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FOR IMMEDIATE RELEASE:

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EMNRD's Oil Conservation Division issues civil penalties to Enterprise Field Services, LLC for failing to report a major release and falsely certifying a closure report

Santa Fe, NM – Today the Energy, Minerals and Natural Resources Department's Oil Conservation Division (OCD) announces that it issued a notice of violation (NOV) and associated administrative civil penalties of \$204,300 to Enterprise Field Services, LLC (Enterprise) for failing to report a major release and falsely certifying that its supporting documentation was true and correct. The OCD considers failing to report a release, particularly a major release, to be a serious violation because it undermines OCD's ability to ensure that a release is promptly mitigated and remediated, and that human health and the environment are protected.

On August 2, 2020, a fire occurred at the Enterprise's Oxy Sand Dunes North Compressor Station (Oxy Station) in Eddy County. During the fire, the Oxy Station released approximately 250 barrels of condensate liquid. Since the unauthorized release was 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. Enterprise did not provide notice until December 14, 2020, 134 days later. Per rule, Enterprise also was required to notify the OCD in writing within 15 days of the release. The notice was not filed until February 4, 2021, 171 days late. Finally, Enterprise falsely certified that the closure report was complete and accurate.

"By not following the established protocol, Enterprise undermined the OCD's ability to ensure proper remediation of the site," said OCD Director Adrienne Sandoval. "This is a key part of our regulatory authority and why failure to report is a considered a serious violation."

The operator now has the opportunity to discuss an informal resolution with OCD. If an informal resolution is not reached, OCD will hold a hearing.

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

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