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

| Responsible Party: Hilcorp Energy | | | | OGRID: 372171 | | | | |
|---|---|--|---------------------|---|-----------------------------------|---------------------------------|---|--|
| Contact Name: Lindsay Dumas | | | | Contact Telephone: 832-839-4585 | | | | |
| Contact email: Ldumas@hilcorp.com | | | | Incident # (assigned by OCD): NCS1901155075 | | | | |
| Contact mailing address: 1111 Travis St. Houston, TX 77002 | | | | | | ` | | |
| Location of Release Source | | | | | | | | |
| Latitude 36.61179 Longitude -107.29706 (NAD 83 in decimal degrees to 5 decimal places) -107.29706 | | | | | | -107.29706 | | |
| Site Name: S | an Juan 28-4 | Unit 18 | | | Site Type: Gas | | | |
| Date Release | Discovered | : 1/11/19 | | | API# (if applicable) 30-039-07225 | | | |
| Unit Letter | Section | Township | Range | | Coun | tv | | |
| M | 31 | 28N | 04W | Rio | Arriba | | NMOCD | |
| Surface Owner: State Federal Tribal Private (Name: USFS | | | | | | | | |
| Crude Oi | | Volume Released (bbls) | | | Volume Recovered (bbls) | | | |
| ☐ Produced Water | | Volume Released (bbls) 12 bbls | | | | Volume Recovered (bbls) 12 bbls | | |
| Is the concentration of dissolved chloric produced water >10,000 mg/l? | | chloride | e in the | Yes No | 0 | | | |
| ☐ Condensa | ☐ Condensate Volume Released (bbls) 38 bbls | | | | Volume Recovered (bbls) 38 bbls | | | |
| Natural C | Natural Gas Volume Released (Mcf) | | | | Volume Recovered (Mcf) | | | |
| Other (describe) Volume/Weight Released (provide units) | | | | Volume/Weight Recovered (provide units) | | | | |
| Cause of Rel | ease | | | | | | | |
| | | of a piping freeze in the bermed area. | near the production | on tank, | which allow | ed some of the c | contents of the tank to run out on to the | |

Form C-141 Page 2

State of New Mexico Oil Conservation Division

| Incident ID | |
|----------------|--|
| District RP | |
| Facility ID | |
| Application ID | |

| Was this a major release as defined by 19.15.29.7(A) NMAC? | Per 19.15.29.7 (A) (1) an unauthorized release of a volume, excluding gas, of 25 barrels or more. | | | |
|--|---|--|--|--|
| ⊠ Yes □ No | | | | |
| | | | | |
| If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Yes, by Clayton Hamilton (HEC Area 13 Foreman); to Cory Smith (NMOCD), Vanessa Fields (NMOCD), Whitney Thomas (BLM), Emmanuel Adeloya (BLM) and J.J. Miller (USFS) by email on 1/11/19 at 2:56pm MST. Email is attached. | | | | |
| | Initial Response | | | |
| The responsible p | party must undertake the following actions immediately unless they could create a safety hazard that would result in injury | | | |
| The source of the rele | ase has been stopped. | | | |
| ☐ The impacted area ha | s been secured to protect human health and the environment. | | | |
| Released materials ha | ve been contained via the use of berms or dikes, absorbent pads, or other containment devices. | | | |
| 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. | | | | |
| Tim doo'e denons have se | | | | |
| | | | | |
| | | | | |
| | | | | |
| 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:Lindsay | Dumas Title: _Environmental Specialist | | | |
| Signature Date: 1/15/19 | | | | |
| email: _Ldumas@hilcorp | .com Telephone: _832-839-4585 | | | |
| | | | | |
| OCD Only Received by: | Date: 1/34/19 | | | |
| | | | | |

Lindsay Dumas

From:

Clayton Hamilton

Sent:

Friday, January 11, 2019 3:56 PM

To:

'l1thomas@blm.gov'; 'aadeloye@blm.gov'; 'jjmiller@fs.fed.us'; 'cory.smith@state.nm.us';

'Vanessa.fields@state.nm.us'

Cc:

Lindsay Dumas; Nick Kunze; Lee Murphy; Lisa Hunter; Matt Henderson; Ashton Hemphill

Subject:

Hilcorp Release - San Juan 28-4 Unit 18

On 01/11/2019 at 12:00PM, Hilcorp Energy discovered a release on the San Juan 28-4 Unit 18, API# 3003907225, Lat. 236.61166, Long. -107.29639, Unit M, Section 31, Township 028N, Range 004W. The release was 48 bbls of condensate and 12 bbls of produced water from the production tank. The release was the result of a piping freeze near the production tank which allowed some of the contents of the tank to run out on to the frozen ground inside of the bermed area. The release remained on location and inside the bermed area – approximately 60 bbls of standing fluid was recovered and put back into the tank from which it was spilled after temporary repairs were made. Permanent repairs will be made before the tank is returned to service.

Hilcorp Environmental will submit an Initial C-141 within 15 days, and follow up with spill assessment.

Please let me know if there are any questions.

Clayton Hamilton Area 13 Production Foreman Hilcorp Energy Company – San Juan East Office – 505-324-5137 Cell – 530-665-3077

"Looking back is a bad habit" ~Rooster Cogburn