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Closure Report

Tank 1 Federal #002
Lea County, New Mexico
API ID # 30-025-30112
Incident # NAPP2219950730

Prepared For:

Matador Resources
5347 N. 26th Street 2nd Floor
Artesia, NM 88210

Prepared By:

Talon/LPE
408 W. Texas Avenue
Artesia, New Mexico 88210

April 19, 2023



NMOCD

506 W. Texas Ave
Artesia, NM 88210

BLM

620 E. Greene St.
Carlsbad, NM 88220

Subject: **Closure Report**
Tank 1 Federal #002
Lea County, New Mexico
API # 30-025-30112
Incident # NAPP2219950730

To Whom It May Concern,

Matador Resources contracted Talon/LPE (Talon) to perform a liner inspection at the above referenced location. The inspection and photo documentation are presented herein.

Site Information

The Tank 1 Federal #002 is located approximately 47 miles east of Artesia, New Mexico. The legal location for this release is Unit Letter L, Section 01, Township 18 South and Range 32 East in Eddy County, New Mexico. More specifically the latitude and longitude for the release are 32.770065 and -103.725212. A Site Location Map is presented in [Appendix I](#).

Remedial Actions

On February 17, 2023, Talon mobilized personnel to the site to conduct a liner inspection. The liner was photographed [Appendix II](#), inspected, and certified intact [Appendix III](#). Talon in good faith concludes that the location meets the closure criteria required by NMOCD to close this incident [Appendix IV](#).

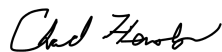
Closure

Based on this site characterization, remedial actions completed, and analytical results, we request that no further actions be required and that closure with regard to this incident be granted.

Should you have any questions or if further information is required, please do not hesitate to contact our office at 575-746-8768.

Respectfully submitted,

Talon/LPE



Chad Hensley
Project Manager

Attachments:

| | |
|--------------|------------------------------------|
| Appendix I | Site Plans |
| Appendix II | Photo Documentation |
| Appendix III | Liner Integrity Certification Form |
| Appendix IV | C-141 and Correspondence |



Appendix I


Site Maps

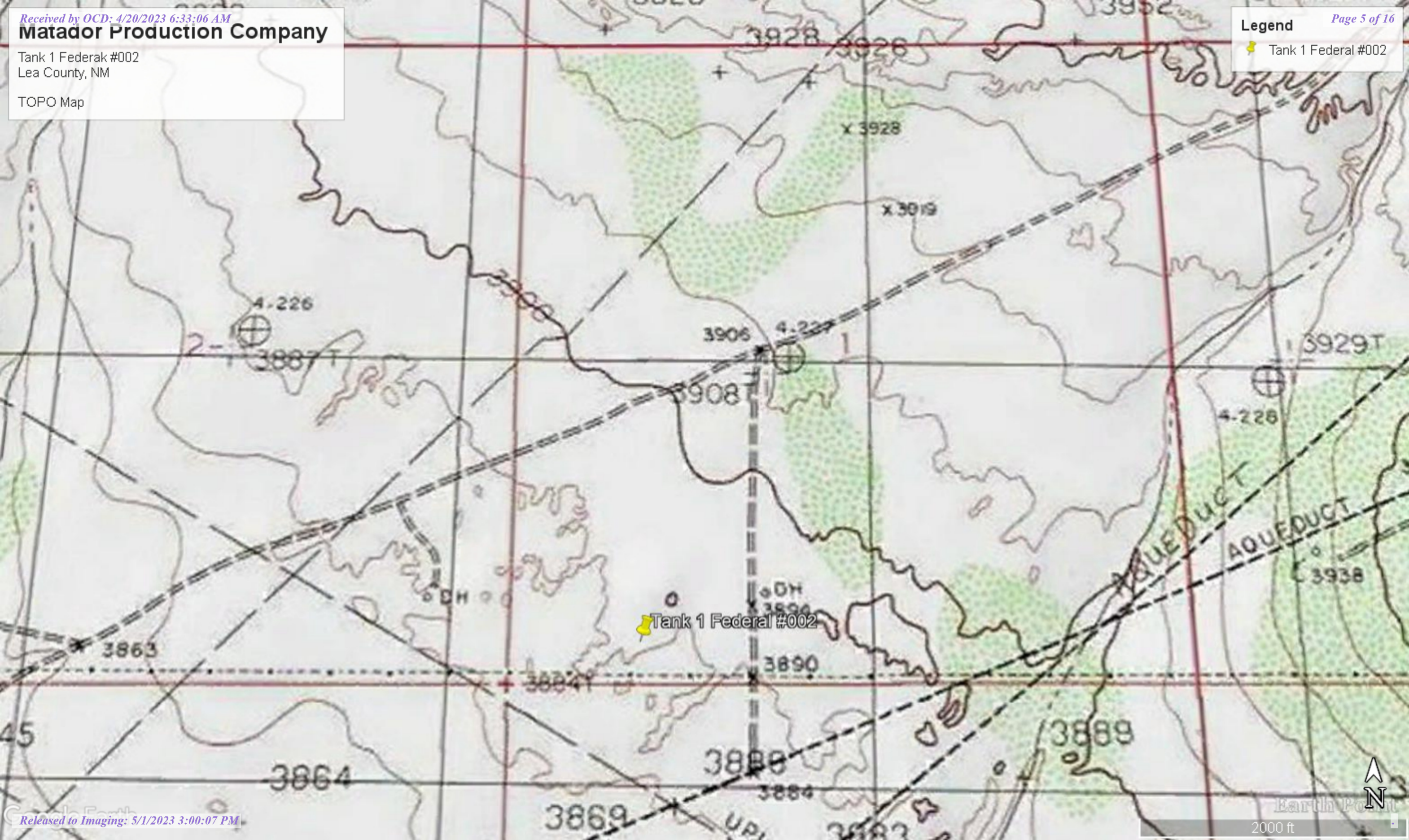
Matador Production Company

Tank 1 Federal #002
Lea County, NM

TOPO Map

Legend

 Tank 1 Federal #002

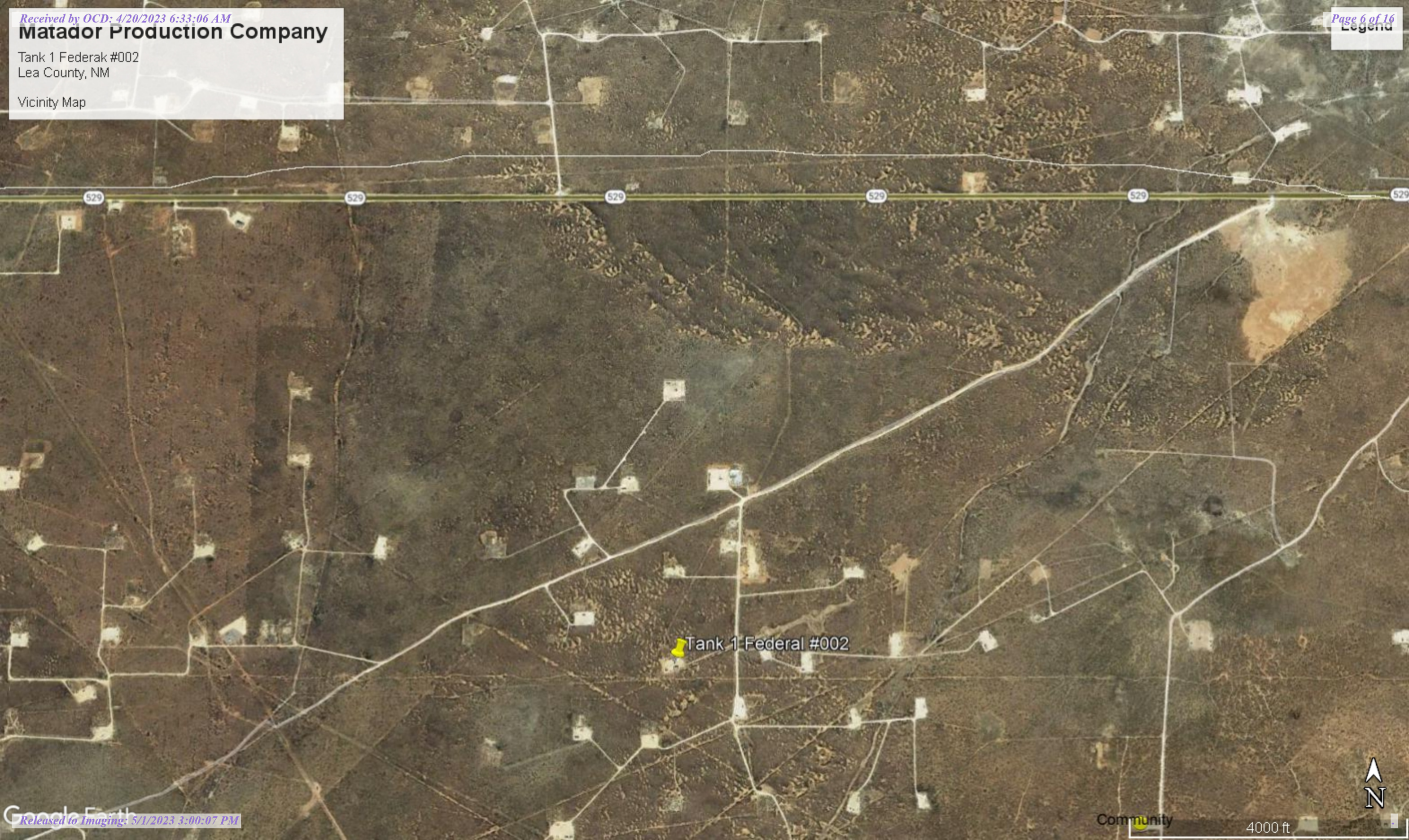


Matador Production Company

Tank 1 Federak #002
Lea County, NM

Vicinity Map

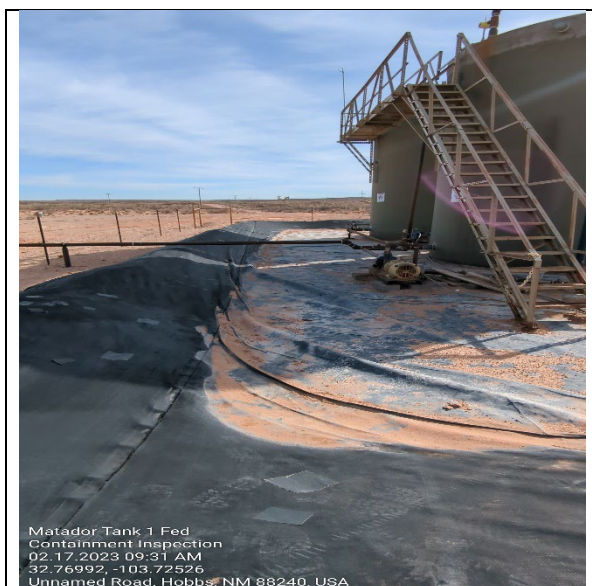
Legend





Appendix II

Photo Documentation

**Photograph No.1 Description:**

Containment Inspection.

**Photograph No.2 Description:**

Containment Inspection.

**Photograph No.3 Description:**

Containment Inspection.

**Photograph No.4 Description:**

Containment Inspection.



Liner Inspection
Matador Resources, Tank 1 Federal #002



Photograph No.5 Description:

Containment Inspection.



Photograph No.6 Description:

Containment Inspection.



Photograph No.7 Description:

Containment Inspection.



Photograph No. 8 Description:

Containment Inspection.



Liner Inspection
Matador Resources, Tank 1 Federal #002



Photograph No.9 Description:

Containment Inspection.



Photograph No.10 Description:

Containment Inspection.



Appendix III

Liner Integrity Certification Form

Liner Integrity Certification

The following serves to verify that the affected liner has been inspected and found to be in serviceable condition in accordance with 19.15.29.11 A.(5)(a)(i-ii) of the New Mexico Administrative Code.

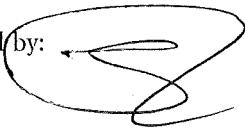
Facility ID: 30-025-30112

Date: 2/17/2023

Incident ID(s): nAPP2219950730

- ☒ Responsible Party has visually inspected the liner.
- ☒ Liner remains intact and was able to contain the leak in question.
- ☒ At least two business days' notice was given to the appropriate division district office before conducting the liner inspection.
- ☒ Photographs illustrating liner integrity are included.

Certified by:

A handwritten signature in black ink, appearing to be 'Nathan Rose', written over a circular stamp or seal.

Nathan Rose



Appendix IV

C-141 and Correspondence

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

| | |
|----------------|----------------|
| Incident ID | nAPP2219950730 |
| District RP | |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

| | | | |
|-------------------------|--|------------------------------|----------------|
| Responsible Party | Matador Resources | OGRID | 228937 |
| Contact Name | Clinton Talley | Contact Telephone | 337-319-8398 |
| Contact email | clinton.talley@matadorresources.com | Incident # (assigned by OCD) | nAPP2219950730 |
| Contact mailing address | 5347 N. 26th Street 2nd Floor, Artesia, NM 88210 | | |

Location of Release Source

Latitude 32.770065 Longitude -103.725212
(NAD 83 in decimal degrees to 5 decimal places)

| | | | |
|-------------------------|---------------------|----------------------|--------------|
| Site Name | Tank 1 Federal #002 | Site Type | Oil |
| Date Release Discovered | 7/17/2022 | API# (if applicable) | 30-025-30112 |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|--------|
| L | 01 | 18S | 32E | Lea |

Surface Owner: ☐ State ☒ Federal ☐ Tribal ☐ Private (Name: _____)

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

| | | |
|--|--|---|
| <input type="checkbox"/> Crude Oil | Volume Released (bbls) | Volume Recovered (bbls) |
| <input checked="" type="checkbox"/> Produced Water | Volume Released (bbls) 15 | Volume Recovered (bbls) 15 |
| | Is the concentration of dissolved chloride in the produced water >10,000 mg/l? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <input type="checkbox"/> Condensate | Volume Released (bbls) | Volume Recovered (bbls) |
| <input type="checkbox"/> Natural Gas | Volume Released (Mcf) | Volume Recovered (Mcf) |
| <input type="checkbox"/> Other (describe) | Volume/Weight Released (provide units) | Volume/Weight Recovered (provide units) |

Cause of Release

A hole on the incoming produced water line. All fluid released was inside containment.
A Hydro-vac was dispatched and recovered all fluid.

| | |
|----------------|----------------|
| Incident ID | nAPP2219950730 |
| 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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

Printed Name: Clinton Talley Title: EHS
Signature: *Clint Talley* Date: 4/20/2023
email: clinton.talley@matadorresources.com Telephone: 337-319-8398

OCD Only

Received by: Michael Buchanan Date: 05/01/2023

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.

Closure Approved by: Michael Buchanan Date: 05/01/2023

Printed Name: Michael Buchanan Title: Environmental Specialist

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

Action 209218

CONDITIONS

| | |
|---|---|
| Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240 | OGRID: 228937 |
| | Action Number: 209218 |
| | Action Type: [C-141] Release Corrective Action (C-141) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------------|-----------|----------------|
| michael.buchanan | None | 5/1/2023 |