

District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, 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
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised March 17, 1999

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

30-015-29780

Release Notification and Corrective Action

NMLB 1205450496

OPERATOR

Initial Report Final Report

Name of Company Devon Energy	6137	Contact Roger Hernandez
Address P. O. Box 250 Artesia, NM 88211		Telephone No. 575-748-5238
Facility Name Hackberry 18 Federal #1		Facility Type Gas Well

Surface Owner	Mineral Owner	Lease No.
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LOCATION OF RELEASE

Unit Letter	Section 18	Township 19S	Range 31E	Feet from the 660	North/South Line South	Feet from the 1980	East/West Line East	County Eddy
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NATURE OF RELEASE

Type of Release Oil and Salt Water	Volume of Release 218 Oil / ? Salt Water	Volume Recovered 103bbls Oil / 220 bbls Salt Water
Source of Release Downhole Well to Well Communication Issue	Date and Hour of Occurrence 2/9/12, 10:00AM	Date and Hour of Discovery 2/9/12, 10:00AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Jim Amos (BLM) & Mike Bratcher (OCD)	
By Whom? Roger Hernandez	Date and Hour Jim, 2/10/12, 2:00PM, Mike, 2/10/12, 2:14PM	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

RECEIVED
FEB 22 2012
NMOCD ARTESIA

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*
At the Hackberry 18 Federal 1 location, a lease operator discovered a 218 bbl oil spill and a salt water spill caused by a downhole communication issue between the Hackberry 18 Federal 1 and the Arcturus 18 Fed Com 4H location undergoing hydraulic fracture stimulation. A root cause analysis will be conducted to identify the causal factors which will determine the corrective actions to be implemented to prevent this type of incident from occurring again. Devon is currently working with the BLM and will submit the remediation action plan to clean up the contaminated area.

Describe Area Affected and Cleanup Action Taken.*
The spill area was separated into two areas (total area: 200' x 350')
Upon arrival of the location, the Devon field rep isolated the well to stop the continuing flow of the well. A vacuum truck was ordered and was able to pick up 103 bbl of oil and 220 bbl of salt water. Fencing was erected around the spill area to identify the affected surface stains within the spill area.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD 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.

Signature: Gracie Bustamante	OIL CONSERVATION DIVISION Signed By <u>Mike Bratcher</u>	
Printed Name: Gracie Bustamante	Approved by District Supervisor:	
Title: Field Tech	Approval Date: FEB 23 2012	Expiration Date:
Date: 2/14/12 Phone: (575) 746-5559	Conditions of Approval:	Attached <input type="checkbox"/>

Attach Additional Sheets If Necessary

Remediation per OCD Rules &
Guidelines. **SUBMIT REMEDIATION
PROPOSAL NOT LATER THAN: 3/23/2012** JRP-1042