Rice Environmental Consulting & Safety

P.O. Box 2948, Hobbs, NM 88241 Phone 575.393.2967

March 19th, 2014

Mike Bratcher

New Mexico Energy, Minerals, & Natural Resources Oil Conservation Division, Environmental Bureau – District 2 811 S. First St. Artesia, NM 88210

RE: Corrective Action Plan Burnett Oil Gissler B-3-1 UL/B sec. 11 T17S R30E API No. 3001504120

Mr. Bratcher:

Burnett Oil Co. (Burnett) has retained Rice Environmental Consulting and Safety (RECS) to address potential environmental concerns at the above-referenced site.

Background and Previous Work

The site is located approximately 3.3 miles northeast of Loco Hills, New Mexico at UL/B sec. 11 T17S R30E. NM OSE records indicate that groundwater will likely be encountered at a depth of approximately 80 +/- feet.

On January 18th, 2014, Burnett discovered a release of oil from an oil tank inside the battery. The tank released a total of 10 barrels of oil over 22,523 square feet of lease pad and pasture land. The pad was scraped to remove the wet soil and the area in the pasture was covered with soil to help absorb the standing oil and protect livestock/wildlife. An initial C-141 was submitted to NMOCD and received by the agency on January 29th, 2014 (Appendix A).

RECS personnel were on site beginning on January 29th, 2014 to assess the release (Figure 1). Six points within the release were sampled at the surface and with depth and field tested for chlorides and organic vapors. Representative samples were taken to a commercial laboratory for analysis (Appendix B). At Point 1, all laboratory chloride readings were below 250 mg/kg, and Gasoline Range Organics (GRO) and Diesel Range Organics (DRO) readings declined to below regulatory standards at 1 ft bgs. At Point 2, field chloride data showed chloride readings below 1,000 mg/kg beginning at 3 ft bgs. GRO and DRO values declined to below regulatory standards at 4.5 ft bgs. At Point 3, laboratory chloride values, GRO and DRO values declined to below regulatory standards at 1 ft bgs. At Point 4, laboratory chloride values, GRO and DRO values declined to below regulatory standards at 3.5 ft, but DRO values remained above regulatory standards for all constituents.

Photo documentation of these activities can be found in Appendix C.

Corrective Action Plan

Based on the field and laboratory analyses, the area around Point 1 will be scraped down to 6 inches bgs. The area around Point 2 will be scraped down to 3 ft bgs. Composite samples from the base of the scrape and from each wall will be taken to a commercial laboratory to confirm all constituents are below regulatory standards. The area around Point 3 and Point 4 will be scraped down to 1 ft bgs. A composite sample from the base of the scrape will be taken to a commercial laboratory to confirm all constituents are below regulatory standards. Inside the bermed battery, the area will be scraped down 1 - 12.5 ft as safety concerns allow. A composite sample from the base of the scrape will be taken to a commercial laboratory to confirm if all constituents are below regulatory standards. If any constituents remain after the scrape, they will be remediated during site abandonment. The overspray area will be washed with clean water and sprayed with Micro-Blaze. The berm in the overspray area will be scraped to remove the asphaltine and then rebuilt. Southeast of the battery is a possible overspray area. This area will be sampled to determine if any contamination occurred. Once sampled, NMOCD and BLM will be notified by email of the remediation actions that will be taken in this area as needed.

All excavated soils will be evaluated for use as backfill and any soils that do not meet regulations will be disposed of at a NMOCD approved facility. Clean soil will be imported to the site as necessary to replace any disposed soil. The remainder of the excavated soil will be blended on site to use as backfill. A sample of the blended soils will be taken to a commercial laboratory to confirm the constituents are below regulatory standards. The areas in the pasture will be backfilled with the blended soils taken from the pasture areas, and the areas on the lease pad will be backfilled with the blended caliche. All areas will be contoured to the surrounding location, and the pasture areas will be seeded with a blend of native vegetation.

Once these activities have been completed, a request will be sent to NMOCD and BLM asking for 'remediation termination' and site closure.

RECS appreciates the opportunity to work with you on this project. Please call Hack Conder at (575) 393-2967 or me if you have any questions or wish to discuss the site.

Sincerely,

JC.W.

Lara Weinheimer Project Scientist RECS (575) 441-0431

Attachments:

Figure 1 – Initial Sampling Data Figure 2 – Proposed Corrective Actions Appendix A – Initial C-141 Appendix B – Initial Sampling Labs Appendix C – Photo Documentation

Figures

RICE Environmental Consulting and Safety (RECS) P.O. Box 2948, Hobbs, NM 88241 Phone 575.393.2967

Initial Sampling Data

Sample Description	on Cl-	PID	Point	DRO	вт	ЕX	BTEX	Sec.	210	1			1	33	33	1		
Surface	96	5.6	<10	348 <0	.05 0.095	0.083 < 0.15	0.359	100	0.8	195	64	1.1	1		1	200	22.4	1963
6" 1'	64 64	4.2	<10	40 <0	.05 <0.05	<0.05 <0.15	<0.3	Acres 4	Sec.		d P	24	12		100		22	20
COLUMN 1	100	100	2.4	223	2541	1000	6.	9. Y.S.	122	4		Poir	115	1.3	25	1.44	12.	
STAR ACT.	No.	10.00	730	Sel.	1993	1. 10	Sa	mple Desci	ription	CI-	PID	GRO	DRO	в	T	E	x	BTEX
Store -		and a	100			2013	1230	Surface		16400	397.2	119	1050	<0.2	1,15	3.55	7.16	11.9
19/25	A.T	2.5	800		13	11.00	SUL	6" 1'	201	7432	599.8				10		64	36
El ma	Ca.	Y.R.S.	1	1	<			1.5'		2099	1016	10	22.	200	2.2		115	200
10 30 3	20	1000	$\mathcal{G}(t)$	(V		0.00	2'	1	6283	1094	100	3.74		Sec	80	630	Sec.
y month		10	223	OVE	RSPR/	AY	620	2.5'		1097	185.9	34	1.3	120		die .	266	100
- 01.3		265				point 6		3.5'		864	95.2	<100	4070	0.067	1.29	1.4	3.23	5.99
1.1		P	Point 4		>	- (+ 4'		688	23.9	<100	4420	<0.05	0.083	0.116	0.234	0.433
Sample Description	CI-	PID G	RO DRO	в	TE	X BTEX	1.+			112	20	24	16	3.9		-381	132	5
Surface	34000	6.3 <	10 96.3	<0.05 0.	.052 <0.05	<0.15 <0.3	T/	11	a 4	100	230	504	622	20	28.	19	Car	640
1'	4960	1.7 <	10 <10 10 <10	<0.05 <	0.05 < 0.05	<0.15 <0.3	A	1	1	23	2.8	34	1	6.5	Sec.	1000	20	
1.5'	1136	1.1			-		1	point	5	11	2.43		14	- 15	Se.	28	6.3	122
2'	263	1	10 <10	<0.05 <	0.05 <0.05	<015 <03	Thoi	nt 4	1	1		20	12 3		22		Sec.	
3'	208	0.4 <	10 <10	<0.05 <	0.05 < 0.05	<0.15 <0.3	47	"T	/	T:	2		10			32	20	
And And							11	1		11	1	23	26	ant.	10.22	38.	Colline .	Q.L.
Sample Description	cl-	PID G	Point 3	В	TE	X BTEX	1			1	1		2001		12	10	86	Sec.
Surface	8500	322.1 8	848 891	0 1.04	13.4 20.4	35.7 70.6	-	Atr.	1		1	×	-0-	1.6		20		
6"	1100	17.8	33 471	<0.05 0	0.681 1.43	2.16 4.27	~) +.		1	1	5		. 7.	22	13	. chi	19
120155	240	15./ <	10 17.5	9 <0.05 0	.185 0.224	0.295 0.704	(+	V		î		100	6.93	1	185	Sect
Sample Description	CI-	PID (Point 1 GRO DR	ОВ	TE	X BTEX)	point 3	3 T	1		×			50	1	235	82
Surface	32	514.6 9	9790 346	00 21.9	246 277	389 935	(•	A	1		×)	3			1	300	1
6"	<16	384.2	452 210	0 0.463	6.49 9.46	16.2 32.6)		A'	2/	X		51		18	55	27	
1.5'	80	57.0	<10 11	6 < 0.05	<0.05 0.17	0.263 0.403	/	t			-	68	22		23	32	242	
S later		Sie	-72	5		\sim	K	*-	24	F	897	693	100		Lan	dow	ner: I	BLM
C STATES	Sec	12.0	2.0	Indint	1		T	< 2	1	100	2.			197	DG	W: 8	0 FT	
15 10 20	1	Sec.	-			point 2	1	T,	T	1.00	1000			a deserve			-	
- In the second		VGG2	186	163	1	× ×	100	+7	Lege	end								
150	100	1	Point 2	1.2	C. A.L.	V		1	+		стріс		F					
Sample Description	CI-	PID G	RO DRO	в	TE	X BTEX		100	1	ELE	CIRIC	FUL	-					
Surface	6160	640.9 7	580 5120	0 <10 7	8.1 161	255 494		1.4.2		ELE	CTRIC	CAL B	OX					
r lie	8260	888.1 6	580 1700	0 14.5 1	144 155	210 524	200	584	×	PET	ROLE	UM F	PIPEL	INE				
1.5'	4025	604.2	22	ditt	100	120		200		SAM	IPLE F	POIN	Г					
2' 2.5'	3348 2058	230.4 143.7	ast		1236	0.355	321	>	x-x	FEN	CE							
3'	581	108.8	120		- 187		2200	501		BER	М							
3.5'	203	103.6	44.9	0.0	1804	10.22				OTAL		500			500 -			333.
4.5'	144	144.8 <	10 33.1	<0.05 <	0.05 0.054	<0.15 <0.3	So Ge	etmappi		STAI	IN (22	,523 9	sqπw	vith 5,	503 S	qπin	oversp	oray
					DI	DAT	TT	OIT	0	0					_		1	N
ICE E	NVIF	RONM	ENT		BU	KNE	11	OIL	. C	0.	F	Ig	ure	9.1			W	
RI	_			L	0	GISSI	LER	B-3	3-1								"A	S E
	E		5			TCAL		Dese	11		0		40		80			
C.					· ·	LEGALS	TCD	B Sec.	. 11		F	П	H			eet		
NSU			N.I	LU			7-5 K	-30-E	INA			PS de	ate: 1/2	29/14	s			
LTI	NG 8	SAF	ETT			EDDI	COOL	NII, P	N IVI)rawin	g date	: 3/4/14 Weint	4 neimer			

Proposed Corrective Actions



Appendix A Initial C-141

RICE Environmental Consulting and Safety (RECS) P.O. Box 2948 Hobbs, NM 88241 Phone 575.393.2967 State of New Mexico

Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr.

Santa Fe NM 87505

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JAN 2 9 2014

Form C-141 Revised August 8, 2011

Submit 1 Copy to appropriate District Office in e with 19.15.29 NMAC. NMOCD ARTESM

Santa FC, INVI 07505												
Release Notification and Corrective Action												
OPERAT								1	🛛 Initi	al Report	Final Report	
Name of Co	mpany B	urnett Oil Co	o. Inc.			Contact Shawna Matthews						
Address P.	O. Box 18	8, Loco Hills	s, NM 88	255		Telephone]	No. (575) 322-7	7213				
Facility Nar	ne Gissler	r B-3-1		·····		Facility Typ	be Tank Battery	1				
Surface Owner BLM Mineral Owner									API No	<u>. 3001504120</u>		
LOCATION OF RELEASE												
Unit Letter	Section	Township	Range	Feet from the	North	/South Line	Feet from the	East/West Line		County		
В	11	17S	30E	866		FNL	1847	FE	L	Eddy		
Latitude 32.854395 Longitude -103.939889												
2												
				NAT	URE	OF REL	EASE					
Type of Release Oil							Volume of Release 10 bbls Volume Recovered 0 bbls					
Source of Release Oil Tank							Date and Hour of Occurrence			Date and Hour of Discovery 1/18/14		
							1/18/14 12:12 pm 12:12 pm					
Was Immediate Notice Given?						If YES, To Whom?						
By Whom?							Date and Hour					
Was a Waterc	ourse Reac	hed?	No		If YES, Vo	olume Impacting t	he Water	course.				
If a Watercou	rse was Imp	acted, Descri	be Fully.*	·····		1						

Describe Cause of Problem and Remedial Action Taken.*

The oil tank inside the battery overflowed, releasing 10 barrels of oil. The release moved south through the battery pad, over the lease road and into the pasture over Holly Energy's ROW. The pad was scraped to remove the wet soil. The area in the pasture was covered with soil to help absorb the standing oil and protect livestock/wildlife.

Describe Area Affected and Cleanup Action Taken.*

The site will be assessed and then remediated to NMOCD and BLM regulations.

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: Shawko, Mathoux	OIL CONSERVATION DIVISION					
Printed Name: Shawna Matthews	Approved by Environmental Specialist:					
Title: Production Technician	Approval Date:	Expiration Date:				
E-mail Address: smatthews@burnettoil.com	Conditions of Approval:	Attached 🔲				
Date: 1/29/14 Phone: (575) 322-7213						

* Attach Additional Sheets If Necessary