

PO Box 301 | Lovington, NM 88260 | Phone 575.396.2378

December 15, 2017

Attn. Mike Bratcher NMOCD, District 2 811 South First Street Artesia, NM 88210

RE: Corrective Action Plan XTO Energy JRU 29 SWD UL/K SEC. 36 T22S R30E 32.346432, -103.835934 2RP-2726; 2RP-3082; 2RP-3302; 2RP-3726 and 2RP-4040

Mr. Bratcher:

XTO Energy (XTO) has retained Basin Environmental Service Technologies (Basin) to address potential environmental concerns at the above-referenced site.

Background and Previous Work

The JRU 29 SWD site is located approximately 1980 feet from the North/South Line South and 2310 feet from the East/West Line West 2310 at Unit Letter K of Section 36, Township 22 South, Range 30 East in Eddy County, New Mexico. This site is located in an area where groundwater is anticipated to be greater than 200 +/- feet below ground surface (bgs) as determined by consulting a Regional Groundwater Trend map. A liner from a previous remediation effort is buried beneath a portion of the currently impacted soil. The community of Loving, New Mexico is approximately 13 miles west-southwest of the site.

Five leak events have occurred at the JRU 29 SWD and are summarized below.

The initial spill occurred on December 25, 2014. XTO discovered a release of approximately ninety-seven (97) barrels (bbls) of produced water. It is suspected that an unknown truck dumped the fluid or left the "truck load valve" open, causing the spill. Time of the release is unknown. The spill was discovered on December 25, 2014 at 5:30 AM. An estimated three (3) bbls of fluids were recovered. Approximately fourteen thousand five hundred (14,500) square feet (ft²) of tank battery/well pad were impacted. New Mexico Oil Conservation Division (NMOCD) was notified of the release on December 25, 2014, and an initial C-141 was submitted to NMOCD on January 6, 2015 for approval. The NMOCD granted approval of the C-141 on January 12, 2015. Tracking number 2RP 2726 was assigned to the spill.

A second spill event occurred on June 22, 2015. XTO discovered a release of approximately one-hundred ten (110) bbls of produced water when a pipe fitting on the 4 inch saltwater disposal (SWD) discharge line failed. Time of the release is unknown. The spill was discovered on June 22, 2015 at 6:36 PM. An estimated forty (40) bbls of fluids were recovered [twenty (20) bbl from the zero permeability containment and twenty (20) bbl from the ground]. The spill impacted approximately five thousand (5,000) ft² of pasture area. NMOCD was notified on June 26, 2015. The NMOCD granted approval of the C-141 on June 30, 2015. Tracking number 2RP 3082 was assigned to the spill.

The third spill event occurred September 18, 2015. XTO discovered a release of approximately two-hundred ninety (290) bbls of produced water when flange bolts on the south water transfer pump failed. The spill was discovered September 18, 2015 at approximately 7:00 PM. Most of the fluids were released to the zero permeability containment. Approximately two-hundred forty bbls of fluids were recovered. Produced water released to the ground impacted approximately four thousand two-hundred thirty five (4235) ft² of pasture area. NMOCD was notified September 24, 2015. NMOCD granted approval of the C-141 report on September 24, 2015. Tracking number RP-3302 was assigned to the spill.

The forth spill event occurred in May of 2016. XTO discovered a release of approximately seven hundred seventy five (775) bbls of produced water when a VSAT (satellite) antenna was damaged and caused the SCADA communication device to fail. This failure triggered an alarm that was not properly responded to. The produced water tanks overflowed into the zero permeability containment. The containment filled and overflowed onto the well pad. The date and time of the spill is unknown. The spill was discovered approximately 10:00 AM on May 27, 2016. About seven-hundred sixty (760) bbls of fluids were recovered. The spill affected two thousand two-hundred twelve 2212 ft² of well pad and six-hundred eighty eight (688) ft² of pasture. NMOCD was notified June 7, 2016. NMOCD granted approval of the C-141 report on June 8, 2016. Tracking number 2RP-3726 was assigned to the spill.

The fifth spill event occurred in December of 2016. XTO discovered a release of approximately three thousand three-hundred thirty two (3324) bbls of produced water due to a transfer pump failure. The pump failure caused damage to a fiberglass line. Fluids overflowed the containment. The date and time of the spill is unknown. The spill was discovered approximately 9:00 AM on December 1, 2016. Approximately two thousand nine-hundred ninety (2,990) bbls of fluids were recovered. The spill affected about twenty two thousand one-hundred five (22,105) ft² of well pad and thirty three thousand nine-hundred thirty eight (33,938) ft² of pasture for a total of 56,043 ft² impacted. NMOCD was notified December 1, 2016 at 4:52 PM. NMOCD granted approval of the C-141 report on December 16, 2016. Tracking number 2RP 4040 was assigned to the spill.

On September 11, 2017, Basin Environmental personnel arrived on the JRU 29 SWD site to perform initial test trench (tt or tts) sampling for delineation of the subject spills. A back hoe was utilized to excavate seven tts within the release area for collection of delineation samples. The tts were labeled SP-1, SP-2, SP-3, SP-4, SP-5, SP-6, and SP-7. Each sample was field tested for chlorides using HACH Chloride test strips. Confirmatory samples were submitted to a

NMOCD approved and certified laboratory. Results of field and laboratory testing are provided in Table 1. Select laboratory data is provided on the sample points location map (Figure 2).

To summarize lab results for trench SP-1, the laboratory test for chlorides yielded 272 mg/kg at 4 feet below ground surface (bgs). Benzene, toluene, ethyl benzene and xylene (BTEX) concentrations are below the method detection limit for the laboratory. Gas range organics (GRO), diesel range organics (DRO), and extended diesel range organics (EXT DRO) are well below the Recommended Remediation Action Level (RRAL) guideline of 100 mg/kg.

For trench SP-2, the laboratory test for chlorides yielded 64 mg/kg at 5 feet bgs. BTEX showed concentrations are below the method detection limit for the laboratory. GRO, DRO, and EXT DRO are well below the RRAL guideline of 100 mg/kg.

For trench SP-3, the laboratory test for chlorides yielded 432 mg/kg at 6 feet below ground surface. Laboratory tests for BTEX showed concentrations are below the method detection limit for the laboratory. GRO, DRO, and EXT DRO are well below the RRAL guideline of 100 mg/kg.

For trench SP-4, the laboratory test for chlorides yielded 2720 mg/kg at 3 feet bgs. Preservation of a previously installed liner prevented attempts to sample deeper at this location. This liner will be removed as part of the CAP and confirmation sampling will be performed to delineate the extent of chlorides beneath the liner using remediation excavation equipment. If the depth to cleanup of chlorides cannot be reached using the remediation equipment, a PVC conduit pipe will be set through the liner and an environmental test drill will be brought to the site to complete the delineation for chlorides. Laboratory tests for BTEX showed concentrations are below the method detection limit for the laboratory. GRO is well below the RRAL guideline of 100 mg/kg. DRO and EXT DRO are 2130 mg/kg and 489 mg/kg respectively and are above the RRAL guideline of 100 mg/kg.

For trench SP-5, the laboratory test for chlorides yielded 240 mg/kg at 14 feet bgs. BTEX showed concentrations are below the method detection limit for the laboratory. GRO, DRO, and EXT DRO are well below the RRAL guideline of 100 mg/kg.

At trench SP-6, the laboratory test for chlorides yielded 64 mg/kg at 14 feet bgs. BTEX showed concentrations are below the method detection limit for the laboratory. GRO, DRO, and EXT DRO were well below the RRAL guideline of 100 mg/kg.

For trench SP-7, the laboratory test for chlorides yielded 1760 mg/kg at 14 feet. Further delineation for chlorides at this site will be performed during execution of the CAP using excavation equipment. If the depth to cleanup of chlorides cannot be reached using the remediation excavation equipment, a PVC conduit pipe will be set through the liner and an environmental test drill will be brought to the site to complete the delineation for chlorides. However, laboratory tests for BTEX showed concentrations are below the method detection limit for the laboratory. GRO, DRO, and EXT DRO are well below the RRAL guideline of 100 mg/kg.

Corrective Action Plan (CAP)

Approximately 72,870 ft² of caliche pad and pasture are impacted at the JRU 29 SWD site. Of that total, approximately 32,300 ft² is caliche pad and approximately 40,570 is pasture land. Remediation of the impacted pasture soils and pad materials will be accomplished per the methods described below. A New Mexico State Land Office permit will be necessary to access the site.

A liner from a prior remediation effort will be removed. Location of the previously existing liner is shown in Figure 2. At sample tt locations SP-4 and SP-7 (reference Figure 2) excavation equipment will be utilized to collect deeper delineation samples for testing with field methods. Excavation and sampling will continue until results of field testing show chlorides are at or below the NMOCD target of 600 mg/kg. If a satisfactory delineation at or below the NMOCD target is obtained, the sample trenches will be backfilled and the soil material will be compacted.

The impacted pasture soils will then be excavated to a depth of four feet bgs. This excavated soil will be transported to Lea Land (NMOCD Permit # WM01) for disposal. If required, a six-inch cushion layer of sand may be installed over the entire excavation site. A 20 mil impermeable liner will then be installed over in-situ soil (or a backfill of 6 to 12-inch layer of cushioning sand, if required) to the limits of the excavation. A 6 to 12-inch sand layer will placed on top of the liner over the entire excavation in order to protect the integrity of the liner during backfilling operations. Locally procured soil materials will be used to backfill the excavated area in one to two foot lifts. The lifts will be compacted with excavation equipment. The fill area will be graded to blend with the contours of the surrounding topography. At the completion of backfilling and at a time conductive for germination, Basin will loosen the suface of the backfilled soils with a disc, rake or harrow. Basin will then seed the extent of the remediated pasture area at JRU 29 SWD with a blend of native, non-noxious vegetation approved by the New Mexico State Land Office. The seed will be applied with either a drill or a broadcast method to ensure complete coverage of the affected area.

In the event that delineation of chlorides at locations SP-4 and SP-7 cannot be achieved to levels below the NMODC target of 600 mg/kg when using remediation excavation equipment to facilitate sampling, PVC conduit (referenced above) will be set and sealed to the liner material prior to backfilling to grade. An environmental test drilling rig will be brought to the site and the strata at depth will be sampled until delineation at or below 600 mg/kg chlorides is achieved. The resultant soil boring will be backfilled with bentonite chips in lifts and hydrated per manufacturer's recommendations. Each borehole will be filled to the surface of the ground.

In addition to the pasture area, approximately $32,300 \text{ ft}^2$ of caliche pad at JRU 29 SWD is impacted. The impacted pad area will be excavated to an area approximately one foot in depth. This excavated caliche will be transported to Lea Land (NMOCD Permit # WM01) for disposal. The excavated area will then be backfilled with clean, non-impacted caliche. The clean caliche will be spread in thin layers (three to six-inches thick). Each layer will be watered and roll compacted to dryness and watered again. Another layer of caliche will be added on top of the previous layer until the fill area is brought up to grade. The supporting documentation for this Corrective Action Plan is attached.

Basin appreciates the opportunity to work with you on this project. Please contact me if you have any questions or wish to discuss the site.

Sincerely,

John P. Farrell P.G. Project Manager Basin Environmental Service Technologies (575) 393-2378

Attachments:

Figure 1 – Site Location Map Figure 2 – Sample Locations and Select Analytical Sampling Data Table 1 – 2017 Sample Concentrations of BTEX, TPH and Chloride Appendix A – Laboratory Analysis Appendix B – C-141 Forms ATTACHMENTS

TABLE

TABLE 12017 CONCENTRATIONS OF FIELD CHLORIDEXTOJRU 29 SWDEDDY COUNTY, NEW MEXICONMOCD REFERENCE #'S: 2RP-2726, 2RP-3082, 2RP-3302, 2RP-3726 and 2RP-4040

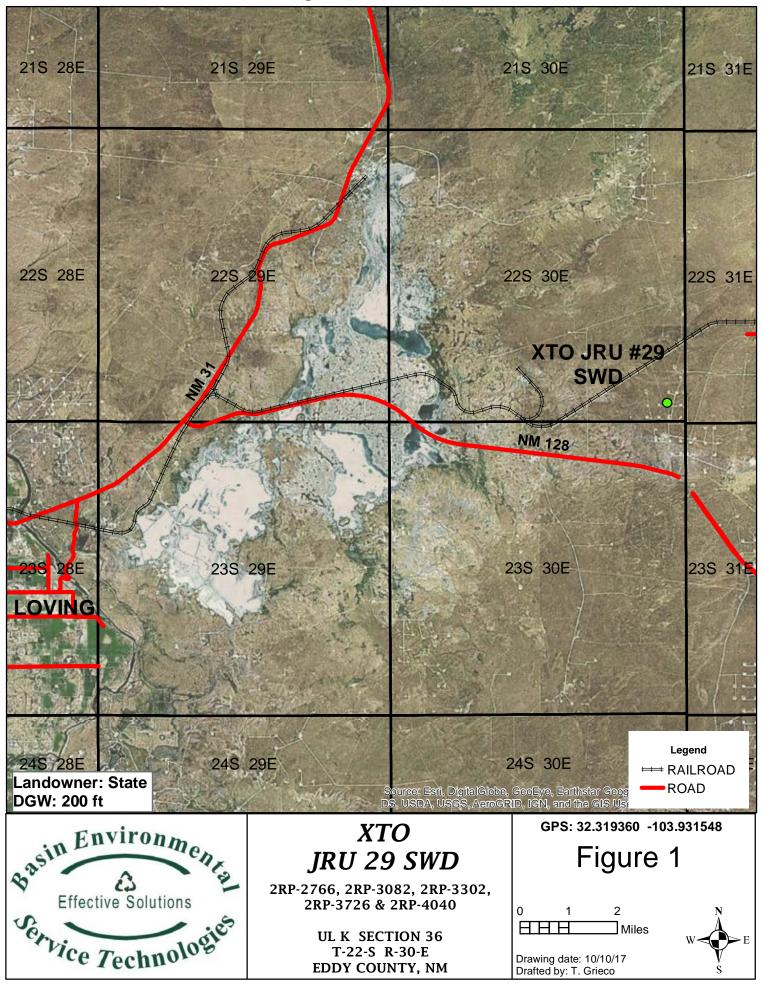
				N	ETHOD: 80	15B		FIELD	4500 CL-B
SAMPLE LOCATION	SAMPLE DEPTH (BGS)	SAMPLE DATE	SOIL STATUS	GRO C ₆ -C ₁₂ (mg/Kg)	DRO C ₁₂ -C ₂₈ (mg/Kg)	EXT DRO C ₂₈ -C ₃₆ (mg/Kg)	TPH C₀-C₃₅ (mg/Kg)	CHLORIDE (mg/Kg)	CHLORIDE (mg/Kg)
TT-1	SUR	9/11/2017	In-Situ	NA	NA	NA	NA	>2456	NA
TT-1	1'	9/11/2017	In-Situ	NA	NA	NA	NA	560	NA
TT-1	2'	9/11/2017	In-Situ	NA	NA	NA	NA	344	NA
TT-1	3'	9/11/2017	In-Situ	NA	NA	NA	NA	272	NA
TT-1	4'	9/11/2017	In-Situ	<10.0	<10.0	<10.0	<30.0	180	272
TT-2	SUR	9/11/2017	In-Situ	NA	NA	NA	NA	> 2604	NA
TT-2	1'	9/11/2017	In-Situ	NA	NA	NA	NA	2060	NA
TT-2	2'	9/11/2017	In-Situ	NA	NA	NA	NA	1528	NA
TT-2	3'	9/11/2017	In-Situ	NA	NA	NA	NA	1136	NA
TT-2	4'	9/11/2017	In-Situ	NA	NA	NA	NA	264	NA
TT-2	5'	9/11/2017	In-Situ	<10.0	<10.0	<10.0	<30.0	< 112	64
TT-3	SUR	9/11/2017	In-Situ	NA	NA	NA	NA	> 2604	NA
TT-3	1'	9/11/2017	In-Situ	NA	NA	NA	NA	476	NA
TT-3	2'	9/11/2017	In-Situ	NA	NA	NA	NA	360	NA
TT-3	3'	9/11/2017	In-Situ	NA	NA	NA	NA	476	NA
TT-3	4'	9/11/2017	In-Situ	NA	NA	NA	NA	520	NA
TT-3	5'	9/11/2017	In-Situ	NA	NA	NA	NA	328	NA
TT-3	6'	9/11/2017	In-Situ	<10.0	<10.0	<10.0	<30.0	236	432
TT-4	SUR	9/11/2017	In-Situ	NA	NA	NA	NA	> 2604	NA
TT-4	1'	9/11/2017	In-Situ	NA	NA	NA	NA	> 2604	NA
TT-4	2'	9/11/2017	In-Situ	NA	NA	NA	NA	1,974	NA
TT-4	3'	9/11/2017	In-Situ	<10.0	2130	489	2619	1,224	2720

TABLE 12017 CONCENTRATIONS OF FIELD CHLORIDEXTOJRU 29 SWDEDDY COUNTY, NEW MEXICONMOCD REFERENCE #'S: 2RP-2726, 2RP-3082, 2RP-3302, 2RP-3726 and 2RP-4040

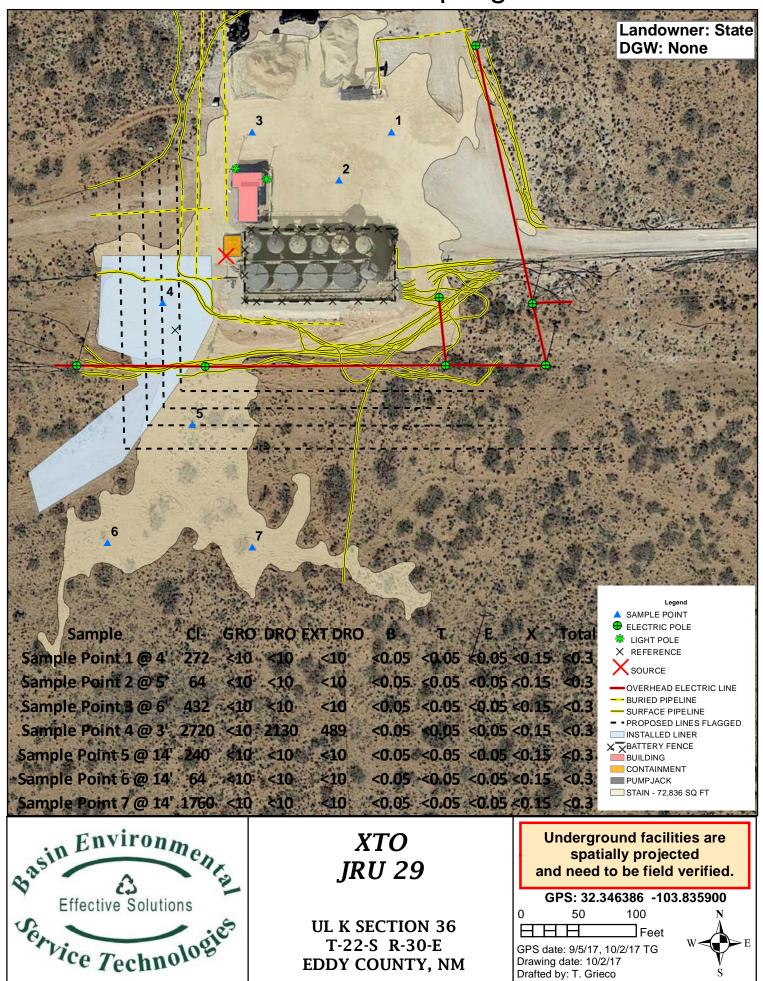
				N	IETHOD: 80	15B		FIELD	4500 CL-B
SAMPLE LOCATION	SAMPLE DEPTH (BGS)	SAMPLE DATE	SOIL STATUS	GRO C ₆ -C ₁₂ (mg/Kg)	DRO C ₁₂ -C ₂₈ (mg/Kg)	EXT DRO C ₂₈ -C ₃₆ (mg/Kg)	TPH C ₆ -C ₃₅ (mg/Kg)	CHLORIDE (mg/Kg)	CHLORIDE (mg/Kg)
TT-5	SUR	9/11/2017	In-Situ	NA	NA	NA	NA	> 2604	NA
TT-5	1'	9/11/2017	In-Situ	NA	NA	NA	NA	360	NA
TT-5	2'	9/11/2017	In-Situ	NA	NA	NA	NA	564	NA
TT-5	3'	9/11/2017	In-Situ	NA	NA	NA	NA	328	NA
TT-5	4'	9/11/2017	In-Situ	NA	NA	NA	NA	< 112	NA
TT-5	5'	9/11/2017	In-Situ	NA	NA	NA	NA	564	NA
TT-5	6'	9/11/2017	In-Situ	NA	NA	NA	NA	564	NA
TT-5	7'	9/11/2017	In-Situ	NA	NA	NA	NA	476	NA
TT-5	8'	9/11/2017	In-Situ	NA	NA	NA	NA	564	NA
TT-5	9'	9/11/2017	In-Situ	NA	NA	NA	NA	440	NA
TT-5	14'	9/11/2017	In-Situ	<10.0	<10.0	<10.0	<30.0	160	240
TT-6	SUR	9/11/2017	In-Situ	NA	NA	NA	NA	< 112	NA
TT-6	1'	9/11/2017	In-Situ	NA	NA	NA	NA	< 112	NA
TT-6	2'	9/11/2017	In-Situ	NA	NA	NA	NA	328	NA
TT-6	3'	9/11/2017	In-Situ	NA	NA	NA	NA	> 2604	NA
TT-6	4'	9/11/2017	In-Situ	NA	NA	NA	NA	2,408	NA
TT-6	6'	9/11/2017	In-Situ	NA	NA	NA	NA	296	NA
TT-6	8'	9/11/2017	In-Situ	NA	NA	NA	NA	< 112	NA
TT-6	14'	9/11/2017	In-Situ	<10.0	<10.0	<10.0	<30.0	< 112	64
TT-7	SUR	9/11/2017	In-Situ	NA	NA	NA	NA	< 112	NA
TT-7	1'	9/11/2017	In-Situ	NA	NA	NA	NA	328	NA
TT-7	2'	9/11/2017	In-Situ	NA	NA	NA	NA	> 2604	NA
TT-7	3'	9/11/2017	In-Situ	NA	NA	NA	NA	1644	NA
TT-7	4'	9/11/2017	In-Situ	NA	NA	NA	NA	1644	NA
TT-7	6'	9/11/2017	In-Situ	NA	NA	NA	NA	908	NA
TT-7	8'	9/11/2017	In-Situ	NA	NA	NA	NA	664	NA
TT-7	14'	9/11/2017	In-Situ	<10.0	<10.0	<10.0	<30.0	976	1760
							5000	000	000
NMOCD Regu	latory Sta	ndard		10			5000	600	600

FIGURES

Geographic Location



Initial Sampling



APPENDIX A



September 25, 2017

ROBBIE RUNNELS Basin Environmental Service P.O. Box 301 Lovington, NM 88260

RE: JRU 29 SWD

Enclosed are the results of analyses for samples received by the laboratory on 09/18/17 15:26.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-16-8. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/ga/lab_accred_certif.html.

Cardinal Laboratories is accreditated through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keine

Celey D. Keene Lab Director/Quality Manager



Basin Environmental Service ROBBIE RUNNELS P.O. Box 301 Lovington NM, 88260 Fax To: (575) 396-1429

Received:	09/18/2017	Sampling Date:	09/11/2017
Reported:	09/25/2017	Sampling Type:	Soil
Project Name:	JRU 29 SWD	Sampling Condition:	** (See Notes)
Project Number:	NONE GIVEN	Sample Received By:	Tamara Oldaker
Project Location:	EDDY COUNTY, NM		

Sample ID: SP1 @ 4' (H702515-01)

BTEX 8021B	mg/	/kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifie
Benzene*	<0.050	0.050	09/22/2017	ND	1.90	95.2	2.00	0.810	
Toluene*	<0.050	0.050	09/22/2017	ND	1.77	88.6	2.00	1.97	
Ethylbenzene*	<0.050	0.050	09/22/2017	ND	1.85	92.4	2.00	1.18	
Total Xylenes*	<0.150	0.150	09/22/2017	ND	5.59	93.2	6.00	1.42	
Total BTEX	<0.300	0.300	09/22/2017	ND					
Surrogate: 4-Bromofluorobenzene (PID	111 9	% 72-148							
Chloride, SM4500Cl-B	mg,	/kg	Analyze	d By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	272	16.0	09/20/2017	ND	432	108	400	0.00	
TPH 8015M	mg,	/kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifie
GRO C6-C10	<10.0	10.0	09/20/2017	ND	183	91.7	200	0.349	
DRO >C10-C28	<10.0	10.0	09/20/2017	ND	196	98.0	200	0.105	
EXT DRO >C28-C36	<10.0	10.0	09/20/2017	ND					
Surrogate: 1-Chlorooctane	82.3	% 28.3-16	4						
Surrogate: 1-Chlorooctadecane	85.0	% 34.7-15	7						

Cardinal Laboratories

*=Accredited Analyte

Celeg D. Keine

Celey D. Keene, Lab Director/Quality Manager



Basin Environmental Service ROBBIE RUNNELS P.O. Box 301 Lovington NM, 88260 Fax To: (575) 396-1429

Received:	09/18/2017	Sampling Date:	09/11/2017
Reported:	09/25/2017	Sampling Type:	Soil
Project Name:	JRU 29 SWD	Sampling Condition:	** (See Notes)
Project Number:	NONE GIVEN	Sample Received By:	Tamara Oldaker
Project Location:	EDDY COUNTY, NM		

Sample ID: SP 2 @ 5' (H702515-02)

BTEX 8021B	mg/	kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	09/22/2017	ND	1.90	95.2	2.00	0.810	
Toluene*	<0.050	0.050	09/22/2017	ND	1.77	88.6	2.00	1.97	
Ethylbenzene*	<0.050	0.050	09/22/2017	ND	1.85	92.4	2.00	1.18	
Total Xylenes*	<0.150	0.150	09/22/2017	ND	5.59	93.2	6.00	1.42	
Total BTEX	<0.300	0.300	09/22/2017	ND					
Surrogate: 4-Bromofluorobenzene (PID	112 9	% 72-148							
Chloride, SM4500Cl-B	mg/	'kg	Analyze	d By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	64.0	16.0	09/20/2017	ND	432	108	400	0.00	
TPH 8015M	mg/	'kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	09/21/2017	ND	183	91.7	200	0.349	
DRO >C10-C28	<10.0	10.0	09/21/2017	ND	196	98.0	200	0.105	
EXT DRO >C28-C36	<10.0	10.0	09/21/2017	ND					
Surrogate: 1-Chlorooctane	84.4	% 28.3-16	4						
Surrogate: 1-Chlorooctadecane	86.3	% 34.7-15	7						

Cardinal Laboratories

*=Accredited Analyte

Celeg D. Keine

Celey D. Keene, Lab Director/Quality Manager



Basin Environmental Service ROBBIE RUNNELS P.O. Box 301 Lovington NM, 88260 Fax To: (575) 396-1429

Received:	09/18/2017	Sampling Date:	09/11/2017
Reported:	09/25/2017	Sampling Type:	Soil
Project Name:	JRU 29 SWD	Sampling Condition:	** (See Notes)
Project Number:	NONE GIVEN	Sample Received By:	Tamara Oldaker
Project Location:	EDDY COUNTY, NM		

Sample ID: SP 3 @ 6' (H702515-03)

BTEX 8021B	mg/	kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	09/22/2017	ND	1.90	95.2	2.00	0.810	
Toluene*	<0.050	0.050	09/22/2017	ND	1.77	88.6	2.00	1.97	
Ethylbenzene*	<0.050	0.050	09/22/2017	ND	1.85	92.4	2.00	1.18	
Total Xylenes*	<0.150	0.150	09/22/2017	ND	5.59	93.2	6.00	1.42	
Total BTEX	<0.300	0.300	09/22/2017	ND					
Surrogate: 4-Bromofluorobenzene (PID	111 9	% 72-148							
Chloride, SM4500Cl-B	mg/	'kg	Analyze	d By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	432	16.0	09/20/2017	ND	432	108	400	0.00	
TPH 8015M	mg/	'kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	09/21/2017	ND	183	91.7	200	0.349	
DRO >C10-C28	<10.0	10.0	09/21/2017	ND	196	98.0	200	0.105	
EXT DRO >C28-C36	<10.0	10.0	09/21/2017	ND					
Surrogate: 1-Chlorooctane	82.6	% 28.3-16	4						
Surrogate: 1-Chlorooctadecane	89.7	% 34.7-15	7						

Cardinal Laboratories

*=Accredited Analyte

Celeg D. Keine

Celey D. Keene, Lab Director/Quality Manager



Basin Environmental Service ROBBIE RUNNELS P.O. Box 301 Lovington NM, 88260 Fax To: (575) 396-1429

Received:	09/18/2017	Sampling Date:	09/11/2017
Reported:	09/25/2017	Sampling Type:	Soil
Project Name:	JRU 29 SWD	Sampling Condition:	** (See Notes)
Project Number:	NONE GIVEN	Sample Received By:	Tamara Oldaker
Project Location:	EDDY COUNTY, NM		

Sample ID: SP 4 @ 3' (H702515-04)

BTEX 8021B	mg/	′kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	09/22/2017	ND	1.90	95.2	2.00	0.810	
Toluene*	<0.050	0.050	09/22/2017	ND	1.77	88.6	2.00	1.97	
Ethylbenzene*	<0.050	0.050	09/22/2017	ND	1.85	92.4	2.00	1.18	
Total Xylenes*	<0.150	0.150	09/22/2017	ND	5.59	93.2	6.00	1.42	
Total BTEX	<0.300	0.300	09/22/2017	ND					
Surrogate: 4-Bromofluorobenzene (PID	116 9	% 72-148	2						
Chloride, SM4500Cl-B	mg/	′kg	Analyze	d By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	2720	16.0	09/20/2017	ND	432	108	400	0.00	
TPH 8015M	mg/	′kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	09/21/2017	ND	183	91.7	200	0.349	
DRO >C10-C28	2130	10.0	09/21/2017	ND	196	98.0	200	0.105	
EXT DRO >C28-C36	489	10.0	09/21/2017	ND					
Surrogate: 1-Chlorooctane	80.9	% 28.3-16	4						
Surrogate: 1-Chlorooctadecane	123 9	% 34.7-15	7						

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*=Accredited Analyte

Celeg D. Keine

Celey D. Keene, Lab Director/Quality Manager



Basin Environmental Service ROBBIE RUNNELS P.O. Box 301 Lovington NM, 88260 Fax To: (575) 396-1429

Received:	09/18/2017	Sampling Date:	09/11/2017
Reported:	09/25/2017	Sampling Type:	Soil
Project Name:	JRU 29 SWD	Sampling Condition:	** (See Notes)
Project Number:	NONE GIVEN	Sample Received By:	Tamara Oldaker
Project Location:	EDDY COUNTY, NM		

Sample ID: SP 5 @ 14' (H702515-05)

BTEX 8021B	mg/	kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	09/22/2017	ND	1.97	98.3	2.00	0.292	
Toluene*	<0.050	0.050	09/22/2017	ND	1.82	91.1	2.00	0.577	
Ethylbenzene*	<0.050	0.050	09/22/2017	ND	1.91	95.4	2.00	0.0216	
Total Xylenes*	<0.150	0.150	09/22/2017	ND	5.73	95.4	6.00	0.0613	
Total BTEX	<0.300	0.300	09/22/2017	ND					
Surrogate: 4-Bromofluorobenzene (PID	108 9	% 72-148	2						
Chloride, SM4500Cl-B	mg/	'kg	Analyze	d By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	240	16.0	09/20/2017	ND	432	108	400	0.00	
TPH 8015M	mg/	'kg	Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	09/25/2017	ND	183	91.7	200	0.349	
DRO >C10-C28	<10.0	10.0	09/25/2017	ND	196	98.0	200	0.105	
EXT DRO >C28-C36	<10.0	10.0	09/25/2017	ND					
Surrogate: 1-Chlorooctane	79.5	% 28.3-16	4						
Surrogate: 1-Chlorooctadecane	86.9	% 34.7-15	7						

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*=Accredited Analyte

Celeg D. Keine

Celey D. Keene, Lab Director/Quality Manager



Basin Environmental Service ROBBIE RUNNELS P.O. Box 301 Lovington NM, 88260 Fax To: (575) 396-1429

Received:	09/18/2017	Sampling Date:	09/11/2017
Reported:	09/25/2017	Sampling Type:	Soil
Project Name:	JRU 29 SWD	Sampling Condition:	** (See Notes)
Project Number:	NONE GIVEN	Sample Received By:	Tamara Oldaker
Project Location:	EDDY COUNTY, NM		

Sample ID: SP 6 @ 14' (H702515-06)

BTEX 8021B	mg/	/kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	09/22/2017	ND	1.97	98.3	2.00	0.292	
Toluene*	<0.050	0.050	09/22/2017	ND	1.82	91.1	2.00	0.577	
Ethylbenzene*	<0.050	0.050	09/22/2017	ND	1.91	95.4	2.00	0.0216	
Total Xylenes*	<0.150	0.150	09/22/2017	ND	5.73	95.4	6.00	0.0613	
Total BTEX	<0.300	0.300	09/22/2017	ND					
Surrogate: 4-Bromofluorobenzene (PID	110 9	% 72-148							
Chloride, SM4500Cl-B	mg/	/kg	Analyze	d By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	64.0	16.0	09/20/2017	ND	432	108	400	0.00	
TPH 8015M	mg/	/kg	Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	09/21/2017	ND	183	91.7	200	0.349	
DRO >C10-C28	<10.0	10.0	09/21/2017	ND	196	98.0	200	0.105	
EXT DRO >C28-C36	<10.0	10.0	09/21/2017	ND					
Surrogate: 1-Chlorooctane	99.9	% 28.3-16	4						
Surrogate: 1-Chlorooctadecane	105 9	% 34.7-15	7						

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*=Accredited Analyte

Celeg D. Keine

Celey D. Keene, Lab Director/Quality Manager



Basin Environmental Service ROBBIE RUNNELS P.O. Box 301 Lovington NM, 88260 Fax To: (575) 396-1429

Received:	09/18/2017	Sampling Date:	09/12/2017
Reported:	09/25/2017	Sampling Type:	Soil
Project Name:	JRU 29 SWD	Sampling Condition:	** (See Notes)
Project Number:	NONE GIVEN	Sample Received By:	Tamara Oldaker
Project Location:	EDDY COUNTY, NM		

Sample ID: SP 7 @ 14' (H702515-07)

BTEX 8021B	mg,	/kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	09/22/2017	ND	1.97	98.3	2.00	0.292	
Toluene*	<0.050	0.050	09/22/2017	ND	1.82	91.1	2.00	0.577	
Ethylbenzene*	<0.050	0.050	09/22/2017	ND	1.91	95.4	2.00	0.0216	
Total Xylenes*	<0.150	0.150	09/22/2017	ND	5.73	95.4	6.00	0.0613	
Total BTEX	<0.300	0.300	09/22/2017	ND					
Surrogate: 4-Bromofluorobenzene (PID	110 9	% 72-148	2						
Chloride, SM4500Cl-B	mg,	/kg	Analyze	d By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	1760	16.0	09/20/2017	ND	432	108	400	0.00	
TPH 8015M	mg/	/kg	Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	09/21/2017	ND	183	91.7	200	0.349	
DRO >C10-C28	<10.0	10.0	09/21/2017	ND	196	98.0	200	0.105	
EXT DRO >C28-C36	<10.0	10.0	09/21/2017	ND					
Surrogate: 1-Chlorooctane	96.0	% 28.3-16	4						
Surrogate: 1-Chlorooctadecane	104	% 34.7-15	7						

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Celeg D. Keine

Celey D. Keene, Lab Director/Quality Manager



Notes and Definitions

- ND
 Analyte NOT DETECTED at or above the reporting limit

 RPD
 Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

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PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claims based upon any of the above stated reasons or otherwise. Results relate only to the sample identified above. This report shall not be reproduced except in full with written approval of Cardinal Loratories.

Celeg D. Keine

Celey D. Keene, Lab Director/Quality Manager

Page 9 of 10

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Company Name:	 Basin Environmental Service Technologies, LLC 	hnologie	S, LL	.c			BILL TO			1		ANALYSIS REC	REQUEST	
Project Manager:	r: Robbie Runnels				P.C	P.O. #:			-					_
Address: P.C	P.O. Box 301				Co	Company:	XTO	XTO Energy						
City: Lovington	on State: NM	M Zip:		88260	Attn:	ä	Amy Ruth	7			_			
Phone #: (57	(575)396-2378 Fax #: (575)396-1429	75)396-14	429		A	Address:								
Project #:	Project Owner:	wner:	×	XTO Energy	City:	Y.))			
Project Name:	JRU 29 SWD				Sta	State: NM	Zip:	88260	le	5M	21B			
Project Location:	n: Eddy				Ŗ	Phone #:			orio	(801	(80			
Sampler Name:	Robbie Runnels				Fa	Fax #:			Chl	PH (EX			
FOR LAB USE ONLY		ИР.		MATRIX		PRESERV.	V. SAMPLING	ING		T	вт			
Lab I.D. H7の2515	Sample I.D.	(G)RAB OR (C)OM	# CONTAINERS	GROUNDWATER WASTEWATER SOIL OIL SLUDGE	OTHER :	ACID/BASE: ICE / COOL OTHER :	DATE	TIME						
	SP 1 @ 4'	6	1			×	9/11/17	9:35	×	×	×			
دو	SP 2 @ 5'	9	-1	×		×	9/11/17	10:05	×	×	×			
دن	SP 3 @ 6'	9	-	×		×	9/11/17	10:40	×	×	×			
E		9	-	×		×	9/11/17	11:21	×	×	×			
4	SP 5 @ 14'	9	-	×		×	9/11/17	13:30	×	×	×			
6	SP 6 @ 14'	9	-	×		×	9/11/17	14:20	×	×	×			
2	SP 7 @ 14'	9	4	×		×	9/12/17	7:55	×	×	×			
								-						
PLEASE NOTE: Labelity at analyses. All claims includin service. In no event shall C affiliates or successors arisis	PLEASE MOTE: Labelity and Damages. Cardrain's alability and cleart's exclusive memory for any care arising whether based in contract or tior, shall be innexed to the annount paid by the creat for the applicable analyses. All claims including those for medigence and any other cause whatever shall be deemed waived unless made in writing and nearleed by Cardrail writin's 00 days after completion of the applicable service. In no event shall Cardrail be lable for incidental or consequential damages, including without limitation, busivess interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliate or successors analysis of or related to the performance of services here index for the instrumed by client is based used on our any of the above stated reasons or otherwise.	or any casim an or determed wait ing without limit by Cardinal ne	hed unit	I strang whether based in contract or cort, shall be inneed to the amount plue by the owned waked waked waked with the strange in writing and received by Cardinal within 30 days after completion illimitation, busivess interruptions, loss of use, or loss of profits incurred by client, its sub- mount the strange of webter such claim is based upon any of the above stated reasons or or mount tests.	d by C se, or i	ardinal within 30 oss of profits in tany of the above	imours paid by the o days after completic urred by client, its su e stated reasons or i	ent for the in of the applicable bisidiaries, otherwise						
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Delivered By	12.3.0			Sample Condition	ion	CHEO	CHECKED BY: (Initials)							
Sampler - UPS		12.55°C	0	Ves Ves	o ä	H								

FORM-006 Revision 1.0

t Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476

Page 10 of 10

APPENDIX B

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 <u>D</u> 1:

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* A

State of New Mexico **Energy Minerals and Natural Resources**

Oil Conservation Division

NM OIL CONSERVATION

ARTESIA DISTRICT

JAN 0 6 2015 Revised August 8, 2011.

Submit 1 Copy to appropriate District Office in DECOMPAGE with 19.15.29 NMAC.

.

	outh St. Francis Dr a Fe, NM 87505	•	REC	EIVED			
Release Notificat	and the second	ctive Ac	rtion		<u>n an thing to an </u>		
<u>Name of Company: BOPCO, L.P.</u>	OPERATOR Contact: Tony Sav			al Report	Final Report		
Address: 522 W. Mermod, Suite 704 Carlsbad, N.M. 88220 Facility Name: JRU-29 SWD Tank Battery, on the Pad with the producing well.	Telephone No. 57 Facility Type: Exp						
Surface Owner: State of N.M. Mineral Own	her: State of N.M.		API No	. 30-015-27	7735		
LOCAT	ION OF RELEAS	SE	,				
		from the	East/West Line West	County: Eddy			
Latitude <u>N 32.346</u>	493 Longitude W 1	03.835563					
	RE OF RELEASE						
Type of Release: Produced water Source of Release: Unknown truck dumped fluid or left the truck load	Volume of Releas			Recovered: 3 Hour of Disc			
line valve open.	12/25/14 Time unknown 12/25/14 at about 5:30 a.m. If YES, To Whom? 12/25/14 at about 5:30 a.m.						
Was Immediate Notice Given?		1?					
By Whom?	Date and Hour						
Was a Watercourse Reached?	If YES, Volume I	mpacting the	e Watercourse.				
If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* The produced water was assumed to have come from BOPCO operation failed to control fluids while unloading or parked at the BOPCO SWD An investigation is underway. Attached is a record of events and finding	Tank Battery.	firmed. The	spill was a result	of an unknov	wn truck driver		
Describe Area Affected and Cleanup Action Taken.* The spill impacted approximately 14,500 sq.ft. of Tank Battery/well pad. A vacuum truck recovered approximately 3 bbls of fluid upon discovery. The pad area had a significant rain event after the release and prior to EH&S site review. The spill area will be cleaned up in accordance to the NMOCD remediation guidelines.							
I hereby certify that the information given above is true and complete tregulations all operators are required to report and/or file certain releas public health or the environment. The acceptance of a C-141 report by should their operations have failed to adequately investigate and remed or the environment. In addition, NMOCD acceptance of a C-141 report federal, state, or local laws and/or regulations.	e notifications and perfo the NMOCD marked as liate contamination that	rm correctiv s "Final Rep pose a threat	ve actions for rele ort" does not relie t to ground water,	ases which me eve the operation surface wate	hay endanger tor of liability er, human health		
Signature: On Danie Printed Name: Tony Savoie		gned By	ERVATION I Mile Bren Cialist:	DIVISION	<u>-</u>		
Title: Waste Management and Remediation Specialist	Approval Date: 1	2/15	Expiration D	ate: NA	•		
.E-mail Address: tasavoie@basspet.com	Gonditions of Approv	^{al.} O.C.D. R	ules & Guide	Attached			
Date: 1/6/15 Phone: 432-556-8730	SUBMIT REMED	ATIONP	BOPOSAL NO	b			
Attach Additional Sheets If Necessary		<u>- «·</u> [](A_]]	V		2RP-2726		

NM OIL CONSERVATION

ARTESIA DISTRICT

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

DARIEIRULA ANI

State of New Mexico Energy Minerals and Natural Resources

> Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Release Notification and Corrective Action

JUN 26 2015

Form C-141 Revised August 8, 2011

Submit 1 Conv to appropriate District Office in RECEIVarDatance with 19.15.29 NMAC.

IND	121819	4661				OPERA	IOK		🛛 Initia	al Report		Final Report
Name of Co	ompany: B	OPCO, L.P.		60737		Contact: To	ny Savoie					
Address: 52	2 W. Mer	mod, Suite 7		oad, N.M. 88220	0	Telephone 1	No. 575-887-732	29				
Facility Nar	ne: JRU-2	9 SWD Tan	k Battery			Facility Typ	e: SWD					
Surface Ow	ner: State	of N.M.		Mineral C	Owner:	State of N.M	1.		API No	. 30-015-27	7735	
				LOCA	ATIO	N OF REI	LEASE					
Unit Letter K	Section 36	Township 22S	Range 30E	Feet from the 1980		South Line	Feet from the 2310	East/W West	est Line	County: Eddy		
				Latitude <u>N 32</u> NAT		_Longitud		<u>4</u>				
Type of Release: Produced water					Volume of	Release: 110 bbls	s. [Volume R	ccovered: 4	0 bbls.		
Source of Release: 4" SWD pump discharge line						ate and Hour of Occurrence:Date and Hour of Discovery:22/15 Time unknown6/22/15 at about 5:45 p.m.						
Was Immediate Notice Given?					If YES, To Whom? NMOCD emergency #104							
By Whom? T	ony Savoie					Date and H	our: 6/22/15 at 6:	36 p.m.				
Was a Watero	course Reac	hed?	Yes 🛛	No			lume Impacting t		course.			

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

A 4" pipe fitting failed on the discharge of the SWD transfer pump. The pump was shut down and the fitting was replaced.

Describe Area Affected and Cleanup Action Taken.*

The spill impacted approximately 5,000 sq.ft. of pasture area. All of the free standing fluid was recovered with a vacuum truck. Twenty bbls of PW was recovered from the 0 Perm containment and 20bbls off the ground. A portion of the impacted area has a liner installed at about 3 ft. in depth. This liner was installed during a previous closed remediation at the location.

The spill area will be cleaned up in accordance to the NMOCD remediation guidelines.

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>Eny</u> Danie Printed Name: Tony Savoie	OIL CONSERV Signed By M Approved by Environmental Specialist	ATION DIVISION
Title: Waste Management and Remediation Specialist	Approval Date: 613015	Expiration Date: N/A
E-mail Address: tasavoie@basspet.com	Conditions of Approval:	Attached \Box
	3730 Pemediation per O.C.D. Rules	
* Attach Additional Sheets If Necessary	SUBMIT REMEDIATION PROP	OSAL NO 2RP-3082

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

NM OIL CONSERVATION

ARTESIA DISTRICT

SEP 2 4 2015

Submit 1 Copy to appropriate District Office in

RECEIVEr prdance with 19.15.29 NMAC.

Form C-141 Revised August 8, 2011

Oil Conservation Division 1220 South St. Francis Dr.

State of New Mexico

Energy Minerals and Natural Resources

Santa Fe, NM 87505 **Release Notification and Corrective Action** BI526753593 **OPERATOR** Initial Report Final Report 240737 Contact: Amy Ruth Name of Company: BOPCO, L.P. Address: 522 W. Mermod, Suite 704 Carlsbad, N.M. 88220 Telephone No. 575-887-7329 Facility Name: James Ranch Unit #29 SWD Tank Battery Facility Type: SWD Surface Owner: State of New Mexico Mineral Owner: State of New Mexico API No. 30-015-27735 LOCATION OF RELEASE Unit Letter Section Township Range Feet from the North/South Line Feet from the East/West Line County К 36 228 30E 1980 South 2310 West Eddy Latitude 32.346409° Longitude -103.835868° **NATURE OF RELEASE** Type of Release Produced Water Volume of Release 290 bbls Volume Recovered 240 bbls Source of Release Water Transfer Pump Date and Hour of Occurrence Date and Hour of Discovery 9/18/2015 at 6:30 pm 9/18/2015 at 7 pm Was Immediate Notice Given? If YES. To Whom? Yes No Not Required Mike Bratcher and Heather Patterson Date and Hour 9/19/2015 at 9:35 am By Whom? Tony Savoie Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. Yes No N/A If a Watercourse was Impacted, Describe Fully.* N/A

Describe Cause of Problem and Remedial Action Taken.*

Flange bolts on the south water transfer pump failed. Most of the fluids were released to zero perm containment. Pump was repaired.

Describe Area Affected and Cleanup Action Taken.*

A total of 4235 square feet of pasture west of the containment was affected. The leak occurred within a previously remediated area containing a 20 mil plastic liner approximately 3 feet below ground surface. Vacuum truck recovered standing fluids.

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: Printed Name: Amy Ruth	OIL CONSERVATION DIVISION Signed By Blilly Experimental Specialist:
Title: Assistant Remediation Foreman	Approval Date: 42415 Expiration Date: N/A
E-mail Address: ACRuth@basspet.com	Conditions of Approval:
Attach Additional Sheets If Necessary	emediation per O.C.D. Rules & Guidelines

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				ARTESIA DIST	
District I 1625 N. French Dr., Hobbs, NM 88240 District II Ene		New Mexico and Natural Reso		JUN 07 20	
811 S. First St., Artesia, NM 88210 District III	Oil Conservation Division			Submit 1 Copy	to appropriate District Office in ordance with 19.15.29 NMAC.
1000 Rio Brazos Road, Aztec, NM 87410 District IV		St. Francis Dr.		RECEIVE	ordance with 19.15.29 NMAC.
1220 S. St. Francis Dr., Santa Fe, NM 87505	Santa Fe	, NM 87505			
	lotification	and Correc	tive Act	tion	
NAB1616127076		OPERATOR		🛛 Initia	l Report 🔲 Final Report
Name of Company: BOPCO, L.P.		Contact: Amy Ruth			
Address: 522 W. Mermod, Suite 704 Carlsbad, N.M Facility Name: James Ranch Unit 29 SWD		Felephone No. 575 Facility Type: Exp		Production	<u></u>
	ineral Owner:	·····			. 30-015-27735
		OF RELEAS	······		. 50-015-21155
Unit Letter Section Township Range Feet fro				ast/West Line	County
K 36 228 30E 1840	South	2184	v	Vest	Eddy
Latitude	<u>32.346457°</u>	Longitude10	<u>3.835847°</u>		
	NATURE	OF RELEASE	2		
Type of Release Produced Water		Volume of Release	e 775 bbls	Volume R	ecovered 760 bbls
Source of Release Produced Water Tanks		Date and Hour of Unknown	Occurrence	Date and 1 5/27/2016	Hour of Discovery 10 am
Was Immediate Notice Given?] Not Required	If YES, To Whom Mike Bratcher/He			
By Whom? Amy Ruth		Date and Hour	5/27/2016		
Was a Watercourse Reached?		If YES, Volume In			
□ Yes ⊠ No N/A					
If a Watercourse was Impacted, Describe Fully.* N/A					
Describe Cause of Problem and Remedial Action Taken.* Location VSAT (satellite) was damaged and caused SCADA communication to fail. Failure triggered an alarm that was not responded to by the proper personnel. Produced water tanks overflowed into zero perm containment. After filling containment, fluids began overflowing onto location well pad. Satellite was repaired.					
Describe Area Affected and Cleanup Action Taken.*					
The leak affected 2,212 sq. ft. of location well pad and 68	38 sq. ft. of pastur	re west of the caliche	e pad. Standi	ing fluids were r	ecovered by vacuum trucks.
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 legal laws and/or regulations.)					
A MAR		<u>OI</u>	L CONSE	ERVATION	DIVISION
Signature Nun Mul			Signed B	, Aller	Sperarry an
Printed Tame: Amy C. Ruth		Approved by Enviro	nmental Spec	cialist:	
Title: EHS Remediation Specialist		Approval Date: U	18/14	Expiration	Date: N/A
E-mail Address: ACRuth@basspet.com		Conditions of Appro	val:		
· · · · · · · · · · · · · · · · · · ·	F	lemediation pe		lules & Guid	Attached []
Date: 6/7/2016 Phone: 432-661-0571 Attach Additional Sheets If Necessary		UBMIT REME			
A contractional provident for the providence of	L	ATER THAN:	<u>. 1911</u>	<u>le</u>	CACK O INC

NM OIL CONSERVATIO

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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	Mexi	co I	WW
Energy Minerals	and 1	Vatural	Resour	res

I OIL CONSERVATION ARTESIA DISTRICT

Form C-141 Revised August 8, 2011

DEscent 9 000 to appropriate District Office in accordance with 19.15.29 NMAC.

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

RE	EC E	EIV	'ED

Release Notification and Corrective Action

NAB1635656725	-	OPERATOR	🛛 Initial Report	Final Report	
Name of Company: BOPCO, L.P.	0737	Contact: Amy Ruth			
Address: 522 W. Mermod, Suite 704 Carlsbad, N.M. 88220		Telephone No. 575-887-7329			
Facility Name: JRU 29 SWD Battery at JRU well #29		Facility Type: Exploration a	nd Production		
Surface Owner: State of New Mexico	Mineral Own	er: State of New Mexico	API No. 30-015-2	27735	

Surface Owner: State of New Mexico Mineral Owner: State of New Mexico

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
K	36	228	30E	1845	South	2160	West	Eddy

Latitude 32.346427° Longitude -103.835871°

NATURE OF RELEASE

Source of Release Water transfer pump D	Date and Hour of Occurrence	
	Unknown	Date and Hour of Discovery 12/1/2016 approx. 9 am
Was Immediate Notice Given?	If YES, To Whom?	
	Mike Bratcher and Heather Patterso	n (NMOCD)
By Whom? Amy Ruth D	Date and Hour 12/1/2016 4:52 pm	1
Was a Watercourse Reached? If	If YES, Volume Impacting the Wate	ercourse.
🗌 Yes 🖾 No 🛛 N	N/A	
If a Watercourse was Impacted, Describe Fully.* N/A		
Describe Cause of Problem and Remedial Action Taken.* Release was due to a water transfer pump failure resulting in damage to pump repair.	p fiberglass line. Fluids overflowed	d containment. Pump was isolated for
Describe Area Affected and Cleanup Action Taken.* The leak affected 56,043 square feet (33,938 square feet of this is in pasture). were scraped and stockpiled on bermed plastic located on the caliche pad.). Standing fluids were recovered fr	om the ground. Saturated surface soils
I hereby certify that the information given above is true and complete to the b regulations all operators are required to report and/or file certain release notifi public health or the environment. The acceptance of a C-141 report by the NM should their operations have failed to adequately investigate and remediate con or the environment. In addition, NMOCD acceptance of a C-141 report does federal, state, or logal laws and/or regulations.	fications and perform corrective act IMOCD marked as "Final Report" of ontamination that pose a threat to go s not relieve the operator of respons	ions for releases which may endanger loes not relieve the operator of liability round water, surface water, human health ibility for compliance with any other
Signature: Muy And		(RI HAR AND
Printed Name: Amy C. Ruth App	proved by Environmental Specialis	
Title: EHS Environmental Supervisor App	pproval Date:	Expiration Date:
E-mail Address; ACRuth@basspet.com Con Date: 12/16/2016 Phone: 432-661-0571	unditions of Approval: Sel Attache	A Attached A
Attach Additional Sheets If Necessary	<u>y</u>	100 ilula

2KP-4040

Operator/Responsible Party,

The OCD has received the form C-141 you provided on **12/19/2016** regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number 202 - 4040 has been assigned. Please refer to this case number in all future correspondence.

It is the Division's obligation under both the Oil & Gas Act and Water Quality Act to provide for the protection of public health and the environment. Our regulations (19.15.29.11 NMAC) state the following,

The responsible person shall complete <u>division-approved corrective action</u> for releases that endanger public health or the environment. The responsible person shall address releases in accordance with a remediation plan submitted to and approved by the division or with an abatement plan submitted in accordance with 19.15.30 NMAC. [emphasis added]

Release characterization is the first phase of corrective action unless the release is ongoing or is of limited volume and all impacts can be immediately addressed. Proper and cost-effective remediation typically cannot occur without adequate characterization of the impacts of any release. Furthermore, the Division has the ability to impose reasonable conditions upon the efforts it oversees. As such, the Division is requiring a workplan for the characterization of impacts associated with this release be submitted to the OCD District II office in Artesia on or before 2/1/2017. If and when the release characterization workplan is approved, there will be an associated deadline for submittal of the resultant investigation report. Modest extensions of time to these deadlines may be granted, but only with acceptable justification.

The goals of a characterization effort are: 1) determination of the lateral and vertical extents along with the magnitude of soil contamination. 2) determine if groundwater or surface waters have been impacted. 3) If groundwater or surface waters have been impacted, what are the extents and magnitude of that impact. 4) The characterization of any other adverse impacts that may have occurred (examples: impacts on vegetation, impacts on wildlife, air quality, loss of use of property, etc.). To meet these goals as quickly as possible, the following items must, at a minimum, be addressed in the release characterization workplan and subsequent reporting:

• Horizontal delineation of soil impacts in each of the four cardinal compass directions. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C₆ thru C₃₆), and for chloride by Method 300. This is not an exclusive list of potential contaminants. Analyzed parameters should be modified based on the nature of the released substance(s). Soil sampling must be both within the impacted area and beyond.

• Vertical delineation of soil impacts. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C₆ thru C₃₆), and for chloride by Method 300. As above, this is not an exclusive list of potential contaminants and can be modified. Vertical characterization samples should be taken at depth intervals no greater than five feet apart. Lithologic description of encountered soils must also be provided. At least ten vertical feet of soils with contaminant concentrations at or below these values must be demonstrated as existing above the water table.

• Nominal detection limits for field and laboratory analyses must be provided.

• Composite sampling is not generally allowed.

• Field screening and assessment techniques are acceptable (headspace, titration, EC [include algorithm for validation purposes], EM, etc.), but the sampling and assay procedures must be clearly defined. Copies of field notes are highly desirable. A statistically significant set of split samples must be submitted for confirmatory laboratory analysis, including the laterally farthest and vertically deepest sets of soil samples. Make sure there are at least two soil samples submitted

for laboratory analysis from each borehole or test pit (highest observed contamination and deepest depth investigated). Copies of the actual laboratory results must be provided including chain of custody documentation.

•Probable depth to shallowest protectable groundwater and lateral distance to nearest surface water. If there is an estimate of groundwater depth, the information used to arrive at that estimate must be provided. If there is a reasonable assumption that the depth to protectable water is 50 feet or less, the responsible party should anticipate the need for at least one groundwater monitoring well to be installed in the area of likely maximum contamination.

• If groundwater contamination is encountered, an additional investigation workplan may be required to determine the extents of that contamination. Groundwater and/or surface water samples, if any, must be analyzed by a competent laboratory for volatile organic hydrocarbons (typically Method 8260 full list), total dissolved solids, pH, major anions and cations including chloride and sulfate, dissolved iron, and dissolved manganese. The investigation workplan must provide the groundwater sampling method(s) and sample handling protocols. To the fullest extent possible, aqueous analyses must be undertaken using nominal method detection limits. As with the soil analyses, copies of the actual laboratory results must be provided including chain of custody documentation.

• Accurately scaled and well-drafted site maps must be provided providing the location of borings, test pits, monitoring wells, potentially impacted areas, and significant surface features including roads and site infrastructure that might limit either the release characterization or remedial efforts. Field sketches may be included in subsequent reporting, but should not be considered stand-alone documentation of the site's layout. Digital photographic documentation of the location and fieldwork is recommended, especially if unusual circumstances are encountered.

Nothing herein should be interpreted to preclude emergency response actions or to imply immediate remediation by removal cannot proceed as warranted. Nonetheless, characterization of impacts and confirmation of the effectiveness of remedial efforts must still be provided to the OCD before any release incident will be closed.

Jim Griswold OCD Environmental Bureau Chief 1220 South St. Francis Drive Santa Fe, New Mexico 87505 505-476-3465 jim.griswold@state.nm.us

Weaver, Crystal, EMNRD

From:	Ruth, Amy C. <acruth@basspet.com></acruth@basspet.com>
Sent:	Friday, December 16, 2016 6:07 PM
То:	Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD; Weaver, Crystal, EMNRD
Subject:	RE: Release Notification - BOPCO, JRU 29 SWD Battery
Attachments:	Initial C-141 JRU 29 SWD Battery 12-1-16.pdf
Categories:	Printed

Please find attached the initial form C-141 for the reference spill in the notification below. Please call me with questions. Thank you and talk to you soon.

-Amy

-----Original Message-----From: Ruth, Amy C. Sent: Thursday, December 01, 2016 4:52 PM To: Mike Bratcher; Heather.Patterson@state.nm.us Subject: Release Notification - BOPCO, JRU 29 SWD Battery

This is a notification of a release of fluids greater than 25 bbls at the location noted below. An initial C-141 will be submitted with final volumes as soon as can be calculated. Please call me with questions. Thank you.

>

> Name: james ranch unit 029 swd battery bopco, l.p.

> Description: API: 3001527735

> Latitude: 32.346745

> Longitude: -103.835426

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> Pipeline patrol sent photo of release. The release was due to water transfer pump failure. Free standing fluids are being recovered and saturated surface soils are being removed.