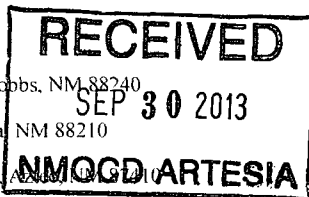


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87401  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505



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

*nmw1327548720*

#### OPERATOR

☒ Initial Report ☐ Final Report

|                 |   |               |                 |
|-----------------|---|---------------|-----------------|
| Name of Company | SM ENERGY COMPANY <i>154903</i>                 | Contact       | VICKIE MARTINEZ |
| Address         | 3300 N "A" STREET, BLDG 7-200 MIDLAND, TX 79705 | Telephone No. | (432)688-1709   |
| Facility Name   | ESDU 34   | Facility Type | WELL            |

|               |                           |               |                           |         |              |
|---------------|---------------------------|---------------|---------------------------|---------|--------------|
| Surface Owner | BUREAU OF LAND MANAGEMENT | Mineral Owner | BUREAU OF LAND MANAGEMENT | NPI No. | 30-015-41615 |
|---------------|---------------------------|---------------|---------------------------|---------|--------------|

#### LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| G           | 24      | 18S      | 31E   | 1500          | NORTH            | 2020          | EAST           | EDDY   |

Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

#### NATURE OF RELEASE

|                             |   |   |  |                             |        |
|-----------------------------|---|---|--|-----------------------------|--------|
| Type of Release             | SPILL   | Volume of Release                         | 11.93 BBLS                             | Volume Recovered            | 0 BBLS |
| Source of Release           | INJECTION LINE  | Date and Hour of Occurrence               | 9/18/13 5:00 PM                        | Date and Hour of Occurrence |        |
| Was Immediate Notice Given? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom?                          | BLM-JAMES AMOS AND NMOCD-MIKE BRATCHER |                             |        |
| By Whom?                    | NATHAN LUOMA  | Date and Hour                             | 9/18/13 5:00 PM                        |                             |        |
| 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 *Per conversation with Vickie Martinez on 10/2/13 the release of 11.93 bbls was salt water from*

Describe Cause of Problem and Remedial Action Taken.\*

WHILE BUILDING LOCATION, DOZER TRACKS SUNK INTO SOFT GROUND AND CUT AN INJ LINE BURIED 8 INCHES BELOW THE GROUND CAUSING SPILL.

Describe Area Affected and Cleanup Action Taken.\*

AREA AFFECTED WAS 110' X 213'. REMOVED CONTAMINATED SOIL AND BRUSH AND HAULED TO A PERMITTED FACILITY. TETRA TECH TOOK INITIAL SOILS SAMPLES AND SENT TO LAB AND WE ARE WAITING ON RESULTS.

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: <i>Vickie Martinez</i>       | OIL CONSERVATION DIVISION   |                                   |
| Printed Name: VICKIE MARTINEZ           | Approved by Environmental Specialist:   | Signed By: <i>Mike Bratcher</i>   |
| Title: ENGINEER TECH II                 | Approval Date: OCT 02 2013  | Expiration Date:                  |
| E-mail Address: VMARTINEZ@SM-ENERGY.COM | Conditions of Approval:   | Attached <input type="checkbox"/> |
| Date: 09/26/2013 Phone: (432)688-1709   | Remediation per OCD Rule & Guidelines, & like approval by BLM. SUBMIT REMEDIATION PROPOSAL NO LATER THAN: |                                   |

\* Attach Additional Sheets If Necessary

*November 2, 2013*

*2RP-1961*