

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	nAPP2112349869
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 # nAPP2112349869
Contact mailing address 1111 Travis Street, Houston, Texas 77002	

Location of Release Source

Latitude 36.865061 Longitude -108.194054
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Sandrock South POD (located at Nance 1E wellsite)	Site Type Wellhead Compression Station
Date Release Discovered 4/18/2021 @ 2:00 pm (MT)	API# 30-045-25894

Unit Letter	Section	Township	Range	County
N	27	31N	13W	San Juan

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) 85 bbls	Volume Recovered (bbls) 85 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 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 4/18/2021 at approximately 2:00 pm (MT), Hilcorp discovered a 85-bbl release of produced water at the Sandrock South POD in San Juan County, NM (36.865061, -108.194054). Due to compressor downtime, the incoming pipeline sent a slug of liquids to the site and overfilled the 95-bbl pit tank. The volume of released fluids amounted to 85-bbls produced water. All released fluids remained in a lined, secondary containment berm and did not flow off the pad. Following discovery, a vacuum truck removed all fluids from the containment area. On 4/22/2021, Hilcorp conducted a liner inspection and determined that the liner was in good condition and able to sufficiently contain the spilled fluids. Prior to conducting the inspection, NMOCD/BLM received a 48-hr notification via email.

State of New Mexico
Oil Conservation Division


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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 released amount exceeded 25 bbls and could no longer be considered 'Minor'.
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? An email notification was submitted to Cory Smith (copied Ryan Joyner, BLM) on 4/19/2021 at 2:53 pm (CT).	

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>5/3/2021</u>	
email: <u>mkillough@hilcorp.com</u> Telephone: <u>713-757-5247</u>	
<u>OCD Only</u>	
Received by: <u>Ramona Marcus</u> Date: <u>5/11/2021</u>	

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

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CONDITIONS

Action 26712

CONDITIONS OF APPROVAL

Operator:			OGRID:	Action Number:	Action Type:
HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX77002			372171	26712	C-141
OCD Reviewer	Condition				
marcus	When submitting future reports regarding this release, please submit the calculations used or specific justification for the volumes reported on the initial C-141				