



September 13, 2023

New Mexico Energy and Natural Resources Department

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

**Re: Closure Request
Rustler Breaks SWD #002
Incident Number nAPP2322072885
Eddy County, New Mexico**

To Whom It May Concern:

Ensolum, LLC (Ensolum), on behalf of Matador Production Company (Matador), has prepared this *Closure Request* summarizing the response efforts and liner integrity inspection activities performed at the Rustler Breaks SWD #002 (Site) in Unit E, Section 06, Township 24 South, Range 28 East, in Eddy County, New Mexico (Figure 1). The purpose of the liner integrity inspection was to determine if the lined secondary containment was capable of containing the produced water release that occurred on August 8, 2023, and whether impacts to soil in the areas immediately surrounding the containment liner occurred. Based on field observations during the liner integrity inspection, Matador is submitting this *Closure Request* and requesting closure for Incident Number nAPP2322072885.

SITE DESCRIPTION AND RELEASE SUMMARY

The Site is located in Eddy County, New Mexico (32.25131°, -104.13468°) and is associated with oil and gas exploration and production operations on Private Land.

On August 8, 2023, a power outage caused tanks to overflow inside the lined concrete secondary containment resulting in the release of 340 barrels (bbls) of produced water; A vacuum truck successfully recovered all 340 bbls of produced water. Matador reported the release to the New Mexico Oil Conservation Division (NMOCD) on a Release Notification Form C-141 (Form C-141, Appendix A) on August 14, 2023; The release was assigned Incident Number nAPP2322072885. A 48-hour advance notice of liner inspection was provided via email to the NMOCD office on August 21, 2023. A liner integrity inspection was conducted by Ensolum personnel following fluid recovery and upon inspection, the liner was determined to be intact and had the ability to contain the release in question.

SITE CHARACTERIZATION AND CLOSURE CRITERIA

The Site was characterized to assess the applicability of Table I, Closure Criteria for Soils Impacted by a Release, of Title 19, Chapter 15, Part 29 (19.15.29) of the New Mexico Administrative Code (NMAC). Results from the characterization desktop review are presented on page 3 of the Form C-141, Site Assessment/Characterization. Potential Site receptors are identified on Figure 1.

The closest permitted groundwater well with depth to groundwater data is New Mexico Office of the State Engineer (NMOSE) well C 04085 POD2 with a depth to water measurement greater than 100 feet

below ground surface (bgs). The well is located 0.91 miles northeast of the Site and the most recent documented water level measurement was collected on October 7, 2018. All wells used for depth to groundwater determinations are depicted on Figure 1 and the referenced well records are included in Appendix B.

The closest continuously flowing or significant watercourse to the Site is an intermittent dry wash, located approximately 4,383 feet east of the Site. The Site is greater than 200 feet from a lakebed, sinkhole, or playa lake and greater than 300 feet from an occupied residence, school, hospital, institution, church, or wetland. The Site is greater than 1,000 feet to a freshwater well or spring and is not within a 100-year floodplain or overlying a subsurface mine. The Site is underlain by unstable geology (high potential karst designation area). Site receptors are identified on Figure 1.

Based on the results of the Site Characterization, the following NMOCD Table I Closure Criteria (Closure Criteria) apply:

- Benzene: 10 milligrams per kilogram (mg/kg)
- Benzene, toluene, ethylbenzene, and total xylenes (BTEX): 50 mg/kg
- Total petroleum hydrocarbons (TPH): 100 mg/kg
- Chloride: 600 mg/kg

LINER INTEGRITY INSPECTION

On August 24, 2023, Ensolum personnel competent in conducting liner inspections, arrived onsite to visually inspect the integrity of the containment liner. Photographs taken during the liner inspection are included in Appendix C. Prior to conducting the inspection, NMOCD was provided with a 48-hour liner inspection notification via email on August 21, 2023 (Appendix D). Ensolum personnel verified there was no visual evidence of a breach in the concrete containment or the sprayed in liner or any visible staining in the areas immediately surrounding the containment walls. It was determined the liner remains intact and had to the ability to contain the release in question.

CLOSURE REQUEST

Following the liner integrity inspection at the Site, it was determined that the release was contained laterally and vertically by the lined concrete secondary containment and all released fluids were recovered during initial response activities. Based on initial response efforts, depth to groundwater greater than 100 feet bgs, and a lack of visual evidence indicating that the release breached the containment liner, Matador respectfully requests closure for Incident Number nAPP2322072885.

Rustler Breaks SWD #002



If you have any questions or comments, please contact Ms. Ashley Giovengo at (575) 988-0055 or agiovengo@ensolum.com.

Sincerely,
Ensolum, LLC

A handwritten signature in black ink, appearing to read "Ashley Giovengo".

Ashley Giovengo
Senior Engineer

A handwritten signature in black ink, appearing to read "Daniel R. Moir".

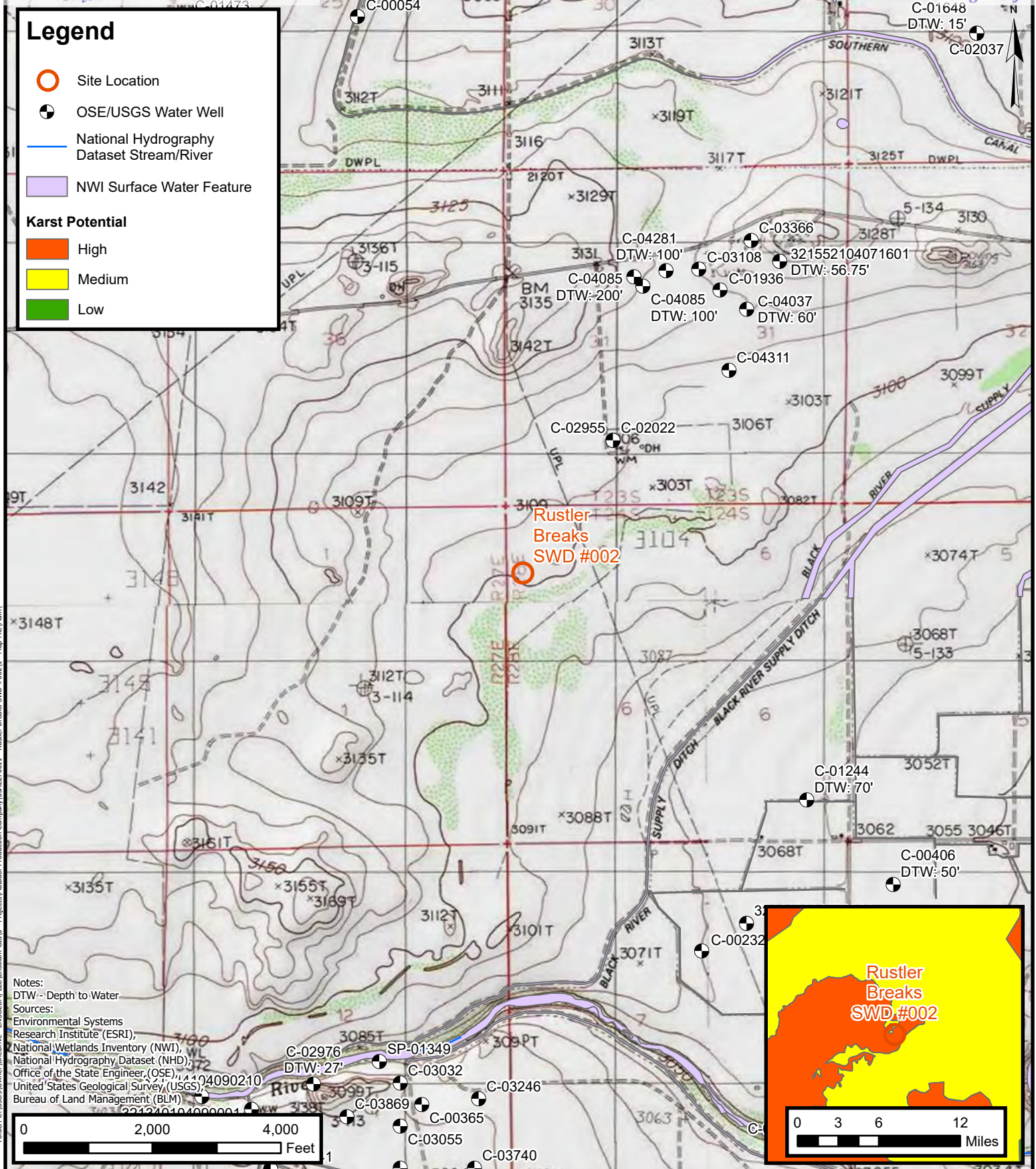
Daniel R. Moir, PG
Senior Managing Geologist

Appendices:

Figure 1	Site Receptor Map
Appendix A	Form C-141
Appendix B	Referenced Water Well
Appendix C	Photographic Log
Appendix D	NMOCD Correspondence



FIGURES



Site Receptor Map

Matador Production Company
Rustler Breaks SWD #002
Incident Number: nAPP2322072885
Unit E, Section 06, T 24S, R 28E
Eddy County, New Mexico

FIGURE

1



APPENDIX A

C-141 Form

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	nAPP2322072885
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party Matador Production Company	OGRID 228937
Contact Name Clint Talley	Contact Telephone (337) 319-8398
Contact email clinton.talley@matadorresources.com	Incident # <i>(assigned by OCD) nAPP2322072885</i>
Contact mailing address 5400 Lyndon B Johnson Fwy, Dallas, Texas 75240	

Location of Release Source

Latitude 32.25131 Longitude -104.13468
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Rustler Breaks SWD #002	Site Type SWD
Date Release Discovered 08/08/2023	API# (if applicable)

Unit Letter	Section	Township	Range	County
E	06	24S	28E	Eddy

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) 340 bbls	Volume Recovered (bbls) 340 bbls
	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:

Power outage caused tanks to overflow inside lined secondary containment. All fluid was recovered by means of vac truck.


Spill Volume Calculation: Containment size and fluid depth inside containment.

Incident ID	nAPP2322072885
District RP	
Facility ID	
Application ID	

Was this a major release as defined by 19.15.29.7(A) NMAC? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release? Volume exceeded 25 bbls.
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Immediate notice was given to NMOCD on 08/08/2023 via website.	

Initial Response

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

<input checked="" type="checkbox"/> The source of the release has been stopped. <input checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input checked="" type="checkbox"/> 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) 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: <u>Clint Talley</u>	Title: <u>EHS Supervisor</u>
Signature: <u></u>	Date: <u>08/09/2023</u>
email: <u>Clinton.talley@matadorresources.com</u>	Telephone: <u>337-319-8398</u>
<u>OCD Only</u>	
Received by: <u>Shelly Wells</u>	Date: <u>8/15/2023</u>

Incident ID	nAPP2322072885
District RP	
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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>100</u> (ft bgs)
Did this release impact groundwater or surface water?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a wetland?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying a subsurface mine?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying an unstable area such as karst geology?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release within a 100-year floodplain?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Did the release impact areas not on an exploration, development, production, or storage site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 ½-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.

State of New Mexico
Oil Conservation Division

Page 4

Incident ID	nAPP2322072885
District RP	
Facility ID	
Application ID	

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: Clint Talley Title: EHS Supervisor

Signature: *Clint Talley* Date: 08/09/2023

email: Clinton.talley@matadorresources.com Telephone: 337-319-8398

OCD Only

Received by: _____ Date: _____

Incident ID	nAPP2322072885
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: Clint Talley Title: EHS Supervisor

Signature:  Date: 09/19/2023

email: Clinton.talley@matadorresources.com Telephone: 337-319-8398

OCD Only

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.

Closure Approved by: _____ Date: _____

Printed Name: _____ Title: _____

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 251934

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 251934
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
scwells	None	8/15/2023



APPENDIX B


Referenced Water Well



New Mexico Office of the State Engineer

Point of Diversion Summary

(quarters are 1=NW 2=NE 3=SW 4=SE)
 (quarters are smallest to largest) (NAD83 UTM in meters)

Well Tag	POD Number	Q64	Q16	Q4	Sec	Tws	Rng	X	Y
NA	C 04085 POD2	2	4	1	31	23S	28E	582083	3569982 

Driller License: 1778	Driller Company: THIRD GENERATION DRILLING
Driller Name: TRAVIS MANN	
Drill Start Date: 10/07/2018	Drill Finish Date: 10/10/2018
Log File Date: 11/05/2018	PCW Rcv Date:
Pump Type:	Pipe Discharge Size:
Casing Size: 5.00	Depth Well: 240 feet
	Plug Date:
	Source: Shallow
	Estimated Yield: 15 GPM
	Depth Water: 100 feet

Water Bearing Stratifications:	Top	Bottom	Description
	160	180	Sandstone/Gravel/Conglomerate

Casing Perforations:	Top	Bottom
	140	240



APPENDIX C

Photographic Log

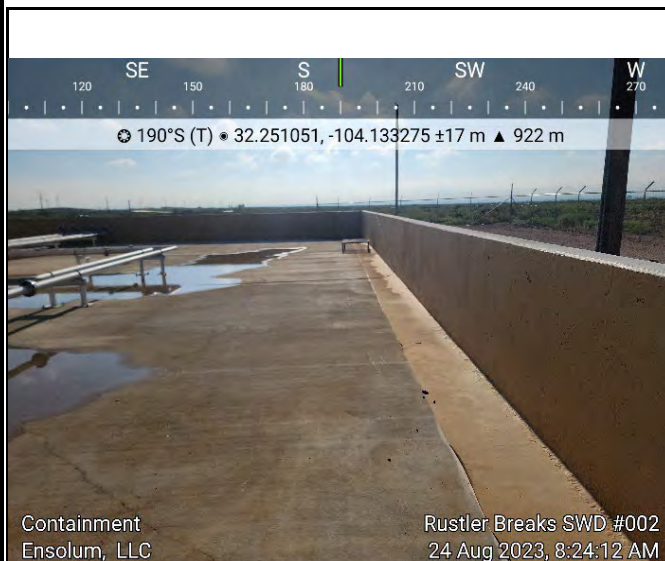


Photographic Log

Matador Production Company Site

Name: Rustler Breaks SWD #002

Incident Number: nAPP2322072885

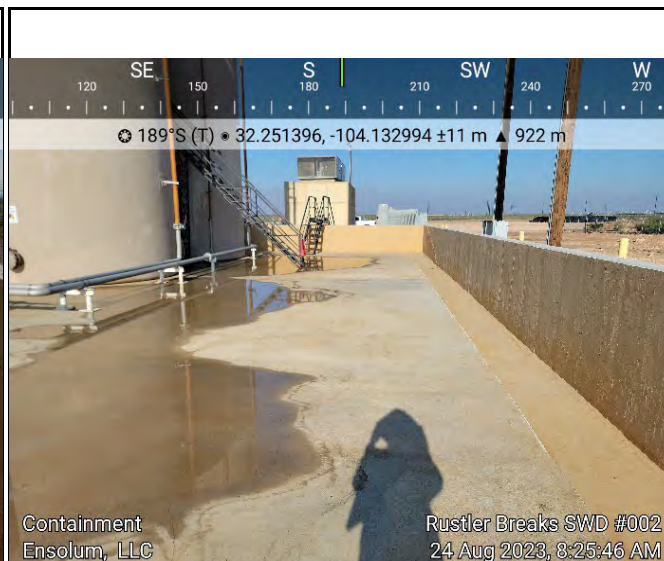


Photograph 1

Date: 08/24/2023

Description: Containment

View: South

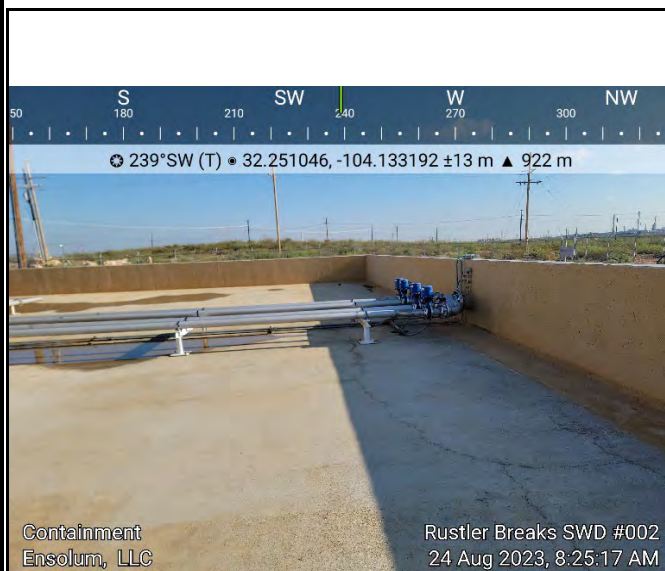


Photograph 2

Date: 08/24/2023

Description: Containment

View: West

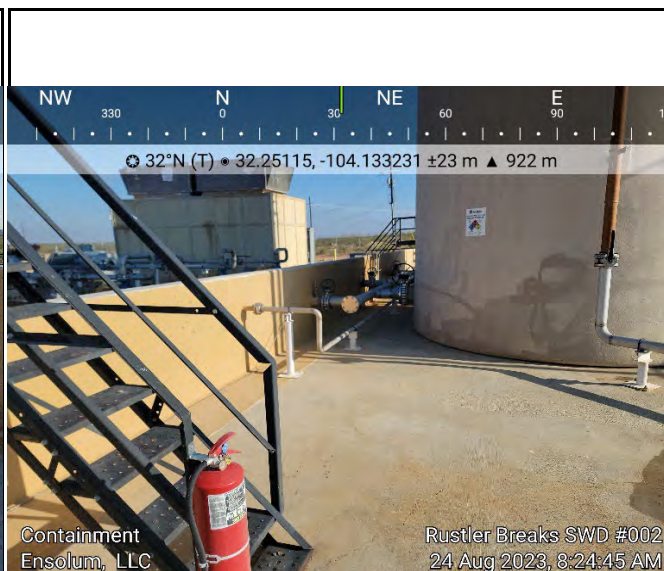


Photograph 3

Date: 8/24/2023

Description: Containment.

View: Southwest



Photograph 4

Date: 8/24/2023

Description: Containment.

View: Northeast



APPENDIX D

NMOCD Correspondence

From: [Ashley Giovengo](#)
To: [Enviro, OCD, EMNRD](#)
Cc: [Cole Burton](#); [Chad Hamilton](#); clinton.talley@matadorresources.com
Subject: RE: 48-hour Liner Inspection Notification - Matador Production Company - Rustler Breaks SWD #002 - nAPP2322072885
Date: Monday, August 21, 2023 10:39:14 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)

Apologies, please see the correct date.

Hello,

We intend to perform a liner integrity inspection at Matador's Rustler Breaks SWD #002 site (nAPP2322072885) on Thursday, August 24, 2023, at 09:00 am MST.

Please let us know if you plan to be onsite to oversee the inspection.

Thanks,



Ashley Giovengo

Senior Engineer

575-988-0055

Ensolum, LLC

in f 

From: Ashley Giovengo
Sent: Monday, August 21, 2023 10:24 AM
To: Enviro, OCD, EMNRD <ocd.enviro@emnrd.nm.gov>
Cc: Cole Burton <cburton@ensolum.com>; Chad Hamilton <chamilton@ensolum.com>; clinton.talley@matadorresources.com
Subject: 48-hour Liner Inspection Notification - Matador Production Company - Rustler Breaks SWD #002 - nAPP2322072885

Hello,

We intend to perform a liner integrity inspection at Matador's Rustler Breaks SWD #002 site (nAPP2322072885) on Thursday, August 21, 2023, at 09:00 am MST.

Please let us know if you plan to be onsite to oversee the inspection.

Thanks,



Ashley Giovengo

Senior Engineer

575-988-0055

Ensolum, LLC

in f 

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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 267307

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 267307
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
rhamlet	We have received your Remediation Closure Report for Incident #NAPP2322072885 RUSTLER BREAKS SWD #002, thank you. This Remediation Closure Report is approved. Areas reasonably needed for production or subsequent drilling operations will need to be reclaimed and revegetated as soon as they are no longer reasonably needed. A report for reclamation and revegetation including pictures of the contoured backfilled excavation surface and a thorough discussion on reseeding mixture, vegetation ratio, timelines, etc., will need to be submitted and approved prior to this incident receiving the final status of "Restoration Complete".	2/13/2024