

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	nAPP2218031159
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 # nAPP2218031159
Contact mailing address 1111 Travis Street, Houston, Texas 77002	

Location of Release Source

Latitude 36.8742104 Longitude -108.1966629
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Rio Bravo SWD	Site Type Well
Date Release Discovered: 6/19/2022 @ 11:00am (MT)	API# 30-045-33583

Unit Letter	Section	Township	Range	County
E	27	31N	13W	San Juan

Surface Owner: ☐ State ☐ Federal ☐ Tribal ☒ Private (Name: Dun Stevens S and Melinda A Trust)

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 checked="" type="checkbox"/> Produced Water	Volume Released (bbls) 150 bbls	Volume Recovered (bbls) 150 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 150 bbls produced water was released from a 300-bbl water storage tank. A CNJ driver observed standing water inside the secondary containment area. Upon further inspection, a hole was found on the 300-bbl water storage tank due to corrosion. All spilled fluids remained within the lined, containment area and have been recovered. The failed storage tank has been isolated from the system and all remaining fluids in the tank have been pulled. On 6/21/2022, the NMOCD received a 48-hour notice prior to the liner inspection. On 6/23/2022, starting at 9:00 am MT, the liner inspection was conducted by Hilcorp personnel. Following the submittal of this initial C-141, a follow-up report will be submitted to the NMOCD with findings from the liner inspection.

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 06/20/2022 at 06:33 am 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: 	
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: Monday, June 20, 2022 6:33 AM
To: Velez, Nelson, EMNRD
Cc: OCD.Enviro@state.nm.us; Matt Henderson
Subject: Hilcorp Release Notification - Rio Bravo SWD

Tracking:	Recipient	Delivery
	Velez, Nelson, EMNRD	
	OCD.Enviro@state.nm.us	
	Matt Henderson	Delivered: 6/20/2022 6:33 AM

Hi Nelson.

On 6/19/2022 at approximately 11:00 am (MT), Hilcorp Energy Company (Hilcorp) discovered a 150-bbl release of produced water at the Rio Bravo SWD in San Juan County, NM (36.874207, -108.196031). Upon further inspection, a hole was observed in a 300-bbl water storage tank. At this time, the primary cause has been determined to be corrosion. All released fluids remained in a lined, secondary containment berm and did not flow off the pad. Following discovery, all standing fluids were removed from the containment area and were hauled to another Hilcorp-operated SWD. Prior to Hilcorp conducting a liner inspection, a 48-hour notice will be provided to the NMOCD.

An initial C-141 will be submitted to the NMOCD no later than 7/4/2022. Please contact me if you have any questions.

Sincerely,

Mitch Killough
Environmental Specialist
Hilcorp Energy Company
1111 Travis Street
Houston, TX 77002
713-757-5247 (office)
281-851-2338 (cell)
mkillough@hilcorp.com

Mitch Killough

From: Mitch Killough
Sent: Tuesday, June 21, 2022 9:02 AM
To: Velez, Nelson, EMNRD
Cc: OCD.Enviro@state.nm.us; Matt Henderson; Joey Becker
Subject: RE: Hilcorp Release Notification - Rio Bravo SWD

Morning Nelson.

After speaking with ops, they are preparing to commence the liner inspection at the Rio Bravo SWD on Thursday, June 23 at 9 am MT. If you need any additional information, please let me know.

Thanks.

Mitch Killough
Hilcorp Energy Company
713-757-5247 (Office)
281-851-2338 (Mobile)

From: Mitch Killough
Sent: Monday, June 20, 2022 6:33 AM
To: Velez, Nelson, EMNRD <Nelson.Velez@state.nm.us>
Cc: OCD.Enviro@state.nm.us; Matt Henderson <mhenderson@hilcorp.com>
Subject: Hilcorp Release Notification - Rio Bravo SWD

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Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
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CONDITIONS

Action 121697

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 121697
	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