

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

Form C-141
Revised April 3, 2017

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

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 Hilcorp Energy Company	Contact Clara Cardoza
Address 9a CR 5793	Telephone No. 505-564-0733
Facility Name Zachry 16E	Facility Type Well

Surface Owner Federal (SF-080724-A)	Mineral Owner Federal	API No. 30-045-24434
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LOCATION OF RELEASE

Unit Letter P	Section 33	Township 29N	Range 10W	Feet from the 830	North/South Line South	Feet from the 830	East/West Line East	County San Juan
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Latitude 36.6776352 Longitude -107.8841248 NAD83 **OIL CONS. DIV DIST. 3**

NATURE OF RELEASE

DEC 29 2017

Type of Release Hydrocarbon	Volume of Release 65 bbl	Volume Recovered none
Source of Release Tank	Date and Hour of Occurrence Unknown	Date and Hour of Discovery 12/20/2017 12:00 pm
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Cory Smith & Whitney Thomas	
By Whom? Clara Cardoza	Date and Hour 12/21/2017 07:33 am – Cory Smith 12/21/2017 10:04 a.m.- Whitney Thomas	
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.*

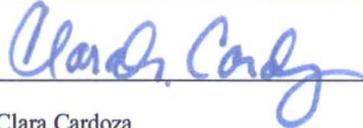
Describe Cause of Problem and Remedial Action Taken.*

During field operator's routine visit to site to gauge the tank it was empty. Upon further investigation staining on the ground near the tank manway revealed corrosion which caused the release.

Describe Area Affected and Cleanup Action Taken.*

Hilcorp Energy began excavation of the site on December 23, 2017 with environmental contractor onsite to perform field screening.

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: 	OIL CONSERVATION DIVISION	
Printed Name: Clara Cardoza	Approved by Environmental Specialist: 	
Title: Environmental Specialist	Approval Date: <u>1/5/18</u>	Expiration Date:
E-mail Address: ccardoza@hilcorp.com	Conditions of Approval: <u>Sample Area</u>	Attached <input type="checkbox"/>
Date: 12/27/2017	Phone: 505-564-0733	<u>8015 / 8024 Fully delineate</u> <u>Provide 24 Hour</u> <u>notification prior to Sampling</u> <u>NVF 1735626321</u>

* Attach Additional Sheets If Necessary