HUNGRY HORSE, LLC

3709 S. Eunice HWY P.O. Box 1058 Hobbs, NM 88241 Office: 575-393-3386 Fax: 575-391-4585 info@hungry-horse.com

DIRT WORK * ON-SITE REMEDIATION SOIL TESTING * EXCAVATION * ELECTRICAL

4Feb18

To: Mike Bratcher, New Mexico Oil Conservation Division Crystal Weaver, New Mexico Oil Conservation Division Shelly Tucker, Bureau of Land Management **Reference: Remediation Work Plan Operator: Deveon Energy Production Company** Location: Spica 25 Fed 3H API: 30-015-40220 Legals: UL. L, Sec 25, T19S, R31E Eddy County, New Mexico GPS: 32.6288 -103. 8301 NMOCD-2RP 4278

Site Information

This location is in rural Eddy County, New Mexico approximately 2.4 miles southwest of the intersection of Lusk Plant Road and CR 126A. The area is sparsely vegetated with creosote bushes, mesquites bushes, and various grasses. The soil beneath the top soil/caliche cap is sand. There are no know water wells or surface bodies of water within 1000' of this site. Based upon the Eddy County Depth to Groundwater Map, the depth to ground water is 400'-500'. There is no ground water data listed on the website of the New Mexico Office of the State Engineer. This site is assigned a Site Ranking Score of "0".

The impacted area is in a cone shape extending from the well head to the southwest approximately 30'. At its widest point it is approximately 20' wide.

Work Conducted to Date

The malfunctioning equipment was repaired at the time of discovery and all free standing liquid was recovered by a vacuum truck. Delineation of the impacted area was conducted using a hand auger. Soil samples were collected at 1' intervals and field tested for chlorides (see field test results). Select samples based on field test were selected for lab analysis (see lab report).

Remediation Proposal

Due to the Site Ranking Score of "0" and the extreme depth to groundwater (400'-500'), I propose to use the dig and haul method and remove the top six inches of the impacted area leaving the remaining contaminants in place. The size of the impacted with the remaining contaminants is relatively small and should pose no threat to present or foreseeable beneficial use of fresh waters, public health, and the environment.

The excavated material will be transported to a division permitted facility for disposal. The well location will then be backfilled with fresh caliche, compacted, and brought to grade.

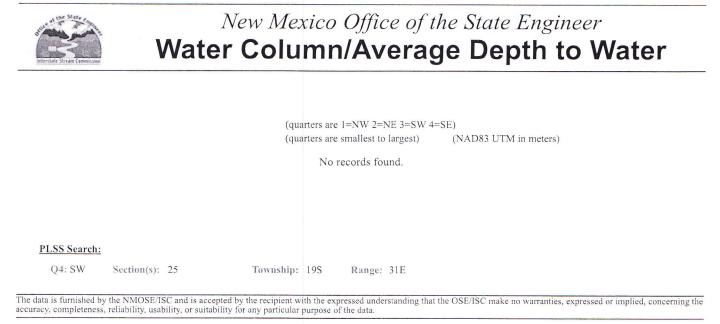
Vernon K. Black, Hungry Horse, LLC

1000 Rio Brazos Road, Aztec, NM 87410	y Minerals Dil Conser	New Mex and Natura rvation Div h St. Franc	ICO ARTE I Resources JUI Vision			Form C sed August 8, District Offi 9.15.29 NM	, 2011 ice in
1220 S. St. Francis Dr., Santa Fe, NM 87505		e, NM 875	R	ECEIVED			1
Release No	tificatio	n and Co	orrective A	ction	1		
NAB1718649427	1.120	OPERA			ial Report		
Name of Company Devon Energy Production Compa Address 6488 Seven Rivers Hwy Artesia, NM 88210	ny GISY		anny Velo, Pro No. 575-703-33	the second s	1	lio ta	Ē
Facility Name Spica 25 Fed 3H		Facility Ty		1 X		l kico ite fo	<u>e.nm.us/</u> Thank vou
Surface Owner Federal Mine	eral Owner	wner Federal		API N	API No 30-015-40220		e.nn Tha
L	OCATIO	N OF REI	LEASE			Vew on M	stat
Unit LetterSectionTownshipRangeFeet fromL2519S31E1700°	the North	/South Line FSL	Feet from the 340'	East/West Line FWL	County Eddy		p://www.emnrd.state.nm.us/ D/ forms.html Thank v
Latitude: 32			gitude: 103.830	1926		se refer se refer ervatic	http://www.emn OCD/ forms.html
	NATURE	OF RELI		X7 1	Description	l Plea: Cons upda	http: OCD
Type of Release Oil & Produced Water		LANSE AND AND AND ADDRESS OF ADDRESS AND ADDRESS A		Sour Posterio de Constante de Consta	ne Recovered		
Source of Release		Date and I	Iour of Occurre		d Hour of Discov		
¼ inch valve Was Immediate Notice Given?		June 25, 2017 @ 11:30 AM June 25, 2017 @ 11:30 AM If YES, To Whom? If YES, To Whom?					
🛛 Yes 🗌 No 🗌 N	lot Required	Shelly Tuc	ker, BLM				
By Whom?		Mike Brate Date and H					
Jesse Armendariz, Asst. Production Foreman		Shelly Tucker, BLM June 25, 2017 @ 2:45 PM Mike Bratcher, OCD June 25, 2017 @ 2:13 PM					
Was a Watercourse Reached?		If YES, Volume Impacting the Watercourse					
Yes No		N/A		·····	and a second second second second second		
If a Watercourse was Impacted, Describe Fully.* N/A							
Describe Cause of Problem and Remedial Action Taken. ³ The cable on the rod rotator broke off and wrapped around the break. The unit was immediately shut off and the 1" valve co closed to stop the release.	e wellhead,	when the well e pumping T w	nead went up it p /as shut off and tl	ulled the cable tig ne 2" valve on the	ht causing the ¼ i backside of the c	inch valve to asing was	O
Describe Area Affected and Cleanup Action Taken.* Approximately 2bbls oil and 14bbls produced water were rel into the pasture in an approximate 5' x 5' area. A vacuum tr environmental contractor will be contacted to assist with deli	ick was dispa	atched and rec	ed on location ar overed approxim	nd sprayed in a So ately 1.5bbls oil &	uth to Southeaster 2 6.5bbls produce	rn direction ed water. A	.n
I hereby certify that the information given above is true and c regulations all operators are required to report and/or file cert public health or the environment. The acceptance of a C-141 should their operations have failed to adequately investigate or the environment. In addition, NMOCD acceptance of a C- federal, state, or local laws and/or regulations.	ain release no report by the and remediate	otifications an e NMOCD ma e contaminatio	d perform correc rked as "Final Re on that pose a thre	tive actions for rel eport" does not rel eat to ground wate	eases which may ieve the operator r, surface water, l	endanger of liability human healt	th
Signature: Sheila Fisher			OIL CONS	SERVATION	DIVISION		
Printed Name: Sheila Fisher		Approved by I	Environmental Sp	pecialist:	Stal V	Vin	-
Title: Field Admin Support		Approval Date	7431	7 Expiration	Pate: N/A		
E-mail Address: Sheila.fisher@dvn.com	(Conditions of	Approvaly	land	Attached 🔀	•	
Date: 6/27/17 Phone: 575.748.1829		Sll	, arral	run			

* Attach Additional Sheets If Necessary

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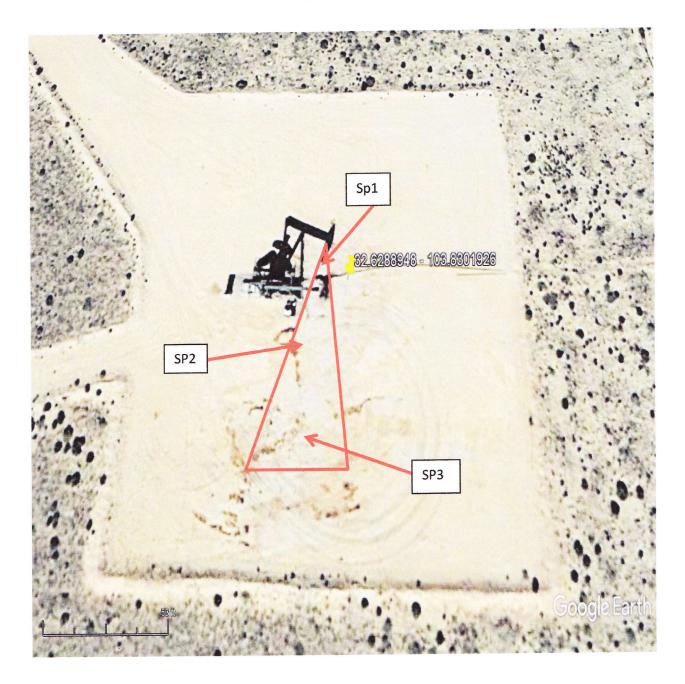
2/6/2018 nmwrrs.ose.state.nm.us/nmwrrs/ReportProxy?queryData=%7B"report"%3A"waterColumn"%2C%0A"BasinDiv"%3A"true"%2C%0A"Basin"%3A"...



2/6/18 7:37 AM

WATER COLUMN/ AVERAGE DEPTH TO WATER

	Sp1	Sp2	Sp3
Surface	4,160	9,104	2,144
6 inches	4,160	3,226	902
1 ft	1,116	1,300	496
1ft 6 inches	1,302	1,204	198
2 ft	1,302	1,302	n/d
3ft	828	4,970	
4ft	198	4,970	
5ft	112	3,226	
6ft		2,736	
7ft		1,418	
8ft		240	
9ft		144	



Devon Energy Company Spica 25 Fed 3H







