

The total release volume was determined by utilizing an internal calculation to estimate the spill volume that soaked into the soils along the spill trajectory. No fluids could be recovered. The dimensions used were based on Hilcorp's visual assessment of saturated soils along the spill path once discovered by Hilcorp personnel.

A snapshot of the formula used to determine the produced water spill volume is shown below.

Spill Volume (Barrels) = Length of spill (ft) x Width of spill (ft) x Depth of spill (ft) x 25% soil porosity x 25% soil absorption											

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

QUESTIONS

Action 558344

**QUESTIONS**

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 558344
	Action Type: [C-141] Initial C-141 (C-141-v-Initial)

**QUESTIONS**

<b>Prerequisites</b>	
Incident ID (n#)	nAPP2605149465
Incident Name	NAPP2605149465 SALTY DOG SWD 2 PIPELINE @ 30-045-30812
Incident Type	Produced Water Release
Incident Status	Initial C-141 Received
Incident Well	[30-045-30812] SALTY DOG SWD #002

<b>Location of Release Source</b>	
<i>Please answer all the questions in this group.</i>	
Site Name	Salty Dog SWD 2 Pipeline
Date Release Discovered	02/19/2026
Surface Owner	Private

<b>Incident Details</b>	
<i>Please answer all the questions in this group.</i>	
Incident Type	Produced Water Release
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	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

<b>Nature and Volume of Release</b>	
<i>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.</i>	
Crude Oil Released (bbls) Details	Not answered.
Produced Water Released (bbls) Details	Cause: Equipment Failure   Pipeline (Any)   Produced Water   Released: 5 BBL   Recovered: 0 BBL   Lost: 5 BBL.
Is the concentration of 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)	On 2/20/2026 at 4:00 pm (MT), a HEC SWD operator was making daily checks along a pipeline ROW associated with the Salty Dog SWD 2 Facility and discovered a 4.80-bbl release of produced water that had migrated to surface near a valve can in the ROW. Upon discovery, the operator was quickly able to isolate the pipeline in order to divert flow away from the release point. After securing the source, the operator confirmed the spill fluids to have migrated outside of the ROW and flowed in a southerly direction for approximately 590 ft downhill. Along this path, the fluids did enter a dry wash and no product could be recovered due to having soaked into the surface soils. The primary cause of the spill has been determined to be corrosion/equipment failure. Final corrective actions for this particular pipeline segment are pending final input from Hilcorp's Integrity and SWD teams.

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**QUESTIONS (continued)**

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**QUESTIONS**

<b>Nature and Volume of Release (continued)</b>	
Is this a gas only submission (i.e. only significant Mcf values reported)	<b>More info needed to determine if this will be treated as a "gas only" report.</b>
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	<b>Yes</b>
Reasons why this would be considered a submission for a notification of a major release	<b>From paragraph A. "Major release" determine using: (2) an unauthorized release of a volume that: (b) may with reasonable probability reach a watercourse.</b>
<i>With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e. gas only) are to be submitted on the C-129 form.</i>	

**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	<b>True</b>
The impacted area has been secured to protect human health and the environment	<b>True</b>
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	<b>True</b>
All free liquids and recoverable materials have been removed and managed appropriately	<b>True</b>
If all the actions described above have not been undertaken, explain why	<i>Not answered.</i>

*Per Paragraph (4) of Subsection B of 19.15.29.8 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 Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC), please prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.*

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.

I hereby agree and sign off to the above statement	Name: Mitch Killough Title: Environmental Specialist Email: mkillough@hilcorp.com Date: 02/26/2026
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**QUESTIONS (continued)**

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**QUESTIONS**

**Site Characterization**  
Please answer all the questions in this group (only required when seeking remediation plan approval and beyond). This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release in feet below ground surface (ft bgs)	Not answered.
What method was used to determine the depth to ground water	Not answered.
Did this release impact groundwater or surface water	Not answered.
<b>What is the minimum distance, between the closest lateral extents of the release and the following surface areas:</b>	
A continuously flowing watercourse or any other significant watercourse	Not answered.
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Not answered.
An occupied permanent residence, school, hospital, institution, or church	Not answered.
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Not answered.
Any other fresh water well or spring	Not answered.
Incorporated municipal boundaries or a defined municipal fresh water well field	Not answered.
A wetland	Not answered.
A subsurface mine	Not answered.
An (non-karst) unstable area	Not answered.
Categorize the risk of this well / site being in a karst geology	Not answered.
A 100-year floodplain	Not answered.
Did the release impact areas not on an exploration, development, production, or storage site	Not answered.

**Remediation Plan**  
Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

Requesting a remediation plan approval with this submission	No
The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.	

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CONDITIONS

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**CONDITIONS**

Created By	Condition	Condition Date
rhamlet	None	2/27/2026