Incident Details

Liberty Lift was in the process of pumping out of the jet nozzle when the ja pump pressured up causing the PRV to relieve. The operation was sput down and fluid was immediately removed. 15 bbls. of fluid was released to the lined secondary containment.

Volume of the release was confirmed with the vac truck. Fluid was transported back to the tank and gauged.

U.S. Fish and Wildlife Service

National Wetlands Inventory

2- Watercourse - Chiso State 14 Battery- 2

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November 30, 2023

Wetlands

- Estuarine and Marine Deepwater
- Estuarine and Marine Wetland

- Freshwater Pond

Freshwater Emergent Wetland

Freshwater Forested/Shrub Wetland

Lake Other Riverine

This map is for general reference only. The US Fish and Wildlife Service is not responsible for the accuracy or currentness of the base data shown on this map. All wetlands related data should be used in accordance with the layer metadata found on the Wetlands Mapper web site.

U.S. Fish and Wildlife Service National Wetlands Inventory

Page 3 of 120 03- Lakebed- Chiso State 14 Battery- 19,07



Wetlands

- Estuarine and Marine Deepwater
 - Estuaring and Marine Watla

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- Estuarine and Marine Wetland
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- Freshwater Forested/Shrub Wetland
- Freshwater Pond

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National Wetlands Inventory (NWI)

This page was produced by the NWI mapper

U.S. Fish and Wildlife Service



National Wetlands Inventory (NWI)



BTA Oil Producers LLC	Inspection Date:	11/22/2023
Chiso State 14 Battery	Report Run Date:	11/27/2023 10:19 AM
Kelton Baird	API #:	
432-312-2203		
	Project Owner:	
	Project Manager:	
Summary of Times		
11/22/2023 9:51 AM		
11/22/2023 12:19 PM		
	BTA Oil Producers LLC Chiso State 14 Battery Kelton Baird 432-312-2203 11/22/2023 9:51 AM 11/22/2023 12:19 PM	BTA Oil Producers LLCInspection Date:Chiso State 14 BatteryReport Run Date:Kelton BairdAPI #:432-312-2203Project Owner:Project Owner:Project Manager:11/22/2023 9:51 AM11/22/2023 12:19 PM

.



Run on 11/27/2023 10:19 AM UTC

•



Field Notes

12:19 Arrived on site to complete liner inspection for tank battery area. Completed safety paperwork upon arrival.

12:18 Outside of containment looks to be clean and there is no sign of a breach.

12:18 There does not appear to be anything significant damage inside or outside the containment wall.

12:20 The floor of the liner does not appear to have any significant damage. There is only a oil standing inside of the south corner, close to the release point. No damage on the wall for any side.

Next Steps & Recommendations





Run on 11/27/2023 10:19 AM UTC

















Inside side wall SW corner. Next to release point. Between battery 2 and 3

Run on 11/27/2023 10:19 AM UTC

2 and 3











Daily Site Visit Signature

Inspector: Deusavan Costa Filho	
Signature:	Signature

Run on 11/27/2023 10:19 AM UTC

•



BTA Oil Producers LLC	Inspection Date:	11/22/2023
Chiso State 14 Battery	Report Run Date:	11/27/2023 10:19 AM
Kelton Baird	API #:	
432-312-2203		
	Project Owner:	
	Project Manager:	
Summary of Times		
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Run on 11/27/2023 10:19 AM UTC

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VERTEX

Page 18 of 120

Field Notes

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Next Steps & Recommendations



Site Photos Viewing Direction: Southwest Viewing Direction: Southeast NW corner of inspected tank battery NE corner of inspected tank battery Viewing Direction: Northeast Viewing Direction: Northwest Wed Nov 22 11:23:56 MST 202 1.23.25 MST 202 ng: 336° N24W, 5973mils (True SE corner of inspected tank battery SE corner of inspected tank battery

Run on 11/27/2023 10:19 AM UTC

















Inside side wall SW corner. Next to release point. Between battery 2 and 3

Run on 11/27/2023 10:19 AM UTC

2 and 3











Daily Site Visit Signature

Inspector: Deusavan Costa Filho	
Signature:	Signature

•

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	NAPP2331047481
District RP	
Facility ID	FAPP2129434580
Application ID	

Release Notification

Responsible Party

Responsible Party: BTA Oil Producers	OGRID: 260297
Contact Name: Kelton Beaird	Contact Telephone: 432-312-2203
Contact email: kbeaird@btaoil.com	Incident # (assigned by OCD) napp2331047481
Contact mailing address: 104 S. Pecos, Midland, TX 79706	

Location of Release Source

Latitude 32.38474_

Longitude -103.43564_ (NAD 83 in decimal degrees to 5 decimal places)

Site Name: Chiso State 14 Battery	Site Type: Tank Battery
Date Release Discovered: 11-3-23	API# (if applicable)

Unit Letter	Section	Township	Range	County
Р	14	22S	34E	Lea

Surface Owner: State Federal Tribal Private (Name: Merchant

Nature and Volume of Release

Materia	l(s) Released (Select all that apply and attach calculations or specific	; justification for the volumes provided below)
Crude Oil	Volume Released (bbls) 15	Volume Recovered (bbls) 15
Produced Water	Volume Released (bbls)	Volume Recovered (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: A thir	d party company was in the process of pumping out of	the jet nozzle of the jet pump, when the vibration caused
the PRV to fail and reliev	ve. All fluid released stayed in the lined secondary cont	ainment. A vac truck recovered all released fluids
Method for determining	volume: All recovered fluid was placed into an isolated	d tank and gauged to determine the amount.

Oil Conservation Division

Incident ID	NAPP2331047481
District RP	
Facility ID	
Application ID	

Was this a major release as defined by	If YES, for what reason(s) does the responsible party consider this a major release?
19.15.29.7(A) NMAC?	
🗌 Yes 🖾 No	
If YES, was immediate ne	ptice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?

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: Kelton Beaird	Title: Environmental Manager
Signature:	Date: 11-6-23
email:kbeaird@btaoil.com	Telephone: 432-312-2203
OCD Only	
Received by: <u>Shelly Wells</u>	Date: <u>11/6/2023</u>

Page 2

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:
BTA OIL PRODUCERS, LLC	260297
104 S Pecos	Action Number:
Midland, TX 79701	283090
	Action Type:
	[C-141] Release Corrective Action (C-141)

CONDITIONS

Created By Condition scwells None

CONDITIONS

Action 283090

Condition Date

11/6/2023

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New Mexico Office of the State Engineer **Point of Diversion Summary**

			(quarte	ers are 1=	NW 2=	=NE 3=SW	4=SE)			
			(quar	ters are si	nallest	to largest)		(NAD83 U	TM in meters)	
Well Tag	POI) Number	Q64	Q16 Q	4 Se	c Tws	Rng	Х	Y	
2062A	CP	01682 POD1	1	2 2	2 23	3 22S	34E	647164	3583992 🌍	
x Driller Lice	ense:	421	Driller	Comp	any:	GL	ENN'S	WATER WE	LL SERVICE	
Driller Nan	ne:	CORKY GLENN								
Drill Start	Date:	09/10/2019	Drill F	inish D	ate:	0	9/13/20	19 Pl	ug Date:	
Log File Da	nte:	09/19/2019	PCW I	Rev Dat	te:			So	urce:	Shallow
Pump Type	:		Pipe D	ischarg	e Size	e:		Es	timated Yield:	15 GPM
Casing Size	:	8.13	Depth	Well:		2	94 feet	De	pth Water:	42 feet
х	Wate	er Bearing Stratific	cations:	,	Гор	Bottom	Desc	ription		
					42	56	Sand	stone/Grave	/Conglomerate	
					68	92	Sand	stone/Grave	/Conglomerate	
					242	274	Shale	e/Mudstone/	Siltstone	
х		Casing Perfo	orations:	,	Гор	Bottom	l			
					0	294				

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

11/30/23 4:04 PM

POINT OF DIVERSION SUMMARY



WELL RECORD & LOG

OFFICE OF THE STATE ENGINEER

www.ose.state.nm.us

	OSE POD NO.	(WELL NO),)		WELL TAG ID NO.			OSE FILE NO(S).	• <u>·</u>		
NO	CP-1682-POD1 South 2 2062A						CP-1682					
DCATH	WELL OWNER NAME(S) Merchant Livestock Company/Glenn's Water Well Service, Inc.						PHONE (OPTIONAL) 575-398-2424					
TT	WELL OWNER MAILING ADDRESS						CITY		STATE STATE	ŹIP		
WEI	PO Box 692							Tatum NM 88267				
ą	WELL DEGREES MINUTES SECONDS											
AL/	LOCATION		TITUDE	22	22 59.66 N * ACCURACY			Y REQUIRED: ONE TENTH OF A SECOND				
NER	(FROM GPS	5) LO	ONGITUDE -103 26 7.87 W					* DATUM REQUIRED: WGS 84				
1. GE	DESCRIPTION RELATING WELL LOCATION TO STREET ADDRESS AND COMMON LANDMARKS – PLSS (SECTION, TOWNSHIP, RANGE) WHERE AVAILABLE NW 1/4 NE1/4 NE1/4 Section 23, Township 22 South, Range 34 East on Merchant Livestock Company Land											
	LICENSE NO.		NAME OF LICENSED	DRILLER					NAME OF WELL DR	ILLING COMPANY		
	WD 421 Corky Glenn					Gienn's Water Well Service, Inc.						
	DRILLING STARTED DRILLING ENDED 09/10/19 09/13/19			DEPTH OF COMPLETED WELL (FT) BORE HOLD 294 2			le depth (ft) 294) DEPTH WATER FIRST ENCOUNTERED (FT) 42				
Z	COMPLETED WELL IS:			DRY HOLE SHALLOW (UNCONFINED)				STATIC WATER LEVEL IN COMPLETED WELL (FT) 31		LL (FT)		
VTI0	DRILLING FLUID: AIR MUD ADDITIVES – SPECIFY:											
ORMA	DRILLING METHOD: TROTARY HAMMER CABLE TOOL OTHER - SPECIFY:											
INF	DEPTH (feet bgl) BOR		BORE HOLE	CASING MATERIAL AND/OR GRADE (include each casing string, and TY		SING	CASING	CASING WALL	SLOT			
SING	FROM TO		DIAM (inches)			CONNECTION TYPE		INSIDE DIAM.	THICKNESS (inches)	SIZE (inches)		
CAS	0	22.5'	20"	note se	et 12 3/4" OD		(add coupling diameter) Plain End		12.25	.25		
G&	0 294'		20"	Steel Casin	ig 8 5/8" / 8.625"	OD	Pla	in End	8.125	.25	1/8"	
ΓIN				Bottor	n 252 Perforated	·· · ł						
RIL				-								
2. 1												
		<u>. </u>										
	DEPTH	fant Lall		L		L				<u> </u>	L	
T	EPOM TO DIAM. (inches)		LIST ANNULAR SEAL MATERIAL AND GRAVEL PACK SIZE-RANGE BY INTERVAL			ND RVAL	AMOUNT METHOD OF (cubic feet) PLACEMENT		D OF IENT			
ERLA		22.5'	22.5' 20" Cemented Redi Mix			ix		Fill to Top	Top Po	Top Pour		
ELATI	0 294' 20"			3/8" Veilmore Gravel				18.52 CY Top I		our		
R M					· · · · · · · · · · · · · · · · · · ·	·····						
ULA												
NN												
3. /												
FOR	OSE INTERN	JAT USE						W/D-2/	WELL RECORD	Pr I OC (Varaian 06/2)	1/1 7 1	

	FOR OSE INTERNAL OSE		WK-20 WELL KECOKD & LOO (VEISIO	1 00/30/17
	FILE NO. CP- 1682	POD NO.	TRN NO. 632044	
1	LOCATION 212 Ser 23 TZZS R	34E wei	LL TAG ID NO. 2062.A	PAGE 1 OF 2

1

				· · · · · · · · · · · · · · · · · · ·						
	DEPTH (feet bgl)					ESTIMATED				
	FROM	то	THICKNESS (feet)	WATER BEARING? (YES / NO)	YIELD FOR WATER- BEARING ZONES (gpm)					
	0	6	6	Soil	Y √N					
	6	9	3	Soil & Sand	Y √N					
	9	16	7	Caliche	Y ✓N					
	16	20	4	Clay & Sand	Y ✓N					
	20	42	22	Red Clay	Y ✓ N					
ŗ	42	56	14	Brown Sandrock	✓Y N	5.00				
VEL	56	63	7	Red Clay	Y ✓N					
OF	63	68	5	White & Green Clay	Y VN					
0G	68	92	24	Brown Sandrock	✓Y N	9.00				
ICL	92	122	30	Red Clay	Y ✓ N					
901	122	128	6	Brown Shale	Y ✔N					
EOI	128	165	37	Red Clay with Stringers of Brown Sandrock	Y ✔ N					
ROG	165	187	22	Brown Shale	Y ✓ N	·· ···································				
QXE	187	225	38	Red Clay & Red Shale	Y ✓ N					
4	225	242	17	Brown Shale	Y ✓ N					
	242	274	32	Blue Sandrock & Shale	✓Y N	1.00				
	274	294	20	Red Shale	Y VN					
					Y N					
					Y N					
					Y N					
					Y N					
	METHOD U	SED TO ES	TIMATE YIELD	OF WATER-BEARING STRATA: TOT	L ESTIMATED					
	PUMI		LL YIELD (gpm):	15.00						
Z	WELL TEST RESULTS - ATTACH A COPT OF DATA COLLECTED DURING WELL TESTING, INCLUDING DISCHARGE METHOD, START TIME, END TIME, AND A TABLE SHOWING DISCHARGE AND DRAWDOWN OVER THE TESTING PERIOD.									
ISIC	I MISCELLANEOUS INFORMATION:									
ERV										
SUP										
S 91										
ST; J										
. TE	PRINT NAME(S) OF DRILL RIG SUPERVISOR(S) THAT PROVIDED ONSITE SUPERVISION OF WELL CONSTRUCTION OTHER THAN LICENSEE:									
Ń	Travis Glenn License # 1719 (Glenn's Water Well Service, Inc.)									
	THE UNDERSIGNED HEREBY CERTIFIES THAT TO THE REST OF HIS OR HER KNOWLEDGE AND BELIEF THE FOREGOING IS A TRUE AND									
RE	CORRECT RECORD OF THE ABOVE DESCRIBED HOLE AND THAT HE OR SHE WILL FILE THIS WELL RECORD WITH THE STATE ENGINEER									
ATU	AND THE PERMIT HOLDER WITHIN 30 DAYS AFTER COMPLETION OF WELL DRILLING:									
NDI	A b. Corky Glenn al. Alia									
6. S	lorg of The									
		SIGNAT	URE OF DRILLE	R / PRINT SIGNEE NAME	DATE					
FO	R OSE INTERI	NAL USE		WR-20 WELL RI	ECORD & LOG (Ve	rsion 06/30/2017)				
FIL	ENO. CP	- 1682	2	POD NO.) TRN NO. 6	32044					
LO	CATION	212	Ser 23	T22S R 34E WELL TAG ID NO. 7	062A	PAGE 2 OF 2				

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Incident Details

Liberty Lift was in the process of pumping out of the jet nozzle when the ja pump pressured up causing the PRV to relieve. The operation was sput down and fluid was immediately removed. 15 bbls. of fluid was released to the lined secondary containment.

Volume of the release was confirmed with the vac truck. Fluid was transported back to the tank and gauged.



Incident Number: nAPP2331047481

Release Assessment and Closure

Chiso State 14 Battery Section 14, Township 22 South, Range 34 East County: Lea Vertex File Number: 23E-05785

Prepared for: BTA Oil Producers, LLC

Prepared by: Vertex Resource Services Inc.

Date: December 2023
Release Assessment and Closure Chiso State 14 Battery Section 14, Township 22 South, Range 34 East County: Lea

Prepared for: BTA Oil Producers 104 S. Pecos Midland, Texas 79701

New Mexico Oil Conservation Division – District 2 811 S. 1st Street Artesia, New Mexico 88210

Prepared by: Vertex Resource Services Inc. 3101 Boyd Drive Carlsbad, New Mexico 88220

Deusavan Costa Filho, M.Sc. ENVIRONMENTAL TECHNICIAN, REPORTING Date

Chance Dixon, B.Sc. PROJECT MANAGER, REPORT REVIEW Date

BTA Oil Producers, LLC	Release Assessment and Closure
Chiso State 14 Battery	December 2023

Table of Contents

1.0	Introduction	. 1
2.0	Incident Description	. 1
3.0	Site Characteristics	. 1
4.0	Closure Criteria Determination	. 2
5.0	Remedial Actions Taken	. 4
6.0	Closure Request	. 4
7.0	References	. 5
8.0	Limitations	. 7

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In-text Tables

- Table 1. Closure Criteria Determination
- Table 2. Closure Criteria for Soils Impacted by a Release

Figure

Figure 1. Characterization Site Schematic

List of Appendices

- Appendix A. NMOCD C-141 Report
- Appendix B. Closure Criteria Research Documentation
- Appendix C. Daily Field Report
- Appendix D. Notification

1.0 Introduction

BTA Oil Producers (BTA) retained Vertex Resource Services Inc. (Vertex) to conduct a Release Assessment and Closure for a crude oil release that occurred on November 6, 2023, at Chiso State 14 Battery (hereafter referred to as the "site") facility ID: fAPP2129434580. BTA submitted an initial C-141 Release Notification (Appendix A) to New Mexico Oil Conservation Division (NMOCD) District 2 on November 6, 2023. Incident ID number nAPP2331047481 was assigned to this incident.

This report provides a description of the release assessment and liner inspection activities associated with the site. The information presented demonstrates that closure criteria established in Table I of 19.15.29.12 of the *New Mexico Administrative Code* (NMAC; New Mexico Oil Conservation Division, 2018) related to NMOCD has been met and all applicable regulations are being followed. This document is intended to serve as a final report to obtain approval from NMOCD for the closure of this release as per NMAC 19.15.29.12.

2.0 Incident Description

The release occurred on November 3, 2023, due to a third-party company pumping out of the jet nozzle of the jet pump when the vibration caused the PRV to fail and relieve. All fluid released stayed in the lined secondary containment. The incident was reported on November 6, 2023, and involved the release of 15 barrels of produced water into lined containment. Approximately 15 barrels of produced water were recovered during the initial clean-up. Additional details relevant to the release are presented in the C-141 Report (Appendix A).

3.0 Site Characteristics

The site is located approximately 3.3 miles west of Eunice, New Mexico (Google Inc., 2023). The legal location for the site is Section 14, Township 22 South and Range 34 East in Lea County, New Mexico. An aerial photograph and site schematic are presented on Figure 1.

The Geological Map of New Mexico (New Mexico Bureau of Geology and Mineral Resources, 2023) indicates the site's surface geology primarily comprises Qep – eolian and piedmont alluvial deposits. The predominant soil texture on the site is Ratliff-Wink fine sandy loams, 0 to 5% slopes. This site occurs on uplands landforms, mainly on hill slopes, ridges, plains, terraces, and some fan remnants. The karst geology potential for the site is low (United States Department of the Interior, Bureau of Land Management, 2018).

The location is typical of oil and gas exploration and production sites in the Permian Basin and is currently used for oil and gas production and storage. The following sections specifically describe the release area of the site (Figure 1).

This site is on uplands, plains, dunes, fan piedmonts, terraces, and in interdunal areas. The parent material consists of mixed alluvium and or eolian sands or calcareous alluvium derived from sedimentary rock. The climate is semiarid with average annual precipitation ranging between 8 and 14 inches. Using information from the United States Department of Agriculture, the dominant vegetation was determined to be grasses with shrubs and half-shrubs (United States Department of Agriculture, Natural Resources Conservation Service, 2023). Limited to no vegetation is allowed to grow on the compacted production pad, right-of-way and access road.

4.0 Closure Criteria Determination

The nearest active well to the site is a New Mexico Office of the State Engineer (NMOSE) monitoring well (CP-01682) located approximately 0.1 miles south of the site (United States Geological Survey, 2023). Data from 2013 shows the NMOSE borehole recorded a depth to groundwater of 42 feet below the ground surface. Information pertaining to the depth to groundwater determination is included in Appendix B.

There is no surface water present at the site. The nearest significant watercourse, as defined in Subsection P of 19.15.17.7 NMAC, is a lakebed located approximately 3.5 miles northwest of the site (United States Fish and Wildlife Service, 2023).

At the site, there are no continuously flowing watercourses or significant watercourses, lakebeds, sinkholes, playa lakes or other critical water or community features as outlined in Paragraph (4) of Subsection C of 19.15.29.12 NMAC.

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BTA Oil Producers, LLC

Chiso State 14 Battery

Release Assessment and Closure December 2023

Table 1. Closure Criteria Worksheet				
Site Name: Chiso State 14 Battery				
Spill C	oordinates:	X: 32.38474	Y: -103.43564	
Site Sp	ecific Conditions	Value	Unit	
1	Depth to Groundwater	42	feet	
2	Within 300 feet of any continuously flowing watercourse or any other significant watercourse	2,896	feet	
3	Within 200 feet of any lakebed, sinkhole or playa lake (measured from the ordinary high-water mark)	19,016	feet	
4	Within 300 feet from an occupied residence, school, hospital, institution or church	67,406	feet	
5	 i) Within 500 feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 	10,889	feet	
	ii) Within 1000 feet of any fresh water well or spring		feet	
6	Within incorporated municipal boundaries or within a defined municipal fresh water field covered under a municipal ordinance adopted pursuant to Section 3-27-3 NMSA 1978 as amended, unless the municipality specifically approves	No	(Y/N)	
7	Within 300 feet of a wetland	5,527	feet	
8	Within the area overlying a subsurface mine	No	(Y/N)	
9	Within an unstable area (Karst Map)	Low	Critical High Medium Low	
10	Within a 100-year Floodplain	>100	year	
11	Soil Type		MN	
12	Ecological Classification		Uplands Landforms	
13	Geology		Qep	
	NMAC 19.15.29.12 E (Table 1) Closure Criteria	<50'	<50' 51-100' >100'	

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VERSATILITY. EXPERTISE.

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BTA Oil Producers, LLC	Release Assessment and Closure
Chiso State 14 Battery	December 2023

The closure criteria determined for the site are associated with the following constituent concentration limits as presented in Table 2.

Table 2. Closure Criteria for Soils Impacted by a Release				
Minimum depth below any point within the				
horizontal boundary of the release to groundwater				
less than 10,000 mg/l TDS	Constituent	Limit		
< 50 feet	Chloride	600 mg/kg		
	TPH (GRO+DRO+MRO)	100 mg/kg		
	BTEX	50 mg/kg		
	Benzene	10 mg/kg		

TDS – total dissolved solids

TPH – total petroleum hydrocarbons, GRO – gas range organics, DRO – diesel range organics, MRO – motor oil range organics BTEX – benzene, toluene, ethylbenzene and xylenes

5.0 Remedial Actions Taken

Notification that a liner inspection was scheduled to be completed was provided to the NMOCD on November 17, 2023. Visual observation of the liner was completed on all sides and the base of the containment, around equipment, and of all seams in the liner. As evidenced in the Daily Field Report (Appendix C), it was verified that the liner was intact and had the ability to contain the release. The Daily Field Report with photographs of the liner inspection is included in Appendix C. The Liner Inspection Notification emails are included in Appendix D.

6.0 Closure Request

Vertex recommends no remediation action to address the release at the site. The secondary containment was intact and contained the release. The release took place inside of a walled containment that sit on a pad where oil and gas operations are still taking place. Reclamation for the pad will take place as soon as all oil and gas activities are terminated per 19.15.29.13 NMAC. There are no anticipated risks to human, ecological, or hydrological receptors associated with the release site.

Vertex requests that this incident (nAPP2331047481) be closed as all closure requirements set forth in Subsection E of 19.15.29.12 NMAC have been met. BTA certifies that all information in this report and the appendices are correct and that they have complied with all applicable closure requirements and conditions specified in Division rules and directives to meet NMOCD requirements to obtain closure on the release at the site.

Should you have any questions or concerns, please do not hesitate to contact Chance Dixon at 575.988.1472 or cdixon@vertex.ca.

7.0 References

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Release Assessment and Closure December 2023

8.0 Limitations

This report has been prepared for the sole benefit of BTA Oil Producers, LLC. This document may not be used by any other person or entity, with the exception of the New Mexico Oil Conservation Division without the express written consent of Vertex Resource Services Inc. (Vertex) and BTA Oil Producers, LLC. Any use of this report by a third party, or any reliance on decisions made based on it, or damages suffered as a result of the use of this report are the sole responsibility of the user.

The information and conclusions contained in this report are based upon work undertaken by trained professional and technical staff in accordance with generally accepted scientific practices current at the time the work was performed. The conclusions and recommendations presented represent the best judgement of Vertex based on the data collected during the assessment. Due to the nature of the assessment and the data available, Vertex cannot warrant against undiscovered environmental liabilities. Conclusions and recommendations presented in this report should not be considered legal advice.

FIGURES

APPENDIX A - NMOCD C-141 Report(s)

APPENDIX B – Closure Criteria Research Documentation

APPENDIX C – Daily Field and Sampling Report(s)

APPENDIX D – Notification





Incident Details

Liberty Lift was in the process of pumping out of the jet nozzle when the ja pump pressured up causing the PRV to relieve. The operation was sput down and fluid was immediately removed. 15 bbls. of fluid was released to the lined secondary containment.

Volume of the release was confirmed with the vac truck. Fluid was transported back to the tank and gauged.

Table 1. Closure Criteria Worksheet				
Site Na	ame: Chiso State 14 Battery	X· 32 38474		
Site Sr	pecific Conditions	Value	Unit	
1	Depth to Groundwater	42	feet	
2	Within 300 feet of any continuously flowing watercourse or any other significant watercourse	2,896	feet	
3	Within 200 feet of any lakebed, sinkhole or playa lake (measured from the ordinary high-water mark)	19,016	feet	
4	Within 300 feet from an occupied residence, school, hospital, institution or church	67,406	feet	
5	i) Within 500 feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or	10,889	feet	
	ii) Within 1000 feet of any fresh water well or spring		feet	
6	Within incorporated municipal boundaries or within a defined municipal fresh water field covered under a municipal ordinance adopted pursuant to Section 3-27-3 NMSA 1978 as amended, unless the municipality specifically approves	No	(Y/N)	
7	Within 300 feet of a wetland	5,527	feet	
8	Within the area overlying a subsurface mine	No	(Y/N)	
9	Within an unstable area (Karst Map)	Low	Critical High Medium Low	
10	Within a 100-year Floodplain	>100	year	
11	Soil Type		MN	

12	Ecological Classification		Uplands Landforms
13	Geology		Qep
	NMAC 19.15.29.12 E (Table 1) Closure Criteria	<50'	<50' 51-100' >100'



Incident Number: nAPP2331047481

Release Assessment and Closure

Chiso State 14 Battery Section 14, Township 22 South, Range 34 East County: Lea Vertex File Number: 23E-05785

Prepared for: BTA Oil Producers, LLC

Prepared by: Vertex Resource Services Inc.

Date: December 2023

Release Assessment and Closure Chiso State 14 Battery Section 14, Township 22 South, Range 34 East County: Lea

Prepared for: BTA Oil Producers 104 S. Pecos Midland, Texas 79701

New Mexico Oil Conservation Division – District 2 811 S. 1st Street Artesia, New Mexico 88210

Prepared by: Vertex Resource Services Inc. 3101 Boyd Drive Carlsbad, New Mexico 88220

Deusavan Costa Filho, M.Sc. ENVIRONMENTAL TECHNICIAN, REPORTING Date

Chance Dixon, B.Sc. PROJECT MANAGER, REPORT REVIEW Date

BTA Oil Producers, LLC	Release Assessment and Closure
Chiso State 14 Battery	December 2023

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8.0	Limitations	. 7

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- Table 1. Closure Criteria Determination
- Table 2. Closure Criteria for Soils Impacted by a Release

Figure

Figure 1. Characterization Site Schematic

List of Appendices

- Appendix A. NMOCD C-141 Report
- Appendix B. Closure Criteria Research Documentation
- Appendix C. Daily Field Report
- Appendix D. Notification

1.0 Introduction

BTA Oil Producers (BTA) retained Vertex Resource Services Inc. (Vertex) to conduct a Release Assessment and Closure for a crude oil release that occurred on November 6, 2023, at Chiso State 14 Battery (hereafter referred to as the "site") facility ID: fAPP2129434580. BTA submitted an initial C-141 Release Notification (Appendix A) to New Mexico Oil Conservation Division (NMOCD) District 2 on November 6, 2023. Incident ID number nAPP2331047481 was assigned to this incident.

This report provides a description of the release assessment and liner inspection activities associated with the site. The information presented demonstrates that closure criteria established in Table I of 19.15.29.12 of the *New Mexico Administrative Code* (NMAC; New Mexico Oil Conservation Division, 2018) related to NMOCD has been met and all applicable regulations are being followed. This document is intended to serve as a final report to obtain approval from NMOCD for the closure of this release as per NMAC 19.15.29.12.

2.0 Incident Description

The release occurred on November 3, 2023, due to a third-party company pumping out of the jet nozzle of the jet pump when the vibration caused the PRV to fail and relieve. All fluid released stayed in the lined secondary containment. The incident was reported on November 6, 2023, and involved the release of 15 barrels of produced water into lined containment. Approximately 15 barrels of produced water were recovered during the initial clean-up. Additional details relevant to the release are presented in the C-141 Report (Appendix A).

3.0 Site Characteristics

The site is located approximately 3.3 miles west of Eunice, New Mexico (Google Inc., 2023). The legal location for the site is Section 14, Township 22 South and Range 34 East in Lea County, New Mexico. An aerial photograph and site schematic are presented on Figure 1.

The Geological Map of New Mexico (New Mexico Bureau of Geology and Mineral Resources, 2023) indicates the site's surface geology primarily comprises Qep – eolian and piedmont alluvial deposits. The predominant soil texture on the site is Ratliff-Wink fine sandy loams, 0 to 5% slopes. This site occurs on uplands landforms, mainly on hill slopes, ridges, plains, terraces, and some fan remnants. The karst geology potential for the site is low (United States Department of the Interior, Bureau of Land Management, 2018).

The location is typical of oil and gas exploration and production sites in the Permian Basin and is currently used for oil and gas production and storage. The following sections specifically describe the release area of the site (Figure 1).

This site is on uplands, plains, dunes, fan piedmonts, terraces, and in interdunal areas. The parent material consists of mixed alluvium and or eolian sands or calcareous alluvium derived from sedimentary rock. The climate is semiarid with average annual precipitation ranging between 8 and 14 inches. Using information from the United States Department of Agriculture, the dominant vegetation was determined to be grasses with shrubs and half-shrubs (United States Department of Agriculture, Natural Resources Conservation Service, 2023). Limited to no vegetation is allowed to grow on the compacted production pad, right-of-way and access road.

4.0 Closure Criteria Determination

The nearest active well to the site is a New Mexico Office of the State Engineer (NMOSE) monitoring well (CP-01682) located approximately 0.1 miles south of the site (United States Geological Survey, 2023). Data from 2013 shows the NMOSE borehole recorded a depth to groundwater of 42 feet below the ground surface. Information pertaining to the depth to groundwater determination is included in Appendix B.

There is no surface water present at the site. The nearest significant watercourse, as defined in Subsection P of 19.15.17.7 NMAC, is a lakebed located approximately 3.5 miles northwest of the site (United States Fish and Wildlife Service, 2023).

At the site, there are no continuously flowing watercourses or significant watercourses, lakebeds, sinkholes, playa lakes or other critical water or community features as outlined in Paragraph (4) of Subsection C of 19.15.29.12 NMAC.

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BTA Oil Producers, LLC

Chiso State 14 Battery

Release Assessment and Closure December 2023

Table 1. Closure Criteria Worksheet				
Site Name: Chiso State 14 Battery				
Spill Co	pordinates:	X: 32.38474	Y: -103.43564	
Site Sp	ecific Conditions	Value	Unit	
1	Depth to Groundwater	42	feet	
2	Within 300 feet of any continuously flowing watercourse or any other significant watercourse	2,896	feet	
3	Within 200 feet of any lakebed, sinkhole or playa lake (measured from the ordinary high-water mark)	19,016	feet	
4	Within 300 feet from an occupied residence, school, hospital, institution or church	67,406	feet	
5	 i) Within 500 feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 	10,889	feet	
	ii) Within 1000 feet of any fresh water well or spring		feet	
6	Within incorporated municipal boundaries or within a defined municipal fresh water field covered under a municipal ordinance adopted pursuant to Section 3-27-3 NMSA 1978 as amended, unless the municipality specifically approves	No	(Y/N)	
7	Within 300 feet of a wetland	5,527	feet	
8	Within the area overlying a subsurface mine	No	(Y/N)	
9	Within an unstable area (Karst Map)	Low	Critical High Medium Low	
10	Within a 100-year Floodplain	>100	year	
11	Soil Type		MN	
12	Ecological Classification		Uplands Landforms	
13	Geology		Qep	
	NMAC 19.15.29.12 E (Table 1) Closure Criteria	<50'	<50' 51-100' >100'	

VERSATILITY. EXPERTISE.

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BTA Oil Producers, LLC	Release Assessment and Closure
Chiso State 14 Battery	December 2023

The closure criteria determined for the site are associated with the following constituent concentration limits as presented in Table 2.

Table 2. Closure Criteria for Soils Impacted by a Release				
Minimum depth below any point within the				
horizontal boundary of the release to groundwater				
less than 10,000 mg/l TDS	Constituent	Limit		
< 50 feet	Chloride	600 mg/kg		
	TPH (GRO+DRO+MRO)	100 mg/kg		
	BTEX	50 mg/kg		
	Benzene	10 mg/kg		

TDS – total dissolved solids

TPH – total petroleum hydrocarbons, GRO – gas range organics, DRO – diesel range organics, MRO – motor oil range organics BTEX – benzene, toluene, ethylbenzene and xylenes

5.0 Remedial Actions Taken

Notification that a liner inspection was scheduled to be completed was provided to the NMOCD on November 17, 2023. Visual observation of the liner was completed on all sides and the base of the containment, around equipment, and of all seams in the liner. As evidenced in the Daily Field Report (Appendix C), it was verified that the liner was intact and had the ability to contain the release. The Daily Field Report with photographs of the liner inspection is included in Appendix C. The Liner Inspection Notification emails are included in Appendix D.

6.0 Closure Request

Vertex recommends no remediation action to address the release at the site. The secondary containment was intact and contained the release. The release took place inside of a walled containment that sit on a pad where oil and gas operations are still taking place. Reclamation for the pad will take place as soon as all oil and gas activities are terminated per 19.15.29.13 NMAC. There are no anticipated risks to human, ecological, or hydrological receptors associated with the release site.

Vertex requests that this incident (nAPP2331047481) be closed as all closure requirements set forth in Subsection E of 19.15.29.12 NMAC have been met. BTA certifies that all information in this report and the appendices are correct and that they have complied with all applicable closure requirements and conditions specified in Division rules and directives to meet NMOCD requirements to obtain closure on the release at the site.

Should you have any questions or concerns, please do not hesitate to contact Chance Dixon at 575.988.1472 or cdixon@vertex.ca.

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Release Assessment and Closure December 2023

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The information and conclusions contained in this report are based upon work undertaken by trained professional and technical staff in accordance with generally accepted scientific practices current at the time the work was performed. The conclusions and recommendations presented represent the best judgement of Vertex based on the data collected during the assessment. Due to the nature of the assessment and the data available, Vertex cannot warrant against undiscovered environmental liabilities. Conclusions and recommendations presented in this report should not be considered legal advice.

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FIGURES

Released to Imaging: 3/27/2024 1:08:28 PM

APPENDIX A - NMOCD C-141 Report(s)

APPENDIX B – Closure Criteria Research Documentation

APPENDIX C – Daily Field and Sampling Report(s)

APPENDIX D – Notification





Daily Site Visit Report



BTA Oil Producers LLC	Inspection Date:	11/22/2023
Chiso State 14 Battery	Report Run Date:	11/27/2023 10:19 AM
Kelton Baird	API #:	
432-312-2203		
	Project Owner:	
	Project Manager:	
Summary of Times		
11/22/2023 9:51 AM		
11/22/2023 12:19 PM		
	BTA Oil Producers LLC Chiso State 14 Battery Kelton Baird 432-312-2203 11/22/2023 9:51 AM 11/22/2023 12:19 PM	BTA Oil Producers LLCInspection Date:Chiso State 14 BatteryReport Run Date:Kelton BairdAPI #:432-312-2203Project Owner:Project Owner:Project Manager:11/22/2023 9:51 AM11/22/2023 12:19 PM

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Run on 11/27/2023 10:19 AM UTC

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VERTEX

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Field Notes

12:19 Arrived on site to complete liner inspection for tank battery area. Completed safety paperwork upon arrival.

12:18 Outside of containment looks to be clean and there is no sign of a breach.

12:18 There does not appear to be anything significant damage inside or outside the containment wall.

12:20 The floor of the liner does not appear to have any significant damage. There is only a oil standing inside of the south corner, close to the release point. No damage on the wall for any side.

Next Steps & Recommendations



Site Photos Viewing Direction: Southwest Viewing Direction: Southeast NW corner of inspected tank battery NE corner of inspected tank battery Viewing Direction: Northeast Viewing Direction: Northwest Wed Nov 22 11:23:56 MST 202 1.23.25 MST 202 ng: 336° N24W, 5973mils (True SE corner of inspected tank battery SE corner of inspected tank battery

Run on 11/27/2023 10:19 AM UTC

















Outside side wall SW corner. Between battery Insid 2 and 3 poin

Inside side wall SW corner. Next to release point. Between battery 2 and 3

Run on 11/27/2023 10:19 AM UTC











Daily Site Visit Signature

Inspector: Deusavan Costa Filho	
Signature:	Signature

Run on 11/27/2023 10:19 AM UTC

•



Incident Number: nAPP2331047481

Release Assessment and Closure

Chiso State 14 Battery Section 14, Township 22 South, Range 34 East County: Lea Vertex File Number: 23E-05785

Prepared for: BTA Oil Producers, LLC

Prepared by: Vertex Resource Services Inc.

Date: December 2023

Release Assessment and Closure Chiso State 14 Battery Section 14, Township 22 South, Range 34 East County: Lea

Prepared for: BTA Oil Producers 104 S. Pecos Midland, Texas 79701

New Mexico Oil Conservation Division – District 2 811 S. 1st Street Artesia, New Mexico 88210

Prepared by: Vertex Resource Services Inc. 3101 Boyd Drive Carlsbad, New Mexico 88220

Deusavan Costa Filho, M.Sc. ENVIRONMENTAL TECHNICIAN, REPORTING Date

Chance Dixon, B.Sc. PROJECT MANAGER, REPORT REVIEW Date

BTA Oil Producers, LLC	Release Assessment and Closure
Chiso State 14 Battery	December 2023

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The release occurred on November 3, 2023, due to a third-party company pumping out of the jet nozzle of the jet pump when the vibration caused the PRV to fail and relieve. All fluid released stayed in the lined secondary containment. The incident was reported on November 6, 2023, and involved the release of 15 barrels of produced water into lined containment. Approximately 15 barrels of produced water were recovered during the initial clean-up. Additional details relevant to the release are presented in the C-141 Report (Appendix A).

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4.0 Closure Criteria Determination

The nearest active well to the site is a New Mexico Office of the State Engineer (NMOSE) monitoring well (CP-01682) located approximately 0.1 miles south of the site (United States Geological Survey, 2023). Data from 2013 shows the NMOSE borehole recorded a depth to groundwater of 42 feet below the ground surface. Information pertaining to the depth to groundwater determination is included in Appendix B.

There is no surface water present at the site. The nearest significant watercourse, as defined in Subsection P of 19.15.17.7 NMAC, is a lakebed located approximately 3.5 miles northwest of the site (United States Fish and Wildlife Service, 2023).

At the site, there are no continuously flowing watercourses or significant watercourses, lakebeds, sinkholes, playa lakes or other critical water or community features as outlined in Paragraph (4) of Subsection C of 19.15.29.12 NMAC.

2

BTA Oil Producers, LLC

Chiso State 14 Battery

Release Assessment and Closure December 2023

Table 1. Closure Criteria Worksheet					
Site Name: Chiso State 14 Battery					
Spill Co	oordinates:	X: 32.38474	Y: -103.43564		
Site Sp	ecific Conditions	Value	Unit		
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9	Within an unstable area (Karst Map)	Low	Critical High Medium Low		
10	Within a 100-year Floodplain	>100	year		
11	Soil Type		MN		
12	Ecological Classification		Uplands Landforms		
13	Geology		Qep		
	NMAC 19.15.29.12 E (Table 1) Closure Criteria	<50'	<50' 51-100' >100'		

3

VERSATILITY. EXPERTISE.

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BTA Oil Producers, LLC	Release Assessment and Closure
Chiso State 14 Battery	December 2023

The closure criteria determined for the site are associated with the following constituent concentration limits as presented in Table 2.

Table 2. Closure Criteria for Soils Impacted by a Release			
Minimum depth below any point within the			
horizontal boundary of the release to groundwater			
less than 10,000 mg/l TDS	Constituent	Limit	
< 50 feet	Chloride	600 mg/kg	
	TPH (GRO+DRO+MRO)	100 mg/kg	
	BTEX	50 mg/kg	
	Benzene	10 mg/kg	

TDS – total dissolved solids

TPH – total petroleum hydrocarbons, GRO – gas range organics, DRO – diesel range organics, MRO – motor oil range organics BTEX – benzene, toluene, ethylbenzene and xylenes

5.0 Remedial Actions Taken

Notification that a liner inspection was scheduled to be completed was provided to the NMOCD on November 17, 2023. Visual observation of the liner was completed on all sides and the base of the containment, around equipment, and of all seams in the liner. As evidenced in the Daily Field Report (Appendix C), it was verified that the liner was intact and had the ability to contain the release. The Daily Field Report with photographs of the liner inspection is included in Appendix C. The Liner Inspection Notification emails are included in Appendix D.

6.0 Closure Request

Vertex recommends no remediation action to address the release at the site. The secondary containment was intact and contained the release. The release took place inside of a walled containment that sit on a pad where oil and gas operations are still taking place. Reclamation for the pad will take place as soon as all oil and gas activities are terminated per 19.15.29.13 NMAC. There are no anticipated risks to human, ecological, or hydrological receptors associated with the release site.

Vertex requests that this incident (nAPP2331047481) be closed as all closure requirements set forth in Subsection E of 19.15.29.12 NMAC have been met. BTA certifies that all information in this report and the appendices are correct and that they have complied with all applicable closure requirements and conditions specified in Division rules and directives to meet NMOCD requirements to obtain closure on the release at the site.

Should you have any questions or concerns, please do not hesitate to contact Chance Dixon at 575.988.1472 or cdixon@vertex.ca.

7.0 References

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Release Assessment and Closure December 2023

8.0 Limitations

This report has been prepared for the sole benefit of BTA Oil Producers, LLC. This document may not be used by any other person or entity, with the exception of the New Mexico Oil Conservation Division without the express written consent of Vertex Resource Services Inc. (Vertex) and BTA Oil Producers, LLC. Any use of this report by a third party, or any reliance on decisions made based on it, or damages suffered as a result of the use of this report are the sole responsibility of the user.

The information and conclusions contained in this report are based upon work undertaken by trained professional and technical staff in accordance with generally accepted scientific practices current at the time the work was performed. The conclusions and recommendations presented represent the best judgement of Vertex based on the data collected during the assessment. Due to the nature of the assessment and the data available, Vertex cannot warrant against undiscovered environmental liabilities. Conclusions and recommendations presented in this report should not be considered legal advice.

FIGURES

APPENDIX A - NMOCD C-141 Report(s)

APPENDIX B – Closure Criteria Research Documentation

APPENDIX C – Daily Field and Sampling Report(s)

APPENDIX D – Notification



Incident Number: nAPP2331047481

Release Assessment and Closure

Chiso State 14 Battery Section 14, Township 22 South, Range 34 East County: Lea Vertex File Number: 23E-05785

Prepared for: BTA Oil Producers, LLC

Prepared by: Vertex Resource Services Inc.

Date: December 2023

Release Assessment and Closure Chiso State 14 Battery Section 14, Township 22 South, Range 34 East County: Lea

Prepared for: BTA Oil Producers 104 S. Pecos Midland, Texas 79701

New Mexico Oil Conservation Division – District 2 811 S. 1st Street Artesia, New Mexico 88210

Prepared by: Vertex Resource Services Inc. 3101 Boyd Drive Carlsbad, New Mexico 88220

Deusavan Costa Filho, M.Sc. ENVIRONMENTAL TECHNICIAN, REPORTING Date

Chance Dixon, B.Sc. PROJECT MANAGER, REPORT REVIEW Date

BTA Oil Producers, LLC	Release Assessment and Closure
Chiso State 14 Battery	December 2023

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- Appendix B. Closure Criteria Research Documentation
- Appendix C. Daily Field Report
- Appendix D. Notification

1.0 Introduction

BTA Oil Producers (BTA) retained Vertex Resource Services Inc. (Vertex) to conduct a Release Assessment and Closure for a crude oil release that occurred on November 6, 2023, at Chiso State 14 Battery (hereafter referred to as the "site") facility ID: fAPP2129434580. BTA submitted an initial C-141 Release Notification (Appendix A) to New Mexico Oil Conservation Division (NMOCD) District 2 on November 6, 2023. Incident ID number nAPP2331047481 was assigned to this incident.

This report provides a description of the release assessment and liner inspection activities associated with the site. The information presented demonstrates that closure criteria established in Table I of 19.15.29.12 of the *New Mexico Administrative Code* (NMAC; New Mexico Oil Conservation Division, 2018) related to NMOCD has been met and all applicable regulations are being followed. This document is intended to serve as a final report to obtain approval from NMOCD for the closure of this release as per NMAC 19.15.29.12.

2.0 Incident Description

The release occurred on November 3, 2023, due to a third-party company pumping out of the jet nozzle of the jet pump when the vibration caused the PRV to fail and relieve. All fluid released stayed in the lined secondary containment. The incident was reported on November 6, 2023, and involved the release of 15 barrels of produced water into lined containment. Approximately 15 barrels of produced water were recovered during the initial clean-up. Additional details relevant to the release are presented in the C-141 Report (Appendix A).

3.0 Site Characteristics

The site is located approximately 3.3 miles west of Eunice, New Mexico (Google Inc., 2023). The legal location for the site is Section 14, Township 22 South and Range 34 East in Lea County, New Mexico. An aerial photograph and site schematic are presented on Figure 1.

The Geological Map of New Mexico (New Mexico Bureau of Geology and Mineral Resources, 2023) indicates the site's surface geology primarily comprises Qep – eolian and piedmont alluvial deposits. The predominant soil texture on the site is Ratliff-Wink fine sandy loams, 0 to 5% slopes. This site occurs on uplands landforms, mainly on hill slopes, ridges, plains, terraces, and some fan remnants. The karst geology potential for the site is low (United States Department of the Interior, Bureau of Land Management, 2018).

The location is typical of oil and gas exploration and production sites in the Permian Basin and is currently used for oil and gas production and storage. The following sections specifically describe the release area of the site (Figure 1).

This site is on uplands, plains, dunes, fan piedmonts, terraces, and in interdunal areas. The parent material consists of mixed alluvium and or eolian sands or calcareous alluvium derived from sedimentary rock. The climate is semiarid with average annual precipitation ranging between 8 and 14 inches. Using information from the United States Department of Agriculture, the dominant vegetation was determined to be grasses with shrubs and half-shrubs (United States Department of Agriculture, Natural Resources Conservation Service, 2023). Limited to no vegetation is allowed to grow on the compacted production pad, right-of-way and access road.

4.0 Closure Criteria Determination

The nearest active well to the site is a New Mexico Office of the State Engineer (NMOSE) monitoring well (CP-01682) located approximately 0.1 miles south of the site (United States Geological Survey, 2023). Data from 2013 shows the NMOSE borehole recorded a depth to groundwater of 42 feet below the ground surface. Information pertaining to the depth to groundwater determination is included in Appendix B.

There is no surface water present at the site. The nearest significant watercourse, as defined in Subsection P of 19.15.17.7 NMAC, is a lakebed located approximately 3.5 miles northwest of the site (United States Fish and Wildlife Service, 2023).

At the site, there are no continuously flowing watercourses or significant watercourses, lakebeds, sinkholes, playa lakes or other critical water or community features as outlined in Paragraph (4) of Subsection C of 19.15.29.12 NMAC.

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Release Assessment and Closure December 2023

Table 1. Closure Criteria Worksheet					
Site Name: Chiso State 14 Battery					
Spill Co	oordinates:	X: 32.38474	Y: -103.43564		
Site Specific Conditions		Value	Unit		
1	Depth to Groundwater	42	feet		
2	Within 300 feet of any continuously flowing watercourse or any other significant watercourse	2,896	feet		
3	Within 200 feet of any lakebed, sinkhole or playa lake (measured from the ordinary high-water mark)	19,016	feet		
4	Within 300 feet from an occupied residence, school, hospital, institution or church	67,406	feet		
5	 i) Within 500 feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 	10,889	feet		
	ii) Within 1000 feet of any fresh water well or spring		feet		
6	Within incorporated municipal boundaries or within a defined municipal fresh water field covered under a municipal ordinance adopted pursuant to Section 3-27-3 NMSA 1978 as amended, unless the municipality specifically approves	No	(Y/N)		
7	Within 300 feet of a wetland	5,527	feet		
8	Within the area overlying a subsurface mine	No	(Y/N)		
9	Within an unstable area (Karst Map)	Low	Critical High Medium Low		
10	Within a 100-year Floodplain	>100	year		
11	Soil Type		MN		
12	Ecological Classification		Uplands Landforms		
13	Geology		Qep		
	NMAC 19.15.29.12 E (Table 1) Closure Criteria	<50'	<50' 51-100' >100'		

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BTA Oil Producers, LLC	Release Assessment and Closure
Chiso State 14 Battery	December 2023

The closure criteria determined for the site are associated with the following constituent concentration limits as presented in Table 2.

Table 2. Closure Criteria for Soils Impacted by a Release			
Minimum depth below any point within the			
horizontal boundary of the release to groundwater			
less than 10,000 mg/l TDS	Constituent	Limit	
< 50 feet	Chloride	600 mg/kg	
	TPH (GRO+DRO+MRO)	100 mg/kg	
	BTEX	50 mg/kg	
	Benzene	10 mg/kg	

TDS – total dissolved solids

TPH – total petroleum hydrocarbons, GRO – gas range organics, DRO – diesel range organics, MRO – motor oil range organics BTEX – benzene, toluene, ethylbenzene and xylenes

5.0 Remedial Actions Taken

Notification that a liner inspection was scheduled to be completed was provided to the NMOCD on November 17, 2023. Visual observation of the liner was completed on all sides and the base of the containment, around equipment, and of all seams in the liner. As evidenced in the Daily Field Report (Appendix C), it was verified that the liner was intact and had the ability to contain the release. The Daily Field Report with photographs of the liner inspection is included in Appendix C. The Liner Inspection Notification emails are included in Appendix D.

6.0 Closure Request

Vertex recommends no remediation action to address the release at the site. The secondary containment was intact and contained the release. The release took place inside of a walled containment that sit on a pad where oil and gas operations are still taking place. Reclamation for the pad will take place as soon as all oil and gas activities are terminated per 19.15.29.13 NMAC. There are no anticipated risks to human, ecological, or hydrological receptors associated with the release site.

Vertex requests that this incident (nAPP2331047481) be closed as all closure requirements set forth in Subsection E of 19.15.29.12 NMAC have been met. BTA certifies that all information in this report and the appendices are correct and that they have complied with all applicable closure requirements and conditions specified in Division rules and directives to meet NMOCD requirements to obtain closure on the release at the site.

Should you have any questions or concerns, please do not hesitate to contact Chance Dixon at 575.988.1472 or cdixon@vertex.ca.

7.0 References

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BTA Oil Producers, LLC Chiso State 14 Battery

Release Assessment and Closure December 2023

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The information and conclusions contained in this report are based upon work undertaken by trained professional and technical staff in accordance with generally accepted scientific practices current at the time the work was performed. The conclusions and recommendations presented represent the best judgement of Vertex based on the data collected during the assessment. Due to the nature of the assessment and the data available, Vertex cannot warrant against undiscovered environmental liabilities. Conclusions and recommendations presented in this report should not be considered legal advice.

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FIGURES

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APPENDIX A - NMOCD C-141 Report(s)

APPENDIX B – Closure Criteria Research Documentation

APPENDIX C – Daily Field and Sampling Report(s)

APPENDIX D – Notification

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

QUESTIONS

Action 306173

QUESTIONS	
Operator:	OGRID:
BTA OIL PRODUCERS, LLC	260297
104 S Pecos	Action Number:
Midland, TX 79701	306173
	Action Type:
	[C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Prerequisites	
Incident ID (n#)	nAPP2331047481
Incident Name	NAPP2331047481 CHISO STATE 14 BATTERY @ 0
Incident Type	Oil Release
Incident Status	Remediation Closure Report Received
Incident Facility	[fAPP2129434580] Chiso State 14

Location of Release Source

Please answer all the questions in this group.	
Site Name	CHISO STATE 14 BATTERY
Date Release Discovered	11/03/2023
Surface Owner	Private

Incident Details

Please answer all the questions in this group.	
Incident Type	

Incident Type	Oil Release
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	No
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

Nature and Volume of Release

Material(s) released, please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission. Cause: Equipment Failure | Pump | Crude Oil | Released: 15 BBL | Recovered: 15 BBL | Lost: Crude Oil Released (bbls) Details 0 BBL Produced Water Released (bbls) Details Not answered. Is the concentration of chloride in the produced water >10,000 mg/l Not answered. Condensate Released (bbls) Details Not answered. Natural Gas Vented (Mcf) Details Not answered. Natural Gas Flared (Mcf) Details Not answered. Other Released Details Not answered. A third party company was in the process of pumping out of the jet nozzle of the jet pump, Are there additional details for the questions above (i.e. any answer containing when the vibration caused the PRV to fail and relieve. All fluid released stayed in the lined Other, Specify, Unknown, and/or Fire, or any negative lost amounts) secondary containment. A vac truck recovered all released fluids.

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

QUESTIONS, Page 2

Action 306173

QUESTIONS (continued)

Operator:	OGRID:
BTA OIL PRODUCERS, LLC	260297
104 S Pecos	Action Number:
Midland, TX 79701	306173
	Action Type:
	[C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Initial Response

Nature and Volume of Release (continued)	
Is this a gas only submission (i.e. only significant Mcf values reported)	No, according to supplied volumes this does not appear to be a "gas only" report.
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	No
Reasons why this would be considered a submission for a notification of a major release	Unavailable.
With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e. gas only) are to be submitted on the C-129 form.	

The responsible party must undertake the following actions immediately unless they could create a s	safety hazard that would result in injury.
The source of the release has been stopped	True
The impacted area has been secured to protect human health and the environment	True
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True
All free liquids and recoverable materials have been removed and managed appropriately	True
If all the actions described above have not been undertaken, explain why	Not answered.
Per Paragraph (4) of Subsection B of 19.15.29.8 NMAC the responsible party may commence remedi actions to date in the follow-up C-141 submission. If remedial efforts have been successfully complet Subsection A of 19.15.29.11 NMAC), please prepare and attach all information needed for closure e	iation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative of ted or if the release occurred within a lined containment area (see Subparagraph (a) of Paragraph (5) of evaluation in the follow-up C-141 submission.
I hereby certify that the information given above is true and complete to the best of my lips to report and/or file certain release notifications and perform corrective actions for release the OCD does not relieve the operator of liability should their operations have failed to a water, human health or the environment. In addition, OCD acceptance of a C-141 report local laws and/or regulations.	knowledge and understand that pursuant to OCD rules and regulations all operators are required ases which may endanger public health or the environment. The acceptance of a C-141 report by adequately investigate and remediate contamination that pose a threat to groundwater, surface t does not relieve the operator of responsibility for compliance with any other federal, state, or

I hereby agree and sign off to the above statement	Name: BTA VERTEX Title: Environmental Manager
Thereby agree and sign on to the above statement	Email: kbeaird@btaoil.com
	Date: 01/22/2024

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

QUESTIONS, Page 3

Action 306173

QUESTIONS (continued)

Operator:	OGRID:
BTA OIL PRODUCERS, LLC	260297
104 S Pecos	Action Number:
Midland, TX 79701	306173
	Action Type:
	[C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Site Characterization

Please answer all the questions in this group (only required when seeking remediation plan approval and beyond). This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

release in feet below ground surface (ft bgs)	Between 26 and 50 (ft.)
What method was used to determine the depth to ground water	NM OSE iWaters Database Search
Did this release impact groundwater or surface water	No
What is the minimum distance, between the closest lateral extents of the release and the following surface areas:	
A continuously flowing watercourse or any other significant watercourse	Between ½ and 1 (mi.)
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Between 1 and 5 (mi.)
An occupied permanent residence, school, hospital, institution, or church	Greater than 5 (mi.)
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Between 1 and 5 (mi.)
Any other fresh water well or spring	Between 1 and 5 (mi.)
Incorporated municipal boundaries or a defined municipal fresh water well field	Between 1 and 5 (mi.)
A wetland	Between 1 and 5 (mi.)
A subsurface mine	Greater than 5 (mi.)
An (non-karst) unstable area	Greater than 5 (mi.)
Categorize the risk of this well / site being in a karst geology	Low
A 100-year floodplain	Greater than 5 (mi.)
Did the release impact areas not on an exploration, development, production, or storage site	No

Remediation Plan

Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.		
Requesting a remediation plan approval with this submission	Yes	
Attach a comprehensive report demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined, pursuant to 19.15.29.11 NMAC and 19.15.29.13 NMAC.		
Have the lateral and vertical extents of contamination been fully delineated	Yes	
Was this release entirely contained within a lined containment area	Yes	
Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.		
On what estimated date will the remediation commence	11/22/2023	
On what date will (or did) the final sampling or liner inspection occur	11/22/2023	
On what date will (or was) the remediation complete(d)	11/22/2023	
What is the estimated surface area (in square feet) that will be remediated	0	
What is the estimated volume (in cubic yards) that will be remediated	0	
These estimated dates and measurements are recognized to be the best guess or calculation at the	e time of submission and may (be) change(d) over time as more remediation efforts are completed.	
The OCD recognized that proposed remediation measures may have to be minimally adjusted in	accordance with the physical realities accountered during remediation. If the reasonable party has any need to	

the responsible party has any need to ogni iiy adju pnysi rıng r significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.

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

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

QUESTIONS, Page 4

Action 306173

QUESTIONS (continued)			
Operator: BTA OIL PRODUCERS, LLC 104 S Pecos Midland, TX 79701	OGRID: 260297 Action Number: 306173 Action Type:		
QUESTIONS	[C-141] Remediation Closure Request C-141 (C-141-v-Closure)		
Remediation Plan (continued)			
Please answer all the questions that apply or are indicated. This information must be provided to th	ne appropriate district office no later than 90 days after the release discovery date.		
This remediation will (or is expected to) utilize the following processes to remediat	te / reduce contaminants:		
(Select all answers below that apply.)			
Is (or was) there affected material present needing to be removed	No		
Is (or was) there a power wash of the lined containment area (to be) performed	Yes		
OTHER (Non-listed remedial process)	No		
Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed which includes the anticipated timelines for beginning and completing the remediation.	offorts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC,		
I hereby certify that the information given above is true and complete to the best of my to report and/or file certain release notifications and perform corrective actions for release here of liability should their operations have failed to water, human health or the environment. In addition, OCD acceptance of a C-141 report local laws and/or regulations.	knowledge and understand that pursuant to OCD rules and regulations all operators are required pases which may endanger public health or the environment. The acceptance of a C-141 report by adequately investigate and remediate contamination that pose a threat to groundwater, surface ort does not relieve the operator of responsibility for compliance with any other federal, state, or Name: BTA VERTEX Title: Environmental Manager		
I hereby agree and sign off to the above statement			

Email: kbeaird@btaoil.com Date: 01/22/2024 The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to

significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.

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

QUESTIONS, Page 6

Action 306173

Operator:	OGRID:	
BTA OIL PRODUCERS, LLC	260297	
104 S Pecos	Action Number:	
Midland, TX 79701	306173	
	Action Type:	
	[C-141] Remediation Closure Request C-141 (C-141-v-Closure)	

QUESTIONS (continued)

QUESTIONS

Liner Inspection Information		
Last liner inspection notification (C-141L) recorded	306372	
Liner inspection date pursuant to Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC	11/22/2023	
Was all the impacted materials removed from the liner	Yes	
What was the liner inspection surface area in square feet	5600	

Remediation Closure Request

Only answer the questions in this group if seeking remediation closure for this release because all remediation steps have been completed Requesting a remediation closure approval with this submission Yes Have the lateral and vertical extents of contamination been fully delineated Yes Was this release entirely contained within a lined containment area Yes What was the total surface area (in square feet) remediated 0 What was the total volume (cubic yards) remediated 0 Summarize any additional remediation activities not included by answers (above) No remedial activities were required as no fluids breached the lined containment. 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 (in .pdf format) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents o final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC

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.

I hereby agree and sign off to the above statement	Name: BTA VERTEX Title: Environmental Manager Email: kbeaird@btaoil.com Date: 01/22/2024
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CONDITIONS

Action 306173

Operator: OGRID: BTA OIL PRODUCERS, LLC 260297 104 S Pecos Action Number: Midland, TX 79701 306173 Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

CONDITIONS

CONDITIONS

Created	Condition	Condition
By		Date
nvelez	Liner inspection approved, release resolved.	3/27/2024