District I 1625 N. French Dr., Hobbs, NM 88240 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Revised August 8, 2011

Form C-141

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

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

Release Notification and Corrective Action													
							ΓOR			al Report		Final Report	
Name of Co		Contact: Steve Moskal											
Address: 38		Telephone No.: 505-330-9179											
Facility Nar	ne: Drydei	n 001E			1	Facility Type: Natural gas well							
Surface Owner: Federal Mineral Owner: I							Federal API No. 3004526655						
							N OF RELEASE			0-045-25566			
Unit Letter I	Section 28	Township 28N	Range 08W	Feet from the 1905	North/South	South Line	Feet from the 580	East/\ East	West Line	County: S	an Juan	1	
		Latitu	ide36	.63044°		Longitud	e107.67960°						
NATURE OF RELEASE													
Type of Release: unknown hydrocarbons							Volume of Release: unknown Volume Recovered: none						
Source of Release: Historical impacts, possible former earthen pit							Date and Hour of Occurrence: Date and Hour of Discovery:						
Was Immediate Notice Given?							unknown December 26, 2017; 12:50 PM If YES, To Whom?						
☐ Yes ☐ No ☒ Not Required							NMOCD						
By Whom?							Date and Hour:						
Was a Watercourse Reached? ☐ Yes ☐ No							If YES, Volume Impacting the Watercourse. APR 0 3 2018						
If a Watercou	irse was Im	pacted, Descri	be Fully.			DISTRICT 111							
Describe Cause of Problem and Remedial Action Taken.* During BGT closure activities, impacts were identified beneath the 45 bbl tank. Lab analysis													
confirms the impacts are above the BGT closure standards and spill and release guidelines with a site ranking or 20.													
Describe Area Affected and Cleanup Action Taken.* The area has not been fully delineated and will be delineated via excavation in the coming weeks.													
Attached is a proposed workplan to perform soil shredding to remediate impacted soils on site.													
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													
				nd/or file certain r ce of a C-141 repo									
				investigate and r									
or the environ	nment. In a	ddition, NMC	CD accep	otance of a C-141									
federal, state,	or local lav	ws and/or regu	llations.		All CONGERNATION PRAIGION								
Signature: Alexa Mun							OIL CONSERVATION DIVISION						
Printed Name	e: Steve Mo	1	Approved by	Environmental S	pecialis	ton		5					
Title: Field E	nvironment	Approval Date: 23/15/ Expiration Date:											
E-mail Addre	ess: steven.r	(Conditions of Approval:				Attached						
Date: April 3	, 2018	F		1				7 Ittabile					
*Attach Additional Sheets If Necessary Provide OCD 24 Hour notice													
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be: a to gud sout put.													
Semple For Bas (802) (17)											1201		
Scriple For Bas (802) (12)											,		
					1	1141	111011	1121	→				

BP Remediation Plan

To:

Cory Smith, Vanessa Fields(NMOCD), Whitney Thomas (BLM),

From:

Steve Moskal (BP)

CC:

Jeff Blagg (Blagg Engineering), Emmanuel Adeloye (BLM)

Date:

4/3/2018

Re:

Dryden 001E - Ex-situ Soil Remediation - Soil Shredding (I) S-28, T28N,

R08W; API #30-045-26655; Serial No.:NM-012200

30.045 25566

Dear Mr. Smith, Mrs. Fields and Mrs. Thomas,

The Dryden 001E site is an active natural gas production well location within the San Juan Basin Gas Field in San Juan County, New Mexico. The site is located on land managed by the Bureau of Land Management Farmington Field Office (BLM-FFO) and is in an area primarily used for oil and gas production and some recreation.

Background

Historical impacts were identified at the location on December 26, 2017 during the closure of a below grade tank (BGT), Tank A. The impacts are likely the result of earthen pits formerly used on the location. No historical documentation is available regarding this pit. Initial site investigation determined additional delineation was required to define the extents of impacts. Vertical delineation of the site has not yet been performed. The well site is operated by BP Production.

Site Ranking

Following the NMOCD site ranking criteria, the site closure standard is 100 ppm TPH, 50 ppm BTEX and 10 ppm benzene:

- Depth to groundwater <100' (10 points)
- Nearest surface water source <1.000' (10 points)
- Distance to nearest water well or water source >1,000' (0 points)

Proposed Remediation - Soil Shredding

Based on recent success of soil shredding technologies performed on BP remediation sites, BP proposes to use this technology at the subject site. To date, BP has successfully contracted soil shredding of nearly 150,000 cubic yards of soil to meet site closure standards.

Soil shredding involves the excavation of the impacted soil which is then placed in processing equipment, such as a hammer mill or pug mill, to mechanically process and break-up the soil. The soil becomes more uniform and is aerated during the mechanical processing. The soil is then ejected from the processing equipment and a chemical oxidizer is applied, in this case, a 35% solution of hydrogen peroxide and water. The applied concentration of hydrogen peroxide typically ranges from 3-8%. The hydrogen peroxide quickly oxidizes the hydrocarbon impacts (reagents), resulting in soil, water and carbon dioxide (products). Once the soil is processed, it is stockpiled and allowed to sit for approximately 2-5 days of residence time. A composite soil sample is collected from each segregated stockpile and submitted for laboratory analysis to determine the effectiveness of the ex-situ remediation process. If the laboratory results are of acceptable levels, the soil will be used as backfill Page | 1

to the excavation; if results are unsatisfactory, the soil is passed through the process once more and a subsequent laboratory sample will be collected for laboratory confirmation as described before. Typically, 24 hours of notice is provided to the regulatory agencies for the opportunity to observe and witness the stockpile sampling.

BP proposes to perform the remediation of hydrocarbon impacts by the means of soil shredding. A conservative estimate of approximately 500 cubic yards of soil will be treated through the soil shredding process. BP proposes to treat the impacted soil and segregate windrow stockpiles broken into 100 cubic yard increments. A single, five-point composite, soil sample will be collected to represent each 100 cubic yard stockpile. If necessary, once a baseline of approximately 1,000 cubic yards of soil is consistently and successfully treated, BP will propose to decrease the sampling frequency to 500 cubic yard stockpile segments. The 500 cubic yard sampling modification will be discussed with the NMOCD and BLM for approval and input prior to implementation. BP would expect to have a sampling modification approval from the agencies within 48 working hours from the time of request. The remediation will then continue until complete and sampling will be based on the regulatory agencies approved sampling plan.

Excavation sampling will be in accordance with a typical dig and haul. The sidewalls and base of the excavation will be sampled in a frequency based on the size and progress of the excavation. Agency notification of excavation sampling will also be issued in advanced, 24-48 hours if possible.

BP is currently anticipates mobilizing to the location within the next 2-3 weeks. BP plans to shut the well in and remove all necessary surface equipment.

It is understood, that if soil remediation is not successful via the soil shredding, an alternative method such as a dig and haul or soil vapor extraction will be necessary. BP will be in close communications with the agencies in the event an alternative remediation method is required.

Site Closure and Reporting

Once the soil shredding process is complete, the excavated area will be fully backfilled and compacted, and surface equipment will be re-set. Any necessary interim reclamation will be performed. Final reclamation of the well pad will occur at a later date, once the natural gas production well is plugged and abandoned.

A final remediation report will be delivered to NMOCD and BLM for approval of final site closure regarding the excavation and soil shredding activities within 60 days of the end of remediation.