

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	nAPP2331720576
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 # nAPP2331720576
Contact mailing address 1111 Travis Street, Houston, Texas 77002	

Location of Release Source

Latitude 36.846612 Longitude -108.087647
(NAD 83 in decimal degrees to 5 decimal places)

Site Name L C Kelly 17	Site Type Well
Date Release Discovered: 11/8/2023 @ 09:15 am (MT)	API# 30-045-31625

Unit Letter	Section	Township	Range	County
C	3	30N	12W	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 type="checkbox"/> Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
<input checked="" type="checkbox"/> Produced Water	Volume Released (bbls) 19.5 bbls	Volume Recovered (bbls) 19 bbls
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input checked="" 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 11/8/2023 at approx. 9:15 am (MT), a Hilcorp operator discovered produced water fluid standing in the wooden cribbing surrounding the 120-bbl BGT. Upon discovery, the well was shut-in pending repairs. The operator called in a water truck to remove all standing fluid from within the cribbing. Spill volume was determined to be 19.5 bbls produced water. After further investigation, it was determined that a hole had formed at the bottom of the BGT, most likely from corrosion. The wooden cribbing prevented spilled fluids from migrating horizontally off the pad surface.

The spill amount was determined by operator's production data.


Oil Conservation Division

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Was this a major release as defined by 19.15.29.7(A) NMAC? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release?
If YES, was immediate notice 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

<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>11/21/2023</u>
email: <u>mkillough@hilcorp.com</u> Telephone: <u>713-757-5247</u>
<u>OCD Only</u>
Received by: <u>Shelly Wells</u> Date: <u>11/21/2023</u>

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CONDITIONS

Action 287748

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 287748
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
scwells	None	11/21/2023