From: Dinwiddie, Blake
To: Yu, Olivia, EMNRD

Cc: Whitaker, Mark A, EMNRD; Graham, Rick; Austin Weyant; Ellis, Kimberly

Subject: RE: Reportable release at Atha SWD

Date: Friday, December 8, 2017 2:19:27 PM

Attachments: 2017-12-8 Atha C-141.pdf

Ms. Yu;

Attached is the C-141 for the reportable spill that occurred Friday, December 1. You are correct in that the fluids had not yet been fully vacuumed from the tank battery containment area as of Monday, December 4. After speaking with Key field personnel, apparently no vacuum trucks were immediately available to remove the fluids, which delayed cleanup efforts. All fluids have since been removed and transferred into the disposal system, and cleaning of the liner was tentatively scheduled for today.

Regarding updates for Incident #RP-4571 (January 15, 2017) and #1RP-4592 (February 1, 2017) resulting from flowline leaks, Key understood that a Soil Closure Report had been previously submitted on its behalf by Souder, Miller & Associates (SMA). However, upon further investigation it appears a miscommunication occurred between Key and SMA . . . the Soil Closure Report was apparently finalized during August 2017 but was never submitted to the NMOCD. Key has requested that SMA submit the Soil Closure Report for your review ASAP.

Regarding Incident #1RP-4547 (December 16, 2016) that occurred as a result of a flowline leak, according to SMA that spill location is ready for closure sampling and is tentatively scheduled to occur sometime during December.

Key will provide the requested statement of liner integrity and photo documentation to the NMOCD as it relates to the most recent (December 1) spill and the previous July 19,2017 spill, both of which were contained within the lined tank battery containment. Should be able to have this information to you sometime next week.

If you have any further questions, please let us know. Also, please note that future correspondence should go to Mr. Rick Graham (copied on this email) who will be assuming my duties as Environmental Director over the next few weeks; however, please copy me on any correspondence to Mr. Graham until the end of December.

Thanks

## Blake Dinwiddie | Key Energy Services

Environmental Project Manager/Interim Environmental Director 1301 McKinney Street, Suite 1800, Houston, Texas 77010 o: 713.757.5491 | m: 281.384.8589 | bdinwiddie@keyenergy.com

**From:** Yu, Olivia, EMNRD [mailto:Olivia.Yu@state.nm.us]

Sent: Monday, December 04, 2017 4:01 PM

**To:** Dinwiddie, Blake <bdinwiddie@keyenergy.com>

**Cc:** Whitaker, Mark A, EMNRD < MarkA. Whitaker@state.nm.us>

**Subject:** Reportable release at Atha SWD

Dear Mr. Dinwiddie:

NMOCD was informed of a major release at the Atha SWD (API well # 30-025-08816) on Friday, December 1, 2017. A NMOCD inspector stopped by the location today, December 4, 2017, and observed that the fluids were still not vacuumed. Please be advised the NMOCD does not preclude the Responsible Operator from immediate corrective actions such as removal of fluids and impacted soil.

Also, please note that this is the 5<sup>th</sup> reportable release this year that NMOCD is aware of. Release characterization/delineation plans for 1RP-4571 and 1RP-4592 are still outstanding. There has been no update for 1RP-4547 since May 30, 2017. A statement of liner integrity and photo documentation affirming that the release on July 19, 2017 was entirely contained within the lined secondary containment have not been submitted. NMOCD requires a status update along with a course of action to resolve each of these releases.

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.