

Note: On 12/30/2023, Hilcorp Energy Company had originally reported the spilled condensate volume to equal 31 bbls condensate with 27 bbls of condensate having been unrecoverable below the secondary containment area. However, after operations reviewed the data with our production accounting team in greater detail, it was determined that the spill volume should have been reported as 6 bbls condensate. Refer to the Sammons No. 2 Tank Gauge data (attached). Hilcorp will revise the Form C-141 submittal to reflect 6 bbls condensate with 0 bbls having been recovered.

Sheet1

Date/Time	Gauge	Volume	Top Gauge	Color Cut	CCut Volume	Product	UOM	UOM Syst	Obs. Temp	Last Update ID	Last Updated
01/01/2024 12:00 AM	02-10-04	101.29	03-02-04	00-04-04	11.92	COND	BBL	IMPRL	0	jolivarez	01/15/2024 08:05 AM
12/31/2023 12:00 AM	02-10-04	101.29	03-02-04	00-04-04	11.92	COND	BBL	IMPRL	0	jolivarez	01/15/2024 07:53 AM
12/30/2023 12:00 AM	02-10-04	101.29	03-02-04	00-04-04	11.92	COND	BBL	IMPRL	0	jolivarez	01/15/2024 07:53 AM
12/29/2023 12:00 AM	02-10-04	101.29	03-02-04	00-04-04	11.92	COND	BBL	IMPRL	0	jolivarez	01/15/2024 07:52 AM
12/28/2023 12:00 AM	03-00-04	107.25	03-04-04	00-04-04	11.92	COND	BBL	IMPRL	0	Carryforward	12/28/2023 03:01 AM
12/27/2023 12:00 AM	03-00-04	107.25	03-04-04	00-04-04	11.92	COND	BBL	IMPRL	0	Carryforward	12/27/2023 03:01 AM
12/26/2023 12:00 AM	03-00-04	107.25	03-04-04	00-04-04	11.92	COND	BBL	IMPRL	0	Carryforward	12/26/2023 03:01 AM
12/25/2023 12:00 AM	03-00-04	107.25	03-04-04	00-04-04	11.92	COND	BBL	IMPRL	0	Carryforward	12/25/2023 03:01 AM
12/24/2023 12:00 AM	03-00-04	107.25	03-04-04	00-04-04	11.92	COND	BBL	IMPRL	0	Carryforward	12/24/2023 03:01 AM
12/23/2023 12:00 AM	03-00-04	107.25	03-04-04	00-04-04	11.92	COND	BBL	IMPRL	0	Carryforward	12/23/2023 03:01 AM
12/22/2023 12:00 AM	03-00-04	107.25	03-04-04	00-04-04	11.92	COND	BBL	IMPRL	0	jolivarez	01/15/2024 07:52 AM
12/21/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/21/2023 03:01 AM
12/20/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/20/2023 03:01 AM
12/19/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/19/2023 03:01 AM
12/18/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/18/2023 03:01 AM
12/17/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/17/2023 03:01 AM
12/16/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/16/2023 03:01 AM
12/15/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/15/2023 03:01 AM
12/14/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/14/2023 03:01 AM
12/13/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/13/2023 03:01 AM
12/12/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/12/2023 03:01 AM
12/11/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/11/2023 03:01 AM
12/10/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/10/2023 03:01 AM
12/09/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/09/2023 03:01 AM
12/08/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/08/2023 03:01 AM
12/07/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/07/2023 03:01 AM
12/06/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/06/2023 03:01 AM
12/05/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/05/2023 03:01 AM
12/04/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/04/2023 03:01 AM
12/03/2023 12:00 AM	01-07-04	56.60	02-01-04	00-06-04	17.88	COND	BBL	IMPRL	0	jo10873	12/03/2023 10:03 PM
12/02/2023 12:00 AM	01-04-04	47.67	01-10-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/02/2023 03:01 AM
12/01/2023 12:00 AM	01-04-04	47.67	01-10-04	00-06-04	17.88	COND	BBL	IMPRL	0	Carryforward	12/01/2023 03:01 AM

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

QUESTIONS

Action 303624

**QUESTIONS**

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 303624
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

**QUESTIONS**

<b>Prerequisites</b>	
Incident ID (n#)	nAPP2336429577
Incident Name	NAPP2336429577 SAMMONS NO. 2 @ 30-045-09025
Incident Type	Oil Release
Incident Status	Initial C-141 Received
Incident Well	[30-045-09025] SAMMONS #002

<b>Location of Release Source</b>	
<i>Please answer all the questions in this group.</i>	
Site Name	Sammons No. 2
Date Release Discovered	12/29/2023
Surface Owner	Private

<b>Incident Details</b>	
<i>Please answer all the questions in this group.</i>	
Incident Type	Oil Release
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	No
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

<b>Nature and Volume of Release</b>	
<i>Material(s) released, please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission.</i>	
Crude Oil Released (bbls) Details	Not answered.
Produced Water Released (bbls) Details	Not answered.
Is the concentration of chloride in the produced water >10,000 mg/l	No
Condensate Released (bbls) Details	Cause: Equipment Failure   Production Tank   Condensate   Released: 6 BBL   Recovered: 0 BBL   Lost: 6 BBL.
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Not answered.
Other Released Details	Not answered.
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	On 12/29/2023 at approximately 12:30 pm (MT), a Hilcorp operator discovered a 6-bbl condensate release at the Sammons 2 (API No. 30-045-09025) in San Juan County, NM (36.77139, -108.11789) while performing AVO surveys. Surface ownership at the site is fee surface/fee mineral (Parcel Owner: Andrea Corporation). Upon discovery, the operator observed fluids within secondary containment. Although none of the fluids migrated horizontally outside of secondary containment, approximately 6 bbls of fluid are assumed to have soaked into the underlying soils beneath the liner. It is believed that the spilled fluids were recovered with a water hauler truck on the day of the release, but a waste ticket was not generated by the hauler since it was placed back into the condensate tank after being recovered. At this time, the primary cause is determined to be a cracked hammer union on the oil fill line.



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QUESTIONS, Page 2

Action 303624

**QUESTIONS (continued)**

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**QUESTIONS**

<b>Nature and Volume of Release (continued)</b>	
Is this a gas only submission (i.e. only significant Mcf values reported)	<b>No, according to supplied volumes this does not appear to be a "gas only" report.</b>
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	<b>No</b>
Reasons why this would be considered a submission for a notification of a major release	<i>Unavailable.</i>

*With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e. gas only) are to be submitted on the C-129 form.*

**Initial Response**

*The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury.*

The source of the release has been stopped	True
The impacted area has been secured to protect human health and the environment	True
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	False
All free liquids and recoverable materials have been removed and managed appropriately	True
If all the actions described above have not been undertaken, explain why	Although none of the fluids migrated horizontally outside of secondary containment, approximately 6 bbls of fluid are assumed to have soaked into the underlying soils beneath the liner. It is believed that the spilled fluids were recovered with a water hauler truck on the day of the release, but a waste ticket was not generated by the hauler since it was placed back into the condensate tank after being recovered.

*Per Paragraph (4) of Subsection B of 19.15.29.8 NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative of actions to date in the follow-up C-141 submission. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC), please prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.*

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.

I hereby agree and sign off to the above statement	Name: Mitch Killough Title: Environmental Specialist Email: mkillough@hilcorp.com Date: 01/15/2024
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QUESTIONS, Page 3

Action 303624

**QUESTIONS (continued)**

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**QUESTIONS**

**Site Characterization**  
 Please answer all the questions in this group (only required when seeking remediation plan approval and beyond). 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 in feet below ground surface (ft bgs)	Not answered.
What method was used to determine the depth to ground water	Not answered.
Did this release impact groundwater or surface water	Not answered.
<b>What is the minimum distance, between the closest lateral extents of the release and the following surface areas:</b>	
A continuously flowing watercourse or any other significant watercourse	Not answered.
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Not answered.
An occupied permanent residence, school, hospital, institution, or church	Not answered.
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Not answered.
Any other fresh water well or spring	Not answered.
Incorporated municipal boundaries or a defined municipal fresh water well field	Not answered.
A wetland	Not answered.
A subsurface mine	Not answered.
An (non-karst) unstable area	Not answered.
Categorize the risk of this well / site being in a karst geology	Not answered.
A 100-year floodplain	Not answered.
Did the release impact areas not on an exploration, development, production, or storage site	Not answered.

<b>Remediation Plan</b>	
Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.	
Requesting a remediation plan approval with this submission	No
The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.	

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CONDITIONS

Action 303624

**CONDITIONS**

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
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**CONDITIONS**

Created By	Condition	Condition Date
scwells	None	1/16/2024