

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

**NM OIL CONSERVATION** Form C-141  
ARTESIA DISTRICT Revised August 8, 2011  
SEP 08 2014  
Submit appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

**Release Notification and Corrective Action**

*NAB1425241401*

|   |               |  |                                       |
|---|---------------|--|---------------------------------------|
| <b>OPERATOR</b>                               |               | <input checked="" type="checkbox"/> Initial Report | <input type="checkbox"/> Final Report |
| Name of Company <b>Devon Energy</b>           | <i>6137</i>   | Contact <b>Rudy Zuniga</b>                         |                                       |
| Address <b>PO Box 250 Artesia, NM 88211</b>   |               | Telephone No. <b>575-390-5435</b>                  |                                       |
| Facility Name <b>Shugart 25 Federal Com 1</b> |               | Facility Type <b>Gas</b>                           |                                       |
| Surface Owner: <b>Federal</b>                 | Mineral Owner | API No. <b>30-015-31454</b>                        |                                       |

**LOCATION OF RELEASE**

|                         |                      |                        |                     |                              |                                  |                              |                               |                       |
|-------------------------|----------------------|------------------------|---------------------|------------------------------|----------------------------------|------------------------------|-------------------------------|-----------------------|
| Unit Letter<br><b>K</b> | Section<br><b>25</b> | Township<br><b>18S</b> | Range<br><b>31E</b> | Feet from the<br><b>1980</b> | North/South Line<br><b>SOUTH</b> | Feet from the<br><b>1980</b> | East/West Line<br><b>WEST</b> | County<br><b>EDDY</b> |
|-------------------------|----------------------|------------------------|---------------------|------------------------------|----------------------------------|------------------------------|-------------------------------|-----------------------|

Latitude: \_\_\_\_\_ Longitude: \_\_\_\_\_

**NATURE OF RELEASE**

|  |   |   |
|--|---|---|
| Type of Release <b>Ball valve to load line left open</b>   | Volume of Release: <b>7 bbls</b>  | Volume Recovered: <b>0</b>                            |
| Source of Release: <b>Produced Water</b>   | Date and Hour of Occurrence<br><b>08/08/14 3:30 AM</b>  | Date and Hour of Discovery<br><b>08/08/14 3:30 AM</b> |
| Was Immediate Notice Given?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom?<br><b>Rudy Zuniga-Foreman/Hubert Perry-Night Foreman/Randy Gladden-Assistant Foreman/Amancio Cruz-EHS/Roy White-Senior Production Foreman/Mike Bratcher-OCD/Jeff Robertson-BLM</b> |   |
| By Whom? <b>Freddy Ramirez/Jason Anderson - Night lease operators</b>  | Date and Hour: <b>08/08/14 3:30 AM</b>  |   |
| Was a Watercourse Reached?<br><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.\*

**On August 8, 2014 at the Shugart 25 Federal #1, a leak occurred on a 3" ball valve on poly transfer line causing an estimated 7 bbls of produced water to be released outside the facility. There was no produced water recovered. Banta was called to repair the poly line.**

Describe Area Affected and Cleanup Action Taken.\*

**The area affected outside the facility was 7 feet wide by 12 feet long. Diversified was contacted to perform the site assessment and soil sampling activities.**

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>Shammy Ingram</i>                         | <b>OIL CONSERVATION DIVISION</b>                               |                            |
| Printed Name: <b>Shammy Ingram</b>                      | Approved by Environmental Specialist: <i>[Signature]</i>       |                            |
| Title: <b>Field Admin Support</b>                       | Approval Date: <i>9/9/14</i>                                   | Expiration Date: <i>NA</i> |
| E-mail Address: <b>Shammy.Ingram@dvn.com</b>            | Conditions of Approval: Remediation per OCD Rule & Guidelines. |                            |
| Date: <b>August 15, 2014</b> Phone: <b>575-748-0174</b> | Attached <input type="checkbox"/>                              |                            |

\* Attach Additional Sheets If Necessary

**SUBMIT REMEDIATION PROPOSAL NO LATER THAN: 10/19/14**

*2BP-2A7A*