Diversified Field Service, Inc.

Thursday, April 2, 2015

Environmental Department 206 W. Snyder Hobbs, NM 88240 Ph

Phone: (575)964-8394 Fax: (575)964-8396

RECEIVED

By OCD; Dr. Oberding at 12:33 pm, Apr 23, 2015

Ben Taylor Burgundy Oil and Gas 401 W. Texas Ave., #1003 Midland, TX, 79701

RE: Skaggs-Grayburg #11- Site Activities for Remediation API 30-025-20126 Unit D, Section 13, T20S, R37E

Mr. Taylor,

Detailed herein is a summary of activities at the site by Diversified Field Service, Inc. (DFSI). The spill occurred on March 4, 2015, with a failure in the flowline. A pinhole in the flowline sprayed onto the pump jack and pasture north of the pump jack. On April 1, 2015, DFSI personnel visited the site to remove the contaminated soil from the north side of the pump jack. The spill area behind the pump jack was re-contoured with surrounding caliche. DFSI was retained by Burgundy Oil and Gas in order to complete the requirements of restoring the location to its previous condition. (See Site Photographs).

APPROVED Conditionally

Thank you for allowing DFSI to assist you in this matter. Please call me with any questions and/or comments.

Sincerely,

Lance Crenshaw Project Manager Diversified Field Service, Inc. 206 W. Snyder Hobbs, NM 88240 Office: (575)964-8394 Mobile: (575)441-2359 Fax: (575)964-8396

Attachments: Site Photographs Initial C-141 Current spill addressed; RP will remain open until historic contamination is remediated.

By OCD; Dr. Oberding at 12:38 pm, Apr 23, 2015

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Thursday, April 2, 2015

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Lease sign marking location

Spill Area



Completed site with contaminated dirt hauled out, blended caliche leveled back in

Diversified Environmental Services

Company Name:BURGNDYLocation Name:SKAGGS GR

BURGNDY SKAGGS GRAYBURG UNIT 11

SP1	CHL	PID	SP2	CHL	PID	SP3	CHL	ТРН	SP4	CHL	ТРН	SP5	CHL	ТРН
SURF	1474	5.6	SURF	499	0									
1'	1249	16.9	1'	524	0									
2'	974	1.3												
3'	999													
4'	774	0												
5'	624	0												

	Lab Confirmation Sample
	Field Sampling
	Needs Delineation and confirmation samples

Page 1

State of New Mexico Energy Minerals and Natural Resources

Form C-141 Revised October 10, 2003

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action													
							OPERATOR Initial R					Final Report	
Name of Co	ompany	Contact Ben Taylor											
Address	Clr.	Telephone No. 1-432-557-2684											
Facility Na	me Ska	Facility Type											
Surface Owner Mineral Owner									Lease M	<u>vo. 300-2</u>	25-20)126	
LOCATION OF RELEASE													
Unit Letter	Section	Township	Range	Feet from the		h/South Line	Feet from the	East/	West Line	County			
D	13	205	37E	660		N	990		N	Lea			
L			T.a	titude	Longitud	le	l						
Type of Rele	NATURE OF RELEASE Type of Release Oil / Produced Water Volume of Release 1 / 1 Volume Recovered 0 / 0												
Source of Re		Tiouuce	u maie	.		Volume of Release 1 / 1 Volume Recovered 0 / 0 Date and Hour of Occurrence 3/4/15 Date and Hour of Discovery 3/5/15							
Was Immedi	ate Notice (······			If YES, To							
			Yes L] No 🛛 Not Re	equired						-		
By Whom?		1.10				Date and H		1 187.4					
Was a Water	course Rea		Yes 🕅	No		IT YES, VO	olume Impacting t	ne wai	ercourse.				
If a Waterco	urse was Im	pacted, Descr	ibe Fally	*									
		.purvera, 170001											
1		em and Reme											
A failure in th	e flowline. A	pinhole forme	d in the flo	wline spraying into	the pu	mping unit.							
Describe Ar	A ffected	and Cleanup	Action Tel	ken *									
1		-		ne pumping unit wa	s washe	ed. The contami	nation on the pad v	was rem	oved and ha	uled to a disp	osal.		
				en so show delineati			· ·			-			
I hereby cert	ify that the	information g	iven abov	e is true and comp	lete to	the best of my	knowledge and u	indersta	nd that pur	suant to NM	IOCD	rules and	
regulations a	ll operators	are required t	o report a	nd/or file certain n	elease	notifications a	nd perform correct	ctive ac	tions for rel	leases which	may o	endanger of liability	
should their	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 enviro	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 la	ws and/or reg	ulations.					0000		DRAGI			
Bo I Va							OIL CONSERVATION DIVISION						
Signature: On August													
Printed Name: Ben Taylor							District Supervis	ior:					
Ţ	Prod. Ma	Approval Da			Expiration	Date							
100 (04 1020						Conditions of Approval: Att				Attache	Attached		
Date: 4/1	3/2015		Phone	432-684-40	55								

* Attach Additional Sheets If Necessary