

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 | |

NMOCB

Release Notification

APR 22 2019

Responsible Party

DISTRICT III

| | |
|---|--------------------------------|
| Responsible Party Hilcorp Energy Company | OGRID 372171 |
| Contact Name Jennifer Deal | Contact Telephone 505-801-6517 |
| Contact email jdeal@hilcorp.com | Incident # NCS 1911540069 |
| Contact mailing address 382 Road 3100, Aztec NM 87410 | |

Location of Release Source

Latitude 36.8889351 Longitude -108.0185242
(NAD 83 in decimal degrees to 5 decimal places)

| | |
|--|--------------------|
| Site Name Grenier 13F | Site Type Gas Well |
| Date Release Discovered 4/18/2019 @ 3:45pm | API# 30-045-33901 |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|----------|
| D | 20 | 31N | 11W | San Juan |

Surface Owner: ☐ State ☒ Federal ☐ Tribal ☐ Private (Name: _____)

Nature and Volume of Release

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 checked="" type="checkbox"/> Produced Water | Volume Released (bbls) 33 | Volume Recovered (bbls) 0 bbl |
| | 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) 0 |
| <input type="checkbox"/> Natural Gas | Volume Released (Mcf) | Volume Recovered (Mcf) |
| <input type="checkbox"/> Other (describe) | Volume/Weight Released (provide units) | Volume/Weight Recovered (provide units) |

Cause of Release

33 bbls of produced water was released from a 4" hole in the Pit tank due to corrosion. The site was secured and the well was shut in and transporter was called to empty pit and cribbing. No standing fluids were recovered but 12 bbls was pulled from pit tank. Release remained inside the pit "cribbing".

2


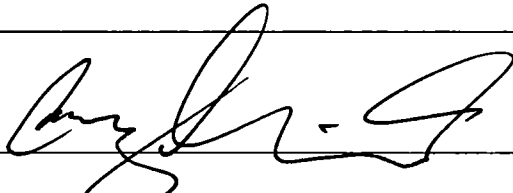
State of New Mexico
Oil Conservation Division

| | |
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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? This spill is >25 bbls and considered a major release per 19.15.29.7.A(1) |
| If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Immediate notice was emailed to Jim Griswold & Cory Smith with NMOCD and Whitney Thomas and Emmanuel with BLM on Thursday April, 18, 2019 at 4:33pm by Ramon Florez | |

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: | |
| 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>Jennifer Deal</u> | Title: <u>Environmental Specialist</u> |
| Signature: <u></u> | Date: <u>4/22/2019</u> |
| email: <u>jdeal@hilcorp.com</u> | Telephone: <u>505-801-6517</u> |
| OCD Only Received by: <u></u> | |
| Date: <u>4/25/19</u> | |