

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
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Received 9/27/2016
NMOCD Artesia

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: Campbell Road 8" Poly	Facility Type: Gas Gathering Line
Surface Owner: BLM	Mineral Owner
	API No.

LOCATION OF RELEASE

Unit Letter	Section NE/SE 01	Township 22S	Range 31E	Feet from the	North/South Line	Feet from the	East/West Line	County EDDY
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Latitude 32.420441 Longitude -103.723741

NATURE OF RELEASE

Type of Release: Pipeline liquids, natural gas	Volume of Release: unknown volume of gas; approximately 10-15 bbls of pipeline liquids	Volume Recovered: None
Source of Release: Pipeline rupture.	Date and Hour of Occurrence: 7/17/16 7:00AM (approximately)	Date and Hour of Discovery: 7/17/16 8:00AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" 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.* After excavation of the ruptured line, the release was determined to be the result of a connection with a below grade "drip pot". The connection in the poly line had cracked resulting in the release of pipeline liquids. The drip was excavated, removed and will not be replaced. The line will be repaired and returned to service.

Describe Area Affected and Cleanup Action Taken.* Ultimately the affected area was approximately 150' x 60', to a maximum depth of 8'. The contaminated soil was excavated and disposed of at the LeaLand land fill. Upon approval for closure of the release, like-kind material, purchased from BLM public pits, will be trucked in to backfill the excavation. The disturbed area will be graded and reseeded at the appropriate time in the growing season.

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: 	OIL CONSERVATION DIVISION	
Printed Name: Kerry Egan	Approved by Environmental Specialist:	
Title: Eng Tech	Approval Date: 9/28/2016	Expiration Date: N/A
E-mail Address: KEgan@agaveenergy.com	Conditions of Approval: FINAL	Attached <input type="checkbox"/>
Date: 9/23/16 Phone: 575 748-4555		

* Attach Additional Sheets If Necessary

2RP-3798