

Received 7/8/15

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 NMOCD District 2
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

Initial Report

X Final Report

Name of Company Agave Energy Company	Contact Kerry Egan
Address 326 West Quay Artesia, NM 88210	Telephone No. 575 513-8988
Facility Name: Comanche Compressor Station	Facility Type: Pipeline Booster Station
Surface Owner: G. Vance	Mineral Owner
API No.	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
E	34	7S	26E					

Latitude 32.666215 N Longitude -104.292294 W

NATURE OF RELEASE

Type of Release: Valve/line failure resulting in liquids release.	Volume of Release: Approx 180 bbls	Volume Recovered: None
Source of Release: Valve on drain line of condensate tank.	Date and Hour of Occurrence: Sometime during the four days prior to 1/6/15.	Date and Hour of Discovery: 10:00AM 1/6/15
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.* A ball valve on the water drain line off of the condensate tank froze during the cold temperatures sometime during the four days prior to discovery on 1/6/15. The ice caused the valve housing to fail, allowing the condensate to leak from the tank. Upon discovery the broken valve was replaced and the line insulated to prevent further freezing.

Describe Area Affected and Cleanup Action Taken.*

The release occurred inside the earthen containment, contaminating the walls and floor. The liquid that didn't permeate the containment, flashed off. The area was approximately 15 ft – 50 ft. Agave plans to excavate the contaminated containment material and remediate on site. The remediated material will be used to repair/rebuild the containment.

Addendum: Remediation of the affected area required an excavation of approximately 45ft by 80ft, which varied in depth from 4ft on the south end to 8ft on the north end. The excavated material was placed on plastic liners, and regularly turned/disked in order to encourage flashing of hydrocarbons. The material was regularly sample to ensure reduction in contamination. Excavation and diking have been halted, after sampling has shown the soil to meet OCD Recommended Remediation Action Levels (RRAL). No excavated material has been replaced at this point.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD 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.

Signature: <i>Kerry Egan</i>	<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Kerry Egan	Approved by Environmental Specialist:	
Title: Engineering Tech	Approval Date: 7/10/15	Expiration Date: N/A
E-mail Address: KEgan@agaveenergy.com	Conditions of Approval: N/A	Attached <input type="checkbox"/>
Date: 7/8/2015	Phone: 575 748-4555	FINAL

* Attach Additional Sheets If Necessary

2RP-2784

OCD Tracking: 2RP-2784