

July 8, 2016

Mike Bratcher
New Mexico Energy, Minerals & Natural Resources Oil Conservation Division,
Environmental Bureau - District 2
811 S. First St.
Artesia. NM 882L0

RE: Corrective Action Plan

Burnett Oil Co., Inc. - Gissler A 2 Tank Battery

UL/J sec. 14 T175 R30E

Mr. Bratcher

The above location is located approximately 2 miles northeast of Loco Hills, New Mexico at UL/J sec.14 T17S R30E. The site is located in an area of no known groundwater.

On February 26, 2016 a release was discovered of 200 barrels of produced water. The release occurred when a steel injection line going to the GJSAU #22 WIW (API # 30-015-33124) ruptured and come to surface. The release impacted a 400'x1-5" area with a 100'x 75' pooling area on the Gissler A 2 Tank Battery location (API # 30-015-33498). The BLM and the NMOCD were both notified of the release on February 26, 2016 with the initial C-141 being filed on March 2, 2016.

Corrective Action Plan

To remediate the impacted soil, Burnett Oil Co., Inc. has hired Aspen Grow LLC. to apply their Detox chloride bonding agents to the impacted area in the pasture. The Detox remediation bonding agents will be applied with water and aid in the remediation of the impacted soil, as well as help move the chlorides 3' below surface level. There will be four applications of the bonding agents in each installation. After each installment of bonding agents, Burnett Oil Co., Inc. will collect samples for verification of remediation success. Once the chlorides have been remediated and/or pushed below the root zone below and analytical is below regulatory standards the area will be reseeded with BLM #2 seed mix. The area will then be observed until sufficient regrowth occurs.



July 8, 2016

Burnett Oil Co., Inc. would like to defer the impacted area on the Gissler A 2 Tank Battery Location until abandonment. There is an approximate 60' x 5' area on the location that is in a heavily trafficked area, as well as a 60' x 30' area that is in close proximity to production vessels and containments.

Following the approval of the plan and after the remediation has taken place, Burnett Oil Co., Inc. will submit all proper closure documentation to the NMOCD and the BLM in accordance to the State and Federal Guidelines set forth.

Please feel free to contact me with any questions concerning this remediation plan request.

Sincerely,

Johnny Titsworth

HSE Coordinator

Burnett Oil Co., Inc.

P.O. Box 188 / CR 220 North

Loco Hills, NM 88255

(432)-425-2891

Email: jtitsworth@burnettoil.com

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

Form C-141 Revised August 8, 2011

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

| | | | Ken | ease nouni | Cation | anu Cu | iffective A | CHOII | | | | | | |
|--|--|--------------------------------|-------------|----------------------|-------------|---|----------------------|--------------|--|--------------|-----------|--------------|--|--|
| | | | | | | OPERA | ΓOR | D | X Initia | al Report | | Final Report | | |
| Name of Co | ompany E | Burnett Oil Co. | . Inc | | | Contact Leslie Garvis | | | | | | | | |
| | | | | orth, Texas 7610 | _ | Telephone No. 817-583-8730 | | | | | | | | |
| Facility Na | me Gissler | A 2 Battery | | | | Facility Type Tank Battery | | | | | | | | |
| | DIM | | | T : | | | | | | | | | | |
| Surface Ow | ner BLIVI | | | Mineral (|)wner | BLM | | | API No | . 30-015-3 | 3498 | | | |
| | | y | , | | | OF REI | | , | | | | | | |
| Unit Letter | Section | Township | Range | Feet from the | North/ | th/South Line Feet from the | | | East/West Line County | | | | | |
| J | J 14 17S 30E 1650 Sc | | | | | | 1650 | East | | Eddy | | | | |
| | | | La | titude | 1 | Longitud | e | | | | | | | |
| | | | | NAT | URE | | | | | | | | | |
| Type of Release Skim Oil/Produced Water Volume of Release 200 bbls PW Volume Recovered | | | | | | | | | | | i | | | |
| Source of Re | lease Injec | tion Line Rup | ured | | | | | | | | - | 2/26/16 0900 | | |
| Was Immedia | elease Injection Line Ruptured Date and Hour of Occurrence Date and H liate Notice Given? If YES, To Whom? | | | | | | | | | | | | | |
| | | | Yes _ | No Not Re | equired | BLM - S. Tu | cker, OCD H. Patte | erson (by ph | none & em | ail) | | | | |
| By Whom? | Leslie Garvi | S | | | | Date and H | | | | | - | | | |
| Was a Water | course Reac | | | | | If YES, Volume Impacting the Watercourse. | | | | | | | | |
| | | | Yes 🔯 | No | | | | | | | | | | |
| If a Watercou | urse was Im | pacted, Descr | ibe Fully. | * | | L | | | NO AND SECURITY OF THE PARTY OF | | | | | |
| N/A | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | |
| Describe Cau | ise of Proble | em and Reme | dial Action | n Taken.* | | | | | | | | | | |
| Injection line r | ruptured. Line | has been isola | ated and so | heduled for repair/r | eolaceme | ent | | | | | | | | |
| | | | | | 0,000,000 | *** | | | | | | | | |
| | | | | | | | | | | | | | | |
| Describe Are | a Affected a | and Cleanup A | Action Tak | (en.* | | | | | | | | | | |
| 1 | | | | | asture. Are | ea will be same | oled and remediate | d by regula | tory stand | ards | | | | |
| | , | | | | | ou im be oun, | | a of regula | tory otama | ardo. | | | | |
| | | | | | | | | | | | | | | |
| I hereby certi | fy that the i | nformation gi | ven above | is true and comp | lete to th | e best of my | knowledge and u | nderstand | that nurs | uant to NM | OCD re | iles and | | |
| regulations a | ll operators | are required to | o report ar | nd/or file certain r | elease no | otifications ar | nd perform correc | tive action | is for rele | ases which | may en | danger | | |
| public health | or the envir | conment. The | acceptano | ce of a C-141 repo | ort by the | NMOCD ma | arked as "Final Re | eport" doe | s not reli | eve the oper | rator of | liability | | |
| should their o | operations h | ave failed to a | idequately | investigate and r | emediate | contamination | on that pose a three | eat to grou | ind water | , surface wa | iter, hur | nan health | | |
| or the environ | nment. In a | ddition, NMC ws and/or regu | CD accep | otance of a C-141 | report do | es not relieve | e the operator of r | responsibi | lity for co | ompliance w | ith any | other | | |
| lederal, state, | or local tax | ws and/or regu | nations | | | | OIL CONS | CEDVA | TION | DIVICIO | NI | | | |
| | 1 | 1. X | A. | 2.1. | | OIL CONSERVATION DIVISION | | | | | | | | |
| Signature: | 1800 | u X | Jak | <i>N</i> 6 | | | | | | | | 1 | | |
| Printed Name. Leslie Garvis | | | | | | Approved by Environmental Specialist: | | | | | | | | |
| Printed Name | 3: | | | | | | | | | | | | | |
| Title: Regu | latory Coord | inator | | | | Approval Date | e: | Ext | piration I | Date: | | | | |
| | | N " | | | | TP | | 1 - 1 | , | T | | | | |
| E-mail Addre | ess: lgarvis@ | burnettoil.com | | | | Conditions of | Approval: | | | Attached | | | | |
| Date: 3/2/16 | 3/2/16 917 593 9720 | | | | | | | | | | _ | | | |

^{*} Attach Additional Sheets If Necessary



| Location: |
|----------------|
| Gissler A 2 TB |

Table 1 - Analytical Results

| | | | | - | | | | | | | 6/23/2016 | Date |
|---------|---------|---------|---------|------|------|------|------|---------|---------|---------|-----------|-------------|
| | | | | SP-5 | SP-4 | SP-3 | SP-2 | | | | SP-1 | Sample ID |
| 4'-4.5' | 3'-3.5' | 2'-2.5' | 1'-1.5' | 0-1' | 0-1' | 0-1' | 0-1' | 3'-3.5' | 2'-2.5' | 1'-1.5' | 0-1' | Depth |
| 262 | 2080 | 2620 | 7270 | 1380 | 1770 | 514 | 4800 | 4320 | 452 | 1860 | 5000 | Chloride |
| | , | | | | | | | | | | | TPH - GRO |
| | | | | | | | | | | | | TPH - DRO |
| | | | | | | | | | | | | Benzene |
| | | А | | | | | | | | | c | Toluene |
| | | | | | | | | | | | | :thylbenzen |
| | | | | | | | | | | | | Xylene |
| | | | | | | | | | | | | ВТЕХ |



Location: Gissler A 2 TB

Table 1 - Analytical Results

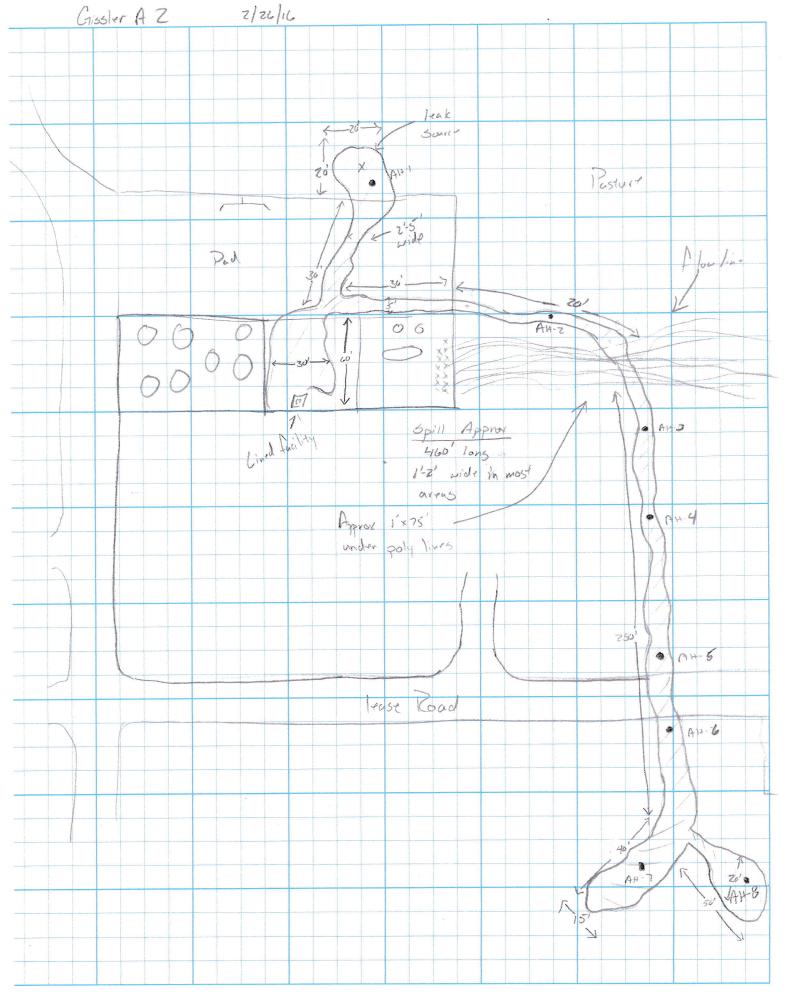
| | | | | | | | | | | | 6/23/2016 | Date |
|---------|---------|---------|---------|------|---------|---------|---------|---------|---------|------|-----------|---------------------|
| | | | | SP-7 | v | 0 | | | | SP-6 | SP-5 | Sample ID |
| 4'-4.5' | 3'-3.5' | 2'-2.5' | 1'-1.5' | 0-1' | 5'-5.5' | 4'-4.5' | 3'-3.5' | 2'-2.5' | 1'-1.5' | 0-1' | 5'-5.5' | Depth |
| 1600 | 1520 | 2840 | 1930 | 4460 | 5270 | 6590 | 5650 | 5000 | 4270 | 3920 | 286 | Chloride |
| | | | | | | | | | | | | TPH - GRO |
| | | | | | | | v. | S. | | | | TPH - DRO |
| | | | | | | | | | | | | Benzene |
| | | | | | | | | | | | | Toluene |
| | | | | | | | | | | | | Ethylbenzen: Xylene |
| | | | | | | | | | | | | Xylene |
| - | | | | | | | | | | | | ВТЕХ |



Location: Gissler A 2 TB

Table 1 - Analytical Results

| | | | | | | | | ¥ | | | 6/23/2016 | Date |
|---------|---------|---------|---------|---------|---------|---------|---------|------|---------|---------|-----------|---------------------|
| | | | | | | | | SP-8 | | | SP-7 | Sample ID |
| 8'-8.5' | 7'-7.5' | 6'-6.5' | 5'-5.5' | 4'-4.5' | 3'-3.5' | 2'-2.5' | 1'-1.5' | 0-1' | 7'-7.5' | 6'-6.5' | 5'-5.5' | Depth |
| <200 | <200 | <200 | <200 | <200 | <200 | 265 | 697 | 1790 | 2200 | 2020 | 1920 | Chloride |
| | | | | | | | | | | | | TPH - GRO TPH - DRO |
| | | | | | | | | | | | | TPH - DRO |
| | | | | | | | | _ | | | | Benzene |
| | | | | | | | | | 0 | | | Toluene |
| | | | | | | | | | | | | Ethylbenzen Xylene |
| | | | | | | | | | | | | Xylene |
| | | | | | | | 250 | | | | | втех |



Rite in the Rain.