

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

HOBBS OCD State of New Mexico
Energy Minerals and Natural Resources

Form C-141
Revised August 8, 2011

AUG 15 2014
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company Devon Energy	Contact Rudy Zuniga
Address PO Box 250 Artesia, NM 88211	Telephone No. 575-390-5435
Facility Name Shugart 25 Federal Com 1	Facility Type Gas
Surface Owner: Federal	Mineral Owner
API No. 30-015-31454	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
K	25	18S	31E	1980	SOUTH	1980	WEST	EDDY

Latitude: ___ Longitude: ___

NATURE OF RELEASE

Type of Release Ball valve to load line left open	Volume of Release: 7 bbls	Volume Recovered: 0
Source of Release: Produced Water	Date and Hour of Occurrence 08/08/14 3:30 AM	Date and Hour of Discovery 08/08/14 3:30 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Rudy Zuniga-Foreman/Hubert Perry-Night Foreman/Randy Gladden-Assistant Foreman/Amancio Cruz-EHS/Roy White-Senior Production Foreman/Mike Bratcher-OCD/Jeff Robertson-BLM	
By Whom? Freddy Ramirez/Jason Anderson - Night lease operators	Date and Hour: 08/08/14 3:30 AM	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

On August 8, 2014 at the Shugart 25 Federal #1, a leak occurred on a 3" ball valve on poly transfer line causing an estimated 7 bbls of produced water to be released outside the facility. There was no produced water recovered. Banta was called to repair the poly line.

Describe Area Affected and Cleanup Action Taken.*

The area affected outside the facility was 7 feet wide by 12 feet long. Diversified was contacted to perform the site assessment and soil sampling activities.

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: <i>Shammy Ingram</i>	OIL CONSERVATION DIVISION	
Printed Name: Shammy Ingram	<i>[Signature]</i> Approved by Environmental Specialist:	
Title: Field Admin Support	Approval Date: 8-15-14	Expiration Date: 10-17-14
E-mail Address: Shammy.Ingram@dvn.com	Conditions of Approval: <i>Site Sample required. Relocate Remediate area on per NMOCD guides. Submit final C-141 by 10-17-14</i>	Attached <input type="checkbox"/> 1RP-3245 <i>Ogri-d 6137 N701422 75130 P 701422</i>
Date: August 15, 2014	Phone: 575-748-0174	

* Attach Additional Sheets If Necessary

AUG 15 2014