

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

**NM OIL CONSERVATION**  
State of New Mexico  
ARTESIA DISTRICT  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-141  
Revised August 8, 2011

FEB 27 2015

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

RECEIVED

FAB 1506955093

**Release Notification and Corrective Action**

NAB 1506955408

**OPERATOR**

X Initial Report      Final Report

Name of Company Agave Energy Company	Contact Kerry Egan
Address 326 West Quay Artesia, NM 88210	Telephone No. 575 513-8988
Facility Name: Agave 4 inch Poly Line	Facility Type: Natural Gas Gathering Line

Surface Owner: Yates Petroleum Corp.	Mineral Owner	API No.
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**LOCATION OF RELEASE**

Unit Letter	Section 32	Township 18S	Range 26E	Feet from the 380'	North/South Line South	Feet from the 190'	East/West Line West	County Eddy
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Latitude 32.698371N Longitude -104.412037W

**NATURE OF RELEASE**

Type of Release: Natural Gas leak and pipeline liquids	Volume of Release: <200MCF; <2bbls oil	Volume Recovered: None
Source of Release: Ruptured 4" poly line	Date and Hour of Occurrence: 2/13/15 2:00PM	Date and Hour of Discovery 2/13/15 2:00PM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
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.\*    Producer didn't shut-in one well, producing into a shut-in line, causing over-pressurization. The high pressure caused the above ground poly line to rupture, releasing gas. Immediately upon discovery the well was shut-in to prevent further release of gas.

Describe Area Affected and Cleanup Action Taken.\*  
The release of gas caused a fine spray of pipeline liquids on the adjacent Concho well pad. The pad was scraped to collect any contamination, and the area surrounding the rupture was excavated to ensure removal of contamination. Contaminated soil was disposed of, and clean fill material was brought to the location.

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:  Printed Name: Kerry Egan Title: Eng Tech E-mail Address: KEgan@yatespetroleum.com Date: 2/27/15      Phone: 575 748-4555	<p><b>OIL CONSERVATION DIVISION</b></p> Signed By:  Approved by Environmental Specialist: Approval Date: 3/10/15      Expiration Date: N/A Conditions of Approval: <b>Remediation per O.C.D. Rules &amp; Guidelines</b> <b>SUBMIT REMEDIATION PROPOSAL NO</b> <b>ATER THAN: 4/10/15</b>
Attached <input type="checkbox"/>	

\* Attach Additional Sheets If Necessary

2RP-2877