

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

OIL CONS. DIV DIST. 3
AUG 14 2017
Submit Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Form C-141
Revised April 3, 2017

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Hilcorp Energy Company	Contact Jennifer Deal	
Address 9a CR 5793	Telephone No. (505) 324-5128	
Facility Name Sarah M. Hedges #1	Facility Type Gas Well	
Surface Owner Private	Mineral Owner	API No. 30-045-60040

LOCATION OF RELEASE

Unit Letter I	Section 23	Township 31N	Range 12W	Feet from the 1700	North/South Line South	Feet from the 1130	East/West Line East	County San Juan County
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Latitude 36.8817215 Longitude -108.062561 NAD83

NATURE OF RELEASE

Type of Release Produced Water/Hydrocarbon	Volume of Release 37.3 BBLs	Volume Recovered none
Source of Release Tank	Date and Hour of Occurrence Unknown	Date and Hour of Discovery 8/8/2017 @ 8:40am
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Cory Smith & Vanessa Fields	
By Whom? Paul Keloff	Date and Hour 8/8/2017 @ 1:35pm	
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.*

Operator noticed produced water and condensate in the berm coming from a hole in the manway weld which appears to be a result of corrosion. Operator plugged the hole with Plug n'Dike until further repair can occur.

Describe Area Affected and Cleanup Action Taken.*

Hilcorp Energy Company will begin delineation by excavation starting the week of 8/14 to assess the soil

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: Jennifer Deal	Approved by Environmental Specialist: 	
Title: Environmental Specialist	Approval Date: 8/17/2017	Expiration Date:
E-mail Address: jdeal@hilcorp.com	Conditions of Approval: Sample for Include MRO 8015/8021 Chlorides	Attached <input type="checkbox"/>
Date: 08/09/2017	Phone: (505) 324-5128	

* Attach Additional Sheets If Necessary

Provide OGD 24-48 hrs prior to sampling
NCS1722049031