District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, 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

Received 8/8/16 NMOCD Artesia Form C-141 Revised October 10, 2003

> Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

						OPERATOR			☐ Initial Report				
Name of Company SM Energy Company						Contact			Vickie Martinez				
Address 3300 N "A" ST BLDG 7-200 Midland, TX 79705						Telephone No. (432) 688-1709							
Facility Nan	ne	PDU Trace	-015-26012	I	Facility Type Battery								
Surface Owi	ner: BLM		Mineral O	wner: E	: BLM			Lease No. (API#) NMNM88491X					
				LOCA	TION	OF REI	EASE						
Unit Letter O	Section 35	Township 19S	Range 29E	Feet from the 660		South Line South	Feet from the 810	East/West Line East		County Eddy		,	
Latitude N 32.615214° Longitude W 104.035033°													
NATURE OF RELEASE													
Type of Relea	ise: Produc	ed Water		Volume of Release 50 bbls			Volume Recovered 25 bbls						
Source of Release: Produced Water Transfer Pump						Date and Hour of Occurrence 8/1/2012 6:00 A.M.			Date and Hour of Discovery Same				
Was Immediate Notice Given? ☑ Yes ☐ No ☐ Not Required						If YES, To Whom? Jim Amos - BLM							
By Whom? Bill Hearne						Date and Hour 8/1/2012 9:48 P.M.							
Was a Watercourse Reached? ☐ Yes ☒ No						If YES, Volume Impacting the Watercourse. N/A							
If a Watercourse was Impacted, Describe Fully.*													
Describe Cause of Problem and Remedial Action Taken.*													
A 3/16 plug blew from the stuffing box port on a Paco 1 1/2" x 1" water transfer pump.													
Describe Area Affected and Cleanup Action Taken.*													
Tetra Tech personnel inspected the site and collected samples to define spills extent. Soil that exceeded RRAL was removed and hauled away for proper disposal. The site was then brought up to surface grade with clean backfill material. Tetra Tech prepared a closure report and submitted to NMOCD for review.													
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.													
				OIL CONSERVATION DIVISION									
Signature:													
Printed Name	: Aaron Ha	le	A	Approved by District Supervisor:									
Title: Project	Manager		A	Approval Date	8/9/2016	1	Expiration I	Date: N/	A _				
E-mail Address: Aaron.Hale@TetraTech.com										Attached			
Data				FINAL									

Phone: (432) 682-4559