

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

HOBBS OCD

SEP 21 2015

RECEIVED

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 ☐ Final Report

Name of Company: Resolute Natural Resources Co, LLC	Contact: Patrick Flynn	
Address: 1700 Lincoln Street Suite 2800, Denver, CO 80203	Telephone No. 303.534.4600 X1145	
Facility Name: Shell Maxwell No. 1 Tank Battery	Facility Type: Tank Battery	
Surface Owner	Mineral Owner	API No.: 30-025-05164

LOCATION OF RELEASE

Unit Letter	Section 27	Township 14S	Range 37E	Feet from the	North/South Line	Feet from the	East/West Line	County Lea
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Latitude: 33.07354N Longitude: 103.18503W

NATURE OF RELEASE

Type of Release: Produced water and oil	Volume of Release: 10 Bbl	Volume Recovered: 10 Bbl water
Source of Release: Corroded steel water line	Date and Hour of Occurrence:	Date and Hour of Discovery: 9.8.15 @ 3:27 PM
Was Immediate Notice Given? ☐ Yes ☒ No ☐ Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

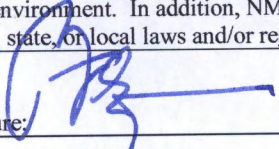
Describe Cause of Problem and Remedial Action Taken.*

Corrosion of steel water line connected to SWD well caused pinhole leak. The well was shut in, the line repaired, and a vac truck used to collect the fluids. Fluids were contained by location berm.

Describe Area Affected and Cleanup Action Taken.*

All released fluids were contained within the berm. A vacuum truck was used to recover most of the fluid released. The recovered water was taken to the Gandy Marley facility for disposal and oil was returned to the production tank. Affected pea gravel and soil will be excavated for offsite disposal at the Gandy Marley landfarm.

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: 		<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Patrick Flynn		Approved by Environmental Specialist: 	
Title: Vice President		Approval Date: 09/23/2015	Expiration Date: 11/23/2015
E-mail Address: pflynn@resoluteenergy.com		Conditions of Approval: Discrete site samples required. Delineate and remediate per NMOCD guidelines. Geotagged photos of remediation required.	
Date: 12/15/14 9.14.15		Phone: 303.534.4600 X1145 pJXK1526634021 Attached ☐ 1RP 3879 nJXK1526633868	