

From: Andy Rickard
To: [Yu, Olivia, EMNRD](#); [john kimberly](#)
Cc: [Denise Jones](#); [Naranjo, Mark](#); [Tavarez, Ike](#)
Subject: RE: reportable release at 30-025-34725
Date: Tuesday, February 20, 2018 1:30:50 PM

Ms Yu

Regarding the spill at Rancho Verde #2 that Denise Jones has filed a C141 at your request which we hold to be unnecessary.

The well in question developed a leak in the casing above the intermediate wellhead which has been patched with a clamp. The well has been inactive for some time and fluids have vertically separated. After repairing the leak we were able to flow additional 100% oil into a frac tank. I can say with certainty the leak was all oil.

My Lease operator claims the impacted area measured 10' by 20' with a depth of penetration of less than 3"(.25').

He indicated through pictures, little if any free oil.

We paid for the disposal of 10 yds of dirt of which approximately ½ of which is oil stained.

If I add to his area and call it 30' x 15', increasing his measurements by 50% each and use 14% saturation (Standard for Caliche and dirt). I can now calculate this 2 ways.

10/2 yds @14%=3.36 bbls

Or 30X15x.25x.14=15.75 cu ft=2.8 bbls

If I then add ½ to 1 BBL to either answer I am still significantly below 5 bbls.

At this point I can only be impressed with the lease operator's experienced based estimate of 3 bbls

Please share the different methodology by which you claim this is indeed reportable

Or if you have different measurements, please share.

Andrew E Rickard

Project Manager



415 West Wall St., Suite 900

Midland, TX 79701

Off: 432-620-9181

Cell: 432-553-2828

From: Yu, Olivia, EMNRD [mailto:Olivia.Yu@state.nm.us]
Sent: Monday, February 19, 2018 4:00 PM
To: Andy Rickard <arickard@cambrianmgmt.com>
Cc: Denise Jones <djones@cambrianmgmt.com>; Naranjo, Mark <MNaranjo@slo.state.nm.us>
Subject: RE: reportable release at 30-025-34725

Mr. Rickard:

When and how was the C-141 submitted? Via post? A C-141 was not received electronically for this

incident.

Due to the nature of this incident and that the release volume is in disagreement, NMOCD will need to see laboratory analyses, representative of the impacted area, to ascertain whether the corrective actions conducted were sufficient.

Olivia

From: Andy Rickard [<mailto:arickard@Cambrianmgmt.com>]
Sent: Monday, February 19, 2018 1:50 PM
To: Yu, Olivia, EMNRD <Olivia.Yu@state.nm.us>
Cc: Denise Jones <djones@Cambrianmgmt.com>; Naranjo, Mark <MNaranjo@slo.state.nm.us>
Subject: RE: reportable release at 30-025-34725

Ms Yu

Cambrian has in fact filed a C141 on the 3 bbls spill and the attached photos represent the cleaned location as executed by our pumper and a roustabout crew. The oil stained dirt was hauled to a disposal and location dirt was used to replace dirt. Please advise as to how you would have us proceed

Andrew E Rickard

Project Manager



415 West Wall St., Suite 900

Midland, TX 79701

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Cell: 432-553-2828

From: Yu, Olivia, EMNRD [<mailto:Olivia.Yu@state.nm.us>]
Sent: Friday, February 09, 2018 8:18 AM
To: Andy Rickard <arickard@Cambrianmgmt.com>
Cc: Denise Jones <djones@Cambrianmgmt.com>; Naranjo, Mark <MNaranjo@slo.state.nm.us>
Subject: RE: reportable release at 30-025-34725

Good morning Mr. Rickard:

Thank you for visiting the location. This is one of the issues that NMOCD observed as well. The initial C-141 is more than 1 week overdue.

Olivia

From: Andy Rickard [<mailto:arickard@Cambrianmgmt.com>]
Sent: Thursday, February 8, 2018 8:18 PM

To: Yu, Olivia, EMNRD <Olivia.Yu@state.nm.us>

Cc: Denise Jones <djones@CambrianMgmt.com>; Naranjo, Mark <MNaranjo@slo.state.nm.us>

Subject: Re: reportable release at 30-025-34725

Ms. Yu

We went to location today to photograph the site and found the well had pressured up again and released another couple of barrels and we were able to isolate the leak. We will be on location Friday AM to make temporary repairs and clean up the mess, again. You may stop by and check it out. This well was purchased as an idle well and we will be making repairs and returning it to production. I have instructed the pumper to make the repairs and get it cleaned up

Sent from my iPhone



On Feb 8, 2018, at 4:19 PM, Yu, Olivia, EMNRD <Olivia.Yu@state.nm.us> wrote:

Mr. Rickard:

Did you receive photo documentation or clarification of the release volume from Cambrian or Grand Banks staff? Photo documentation by a NMOCD inspector on January 16, 2018, indicates that the impacted area is of reportable volume and there are other issues at the wellhead.

Please be advised that NMOCD does not preclude the Responsible Operator from immediate clean-up, such as vacuuming of standing fluids or surface removal of impacted soil. However, that does not constitute division-approved corrective actions per NMAC 19.15.29.

An initial C-141 is still need for the release at 30-025-34725 (Rancho Verde State #2) location.

Thanks,
Olivia

From: Yu, Olivia, EMNRD

Sent: Wednesday, February 7, 2018 7:16 AM

To: Denise Jones <djones@CambrianMgmt.com>; Andy Rickard <arickard@CambrianMgmt.com>

Cc: Naranjo, Mark <MNaranjo@slo.state.nm.us>

Subject: RE: Status of 1RP-4887 and reportable release at 30-025-34725

Dear Responsible Operator:

An initial C-141 for the reportable release at Rancho Verde State #2 (30-025-34725) is still outstanding. Currently, Grand Banks Energy/Cambrian Management is not in compliance with NMAC 19.15.29.

Olivia Yu
Environmental Specialist
NMOCD, District I
Olivia.yu@state.nm.us
575-393-6161 x113

OCD approval does not relieve the operator of liability should their operations fail to adequately investigate and remediate contamination that may pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

From: Yu, Olivia, EMNRD
Sent: Wednesday, January 31, 2018 2:48 PM
To: 'Denise Jones' <djones@cambrianmgmt.com>
Subject: RE: Status of 1RP-4887 and reportable release at 30-025-34725

Ms. Jones:

The C-141 is due today for 30-025-34725.

Thanks,
Olivia

From: Yu, Olivia, EMNRD
Sent: Monday, January 29, 2018 4:02 PM
To: 'Denise Jones' <djones@cambrianmgmt.com>
Cc: 'Naranjo, Mark' <MNaranjo@slo.state.nm.us>
Subject: RE: Status of 1RP-4887 and reportable release at 30-025-34725

Ms. Jones:

Please be advised that an initial C-141 is due by Wednesday, January 31, 2018 for the release at Rancho Verde State #2 (30-025-34725). Otherwise, the Responsible Operator will not be in compliance with NMAC 19.15.29.

Thanks,
Olivia

From: Yu, Olivia, EMNRD
Sent: Tuesday, January 16, 2018 1:18 PM

To: Denise Jones <djones@brianmgt.com>

Cc: Naranjo, Mark <MNaranjo@slo.state.nm.us>

Subject: Status of 1RP-4887 and reportable release at 30-025-34725

Dear Ms. Jones:

Please inform NMOCD of the status of the release characterization/delineation for 1RP-4887 at ARU 14. A NMOCD inspector visited the site today and observed that the location still has visibly impacted soil. Please be advised that NMOCD does not preclude the Responsible Operator from immediate clean-up of fluids.

Furthermore, there is a reportable release at Rancho Verde State #2 (30-025-34725). Per NMAC 19.15.29, an initial C-141 is due by January 31, 2017.

Thanks,

Olivia Yu
Environmental Specialist
NMOCD, District I
Olivia.yu@state.nm.us
575-393-6161 x113

OCD approval does not relieve the operator of liability should their operations fail to adequately investigate and remediate contamination that may pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.