

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 Department

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

Form C-141
Revised August 24, 2018
Submit to appropriate OCD District office

Incident ID	
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Initial Report

Responsible Party Hilcorp Energy	OGRID 372171
Contact Name Clara Cardoza	Contact Telephone 505-564-0733
Contact email ccardoza@hilcorp.com	Incident # (assigned by OCD) NMS1833942096
Contact mailing address 382 CR 3100 Aztec NM 87410	

Location of Release Source

Latitude 36.70916 Longitude -107.55528
(NAD 83 in decimal degrees to 5 decimal places)

Site Name San Juan 29-7 Unit 191	Site Type Well Site
Date Release Discovered 11/13/2018	API# (if applicable) 30-039-27474

Unit Letter	Section	Township	Range	County
2	22	29N	7W	Rio Arriba

NMOC

Surface Owner: ☐ State ☒ Federal ☐ Tribal ☐ Private (Name: _____) **DEC 03 2018**

Nature and Volume of Release

DISTRICT III

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

<input type="checkbox"/> Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
<input type="checkbox"/> Produced Water	Volume Released (bbls)	Volume Recovered (bbls)
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Condensate	Volume Released (bbls)	Volume Recovered (bbls)
<input type="checkbox"/> Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
<input checked="" type="checkbox"/> Other (describe) Anit-freeze	Volume/Weight Released (provide units) 200 gallons	Volume/Weight Recovered (provide units) None

Cause of Release

The water bath on the separator over pressured and ruptured. The pressure release resulted in a catastrophic failure of the water bath and damage to the adjacent equipment. The water bath began building pressure when the temperature controller (T-12) failed, and continued to engage the main burner, even after the water bath had reached the 70 ° F set point. The water bath is not designed to be pressurized, and typically has a flapper/rain cap on the filler neck, or a bull plug with a hole in it to prevent dirt/debris from getting into the water bath (while allowing the water bath to vent). This particular unit had a valve on the filler neck in the closed position (it is unknown why and when the valve was installed).

3

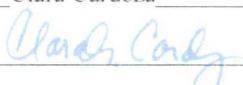
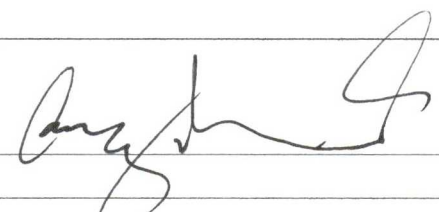
State of New Mexico
Oil Conservation Division

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Was this a major release as defined by 19.15.29.7(A) NMAC? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release? 19.15.29.7.A(2)(d) – an unauthorized release of volume that substantially damages property or the environment.
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? 11/13/2018 – NMOCD, Cory Smith @ 3:12 p.m. 11/13/2018 – BLM, left a voicemail for Whitney Thomas @ 3:23 p.m. Followed up with email to both agencies on 11/13/2018 @3:43 p.m.	

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

<input checked="" type="checkbox"/> The source of the release has been stopped. <input checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input checked="" type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately.	
If all the actions described above have <u>not</u> been undertaken, explain why: All above actions have been completed.	
Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.	
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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.	
Printed Name: <u>Clara Cardoza</u>	Title: <u>Environmental Specialist</u>
Signature: <u></u>	Date: <u>11/28/2018</u>
email: <u>ccardoza@hilcorp.com</u>	Telephone: <u>505.564.0733</u>
<u>OCD Only</u> Received by: <u></u>	
Date: <u>12/5/18</u>	

Clara Cardoza

From: Clara Cardoza
Sent: Wednesday, November 21, 2018 2:00 PM
To: 'cory.smith@state.nm.us'; 'Griswold, Jim, EMNRD'; 'whitney thomas (l1thomas@blm.gov)'
Cc: 'Fields, Vanessa, EMNRD'; 'Abiodun Adeloye'
Subject: RE: Notification follow-up: Incident at HEC SJ 29-7 191

Follow-up info from further investigation.

On November 12, 2018 at 8:13 pm the water bath on the separator for the San Juan 29-7 unit # 191 over pressured and ruptured. The pressure release resulted in a catastrophic failure of the water bath and damage to the adjacent equipment. The water bath began building pressure when the T-12 failed, and continued to engage the main burner, even after the water bath had reached the 70 ° F set point. The water bath is not designed to be pressurized, and typically has a flapper/rain cap on the filler neck, or a bull plug with a hole in it to prevent dirt/debris from getting into the water bath (while allowing the water bath to vent). This particular unit had a valve on the filler neck in the closed position (it is unknown why and when the valve was installed).

The impacted soil has been removed. Confirmation sampling will be scheduled next week.

Please let me know if you have any questions.

Thank you,
Clara

From: Clara Cardoza
Sent: Tuesday, November 13, 2018 3:43 PM
To: cory.smith@state.nm.us; Griswold, Jim, EMNRD <Jim.Griswold@state.nm.us>; whitney thomas (l1thomas@blm.gov) <l1thomas@blm.gov>
Cc: whitney thomas (l1thomas@blm.gov) <l1thomas@blm.gov>; Abiodun Adeloye <aadeloye@blm.gov>
Subject: Notification follow-up: Incident at HEC SJ 29-7 191

Please let this serve as an notification follow up and additional information for the incident at the Hilcorp Energy SJ 29-7 191. There was a separator failure at the facility we approximate happened last night 11/12 at 8:00 pm. The operator came to the site this afternoon and found the separator approximately 40-50 yards from the original location. The site has been secure, there were no injuries or EMS called. Approximately 200 galls of antifreeze was release on an area about 150 ft x 15 ft and no more than 0.5 inch deep. All impacts on location.

Additional information will follow as it becomes available.

Thank you,

Clara M Cardoza
Environmental Specialist
505-564-0733 (O)
505-793-2784 (C)