Jose #001 30-045-09341

Hi Jennifer,

Yes, the email notification is what I am requesting.

Thank you,

Vanessa Fields
Environmental Specialist
Oil Conservation Division
Energy, Minerals, & Natural Resources
1000 Rio Brazos, Aztec, NM 87410
(505)334-6178 ext 119
Cell: (505) 419-0463
vanessa.fields@state.nm.us

From: Jennifer Deal <jdeal@hilcorp.com>
Sent: Tuesday, October 2, 2018 1:26 PM
To: Fields, Vanessa, EMNRD <Vanessa.Fields@state.nm.us>
Subject: [EXT] RE: [EXTERNAL] Jaquez Jose #001 30-045-09341

Thanks Vanessa. For the proper notification mentioned below are you referring to the email to OCD Env. bureau chief?

I will work on getting the C-141 completed and submitted.

Jennifer Deal
Environmental Specialist
Hilcorp Energy – L48 West

jdeal@hilcorp.com
Office: (505) 324-5128
Cell: 505-801-6517

From: Fields, Vanessa, EMNRD [<mailto:Vanessa.Fields@state.nm.us>]
Sent: Tuesday, October 2, 2018 1:21 PM
To: Jennifer Deal <jdeal@hilcorp.com>
Cc: Smith, Cory, EMNRD <Cory.Smith@state.nm.us>
Subject: [EXTERNAL] Jaquez Jose #001 30-045-09341

Good afternoon Jennifer,

Per our phone conversation this morning the Jaquez Jose #001 release that occurred around 9:00am on Sunday September 30, 2018 is determined to be a major release due to the following:

19.15.29.7

"Major release" means:

- (1) an unauthorized release of a volume, excluding gases, of 25 barrels or more;
- (2) an unauthorized release of a volume that:
 - (a) results in a fire or is the result of a fire;
 - (b) may with reasonable probability reach a watercourse;
 - (c) may with reasonable probability endanger public health; or
 - (d) substantially damages property or the environment;
- (3) an unauthorized release of gases exceeding 500 MCF (thousand cubic feet); or
- (4) a release of a volume that may with reasonable probability be detrimental to fresh water.

HilCorp will need to submit proper notification to the OCD and submit an initial C-141.

While I was on location I also observed that there was no emergency contact phone number on HilCorps well sign along with measurable oil within the BGT. Please submit photos of both of these items being addressed.

Thank you,
Vanessa Fields
Environmental Specialist
Oil Conservation Division
Energy, Minerals, & Natural Resources
1000 Rio Brazos, Aztec, NM 87410
(505)334-6178 ext 119
Cell: (505) 419-0463
vanessa.fields@state.nm.us