

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 | nAPP2328946814 |
| District RP | |
| Facility ID | fAPP2123262420 |
| Application ID | |

Release Notification

Responsible Party

| | |
|---|---|
| Responsible Party SCM Operations, LLC | OGRID 330368 |
| Contact Name Hayden Acosta | Contact Telephone 505-249-9506 |
| Contact email Hayden.Acosta@scmid.com | Incident # (assigned by OCD) nAPP2328946814 |
| Contact mailing address 5775 N. Sam Houston Pkwy W., Suite 600, Houston, TX 77086 | |

Location of Release Source

Latitude 32.001981 Longitude -103.826806
(NAD 83 in decimal degrees to 5 decimal places)

| | |
|--|------------------------------|
| Site Name Nailed It B Compressor Station | Site Type Compressor Station |
| Date Release Discovered 08/26/2023 | API# (if applicable) |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|--------|
| H | 36 | 26S | 30E | Eddy |

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 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 checked="" type="checkbox"/> Natural Gas | Volume Released (Mcf) 4 | Volume Recovered (Mcf) 0 |
| <input type="checkbox"/> Other (describe) | Volume/Weight Released (provide units) | Volume/Weight Recovered (provide units) |

Cause of Release

Instrument gas venting from a gas driven pneumatic instrument ignited near the back of the dehydration unit. The ignition caused a failure of the diaphragm cover of the pneumatic relay, allowing instrument gas to flow freely from the 1/4" tubing, through the diaphragm cavity, to feed the fire. When the instrument gas to the dehydration unit was isolated, the fire stopped immediately. No fluid was involved in the release. Closure is requested as there were no impacts to ground surface.

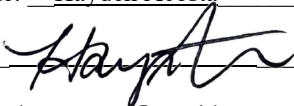
Oil Conservation Division

| | |
|----------------|----------------|
| Incident ID | nAPP2328946814 |
| District RP | |
| Facility ID | fAPP2123262420 |
| 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 release resulted in a fire. |
| If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Notice was given to the OCD via email to Mike Bratcher / ocd.enviro@emnrd.nm.gov on 10/13/2023 by Hayden Acosta. This was followed up with an NOR on 10/16/2023 as requested by Shelly Wells. | |

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>Hayden Acosta</u> | Title: <u>Senior EHS Coordinator</u> |
| Signature:  | Date: <u>11/01/2023</u> |
| email: <u>Hayden.Acosta@scmid.com</u> | Telephone: <u>505-249-9506</u> |
| <u>OCD Only</u> | |
| Received by: <u>Shelly Wells</u> | Date: <u>11/3/2023</u> |

| | |
|----------------|----------------|
| Incident ID | nAPP2328946814 |
| District RP | |
| Facility ID | fAPP2123262420 |
| Application ID | |

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.

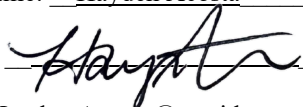
Closure Report Attachment Checklist: *Each of the following items must be included in the closure report.*

- ☒ 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: Hayden Acosta

Title: Senior EHS Coordinator

Signature: 

Date: 11/01/2023

email: Hayden.Acosta@scmid.com

Telephone: 505-249-9506

OCD Only

Received by: Shelly Wells

Date: 11/3/2023

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: Shelly Wells

Date: 11/3/2023

Printed Name: Shelly Wells

Title: Environmental Specialist-Advanced

| | |
|----------------|----------------|
| Incident ID | nAPP2328946814 |
| District RP | |
| Facility ID | fAPP2123262420 |
| Application ID | |

Gas Loss Calculations

| GAS LOSS THROUGH A PIPELINE RUPTURE OR HOLE | | | |
|---|--------------------|---|-----------------------------|
| Round Hole | | Pipe Data | Rip or Gouge |
| Diameter of hole = | 0.21 inches | OD of Pipe = | 2.35 Length in inches = 2 |
| Average Pressure = | 120 psig | Wall Thickness | 0.154 Width in inches = 1.5 |
| Specific Gravity = | 0.8 | | Equivalent Diameter |
| Atmos. Pressure = | 12 | For a Rip or Gouge, figure the Equivalent Diameter and place this value in the "Diameter of hole" | |
| Gas Temperature F = | 85 | | |
| Leak Time = | 0 Hours 50 Minutes | | |
| Gas Loss in CF = | 3,863 | | 365,281 |
| Gas Loss in MCF = | 4 | | 365 |
| Gas Cost per MCF = | \$1.50 | | \$1.50 |
| Cost of Gas Loss = | \$5.79 | | \$547.92 |

Use the column with the smallest numbers

[Return](#)

| | |
|----------------|----------------|
| Incident ID | nAPP2328946814 |
| District RP | |
| Facility ID | fAPP2123262420 |
| Application ID | |

Pictures



| | |
|----------------|----------------|
| Incident ID | nAPP2328946814 |
| District RP | |
| Facility ID | fAPP2123262420 |
| Application ID | |

Pictures



| | |
|----------------|----------------|
| Incident ID | nAPP2328946814 |
| District RP | |
| Facility ID | fAPP2123262420 |
| Application ID | |

Site Map



District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
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

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 282533

CONDITIONS

| | |
|--|---|
| Operator: SCM Operations, LLC 5775 N Sam Houston Pkwy W Houston, TX 77086 | OGRID: 330368 |
| | Action Number: 282533 |
| | Action Type: [C-141] Release Corrective Action (C-141) |

CONDITIONS

| | | |
|------------|-----------|----------------|
| Created By | Condition | Condition Date |
| scwells | None | 11/3/2023 |