Oil Conservation Division 1220 South St. Era aia D

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

pOY1720760939

1220 S. St. Engels Dr. Santa E. NM 97505	uth St. Franc					
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Release Notificati			ction			
	OPERAT		x Initia	al Report	Final Repor	
Name of Company Enervest Operating		Penny Dawson				
Address 1001 Fannin Street, STe. 800 Houston TX 77002	1	lo. 325-387-7226	3			
Facility Name Meyer B-27 #3	Facility Type					
Surface Owner BLM Mineral Owner	er BLM API No. 30-025-38763			3763		
LOCATI	ON OF REI	FASE				
	orth/South Line Feet from the East/West Line County					
Latitude	Longitud	e				
NATUR	E OF RELI	EASE				
Type of Release Oil	Volume of		Volume I	Recovered	126 bbl	
Source of Release Tank		our of Occurrent	ce Date and	Hour of Dis	scovery	
Was Immediate Notice Given?	If YES, To Whom?					
🙀 Yes 🗌 No 🗌 Not Requir			20/17 12:27 pm	CST Lef	t Message	
By Whom?	Date and H					
Was a Watercourse Reached?	If YES, Volume Impacting the Watercourse.					
Describe Cause of Problem and Remedial Action Taken.* Tank was struck by lightening putting hole in bottom of tank by fencing. Describe Area Affected and Cleanup Action Taken.*	and laying tan	k over. Tank v		nd set on p	plastic surrounded	
Standing fluids were released inside lined berm.Standing Fluids released outside of containment have been scoope location surrounded by fencing.						
I hereby certify that the information given above is true and complete tregulations all operators are required to report and/or file certain releas public health or the environment. The acceptance of a C-141 report by should their operations have failed to adequately investigate and remed or the environment. In addition, NMOCD acceptance of a C-141 report federal, state, or local laws and/or regulations.	e notifications ar the NMOCD ma liate contamination	nd perform correct arked as "Final R on that pose a thr	ctive actions for rel deport" does not rel reat to ground wate	eases which ieve the ope r, surface wa	may endanger rator of liability ater, human health	
		OIL CON	SERVATION	DIVISIO	ON	
Signature:		3V_				
Printed Name: Penny Dawson	Approved by	Environmental S	pecialist:	J		
Title: HSE Associate	Approval Dat	_{e:} 7/26/201	7 Expiration	Date:		
E-mail Address: pdawson@enervest	Conditions of			Attached		
Date:7/20/2017Phone:325-387-7226AttachAdditional Sheets If Necessary	NMOCD wi	th a concise rowith a ffirmati	•		720760173	

1RP-4767

Operator/Responsible Party,

The OCD has received the form C-141 you provided on _7/20/2017_ regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number _1RP-4767_ 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 _1_ office in __Hobbs____ on or before _8/26/2017_. 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

Form 3160-5 (September 2001)	UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT		FORM APPROVED OM B No. 1004-0135 Expires: January 31, 2004 5. Lease Serial No.				
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.					ottee or Tribe Name		
SUBMIT IN TRIPLICATE- Other instructions on reverse side.			7. If Unit or CA	/Agreement, Name and/or No.			
1. Type of Well Oil Well	Gas Well Other			8. Well Name and	nd No.		
2. Name of Operator				9. API Well N	0.		
3a. Address		3b. Phone No. (include an	ea code)				
4 Location of Well (Footage Sec	, T., R., M., or Survey Description)			10. Field and Po	ol, or Exploratory Area		
. Doubler of their (Foougo, See	, 1, 1, 1, <i>11, 0 500 (C) Deser provi</i>			11. County or Pa	arish, State		
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA							
TYPE OF SUBMISSION	TYPE OF ACTION						
	Acidize	Deepen	Production (Star	t/Resume)	Water Shut-Off		
Notice of Intent	Alter Casing	Fracture Treat	Reclamation		Well Integrity		
Subsequent Report	Casing Repair	New Construction	Recomplete		Other		
Final Abandonment Notice	Change Plans	Plug and Abandon	Temporarily Aba	andon			
r mai Abandonment Notice	Convert to Injection	Plug Back	Water Disposal				

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

 I hereby certify that the foregoing is true and correct Name (<i>Printed/Typed</i>) 						
······ (······························	Title					
Signature	Date					
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
Approved by		Title		Date		
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office				
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any States any false, fictitious or fraudulent statements or representations as to any matter	person within	knowingly and will its jurisdiction.	llfully to make to a	any department or agency of the United		
(Instructions on page 2)						

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or

present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

This information is being collected to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0135), Bureau Information Collection Clearance Officer, (WO-630), Mail Stop 401 LS, 1849 C St., N.W., Washington D.C. 20240