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	nAPP2108949980
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party Hilcorp Energy Company	OGRID 372171	
Contact Name Mitch Killough	Contact Telephone 713-757-5247	
Contact email mkillough@hilcorp.com	Incident # nAPP2108949980	
Contact mailing address 1111 Travis Street, Houston, Texas 77002		

Location of Release Source

Latitude 36.9363251_

(NAD 83 in decimal degrees to 5 decimal places)

Site Name San Juan 32-9 Unit 41A	Site Type Well
Date Release Discovered 3/17/2021 @ 9:30am	API# 30-045-29129

Unit Letter	Section	Township	Range	County
Р	31	32N	09W	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)

Volume Released (bbls) 15	Volume Recovered (bbls) 0
Volume Released (bbls)	Volume Recovered (bbls)
Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	Yes No
Volume Released (bbls)	Volume Recovered (bbls)
Volume Released (Mcf)	Volume Recovered (Mcf)
Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)
	Volume Released (bbls) Is the concentration of dissolved chloride in the produced water >10,000 mg/l? Volume Released (bbls) Volume Released (Mcf)

Cause of Release

A release of approximately 15 bbls of oil was released from a hole in the tank that developed due to corrosion. The spill amount was determined by operator's monthly tank gauging data. The release remained on location, but the spilled fluids soaked through the berm and escaped through the south portion of the berm wall. 0 bbls were recovered. OCD will be notified 48 hours prior to sampling.

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?	
🗌 Yes 🖾 No	
If YES, was immediate ne	otice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?

Initial Response

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

 \boxtimes 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: __Mitch Killough______ Title: ___Environmental Specialist_____

Signature:

the July

email: ____mkillough@hilcorp.com_____

_____ Date: 3/30/2021_____

Telephone: ____713-757-5247_____

OCD Only

Ramona Marcus Received by:

Date: 4/26/2021

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District I 1625 N. French Dr., Hobbs, NM 88240

District II

District IV

Phone:(575) 393-6161 Fax:(575) 393-0720

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

District III 1000 Rio Brazos Rd., Aztec, NM 87410 CONDITIONS

Action 22363

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS OF APPROVAL

Operator:				OGRID:	Action Number:	Action Type:
HILCO	ORP ENERGY COMPANY	1111 Travis Street	Houston, TX77002	372171	22363	C-141
OCD Reviewer	Condition					
rmarcus	When submitting future reports re	garding this release, please sul	omit the calculations used or specific justification	for the volumes reported on th	e initial C-141	