

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

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

Received 8/23/2016
NMOCD Artesia

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

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company SM Energy Company	Contact Zach Luikens	
Address	Telephone No. (432) 688-3138	
Facility Name Osage 30-015-26089	Facility Type Battery	
Surface Owner BLM	Mineral Owner BLM	API No. 30-015-26089

LOCATION OF RELEASE

Unit Letter G	Section 34	Township 19S	Range 29E	Feet from the 1980	North/South Line North	Feet from the 1980	East/West Line East	County Eddy
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Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Oil	Volume of Release 30 BBLS	Volume Recovered 0
Source of Release Valve	Date and Hour of Occurrence 9/24/11	Date and Hour of Discovery
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
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		


Describe Cause of Problem and Remedial Action Taken.*

Tank valve malfunction causing transporter – Holley Energy pumps to suck oil from tanks down pipeline that was unaccounted for by Holley Energy. No oil was recovered.
Remedial Action Taken: Emptied tank with valve malfunction and repaired valve. Unaccounted for 30 bbls which will be shown on C-115 and MMS OGOR report as lost oil

Describe Area Affected and Cleanup Action Taken.*

This lost oil down Holley's pipeline was incorrectly placed on a C-141 form and classified as a spill. No spill occurred. A valve malfunctioned which allowed Holley to pump unaccounted for oil out of the tank. The lost oil was accounted for on a C-115 and on the MMS OGOR report.

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: 	<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Zach Luikens	Approved by Environmental Specialist:	
Title: Engineer	Approval Date: 8/26/2016	Expiration Date: N/A
E-mail Address: zluikens@sm-energy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 8/23/16	Phone: (432) 688-3138	FINAL

2RP-1185