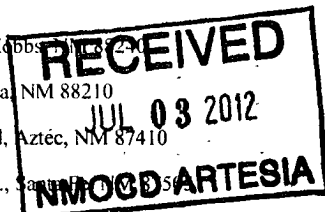


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505



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

Form C-141
Revised August 8, 2011

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

Release Notification and Corrective Action

nJMW 1294437558 **OPERATOR** ☒ Initial Report ☐ Final Report

Name of Company SM ENERGY COMPANY 154903	Contact VICKIE MARTINEZ
Address 3300 N "A" ST BLDG 7-200 MIDLAND, TX 79705	Telephone No. (432)688-1709
Facility Name PDU 506	Facility Type WELL

Surface Owner **BUREAU OF LAND MANAGEMENT** Mineral Owner **BUREAU OF LAND MANAGEMENT** API No. **30-015-27464**

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	35	19S	29E	2635	SOUTH	2640	EAST	EDDY

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release PRODUCED WATER	Volume of Release 175 BBLS	Volume Recovered 70 BBLS
Source of Release 1.50" OD CENTRON FG INJ LINE PIN	Date and Hour of Occurrence 6/29/12 10:37 AM	Date and Hour of Discovery SAME
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? MIKE BRATCHER AND JIM AMOS	
By Whom? BILL HEARNE	Date and Hour 6/29/12 10:37 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.*

N/A

Describe Cause of Problem and Remedial Action Taken.*

1.50" OD CENTRON FG INJ LINE PIN FAILURE. SM ENERGY COMPANY WILL TURN THIS OVER TO TETRA TECH FOR FURTHER EVALUATION.

Describe Area Affected and Cleanup Action Taken.*

AFFECTED AREA: LOC IS 100'X65'=6,500' SQ FT. PASTURE IS 165'X105'=17,325 SQ FT. CLEAN UP ACTION TAKEN IS PICK UP ALL STANDING FLUID ON LOC AND PASTURE. BACKHOE SCRAPPED OFF SPILL AREA AND HAULED CONTAMINATED SOIL TO CRI FOR DISPOSAL. PLUGGED OFF INJ LINE LATERAL TO LOC. WILL LOCATE & INSTALL NEW JT OF 1.50" OD CENTRON FG INJ REPLACEMENT PIPE AND RETURN WELL TO INJ.

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:	OIL CONSERVATION DIVISION	
Printed Name: VICKIE MARTINEZ	Approved by Environmental Specialist: Signed By	
Title: ENGINEER TECH II	Approval Date: JUL 12 2012	Expiration Date:
E-mail Address: VMARTINEZ@SM-ENERGY.COM	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 07/02/2012	Phone: (432)688-1709	

* Attach Additional Sheets If Necessary

Remediation per OCD Rules &
Guidelines. **SUBMIT REMEDIATION
PROPOSAL NOT LATER THAN:**

8/12/12

2RP-1215