

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

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-141
Revised August 8, 2011

JUL 20 2016

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

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Release Notification and Corrective Action

OPERATOR X Initial Report Final Report

Name of Company	Agave Energy Company <i>147831</i>	Contact	Kerry Egan
Address	326 West Quay Artesia, NM 88210	Telephone No.	575 513-8988
Facility Name:	Campbell Road 8" Poly	Facility Type:	Gas Gathering Line

Surface Owner: BLM	Mineral Owner	API No.
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LOCATION OF RELEASE

Unit Letter	Section NE/SE	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
	01	22S	31E					EDDY

Latitude 32.420441 Longitude -103.723741

NATURE OF RELEASE

Type of Release: Pipeline liquids, natural gas	Volume of Release: unknown volume of gas; approximately 10-15 bbls of pipeline liquids	Volume Recovered: None
Source of Release: Pipeline rupture.	Date and Hour of Occurrence: 7/17/16 7:00AM (approximately)	Date and Hour of Discovery: 7/17/16 8:00AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" 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.* The release resulted from a rupture in an 8" poly gas gathering line. The cause of the rupture is unknown at this point. The line has been shut in until repair and remediation work is completed.

Describe Area Affected and Cleanup Action Taken.* The affected area is approximately 75' by 40' at its largest extent. Agave will excavate the area of heaviest contamination and dispose of contaminated soil at an NMOCD permitted landfill. Those area with only surface contamination will be remediated in place.

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>Kerry Egan</i>	OIL CONSERVATION DIVISION	
Printed Name: Kerry Egan	Signed By <i>Mike Skramler</i> Approved by Environmental Specialist.	
Title: Eng Tech	Approval Date: <i>7/21/16</i>	Expiration Date: <i>N/A</i>
E-mail Address: KEgan@agaveenergy.com	Conditions of Approval: Remediation per O.C.D. Rules & Guidelines	Attached <input type="checkbox"/>
Date: <i>7/20/16</i> Phone: 575 748-4555	SUBMIT REMEDIATION PROPOSAL NO	

* Attach Additional Sheets If Necessary

LATER THAN: *8/25/16* *2RP-3798*

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ARTESIA DISTRICT

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