

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

OPERATOR

Initial Report Final Report

Name of Company	Encana Oil & Gas (USA) Inc.	Contact	Kirsten Derr
Address	370 17 th Street, Suite 1700	Telephone No.	(720) 876-3161
Facility Name	Escrito 124-2409	Facility Type	Production
Surface Owner	BLM	Mineral Owner	BLM
		API No.	30-045-35322

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	24	24N	9W	1935	South	205	East	San Juan

Latitude 36.29788 N Longitude 107.73258 W

NATURE OF RELEASE

Type of Release	Oil and Produced Water	Volume of Release	22 bbls	Volume Recovered	22 bbls
Source of Release	Tank	Date and Hour of Occurrence	1/15/2013 overnight	Date and Hour of Discovery	1/16/2013 8:00 am
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	RCVD JAN 28 '13		
By Whom?		Date and Hour	OIL CON. DIV.		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	DIST. 3		

If a Watercourse was Impacted, Describe Fully.*
N/A

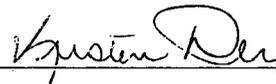
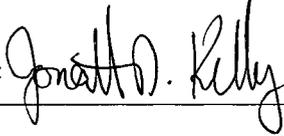
Describe Cause of Problem and Remedial Action Taken.*

Weir in separator was not installed as designed and was not appropriately separating water from oil. All fluid was flowing to the water side of the separator and into the produced water tank. This issue was found only after several other more likely possibilities were eliminated. Weir has since been replaced and set at the appropriate height within the separator reservoir.

Describe Area Affected and Cleanup Action Taken.*

Spill was contained within lined metal tank containment. Spilled liquid (frozen at time of cleanup) was vacuumed up for disposal and all contaminated gravel within the containment was removed and disposed. New gravel was placed in the containment. Contaminated gravel within tank pedestal will be replaced and it will be determined during scheduled downtime in the next few weeks whether the tank will need to be lifted and soil within the pedestal replaced.

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: Kirsten Derr	Approved by Environmental Specialist: 	
Title: Environmental Specialist	Approval Date: <u>1/30/2013</u>	Expiration Date:
E-mail Address: Kirsten.derr@encana.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 1/23/2013	Phone: 720-876-3161	

* Attach Additional Sheets If Necessary

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