RECEIVED By OCD District 1 at 1:12 pm, Jun 10, 2015



This is a conditional closure.

1. RP-3506 will remain open until the site is decommissioned and delineated.

2. Ensure BLM concurrence/approval.

Cimarex Red Hills SWD #1

CLOSURE REPORT

Release Dates: 1/08/2015, 3/29/2015

UL/M Sec 28, T25 south, R33 east, Lea county NM

API # 30-025-35598

June 4, 2015

Prepared by:

Environmental Department Diversified Field Service, Inc. 206 West Snyder Hobbs, NM 88240 Phone: (575)964-8394

Fax: (575)393-8396

Table of Contents

- 1 Introduction
- 2 Site Activities
- 3 Conclusion

APPENDICES

Appendix I – Initial Form C-141

Appendix II – Site Photos

Appendix III – Site Map

Appendix IV – Laboratory Analyses

Appendix V – Final C-141

Red Hills SWD #1

1 Introduction

Cimarex Energy has retained Diversified Field Service, Inc. (DFSI) to address environmental issues for the site detailed herein.

The site is located south of highway 128 NM, in Lea County. The leak site resulted from a swedge failure. The impacted area is inside an unlined firewall of the battery. Approximately 140 bbls of produced water was released, and 120 bbls recovered. A C-141 was submitted to the NMOCD on January 9, 2015 (Appendix I).

A second spill at the site occurred during remediation. The leak resulted from the fiberglass line coming off the fiberglass water storage tank snapping at the connection. Approximately 330 bbls of produced water was released, and 270 bbls were recovered. A C-141 was submitted to the NMOCD on March 30, 2015 (Appendix I).

2 SITE ACTIVITIES

On February 3, 2015 DFSI personnel delineated 8 sample points of the leak area. Each sample was tested for chloride levels as well as BTEX. The BTEX samples were performed using a Mini Rae Photoionization Detector (PID). The results are attached (Appendix IV).

DFSI personnel returned to the site to begin excavation. The entire spill area inside the bermed facility was excavated to 2' bgs. During remediation, a second spill occurred on location. DFSI re-sampled the location, as the new spill occurred over the same area as the first spill. The workplan for the first spill was implemented for the second spill and the site was restored to its previous state.

All contaminated soil was hauled to an approved NM state disposal. Fresh caliche was brought in for backfill. The berms were also rebuilt. The location was restored to its previous state.

Photographs of site activities can be viewed in Appendix II.

3 CONCLUSION

DFSI, on behalf of Cimarex, respectfully requests the closure of the regulatory file for the site.

Appendix I

INITIAL FORM C-141

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

Form C-141 Revised August 8, 2011

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.

Expiration Date:

Attached ___

Release Notification and Corrective Action OPERATOR Final Report Initial Report Name of Company Cimarex Energy Contact Christine Alderman Address 600 N Marienfeld Ste 600 Midland TX Telephone No. 432-853-7059 Facility Name Red Hills SWD #1 Facility Type SWD Mineral Owner API No. Surface Owner LOCATION OF RELEASE North/South Line East/West Line Unit Letter Section Township Range Feet from the Feet from the County 28 25S 33E 660 W Lea Μ Latitude 32.09614 Longitude -103.58256 NATURE OF RELEASE Type of Release produced water Volume of Release 140 bbls Volume Recovered 120 bbls Date and Hour of Occurrence Date and Hour of Discovery Source of Release tri plex pump 01/08/2015 01/08/2015 12:00pm If YES, To Whom? Was Immediate Notice Given? Doc Oberding/Sol Hughes By Whom? Christine Alderman Date and Hour 01/09/15 2:06 pm Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☒ No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* A swedge failed on the discharge side of the tri- plex pump. All fluids were contained in an unlined earthen berm. Approximately 140 bbls were released, and 120 bbls were recovered. Describe Area Affected and Cleanup Action Taken.* 119' x 68' bermed containment. An environmental consultant will assess and prepare work plan. 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. OIL CONSERVATION DIVISION Mustino Ulderman Approved by Environmental Specialist: Printed Name: Christine Alderman

Approval Date:

Conditions of Approval:

E-mail Address: calderman@cimarex.com

Phone: 432-853-7059

Title: ESH Supervisor

Date: /-/4-15

^{*} Attach Additional Sheets If Necessary

<u>District I</u> 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

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

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

Form C-141

Revised August 8, 2011

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Facility Na	ne Red H	ills SWD #1				Facility Typ	be SWD					
Surface Ow	ner			Mineral C)wner				API No	. 30-025	-3559)8
				LOCA	ATIO	N OF REI	LEASE					
Unit Letter	Section	Township	Range	Feet from the	Nortl	/South Line	Feet from the	East/V	West Line	County		
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				Latitude_32	2.09614	4_Longitude	103.58256					
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By Whom?	Christine A	Iderman				Date and I-	lour 03/3	30/15 1	1:00am			
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Printed Name	: Christine	Alderman				Approved by Environmental Specialist:						
Title: ESH S	upervisor					Approval Date:			Expiration	Date:		
E-mail Addre	ss: caldern	nan@cimarex	.com		Conditions of Approval:							
Date: 3/3 Attach Addi	0/2015 ional Shee	ets If Necess		: 432-853-7059								

Appendix II

SITE PHOTOS



Red Hills SWD #1

Release Date: 1/08/2015, 3/29/2015

UL/M Sec 28, T25 south, R33 east, Lea county NM

API # 30-025-35598



Initial spill photos inside bermed area



Initial spill photos inside bermed area



Initial spill photos inside bermed area



Initial spill photos inside bermed area



Initial spill around tanks



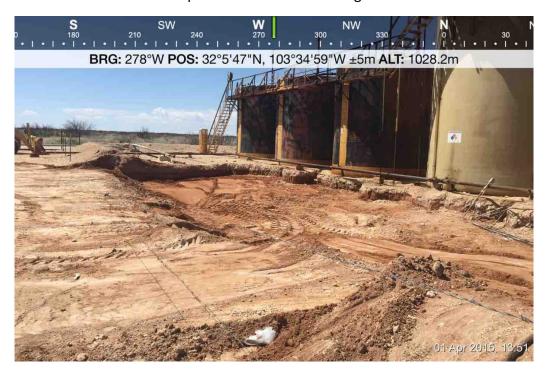
Initial spill around tanks



Second spill inside bermed area. Fluid being recovered by vacuum truck



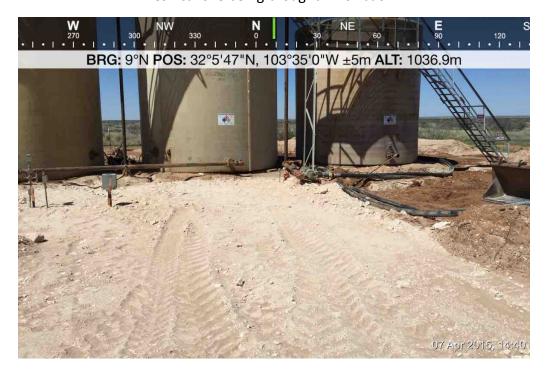
Spill area excavated to 2' bgs



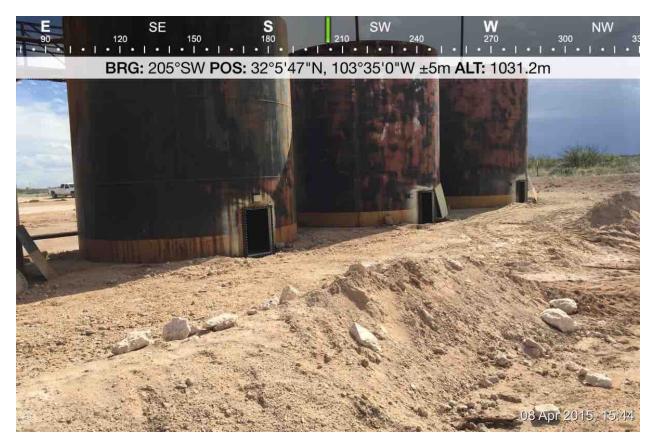
Spill area excavated to 2' bgs



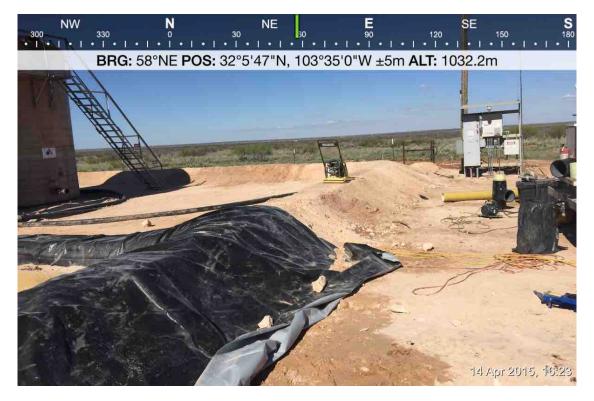
Fresh caliche being brought in for backfill



Fresh caliche being used for backfill



Caliche used for backfill around tanks

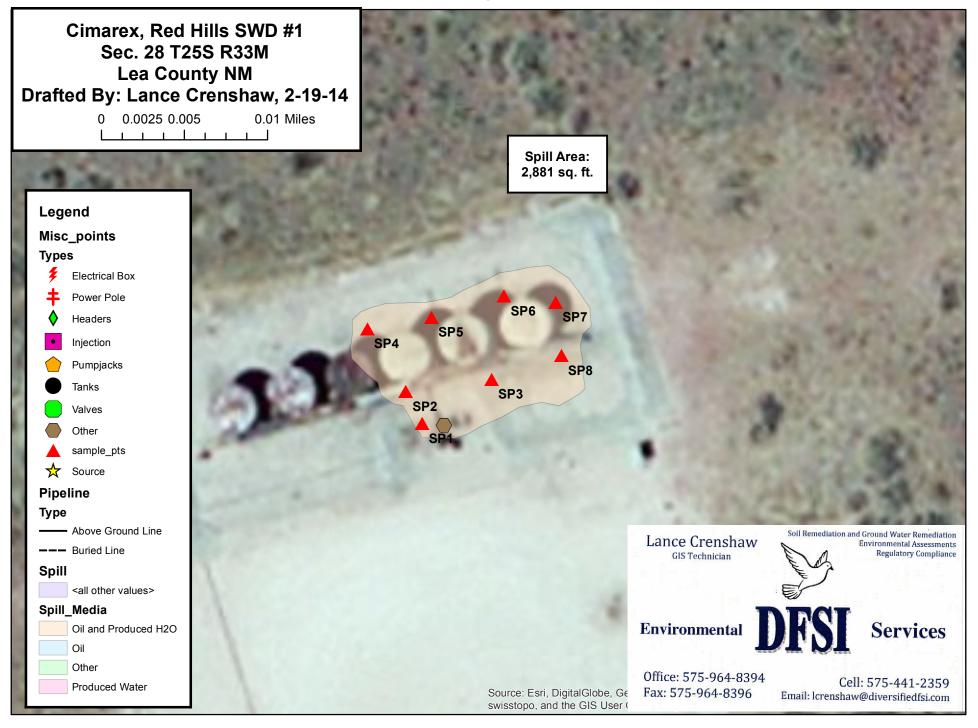


Compacting and constructing new berms around facility

Appendix III

SITE MAP

Site Diagram



Appendix IV

FIELD SAMPLING ANALYSIS

Diversified Environmental Services

Company Name:cimarexSP Date:2/4/2015Location Name:red hills swd #1Rel Date:

	I			T	
SP1	CHL	PID	SP2	CHL	PID
surf	874	386.9	surf	2799	575.3
1	5798	416.3	1	3373	70.9
2	6647	94.9	2	3673	74.5
3	6772	34.8	3	2999	110.7
4	4748	12.9	4	4623	101.3
5	4773	22.5	5	3698	14.5
6	4998	13.8	6	3673	29.4
7	4623	45.2	7	6098	5.1
8	5448	61.3	8	4673	101.5
9	3998	45.3	9	4623	9.5
10	3623	99.7	10	4848	15.2
11	2674	369.2	11	4448	22.5
12	3174	260.1	12	4373	15.4
13	3423	184.2	13	3873	40.3
14	3298	124.6	14	3773	45.1
15	3248	144.6	15	3598	10.5
16	3298	109.4	16	3074	7.1

SP3	CHL	PID
surf	5598	
1	6847	
2	7347	
3	4823	
4	5748	
5	1824	
6	2799	
7	2324	
8	3573	
9	1899	
10	1974	
11	1999	
12	2624	
13	4098	
14	auger refus	al

SP4	CHL	PID
surf	799	75.4
1	1999	0
2	1749	0
3	4374	0
4	1474	0
5	1649	0
6	1899	0
7	3149	0
8	3224	0
9	3748	0
10	auger refus	al

SP5		CHL	PID
surf		1024	122
	1	1749	52
	2	3049	22
	3	3823	5.4
	4	749	0
	5	1399	0
	6	1499	0
	7	2074	0.7
	8	1624	0.9
	9	3149	1.7
	10	1274	1.5
	11	1199	0.2
	12	1274	0.1
	13	1724	1.8
	14	auger refus	sal

SP6	CHL	PID	SP7	CHL	PID	SP8	CHL	PID	SP9	CHL	PID	SP10	CHL	PID
surf	499	39.8	surf	1699	0.1	surf	1699	20.5						
1	3099	20.6	1	5948	0	1	5948	0						
2	3298	3.9	2	3099	0	2	3099	0						
3	5123	1.4	3	2374	0	3	2374	0						
4	1274	6.7	4	2924	0	4	2924	0						
5	1274	0.1	5	1149	0	5	1149	0						
6	1199	0.8	6	1024	0	6	1024	0						
7	824	0.1	7	524	0	7	524	0						
8	824	0.5	8	1799	0	8	1799	0						
9	1174	26.3	9	1724	0	9	1499	0						
10	1324	0.3	10	1499	0	10	1724	0						
11	1449	0.6	11	1924	0	11	1499	0						
12	1499	11.1	12	1424	0	12	1924	0						
13	1674	0.4	13	1499	0	13	1424	0						
14	1874	0	14	auger refu	sal	14	auger refu	sal						
15	auger refus	sal												
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SP11	CHL	PID	SP12	CHL	PID	SP13	CHL	PID	SP14	CHL	PID	SP15	CHL	PID
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SP16	CHL	PID	SP17	CHL	PID	SP18	CHL	PID	SP19	CHL	PID	SP20	CHL	PID
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Diversified Environmental Services

Company Name:CIMAREXSP Date:3/30/2015Location Name:RED HILLS SWD 1Rel Date:

				 ,			
SP1	CHL	PID	SP2	CHL	PID	SP3	СН
2'	4273	35.6	2'	2174	22.6	2'	
3'	2249	28.3	3'	6198	30.4	3'	
4'	1499	32.4	4'	3373	32.6	4'	

1549

1374

1374

1124

899

899

10'

17.1 23.4

30

36.2

41.2

38.6

	CHL	PID	:	SP3	CHL	PID		SP4	CHL	TPH		SP5	CHL	TPH
	2174	22.6		2'	6522		30.6							
	6198	30.4		3'	674		18.7							
	3373	32.6	-	4'	749		12.2							
	2924	19.1												
	2249	22.3												
	6997	20.1									Ī			
	AUGER REF	USALE									Ī			
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P11	CHL	TPH	SP12	CHL	ТРН	SP13	CHL	TPH	SP14	CHL	TPH	SP15	CHL	TPH
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SP16	CHL	TPH	SP17	CHL	TPH	SP18	CHL	TPH	SP19	CHL	TPH	SP20	CHL	TPH

Appendix V

FINAL C-141

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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 Form C-141
Revised October 10, 2003

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

Attached

Release Notification and Corrective Action **OPERATOR** Final Report Initial Report Name of Company Cimarex Energy Contact Christine Alderman Address 600 N Marienfeld Ste 600 Midland TX Telephone No. 432-853-7059 Facility Name Red Hills SWD #1 Facility Type SWD Surface Owner Mineral Owner Lease No. LOCATION OF RELEASE Unit Letter Section Township Range Feet from the North/South Line Feet from the East/West Line County w M 28 25\$ 660 33E Lea Latitude 32.09614 Longitude -103.58256 NATURE OF RELEASE Type of Release Produced Water Volume of Release 140 bbls Volume Recovered 120 bbls Source of Release Tri-plex pump Date and Hour of Occurrence1-8-15 Date and Hour of Discovery 1-8-15 12 p.m. Was Immediate Notice Given? If YES, To Whom? Doc Oberding/Sol Hughes ☐ No ☐ Not Required x Yes Date and Hour 1-9-15 2:06 p.m. By Whom? Christine Alderman Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. Yes X No If a Watercourse was Impacted, Describe Fully,* Describe Cause of Problem and Remedial Action Taken.* A swedge failed on the discharge side of the tri-plex pump. All fluids were contained in an unlined earthen berm. Approximately 140 bbls were released and 120 bbls were recovered. Describe Area Affected and Cleanup Action Taken.* 119'x68' bermed containment. Diversified Environmental excavated the spill area to 2' bgs per the BLM and NMOCD. Fresh caliche was brought in for backfill. 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. OIL CONSERVATION DIVISION Merman Signature: Approved by District Supervisor: Printed Name: Christine Alderman ESH Supervisor Title: Expiration Date: Approval Date: E-mail Address: calderman@cimarex.com Conditions of Approval:

Phone: 432-853-7059

Date: 1-14-15

^{*} Attach Additional Sheets If Necessary

District I
1625 N. French Dr., Hobbs, NM 88240
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State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fc, NM 87505 Form C-141 Revised October 10, 2003

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

Release Notification and Corrective Action **OPERATOR** IX Final Report Initial Report Name of Company Cimarex Energy Contact Christine Alderman Address 600 N. Marienfeld Ste 600 Midland TX Telephone No. 432-853-7059 Facility Name Red Hills SWD #1 Facility Type SWD Surface Owner Mineral Owner Lease No. LOCATION OF RELEASE Unit Letter Section Township Range Feet from the North/South Line Feet from the East/West Line County 28 33E S W М 258 660 I.ea Latitude 32,09614 **Longitude** -103.58256 NATURE OF RELEASE Type of Release Produced Water Volume of Release 330 bbls Volume Recovered 270 bbls Source of Release Date and Hour of Occurrence3-29-15 Date and Hour of Discovery 3-29-15 12 p.m Tri-plex pump Was Immediate Notice Given? If YES, To Whom? X Yes No Not Required Doc Oberding/Sol Hughes By Whom? Date and Hour 3-30-15 11 a.m. Christine Alderman Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. Yes x No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken,* The fiberglass line coming off of the fiberglass water storage tank snapped off at the connection. Describe Area Affected and Cleanup Action Taken.* The spill occured during a remediation which was already taking place. It was added to the original RP-3506. All contaminants were contained inside the berm. Diversified Environmental excavated the entire spill area to 2' bgs and brought in fresh caliche for backfill, as the site was returned to its previous state. 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. OIL CONSERVATION DIVISION Kristine Alderman Signature:

Approved by District Supervisor:

Expiration Date:

Attached

Approval Date:

Conditions of Approval:

calderman@cimarex.com

Phone: 432-853-7059

Printed Name: Christine Alderman

EHS Supervisor

3-30-2015

E-mail Address:

^{*} Attach Additional Sheets If Necessary