State of New Mexico Energy Minerals and Natural Resources

Form C-141 Revised August 8, 2011

Oil Conservation Division 1220 South St. Francis Dr. Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Santa Fe, NM 87505

			Rele	ease Notific	ation	and Co	orrective A	ctio	1		
						OPERATOR Initial Report Final Report					
Name of Company Great Western Drilling						Contact Cullan Keller / Ralph Skinner Jr.					
Address PO Box 1659 Facility Name Atlantic C # 101						Telephone No. 505-320-8504 / 575-942-1294 Facility Type Tank Battery					
Surface Ow	ner			Mineral C	wner				API No	. 30-045-25339	
			_	LOCA	TION	OF RE	LEASE				
Unit Letter A	Section 6	Township 30N	Range 10W	Feet from the 790'		South Line NL	Feet from the 1120'		West Line FEL	County San Juan	
			La	titude		Longitud	le	·			
				NAT	URE	OF REL	EASE				
Type of Rele							Release 11 BO		and the same and the same day of the same state of	Recovered 6 BO	
Source of Release Oil Tank										Hour of Discovery 3-13-17 @	
Was Immediate Notice Given?							12-17 7:35am If YES, To Whom?				
Yes No Not Required						Vanessa w/ NMOCD and BLM					
By Whom? Cullan Keller						Date and Hour 3-13-17 @ 8:30am					
Was a Watercourse Reached?						If YES, Volume Impacting the Watercourse.					
If a Watercourse was Impacted, Describe Fully.*						OIL CONS. DIV DIST. 3					
		em and Reme ifle causing 1			at the tar	nk battery. A	vac truck was ca	lled ou	t to pick up :	spill. 6BO was recovered.	
Area affected hauled off to I hereby cert regulations a public health	I was dirt an an authoriz ify that the Il operators or the envi	information g are required for	iven above o report a acceptan	A gang was calle e is true and comp nd/or file certain r ce of a C-141 repo	lete to the lease nort by the	he best of my otifications a e NMOCD m	knowledge and u nd perform correc arked as "Final R	indersta ctive ac ceport"	and that purs tions for rel does not rel	ed on plastic which will be suant to NMOCD rules and eases which may endanger ieve the operator of liability	
or the enviro	nment. In a		CD accep				e the operator of	respon	sibility for c	r, surface water, human health ompliance with any other	
Signature: LaughAnning. Printed Name: Ralph Skinner Jr.							Approved by Environmental Specialist:				
Title: Production Supervisor						Approval Date: 3 2 2017 Expiration Date:					
E-mail Address: rskinner@gwdc.com							Conditions of Approval:				
Date: 3-16-17 Phone: 575-942-1294							DATIDOD DELOVAL				
Attach Add	itional She	ets If Neces	sary			UIL CONS	DIV DIST.	Sa	mple	area for pH, CMRO, GRO, DR	
						MAR	2 4 2017	JIL	=X, TH	PH CHINO, GKO, DI	

Operator/Responsible Party,

The OCD has received the form C-141 you provided on 333300 regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number 123034014 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 office in 20 and 20 on or before 400 for 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. 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 aboratory for volatile organic hydrocarbons (typically Method 8260 full list), total dissolved solids, pH, major anions and ations including chloride and sulfate, dissolved iron, and dissolved manganese. The investigation workplan must provide he groundwater sampling method(s) and sample handling protocols. To the fullest extent possible, aqueous analyses nust be undertaken using nominal method detection limits. As with the soil analyses, copies of the actual laboratory esults 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 /ells, potentially impacted areas, and significant surface features including roads and site infrastructure that might limit ither the release characterization or remedial efforts. Field sketches may be included in subsequent reporting, but should ot be considered stand-alone documentation of the site's layout. Digital photographic documentation of the location nd fieldwork is recommended, especially if unusual circumstances are encountered.

othing herein should be interpreted to preclude emergency response actions or to imply immediate remediation by moval cannot proceed as warranted. Nonetheless, characterization of impacts and confirmation of the effectiveness remedial efforts must still be provided to the OCD before any release incident will be closed.

n Griswold CD Environmental Bureau Chief 220 South St. Francis Drive Inta Fe, New Mexico 87505 05-476-3465 n.griswold@state.nm.us