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

NM OIL CONSERVATION

ARTESIA DISTRICT

JUL 28 2017

Form C-141 Revised April 3, 2017

State of New Mexico **Energy Minerals and Natural Resources**

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

RECEIVED to appropriate District Office in Conductive With 19.15.29 NMAC.

Release Notification and Corrective Action			
NAB 1721931286	OPERATOR		
Name of Company Mesquite SWD, Inc. //////// Address PO Box 1479, Carlsbad, NM 88220	Contact Riley Neatherlin		
Address PO Box 1479, Carlsbad, NM 88220 Telephone No. 575-706-7288 Facility Name Big Eddy SWD #1 Facility Type Salt Water Disposal			
Surface Owner BLM Mineral Owner			
	ON OF RELEASE th/South Line Feet from the East/West Line County		
Unit Letter Section Township Range 3 20S 31E Feet from the 660	th/South Line Feet from the East/West Line County Eddy		
Latitude 32° 37' 39.1" N Longitude 103° 52' 24.5" W NAD83			
Type of Release Produced water spill	E OF RELEASE Volume of Release 30 bbls Volume Recovered None		
Source of Release Hole in flow line	Volume of Release 30 bbls Volume Recovered None		
Was Immediate Notice Given?	7/24/17 4:00 pm		
Was infinediate Notice Given? ☐ Yes ☑ No ☐ Not Require			
By Whom? Riley Neatherlin	Date and Hour 07/25/2017 Called Mike Bratcher at Artesia OCD		
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse.		
If a Watercourse was Impacted, Describe Fully.*			
Describe Cause of Problem and Remedial Action Taken.*			
Hole in poly line. Covered area where water was standing with dirt and fenced the affected area.			
Describe Area Affected and Cleanup Action Taken.*			
Sandy ROW. Water sprayed covering surrounding area. Will excavate contaminated soil. Soil samples will be taken by a third party contractor.			
Will remediate to natural terrain to best of our ability.			
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD marked as "Final Report" does not relieve the operator of liability			
should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health			
or the environment. In addition, NMOCD acceptance of a C-141 repoil federal, state, or local laws and/or regulations.	rt does not relieve the operator of responsibility for compliance with any other		
1000	OIL CONSERVATION DIVISION		
Signature: / March / Won			
Printed Name: Melanie Wilson	Approved by EnvStigmach Bly Specialist's Demonitor		
Title: Regulatory Analyst	Approval Date: 87/17 Expiration Date: N/A		
E-mail Address: mjp1692@gmail.com	Conditions of Approval:		
Date: 07/28/17 Phone: 575-914-1461	See attached Attached		
Attach Additional Sheets If Necessary	ZRP-432		

Operator/Responsible Party,

The OCD has received the form C-141 you provided on 7/28/2017 regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number RD-433/ has been assigned. Please refer to this case number in all future correspondence.

It is the Division's obligation under both the Oil & Gas Act and Water Quality Act to provide for the protection of public health and the environment. Our regulations (19.15.29.11 NMAC) state the following,

The responsible person shall complete <u>division-approved corrective action</u> for releases that endanger public health or the environment. The responsible person shall address releases in accordance with a remediation plan submitted to and approved by the division or with an abatement plan submitted in accordance with 19.15.30 NMAC. [emphasis added]

Release characterization is the first phase of corrective action unless the release is ongoing or is of limited volume and all impacts can be immediately addressed. Proper and cost-effective remediation typically cannot occur without adequate characterization of the impacts of any release. Furthermore, the Division has the ability to impose reasonable conditions upon the efforts it oversees. As such, the Division is requiring a workplan for the characterization of impacts associated with this release be submitted to the OCD District 2 office in ARTESIA on or before 8/28/2017. If and when the release characterization workplan is approved, there will be an associated deadline for submittal of the resultant investigation report. Modest extensions of time to these deadlines may be granted, but only with acceptable justification.

The goals of a characterization effort are: 1) determination of the lateral and vertical extents along with the magnitude of soil contamination. 2) determine if groundwater or surface waters have been impacted. 3) If groundwater or surface waters have been impacted, what are the extents and magnitude of that impact. 4) The characterization of any other adverse impacts that may have occurred (examples: impacts on vegetation, impacts on wildlife, air quality, loss of use of property, etc.). To meet these goals as quickly as possible, the following items must, at a minimum, be addressed in the release characterization workplan and subsequent reporting:

- Horizontal delineation of soil impacts in each of the four cardinal compass directions. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C₆ thru C₃₆), and for chloride by Method 300. This is not an exclusive list of potential contaminants. Analyzed parameters should be modified based on the nature of the released substance(s). Soil sampling must be both within the impacted area and beyond.
- Vertical delineation of soil impacts. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C₆ thru C₃₆), and for chloride by Method 300. As above, this is not an exclusive list of potential contaminants and can be modified. Vertical characterization samples should be taken at depth intervals no greater than five feet apart. Lithologic description of encountered soils must also be provided. At least ten vertical feet of soils with contaminant concentrations at or below these values must be demonstrated as existing above the water table.
- Nominal detection limits for field and laboratory analyses must be provided.
- Composite sampling is not generally allowed.
- Field screening and assessment techniques are acceptable (headspace, titration, EC [include algorithm for validation purposes], EM, etc.), but the sampling and assay procedures must be clearly defined. Copies of field notes are highly desirable. A statistically significant set of split samples must be submitted for confirmatory laboratory analysis, including the laterally farthest and vertically deepest sets of soil samples. Make sure there are at least two soil samples submitted

for laboratory analysis from each borehole or test pit (highest observed contamination and deepest depth investigated). Copies of the actual laboratory results must be provided including chain of custody documentation.

- •Probable depth to shallowest protectable groundwater and lateral distance to nearest surface water. If there is an estimate of groundwater depth, the information used to arrive at that estimate must be provided. If there is a reasonable assumption that the depth to protectable water is 50 feet or less, the responsible party should anticipate the need for at least one groundwater monitoring well to be installed in the area of likely maximum contamination.
- If groundwater contamination is encountered, an additional investigation workplan may be required to determine the extents of that contamination. Groundwater and/or surface water samples, if any, must be analyzed by a competent laboratory for volatile organic hydrocarbons (typically Method 8260 full list), total dissolved solids, pH, major anions and cations including chloride and sulfate, dissolved iron, and dissolved manganese. The investigation workplan must provide the groundwater sampling method(s) and sample handling protocols. To the fullest extent possible, aqueous analyses must be undertaken using nominal method detection limits. As with the soil analyses, copies of the actual laboratory results must be provided including chain of custody documentation.
- Accurately scaled and well-drafted site maps must be provided providing the location of borings, test pits, monitoring wells, potentially impacted areas, and significant surface features including roads and site infrastructure that might limit either the release characterization or remedial efforts. Field sketches may be included in subsequent reporting, but should not be considered stand-alone documentation of the site's layout. Digital photographic documentation of the location and fieldwork is recommended, especially if unusual circumstances are encountered.

Nothing herein should be interpreted to preclude emergency response actions or to imply immediate remediation by removal cannot proceed as warranted. Nonetheless, characterization of impacts and confirmation of the effectiveness of remedial efforts must still be provided to the OCD before any release incident will be closed.

Jim Griswold

OCD Environmental Bureau Chief 1220 South St. Francis Drive Santa Fe, New Mexico 87505 505-476-3465 jim.griswold@state.nm.us

Bratcher, Mike, EMNRD

From: mjp1692@gmail.com

Sent: Friday, July 28, 2017 12:38 PM

To: Bratcher, Mike, EMNRD; Sharp, Karen, EMNRD; Klein, Ranell, EMNRD; Clay Wilson; Riley

Neatherlin

Subject: MESQUITE SWD, INC. - C-141 FOR BIG EDDY SWD #1

Attachments: Big Eddy SWD 1 C-141.pdf

Mike,

Attached is a C-141 for Mesquite's Big Eddy SWD #1. Please let us know if you need anything further from me.

Thanks!

Melanie Wilson 575-914-1461 From: Weaver, Crystal, EMNRD

To: "mjp1692@gmail.com"; Clay Wilson; Riley Neatherlin
Cc: Bratcher, Mike, EMNRD; "Pair, Randal"; Yolanda Jordan
Subject: RE: MESQUITE SWD, INC. - C-141 FOR BIG EDDY SWD #1

Date: Tuesday, August 15, 2017 2:37:00 PM
Attachments: 1. 4321 - COAs and signed C-141 Initial.pdf

RE: Mesquite SWD Inc. * Big Eddy SWD #1 * 30-015-05819 * 2RP-4321

Melanie,

I have included a scanned copy of the signed Initial C-141 Remediation Permit along with an attached Conditions of Approval. The OCD tracking number for this event is 2RP-4321.

Thank you,

Crystal Weaver

Environmental Specialist OCD – Artesia District II 811 S. 1st Street Artesia, NM 88210

Office: 575-748-1283 ext. 101

Cell: 575-840-5963 Fax: 575-748-9720

From: mjp1692@gmail.com [mailto:mjp1692@gmail.com]

Sent: Tuesday, August 1, 2017 2:30 PM

To: Weaver, Crystal, EMNRD < Crystal. Weaver@state.nm.us>; Clay Wilson < claylwilson@hotmail.com>; Riley Neatherlin < rgneatherlin@gmail.com>

Subject: FW: MESQUITE SWD, INC. - C-141 FOR BIG EDDY SWD #1

Ms. Weaver.

I am forwarding an email sent last Friday to Mike Bratcher at the Artesia OCD. I apologize, I did not realize this should have gone to you. I am also attaching a new C-141 covering the location. Should you need anything further, please let me know.

Melanie Wilson 575-914-1461

Mjp1692@gmail.com

From: mjp1692@gmail.com

Sent: Friday, July 28, 2017 12:38 PM

To: mike.bratcher@state.nm.us; Sharp, Karen, EMNRD; ranell.klein@state.nm.us; Clay Wilson; Riley

Neatherlin

Subject: MESQUITE SWD, INC. - C-141 FOR BIG EDDY SWD #1

Mike,

Attached is a C-141 for Mesquite's Big Eddy SWD #1. Please let us know if you need anything further

from me. Thanks!

Melanie Wilson

575-914-1461

Bratcher, Mike, EMNRD

From: Pair, Randal <rpair@blm.gov>

Sent: Wednesday, September 13, 2017 6:08 PM

To: Melanie Wilson

Cc: Weaver, Crystal, EMNRD; Clay Wilson; Riley Neatherlin; Bratcher, Mike, EMNRD; Yolanda Jordan

Subject: Re: MESQUITE SWD, INC. - C-141 FOR BIG EDDY SWD #1

Attachments: 20170913 NM-125702 swd spill inspect signed.pdf

Folks - attached is a report of BLM's site inspection 9/5/2017. It includes some R/W itmes that need to be corrected, as well as notes on teh spill.

I am retiring this week, so your future contact should be with Yolanda Jordan Jimenez of my office:

Yolanda Jordan Jimenez,

(575) 234-5916 office

(575) 361-4586 mobile

yjordan@blm.gov email

Randal "Randy" Pair

Envir. Protection Specialist - Realty Compliance

office: 575.234.6240 cell: 575.361.0062 email: rpair@blm.gov

On Tue, Aug 29, 2017 at 1:28 PM, Melanie Wilson <mip1692@gmail.com> wrote:

Hi Crystal,

Attached is the corrected C-141. The hour of occurrence is unknown. (The 4:00 pm was in the form from a previous report).

Thank you,

Melanie

From: Weaver, Crystal, EMNRD [mailto:<u>Crystal.Weaver@state.nm.us</u>]

Sent: Tuesday, August 29, 2017 11:26 AM

To: Melanie Wilson <mjp1692@gmail.com>; 'Clay Wilson' <<u>claylwilson@hotmail.com</u>>; 'Riley Neatherlin'

<rgneatherlin@gmail.com>

Cc: Bratcher, Mike, EMNRD < mike.bratcher@state.nm.us >; 'Pair, Randal' < rpair@blm.gov >; 'Yolanda Jordan'

<<u>vjordan@blm.gov</u>>

Subject: RE: MESQUITE SWD, INC. - C-141 FOR BIG EDDY SWD #1

Hello Melanie,

Thank you for the C-141 documenting an additional flowline release for the Big Eddy SWD #1 (DOR – 8/17/17). I am confused/need to address a few items written on the initial C-141 for this release. On the C-141 in the box "Date and Hour of Occurrence" it has a date of 8/17/17 4:00pm entered however it says in the "Date and Hour of Discovery" box that the release was discovered on 8/17/17 at 9:00am; How could the release be discovered before it occurred. Please correct that and resend.

Also on the initial C-141 you all marked "no" for the "Was Immediate Notification Given" box. Please see below for clarification on immediate notification requirements within OCD regulations.

"19.15.29.7 DEFINITIONS:

- A. "Major release" means:
- (1) an unauthorized release of a volume, excluding gases, in excess of 25 barrels;
- (2) an unauthorized release of a volume that: (a) results in a fire; (b) will reach a watercourse; (c) may with reasonable probability endanger public health; or (d) results in substantial damage to property or the environment;
- (3) an unauthorized release of gases in excess of 500 MCF; or
- (4) a release of a volume that may with reasonable probability be detrimental to water or exceed the standards in Subsections A and B or C of 19.15.30.9 NMAC.
 - B. "Minor release" means an unauthorized release of a volume, greater than five barrels but not more than 25 barrels; or greater than 50 MCF but less than 500 MCF of gases. [19.15.29.7 NMAC Rp, 19.15.3.116 NMAC, 12/1/08]

19.15.29.9 REPORTING REQUIREMENTS:

The person operating or controlling either the release or the location of the release shall provide notification of releases in 19.15.29.8 NMAC as follows.

A. The person shall report a major release by giving both immediate verbal notice and timely written notice pursuant to Subsections A and B of 19.15.29.10 NMAC.

B. The person shall report a minor release by giving timely written notice pursuant to Subsection B of 19.15.29.10 NMAC. [19.15.29.9 NMAC - Rp, 19.15.3.116 NMAC, 12/1/08]

19.15.29.10 CONTENTS OF NOTIFICATION:

- A. The person operating or controlling either the release or the location of the release shall provide immediate verbal notification 19.15.29 NMAC http://164.64.110.239/nmac/parts/title19/19.015.0029.htm[10/6/2016] 1:27:20 PM] within 24 hours of discovery to the division district office for the area within which the release takes place. In addition, the person shall provide immediate verbal notification of a release of a volume that may with reasonable probability be detrimental to water or exceed the standards in Subsections A and B or C of 19.15.30.9 NMAC to the division's environmental bureau chief. The notification shall provide the information required on form C-141.
- B. The person operating or controlling either the release or the location of the release shall provide timely written notification within 15 days to the division district office for the area within which the release occurs by completing and filing form C-141. In addition, the person shall provide timely written notification of a release of a volume that may with reasonable probability be detrimental to water or exceed the standards in Subsections A and B or C of 19.15.30.9 NMAC to the division's environmental bureau chief within 15 days after the release is discovered. The written notification shall verify the prior verbal notification and provide appropriate additions or corrections to the information contained in the prior verbal notification. [19.15.29.10 NMAC Rp, 19.15.3.116 NMAC, 12/1/08]"

Therefore since the release is considered a "major release" it requires immediate notification to take place within 24 hours of the release discovery time. On the C-141 this task was marked with a "no" meaning it did not happen. Please note the immediate notification requirement for future releases. OCD prefers that immediate notification be sent to myself and Mike Bratcher, if release occurs within District II jurisdiction, via email message. Please include in your written email all known information at the time the immediate notification is provided which should include as much info that you know that relates to what is asked for on the actual C-141 form.

If you have any questions or concerns please contact myself or Mike Bratcher here at the District II Office in Artesia.

Thank you,

Crystal Weaver

Environmental Specialist

OCD - Artesia District II

811 S. 1st Street

Artesia, NM 88210

Office: 575-748-1283 ext. 101

Cell: 575-840-5963

Fax: 575-748-9720

From: Melanie Wilson [mailto:mjp1692@gmail.com]

Sent: Tuesday, August 29, 2017 10:18 AM

To: Weaver, Crystal, EMNRD < Crystal.Weaver@state.nm.us; 'Clay Wilson' < claylwilson@hotmail.com; 'Riley

Neatherlin' < rgneatherlin@gmail.com >

Cc: Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>; 'Pair, Randal' <rpair@blm.gov>; 'Yolanda Jordan'

<yjordan@blm.gov>

Subject: MESQUITE SWD, INC. - C-141 FOR BIG EDDY SWD #1

Crystal/Mike,

Please find attached a C-141 for Mesquite SWD, Inc.'s Big Eddy SWD pipeline. Please contact Riley Neatherlin at 575-706-7288 if you need further information regarding this.

Thank you!

Melanie Wilson

575-914-1461

Mjp1692@gmail.com

NM-125702 Mesquite SWD - Big Eddy SWD #1 disposal Site inspection September 5, 2017

Randal Pair, BLM-Carlsbad Environmental Protection Specialist Accompanied by Yolanda Jordan, CFO Realty EPS

This inspection was done in response to a C-141 submittal by Mesquite to the OCD 8/7/2017. OCD has assigned this rep-ort Tracking No 2RP-4321.

The well ID sign is present, but the R/W ID number IS NOT posted.

There appears to have been a failure in one of the two pumps at the site. Produced water (PW) flowed westward from the pump shed toward the well, including the pad surface surrounding what appear to be new concrete footers. The PW also flowed westward, around the south end of the electrical shed, and exited the east side of the facility (which is not bermed).

The surface stain appears to be more petroleum stain than salt deposition. But then, it has been almost a month since the spill, with significant rain; so much of the salt deposited may have washed down into the pad or off the east side of the pad.

The contamination appears to have run about 50-feet outside the east fence, and pooled in an area about 30-feet in diameter. There is petroleum staining and a little salt bloom; and shrubs around the north side are dead.

Also observed at the NW corner of the deep excavated containment for the main tanks was a pile of contaminated material, about 1 cy, that might have been scraped out of the containment. It should be removed when the contamination form the spill is removed.

Also noted: two chemical tanks along the top of the deep containment have secondary containment tubs below them. But the secondary containments are barely bigger than the tanks - if a hole were punctured in the chemical tank, the chemical would spurt out far beyond the containment. This situation must be remedied. Also, netting of the containments against wildlife entry was not properly installed.

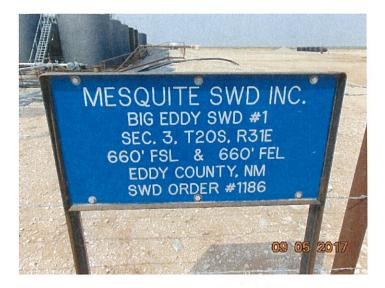
This facility is a commercial PW disposal operating on BLM-managed public lands authorized by a R/W under FLPMA. Federal rules require any discharge of contaminants to be reported to the BLM.

The R/W ID information must be posted on site as required by the R/W Grant documents.

Mesquite must coordinate with both OCD and BLM on the approvals of all delineation plans, remediation plans, and approval of confirmation samples prior to backfilling.

Kænle Pein

Randal Pair, EPS 13 September 2017

















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

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 384916

CONDITIONS

Operator:	OGRID:
MESQUITE SWD, INC	161968
P.O. Box 1479	Action Number:
Carlsbad, NM 88221	384916
	Action Type:
	[IM-SD] Incident File Support Doc (ENV) (IM-BNF)

CONDITIONS

Created By	Condition	Condition Date
amaxwell	Historical document upload.	9/19/2024