

OIL COMPANY 4801 Business Park Blvd | Hobbs, NM 88240 | Phone 575.393.5905

December 29, 2021

Attn: NMOCD

New Mexico Energy, Minerals, & Natural Resources Oil Conservation Division, Environmental Bureau – District 2 811 S. First St. Artesia, NM 88210

> RE: Request for Closure Mewbourne Oil Company – Parkchester 24 State #3H UL/C sec. 24 T19S R32E API No. 30-015-37998 Reference - nAPP2124236054

To Whom it May Concern:

Mewbourne Oil Company (Mewbourne) has addressed the potential environmental concerns at the above-referenced site.

Background and Previous Work

The site is located approximately fourteen and four tenths (14.4) miles southwest of Loco Hills, New Mexico at Unit Letter C of Section 24 in Township 19 South of Range 32 East (Figure 1). The latitude of the release location is 32.652581 and the longitude is -104.133530. This site is located in an area where groundwater can be anticipated to found at a depth greater than two-hundred (100) feet below ground surface (bgs).

On August 14th, 2021, Mewbourne discovered a release of approximately one-hundred sixty-eight (168) barrels (bbls) of produced water when lightning struck a fiberglass tank. An estimated one-hundred seventy-five (175) bbls were recovered as a rain event occurred prior to the lightning strike. All water was contained within the secondary containment. The release did not impact any area outside of the lined, secondary containment. The New Mexico Oil Conservation Division (NMOCD) was notified of the release on August 14th, 2021, and an initial Release Notification and Corrective Action form (C-141) was submitted to NMOCD on August 30th, 2021, for approval (Appendix C).

Once the water was removed from the lined, secondary containment, the liner was inspected for damage. On top of the berm on the north side of the containment, a few small holes had been found in the liner, at the top of the berm, above the water mark for the spill (Appendix A). A composite soil sample was retrieved below the liner holes in order to determine if the release had breached the liner integrity. The soil sample was submitted to an approved NMOCD commercial laboratory (Cardinal Laboratories in Hobbs, NM [Cardinal]) for concentration analyses of chloride, Gas

Range Organics (GRO), Diesel Range Organics (DRO), and Oil Range Organics (ORO) [TPH]. Laboratory analyses confirmed that contents of the release did not reach the holes that were melted in the liner. (Appendix B).

A contractor was hired to repair the liner. A photo shown in Appendix C indicates the repair is complete.

A discrete soil sample from the Parkchester 24 State #3H indicates that the produced water released from the lightning strike did not penetrate the ground below the liner. The soil sample was analyzed by an NMOCD approved laboratory, and concentrations of BTEX, chloride and TPH were below the recommended remediation action levels (RRAL) established for this site through Table 1 of 19.15.29 of the New Mexico Administrative Code.

Mewbourne requests site closure to the Parkchester 24 State #3H release site.

Sincerely,

M

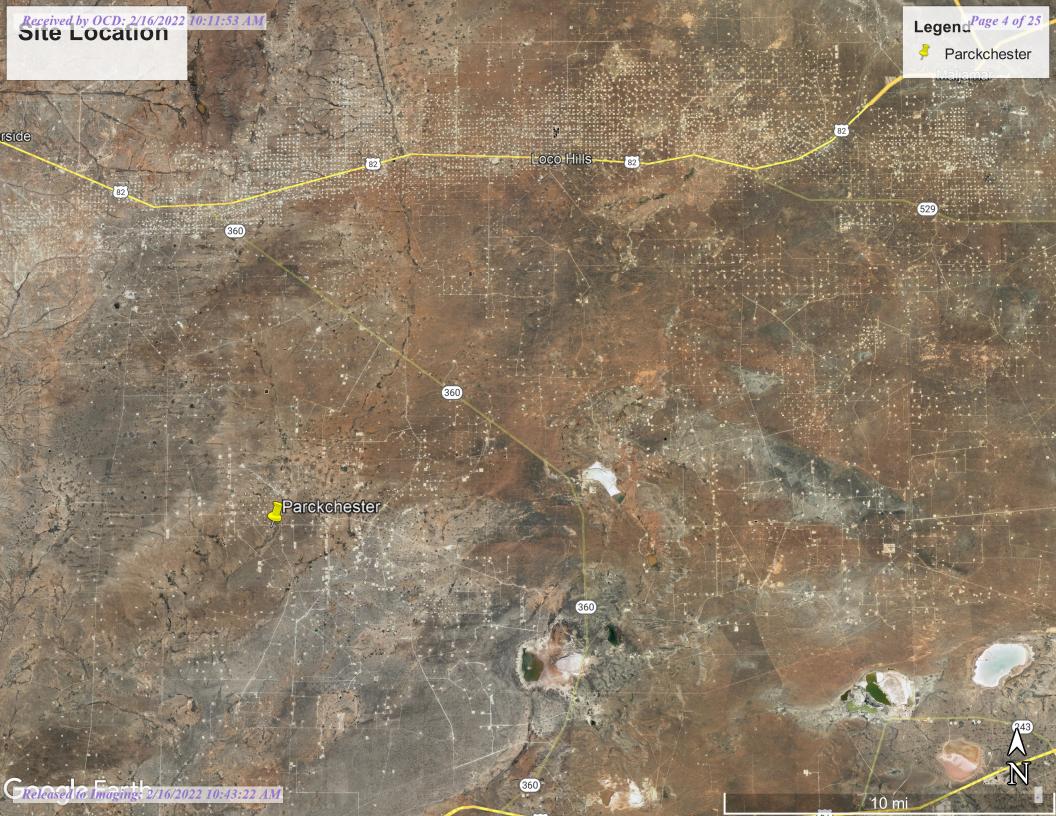
Robbie Runnels Environmental Specialist Mewbourne Oil Company (575) 393-5905

Attachments:

Figure 1 – Site Location Map Appendix A – Photo Documentation Appendix B – Laboratory Analyses Appendix C – Final C-141 Appendix D – Notification Documents

cc. Ryan Mann State Land Office 914 N Linam St. Hobbs, NM 88240

FIGURES





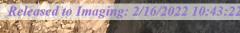
APPENDICES

APPENDIX – A Photo Documentation



Dec 28, 2021 at 12:23:53 PM +32.652713,-104.133254 342° N NM,Carlsbad

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APPENDIX – B Analytical Reports



November 04, 2021

ROBBIE RUNNELS MEWBOURNE OIL COMPANY P. O. BOX 5270 HOBBS, NM 88240

RE: PARKCHESTER 24 ST 003H

Enclosed are the results of analyses for samples received by the laboratory on 11/02/21 9:15.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-21-14. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/ga/lab_accred_certif.html.

Cardinal Laboratories is accreditated through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keine

Celey D. Keene Lab Director/Quality Manager



Analytical Results For:

MEWBOURNE OIL COMPANY ROBBIE RUNNELS P. O. BOX 5270 HOBBS NM, 88240 Fax To: (575) 937-6252

Received:	11/02/2021	Sampling Date:	11/01/2021
Reported:	11/04/2021	Sampling Type:	Soil
Project Name:	PARKCHESTER 24 ST 003H	Sampling Condition:	** (See Notes)
Project Number:	NONE GIVEN	Sample Received By:	Tamara Oldaker
Project Location:	NOT GIVEN		

Sample ID: LINER HOLE (H213084-01)

BTEX 8021B	mg,	/kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	11/03/2021	ND	2.08	104	2.00	8.16	
Toluene*	<0.050	0.050	11/03/2021	ND	1.99	99.6	2.00	7.94	
Ethylbenzene*	<0.050	0.050	11/03/2021	ND	2.04	102	2.00	7.32	
Total Xylenes*	<0.150	0.150	11/03/2021	ND	6.24	104	6.00	7.13	
Total BTEX	<0.300	0.300	11/03/2021	ND					
Surrogate: 4-Bromofluorobenzene (PID	102	% 69.9-14	0						
Chloride, SM4500Cl-B	mg/	/kg	Analyze	d By: GM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	11/03/2021	ND	416	104	400	3.92	
TPH 8015M	mg,	/kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	<10.0	10.0	11/03/2021	ND	210	105	200	2.73	
DRO >C10-C28*	<10.0	10.0	11/03/2021	ND	216	108	200	1.63	
EXT DRO >C28-C36	<10.0	10.0	11/03/2021	ND					
Surrogate: 1-Chlorooctane	104	% 44.3-13	3						
Surrogate: 1-Chlorooctadecane	103	% 38.9-14	2						

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claims based upon any of the above stated reasons or otherwise. Results relate only to the sample identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celez D. Keine

Celey D. Keene, Lab Director/Quality Manager



Notes and Definitions

QR-03	The RPD value for the sample duplicate or MS/MSD was outside of QC acceptance limits due to matrix interference. QC batch accepted based on LCS and/or LCSD recovery and/or RPD values.
ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C
	Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatscever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, whother business interruptors, loss of use, or loss of profits incurred by client, its subsidiaries, afflicate or successor arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celeg D. Keine

Celey D. Keene, Lab Director/Quality Manager



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240

(575) 393-2326 FAX (575) 393-2476

	rbourne			BILL 7	0				ΔΝΔ	LYSIS	REQUE	et.	
Project Manager:				P.O. #:		T						51	
Address:				Company: Are	burn	1							
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Sampler Name: Pillin	Kunnels			Phone #:				× .					1 1
FOR LAB USE ONLY	reanne's	T T T	MATRIX	Fax #: PRESERV. S	MPLING								1 1
Lab I.D. Sam H213084 1 Liner	ple I.D. 4/0 (~	The second s		OTHER : ACID/BASE: ICE / COOL OTHER : DTHER :		× C' ~	× 375×	Tet <					
LEASE NOTE: Liability and Damages. Cardinal's liability nalyses. All claims including those for negligence and a ervice. In no event shall Cardinal be liable for incidental filiates of successors arising out of or releted to the per Relinquished By:	Of consequental damages including	without limitetion	of whether such claim is	received by Cardinal within 30 days	ifter completion of the y client, its subsidiarie rscsoris or otherwise Verbal Res All Results	ult:	Yes iled. Ple	□ No ease prov	Add'I Pl ide Emai	hone #: I address:			
Delivered By: (Circle One) Sampler - UPS - Bus - Other:	Observed Temp. °C		ample Condition Cool Intact Yes Yes No No No	n CHECKED BY: (Initials)	REMARKS: Turnaround Thermometer Correction Fa	Time:	Ru	-		Bacteria (or ool Intact Yes Yes	Obse	e Condition erved Temp.	°C

Received by OCD: 2/16/2022 10:11:53 AM

4

Page 4 of

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APPENDIX – C 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 Department

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-141 Revised August 24, 2018 Submit to appropriate OCD District office

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Page 18 of 25

Incident ID	
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party Mewbourne Oil Company	OGRID 14744		
Contact Name Connor Walker	Contact Telephone 806-202-5281		
Contact email cwalker@mewbourne.com	Incident # (assigned by OCD)		
Contact mailing address 4801 Business Park Blvd, Hobbs, NM 88240			

Location of Release Source

Latitude 32.652581_

Longitude -104.133530_ (NAD 83 in decimal degrees to 5 decimal places)

Site Name Parkchester 24 St #3H	Site Type Production Battery
Date Release Discovered 8/14/2021	API# (if applicable) 30-015-37998

Unit Letter	Section	Township	Range	County
С	24	19S	32E	Eddy

Surface Owner: State Federal Tribal Private (Name: _

Nature and Volume of Release

Crude Oil	(s) Released (Select all that apply and attach calculations or specific Volume Released (bbls)	Volume Recovered (bbls)
Produced Water	Volume Released (bbls) 168	Volume Recovered (bbls) 175
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	Yes No
Condensate	Volume Released (bbls)	Volume Recovered (bbls)
Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)
	berglass water tank was struck by lightning and burned Rainwater was present in the containment prior to the sp	

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Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

Page 19 of 25

Was this a major If YES, for what reason(s) does the responsible party consider this a major release?					
release as defined by	The release was over 25 bbls and was the result of a fire.				
19.15.29.7(A) NMAC?					
🛛 Yes 🗌 No					
If YES, was immediate no	otice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?				
	Robbie Runnels to Cristina Eads on 8/14/2021 at 5:24PM via email.				

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

 \square The source of the release has been stopped.

The impacted area has been secured to protect human health and the environment.

Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.

All free liquids and recoverable materials have been removed and managed appropriately.

If all the actions described above have not been undertaken, explain why:

Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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.

Printed Name:	Connor Walker	

Como Avalle

_____ Title: ___Sr. Engineer_____

Date: 8/16/2021_____

Signature: _____

email: cwalker@mewbourne.com

Telephone:	806-202-5281

OCD Only

Received by: _____ Date: _____

Received by OCD: 2/16/2022 10:11:53 AM Form C-141 State of New Mexico

Oil Conservation Division

	Page 20 of 25
Incident ID	
District RP	
Facility ID	
Application ID	

Site Assessment/Characterization

This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release?	<u>>50'</u> (ft bgs)
Did this release impact groundwater or surface water?	🗌 Yes 🛛 No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	🗌 Yes 🛛 No
Are the lateral extents of the release within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)?	🗌 Yes 🛛 No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	🗌 Yes 🛛 No
Are the lateral extents of the release within 500 horizontal feet of a spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes?	🗌 Yes 🛛 No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	🗌 Yes 🛛 No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	🗌 Yes 🛛 No
Are the lateral extents of the release within 300 feet of a wetland?	🗌 Yes 🛛 No
Are the lateral extents of the release overlying a subsurface mine?	🗌 Yes 🛛 No
Are the lateral extents of the release overlying an unstable area such as karst geology?	🛛 Yes 🗌 No
Are the lateral extents of the release within a 100-year floodplain?	🗌 Yes 🛛 No
Did the release impact areas not on an exploration, development, production, or storage site?	🗌 Yes 🛛 No

Attach a comprehensive report (electronic submittals in .pdf format are preferred) demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined. Refer to 19.15.29.11 NMAC for specifics.

Characterization Report Checklist: Each of the following items must be included in the report.

- Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells.
- Field data
- Data table of soil contaminant concentration data
- Depth to water determination
- Determination of water sources and significant watercourses within ¹/₂-mile of the lateral extents of the release
- Boring or excavation logs
- Photographs including date and GIS information
- Topographic/Aerial maps
- Laboratory data including chain of custody

If the site characterization report does not include completed efforts at remediation of the release, the report must include a proposed remediation plan. That plan must include the estimated volume of material to be remediated, the proposed remediation technique, proposed sampling plan and methods, anticipated timelines for beginning and completing the remediation. The closure criteria for a release are contained in Table 1 of 19.15.29.12 NMAC, however, use of the table is modified by site- and release-specific parameters.

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Page 3

Received by OCD: 2/16/2022 10: Form C-141	11:53 AM					Page 21 of 25
				Incident ID		
Page 4	Oil Conservation Division			District RP		
				Facility ID		
				Application ID		
regulations all operators are required public health or the environment. T failed to adequately investigate and	a given above is true and complete to the best d to report and/or file certain release notifica The acceptance of a C-141 report by the OCD remediate contamination that pose a threat to 41 report does not relieve the operator of resp	tions and does not o groundv	perform con relieve the vater, surface	rrective actions for rele operator of liability sho water, human health	eases which may en ould their operation or the environment	danger 1s have t. In
Printed Name: <u>Connor Wal</u>	lker	Title: _	Sr. En	gineer		
Signature:				0/2022 ne <u>: 806-202-5281</u>		
OCD Only Received by:		Dat	e:			

Page 6

Signature:

OCD Only

Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: Each of the following items must be included in the closure report.
A scaled site and sampling diagram as described in 19.15.29.11 NMAC
Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)
Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)
Description of remediation activities
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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.
Printed Name: <u>Connor Walker</u> Title: <u>Sr. Engineer</u>
Signatures Data 1/10/2022

Received by: ______ Date: ______ Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.

Date: 1/10/2022

Telephone: 806-202-5281

Closure Approved by:	Date:02/16/2022
Printed Name: Jennifer Nobui	Title: Environmental Specialist A

email: cwalker@mewbourne.com

APPENDIX – D Notification Documents

Connor Walker

From: Sent: To: Cc: Subject: Robbie Runnels Thursday, October 28, 2021 8:13 AM Eads, Cristina, EMNRD Connor Walker Parkchester 24 State 3

Ms. Eads,

Mewbourne Oil Company will be sampling on Monday, November 1, through the hole in the liner to ensure no liquids were released to the ground beneath during the lightening strike on August 14.

Thank you,

Robbie Runnels Mewbourne Oil Company 575-602-2188 c. 575-393-5905 ext. 5092 o.



District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3470 Fax: (505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Operator:	OGRID:
MEWBOURNE OIL CO	14744
P.O. Box 5270	Action Number:
Hobbs, NM 88241	82063
	Action Type:
	[C-141] Release Corrective Action (C-141)

CONDITIONS

Created Condition		
By		Condition Date
jnobui	Closure Report Approved. In the future, please submit photos of the intact lined secondary containment.	2/16/2022

Page 25 of 25