

Executive Summary – Incident #: nAPP2423269798

On August 18, 2024, at approximately 11:30 AM (MT), Hilcorp Energy Company discovered a 35-bbl produced water release due to an on-site pit tank overflowing at the O H Randel 5H (API: 30-045-34781) in San Juan County, NM (36.5043488,-107.988205). However, the pit cribbing is fully lined, and the release remained within the lined containment. As a result, all released fluids were able to be recovered (i.e. 35-bbls recovered), and no soil was impacted. In addition, there was no immediate danger to the public nor fire because of this release.

Following discovery, M&R removed fluids from within the containment area and hauled the fluids to Agua Moss for disposal. Approximately, 125-bbls was removed from the tank, in addition to the 35-bbls of spilled fluids recovered from within the pit cribbing, to complete the load (a full truck load is roughly 160-bbls) and to empty the pit tank. Included in this submittal is the water hauling invoice received from M&R Trucking for the load (dated August 18, 2024).

The liner was visually inspected on August 27, 2024, after the pit and other material was removed to fully expose the liner. This visual inspection confirmed that the liner's integrity is intact and that it had the ability to contain the leak in question, in accordance with NMAC 19.15.29.11.A.5(a). Please see ensuing pages for details of the site and pictures from the conducted liner inspection. Agency notification was provided prior to conducting the liner inspection, and verbal approval of a variance to the 2-business day notification requirement set forth in NMAC 19.15.29.11.A.5(a)(ii) was given by the Navajo EPA contact. In addition, closure approval of this incident has been granted by the Navajo Nation. See ensuing pages for agency correspondence, including Navajo Nation closure approval.

Since the liner inspection was successful, no sampling or remedial activities are required. As such, Hilcorp respectfully requests closure of the referenced release in accordance with NMAC 19.15.29.12.D.

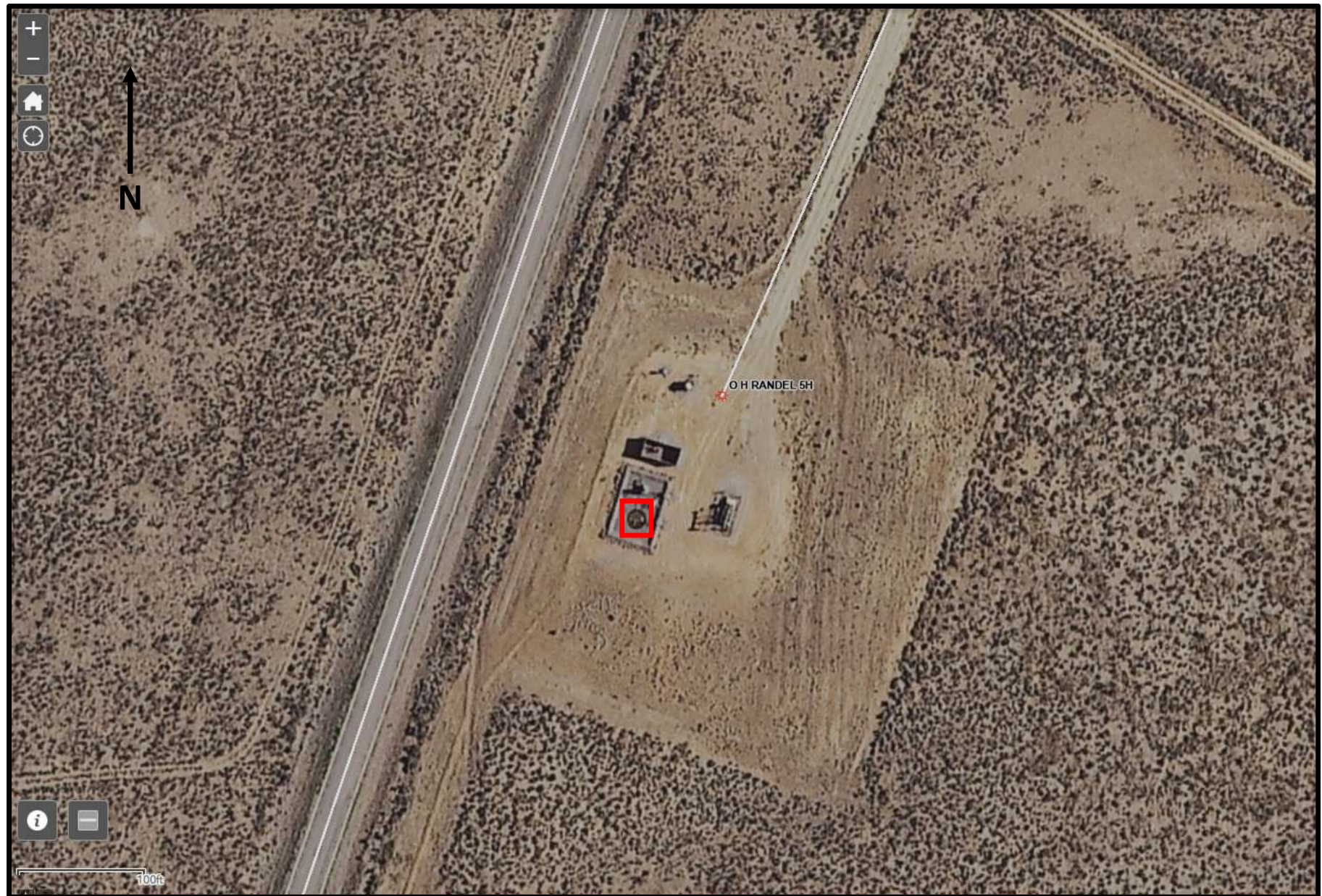
Scaled Site Map



Release Area

O H Randel 5H Wellsite
API #: 30-045-34781

Lat: 36.5043488
Long: -107.988205



Liner Integrity Inspection

Hilcorp personnel removed the BGT to fully expose the liner for an integrity assessment and to ensure that the liner remained intact on 8/27/24. Below is an aerial photos taken on 8/27/24.



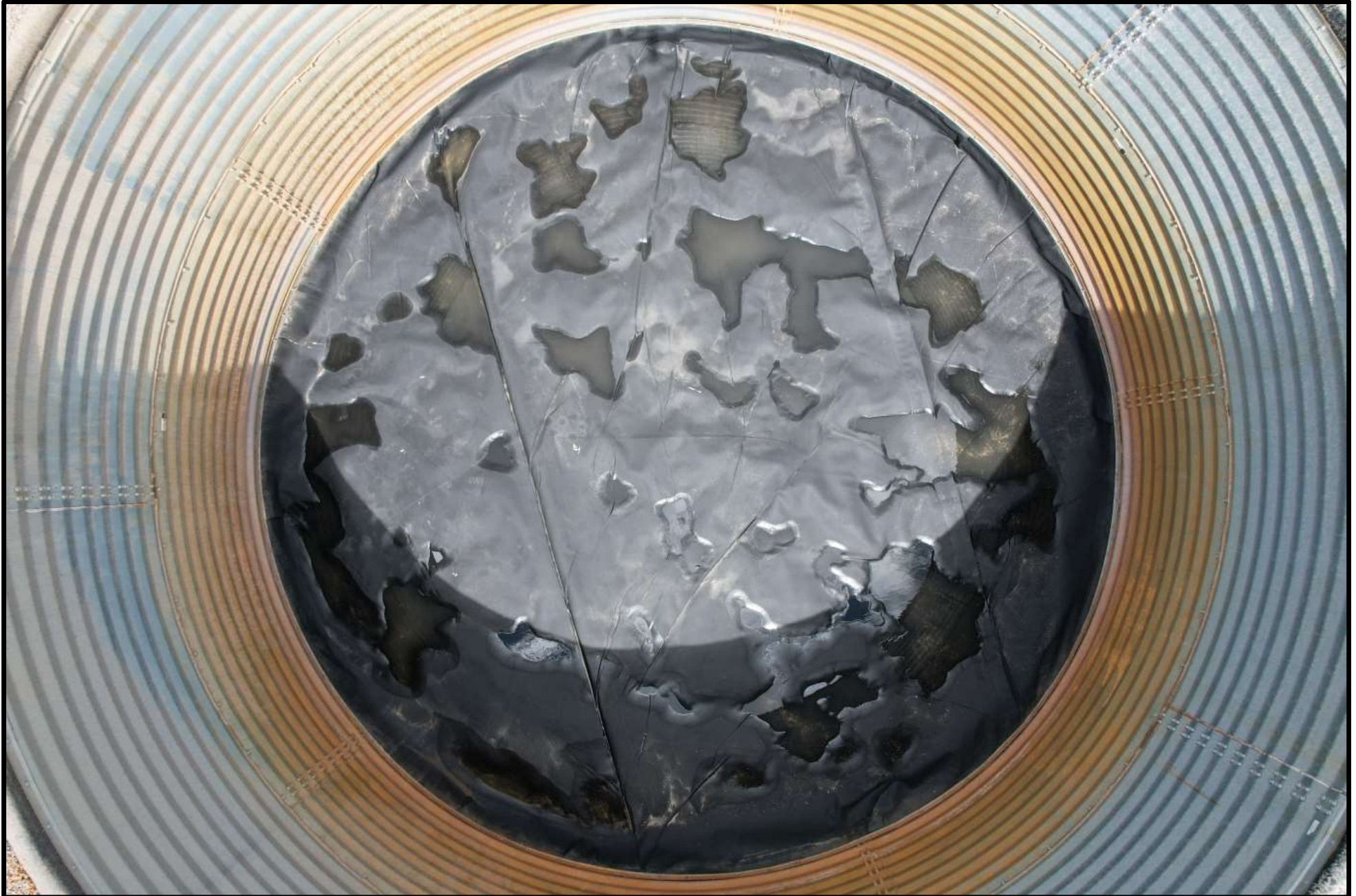
Liner Integrity Inspection - Continued

Aerial photo taken on 8/27/24.



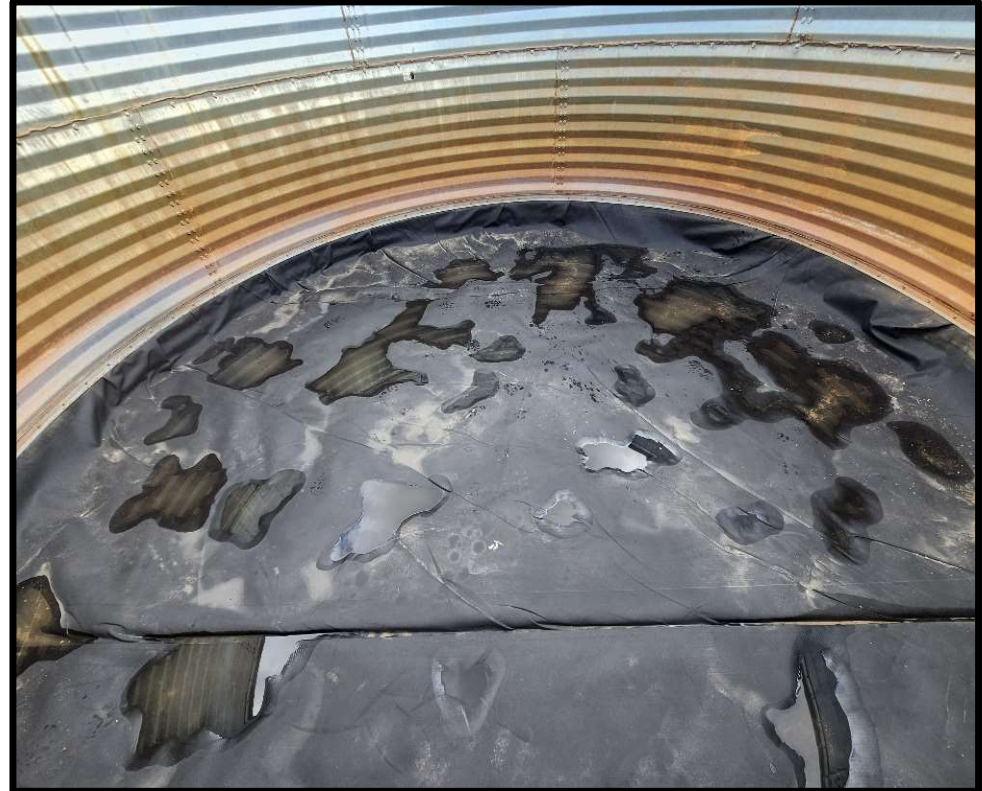
Liner Integrity Inspection - Continued

Aerial photo taken on 8/27/24.



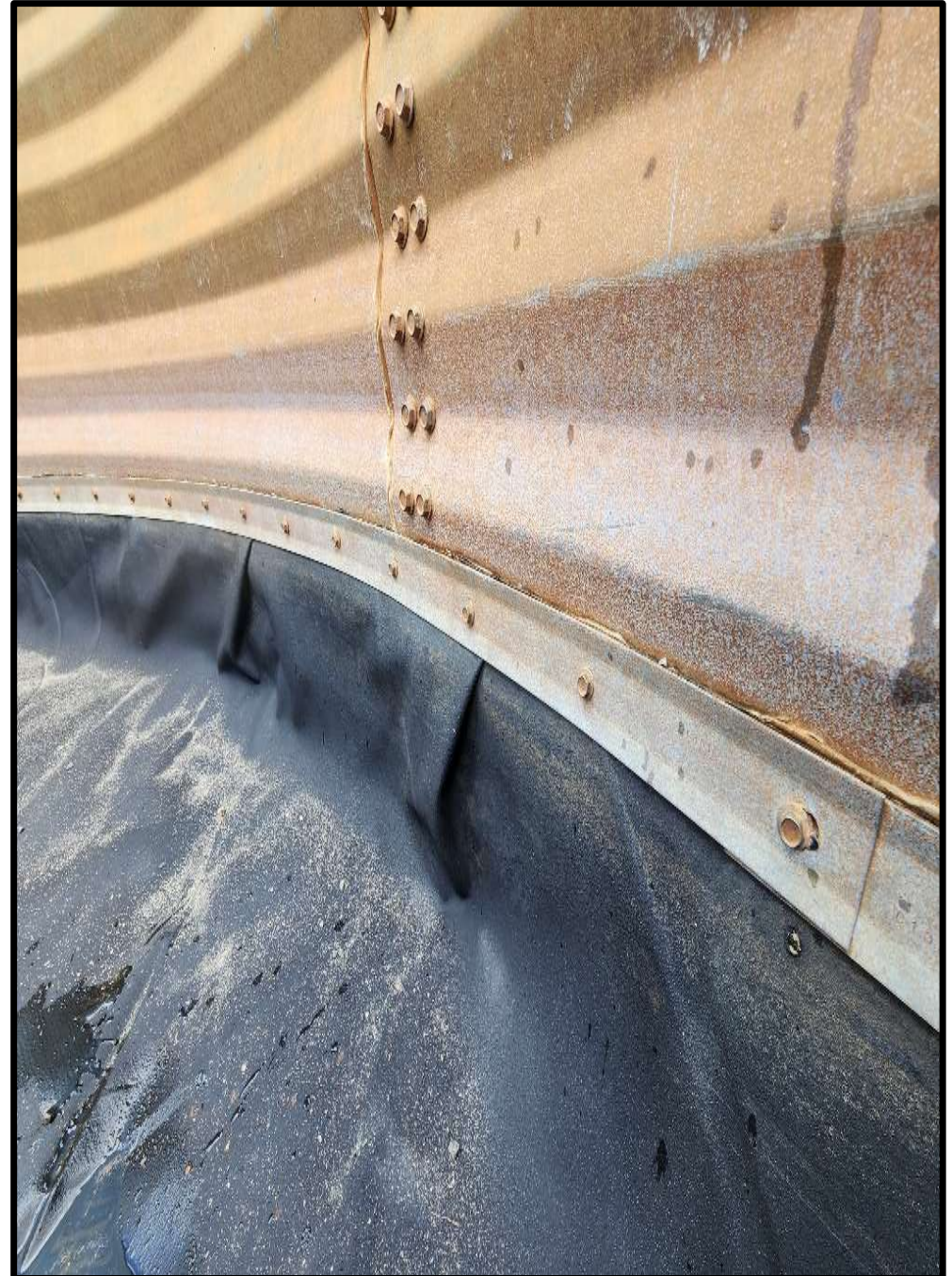
Liner Integrity Inspection - Continued

Additional photos taken on 8/27/24.



Liner Integrity Inspection - Continued

Additional photos taken on 8/27/24.



Liner Integrity Inspection - Continued

Additional photos taken on 8/27/24.



Agency Correspondence

Samantha Grabert

From: Samantha Grabert
Sent: Monday, August 26, 2024 3:16 PM
To: Velez, Nelson, EMNRD
Cc: nnepawq@frontiernet.net
Subject: RE: [EXTERNAL] The Oil Conservation Division (OCD) has accepted the application, Application ID: 377012

Nelson,

We are requesting a variance of the 2-business day notification requirement set forth in 19.15.29.11.A.(5).(a).(ii) in order to complete the liner inspection on Tuesday, August 27, 2024, beginning at 9:00 AM at the OH Randel 5H site. Please reach out if you have any questions regarding this site or this request.

Thanks,

Samantha Grabert



713-757-7116 (Office)
337-781-9630 (Mobile)

From: OCDOnline@state.nm.us <OCDOnline@state.nm.us>
Sent: Friday, August 23, 2024 4:56 PM
To: Samantha Grabert <Samantha.Grabert@hilcorp.com>
Subject: [EXTERNAL] The Oil Conservation Division (OCD) has accepted the application, Application ID: 377012

CAUTION: External sender. DO NOT open links or attachments from UNKNOWN senders.

To whom it may concern (c/o Samantha Grabert for HILCORP ENERGY COMPANY),

The OCD has received the submitted *Notification for Liner Inspection for a Release* (C-141L), for incident ID (n#) nAPP2423269798.

The liner inspection is expected to take place:

When: 08/27/2024 @ 09:00

Where: G-10-26N-11W 1970 FNL 1790 FEL (36.5043488,-107.988205)

Additional Information: Personnel conducting liner inspection: Brandon Sinclair; Contact at: 505-386-

8996.

Additional Instructions: Facility Coordinates: 36.504323,-107.987597

An OCD representative may be available onsite at the date and time reported. In the absence or presence of an OCD representative, liner inspection pursuant to 19.15.29.11.A(5)(a) NMAC is required. Should there be a change in the scheduled date and time of the sampling event, then another notification should be resubmitted through OCD permitting as soon as possible.

- **Failure to notify the OCD of liner inspections including any changes in date/time per the requirements of 19.15.29.11.A(5)(a)(ii) NMAC, may result in the inspection not being accepted.**

If you have any questions regarding this application, or don't know why you have received this email, please contact us.

New Mexico Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505

Samantha Grabert

From: Nn epa Water Quality <nnepawq@frontiernet.net>
Sent: Wednesday, November 6, 2024 3:48 PM
To: Samantha Grabert
Cc: Velez, Nelson, EMNRD
Subject: [EXTERNAL] Re: O H Randel 5H Spill - Closure Request Following Successful Liner Inspection

CAUTION: External sender. DO NOT open links or attachments from UNKNOWN senders.

Good afternoon,

Thanks for the update and report. Based on the information provided, NNEPA considers this incident to be closed.

Let me know if you have any questions or need anything else. Thanks.

--Steve

Steve Austin
Senior Hydrologist
NNEPA WQ/NPDES Program
505-368-1037

From: Samantha Grabert <Samantha.Grabert@hilcorp.com>
Sent: Tuesday, November 5, 2024 12:55 PM
To: nnepawq@frontiernet.net <nnepawq@frontiernet.net>
Cc: Velez, Nelson, EMNRD <Nelson.Velez@emnrd.nm.gov>
Subject: O H Randel 5H Spill - Closure Request Following Successful Liner Inspection

Good Afternoon Steve,

As previously discussed, we conducted the pit tank liner inspection at the O H Randel 5H (API #: 30-045-34781) facility on 8/27/24. Attached is the submitted initial C-141 for your reference and a summary report, which includes photos from the liner inspection. As noted in the report, the visual inspection confirmed that the liner's integrity is intact and that it had the ability to contain the release discovered on 8/18/24.

As such, Hilcorp respectfully requests the closure of this release.

Please feel free to reach out if you have any questions or concerns that you would like to discuss further, and I hope you have a great rest of your Tuesday.

Thanks,

Samantha Grabert



Water Hauler Invoice



M&R Trucking
281 CR 350 Farmington, NM 87499
www.mrtruckinc.com

No.
H102839

Company: Hilcorp		Company Man: Michael Sandoval		Supervisor: DUANE HERRERA		Haul Date: 08/18/2024	
Billing Location: O H RANDEL 5H		Billing Location County SAN JUAN*		Billing Location Run 605		Driver: Harvey	
Truck: 3440		Trailer:		Urgency:		Area: 6	
Run: 605		Rig:		Loading Point: Production Pit		Cargo: Produced Water	
Source Location: O H RANDELL 5H		Source Location County: SAN JUAN		Disposal/Destination Location: Agua Moss		Disposal/Destination County: SAN JUAN	
Start Time: 01:00 PM		End Time: 05:45 PM		4.75		BBLS Hauled: 160	
						UOM BL	

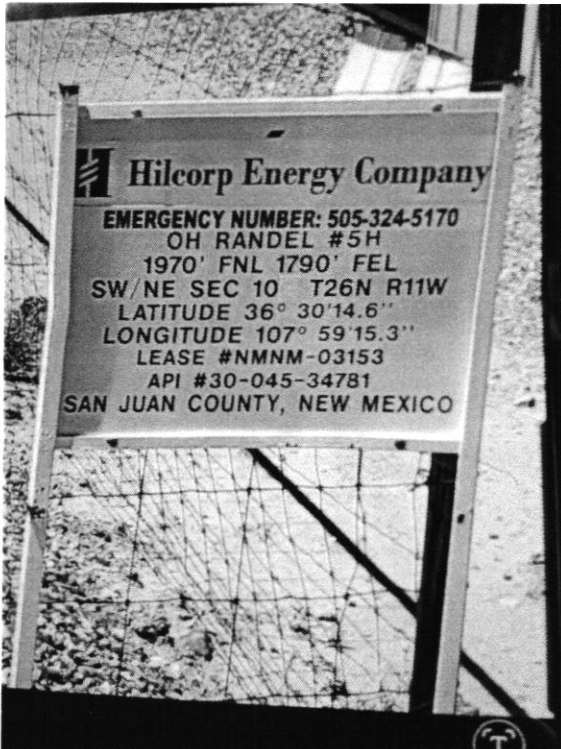
Remarks:

Driver Comment:

80,80. ..

Driver Signature:

Company Representative Signature:



District I
1625 N. French Dr., Hobbs, NM 88240
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District III
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Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

QUESTIONS

Action 400457

QUESTIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 400457
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

QUESTIONS

Prerequisites	
Incident ID (n#)	nAPP2423269798
Incident Name	NAPP2423269798 O H RANDEL 5H @ 30-045-34781
Incident Type	Produced Water Release
Incident Status	Re-vegetation Report Approved
Incident Well	[30-045-34781] O H RANDEL #005H

Location of Release Source	
Please answer all the questions in this group.	
Site Name	O H Randel 5H
Date Release Discovered	08/18/2024
Surface Owner	Navajo

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: Overflow - Tank, Pit, Etc. Pit (Specify) Produced Water Released: 35 BBL Recovered: 35 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)	Pit tank has a fully lined cribbing. As such, all released fluids were able to be recovered and no soil was impacted.

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QUESTIONS, Page 2

Action 400457

QUESTIONS (continued)

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 400457
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

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: Samantha Grabert Title: Environmental Specialist Email: Samantha.Grabert@hilcorp.com Date: 09/02/2024
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QUESTIONS, Page 3

Action 400457

QUESTIONS (continued)

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	Action Number: 400457
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

QUESTIONS

Site Characterization	
<i>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.</i>	
What is the shallowest depth to groundwater beneath the area affected by the release in feet below ground surface (ft bgs)	Not answered.
What method was used to determine the depth to ground water	Not answered.
Did this release impact groundwater or surface water	Not answered.
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	Not answered.
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Not answered.
An occupied permanent residence, school, hospital, institution, or church	Not answered.
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Not answered.
Any other fresh water well or spring	Not answered.
Incorporated municipal boundaries or a defined municipal fresh water well field	Not answered.
A wetland	Not answered.
A subsurface mine	Not answered.
An (non-karst) unstable area	Not answered.
Categorize the risk of this well / site being in a karst geology	Not answered.
A 100-year floodplain	Not answered.
Did the release impact areas not on an exploration, development, production, or storage site	Not answered.

Remediation Plan	
<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>	
Requesting a remediation plan approval with this submission	No
<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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CONDITIONS

Action 400457

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Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 400457
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

CONDITIONS

Created By	Condition	Condition Date
nvelez	Tribal land jurisdiction supersedes OCD rules per 19.15.7.9D NMAC. Application administratively inputted incorrectly; however, operator needed to insert report into public record for repository purposes. OCD corrected the incident status to the appropriate status. Release resolved.	11/12/2024