

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

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

Form C-141
Revised August 8, 2011

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

Release Notification and Corrective Action

OPERATOR

☐ Initial Report x ☒ Final Report

Name of Company- McElvain Energy	Contact - Tony Cooper	
Address - 1050 17 th Street Suite 2500 Denver Co 80265	Telephone No. 303-893-0933 cell 303-501-0004	
Facility Name - McElvain #5 Facility	Facility Type - Tank Battery	
Surface Owner - BLM USA	Mineral Owner - BLM USA	API No.- 30-025-29051

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
M	25	18S	33E		660 FSL		810 FWL	Lea

Latitude 32.7131761435436 Longitude -103.622517463922

NATURE OF RELEASE

Type of Release - <i>PRODUCED WATER RELEASE</i>	Volume of Release - <i>EST 158 - 160 BBLs</i>	Volume Recovered - <i>EST 158 BBLs</i>
Source of Release - <i>400 BBL FIBERGLASS WATER TANK (above ground)</i>	Date and Hour of Occurrence <i>EST 7/3/2012 PM</i>	Date and Hour of Discovery <i>7/4/2012 AM</i>
Was Immediate Notice Given? <div style="text-align: center;">X <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required</div>	If YES, To Whom? <i>Spoke with Jeff Lecking (NMOCD) at 11:50 am on 7/5/2012 and reported the release. Will follow up with a Form C-141 initial release notification report.</i>	
By Whom? <i>Tony Cooper EHS Coordinator McElvain Energy Denver CO</i>	Date and Hour- <i>7/5/2012 11:50am</i>	
Was a Watercourse Reached? <div style="text-align: center;"><input type="checkbox"/> Yes x <input checked="" type="checkbox"/> No</div>	If YES, Volume Impacting the Watercourse. <i>NA</i>	

If a Watercourse was Impacted, Describe Fully.*
NA

Describe Cause of Problem and Remedial Action Taken.*

Lightning strike to above ground produced water tank

Describe Area Affected and Cleanup Action Taken.*

On 7/4/2012 a vacuum truck was called and recovered approximately 158 bbls of produced water contained within the tank containment area. The containment area was not breached by the release. The containment area was lined with a poly liner so the soil in the containment area is not expected to have been impacted by the release.

Remediation of the release affected area consisted of the removal and disposal of 15-yd³ of trace hydrocarbon and chloride contaminated gravel covering the poly liner. The gravel, poly liner, and cutup fiberglass tank was disposed of at the R-360 disposal facility, Hobbs NM. The bottom (1-ft bgs) of the release area was sampled in a five spot grid. All samples were confirmed to be below the NMOCD thresholds for TPH, Benzene, and BTEX through analytical analyses performed by Cardinal Laboratories, Hobbs, NM.

Chloride concentrations at (1-ft bgs) ranged between 575 and 625 ppm between four composite samples. Upon further direction from the NMOCD a chloride field test kit was used to determine the vertical range of the chloride levels. The field test kit showed 300 ppm @ (2-ft bgs) and 200 ppm at (3-ft bgs). A confirmation soil sample was taken @ (3-ft bgs) and sent to Cardinal Labs for analyses of chloride levels. Results confirmed chlorides levels to be @ 240 ppm at the (3-ft bgs) level which is under the 250 level required by NMOCD. All of the soil sample analysis results from Cardinal Laboratories have been included for your review.

Upon NMOCD approval of this final report the area will be relined with a poly liner and backfilled with gravel purchased from a private source. A new 300 bbl fiberglass open top produced water tank will be set in the area when received from the manufacturer. A new containment berm will then be constructed around the produced water tank battery area. The containment area for the water tank is 34' x 37' (1258 sq ft). McElvain Energy Inc. requests that NMOCD require "no further action" as regards to the July 3rd, 2012 release of produced water at this location.

APPROVED

By Olivia Yu at 12:29 pm, Nov 15, 2018

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

Signature:

Tony G. Cooper

Printed Name:

Tony G. Cooper

Approved by Environmental Specialist:

gy

Title:

Sr EHS Specialist

Approval Date:

11/15/2018

Expiration Date:

xx/xx/xxxx

E-mail Address:

tonyc@McElwain.com

Conditions of Approval:

BLM approval required.

Attached ☐

Date:

7-25-12

Phone:

303-801-0004

* Attach Additional Sheets If Necessary

1RP-2840



AKOME, INC.

P.O. Box 2038 • Hobbs, N.M. 88241-2038 • Phone 575 393•2910 • Fax 575 397•0042

RECEIVED

SEP 13 2012

McElvain Energy, Inc.
Denver Office

McELVAIN OIL & GAS PROPERTIES
1050 17th ST. STE 2500
DENVER, CO 80265-2080

INVOICE NO.: 14569
INVOICE DATE: 08/16/2012

W/O DATE: 08-16-12
LEASE: MCELVAIN #5
AKOME TICKET: #16508 - SEE ATTACHED

Bill To: 1100-MCELVA

** WE APPRECIATE YOUR BUSINESS **

QTY	DESCRIPTION	PRICE	AMOUNT
	PIT LINING		0.00
	MATERIAL/LABOR TO LINE BATTERY PAD AS ORDERED		0.00
3,600	20 BBR FT2	0.34	1,224.00
3	LABOR	90.00	270.00

Sub Total: 1,494.00
Sales Tax: NM (6.8125 %): 101.78
PLEASE PAY THIS AMOUNT: \$ 1,595.78

*Labor & materials to line
water tank pad following lightning
strike in July 2012*

Code: 16305

SEP 24 2012

APPROVED: ERF



AKOME, INC.

PHONE 575-393-2910

P. O. BOX 2038

HOBBS, N.M. 88241-2038

No 16508

FIELD RECEIPT

DATE 8-16-12

ORDER NO.

AFE NO.

CUSTOMER

Mc Elvain

ADDRESS

LEASE

Mc Elvain

WELL NO.

5

ORDERED BY

Joe Mack

SIGNED BY

Material and labor to line
battery pad as ordered.3600 ft² 20 BBR
3 hr labor

UNIT PRICE

TOTAL

.34

1224.00

90.00

270.00

6.8125% N.M. Tax

1494.00

101.77

1595.77

Joe M. Mamen
Superior Printing

PT PERMIAN TANK & MANUFACTURING

2701 West I20
Odessa, Tx

RECEIVED

SEP 04 2012

McElvain Energy, Inc.
Denver Office

P003151
McElvain Oil & Gas Properties
1050 17Th St
Suite 2500
Denver, CO 80265-

Remit to:
Permian Tank & Manufacturing
P.O. Box 4456
Odessa, Tx 79760
www.permiantank.com
sales@permiantank.com
(432)333-4591 1-(800)375-8265

Invoice

F77103

LEASE: MCELVAIN #5
ORDERED BY: REED FISCHER

EDDY COUNTY NM

Sales order	Invoice Date	Ship Date	Terms	Salesperson	Customer purchase order no
F07395	08/30/12	08/27/12	Net 30	Odessa-Juan Menc	REED FISCHER
Description	Quantity Shipped			Unit price	Gross amount
Tank- 300 BBL 15' 6" x 90Open Top ORTHO	1.000			5830.00	5830.00

Serial numbers
G228-12

SHALE GREEN

300 BBL FG H₂O Tank
to replace lightning rod
tank

CO - 8225

SEP 05 2012

Approved: ERF

Batch	091254AP
Date	9-5-12
By	DH N

NEW MEXICO STATE

Purchaser's obligation to pay this invoice & or open account may only be discharged by delivering complete payment to Permian Tank & Manufacturing at the above referenced address in Ector County, Texas.

Unless otherwise agreed in writing, Purchaser is responsible for installing, labeling and maintaining the above referenced tanks & other equipment. Purchaser acknowledges that Permian Tank & Manufacturing is not responsible for Purchaser's failure to properly install, label or maintain such tanks or equipment.

Total gross	:	5830.00
Total discount	:	0.00
Freight	5.125	2100.00
Misc charges	:	0.00
Total tax	:	406.42
Total Invoice	:	8336.42

DELIVERY ACKNOWLEDGED





CRUDE OIL

400

19-11

TK 12365

1-0

McElvain Energy, Inc.

McELVAIN LEASE

WELL NO. 5

SW SW, SEC. 25-T18S-R33E

LEA CO., NM NMNMO245247