

RECEIVED

By JKeyes at 1:41 pm, May 11, 2016



APPROVED

CONOCOPHILLIPS

P.O. Box 2197
Houston, TX 77252-2197
Phone 281.293.1000

MCA #126

Termination Request

API No. 30-025-12709

Release Date: February 24th, 2015

Unit Letter A, Section 26, Township 17S, Range 32E



PO Box 2948 | Hobbs, NM 88241 | Phone 575.393.2967

May 9th, 2016

Jamie Keyes

Environmental Specialist – New Mexico Oil Conservation Division
Energy, Minerals and Natural Resources Department
1625 N. French Dr.
Hobbs, NM 88240

**RE: Termination Request
ConocoPhillips MCA #126 (1RP-3542)
UL/A sec. 26 T17S R32E
API No. 30-025-12709**

Mr. Keyes:

ConocoPhillips (CoP) has retained Basin Environmental Service Technologies, LLC (Basin) to address potential environmental concerns at the above-referenced site.

Background and Previous Work

The site is located approximately 3.6 miles southeast of Maljamar, New Mexico at UL/A sec. 26 T17S R32E. WAIDS and USGS installed well records indicate that groundwater will likely be encountered at a depth of approximately 69 +/- feet.

On February 24th, 2015, CoP discovered a stuffing box leak during normal rounds. A total of 5.1 barrels of oil and 5.1 barrels of produced water was released over 590 sq ft of caliche pad with 5 barrels of oil and 5 barrels of produced water recovered. BLM and NMOCD were notified of the release on February 25th, 2015, and an initial C-141 was submitted to both parties the same day. NMOCD approved the initial C-141 on February 25th, 2015 (Appendix A).

On December 16th, 2015, Basin personnel were on site to assess the release. The release was mapped and photographed. Two points within the release area were sampled with depth (Figure 1). All samples were field tested for chlorides and organic vapors, and representative samples were taken to a commercial laboratory for analysis (Appendix B). Laboratory analysis for Point 1 returned a chloride concentration of 144 mg/kg at 6 in bgs. Gasoline Range Organics (GRO) returned a value of non-detect, and Diesel Range Organics (DRO) returned an elevated value of 833 mg/kg. Benzene, Toluene, Ethylbenzene and Xylene (BTEX) all returned values of non-detect. Laboratory analysis of Point 2 revealed chloride values of 528 mg/kg at 6 in bgs and 176 mg/kg at 1 ft, GRO values of non-detect at the surface and at 6 in and 1 ft bgs, and DRO values of 528 mg/kg at 6 in bgs and 131 mg/kg at 1 ft bgs. BTEX values at both depths were non-detect.

Based on this assessment, a Corrective Action Plan (CAP) was submitted to NMOCD December 22nd, 2015. NMOCD approved the CAP December 22nd, 2015. The CAP stated that the release area would be scraped to 6 in bgs. All excavated soils would be taken to a NMOCD approved facility for disposal. Clean soil would be imported to the site to use as backfill. A sample of the imported soil would be taken to a commercial laboratory to confirm that the chloride reading was below regulatory standards. The excavation would be backfilled with the clean, imported caliche.

CAP activities began January 15th, 2016. The release area was scraped to 6 in bgs (Figure 1). A total of approximately 12 cubic yards of contaminated soil were exported and disposed of at a NMOCD approved facility. A total of 12 cubic yards of caliche were imported for backfill. A sample of the imported soil was taken and sent to a commercial laboratory for analysis. Laboratory analysis returned a chloride level of 32 mg/kg. The site was backfilled with the clean, imported caliche and contoured to the surrounding pad.

Photo documentation of the field activities can be found in Appendix C.

Given that CoP has completed the work stated in the NMOCD approved CAP, CoP respectfully requests 'remediation termination' and site closure. A final C-141 can be found in Appendix D.

Basin appreciates the opportunity to work with you on this project. Please call me if you have any questions or wish to discuss the site.

Sincerely,

A handwritten signature in black ink that reads "Kyle Norman". The signature is written in a cursive, flowing style with a long horizontal line extending from the end.

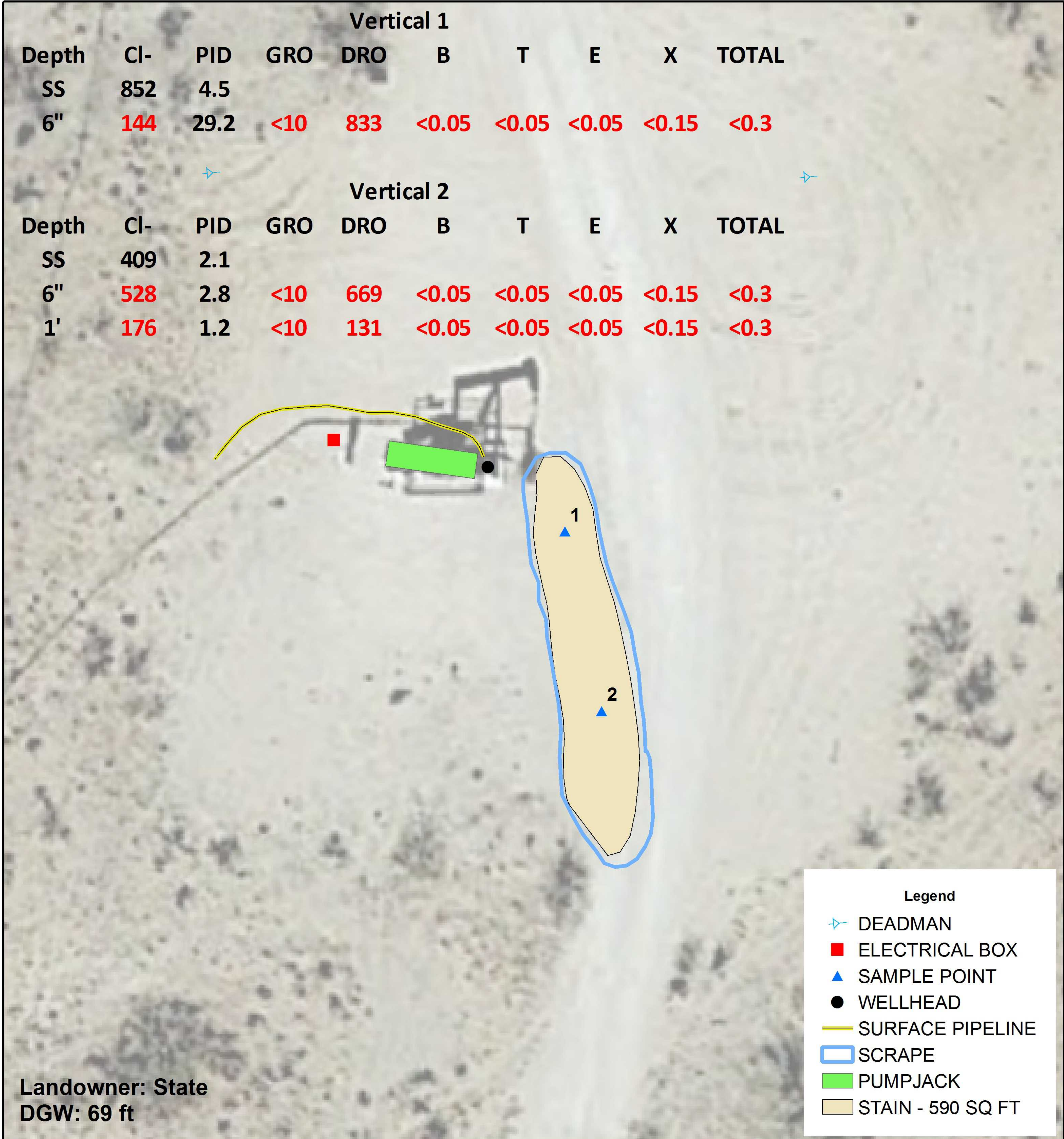
Kyle Norman
Project Lead
Basin Environmental Service Technologies
(575) 942-8542

Attachments:

- Figure 1 – Excavation Map
- Appendix A – Initial C-141
- Appendix B – Laboratory Analysis
- Appendix C – Photo Documentation
- Appendix D – Final C-141

Figures

Initial Sampling



CONOCOPHILLIPS
MCA #126
1RP-3542
UL A SECTION 26
T-17-S R-32-E
LEA COUNTY, NM

Figure 1
GPS: 32.810982 -103.730651
0 10 20 Feet
GPS date: 12/16/15, 1/18/16 KN
Drawing date: 1/19/16
Drafted by: T. Grieco

Appendix A

Intial C-141

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

RECEIVED

By OCD; Dr. Oberding at 10:36 am, Feb 25, 2015
Revised August 8, 2011

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

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company: ConocoPhillips	Contact: Jay Garcia	
Address: 29 Vacuum Complex Lane	Telephone No. 575-704-2455	
Facility Name: MCA #126	Facility Type: Well	
Surface Owner: NMOCD	Mineral Owner: BLM	API No. 30-025-12709

LOCATION OF RELEASE

Unit Letter A	Section 26	Township 17S	Range 32E	Feet from the 660	North/South Line North	Feet from the 660	East/West Line East	County LEA
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Latitude 32.810935420277 Longitude 103.730660592894

NATURE OF RELEASE

Type of Release: Spill	Volume of Release: 11.00 BBLS	Volume Recovered: 10.00 BBLS
Source of Release: Stuffing Box leak	Date and Hour of Occurrence 02/24/2015 8:43 am	Date and Hour of Discovery 02/24/2015 8:43 am
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Tomas Oberding	
By Whom? Jay Garcia	Date and Hour: 02/25/2015 9:00 am	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

ENV – Agency Reportable – 5.1 BO & 5.1 BPW – MCA # 126– RR II – MCBU – Buckeye:
On Tuesday February 24, 2015 at 08:43 MST, at MCA #126, a stuffing box leak was found during normal rounds resulting in a release of 5.1 bbl. of oil and 5.1 bbls of produced water with 5.0 bbls of oil and 5.0 bbl. of produced water recovered. The affected area will be remediated according to NMOCD and COPC and guidelines. This is not a PSE. Consequence: 1, Likelihood: 5, RR: II

Describe Area Affected and Cleanup Action Taken.*

Release of 5.1 barrels produced water and 5.1 barrels of oil with 5.0 bbl.of oil and 5.0 bbl. of produced water recovered. Affected area was 80 foot by 6 foot X 5 inch deep on caliche pad and was contained. The affected area will be remediated according to NMOCD guidelines.

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>Jay Garcia</i>		OIL CONSERVATION DIVISION	
Printed Name: Jay Garcia		Hydrologist Approved by Environmental Specialist: <i>[Signature]</i> P&O	
Title: LEAD HSE		Approval Date: 02/25/2015	Expiration Date: 04/25/2015
E-mail Address: jay.c.garcia@conocophillips.com		Conditions of Approval: Site samples required. Delineate and remediate area as per NMOCD guides.	Attached <input type="checkbox"/>
Date: 01/06/2015	Phone: 575-704-2455	1RP-3542	217817

* Attach Additional Sheets If Necessary

nTO1505640182
pTO1505640422

Appendix B

Laboratory Analysis

Basin Environmental Service Technologies, LLC
P.O. Box 2948 Hobbs, NM 88241
Phone 575.393.2967



PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NM 88240

January 20, 2016

KYLE NORMAN

Basin Environmental Service

P.O. Box 301

Lovington, NM 88260

RE: MCA #126

Enclosed are the results of analyses for samples received by the laboratory on 01/18/16 15:40.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Celey D. Keene". The signature is written in a cursive style with a large, stylized 'C' and 'K'.

Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

Basin Environmental Service
KYLE NORMAN
P.O. Box 301
Lovington NM, 88260
Fax To: (575) 396-1429

Received: 01/18/2016
Reported: 01/20/2016
Project Name: MCA #126
Project Number: NONE GIVEN
Project Location: NOT GIVEN

Sampling Date: 01/18/2016
Sampling Type: Soil
Sampling Condition: ** (See Notes)
Sample Received By: Jodi Henson

Sample ID: IMPORTED SOIL (H600097-01)**Chloride, SM4500Cl-B****mg/kg****Analyzed By: AP**

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	32.0	16.0	01/20/2016	ND	432	108	400	0.00	

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager



ARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603
(505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325) 673-7020

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: ConocoPhillips

Project Manager: Kyle Norman

Address: 419 W Cain

City: Hobbs

Phone #: 575-393-2967

Project #:

Project Name:

Project Location:

Sample Name:

FOR LAB USE ONLY

Lab I.D.

Sample I.D.

H000091

Imported Soil

(G)RAB OR (C)OMP.

CONTAINERS

GROUNDWATER

WASTEWATER

SOIL

OIL

SLUDGE

OTHER :

ACID/BASE:

ICE / COOL

OTHER :

DATE TIME

1-18-16 10:20

Chlorides

TPH 8015 M

BTEX

Texas TPH

Complete Cations/Anions

TDS

BILL TO

ANALYSIS REQUEST

P.O. #:

Company: Basin

Attn:

Address: 419 W Cain

City: Hobbs

State: NM Zip: 88240

Phone #: 575-393-2967

Fax #: 575-393-0293

PRESERV. SAMPLING

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Relinquished By:

Date:

Time:

Received By:

Date:

Time:

Relinquished By:

Date:

Time:

Received By:

Date:

Time:

Delivered By: (Circle One)

Sampler - UPS - Bus - Other:

21.82

Sample Condition
Cool ☐ Intact ☒
Yes ☐ No ☐

CHECKED BY:

(initials)

Phone Result: ☐ Yes ☒ No Add'l Phone #:
Fax Result: ☐ Yes ☒ No Add'l Fax #:

REMARKS:

email results:
knorman@basinenr.com; jkamlain@basinenr.com

+ Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

#54

Appendix C

Photo Documentation

Basin Environmental Service Technologies, LLC
P.O. Box 2948 Hobbs, NM 88241
Phone 575.393.2967

ConocoPhillips MCA #126

Unit Letter A, Section 26, T17S, R32E



Initial release area, facing north

12/16/15



Initial release area, facing south

12/16/15



Initial release area, facing northwest

12/16/15



Hand Shoveling to 6 in GS, facing south

1/15/16



Excavation completed, facing north 1/15/16



Backfilling, facing northwest 1/16/16



Site completed, facing northwest 1/25/16



Site completed, facing south 1/25/16

Appendix D

Final C-141

Basin Environmental Service Technologies, LLC
P.O. Box 2948 Hobbs, NM 88241
Phone 575.393.2967

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

☐ Initial Report ☒ Final Report

Name of Company: ConocoPhillips	Contact: Jay Garcia
Address: 29 Vacuum Complex Lane	Telephone No. 575-704-2455
Facility Name: MCA 126	Facility Type: Well

Surface Owner: NMOCD	Mineral Owner: BLM	API No. 30-025-12709
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LOCATION OF RELEASE

Unit Letter A	Section 26	Township 17S	Range 32E	Feet from the	North/South Line	Feet from the	East/West Line	County Lea
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Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release: Spill	Volume of Release: 11.00	Volume Recovered: 10.00
Source of Release: Stuffing Box Leak	Date and Hour of Occurrence 02/24/15 8:43 AM	Date and Hour of Discovery 02/24/15 8:43 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Tomas Oberding	
By Whom? Jay Garcia	Date and Hour: 02/25/2015 9:00 AM	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

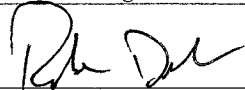

If a Watercourse was Impacted, Describe Fully.*

ENV – Agency Reportable – 5.1 BO & 5.1 BPW – MCA #126 – RRII – MCBU – Buckeye:

On Tuesday February 24, 2015 at 8:43 MST, at MCA #126, a stuffing box leak was found during normal rounds resulting in a release of 5.1 bbl. of oil and 5.1 bbls of produced water with 5.0 bbls of oil and 5.0 bbls of produced water recovered. The affected area will be remediated according to NMOCD and COPD guidelines. This is not a PSE. Consequence: 1, Likelihood: 5, RR: II

Describe Area Affected and Cleanup Action Taken.* Release of 5.1 barrels produced water and 5.1 barrels of oil with 5.0 bbl of oil and 5.1 bbl of produced water recovered. Affected area was 80 foot by 6 foot x 5 inch deep on caliche pad and was contained. On December 22nd, 2015 a CAP was submitted to OCD and approved CAP activity began January 15th, 2016. The impacted area was scraped to a depth of 6 inches bgs. Approximately 12 yards of contaminated soil were removed and hauled to an NMOCD approved facility for disposal. Approximately 12 yards of clean caliche were imported for backfill. A sample was taken from the imported soil and sent to a commercial laboratory for analysis. The imported sample returned a chloride result of 32 mg/kg. Site was then backfilled with imported caliche and contoured to surrounding well pad.

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: 	OIL CONSERVATION DIVISION	
Printed Name: Robert Dobbbs	Approved by Environmental Specialist: 	
Title: SENM Surface Projects Supervisor	Approval Date: 05/11/2016	Expiration Date: ///
E-mail Address: Robert.A.Dobbbs@conocoPhillips.com	Conditions of Approval: ///	Attached <input type="checkbox"/>
Date: Phone: 5/6/2016 281-455-0821	IRP 3542	

* Attach Additional Sheets If Necessary