

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.
Santa Fe, NM 87505

Form C-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

X ☐ Initial Report ☐ Final Report

Name of Company: Basin Alliance LLC	Contact: Hugo Naegele Jr	
Address: PO Box 1378	Telephone No.: 575-392-5999 Cell: 575-390-1250	
Facility Name: State AJ #1 SWD	Facility Type: SWD	
Surface Owner State of New Mexico	Mineral Owner	API No. 30-025-28083

LOCATION OF RELEASE

Unit Letter G	Section 33	Township 18S	Range 36E	Feet from the 2310	North/South Line North	Feet from the 2310	East/West Line East	County Lea
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Latitude 32.704932 North Longitude -103.358345 West

NATURE OF RELEASE

Type of Release Fluid	Volume of Release (appx 900)	Volume Recovered (over 1150)
Source of Release Lighting storm struck the tank battery and caught fire.	Date and Hour of Occurrence: 6-13-15 6PM	Date and Hour of Discovery: 6-13-15 6:14pm
Was Immediate Notice Given? X Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? NMOCD office in Hobbs, NM	
By Whom? Hugo Naegele Jr	Date and Hour: 6-14-2015 2PM	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*
Attachment

RECEIVED

By OCD District 1 at 9:29 am, Jun 22, 2015

Describe Cause of Problem and Remedial Action Taken.*
Attachment

Describe Area Affected and Cleanup Action Taken.*
Attachment

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: Hugo Naegele Jr

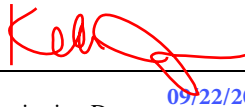
Printed Name: Hugo Naegele Jr

Title: Member

E-mail Address: hnaegele55@bajabb.com

Date: 6-14-2015

Phone: 575-392-5999

Approved by Environmental Specialist: 

Approval Date: 06/22/2015

Expiration Date: 09/22/2015

Conditions of Approval:
Site samples required. Delineate and
remediate as per MNOCD guides. Geotag
photographs of remediation required.

Attached ☐ 168776
1RP-3680

* Attach Additional Sheets If Necessary

nKJ1517335905

pKJ1517336044

Basin Alliance, LLC

P. O. Box 1378
Hobbs, New Mexico 88241
Hugo Naegele (575) 390-1250

SUMMARY OF EVENTS AND FIELD ACTIVITIES

**Basin Alliance
State AJ #1**

**Lea County, New Mexico
UNIT G, Section 33, Township 18S, Range 36E
Latitude, Longitude 32°.704932" North, -103°.358345 West**

June 19, 2015

Hugo Naegele
Basin Alliance, LLC

SUMMARY OF EVENTS AND FIELD ACTIVITIES

During a severe rain and lighting storm on the evening of Saturday June 13, 2015 the tank battery at the State AJ #1 caught fire due to a lighting strike. Sunday morning, as soon as, the conditions were safe the area was assessed and clean up was started. Two vacuum trucks were dispatched one to remove the fluid from the tanks displacing the fluid into portable frac tanks and the other to began removing fluid off the ground within the burm. The clean up of free fluids from the rain as well as the release continued on Monday June 15, 2015. Following the removal of the free fluid from within the burm area the impacted soils has been excavated and temporarily stockpiled on a poly liner until further remediation can be accomplished. The tank battery is now being disassembled and the burned tank battery area will then be assessed for clean up.

This site is located in Unit G, Section 33, Township 18 South, Range 36 East, in Lea County, New Mexico. The latitude is 32° 704932' and the longitude is -103° 358345'. The site is characterized by a right-of-way for the State AJ #1 disposal well and tank battery. The surrounding area outside the pump station is primarily open range utilized for cattle grazing and oilfield production activities. The visible surface stained area includes the explosion release point including the lined and burned tank battery, as well as, the burned location covering an area approximately 190 feet long by 260 feet wide at the widest point. Two pooling areas were formed one in the Southwest Corner of the location (pooling area 1) 25 feet long by 30 feet wide and one in the Southeast Corner of the location (pooling area 2) 45 feet long by 35 feet long. Approximately 900 barrels of fluid was released from the tanks during the explosion with over 1150 barrels of fluid recovered. The increase in fluid is attributed to the heavy rain fall from the storm.

Ms. Kellie Jones, with the New Mexico Oil Conservation Division (NMOCD), in the Hobbs, New Mexico office was verbally notified Monday June 15, 2015 of the release. As advised by Ms. Jones a C-141 form, dated June 15, 2015 has been completed by Basin Alliance and has been submitted with this summary of events.

