

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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

Form C-141
Revised October 10, 2003

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

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

30-015-25960

Release Notification and Corrective Action

NMLB 1114655855

OPERATOR

Initial Report Final Report

Name of Company SM Energy Company 154903	Contact Donna Huddleston
Address 3300 N. A Street, Bldg 7, Suite 200 Midland, TX	Telephone No. (432)688-1789
Facility Name Parkway Delaware Unit #501	Facility Type Battery

Surface Owner BLM	Mineral Owner BLM	Lease No. NMNM88491X
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	35	19S	29E					Eddy County

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Oil	Volume of Release 205 bbls	Volume Recovered 200 bbls
Source of Release 750 Steel tank	Date and Hour of Occurrence 5/16/2011	Date and Hour of Discovery 7:30 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? BLM - Jim Amos	oCD 5/16/11 10:15 AM
By Whom? Bill Hearne	Date and Hour 5/16/2011 @ 9:57 AM	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

RECEIVED
MAY 24 2011
NMOCD ARTESIA

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
750 Steel (Test Tank) discovered @ 7:30 AM leaking oil from bottom of tank. Spill contained inside of diked area. Estimated 205 bbls. oil spilled and recovered 200 bbls. and transfered to empty stock tank. Net Loss: 5 bbls. oil. Oil will be circulated back through heater treater.

Describe Area Affected and Cleanup Action Taken.*
85 ft. x 60 ft. area contained in diked. Dug out top 1 ft of soil. Called Tetra Tech Environmental services to inspect, test and remediate area.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD 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.

Signature: <i>Donna Huddleston</i>	OIL CONSERVATION DIVISION	
Printed Name: Donna Huddleston	Approved by <i>Mike Beaman</i>	Signed By <i>Mike Beaman</i>
Title: Engineering Tech	Approval Date: 5/26/2011	Expiration Date:
E-mail Address: dhuddleston@sm-energy.com	Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:	Attached <input type="checkbox"/>
Date: 05/19/2011	Phone: (432)688-1789	

* Attach Additional Sheets If Necessary

6/26/2011

2 RP-788

Bratcher, Mike, EMNRD

From: Donna Huddleston [dhuddleston@sm-energy.com]
Sent: Thursday, May 26, 2011 3:00 PM
To: Bratcher, Mike, EMNRD
Subject: RE: Parkway Delaware Unit Release

The Battery is located at the Parkway Delaware Unit 501 well. API # 30-015-25960.

Let me know if you need anything else.

Thanks,
Donna

From: Bratcher, Mike, EMNRD [<mailto:mike.bratcher@state.nm.us>]
Sent: Thursday, May 26, 2011 3:22 PM
To: Donna Huddleston
Subject: Parkway Delaware Unit Release

Ms. Huddleston,

I received a C-141 reporting a release on 5/16/2011 at the Parkway Delaware Unit. I need at least one of the following to process the document:

- Well name/number
- API number
- Legal footages
- Lat/Long

If this is a "stand-alone" battery, the well closest to the battery will work. After today, I will be out of the office until next Tuesday, so no hurry right now.

Thank you,

Mike Bratcher

NMOCD DISTRICT 2
1301 W. GRAND AVE.
ARTESIA, NM 88210
575-748-1283 EXT.108
mike.bratcher@state.nm.us