

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 CONS. DIV DIST. 3

DEC 12 2017

Form C-141
Revised August 8, 2011

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

Submit 1 Copy to appropriate District Office to
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company Hilcorp Energy Company	Contact Lindsay Dumas
Address 1111 Travis St. Houston, TX 77002	Telephone No. (281)794-9159
Facility Name: SJ 27-5 110N	Facility Type: Gas

Surface Owner State	Mineral Owner State	API No. 3003927767
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LOCATION OF RELEASE

Unit Letter A	Section 02	Township 27N	Range 05W	Feet from the 920'	North/South Line North	Feet from the 855	East/West Line East	County Rio Arriba
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Latitude **36.6067696** Longitude **-107.3215485**

NATURE OF RELEASE

Type of Release Oil & Produced Water	Volume of Release 33 bbls/ 17 bbls	Volume Recovered 0 bbls
Source of Release Production Tank	Date and Hour of Occurrence 11/29/17 12:50pm	Date and Hour of Discovery 11/29/2017 12:50pm
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? NMOCD	
By Whom? Lisa Hunter	Date and Hour 11/30/2017 7:40AM	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. N/A	

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*
The release as a result of corrosion on the bottom of the production tank. There was no standing product to recover.

Describe Area Affected and Cleanup Action Taken.*
Hilcorp plans to fully delineate the release both horizontally and vertically on 12/11/2017. Within 45 days of the delineation results, Hilcorp will proceed with remediation by dig and haul. Once excavated to the full vertical and horizontal extent of the release, confirmation sampling will occur and NMOCD will receive 48 hour notification to witness. All laboratory samples will be run for BTEX 8021, TPH to include DRO-GRO-MRO 8015, and chlorides.

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>Lindsay Dumas</i>	OIL CONSERVATION DIVISION	
Printed Name: Lindsay Dumas	Approved by Environmental Specialist: <i>[Signature]</i>	
Title: Environmental Specialist	Approval Date: 12/13/17	Expiration Date:
E-mail Address: Ldumas@hilcorp.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 12/6/2017 Phone: (281)794-9159	<i>Follow remedial Actions as addressed in Clean-up Action</i>	

* Attach Additional Sheets If Necessary