District 1 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

)

Incident ID	NRM2021936507
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party Armstrong Energy Corporation	OGRID 1092	
Contact Name Kyle Alpers	Contact Telephone 575-625-2222	
Contact email kalpers@aecnm.com	Incident # (assigned by OCD)	
Contact mailing address P.O. Box 1973, Roswell, NM 88202-1973		

Location of Release Source

Latitude _____33.862831

Longitude _____103.412047 (NAD 83 in decimal degrees to 5 decimal places)

 Site Name
 Long Tall Sally #1
 Site Type

 Data Dalages Discoursed
 7/21/2020
 A DI# (G = 1 + 11)

Unit Letter Section Township Range	County

B 19 5S 34E Roosevelt

Surface Owner: State Federal Tribal X Private (Name: _____

Nature and Volume of Release

x Crude Oil	Volume Released (bbls)	Volume Recovered (bbls) 15
Produced Water	Volume Released (bbls)	Volume Recovered (bbls)
	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		

PLEASE SEE ATTACHED SHEET

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	
IFVES was immediate a	ation given to the OCD2 Du whem? To whom? When and hu what means (nhone, email, sto)?
II I ES, was immediate h	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

X The source of the release has been stopped.

X The impacted area has been secured to protect human health and the environment.

X Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.

X 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. Please see attached.

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: Kyle Appers	Title: VP Engineering
Signature:	Date:
email: kalpers@aecnm.com	Telephone:575-625-2222
OCD Only	
Received by: Ramona Marcus	Date: 8/6/2020

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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>124</u> (ft bgs)
Did this release impact groundwater or surface water?	Yes X No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	🗌 Yes ᡵ 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 X 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 X 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.

- x Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells.
- X Field data
- **X** Data table of soil contaminant concentration data
- \mathbf{x} Depth to water determination
- \mathbf{x} Determination of water sources and significant watercourses within $\frac{1}{2}$ -mile of the lateral extents of the release
- x Boring or excavation logs
- X Photographs including date and GIS information
- X Topographic/Aerial maps
- x 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.

Form C-141 Page 4	State of New Mexico Oil Conservation Division		Incident ID District RP Facility ID Application ID	NRM2021936507
regulations all operators are red public health or the environmen failed to adequately investigate	ation given above is true and complete to the quired to report and/or file certain release notiont. The acceptance of a C-141 report by the C and remediate contamination that pose a thre C-141 report does not relieve the operator of	fications and perform co OCD does not relieve the at to groundwater, surfa-	prective actions for release operator of liability sho ce water, human health	ases which may endanger buld their operations have or the environment. In
Printed Name:Kyte Al	pers	Title: VP Eng	ineering	
Signature:	4	Date: <u>8/3/2020</u>	<u> </u>	
email: kalpers@aecnm.c	com	Telephone: <u>575-6</u>	25-2222	
OCD Only				
Received by:	Marcus	Date:	/2020	

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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 19.15.29.1 Proposed schedule for remediation (note if remediation plan time		
Deferral Requests Only: Each of the following items must be con	firmed 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.	
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:	
Approved Approved with Attached Conditions of	Approval Denied Deferral Approved	
Signature:	Date:	

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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.

<u>Closure Report Attachment Checklist:</u> 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.

_ Title:
Date:
Telephone:
Deter
Date:

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:
Printed Name:	Title:

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Well had been shut in for several days due to a pipeline issue. When the well was brought back on, it flowed for a short period of time and died. Well was left open to the tanks overnight, with plenty of room in the tanks, in prep for a swab unit the next morning. Sometime during the early morning, the well unloaded on its own. There was plenty of room in the oil tanks, however, the surging caused misting and splashing out of a thief hatch for a short period of time. The release is the result of flush production surging and splashing out of a thief hatch. Upon discovery of the release, a vac truck was called and was able to pick up approximately 15 barrels of oil from within the tank berm with the remainder being rainwater from rain during the night. The misting covered 2' to 6' out from the north and east sides of the berm on the caliche pad. A backhoe and gang were brought in immediately, and all contaminated caliche was picked up and removed to appropriate disposal site, and replaced with clean caliche.

Characterization Report:

Site map showing impacted area attached.

No soil contamination measurements were taken as the site was cleaned immediately.

Depth to water determined via USGS records to be around 124' bgs.

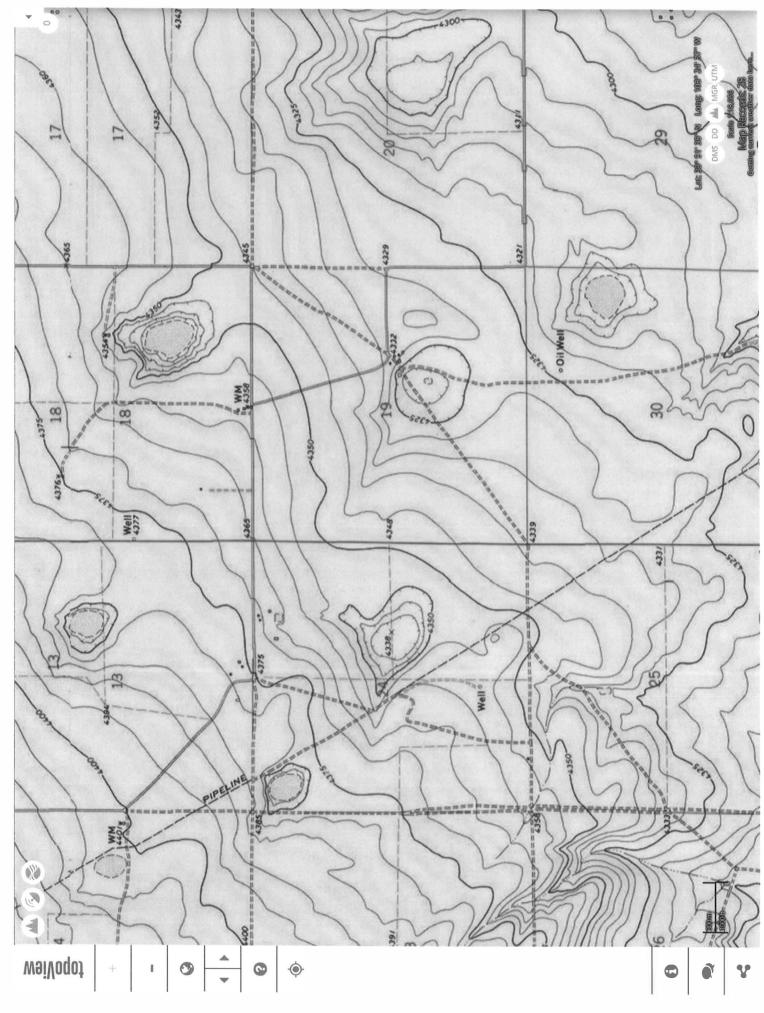
No water sources or watercourses within ½ mile of release.

There was no boring or excavation performed.

Photographs attached.

Topographic map attached.

No lab data available.



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