

Michelle Lujan Grisham, Governor
Sarah Cottrell Propst, Cabinet Secretary
Todd E. Leahy, JD, PhD, Deputy Cabinet Secretary
Adrienne Sandoval, Oil Conservation Division Director

FOR IMMEDIATE RELEASE:

Contact: Susan Torres
Public Information Officer, EMNRD
susan.torres@state.nm.us
505-476-3226



October 13, 2021

EMNRD's Oil Conservation Division settles enforcement action with Enterprise Field Services, LLC for failing to report a major release and falsely certifying a closure report

Santa Fe, NM – The Energy, Minerals and Natural Resources Department's (EMNRD) Oil Conservation Division (OCD) announces that it has settled a notice of violation (NOV) issued to Enterprise Field Services, LLC (Enterprise) for failing to give timely notice and to submit proper documentation for the closure of a release at the Oxy Sand Dunes North Compressor Station (Oxy Station). To settle the alleged violations Enterprise agreed to pay a civil penalty of \$90,000 and to take actions to prevent the violations from occurring again.

The [NOV alleged](#) that in August 2020, a fire occurred at Enterprise's Oxy Station in Eddy County, New Mexico. During the fire, the Oxy Station released approximately 250 barrels of condensate liquid. Because the incident involved an unauthorized release caused by a fire and released more than 25 barrels of condensate liquid, the release is considered to be a major release for which Enterprise was required to give notice to the OCD within 24 hours. However, Enterprise did not provide the 24 hour notice until December 14, 2020, 134 days later. Per rule, Enterprise also was required to notify the OCD in writing by filing Form C-141 within 15 days of the release, but it did not file the notice until February 4, 2021, 171 days late.

"The settlement with Enterprise holds the operator accountable and establishes a path to ensuring compliance moving forward," said OCD Director Adrienne Sandoval. "The reestablishment of OCD's ability to assess civil penalties was a crucial step to ensure companies are operating responsibly in New Mexico."

In addition to paying the civil penalty, the following actions are required by Enterprise:

No later than 30 days after the Order is signed by the OCD Director:

1. Amend their current Emergency Response Plan to include OCD and the appropriate contact information for state agencies;
2. Amend their current Emergency Response Plan to include the proper requirements for notice of releases to OCD; and
3. Amend their current Field Environmental Representative's Roles & Responsibilities to identify the applicable environmental regulations, including 19.15.28 NMAC – *Natural Gas Gathering Systems* and 19.15.29 NMAC - *Releases*.

October 13, 2021

Page 2

No later than 60 days after the Order is signed by the OCD Director:

4. Evaluate whether the root causes apply to other facilities, and implement corrective actions, and provide OCD with documentation of correction actions taken; and
5. Determine the reasons that the data collection system for the Oxy Station was not restarted after the software upgrade on or after July 28, 2020, evaluate whether the reasons apply to other facilities, and implement corrective actions.

###

The Energy, Minerals and Natural Resources Department provides resource protection and renewable energy resource development services to the public and other state agencies.

<http://www.emnrd.nm.gov>