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.

<u>Closure Report Attachment Checklist</u>: 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: Kathy Purvis.

Signature: Katherine Purvis

email: katherine.purvis@spurenergy.com

Title: HSE Coordinator

Date: 03/13/2023

Telephone: 575-441-8619

OCD Only

Received by: Jocelyn Harimon

Date: 03/13/2023

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: _	Robert Hamlet	Date: 7/20/2023
------------------------	---------------	-----------------

Printed Name: <u>Robert Hamlet</u>

Title: Environmental Specialist - Advanced

LINER INSPECTION AND CLOSURE REPORT REPORTABLE RELEASE

Spur Energy Partners Stonewall 9 Fee #1H Incident ID: nAPP2301134965 Eddy County, NM



Paragon Environmental LLC 1601 N. TURNER ST. STE.500 Hobbs, NM 88240 575-318-6841

GENERAL DETAILS

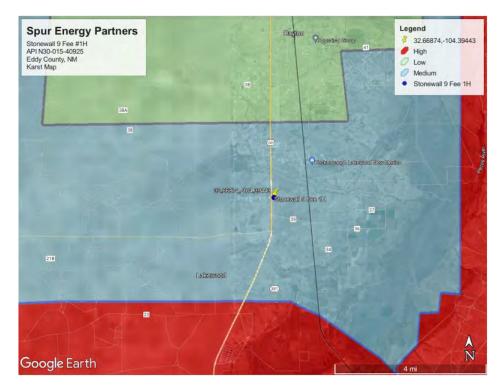
This report was prepared by Paragon Environmental LLC (Paragon) in response to the release for Spur Energy Partners (Spur) at the **Stonewall 9 Fee 1H (Stonewall)**.

API #: 30-015-40925 <u>Site Coordinates</u>: Latitude: 32.66874 Longitude: -104.39443 <u>Unit</u> UL M, Section 9, Township 19S, Range 26E <u>Incident ID:</u> nAPP2301134965

REGULATORY FRAMEWORK

Depth to Groundwater: According to the New Mexico State of Engineers Office, the nearest water data is less than 1/2 mile away and is 132 feet below ground surface (BGS), however the data is more than 25 years old. See Appendix A for details.

Soil Survey: Per the New Mexico Bureau of Geology and Mineral Resources, the geology is in the Piedmont alluvial deposits (Holocene to lower Pleistocene)—Includes deposits of higher gradient tributaries bordering major stream valleys, alluvial veneers of the piedmont slope, and alluvial fans. May locally include uppermost Pliocene deposits (QP). According to the United States Department of Agriculture Natural Resources Conservation Service soil survey, the soil in this area comprises the Reagan Loam, with 0 to 3 percent slopes. The drainage courses in this area are well-drained. The karst geology in the area of the Stonewall is in Medium Karst. See the map below.



RELEASE DETAILS

This release was due to equipment failure. The plug on top of a 4-inch check valve blew off. This resulted in the release of 8 bbls of produced water contained in the Falcon Lined Containment. A vacuum truck was dispatched and recovered 8 bbls of the fluids.

Date of Spill: 01/09/2023

Type of Spill: \Box Crude Oil \blacksquare Produced Water \Box Condensate \Box Other (Specify):

<u>Comments:</u> Reportable release. Released: 8 bbls of Produced Water Recovered: 8 bbls of Produced Water

INITIAL SITE ASSESSMENT

On January 13, 2023, Paragon went to the Stonewall and conducted an initial assessment. There was obvious staining on the liner from the spill. There were no signs outside the containment that the liner had been breached. Therefore, no samples were taken.

REMEDIATION ACTIVITIES

On February 28, 2023, Paragon returned to the site with equipment and personnel to conduct cleanup activities. We initially sprayed the affected area with a degreaser. We then power washed and squeegeed the runoff to where the vacuum truck could capture the fluids.

On February 6, 2023, Paragon returned to the site to conduct a liner inspection. A 48-hour notification was sent out to the NMOCD on February 3, 2023. The inspection concluded that the liner was intact and in good condition. The integrity of the liner appears to have the ability to contain spills. See Appendix D for the email notification and liner report.

CLOSURE REQUEST

After careful review, Paragon requests that the incident, nAPP2301134965, be closed. Spur has complied with the applicable closure requirements. If you have any questions or need additional information, please contact Tristan Jones at 575-318-6841 or <u>tristan@paragonenvironmental.net</u>.

Respectfully,

Tristan Jones Project Coordinator Paragon Environmental LLC

Chris Jones Environmental Professional Paragon Environmental LLC

Attachments

Figures:

- 1- Site Map
- 2- Торо Мар
- 3- Aerial Map

Appendices:

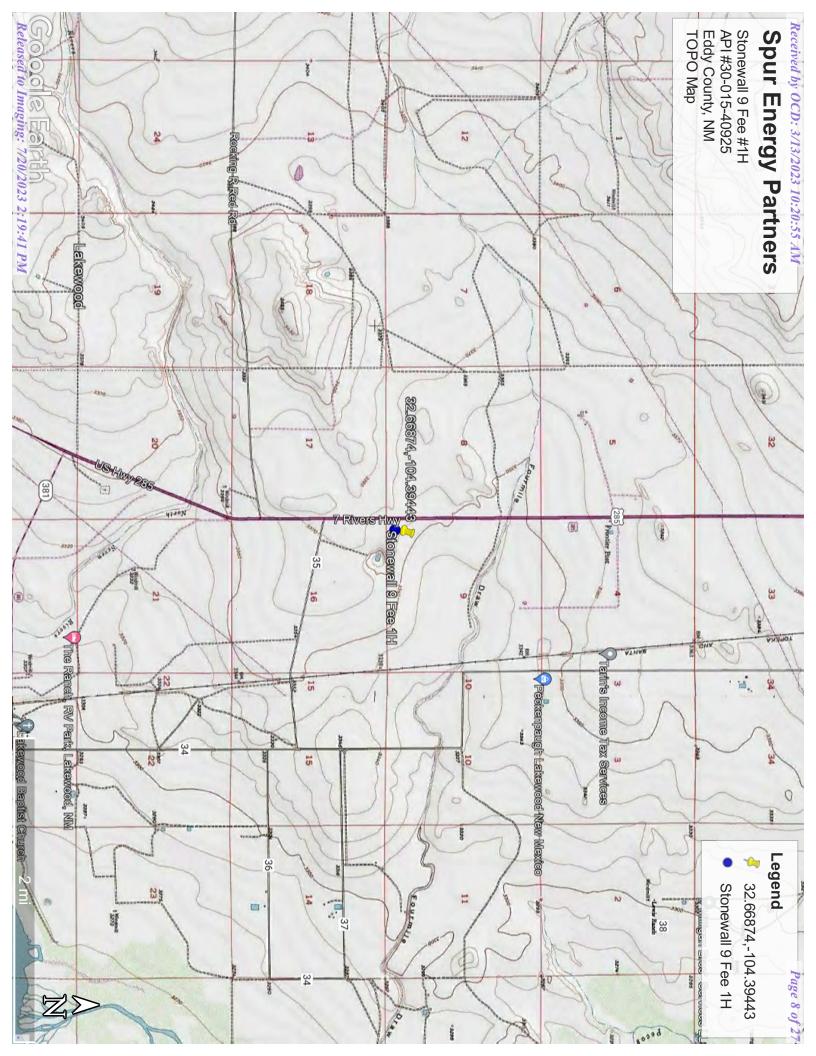
- Appendix A- Referenced Water Data
- Appendix B- Soil Survey & FEMA Flood Map
- Appendix C- C-141
- Appendix D- Email Notification, Liner Inspection, and Photographic Documentation



Figures:

- 1-Site Map
- 2- Topo Map
- 3- Aerial Map









Appendix A Referenced Water Data:

New Mexico State of Engineers Office

(A CI W###### in the										ge De	<u> </u>			
A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a	(R=POD replaced, O=orpha	ned,	L	(1_313		2-633/4-6					
water right file.)	C=the file is closed)			(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are smallest to largest) (NAD83 UTM in meters)				(In feet)						
	,	POD Sub-		QQ	Q				- / 、				V	Vater
POD Number	Code	basin	County	64 1	54	Sec	Tws	Rng	Х	Y	DistanceDe	pthWellDept		
<u>RA 05037</u>		RA	ED	1	2	17	19S	26E	556091	3614436* 🌍	748	475	132	34
RA 11018 POD1		RA	ED	3 4	2	17	19S	26E	556396	3613928* 🌍	885	260	100	16
RA 06813		RA	CH	1	1	09	19S	26E	556883	3616056* 🌍	1334	171	97	7
										Averaş	ge Depth to Wat	er:	109 fe	et
											Minimum De	epth:	97 fe	et
											Maximum De	pth:	132 fe	et
Record Count: 3														
UTMNAD83 Radius	<u>s Search (in</u>	<u>meters)</u>	<u>:</u>											
Easting (X): 556	5781 473		North	ing (1	:	3614	725.65	58		Radius: 1600				

2/22/23 3:23 PM

WATER COLUMN/ AVERAGE DEPTH TO WATER

.



Appendix B Soil Survey:

U.S.D.A. FEMA Flood Map

Eddy Area, New Mexico

RA—Reagan loam, 0 to 3 percent slopes

Map Unit Setting

National map unit symbol: 1w5c Elevation: 1,100 to 4,400 feet Mean annual precipitation: 7 to 14 inches Mean annual air temperature: 60 to 70 degrees F Frost-free period: 200 to 240 days Farmland classification: Farmland of statewide importance

Map Unit Composition

Reagan and similar soils: 98 percent Minor components: 2 percent Estimates are based on observations, descriptions, and transects of the mapunit.

Description of Reagan

Setting

Landform: Fan remnants, alluvial fans Landform position (three-dimensional): Rise Down-slope shape: Convex, linear Across-slope shape: Linear Parent material: Alluvium and/or eolian deposits

Typical profile

H1 - 0 to 8 inches: loam *H2 - 8 to 60 inches:* loam

Properties and qualities

Slope: 0 to 3 percent
Depth to restrictive feature: More than 80 inches
Drainage class: Well drained
Runoff class: Low
Capacity of the most limiting layer to transmit water
 (Ksat): Moderately high to high (0.60 to 2.00 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: None
Frequency of ponding: None
Calcium carbonate, maximum content: 40 percent
Maximum salinity: Very slightly saline to moderately saline (2.0 to 8.0 mmhos/cm)
Sodium adsorption ratio, maximum: 1.0
Available water supply, 0 to 60 inches: Moderate (about 8.2 inches)

Interpretive groups

Land capability classification (irrigated): 2e Land capability classification (nonirrigated): 6e Hydrologic Soil Group: B *Ecological site:* R042XC007NM - Loamy *Hydric soil rating:* No

Minor Components

Upton

Percent of map unit: 1 percent Ecological site: R042XC025NM - Shallow Hydric soil rating: No

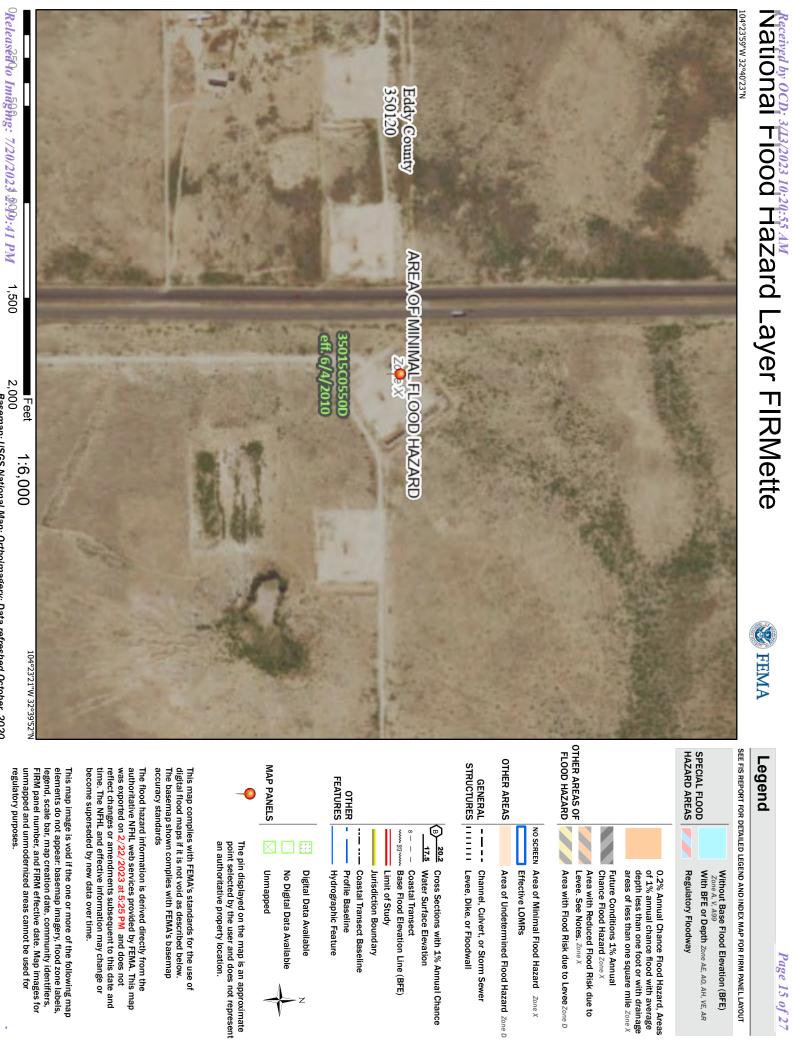
Atoka

Percent of map unit: 1 percent Ecological site: R042XC007NM - Loamy Hydric soil rating: No

Data Source Information

Soil Survey Area: Eddy Area, New Mexico Survey Area Data: Version 17, Sep 12, 2021





Basemap: USGS National Map: Orthoimagery: Data refreshed October, 2020

Page 15 of 27



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

Page 17 of 27

Incident ID	nAPP2301134965
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party	Spur Energy Partners LLC	OGRID	328947		
Contact Name	Katherine Purvis	Contact Telephone	(575) 441-8619		
Contact email	katherine.purvis@spurenergy.com	Incident # (assigned by OCD)	nAPP2301134965		
Contact mailing address	9655 Katy Freeway; Houston, TX 77024				

Location of Release Source

Latitude

32.66874

Longitude -104.39443

(NAD 83 in decimal degrees to 5 decimal places)

Site Name		STONEWALL 9	FEE #001H BAT	ΓERY	Site Type	BATTERY
Date Release	Discovered	01/09/2023			API# (if applicable)	30-015-40925
Unit Letter	Section	Township	Range		County	
М	9	19S	26E		EDDY	

Surface Owner: State Federal Tribal Private (Name: COG/CONCHO/YATES

Nature and Volume of Release

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

Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
Produced Water	Volume Released (bbls) 52 BBLS	Volume Recovered (bbls) 50 BBLS
	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)

Cause of Release

GASKET FAILURE CAUSED A PRODUCED WATER RELEASE INTO LINED CONTAINMENT

Page 2

Incident ID	nAPP2301134965
District RP	
Facility ID	
Application ID	

	Application ID						
Was this a major release as defined by 19.15.29.7(A) NMAC? If YES, for what reason(s) does the responsible party consider this a major release? THE RELEASE IS GREATER THAN 25 BBLS. If Yes No If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Yes, BY KATHY PURVIS OF SPUR ENERGY TO NMOCD VIA NOR SUBMITTED TO THE NMOCD							
PERMITTING POR	IAL						
Initial Response The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury							
 The impacted area hat Released materials hat All free liquids and response to the second second	 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 <u>not</u> been undertaken, explain why: 						
Per 19.15.29.8 B. (4) NM	Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation						

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: Katherine Purvis	Title: EHS Coordinator
Signature: <u>Katherine Purvis</u> email: katherine.purvis@spurenergy.com	Date: 01/11/2023 Telephone: (575) 441-8619
OCD Only Jocelyn Harimon Received by:	01/11/2023 Date:

Form C-141

Incident ID	NAPP2301134965
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>132</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

Received by OCD: 3/13/2023	10:20:55 AM State of New Mexico			Page 20 of 2
Form C-141			Incident ID	NAPP2301134965
Page 2	Oil Conservation Division		District RP	
			Facility ID	
			Application ID	
19.15.29.12 NMAC, however, I hereby certify that the inform regulations all operators are re- public health or the environmen- failed to adequately investigate	lines for beginning and completing the repuse of the table is modified by site- and nation given above is true and complete to the liquired to report and/or file certain release notion. The acceptance of a C-141 report by the C and remediate contamination that pose a three C-141 report does not relieve the operator of the complete the operator operator of the complete the operator operato	release-specific param best of my knowledge ar fications and perform co OCD does not relieve the at to groundwater, surfa	neters. and understand that pursues prrective actions for rele operator of liability sho ce water, human health iance with any other fee	uant to OCD rules and ases which may endanger ould their operations have or the environment. In
Signature: <u>Katherin</u>	e Purvis	Date:03/13/2023		
email: <u>katherine.purvis@sp</u>	urenergy.com	Telephone: 575-44	1-8619	
OCD Only Received by: Jocel	yn Harimon	Date:03	8/13/2023	

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

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Printed Name: Kathy Purvis.

Signature: Katherine Purvis

email: katherine.purvis@spurenergy.com

Title: HSE Coordinator

Date: 03/13/2023

Telephone: 575-441-8619

OCD Only

Received by: Jocelyn Harimon

Date: 03/13/2023

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:	Date:
Printed Name:	Title:



Appendix D:

Email Notification

Liner Inspection

Photographic Documentation

Subject: Liner Inspection Notification

Date: Friday, February 3, 2023 at 2:43:29 PM Central Standard Time

From: Tristan Jones

To: mike.bratcher@state.nm.us, Robert.Hamlet@state.nm.us, Jennifer.Nobui@state.nm.us, Chris Jones, katherine.purvis@spurenergy.com, bmoulder@spurenergy.com

All,

This is to inform you that Paragon will be conducting liner inspections on behalf of Spur Energy Partners at the referenced date on 2/6/23. We will begin these inspections at 8:00 AM and will be going in the following order. Feel free to call me so we can coordinate with you if you'd like to join us.

NAPP2301134965 - Stonewall 9 Fee 1H NAPP2226329911 / NAPP2300334023 - Big N Tasty State Com CTB NAPP2127755919 - Ouimet St. Com 2H TB NAPP2301731619 - Halberd 27 St 3H Battery

Thank you,

Tristan Jones Project Coordinator 1601 N. Turner Ste. 500 Hobbs, NM 88240 <u>tristan@paragonenvironmental.net</u> 575-318-6841



Paragon Environmental LLC

Liner Inspection Form

Company Name:

Name: SPUT

Site:

Stone wall 9 Fee 1 H 32.66874, - 104.39413

Energy

7/3/23

Lat/Long:

NMOCD Incident ID & Incident Date:

2-Day Notification Sent:

Inspection Date:

Liner Type:

NAPP2301134965	1-9-23
	1 .

2/6/23		
Earthen w/liner	Earthen no liner	Polystar
Steel w/poly liner	Steel w/spray epoxy	No Liner

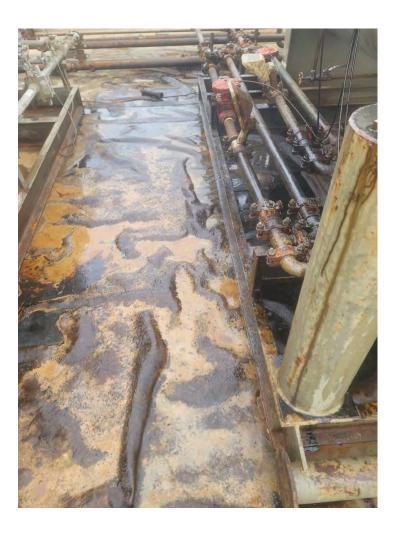
Other:

Visualization	Yes	No	Comments
Is there a tear in the liner?		1	
Are there holes in the liner?	1	\checkmark	
Is the liner retaining any fluids?	\checkmark	AXX	retaining Vain water
Does the liner have integrity to contain a leak?	\checkmark		
Comments: Site	is	9000	/
Inspector Name: Tris		-	nes Inspector Signature:



Photographic Documentation

Before Remediation





Received by OCD: 3/13/2023 10:20:55 AM

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Photographic Documentation

Post Remediation





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

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:
Spur Energy Partners LLC	328947
9655 Katy Freeway	Action Number:
Houston, TX 77024	196162
	Action Type:
	[C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
rhamlet	We have received your closure report and final C-141 for Incident #NAPP2301134965 STONEWALL 9 FEE #001H BATTERY, thank you. This closure is approved.	7/20/2023

CONDITIONS

Action 196162