

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

Form C-141
Revised August 24, 2018
Submit to appropriate OCD District office

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Incident ID	nAPP2224144740
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party Hilcorp Energy Company (Hilcorp)	OGRID 372171
Contact Name Mitch Killough	Contact Telephone 713-757-5247
Contact email mkillough@hilcorp.com	Incident # nAPP2224144740
Contact mailing address 1111 Travis Street, Houston, Texas 77002	

Location of Release Source

Latitude 36.8929138 _____ Longitude -107.7552261 _____
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Seymour 6	Site Type Well
Date Release Discovered: 8/18/2022 @ 08:30am (MT)	API# 30-045-10684

Unit Letter	Section	Township	Range	County
M	14	31N	09W	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) 20 bbls	Volume Recovered (bbls) 2 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 type="checkbox"/> Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release

On 8/18/2022 at approximately 08:30 am (MT), Hilcorp discovered a 20-bbl release of oil at the Seymour 6. Due to the excessive rainfall in the area, the open-top BGT tank on location overflowed causing the oil in the storage vessel to float up and spill into secondary containment, breach a section of the surrounding berm wall, and eventually enter a dry watercourse located immediately adjacent to the site. Refer to attached initial notification. Upon discovery, Hilcorp began recovery efforts immediately on pad by emptying the remaining fluids in the BGT storage vessel and recovering any possible free product on the pad location with a 3rd party vacuum truck operator. On 8/19/2022, approximately 60 yards of visibly-impacted soils were removed from the site and hauled to a disposal.

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

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? Per 19.15.29.7.A, a major release includes an unauthorized release of a volume that may with reasonable probability reach a watercourse. During this event, a portion of the spilled fluids migrated off the pad and entered a dry watercourse located immediately adjacent to the site.
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 and BLM – FFO via 24-hour email notification on 08/18/2022 at 09:00 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:  Date: <u>08/31/2022</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>08/31/2022</u>

Mitch Killough

From: Mitch Killough
Sent: Friday, August 19, 2022 9:00 AM
To: Velez, Nelson, EMNRD; Adeloje, Abiodun A
Cc: OCD.Enviro@state.nm.us; Matt Henderson
Subject: Hilcorp Energy Company - 24-Hour Release Notification - Seymour 6

Hi Nelson/Emmanuel.

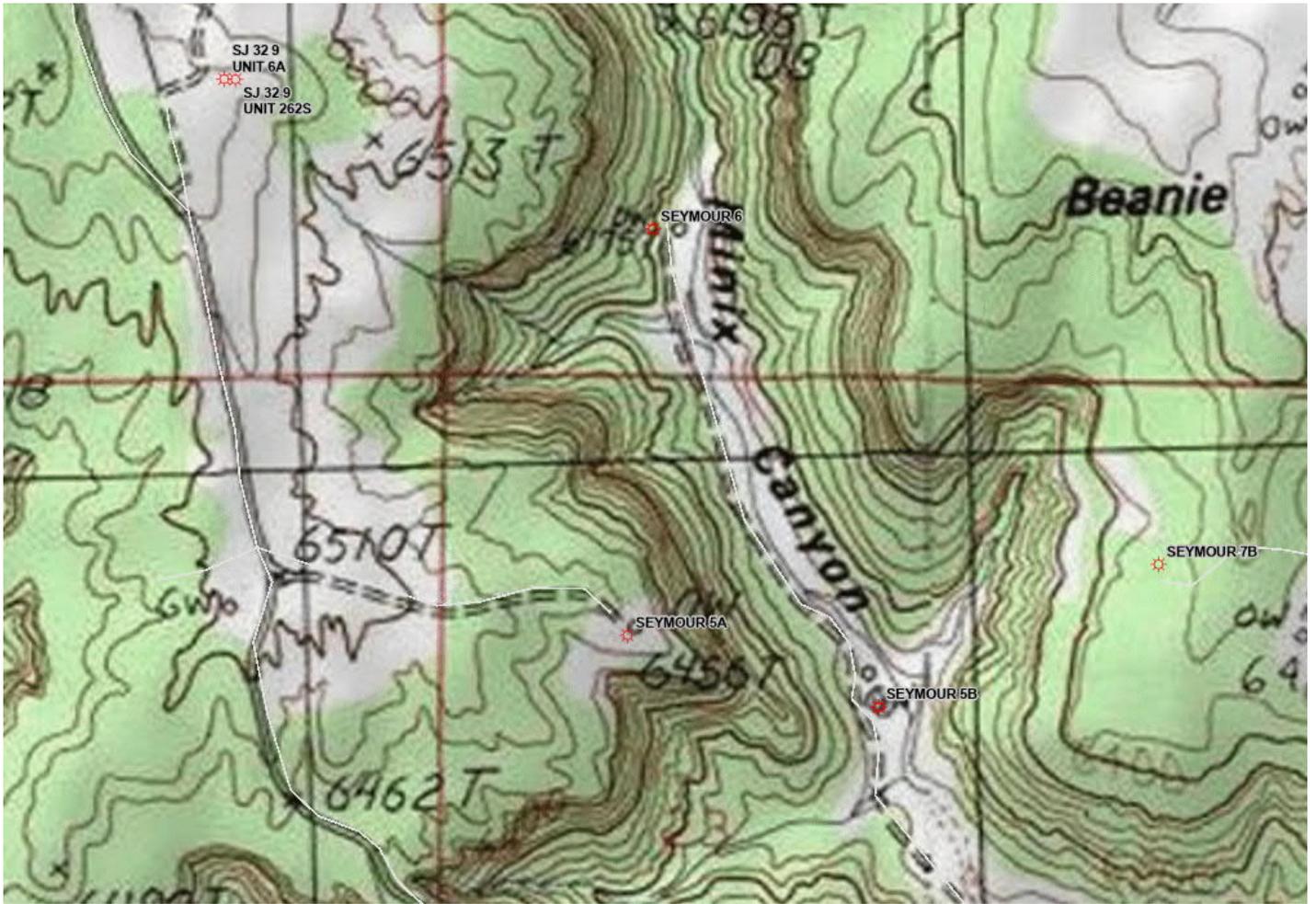
On 8/18/2022 at approximately 08:30 am (MT), Hilcorp Energy Company (Hilcorp) discovered a 20-bbl release of oil at the Seymour 6 (API: 30-045-10684) in San Juan County, NM (36.89313, -107.75461). Due to the excessive rainfall in the area, the open-top BGT tank on location overflowed causing the oil in the storage vessel to float up and spill into secondary containment, breach a section of the surrounding berm wall, and eventually enter a dry watercourse located immediately adjacent to the site. The unnamed, dry watercourse is considered a wash located within Minix Canyon. Refer to the images below. Upon discovery, Hilcorp began recovery efforts immediately on pad by emptying the remaining fluids in the BGT storage vessel and recovering any possible free product on the pad location with a 3rd party vacuum truck operator. At this time, the site remains shut-in while cleanup efforts commence on pad. Hilcorp will discuss with the BLM-FFO first before proceeding with off pad cleanup efforts.

Based on initial assessments conducted by Hilcorp personnel, visual impacts to the unnamed watercourse were observed along approximately 950 linear ft with a width of 4 ft. These impacts are characterized as visual soil staining and discoloration on vegetation along the water feature. This is still being assessed at the moment.

An initial C-141 will be submitted to the NMOCD no later than 9/2/2022.

Please contact me if you have any questions. Thanks.





Mitch Killough
Environmental Specialist
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Houston, TX 77002
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Energy, Minerals and Natural Resources
Oil Conservation Division
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Santa Fe, NM 87505

CONDITIONS

Action 138913

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 138913
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
jharimon	None	8/31/2022