		NM OIL C	CONSE	RVATION							
: District I 1625 N. French	Dr., Hobbs, 1	NM 88240	SIA DIST	518					A OIL CONSERVATION		
District II 811 S. First St.,		.	018Energy Min	nerals a	and Natura	ARTESIA DISTRICT Revised April 3, 2017					
District III				Oil C	onserv	vation Div	ision	Sub	ANI Lofy	2048 propriate District Office in cordance with 19.15.29 NMAC.	
1000 Rio Brazos Road, Aztec, NM 87410 Off Conservation Division accordance with 19.15.29 NM District IV RECEIVED 1220 South St. Francis Dr. accordance with 19.15.29 NM 1220 S. St. Francis Dr., Santa Fe, NM 87505 South St. Francis Dr. South St. Francis Dr.											
1220 S. St. Fran	cis Dr., Santa	Sa	nta Fe	, NM 87505 RECEIVED				ED			
			Rele	ease Notific	ation	and Co	orrective A	ction			
OPERATOR Initial Report Final Report											
Name of Company: RKI Exploration / WPX Energy 244289 Contact: James Raley											
Address: 5315 Buena Vista Dr., Carlsbad, NM 88220 Telephone No: 575-689-7597											
				Facility Type: Battery							
Surface Owner: Private Mineral Owner						Federal API No.: 30-015-42281					
LOCATION OF RELEASE											
Unit Letter	tter Section Township Range Feet from the North/South Line Feet from the						East/West Line County				
0	22	265	29E	250'	FSL		1840'	FEL		Eddy	
Lan	1 · · · · · ·			Latituda 22.01	0025 N	Longitude	102 068057 W				
Latitude 32.019925 N Longitude -103.968057 W											
NATURE OF RELEASE Type of Release: Produced Water Volume of Release: 230 bbls PW Volume Recovered: 180 bbls PW											
Type of Release: Produced Water Source of Release: Header Manifold										Date and Hour of Discovery	
			· · · · ·	<u>_</u>	12/31/2017 @ 09:15 AM 12/31/2017 @ AM				7 @ AM		
Was Immedia	ate Notice (] No 🔲 Not Re	auired	If YES, To Whom? Aretesia District I, NMOCD – Mike Bratcher						
By Whom? J	im Ralev –	WPX Energy			Date and Hour: 12/31/2017 @ 5:53 PM						
Was a Water		ched?	.		If YES, Volume/Impacting the Watercourse.						
			No		N/A						
		pacted, Descr									
Describe Cause of Problem and Remedial Action Taken.* A connecting piece on a produced water header failed, resulting in the release of approximately 230 bbls of produced water. A vac truck was immediately											
dispatched to location and recovered 180 bbls of fluids. Talon/LPE was contacted on 12/31/2017 and mobilized personnel to conduct initial site											
assessment.											
Describe Are	a Affected	and Cleanup	Action Tal	ken.*			· · · · · · · · · · · · · · · · · · ·				
Describe Area Affected and Cleanup Action Taken.* The fluids migrated from the point of release along a pipeline ROW approx. 1400'. A one-call was placed for the impacted area and Talon/LPE mobilized											
equipment to perform soil sampling activities and remove visibly impacted soils. Removed soils were transported to disposal. Talon/LPE will develop a remediation plan based on sampling results.											
I hereby cert	ify that the	information g	iven above	e is true and comp	lete to th	ne best of my	knowledge and u	nderstar	nd that purs	suant to NMOCD rules and	
										eases which may endanger ieve the operator of liability	
should their of	operations h	have failed to	adequately	y investigate and r	emediate	e contaminati	ion that pose a thr	eat to gr	ound water	r, surface water, human health	
		ws and/or regi		plance of a C-141	report de	oes not reliev	e the operator of	responsi	binty for c	ompliance with any other	
	/						OIL CON	SERV	ATION	DIVISION	
Signature:	1/11	n Kala			(A =) A =						
						Approved by Environmental Specialist:					
Printed Nam	e: Jim Rale	у		<u> </u>					$\underline{v}_{\underline{v}}$		
Title: Enviro	nmental Sp	ecialist				Approval Da	te: 1 19 18		Expiration	Date: N/A	
E-mail Adde	ess inmos -	alevanor	aray com			Conditions o	fAnnrovale	1	0		
E-mail Address: james.raley@wpxenergy.com						Conditions of Approval			Attached Attached		
Date: 1/13/2			89-7597		Jer muitor			-	akr-451		
* Attach Addi	itional She	ets If Necess	sary//								
11811843	B										

Operator/Responsible Party,

The OCD has received the form C-141 you provided on 1/14/18 regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number 2824572 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 2/14/18. 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