District I 1625 N. French Dr., Hobbs, NM 88240 District II District II

1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St Francis Dr , Santa Fe, NM 87505

SEB0828334237

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

Revised October 10, 2003

Form C-141

 Submit 2 Copies to appropriate
 District Office in accordance
 with Rule 116 on back side of form

Notify OCD 48 hours prior to obtaining samples where analyses are to be presented to OCD

15EB 0828			ICI	case riothin	catio	OPERA	лтесиче А ГОР	Cuoi		al Report	П	Final Repo
Name of Company Tandem Energy Corporation						OPERATOR ☐ Initial Report ☐ Final Report ☐ Contact ☐ Brandi Barthels						
Address	P.O. Box			Telephone No. 361-935-9377								
Facility Nat		es Federal				Facility Type oil						
				100					T			
Surface Ow		Mineral (Jwner	Lease No. 3								
30.015.21985 LOCATION OF RELEASE												
Unit Letter	Section	Township	Range	Feet from the	North	th/South Line Feet from the East/West Line County						
L	26	16S	30E	1980	South	th 330 West		Eddy				
Latitude32.53.441 Longitudé103.57.008												
NATURE OF RELEASE												
Type of Release Oil Volume of Release 5 bbls oil Volume Recovered												
				0								
Source of Re Was Immedia				Date and Hour of Occurrence Date and Hour of Discovery If YES, To Whom?								
y as infinedia	ate Notice C		Yes [No 🛛 Not Re	equired	11 123, 10	WHOIII?					
By Whom?				Date and Hour								
Was a Water	course Reac			If YES, Volume Impacting the Watercourse.								
☐ Yes ⊠ No												
If a Watercou	ırse was İmp	pacted, Descri	ibe Fully.	•								
N/A												
IVA												
Describe Cause of Problem and Remedial Action Taken.*												
Pump malfun	ction caused	l 5 bbls of oil	to be rele	ased. None reco	vered.	The remedial	action plan will b	e deve	loped and e	executed for th	ie site	after soil
sampling is co							•		•			
Describe Area	a Affected a	nd Cleanup A	ction Tak	en.*								
The affected i	s area is app	proximately 4	′ x 30′.	The remediation	plan w	ill be develope	ed and executed b	ased on	the soil an	alysis results.		
									·			
							knowledge and un					
nublic health	operators a	re required to inment. The	report an	d/or file certain re	elease no	otifications and NMOCD ma	d perform correct rked as "Final Re	ive acti nort" d	ons for rele oes not relie	ases which m	ay end	danger liahility
should their of	perations ha	ve failed to a	dequately	investigate and re	emediate	e contamination	on that pose a thre	at to gr	ound water,	, surface wate	r, hun	nan health
				ance of a C-141 r	report do	oes not relieve	the operator of re	esponsi	bility for co	mpliance with	h any	other
federal, state, or local laws and/or regulations. OIL CONSERVATION DIVISION												
Signature:						OIL CONSERVATION DIVISION						
Digitator.								TO		Remediation Action Junal C-141 submit		
Printed Name:	Brandi B	arthels			/ /	Approved by I	District Supervisor		SA a	nalyses/document Expirat.on Date.		
Title: Regula	tory and En	vironmental	Affaire M	anager		Annroval Dota	10 00 05			•		
Title. Regula	tory and Ell	+11 Official .	anans IVI	anagei	-+-	approvat Date	:10-09-08		Apiration L	Date: 12-C	10 °C	/ 0
E-mail Addres	s: bbarthel	s@platenergy	.com			Conditions of	Approval:			Attached [√	
Date: 10/	08/2009	Dhonar 26	1 025 027	7	Wı	thin 30 days, on o	r before 11-08-0	8 , con	npletion of			
Date: 10/08/2008 1 Holle: 301.933.9377 at						Within 30 days, on or before 11-08-08, completion of remediation work plan based on delineation should be -2RP - 247						
	22./2		sun	marizing all action	ons taken and/or to be t	aken to n						

environmental damage.



Bill Richardson

Governor

Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary Mark Fesmire
Division Director
Oil Conservation Division



CERTIFIED MAIL RETURN RECEIPT REQUESTED 7007 2560 0002 2222 8162

October 9, 2008

Platinum Energy/Tandem Energy Corporation ATTN: Brandi Barthels 120 S Main Street, Suite 350 Victoria, TX 77901

Dear Operator:

This office is in receipt of your C-141s regarding the oil and produced water releases for the following facilities.

API	SITE NAME	2RP
30 015 21796	Ballard Grayburg San Andres Unit 006G	231
30 015 24007	Hudson State 001	232
30 015 03331	Ballard Grayburg San Andres Unit 003H	233
30 015 21353	Heard A 001	234
30 015 23243	Turkey Track Sec 3 Unit 022	235
30 015 02840	Wright A Federal 001	236
30 015 02960	Square Lake 12 Unit 109	237
30 015 03310	Ballard Grayburg San Andres Unit 001P	238
30 015 22683	Ballard Grayburg San Andres Unit 014	239
30 015 10454	Turkey Track Sec 3 Unit 003	240
30 015 25373	Magnolia Battery	241
30 015 21655	Elliot 001	242
30 015 03342	Ballard Grayburg San Andres Unit 009B	243
30 015 03211	Old Loco Unit 011	244_
30 015 20122	James Federal 001	245
30 015 02954	Square Lake 12 Unit 118	246
30 015 21985	James Federal 003	247

NMOCD Rule 19.15.3.116 states in part, "...The responsible person must complete division approved corrective action for releases which endanger public health or the environment. Releases will be addressed in accordance with a <u>remediation plan</u> submitted to and approved by the division or with an abatement plan submitted in accordance with Section 19 of 19.15.1 NMAC."



A <u>guide</u> document intended to provide direction for remediation of soils and fresh waters contaminated as a result of leaks, spills, or releases of oilfield wastes and products is found on OCD's web site at the following link:

http://www.emnrd.state.nm.us/ocd/documents/7C spill1.pdf

Within 30 days, **on or before November 8, 2008**, completion of remediation work plan(s) should be finalized and submitted to the Division summarizing all actions taken or to be taken to mitigate environmental damage related to each leak, spill or release for approval.

The remediation work plan(s) must include:

- General site characteristics
- Site ranking score
- Soil remediation action levels
- Horizontal and vertical delineation of the spill by soil sampling. Delineation is required until contamination reaches background levels or a site specific acceptable level. Any constituent(s) of concern—to include but not limited to TPH, BTEX, and chlorides—are to be addressed in the delineation and remediation plan.
- A sketch of the site indicating where and at what depths the samples were taken.
- Laboratory results of sampling
- The work plan proposal (plan) for remediation, removal and/or clean up of contaminants that may be present at the site(s).

Notify the OCD 48 hours prior to obtaining samples where analyses of samples obtained are to be submitted to the OCD. Notification is to include date and time of sample event.

Remediation requirements may be subject to other federal, state, and local laws or regulations.

In the event that a satisfactory response is not received to this letter, further enforcement may occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe. Such a hearing may result in imposition of civil penalties for your violation of OCD rules.

Please be advised that NMOCD acceptance and/or approval of documents or work plans 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 and/or approval of documents or work plans do not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

If I may be of further assistance with this matter or should you have any questions, please feel free to contact me.

Sincerely,

Sherry Bonham

NMOCD District II, Artesia (505) 748-1283 ext 109

(303) 740° 1203 EXT 103 ...

E-mail: sherry.bonham@state.nm.us