

January 30, 2012

2RP-1183 NJMW1217341655

AMARILLO 92I North Bivins Amarillo. Texas 79107 Phone 806.467.0607 Fax 806.467.0622

ARTESIA 408 West Texas Ave. Artesia, New Mexico 88210 Phone 575.746.8768 Fax 575.746.8905

> AUSTIN 9II West Anderson Lane Suite 202 Austin, Texas 78757 Phone 5I2.989.3428 Fax 5I2.989.3487

HOBBS 318 East Taylor Street Hobbs, New Mexico 88240 Phone 575.393.4261 Fax 575.393.4658

> MIDLAND 290I State Hwy 349 Midland, Texas 79706 Phone 432.522.2133 Fax 432.522.2180

SAN ANTONIO II Commercial Place Schertz, Texas 78154 Phone 210.265.8025 Fax 210.568.2191

TULSA 525 South Main Street Suite 535 Tulsa, Oklahoma 74103 Phone 918.742.0871 Fax 918.382.0232

ENVIRONMENTAL CONSULTING
ENGINEERING
DRILLING
CONSTRUCTION
SPILL MANAGEMENT
GENERAL CONTRACTING

Mr. Mike Bratcher
NMOCD District 2
1301 West Grand Avenue
Artesia, NM 88210

Subject:

Remediation and Closure Report

Lime Rock Resources II-A, L.P. West Red Lake No. 44

30-015-28444 2RP-1183

Dear Mr. Bratcher,

Lime Rock Resources II-A, L.P. (Lime Rock) contracted Talon/LPE (Talon) to perform soil assessment and remediation services at the referenced West Red Lake No. 44. The completed remediation activities and closure request are submitted herein.

Incident Date

June 7, 2012

Background Information

The West Red Lake No. 44 is located approximately ten (10) miles southeast of Artesia, New Mexico. The legal location for the site is Section 5, Township 18 South and Range 27 East in Eddy County, New Mexico. More Specifically the latitude and longitude for the release are 32.77161 North and -104.30283 West.

According to the soil survey provided by the United States Department of Agriculture National Resources Conservation Services, the soil in this area is made up of weathered Gypsum. The local surface and shallow geology, Paleozoic Age sedimentary deposits, is comprised of the Guadeloupian Artesia Group, Tansil and Yates formations which include silty soils under lain by gypsum and hard caliches. Drainage courses in this area are normally dry. The New Mexico State Engineer web site indicates the nearest ground water data to be in S32-T17S-R27E. The ground water in the area is reported to be 140' below ground surface (bgs). The referenced groundwater data is presented in Appendix I.

The ranking for this site is 0 based on the as following:

Depth to ground water >100'
Wellhead Protection Area >1000'
Distance to surface water body >1000'

Toll Free: 866.742.0742 www.talonlpe.com

Incident Description

On June 7, 2012 a 2-inch injection line split at the wellhead causing 49 barrels of produced water to be released. The well was shut in, the line was repaired and a berm was placed in the flow path. A vacuum truck was brought to the location and 12 barrels of produced water were recovered.

Remedial Actions Taken

On November 21, 2012 Talon personnel mobilized to the site to begin excavation of the impacted area in accordance with the approved work plan and stipulations. The impacted soil within the area of the release was excavated and placed onto the drilling pit as per BLM/Jennifer Van Curen's approval. A 20 mil liner was then placed onto the drilling pit. The edges of the liner was keyed a minimum of 3-feet deep into a trench excavated at the boundaries of the closed drilling pit area. A minimum of 2-foot of new soil was placed over the top of the 20 mil liner and the soil lift was contoured to match the surrounding terrain. A 1-foot berm was constructed up gradient of the drilling pit to divert run off waters for erosion control.

Summary and Conclusion

- The depth to groundwater in the project vicinity is 140-feet below land surface per the New Mexico State Engineer Database.
- The impacted soil within the cellar of the wellhead was excavated to a depth of 4-feet deep and a 20 mil liner was placed into the bottom of the cellar before backfilling.
- The chloride impacted area on location was excavated 2-feet below land surface. The excavated soil was placed onto the closed drilling pit.
- Soil samples were collected from the sidewalls and bottom of the excavation located on location. The soil samples were tested for chlorides using the field titration test method and the results were approved by Jennifer Van Curen with the BLM before starting to backfill.
- The location was reconstructed using new soil transported to the location.
- The location was downsized and the downsized portion was seeded using BLM seed mix No. 3 and 4.
- A berm was installed around the location using new material transported from a local borrow pit to prevent storm water runoff.

Closure

On behalf of Lime Rock Resources II-A, L.P., we respectfully request that no further actions be required and that closure with respect to this release be granted. If we can provide additional information or be of further assistance please contact our office at 575.746.8768.

Respectfully submitted,

TALON/LPE

Mike Stubblefield Project Manager David J. Adkins District Manager

<u>District I</u> 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

Date: 1/30/2013

* Attach Additional Sheets If Necessary

State of New Mexico Energy Minerals and Natural Resources

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

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: LIME ROCK RESOURCES II-A, LP Contact: Mike Barrett Address: 1111 Bagby Street Suite 4600, Houston, TX 77002 Telephone No.: 575-623-8424 Facility Name: West Red Lake #44 Facility Type: Injection Well Surface Owner: BLM Mineral Owner: BLM Lease No.: API #30-015-28444 2RP-1183 LOCATION OF RELEASE Unit Letter Section East/West Line Township Range Feet from the North/South Line Feet from the County Eddy N 18S 27E 840' **FSL** 1750' **FWL** Latitude 32.77161 N Longitude -104.30283 W NATURE OF RELEASE Type of Release: Produced Water Volume of Release: 49 bbls PW Volume Recovered; 12 bbl PW Source of Release: 2" Injection Line Split @ wellhead Date and Hour of Occurrence: Date and Hour of Discovery: 6/7/12 6/07/12 am 8:00 am Was Immediate Notice Given? If YES, To Whom? Yes No Not Required Voicemail to BLM & OCD By Whom? Date and Hour: Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ⊠ No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* A 2-inch injection line split at the wellhead causing 49 barrels of produced water to be released. The well was shut in, the line was repaired and a berm was placed in the flow path. A vacuum truck was brought to the location and 12 barrels of produced water were recovered. Describe Area Affected and Cleanup Action Taken.* The impacted area was excavated by Talon/LPE to a depth of 2-feet deep and the soil was placed on the closed drilling pit. Soil samples were collected from the sidewalls and bottom of the excavation. The soil samples were tested for chlorides using the field titration test method and the results were approved by Jennifer Van Curen with the BLM before starting to backfill. The excavated area was backfilled to grade with new material transported from a local borrow pit. The drilling pit was also encapsulated with a 20-mil liner. The location was downsized and berms were then constructed around the location. 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. OIL CONSERVATION DIVISION Signature: Approved by District Supervisor: Printed Name: Michael Barrett Title: Production Supervisor **Expiration Date:** Approval Date: E-mail Address: mbarrett@limerockresources.com Conditions of Approval: Attached Phone: 575-623-8424

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

Oil Conservation Division 1220 South St. Francis Dr.

Form C-141 Revised August 8, 2011 Submit 1 Copy to appropriate District Office in accordance with 19.15 29 NMAC.

Santa Fe, NM 87505 **Release Notification and Corrective Action**

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Name of Company Lime Rock Resources II-A, L.P. 277558 Contact Michael Barrett														
Address 1111 Bagby St Suite 4600 Houston, TX 77002 Telephone No. 575-623-8424														
Facility Name West Red Lake Unit #44 Facility Type WIW														
Surface Ow	ner BLM	BLM API No.				. 30-015-2	30-015-28444							
				LOCA	TION	OF REI	LEASE							
Unit Letter	Section	Township	Range	Feet from the	North/	South Line	Feet from the	East/W	est Line	County				
N	5	18S	27E	840'	FSL		1750'	FWL		Eddy	Eddy			
				le 32.77161		Longitude	104.30283							
NATURE OF RELEASE														
Type of Release Produced Water							Volume of Release 49 bbls Volume Re				ecovered 12 bbls			
Source of Release 2" Injection Line Split @ Wellhead							1				lour of Discovery			
Was Immediate Notice Given?						06/07/2012 If YES, To			06/07/201	2 @ 8 am				
Was immediate Notice Given? ☐ Yes ☐ No ☐ Not Required														
By Whom? Michael Barrett						Date and Hour 6/8/12 @ 3 pm								
Was a Watercourse Reached? ☐ Yes ☒ No						If YES, Volume Impacting the Watercourse.								
If a Watercourse was Impacted, Describe Fully.*														
If a watercourse was impacted, Describe Puny.														
	RECEIVED													
	HIN 1 0 2012													
Describe Cause of Problem and Remedial Action Taken.* 2" Injection Line Split @ Wellhead.											JIN I	J LUIL		
Shut off water flow, repaired line & bermed flow path.										NMC	NMOCD ARTESIA			
										Company	Colonial or and Street, or an annual or an an an an an an a			
Describe Area Affected and Cleanup Action Taken.*														
Packed Caliche & Rock.														
Talon LPE has been contracted to do site assessment and formulate a work plan.														
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														
l hereby certi	ify that the i	information g are required t	iven above o report ar	is true and comp nd/or file certain i	lete to the elease n	ne best of my otifications a	knowledge and und notice that the correction is the contraction of the correction of	understar	nd that purs ions for rel	eases which	may e	ndanger		
public health	or the envir	ronment. The	acceptano	ce of a C-141 repo	ort by the	e NMOCD m	narked as "Final R	Report" d	loes not rel	ieve the ope	erator of	f liability		
should their or	operations h	ave failed to	adequately ICD accer	investigate and rotance of a C-141	renort de	e contaminat oes not reliev	ion that pose a thi	reat to gr	round wate ibility for c	r, surface w	ater, hu with an	man health v other		
		ws and/or regi												
wh 35						OIL CONSERVATION DIVISION Signed By 1/4 December 1								
Signature:							Signed By MII/4 DAMONIA							
							Approved by Environmental Specialist:							
							Approval Date: JUN 2 1 2012 Expiration Date:							
Title: Production Supervisor							te:		Expiration	Date:				
E-mail Addre	ess: <u>mbarret</u>	t@limerockre	sources.co			Conditions o				Attached	d [
Date: 06/08	/2012	Pho	ne: 575-62	2 0 4 2 4		-	OCD Rules &							
	Attach Additional Sheets If Necessary Attach Additional Sheets If Necessary Phone: 5/5-623-8424 Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: 2RP-1183													
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