

HUNGRY HORSE, LLC

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info@hungry-horse.com

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

20Feb18

To: Mike Bratcher, New Mexico Oil Conservation Division
Crystal Weaver, New Mexico Oil Conservation Division
Amber Groves, New Mexico State Land Office
Reference: Remediation Work Plan
Operator: Devon Energy Production Company
Location: Emerald PWU 20 1H
API: 30-015-38338
GPS: 32.6525 W-14.1045
NM OCD: 2RP 4281

Site Information

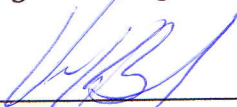
This site is located in rural Eddy County, New Mexico approximately 8.9 miles northwest of the intersection of Curry Comb Road and Highway 360 and 650 yards south of Curry Comb Road. The area is very sparsely vegetated with creosote bushes, mesquite bushes, and range grasses. There are no known water well or surface bodies of water within 1000' of this site. The New Mexico Office of the State Engineer list no groundwater data for this area, but the Eddy county Depth to Groundwater Map indicates groundwater to be 100' BGS. Thus, based on New Mexico Oil Conservation Division guidelines this site is assigned a Site Ranking Score of "0".

Work Conducted to Date

At the time of discovery, wells flowing to the battery were shut in and the repairs made to the three-phase separator. All released fluids remained on the caliche pad and no area off the pad was impacted. The impacted area is in a highly congested area of surface equipment and is approximately 20' x 20'. Two sample points were selected for soil sampling by use of a hand auger. (See attached chloride field test and lab analysis.)

Proposed Remediation

Due to hazards associated with working around the above ground piping/vessels and the sheer congestion of the area, the excavation of the impacted soil will have to be done with hand tools. I propose to hand excavate the impacted soil around the surface equipment to a depth of 1' BGS. The hand excavated soil will be stockpiled on plastic and disposed of at a division permitted facility. Fresh base course will be used for back fill with the area being brought back to grade, leveled, and raked.



Vernon K. Black, Hungry Horse, LLC

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

NM OIL CONSERVATION

ARTESIA DISTRICT

JUN 29 2017

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

Form C-141
Revised August 8, 2011

RECEIVED

Release Notification and Corrective Action

NAB1718733399 OPERATOR ☒ Initial Report ☐ Final Report

| | | |
|---|--|---------------------|
| Name of Company Devon Energy Production Company | Contact Danny Velo, Production Foreman | |
| Address 6488 Seven Rivers Hwy Artesia, NM 88210 | Telephone No. 575-703-3360 | |
| Facility Name Emerald PWU 20 1H | Facility Type Oil | |
| Surface Owner State | Mineral Owner State | API No 30-015-38338 |

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|---------------|-----------------|--------------|-----------------------|-------------------------|-----------------------|-----------------------|----------------|
| Unit Letter D | Section 20 | Township 19S | Range 29E | Feet from the 400' | North/South Line FNL | Feet from the 330' | East/West Line FWL | County Eddy |
|------------------|---------------|-----------------|--------------|-----------------------|-------------------------|-----------------------|-----------------------|----------------|

Latitude: 32.6525154

Longitude: -104.1045456

NATURE OF RELEASE

| | | |
|--|---|---|
| Type of Release Oil & Produced Water | Volume of Release .5bbls oil & 4.5bbls produced water | Volume Recovered 0bbls recovered |
| Source of Release Water dump on three-phase separator | Date and Hour of Occurrence June 28, 2017 @ 7:00 PM | Date and Hour of Discovery June 28, 2017 @ 7:00 PM |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Shelly Tucker, BLM Mike Bratcher, OCD | |
| By Whom? Jesse Armendariz, Asst. Production Foreman | Date and Hour Shelly Tucker, BLM June 28, 2017 @ 9:38 PM Mike Bratcher, OCD June 28, 2017 @ 9:40 PM | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse N/A | |
| If a Watercourse was Impacted, Describe Fully.* N/A | | |
| Describe Cause of Problem and Remedial Action Taken.* Three-phase separator was being bled down when gas and sand cut the water dump. The wells producing to the battery were shut in to stop the flow to the battery and then the water dump and three-phase separator were isolated. | | |
| Describe Area Affected and Cleanup Action Taken.* Approximately .5bbls oil and 4.5bbls produced water were released on to location. All fluid remained on location and 0bbls were recovered. The affected area is approximately 13' x 12' on location. An environmental contractor will be contacted to assist with delineation and remediation | | |

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: Sheila Fisher | OIL CONSERVATION DIVISION | |
| Printed Name: Sheila Fisher | Approved by Environmental Specialist: Crystal W | |
| Title: Field Admin Support | Approval Date: 7/3/17 | Expiration Date: N/A |
| E-mail Address: Sheila.fisher@dvn.com | Conditions of Approval: see attached | Attached <input checked="" type="checkbox"/> |
| Date: 6/29/17 | Phone: 575.748.1829 | |

* Attach Additional Sheets If Necessary

Please refer to the New Mexico Oil Conservation Division Website for updated form(s) at:
<http://www.emnrd.state.nm.us/>
2016-07-01.html Thank you

2024281



New Mexico Office of the State Engineer Water Column/Average Depth to Water

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest) (NAD83 UTM in meters)

No records found.

PLSS Search:


Q4: NW Section(s): 20 Township: 19S Range: 29E

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

2/21/18 8:13 AM


WATER COLUMN/ AVERAGE
DEPTH TO WATER

Emerald PWU 20 1H
.5bbls oil & 4.5bbls pw_6.28.17



This map is for illustrative purposes only and is neither a legally recorded map nor survey and is not intended to be used as one. Devon makes no warranty, representation, or guarantee of any kind regarding this map.

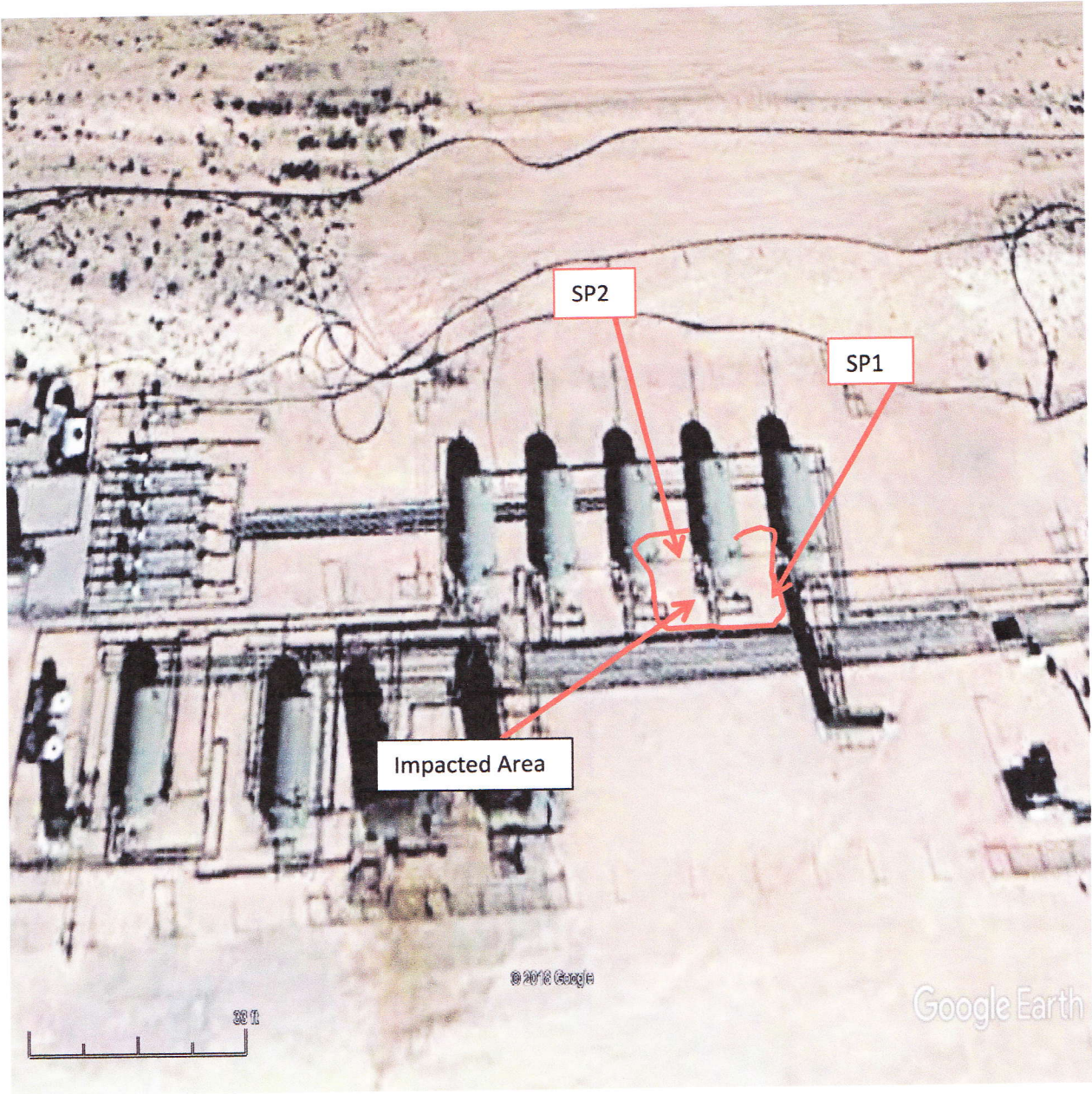
WGS_1984_Web_Mercator_Auxiliary_Sphere
Prepared by: Sheila Fisher
Map is current as of: 29-Jun-2017



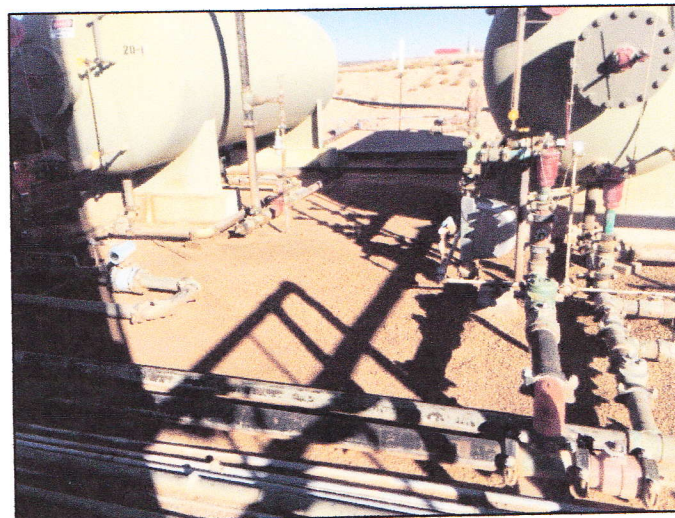
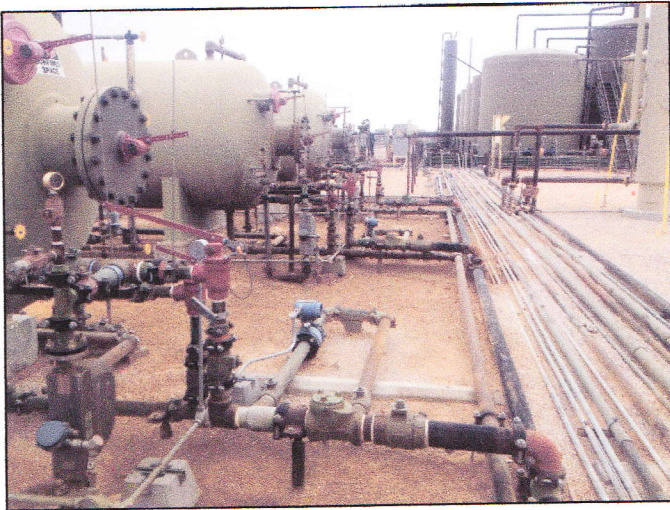
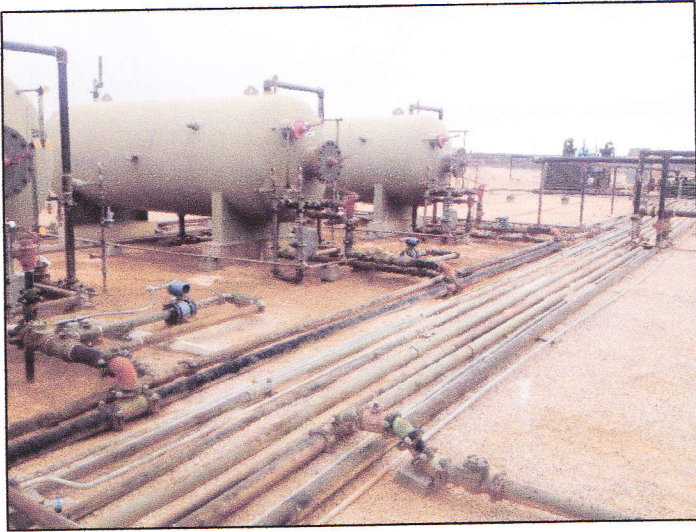
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Devon Energy Production Company - Emerald PWU 20 1H



Devon Energy Production Company-Emerald PWU 20 1H



| | |
|----------|-------------|
| Location | emerald pwu |
|----------|-------------|

Chloride Field Test

[illegible][illegible]