

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	NAPP2209141509
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party Hilcorp Energy Company	OGRID 372171
Contact Name Billy Ginn	Contact Telephone 346-237-2073
Contact email William.Ginn@hilcorp.com	Incident # nAPP2209141509
Contact mailing address 1111 Travis Street, Houston, Texas 77002	

Location of Release Source

Latitude 36.766507 _____ Longitude -107.543303 _____
(NAD 83 in decimal degrees to 5 decimal places)

Site Name San Juan 30-6 Unit 414	Site Type Natural Gas Production Facility
Date Release Discovered 03/31/2022 @ 09:53am MT	API# 30-039-24154

Unit Letter	Section	Township	Range	County
K	35	30N	07W	Rio Arriba

Surface Owner: State Federal Tribal Private (Name: _____)

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) 126	Volume Recovered (bbls) 110
	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:

On 03/31/2022 at approximately 09:53am MT, Hilcorp Energy Company (HEC) discovered corrosion on the aboveground storage tank (AST), which caused the contents of the tank (126 bbls of produced water) to release into the secondary containment at the San Juan 30-6 Unit 414 (API: 30-039-24154) in Rio Arriba County, NM. The release occurred in the Fruitland Coal Field (Lease No. NMSF079383) on Federal BLM land (30N, 7W, 35K). 126 bbls of produced water was discharged, with 110 bbls recovered. Spilled fluids did not migrate horizontally outside the bermed area or off pad, but 16 bbls of produced water migrated vertically into the underlying soils. The aforementioned volumes were calculated based on the tank dimensions, the location of the corrosion, and the amount of liquid stored in the tank prior to the release. Immediately upon discovery, the AST was isolated, and a vacuum truck was dispatched to the area recovering as much liquid as possible. There were no personal injuries. In an effort to prevent recurrence of the same incident, the tank will be inspected, cleaned and coated before being put back into service. No other spills have occurred at this site in the past three years. HEC made the appropriate notifications by e-mail to Mr. Abiodun Adelaye and Mr. Ryan Joyner with the BLM, along with Mr. Nelson Velez with the NMOCD within 24 hours of discovery of the release in accordance with NMAC 19.15.29.10 A. (1).

Incident ID	nAPP2133326844
District RP	
Facility ID	
Application ID	

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)? Billy Ginn notified the BLM (FFO) and NMOCD via 24-hour email notification on 03/31/2022 at 03:15 pm CST.	

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> Billy Ginn </u> Title: <u> Environmental Specialist </u> Signature: <u>  </u> Date: <u> 04/07/2022 </u> email: <u> William.Ginn@hilcorp.com </u> Telephone: <u> 346-237-2073 </u>
OCD Only Received by: <u> Jocelyn Harimon </u> Date: <u> 04/07/2022 </u>

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Energy, Minerals and Natural Resources
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CONDITIONS
 Action 96589

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 96589
	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	4/7/2022