

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	nAPP2218030491
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 # nAPP2218030491
Contact mailing address 1111 Travis Street, Houston, Texas 77002	

Location of Release Source

Latitude 36.7791252 Longitude -107.8594666
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Grenier A 4	Site Type Well
Date Release Discovered: 6/17/2022 @ 11:10 am (MT)	API# 30-045-09127

Unit Letter	Section	Township	Range	County
M	26	30N	10W	San Juan

Surface Owner: ☐ State ☒ Federal ☐ Tribal ☐ Private

Nature and Volume of Release

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

<input checked="" type="checkbox"/> Crude Oil	Volume Released (bbls) 28.29 bbls	Volume Recovered (bbls) 0 bbls
<input checked="" type="checkbox"/> Produced Water	Volume Released (bbls) 4.83 bbls	Volume Recovered (bbls) 0 bbls
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input type="checkbox"/> Yes <input checked="" 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 type="checkbox"/> Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release

A release of approximately 33.12 bbls oil/produced water was released from a 100-bbl oil tank. The manway developed a pin hole on the bottom left hand corner. Released fluids flowed downgradient to the 120 bbl BGT and settled around/under the pit. Fluids did not migrate horizontally outside of secondary containment. Despite all fluids remaining on location and inside the bermed area, no fluids could be recovered due to soaking into the ground surface. OCD will be notified 48 hours prior to closure confirmation sampling.

The spill amount was determined by operator's monthly tank gauging data.

Form C-141


State of New Mexico
Oil Conservation Division

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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? The spill amount exceeded 25 bbls.
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Mitch Killough notified the NMOCD via 24-hour email notification on 06/17/2022 at 4:43 pm CT.	

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

<input checked="" type="checkbox"/> The source of the release has been stopped. <input checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input checked="" type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately.	
If all the actions described above have <u>not</u> been undertaken, explain why: In the case of this release, the spilled fluids soaked vertically into the ground surface near the BGT and 100-bbl oil storage tank. If any free liquids could have been recovered, Hilcorp would have certainly done so.	
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: <u>Mitch Killough</u> Title: <u>Environmental Specialist</u>	
Signature: <u></u> Date: <u>06/29/2022</u>	
email: <u>mkillough@hilcorp.com</u> Telephone: <u>713-757-5247</u>	
<u>OCD Only</u>	
Received by: <u>Jocelyn Harimon</u> Date: <u>06/30/2022</u>	

Mitch Killough

From: Mitch Killough
Sent: Friday, June 17, 2022 4:43 PM
To: Velez, Nelson, EMNRD
Cc: Matt Henderson; Adeloje, Abiodun A; OCD.Enviro@state.nm.us
Subject: Hilcorp Energy Company - 24-Hour Release Notification - Grenier A 4

Hi Nelson.

On 6/17/2022 at approximately 11:10 am (MT), Hilcorp Energy Company (Hilcorp) discovered a 33.12-bbl release of oil/produced water at the Grenier A 4 (API: 30-045-09127) in San Juan County, NM (36.77911, -107.85902). Based on initial assessments conducted by Hilcorp personnel, the cause of the release was determined to be a pin hole that had formed on the manway cover (bottom left corner) on a 100-bbl oil storage tank. Released fluids flowed downgradient on the surface within secondary containment, but did not migrate horizontally outside of this area. No released fluids could be recovered. At this time, the site has been shut-in, One Call was processed today, and cleanup of visually-impacted soils will commence on 6/20/2022. Note that this will also involve a further inspection of the 100-bbl oil storage tank.

An initial C-141 will be submitted to the NMOCD no later than 7/2/2022. Please contact me if you have any questions.

Thanks.

Mitch Killough
Environmental Specialist
Hilcorp Energy Company
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Houston, TX 77002
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281-851-2338 (cell)
mkillough@hilcorp.com

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CONDITIONS

Action 121696

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 121696
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
jharimon	When submitting future reports regarding this release, please submit the calculations used or specific justification for the volumes reported on the initial C-141	6/30/2022