

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

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-141
Revised August 8, 2011

JAN 31 2015

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

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

RECEIVED

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company	SM Energy	154903	Contact	Tejay Simpson
Address	6301 Holiday Hill Road, Midland, TX 79707		Telephone No.	432-212-3408
Facility Name	ESDU No. 02		Facility Type	Production Well Location - Rod Pump
Surface Owner	BLM	Mineral Owner	API No. 30-015-25847	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
	13	18S	31E	330	South	330	East	Eddy

Latitude 32.741143 Longitude -103.815492

NATURE OF RELEASE

Type of Release	Produced Water and Oil	Volume of Release	25.3 produced water / 4.5 oil	Volume Recovered	16.2 water / 2.9 oil
Source of Release	Polished rod liner leak	Date and Hour of Occurrence	1/29/2015 approx 3:00 AM	Date and Hour of Discovery	01/29/2015 @ 7:00 AM
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Jim Amos @ BLM 1/30/15 @ 4:50 PM Central Time Laura Tulk @ NMOCD 1/30/15 @ 5:00 PM Central Time		
By Whom?	Tejay Simpson	Date and Hour	1/30/15 @ 4:50 PM Central Time		
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.* NA

Describe Cause of Problem and Remedial Action Taken.*

Upon arrival to the well location at 7:00 AM on 01/29/15 while making routine rounds, the lease operator discovered water and oil on the well pad. He found the polished rod liner had slipped and was stationary in the stuffing box while the polished rod was traveling throughout the stroke. Fluid was spraying out from between the polished rod and liner top while the unit was stroking. The lease operator shut down the pumping unit, closed in the well and tightened up the polished rod liner stopping the release of fluid.

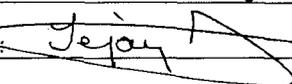
A well pull was begun on the well on 1/23/15 and completed on 1/26/15. The well quit pumping and the crew returned to the well on the 28th and re-spaced the rods. The well was monitored the remainder of the day intermittently by the lease operator and the WSM. The well was last checked at approximately 5:30 PM by the WSM.

Estimate Spill Volume: 25.3 water / 4.5 oil
Recovered: 16.2 water / 2.9 oil
Estimated Clean up cost: \$2,000

Describe Area Affected and Cleanup Action Taken.*

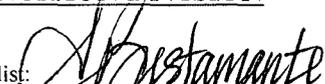
Spill was contained to the well location. Vacuum truck was dispatched to the location and picked up the free liquid. Backhoe was dispatched the following day and removed the contaminated soil.

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:  1/31-15
Printed Name: Tejay Simpson

OIL CONSERVATION DIVISION

Approved by Environmental Specialist:


Newspaper Photo of Patricia RRP-2777

Title: District Production Superintendent	Approval Date: 2/3/15	Expiration Date: N/A
E-mail Address: tsimpson@sm-energy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 01/31/2015	Phone: 432-212-3408	Remediation per O.C.D. Rules & Guidelines

* Attach Additional Sheets If Necessary

SUBMIT REMEDIATION PROPOSAL NO
LATER THAN: 3/3/15

Patterson, Heather, EMNRD

From: Tejay Simpson <tsimpson@sm-energy.com>
Sent: Saturday, January 31, 2015 8:50 AM
To: Jim Amos (jamos@blm.gov); Patterson, Heather, EMNRD; Bratcher, Mike, EMNRD
Cc: Ann Sandate; Heather Roberts
Subject: SM ENERGY: ESDU 02 C-141
Attachments: ESDU 02_013115.pdf

Spill report for the ESDU No. 02

Onward and Upward!

Tejay Simpson

SM Energy
District Production Superintendent
432-212-3408

**ENVIRONMENTAL RELEASE NOTIFICATION
Call-In Sheet**

Date: 1/30 5pm

Teja Simpson from SM Energy
(Person Reporting) (Company)

is reporting a release at the ESDN No. 2
(Site)

API# 30-015-28847, Sec. 13 T 185 - R 3/E

Occurred on: 1/29 at 3 AM/PM.
(Date of Occurrence) (Time of Occurrence)

Volume released: _____

C-141 received: 1/31/15

Volume recovered: 16.2 gw 2.9 oil

2RP- 2777

Briefly Describe Cause of Problem and action taken: Fluid stayed on well
pad.

432-212-3408

(_____) (Initials)

**FLARE NOTIFICATION
Call-In Sheet**

Date: _____

Report Flare for _____ from _____
(Reporting Company) (Person Reporting)

Occurred on: _____ at _____ AM/PM.
(Date) (Time of Occurrence)

C-129/C-141 received: _____

Flared Inlet Gas for: _____

Total MCF: _____

Briefly Describe Cause of Problem and action taken: _____

(_____) (Initials)