

Executive Summary – San Juan 32-8 #233 NMOCD Incident #nAPP2401724871

On January 14, 2024, at approximately 11:00 am MST, Hilcorp Energy Company (Hilcorp) discovered a 160-bbl release of produced water at the San Juan 32-8 #233 well site (API 30-045-27972) in San Juan County, NM (36.9558, -107.71217). Weather related equipment failure resulted in a frozen valve that split and released produced water into a lined, bermed secondary containment area.

Upon discovery, the valve was isolated and repaired. Free standing water was removed from the containment area via vac truck. No fluid was observed outside the containment.

A liner inspection was conducted on January 19, 2024, at 9:00 am MST in accordance with NMAC 19.15.29.11.A.5(a)(ii). Liner integrity was confirmed during this inspection. See photos from the liner inspection, attached.

No sampling or soil remediation activities were required other than water removal from containment and washing of containment.

Scaled Site Map

Lat: 36.9558
Long: -107.71217

San Juan 32-8 #233 Wellsite
API: 30-045-27972



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San Juan 32-8 #233
Area of Release

Depth to groundwater determination.

Cathodic protection well data sheet for SJ 32-8 #233; estimated depth to groundwater is approximately 120'.

DATA SHEET FOR DEEP BED CATHODIC PROTECTION WELLS NORTHWESTERN NEW MEXICO (SUBMIT 2 COPIES TO OCD AZTEC OFFICE)			
30-045-27972 507			
PPCO DESIGNATION: FM-516		LOCATION: NE 30-32-8	
OPERATOR: PHILLIPS PETROLEUM COMPANY		LEASE NUMBER: NAA	
FARMINGTON, N.M. 87401			
(505) 599-3400			
NAME OF WELL/S OR PIPELINE SERVED:		(1) 32-8#233	
		(2) N/A	
ELEVATION: NA		COMPLETION DATE: 05/03/91	
TOTAL DEPTH: 300 FT.		LAND: FEDERAL	
CASING INFO.: SIZE: 8		IN. TYPE: PVC	
DEPTH: 20 FT.		CEMENT USED: NA	
IF CEMENT OR BENTONITE PLUGS HAVE BEEN PLACED, SHOW DEPTHS & AMOUNTS:			
PLUG DEPTH: NONE			
PLUG AMOUNT: NONE			
WATER INFORMATION:			
WATER DEPTH (FT): (1) 120 (2) -0-			
WATER INFORMATION: NA			
DEPTHS GAS ENCOUNTERED (FT): NA			
TYPE AND AMOUNT OF COKE BREEZE USED:			
COKE TYPE: METALLURGICAL COKE BREEZE			
COKE AMOUNT: 3834 LBS.			
DEPTHS ANODES PLACED (FT):			
145, 160, 170, 180, 195, 205, 215, 225, 235, 245			
DEPTH VENT PIPE PLACED (FT): 300			
VENT PIPE PERFORATIONS (FT): TOP 135 BOTTOM 300			
REMARKS: -0-			

Depth to groundwater determination.

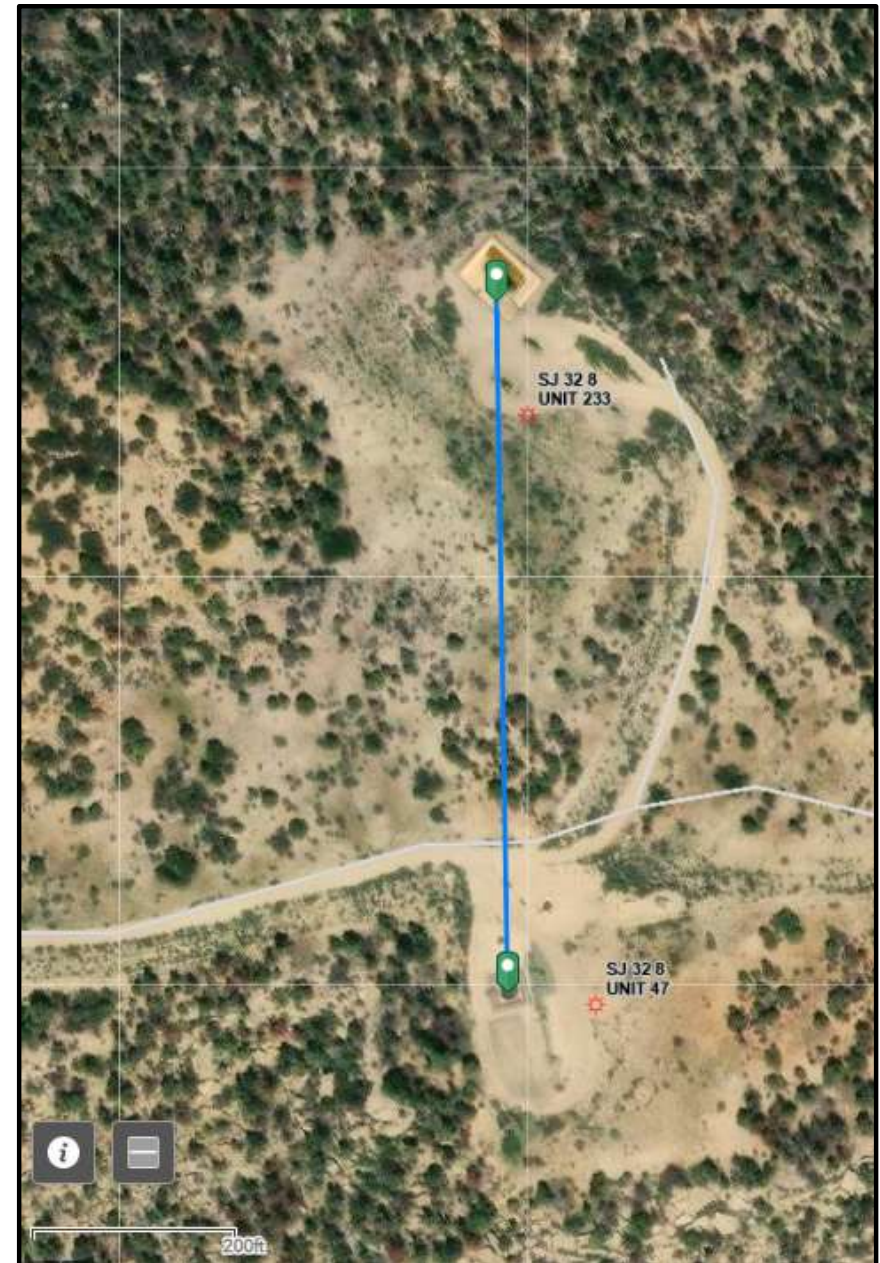
BGT Permit siting criteria for adjacent well SJ 32-8 #47 (675' south of SJ 32-8 #233)

SAN JUAN 32-8 UNIT 47

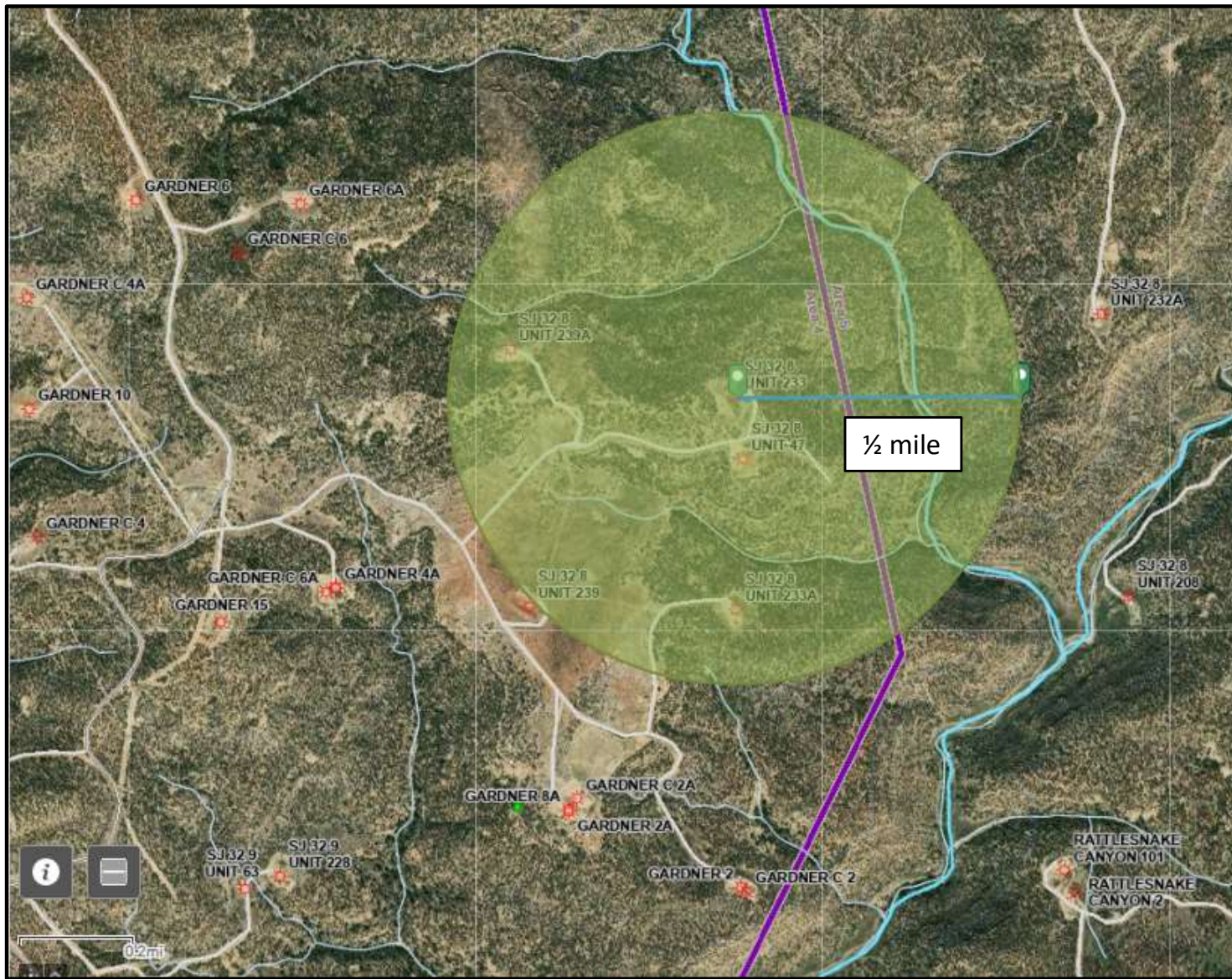
Site Specific Hydrogeology

A visual site inspection confirming the information contained herein was performed on the well 'SAN JUAN 32-8 UNIT 47', which is located at 36.9541016 degrees North latitude and 107.711998 degrees West longitude. This location is located on the Anastacio Spring 7.5' USGS topographic quadrangle. This location is in section 30 of Township 32 North Range 8 West of the Public Land Survey System (New Mexico Principal Meridian). This location is located in San Juan County, New Mexico. The nearest town is Cedar Hill, located 9.8 miles to the west. The nearest large town (population greater than 10,000) is Durango, located 24.0 miles to the north (National Atlas). The nearest highway is State Highway 511, located 2.1 miles to the east. The location is on BLM land and is 2,565 feet from the edge of the parcel as notated in the BLM land status layer updated January 2008. This location is in the Upper San Juan, Colorado, New Mexico, Sub-basin. This location is located 2030 meters or 6658 feet above sea level and receives 15.5 inches of rain each year. The vegetation at this location is classified as Inter-Mountain Basins Semi-Desert Grassland as per the Southwest Regional Gap Analysis Program.

The estimated depth to ground water at this point is 357 feet. This estimation is based on the data published on the New Mexico Engineer's iWaters Database website and water depth data from ConocoPhillips' Cathodic wells. Groundwater data available from the NM State Engineer's iWaters Database for wells near the proposed site are attached. The nearest stream is 728 feet to the southwest and is classified by the USGS as an intermittent stream. The nearest perennial stream is 3,025 feet to the southeast. The nearest water body is 8,190 feet to the southwest. It is classified by the USGS as an intermittent lake and is 0.5 acres in size. The nearest spring is 9,927 feet to the south. All stream, river, water body and spring information was determined as per the USGS Hydrographic Dataset (High Resolution), downloaded 3/2008. The nearest water well is 3,844 feet to the southwest. The nearest wetland is a 0.6 acre other located 8,160 feet to the southwest. The slope at this location is 1 degree to the southeast as calculated from USGS 30M National Elevation Dataset. This information is also discerned from the aerial and topographic map included. The surface geology at this location is SAN JOSE FORMATION--Siltstone, shale, and sandstone with a Sandstone dominated formations of all ages substrate. The soil at this location is 'Travessilla-Weska-Rock outcrop complex, moderately steep' and is well drained and not hydric with severe erosion potential as taken from the NRCS SSURGO map unit, downloaded January 2008. The nearest underground mine is 10.0 miles to the west as indicated on the Mines, Mills and Quarries Map of New Mexico provided.



Determination of water sources and significant watercourses within ½ mile of the lateral extent of the release

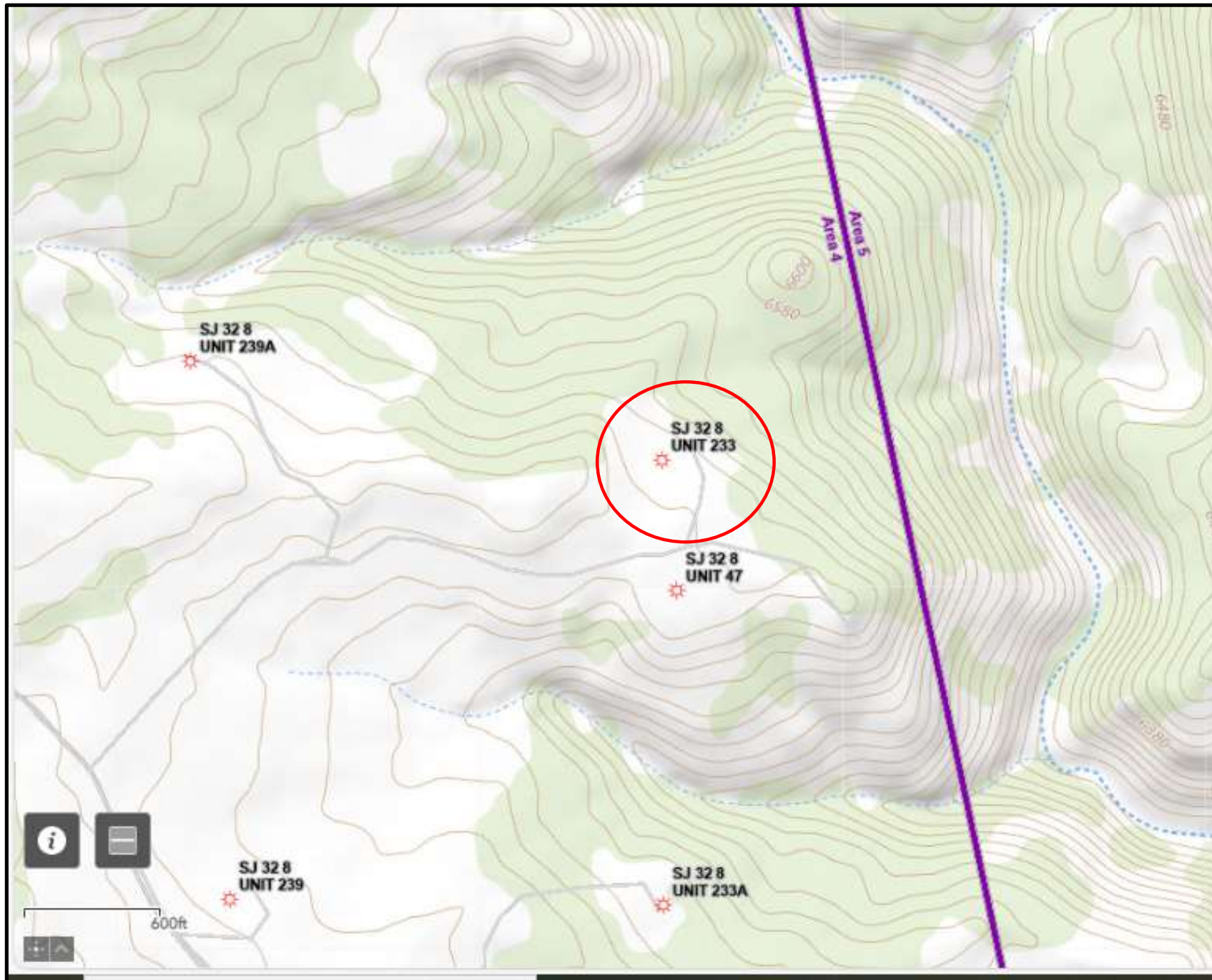


Note 1: Release point is not within 300 ft of a continuously flowing watercourse or other significant water course.

Note 2: The lateral extents of the release point are not within 300 feet of a mapped wetland.

Released to Imaging: 5/7/2024 10:48:22 AM

Topographic Map



Liner Inspection

Hilcorp conducted an inspection of the polyurea liner on January 19, 2024.



Liner Inspection conducted January 19, 2024.



Liner Inspection conducted January 19, 2024.



Liner Inspection conducted January 19, 2024.



Liner Inspection conducted January 19, 2024.



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

QUESTIONS

Action 327237

QUESTIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 327237
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Prerequisites	
Incident ID (n#)	nAPP2401724871
Incident Name	NAPP2401724871 SAN JUAN 32-8 #233 @ 30-045-27972
Incident Type	Produced Water Release
Incident Status	Remediation Closure Report Received
Incident Well	[30-045-27972] SAN JUAN 32 8 UNIT #233

Location of Release Source	
Please answer all the questions in this group.	
Site Name	San Juan 32-8 #233
Date Release Discovered	01/15/2024
Surface Owner	Federal

Incident Details	
Please answer all the questions in this group.	
Incident Type	Produced Water Release
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	No
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

Nature and Volume of Release	
Material(s) released, please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission.	
Crude Oil Released (bbls) Details	Not answered.
Produced Water Released (bbls) Details	Cause: Freeze Tank (Any) Produced Water Released: 160 BBL Recovered: 160 BBL Lost: 0 BBL.
Is the concentration of chloride in the produced water >10,000 mg/l	No
Condensate Released (bbls) Details	Not answered.
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Not answered.
Other Released Details	Not answered.
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	Not answered.

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QUESTIONS, Page 2

Action 327237

QUESTIONS (continued)

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID:	372171
	Action Number:	327237
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QUESTIONS

Nature and Volume of Release (continued)	
Is this a gas only submission (i.e. only significant Mcf values reported)	No, according to supplied volumes this does not appear to be a "gas only" report.
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	Yes
Reasons why this would be considered a submission for a notification of a major release	From paragraph A. "Major release" determine using: (1) an unauthorized release of a volume, excluding gases, of 25 barrels or more.
With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e. gas only) are to be submitted on the C-129 form.	

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury.

The source of the release has been stopped	True
The impacted area has been secured to protect human health and the environment	True
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True
All free liquids and recoverable materials have been removed and managed appropriately	True
If all the actions described above have not been undertaken, explain why	Not answered.

Per Paragraph (4) of Subsection B of 19.15.29.8 NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative of actions to date in the follow-up C-141 submission. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC), please prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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.

I hereby agree and sign off to the above statement	Name: Kate Kaufman Title: Sr Environmental Specialist Email: kkaufman@hilcorp.com Date: 01/18/2024
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QUESTIONS, Page 3

Action 327237

QUESTIONS (continued)

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	Action Number:	327237
	Action Type:	[C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS**Site Characterization**

Please answer all the questions in this group (only required when seeking remediation plan approval and beyond). This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release in feet below ground surface (ft bgs)	Between 100 and 500 (ft.)
What method was used to determine the depth to ground water	Attached Document
Did this release impact groundwater or surface water	No
What is the minimum distance, between the closest lateral extents of the release and the following surface areas:	
A continuously flowing watercourse or any other significant watercourse	Between 1000 (ft.) and ½ (mi.)
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Greater than 5 (mi.)
An occupied permanent residence, school, hospital, institution, or church	Greater than 5 (mi.)
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Greater than 5 (mi.)
Any other fresh water well or spring	Between 1 and 5 (mi.)
Incorporated municipal boundaries or a defined municipal fresh water well field	Greater than 5 (mi.)
A wetland	Between 1 and 5 (mi.)
A subsurface mine	Greater than 5 (mi.)
An (non-karst) unstable area	Greater than 5 (mi.)
Categorize the risk of this well / site being in a karst geology	None
A 100-year floodplain	Greater than 5 (mi.)
Did the release impact areas not on an exploration, development, production, or storage site	No

Remediation Plan

Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

Requesting a remediation plan approval with this submission	Yes
Attach a comprehensive report demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined, pursuant to 19.15.29.11 NMAC and 19.15.29.13 NMAC.	
Have the lateral and vertical extents of contamination been fully delineated	Yes
Was this release entirely contained within a lined containment area	Yes
Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.	
On what estimated date will the remediation commence	01/16/2024
On what date will (or did) the final sampling or liner inspection occur	01/19/2024
On what date will (or was) the remediation complete(d)	01/17/2024
What is the estimated surface area (in square feet) that will be remediated	2000
What is the estimated volume (in cubic yards) that will be remediated	0
These estimated dates and measurements are recognized to be the best guess or calculation at the time of submission and may (be) change(d) over time as more remediation efforts are completed.	
The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.	

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QUESTIONS, Page 4

Action 327237

QUESTIONS (continued)

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	372171
	Action Number:
	327237
	Action Type:
	[C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Remediation Plan (continued)	
<i>Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.</i>	
This remediation will (or is expected to) utilize the following processes to remediate / reduce contaminants:	
<i>(Select all answers below that apply.)</i>	
Is (or was) there affected material present needing to be removed	Yes
Is (or was) there a power wash of the lined containment area (to be) performed	Yes
OTHER (Non-listed remedial process)	Not answered.
<i>Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.</i>	
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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.	
I hereby agree and sign off to the above statement	Name: Kate Kaufman Title: Sr Environmental Specialist Email: kkaufman@hilcorp.com Date: 03/27/2024
<i>The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.</i>	

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QUESTIONS, Page 6

Action 327237

QUESTIONS (continued)

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	Action Number:	327237
	Action Type:	[C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Liner Inspection Information	
Last liner inspection notification (C-141L) recorded	304290
Liner inspection date pursuant to Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC	01/19/2024
Was all the impacted materials removed from the liner	Yes
What was the liner inspection surface area in square feet	2000

Remediation Closure Request

Only answer the questions in this group if seeking remediation closure for this release because all remediation steps have been completed.

Requesting a remediation closure approval with this submission	Yes
Have the lateral and vertical extents of contamination been fully delineated	Yes
Was this release entirely contained within a lined containment area	Yes
What was the total surface area (in square feet) remediated	2000
What was the total volume (cubic yards) remediated	0
Summarize any additional remediation activities not included by answers (above)	All fluids were removed from lined containment area. The liner was inspected and determined to be intact. No further remediation activities were required.

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (in .pdf format) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

I hereby agree and sign off to the above statement	Name: Kate Kaufman Title: Sr Environmental Specialist Email: kkaufman@hilcorp.com Date: 03/27/2024
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CONDITIONS

Action 327237

CONDITIONS

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	Action Number: 327237
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

CONDITIONS

Created By	Condition	Condition Date
nvelez	Liner inspection approved, release resolved.	5/7/2024