

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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SEP 09 2010

HOBBSOCD

State of New Mexico
Energy Minerals and Natural Resources

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

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SEP 09 2010

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Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company: Ridgeway Arizona Oil Company	Contact: Marcelino Galindo
Address: 200 N. Lorraine St., Suite 1440, Midland, TX 79701	Telephone No.: 575-703-7787
Facility Name: Lauck Federal No. 4	Facility Type: Oil

Surface Owner: Federal	Mineral Owner: Federal	Lease No.: NM0554778
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LOCATION OF RELEASE

API No: 30-041-10231

Unit Letter O	Section 29	Township 7S	Range 33E	Feet from the 660	North/South Line FSL	Feet from the 1980	East/West Line FEL	County Roosevelt
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Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release: Hydrocarbon	Volume of Release: 20 bbls.	Volume Recovered: 17 bbls.
Source of Release: Gun Barrel Tank Thief Hatch	Date and Hour of Occurrence: Unknown	Date and Hour of Discovery: 0700 Hrs. 29 August 2010
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? N/A	
By Whom? N/A	Date and Hour: N/A	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. N/A	

If a Watercourse was Impacted, Describe Fully.*

N/A

Describe Cause of Problem and Remedial Action Taken.* ☐ The water leg on the steel gun barrel tank (500 bbl.) plugged not allowing the water to flow from the tank. Therefore, causing an increase in the water level inside the tank that ultimately forced the hydrocarbon (oil) out of the thief hatch onto the ground to the east. When the pumper (Matthew Howe), reaching the location at 0700 Hrs., discovered the discharge, he immediately notified appropriate company personnel and called in a vacuum truck to remove the pooling hydrocarbon from the ground surface so as to prevent further horizontal and vertical absorption of the discharged oil until excavation could be achieved.

Describe Area Affected and Cleanup Action Taken.* All vacuumed oil (17 bbls.) was returned to the gun barrel tank. Since there were no backhoes available on Sunday or Monday, the excavation of the discharge area began and was completed on Tuesday. Approximately 1 foot of hydrocarbon contaminated material was hauled to disposal. Currently, this site awaits sampling for further disposition of the cleanup but it is believed to now be within regulatory limits. Concurrently, BLM located an historic discharge area between the gun barrel tank and the heater treater west of the above spill. The company then excavated this area and removed approximately 1.5 feet of contaminated material to disposal. This also awaits analytical results before further action will be taken. Please refer to the *Corrective Action Plan* and *Final Remediation Report* for details.

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 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature: <i>Andy Chalker</i>		OIL CONSERVATION DIVISION	
Printed Name: Andy Chalker		Approved by <i>ENV. ENGINEER:</i> District Supervisor: <i>Jeffrey Lebrun</i>	
Title: Operation Manager		Approval Date: 09/09/10	Expiration Date: 11/09/10
E-mail Address: andy.chalker@att.net		Conditions of Approval: SUBMIT FINAL C-141 BY 11/09/10.	
Date: 2 September 2010	Phone: 432.687.0303	Attached <input type="checkbox"/> IRP - 10-9-2610	

* Attach Additional Sheets If Necessary

Mr. Andy Chalker
Operations Manager
Ridgeway Arizona Oil Company
200 N. Lorraine Street
Suite 1449
Midland, Texas 79701

8 September 2010

RECEIVED

Mr. Geoffrey Leking
OIL CONSERVATION DIVISION
1625 N. French Drive
Hobbs, NM 88240

SEP 09 2010
HOBBSOCD

Re: Lauck Federal No. 4 *Corrective Action Plan* for Discharge of Hydrocarbon
API No.: 30-041-10231 / Federal Lease No.: NMNM0554778
U/L O 29 7S 33E 660' FSL 1980' FEL
NMOCD RP No.:

Dear Mr. Leking:

Ridgeway Arizona Oil Company (Ridgeway) herewith notifies the New Mexico Oil Conservation Division (NMOCD) that approximately 20 barrels of hydrocarbon were discharged at the Lauck Federal No. 4 Battery at an unknown time of occurrence. Discovery occurred on 29 August 2010 at approximately 0700 Hrs. The discharge was contained to the tank battery and facility area at the above cited location in Roosevelt County, New Mexico.

The water leg on the steel gun barrel tank (500 bbl.) plugged not allowing the water to flow from the tank. Therefore, causing an increase in the water level inside the tank that ultimately forced the hydrocarbon (oil) out of the thief hatch onto the ground to the east. When the pumper (Matthew Howe), reaching the location at 0700 Hrs. and discovered the discharge, he immediately notified appropriate company personnel and called in a vacuum truck to remove the pooling hydrocarbon from the ground surface so as to prevent further horizontal and vertical absorption of the discharged oil until excavation could be achieved.

All vacuumed oil (17 bbls.) was returned to the gun barrel tank. Since there were no backhoes available on Sunday or Monday, the excavation of the discharge area began and was completed on Tuesday since inbound inclement weather was anticipated. Approximately one foot of hydrocarbon contaminated material was hauled to disposal.

Currently, this site has been sampled for further disposition of the cleanup to ascertain compliance with NMOCD standards. Concurrently, BLM located an historic discharge area between the gun barrel tank and the heater treater west of the above spill. The company then excavated this area and removed approximately 1.5 feet of contaminated material to disposal. This also was sampled.

Laboratory analytical results should be available later this week before further action will be taken. Once the sampling data is available and a disposition can be identified, Ridgeway will notify the NMOCD and the BLM. The current proposal is to line the battery with 40 ml HDPE liner and cover it with either caliche or available sand. No action will be taken without the approval of the two agencies.

Should you have questions please call 432-556-7982.

Sincerely,

A handwritten signature in black ink that reads "Andy Chalker". The signature is written in a cursive, slightly slanted style.

Andy Chalker
Operations Manager

Cc: April Mayes, BLM Roswell

Enclosure: Initial C-141