

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 Department  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-141  
Revised August 24, 2018  
Submit to appropriate OCD District office

Incident ID	NRM2008631179
District RP	
Facility ID	
Application ID	

## Release Notification

### Responsible Party

Responsible Party: Franklin Mountain Energy, LLC	OGRID: 373910
Contact Name: Craig Walters	Contact Telephone: 720-414-7868
Contact email: cwalters@fmcenergy.com	Incident # (assigned by OCD)
Contact mailing address: 2401 E 2 <sup>nd</sup> Ave., Ste. 300 Denver, CO 80206	

### Location of Release Source

Latitude 32.167764

Longitude -103.328561 NAD83

(NAD 83 in decimal degrees to 5 decimal places)

Site Name: PROXY WCA STATE COM 1H	Site Type: Oil Well
Date Release Discovered: 3/13/2020	API# (if applicable) 30-025-43922

Unit Letter	Section	Township	Range	County
M	36	24S	35E	Lea

Surface Owner: ☒ State ☐ Federal ☐ Tribal ☐ Private (Name: \_\_\_\_\_)

### Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

<input type="checkbox"/> Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
<input checked="" type="checkbox"/> Produced Water	Volume Released (bbls): 150	Volume Recovered (bbls) 150
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Condensate	Volume Released (bbls)	Volume Recovered (bbls)
<input type="checkbox"/> Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
<input type="checkbox"/> Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release: Design flaw in process piping. Piping not internally coated and consequently corroded when exposed to corrosive liquids (produced water).

State of New Mexico  
Oil Conservation Division

Incident ID	NRM2008631179
District RP	
Facility ID	
Application ID	

Was this a major release as defined by 19.15.29.7(A) NMAC?  <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release? Volume of release greater than 25 bbls
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Yes, notice was provided on 3/13/2020 at 5:45 PM by Mark Hinaman (FME Engineer) to Jim Griswold (EMNRD) via phone and email	

### Initial Response

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

<input checked="" type="checkbox"/> The source of the release has been stopped. <input checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input checked="" type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately.	
If all the actions described above have <u>not</u> been undertaken, explain why:  	
Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.	
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.	
Printed Name: <u>Craig Walters</u> Signature: <u>[Signature]</u> email: <u>cwalters@fmcilc.com</u>	Title: <u>COO</u> Date: <u>3/16/2020</u> Telephone: <u>720-414-7868</u>
<b><u>OCD Only</u></b> Received by: <u>Ramona Marcus</u> Date: <u>03/26/2020</u>	



NRM2008631179

**Date: 3/12/2020 ~6:00 PM MDT****Location: Proxy WCA State Com No. 1H****Incident: Spill Inside Containment – Water (Est 150 bbl)****Description:**

At 6:25 PM on 3/12/20, oil hauler Anthony Trantham (phone number 505-205-6276) with Sunoco notified Franklin Mountain Energy employee, Mark Hinaman, via text message of an observed and active water leak on the equalization and disposal line between water tanks 1 and 2. Trantham sent the below photo. Hinaman immediately forwarded the photo, Trantham's phone number, and notification of the leak to contract lease operator, Willie Dean. Dean contracted Trantham directly and requested Trantham safely close all four ball valves from each of the water tanks to the equalization and disposal line. Dean also requested he turn off the SWD pump. Hinaman followed up with Trantham after ball valves were closed and confirmed major flow had ceased. Based on dimensions of containment, tanks, and estimated height of water, it's estimated ~150 bbl of produced water was released into secondary containment. There was no impact to surface or groundwater, spill was fully contained within secondary containment.

**Root Cause:**

Design flaw in process piping. Piping not internally coated and consequently corroded when exposed to corrosive liquids (produced water).

**Remediation:**

Line isolated from additional produced water until contract pumper can access location. Contract pumper to remediate hole with hose clamp for short term solution (<7 days). Long term solution will be to replace process piping with internally coated pipe to prevent additional leaks.





NRM2008631179

Photo of leak:

