

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

DISTRICT III

MAR 15 2018

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

Form C-141
Revised April 3, 2017

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company Hilcorp Energy Company	Contact Jennifer Deal
Address 9a CR 5793	Telephone No. (505) 324-5128
Facility Name Scott 2A	Facility Type Gas Well

Surface Owner	Mineral Owner Private	API No. 30-045-21994
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	31	32N	10W	1650	South	980	East	San Juan County

Latitude 36.9390869 Longitude -107.9182434 NAD83

NATURE OF RELEASE

Type of Release Produced Water/Hydrocarbon	Volume of Release 5bbbs	Volume Recovered none
Source of Release Hole in bottom of Condensate tank	Date and Hour of Occurrence Unknown	Date and Hour of Discovery 3/6/2018 at 9:00am
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.*

Describe Cause of Problem and Remedial Action Taken.*

Operator discovered spill due to corrosion. One call was placed and contents of tank were pulled and tank moved

Describe Area Affected and Cleanup Action Taken.*

Hilcorp Energy Company will delineate the affected area using a truck mounted rotary rig to assess the soil. Waiting to hear back on contractor's schedule to schedule the delineation.

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: Jennifer Deal	Approved by Environmental Specialist: 	
Title: Environmental Specialist	Approval Date: <u>3/20/18</u>	Expiration Date:
E-mail Address: jdeal@hilcorp.com	Conditions of Approval:	Attached <input checked="" type="checkbox"/>
Date: 3/13/2018	Phone: (505) 324-5128	

* Attach Additional Sheets If Necessary

NVF1807954320

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Fields, Vanessa, EMNRD

From: Fields, Vanessa, EMNRD
Sent: Tuesday, March 20, 2018 3:04 PM
To: 'Jennifer Deal'
Cc: Smith, Cory, EMNRD
Subject: RE: Initial C-141 for Scott 2A

Good afternoon Jennifer,

Please see conditions of approval for the delineation on the Scott 2 A. What time is delineation scheduled for on the 22nd?

Conditions of Approval for Scott 2A API#30-045-21994

- Following the NMOCD Guidelines for Remediation's of Leaks, Spills and Releases the remediation's levels for Scott #002 soils at the are as follows 10 mg/kg Benzene, 50 mg/kg BTEX and 100 mg/kg TPH
 - HilCorp will fully delineate the release both horizontally and vertically. Boreholes that exceeded 100ppm OVM or exhibit heavy staining and/or apparent hydrocarbon impacts will be considered impacted until sampled.
 - Delineation must be completed by April 20, 2018.
 - Provide OCD District III office 24 hour notification prior to sampling.
 - Horizontal delineation of soil impacts must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C6 thru C36). Soil sampling must be both within the impacted area and beyond.
 - Vertical delineation of soil impacts must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C6 thru C36), Vertical characterization samples should be taken at depth intervals no greater than five feet apart. Lithologic description of encountered soils must also be provided. At least ten vertical feet of soils with contaminant concentrations at or below the sites closure standards must be demonstrated as existing above the water table.
 - Composite sampling will not be allowed for delineation
 - Field screening and assessment techniques are acceptable (headspace, titration, EC [include algorithm for validation purposes], EM, etc.), but the sampling and assay procedures must be clearly defined. Copies of field notes are highly desirable. A statistically significant set of split samples must be submitted for confirmatory laboratory analysis, including the laterally farthest and vertically deepest sets of soil samples. Make sure there are at least two soil samples

submitted for laboratory analysis from each borehole or test pit (highest observed contamination and deepest depth investigated).

- Within 30 days of completion of delineation HilCorp will submit to the OCD a delineation report and proposed alternative remediation plan.

Vanessa Fields
Environmental Specialist
Oil Conservation Division
Energy, Minerals, & Natural Resources
1000 Rio Brazos, Aztec, NM 87410
(505)334-6178 ext 119
Cell: (505) 419-0463
vanessa.fields@state.nm.us

From: Jennifer Deal [mailto:jdeal@hilcorp.com]
Sent: Thursday, March 15, 2018 10:57 AM
To: Smith, Cory, EMNRD <Cory.Smith@state.nm.us>; Fields, Vanessa, EMNRD <Vanessa.Fields@state.nm.us>
Subject: RE: Initial C-141 for Scott 2A

Good morning,

Delineation for the Scott 2A will occur on March 22nd by Timberwolf. Let me know if you have any questions.

Thanks,

Jennifer Deal
Environmental Specialist
Hilcorp Energy – L48 West
jdeal@hilcorp.com
Office: (505) 324-5128
Cell: 505-801-6517

From: Jennifer Deal
Sent: Tuesday, March 13, 2018 3:23 PM
To: cory.smith@state.nm.us; Fields, Vanessa, EMNRD <Vanessa.Fields@state.nm.us>
Subject: Initial C-141 for Scott 2A

Good afternoon,

Please find attached the initial C-141 for the Scott 2A. A paper copy will be sent by USPS today. Please let me know if you have any questions. I will update you once delineation is scheduled.

Thanks,

Jennifer Deal