

NM OIL CONSERVATION

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

ARTESIA DISTRICT

State of New Mexico

Energy Minerals and Natural Resources

Form C-141
Revised August 8, 2011

MAR 13 2015

RECEIVED

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.

Release Notification and Corrective Action

NAB 15075510864

OPERATOR

Initial Report Final Report

Name of Company <i>SM ENERGY COMPANY 154903</i>	Contact <i>LISA HUNT</i>
Address <i>6301 Holiday Hill Rd, Bldg 1 Midland, TX 79707</i>	Telephone No. <i>(432)848-4833</i>
Facility Name <i>Geronimo Battery</i>	Facility Type <i>Production Battery</i>

Surface Owner <i>BLM</i>	Mineral Owner	API No. <i>3001524927 (closest well)</i>
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<i>G</i>	<i>24</i>	<i>18S</i>	<i>31E</i>	<i>2310</i>	<i>N</i>	<i>2310</i>	<i>E</i>	<i>Eddy</i>

Latitude *32.734* Longitude *103.8219*

NATURE OF RELEASE

Type of Release <i>Produced water & oil</i>	Volume of Release <i>256 wtr/16 oil</i>	Volume Recovered <i>232 wtr/13.5 oil</i>
Source of Release <i>Heater treater</i>	Date and Hour of Occurrence <i>2/5/15</i>	Date and Hour of Discovery <i>2/5/15 7:40am</i>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <i>Jim Amos - BLM and NMOCD</i>	
By Whom? <i>Tejay Simpson</i>	Date and Hour <i>2/5/15 11:22 am</i>	
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.*
N/A

Describe Cause of Problem and Remedial Action Taken.*

A leak was coming out of the top of the fire tube flange & spraying towards the top of the heater. Lease operator switched the production of the heater into secondary heater. The depressurized heater stopping the release of fluid. Vacuum trucks, gang & backhoe operators were called. Heater treater was emptied into a vacuum truck & transferred to a spare storage tank.

Estimate spill volume: *256 water / 16 oil*

Describe Area Affected and Cleanup Action Taken.*

Battery pad. 128' x 31'. Vacuum trucks picked up free standing fluid while gang assisted. Recovered fluid was placed in 500 bbls storage tank. Backhoe back drug location recovering contaminated soil & loaded into dump truck for transport to disposal.

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>Lisa Hunt</i>	OIL CONSERVATION DIVISION	
Printed Name: <i>LISA HUNT</i>	Approved by Environmental Specialist: <i>[Signature]</i>	
Title: <i>REGULATORY TECHNICIAN</i>	Approval Date: <i>3/16/15</i>	Expiration Date:
E-mail Address: <i>LHUNT@SM-ENERGY.COM</i>	Conditions of Approval:	Attached <input type="checkbox"/>
Date: <i>03/09/2015</i> Phone: <i>(432)848-4833</i>	Remediation per O.C.D. Rules & Guidelines	
SUBMIT REMEDIATION PROPOSAL NO		

Remediation per O.C.D. Rules & Guidelines

SUBMIT REMEDIATION PROPOSAL NO

LATER THAN: *4/16/15*

2RP-2889

* Attach Additional Sheets If Necessary

ENVIRONMENTAL RELEASE NOTIFICATION

Call-In Sheet

Date: 2/5/15 9:38 am 432-212-3408
Tejay Simpson from S & M energy
(Person Reporting) (Company)

is reporting a release at the Cerro Colorado Fuel Battery
(Site)

API# 06-624 IV-R 31
Sec. T

Occurred on: 2/5 at AM/PM.
(Date of Occurrence) (Time of Occurrence)

Volume released: ~170 461 / PW 3066 / o.i C-141 received:

Volume recovered: drift kar get 2RP-

Briefly Describe Cause of Problem and action taken: heater treated gas leak
failure pump well en route

32' 44" 2° 103' 49" 19° (HMP)
(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)