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

Denvoor	0032921
Incident ID	
District RP	21
Facility ID	
Application ID	

Release Notification

JAN 17 2019

NMOCD

Responsible Party

	DIST	
Responsible Party: BP America Production Co.	OGRID: 778	Final Report
Contact Name: Steve Moskal	Contact Telephone: (505) 330-9179	
Contact email: steven.moskal@bpx.com	Incident # (assigned by OCD)	
Contact mailing address: 1199 Main Ave. Suite 101, Durango	CO, 81301	

Location of Release Source

Latitude: 36.658160°

(NAD 83 in decimal degrees to 5 decimal places)

Site Name: Gallegos Canyon Unit 216	Site Type: Natural Gas Production Well (Abandoned)
Date Release Discovered: 1991	API#: 30-045-11621

Unit Letter	Section	Township	Range	County	
N	14	T28N	R12W	San Juan	

Surface Owner: State Federal Tribal Private (Name: _

Nature and Volume of Release

Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
Produced Water	Volume Released (bbls): unknown	Volume Recovered (bbls): 0
	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:

Landfarm treatment of oil contaminated soils never submitted for closure. The attached letter document makes reasonable assumptions that the landfarm treated soil was either, successfully accomplished, removed from the site and ultimately been addressed during the expansive soil remediation project in 2016.

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State of New Mexico Oil Conservation Division

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Was this a major release as defined by 19.15.29.7(A) NMAC?	If YES, for what reason(s) does the responsible party consider this a major release?
🗌 Yes 🖾 No	
If YES, was immediate no	otice 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:	Title:	
Signature:	Date:	
email:	Telephone:	
OCD Only		
Received by:	Date:	

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State of New Mexico **Oil Conservation Division**

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Site Assessment/Characterization

This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release?	<u>>100</u> (ft bgs)
Did this release impact groundwater or surface water?	🗌 Yes 🛛 No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	🗌 Yes 🛛 No
Are the lateral extents of the release within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)?	🗌 Yes 🛛 No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	🗌 Yes 🛛 No
Are the lateral extents of the release within 500 horizontal feet of a spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes?	🗌 Yes 🛛 No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	🗌 Yes 🛛 No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	🗌 Yes 🛛 No
Are the lateral extents of the release within 300 feet of a wetland?	🗌 Yes 🛛 No
Are the lateral extents of the release overlying a subsurface mine?	🗌 Yes 🛛 No
Are the lateral extents of the release overlying an unstable area such as karst geology?	🗌 Yes 🛛 No
Are the lateral extents of the release within a 100-year floodplain?	🛛 Yes 🗌 No
Did the release impact areas not on an exploration, development, production, or storage site?	🗌 Yes 🛛 No

Attach a comprehensive report (electronic submittals in .pdf format are preferred) demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined. Refer to 19.15.29.11 NMAC for specifics.

Characterization Report Checklist: Each of the following items must be included in the report.

Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells.

- Field data
- Data table of soil contaminant concentration data
- Depth to water determination
 Depth to water determination
 Determination of water sources and significant watercourses within ½-mile of the lateral extents of the release
 Boring or excavation logs
- Photographs including date and GIS information
- Topographic/Aerial maps
- Laboratory data including chain of custody

If the site characterization report does not include completed efforts at remediation of the release, the report must include a proposed remediation plan. That plan must include the estimated volume of material to be remediated, the proposed remediation technique, proposed sampling plan and methods, anticipated timelines for beginning and completing the remediation. The closure criteria for a release are contained in Table 1 of 19.15.29.12 NMAC, however, use of the table is modified by site- and release-specific parameters.

Yorm C-141State of New Mexicoage 4Oil Conservation Division			Incident ID District RP Facility ID Application ID	
regulations all operators ar public health or the environ failed to adequately investi addition, OCD acceptance and/or regulations.	e required to report and/or file cert nment. The acceptance of a C-141 igate and remediate contamination of a C-141 report does not relieve	ain release notifications and perf report by the OCD does not relie that pose a threat to groundwater	edge and understand that pursuant to form corrective actions for releases we eve the operator of liability should the s, surface water, human health or the compliance with any other federal, st	hich may endanger eir operations have environment. In
Signature:	@bpx,com	Date: <u>January 16, 201</u> Telephone: <u>(50</u>		
OCD Only Received by:		Date:		

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OCD Only

Received by:

Approved

Signature:

State of New Mexico Oil Conservation Division

Date:

Approved with Attached Conditions of Approval Denied

Date:

Incident ID	
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Deferral Approved

Remediation Plan

<u>Remediation Plan Checklist:</u> Each of the following items must be included in the plan.		
 Detailed description of proposed remediation technique Scaled sitemap with GPS coordinates showing delineation points Estimated volume of material to be remediated Closure criteria is to Table 1 specifications subject to 19.15.29.12(C)(4) NMAC Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is required) 		
Deferral Requests Only: Each of the following items must be confirmed as part of any request for deferral of remediation.		
Contamination must be in areas immediately under or around production equipment where remediation could cause a major facility deconstruction.		
Extents of contamination must be fully delineated.		
Contamination does not cause an imminent risk to human health, the environment, or groundwater.		
containing of the cause an inininent risk to numari nearth, the environment, or ground water.		
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.		
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Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: Each of the following items must be included in the closure report.

A scaled site and sampling diagram as described in 19.15.29.11 NMAC

Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)

Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)

Description of remediation activities

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

Printed Name: <u>Steve Moskal</u> Title: <u>Environmental Coordinator</u>		
Signature: Date: January 16, 2019		
email: <u>steven.moskal@bpx,com</u> Telephone: <u>(505) 330-9179</u>		
OCD Only Received by: CONSSE Fields Date: 1172019		
Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.		
Closure Approved by: Date: 1/117/2019		
Printed Name: Veresse Fields Title Environmental Opecalist		

BLAGG ENGINEERING, INC.

P.O. Box 87, Bloomfield, New Mexico 87413 Phone: (505)632-1199 Fax: (505)632-3903

January 16, 2019

Mr. Steve Moskal BPX Energy 380 Airport Road Durango, Colorado

Re: BPX – GCU 216 NMOCD Environmental Order: 3RP-21 (N) Sec 14 – T28N – R12W San Juan County, NM

Dear Mr. Moskal:

At your request, Blagg Engineering, Inc. (BEI) has reviewed the New Mexico Oil Conservation Division (NMOCD) Environmental Order 3RP-21, which is associated with the BPX operated GCU 216 natural gas well. The site is located on Navajo Agricultural Products, Inc. (NAPI) surface in a rural area of San Juan County, New Mexico. Order 3RP-21 was originally assigned in 1991 and all documents within the NMOCD file span between April 9, 1991 – August 13, 1991. Review of the records indicate that BPX's predecessor well operator, Amoco Production Company, requested approval to conduct a small pilot composting operation for remediation of hydrocarbon impacted soils and use a portion of the GCU 216 well pad for the test. The pilot test was approved by NMOCD.

The records within Order 3RP-21 do not provide a clear timeline for all aspects of the pilot test or give evidence of the conclusion of activities. Summary timelines for various events are as follows:

• Amoco apparently made a written request to conduct the pilot test with a letter dated April 9, 1991. This letter is not found within the 3RP-21 records but supporting documentation with a facsimile transmittal containing workplan notes and laboratory reports on this date are present.

• NMOCD's conditional approval letter dated May 17, 1991 indicate that the pilot test would be concluded within 45 days of the start of the test and that regulatory approval would then be necessary to remove the composted media from the site. The New Mexico Environment Department approval letter dated May 24, 1991 indicted that compose material would not be removed from the site.

• A letter from Amoco dated August 9, 1991 indicated that the pilot test was in progress and that an additional 45 days was requested to complete the project. This correspondence also stated that two (2) dump truck loads of hydrocarbon impacted soil had accidentally been dropped off at the site. A response letter from NMOCD, dated August 13, 1991 (the last record within the 3RP-21 file) granted Amoco permission to continue the test until September 23, 1991 and to allow the accidental truck loads of soil to be included in the pilot test operation.

There is no written record concerning the outcome of the pilot test or the final disposition of the composted media. BEI began providing Amoco with consulting environmental services in May, 1994 and this pilot project was never discussed in any meetings or other communication. Based on BEI's long history with Amoco, and later BPX, we believe it is likely that if the project was not successful that Amoco/BPX

would have requested permission to transport the material to their Crouch Mesa Landfarm facility for final remediation.

BEI first inspected the GCU 216 well site in February, 2010 for sampling a minor release from the on-site tank battery. On that inspection there was no indication of a composting operation anywhere on the wellpad. Review of Google Earth historical photography for the site does not indicate that a composting operation was in place on September 18, 2009 (figure attached). Images prior to that date do not provide adequate resolution to identify a composting operation.

A significant remediation was conducted at the GCU 216 well site in 2016 for remediation of a 95 barrel BGT. During this work a large portion of the east half of the site was excavated and treated on-site for restoration of hydrocarbon impacts via a proprietary shredding process. This process required using almost the entire remaining well pad for soil treatment. Following the conclusion of the remediation the portion of well pad used for soil treatment was sampled to confirm the absence of residual hydrocarbon impacts. These vadose zone composite samples (6 separate composite samples) were tested for hydrocarbons by USEPA Method 8015 and USEPA Method 8021. All samples were reported at non-detect by the laboratory. The final report for this project has previously been provided to NMOCD by BPX. Figure 3 from that report is attached here to demonstrate the significant area sampled during that work.

Based on the present day absence of any compost operations and recent site sampling, BEI concludes that there is no remaining environmental threat from the 1991 pilot test conducted at the GCU 216. BEI recommends closure of NMOCD's 3RP-21 Environmental Order.

Questions or comments with respect to this transmittal may be directed to myself at (505)320-1183. BEI appreciates the opportunity to provide services to BPX.

Respectfully, *Blagg Engineering, Inc.*

Jeffrey C. Blagg, P.E. President

Attachment: Site Figure #3 from LT Environmental report dated Nov 7, 2016 Google Earth Image, September 18, 2009



