

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	nAPP2307357709
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 # nAPP2307357709
Contact mailing address 1111 Travis Street, Houston, Texas 77002	

Location of Release Source

Latitude 36.8225021 _____ Longitude -108.0012741 _____
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Aztec 9	Site Type Well
Date Release Discovered: 2/27/2023 @ 01:30 pm (MT)	API# 30-045-24699

Unit Letter	Section	Township	Range	County
M	09	30N	11W	San Juan

Surface Owner: ☐ State ☐ Federal ☐ Tribal ☒ Private (Name: Old and Bold LLC)

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) 3.34 bbls	Volume Recovered (bbls) 0 bbls
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input checked="" type="checkbox"/> Condensate	Volume Released (bbls) 8.35 bbls	Volume Recovered (bbls) 0 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

A release of approximately 11.69 bbls fluid (8.35 bbls condensate, 3.34 bbls produced water) was released from a hole that formed approximately 2 inches from the bottom of the 300-bbl storage tank. The primary cause of the release is external corrosion. The released fluids pooled immediately around the storage tank within secondary containment. Although discharged fluids did not migrate laterally outside secondary containment, no fluids could be recovered due to soaking into the ground surface. It should be noted that when the active leak was discovered, the remaining fluid in the tank was pulled by a vacuum truck and transferred to another location.


OCD will be notified 48 hours prior to sampling. The spill amount was determined by operator's monthly tank gauging data.

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Was this a major release as defined by 19.15.29.7(A) NMAC? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release?
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?	

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: In the case of this release, the spilled fluids soaked vertically into the ground surface beneath the storage tank. If any free liquids could have been recovered, Hilcorp would have certainly done so.
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>03/14/2023</u> email: <u>mkillough@hilcorp.com</u> Telephone: <u>713-757-5247</u>
<u>OCD Only</u> Received by: <u>Jocelyn Harimon</u> Date: <u>03/15/2023</u>

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CONDITIONS

Action 197111

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 197111
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
jharimon	None	3/15/2023