

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	NAPP2224360294
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party	HPOC, LLC	OGRID	246238
Contact Name	Nyle Khan	Contact Telephone	408-230-7545
Contact email	n.khan@hpocllc.com	Incident # (assigned by OCD)	nAPP2224360294
Contact mailing address	PO Box 1898, Cuba, NM, 87013		

Location of Release Source

Latitude 35.948930 Longitude -107.371440
(NAD 83 in decimal degrees to 5 decimal places)

Site Name	Ojo Encino	Site Type	Oil Field
Date Release Discovered	Aug 18 th , 2022	API# (if applicable)	

Unit Letter	Section	Township	Range	County
K	21	20N	05W	Mckinley

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 checked="" type="checkbox"/> Crude Oil	Volume Released (bbls) 3	Volume Recovered (bbls) 1
<input checked="" type="checkbox"/> Produced Water	Volume Released (bbls) 20	Volume Recovered (bbls) 0
	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)
<p>Cause of Release Electrical failure from power company caused damage to 8 Fed DWS VFD drive. The VFD fail-safe stopping the VFD turning on automatically, didn't work as a result. Consequently, the ESP pump turned on automatically. The production water tank filled beyond its set point (14ft). Tank height is 20 feet. Esp pump rate for DWS well is approximately 2350 bbls/day. This equates to approx. 98 bbls/hour. It took about 1.46 hours before we shut it off manually. The calculation is: 98bbls/hour * 1.46 hours = 143 bbls. In order for the tank to spill over, 120 bbls = (20ft - 14ft)*20 bbls/ft is required. Spillage on the ground is 143bbls - 120bbls = 23 bbls. There is usually a small amount of oil floating on the produced water in the water tank which is where the 3bbls of oil came from.</p>		

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Site Assessment/Characterization

This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release?	>100 (ft bgs)
Did this release impact groundwater or surface water?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 500 horizontal feet of a spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a wetland?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying a subsurface mine?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying an unstable area such as karst geology?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within a 100-year floodplain?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Did the release impact areas not on an exploration, development, production, or storage site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Attach a comprehensive report (electronic submittals in .pdf format are preferred) demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined. Refer to 19.15.29.11 NMAC for specifics.

Characterization Report Checklist: *Each of the following items must be included in the report.*

- ☐ Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells.
- ☐ Field data
- ☐ Data table of soil contaminant concentration data
- ☐ Depth to water determination
- ☐ Determination of water sources and significant watercourses within ½-mile of the lateral extents of the release
- ☐ Boring or excavation logs
- ☐ Photographs including date and GIS information
- ☐ Topographic/Aerial maps
- ☐ Laboratory data including chain of custody

If the site characterization report does not include completed efforts at remediation of the release, the report must include a proposed remediation plan. That plan must include the estimated volume of material to be remediated, the proposed remediation technique, proposed sampling plan and methods, anticipated timelines for beginning and completing the remediation. The closure criteria for a release are contained in Table 1 of 19.15.29.12 NMAC, however, use of the table is modified by site- and release-specific parameters.

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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: _____ Nyle Khan _____ Title: _____ Manager _____

Signature: _____  _____ Date: 9/1/2022

email: _____ n.khan@hpocllc.com _____ Telephone: _____ 408-230-7545 _____

OCD Only

Received by: _____ Jocelyn Harimon _____ Date: 09/02/2022

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Remediation Plan

Remediation Plan Checklist: *Each of the following items must be included in the plan.*

- ☐ Detailed description of proposed remediation technique
- ☐ Scaled sitemap with GPS coordinates showing delineation points
- ☐ Estimated volume of material to be remediated
- ☐ Closure criteria is to Table 1 specifications subject to 19.15.29.12(C)(4) NMAC
- ☐ Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is required)

Deferral Requests Only: *Each of the following items must be confirmed as part of any request for deferral of remediation.*

- ☐ Contamination must be in areas immediately under or around production equipment where remediation could cause a major facility deconstruction.
- ☐ Extents of contamination must be fully delineated.
- ☐ Contamination does not cause an imminent risk to human health, the environment, or groundwater.

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Printed Name: _____ Title: _____
Signature: _____ Date: _____
email: _____ Telephone: _____

OCD Only

Received by: _____ Date: _____

☐ Approved ☐ Approved with Attached Conditions of Approval ☐ Denied ☐ Deferral Approved

Signature: _____ Date: _____

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Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: *Each of the following items must be included in the closure report.*

- ☐ A scaled site and sampling diagram as described in 19.15.29.11 NMAC
- ☐ Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)
- ☐ Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)
- ☐ Description of remediation activities

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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

Printed Name: _____ Nyle Khan _____ Title: _____ Manager _____

Signature: _____  _____ Date: 9/1/2022

email: _____ n.khan@hpocllc.com _____ Telephone: _____ 408-230-7545 _____

OCD Only

Received by: Jocelyn Harimon _____ Date: 09/02/2022 _____

Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.

Closure Approved by: Nelson Velez _____ Date: 05/22/2023 _____

Printed Name: Nelson Velez _____ Title: Environmental Specialist - Adv _____

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Closure Report

Remediation of Spill on 8/18/2022

On 8/18/2022 HPOC detected a spill that occurred at the Ojo Encino Field. We reported the spill to Monica Kueling of OCD via telephone on the same day. The spill was caused by electrical damage to the VFD Drive of the 8 Fed DWS well (see detailed description above in Initial Report). Our production water tank over- flowed into the tank containment area (see Picture #1). Approximately 23 bbls of total fluid (3bbls oil and 20bbls water) spilled. On the same day we cleaned up 1 bbl of oil into the oil tank. On Aug 19th Riley Industrial used a vacuum truck to clean up as much of the water/oil/sand mixture as possible (there was about 10 inches of sand on top of the liner in the containment area). Riley picked up 70bbls of total mixture and disposed of it at Envirotech. On Aug 20 and 21st, we steam sprayed the outside of the production water tank to clean as much residue as possible. On Aug 22, we cleaned any remnants of the spill off the liner. We then inspected the liner for leaks/cuts. The liner looked good (see Picture #2: Please note the seams in the liner. These seams are glued together to form one continuous sheet). Since the liner integrity was sound, we did not see the need to test the soil underneath. Our last item to complete the remediation is to place fresh dirt back on the liner, but have been unable to do so because of daily rain and puddling on the top of the liner. Once the rain stops, and the liner dries out, we will place the 6-8 inches of fresh dirt on the liner.



Picture 1: Ojo Encino 08/18/22 Spill Site Diagram

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Picture #2: Liner Inspection at site of spill

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District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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COMMENTS

Action 140004

COMMENTS

Operator: HPOC, LLC P.O. Box 1898 Cuba, NM 87013	OGRID: 246238
	Action Number: 140004
	Action Type: [C-141] Release Corrective Action (C-141)

COMMENTS

Created By	Comment	Comment Date
csmith	Application Returned to review. Incorrect surface Owner designation on the C-141.	5/22/2023

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CONDITIONS

Created By	Condition	Condition Date
nvelez	None	5/22/2023