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

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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 Clara Cardoza	Contact Telephone 505.564.0733
Contact email ccardoza@hilcorp.com	Incident # (assigned by OCD)
Contact mailing address 382 CR 3100, Aztec NM 87410	NVF 1907133835

Location of Release Source

Latitude	36.6304	703		Longitude	-107.594291	7
			(NAD 83 in	decimal degrees to 5 decimal p	laces)	
Site Name Sa	n Juan 28-7	Unit 230M		Site Type Gas	Well	NMOCD
Date Release	Discovered	9/27/17		API# (if applicat	<i>ble)</i> 30-039-26091	MAR 1 1 20/3
Unit Letter	Section	Township	Range	Range County		DISTRICT III
J	29	28N	7W	Rio Arriba		DISTATOT III

Surface Owner: State Federal Tribal Private (Name: _

Nature and Volume of Release

Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
Produced Water	Volume Released (bbls) 5	Volume Recovered (bbls)
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	Yes No
Condensate	Volume Released (bbls)	Volume Recovered (bbls)
Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release

Corrosion leak in the pit caused a produced water release. During an NMOCD inspection it was noted that fluids were in the BGT cellar. It was originally thought to be 1.3 bbls but was re-calculated and determined to be between 2.8 bbls and 5 bbls.

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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?	If YES, for what reason(s) does the responsible party consider this a major release?
🗌 Yes 🖾 No	
If YES, was immediate n	otice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?

Initial Response

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

 \square The source of the release has been stopped.

The impacted area has been secured to protect human health and the environment.

Released materials have 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 not been undertaken, explain why:

This release report is a result of an open compliance issue found during an inspection. NMOCD requested a spill report for this item since the released volume is near the 5 bbl reportable quantity.

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:Clara Cardoza	Title:Environmental Specialist
Signature: land Conly	Date:3/8/2019
email:ccardoza@hilcorp.com	Telephone:505.564.0733
OCD Only Received by:	Date: 3/12/2019