District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

# **State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division** 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 70763

### **QUESTIONS**

ı	Operator:	OGRID:
ı	HILCORP ENERGY COMPANY	372171
ı	1111 Travis Street	Action Number:
ı	Houston, TX 77002	70763
ı		Action Type:
ı		[NOTIFY] Notification Of Release (NOR)

#### QUESTIONS

Location of Release Source	
Please answer all of the questions in this group.	
Site Name	Sandrock North Water Line
Date Release Discovered	12/21/2021
Surface Owner	Federal

ncident Details	
Please answer all of the questions in this group.	
Incident Type	Produced Water Release
Did this release result in a fire or is the result of a fire	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	Yes
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

Nature and Volume of Release		
Material(s) released, please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission.		
Crude Oil Released (bbls) Details	Not answered.	
Produced Water Released (bbls) Details	Cause: Equipment Failure   Pipeline (Any)   Produced Water   Released: 2 BBL   Recovered: 0 BBL   Lost: 2 BBL ]	
Is the concentration of dissolved chloride in the produced water >10,000 mg/l	Yes	
Condensate Released (bbls) Details	Not answered.	
Natural Gas Vented (Mcf) Details	Not answered.	
Natural Gas Flared (Mcf) Details	Not answered.	
Other Released Details	Not answered.	
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	Not answered.	

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QUESTIONS, Page 2

Action 70763

**QUESTIONS** (continued)

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HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
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#### QUESTIONS

Nature and Volume of Release (continued)	
Is this a gas only submission (i.e. only significant Mcf values reported)	More volume information must be supplied to determine if this will be treated as a "gas only" report.
Was this a major release as defined by 19.15.29.7(A) NMAC	Yes, major release.
Reasons why this would be considered a submission for a notification of a major release	This release reached or has a reasonable probability of reaching a watercourse
If YES, was immediate notice given to the OCD, by whom	Mitch Killough
If YES, was immediate notice given to the OCD, to whom	Smith, Cory, EMNRD; Enviro, OCD, EMNRD
If YES, was immediate notice given to the OCD, when	12/22/2021
If YES, was immediate notice given to the OCD, by what means (phone, email, etc.)	24-Hr Notice via email
Nith the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e	e. gas only) are to be submitted on the C-129 form.

Initial Response		
The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury.		
The source of the release has been stopped	True	
The impacted area has been secured to protect human health and the environment	True	
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True	
All free liquids and recoverable materials have been removed and managed appropriately	True	
If all the actions described above have not been undertaken, explain why	Based on initial assessments conducted by Hilcorp personnel, a 4-inch produced water line froze and ruptured due to cold weather in the area, which allowed for spilled fluid to migrate outside of the pipeline ROW horizontally 570 ft to the west and 160 ft to the north. The spilled fluids that flowed to the west did enter an unnamed, ephemeral water feature that was dry at the time of the incident. However, the fluids did not enter any continuous flowing water features. The fluids that flowed to the north followed an existing lease road and terminated on the west side of the road. Immediately upon discovery, Hilcorp operators isolated nearby wells and removed all possible pooled fluids from the ground surface. The remainder soaked into the surface soils. The source of the release has been shut-in and the line will not be returned to service until all necessary repairs have been addressed.	

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 prepare and attach a narrative of actions to date in the follow-up C-141 submission. 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 prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.

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ACKNOWLEDGMENTS

Action 70763

### **ACKNOWLEDGMENTS**

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1111 Travis Street	Action Number:
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	Action Type:
	[NOTIFY] Notification Of Release (NOR)

#### **ACKNOWLEDGMENTS**

V	I acknowledge that I am authorized to submit notification of a releases on behalf of my operator.
ব	I acknowledge that upon submitting this application, I will be creating a new incident file (assigned to my operator) to track the notification(s) and corrective action(s) for a release, pursuant to NMAC 19.15.29.
<u>\</u>	I acknowledge that creating a new incident file will require my operator to file subsequent submission(s) of form "C-141, Application for administrative approval of a release notification and corrective action", pursuant to NMAC 19.15.29.
<u>\</u>	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.
ব	I acknowledge the fact that 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.
ব	I acknowledge the fact that, 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.

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CONDITIONS

Action 70763

## **CONDITIONS**

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1111 Travis Street	Action Number:
Houston, TX 77002	70763
	Action Type:
	[NOTIFY] Notification Of Release (NOR)

#### CONDITIONS

Created By	Condition	Condition Date
mkillough	When submitting future reports regarding this release, please submit the calculations used or specific justification for the volumes reported on the initial C-141.	1/5/2022