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**

Form C-141 Revised April 3, 2017

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

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

Release Notification and Corrective Action Initial only													
						OPERA			✓ Init	ial Report	\boxtimes	Final Report	
Name of Co		OXY USA \ 294; HOUS	_	Contact V Celephone N	VADE DITTRIC			-					
Facility Nar		TE P CTB	. 77210		Facility Type CTB								
Surface Ow	ner Fee	9	vner	STATE API No. 30-025-12181-closest wel									
				LOCA'	TION	OF REI	LEASE						
Unit Letter	Section	Township	Range	Feet from the	North/	South Line	Feet from the	East/V	Vest Line		y		
L/M	/M 32 22S 38E								LEA				
	Latitude 32.344721 _ Longitude103.088923 NAD83												
NATURE OF RELEASE + historic													
Type of Rele	ase OIL			Volume of Release 10 bbls Volume Recovered 8 bbls									
Source of Re	lease Lac	k of gauges		2/7/2018	our of Occurrenc	е	Date and Hour of Discovery 2/8/2018						
Was Immediate Notice Given? ☑ Yes ☐ No ☐ Not Required						If YES, To Whom? d OLIVIA YU-NMOCD; KENDA MONTOYA-SLO							
By Whom?				Date and Hour 2/8/2018 @ 8:28 AM									
Was a Watercourse Reached? ☐ Yes ☒ No						If YES, Volume Impacting the Watercourse.							
If a Watercourse was Impacted, Describe Fully.*													
RECEIVED													
By Olivia Yu at 9:58 am, Feb 16, 2018													
Describe Cause of Problem and Remedial Action Taken.*													
Lack of gauges caused tank to overflow. Vacuum truck was used to pick up free standing Oil. Contractor shoveled out soaked material													
	and hauled off to disposal, replaced with new. Issue has been addressed and CTB has been returned to service.												
Describe Are	a Affected :	and Cleanup A	Action Tak	ten.*									
				ility (measureme								completed	
т ассогоан	e willi a n	emediation p	нап аррг	oved by the NMC	ico ai	ia the SLO.	See pictures io	or prooi	oi integ	rity of the t	іпег.		
I hereby certi	fy that the i	nformation gi	ven above	is true and comple	te to th	e best of my	knowledge and u	nderstar	nd that pu	rsuant to NM	10CD r	ules and	
regulations al	loperators	are required to	o report ar	id/or file certain rel e of a C-141 report	lease no	tifications ar	nd perform correc	tive acti	ons for re	leases which	n may ei	ndanger	
should their o	perations h	ave failed to a	idequately	investigate and rea	mediate	contaminati	on that pose a thre	eat to gr	ound wat	er, surface w	ater, hu	man health	
		ddition, NMC vs and/or regu		tance of a C-141 re	port do	es not reliev	e the operator of i	responsi	bility for	compliance	with any	other	
1,112,1						OIL CONSERVATION DIVISION							
Signature: No de Alubo													
Printed Name	: WADE	DITTRICH			Approved by Environmental Specialist:								
Title: ENVIRONMENTAL SPECIALIST						Approval Date: 2/16/2018 Expiration Date:							
E-mail Addre	ess: wade	dittrich@ox		Conditions of Approval:						/			
	-15-10	D	-300-2828		- See attached directive.								
Date: Phone: 575-390-2828 Attach Additional Sheets If Necessary						- Affirmation statement of liner 1RP-4969							
nOY1804740772 pOY1804741465						integrity.							

Operator/Responsible Party,

The OCD has received the form C-141 you provided on _2/15/2018_ regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number _1RP-4969__ has been assigned. Please refer to this case number in all future correspondence.

It is the Division's obligation under both the Oil & Gas Act and Water Quality Act to provide for the protection of public health and the environment. Our regulations (19.15.29.11 NMAC) state the following,

The responsible person shall complete <u>division-approved corrective action</u> for releases that endanger public health or the environment. The responsible person shall address releases in accordance with a remediation plan submitted to and approved by the division or with an abatement plan submitted in accordance with 19.15.30 NMAC. [emphasis added]

Release characterization is the first phase of corrective action unless the release is ongoing or is of limited volume and all impacts can be immediately addressed. Proper and cost-effective remediation typically cannot occur without adequate characterization of the impacts of any release. Furthermore, the Division has the ability to impose reasonable conditions upon the efforts it oversees. As such, the Division is requiring a workplan for the characterization of impacts associated with this release be submitted to the OCD District _1_ office in __Hobbs____ on or before _3/16/2018_. If and when the release characterization workplan is approved, there will be an associated deadline for submittal of the resultant investigation report. Modest extensions of time to these deadlines may be granted, but only with acceptable justification.

The goals of a characterization effort are: 1) determination of the lateral and vertical extents along with the magnitude of soil contamination. 2) determine if groundwater or surface waters have been impacted. 3) If groundwater or surface waters have been impacted, what are the extents and magnitude of that impact. 4) The characterization of any other adverse impacts that may have occurred (examples: impacts on vegetation, impacts on wildlife, air quality, loss of use of property, etc.). To meet these goals as quickly as possible, the following items must, at a minimum, be addressed in the release characterization workplan and subsequent reporting:

- Horizontal delineation of soil impacts in each of the four cardinal compass directions. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C₆ thru C₃₆), and for chloride by Method 300. This is not an exclusive list of potential contaminants. Analyzed parameters should be modified based on the nature of the released substance(s). Soil sampling must be both within the impacted area and beyond.
- Vertical delineation of soil impacts. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C₆ thru C₃₆), and for chloride by Method 300. As above, this is not an exclusive list of potential contaminants and can be modified. Vertical characterization samples should be taken at depth intervals no greater than five feet apart. Lithologic description of encountered soils must also be provided. At least ten vertical feet of soils with contaminant concentrations at or below these values must be demonstrated as existing above the water table.
- Nominal detection limits for field and laboratory analyses must be provided.
- Composite sampling is not generally allowed.
- Field screening and assessment techniques are acceptable (headspace, titration, EC [include algorithm for validation purposes], EM, etc.), but the sampling and assay procedures must be clearly defined. Copies of field notes are highly desirable. A statistically significant set of split samples must be submitted for confirmatory laboratory analysis, including the laterally farthest and vertically deepest sets of soil samples. Make sure there are at least two soil samples submitted

for laboratory analysis from each borehole or test pit (highest observed contamination and deepest depth investigated). Copies of the actual laboratory results must be provided including chain of custody documentation.

- •Probable depth to shallowest protectable groundwater and lateral distance to nearest surface water. If there is an estimate of groundwater depth, the information used to arrive at that estimate must be provided. If there is a reasonable assumption that the depth to protectable water is 50 feet or less, the responsible party should anticipate the need for at least one groundwater monitoring well to be installed in the area of likely maximum contamination.
- If groundwater contamination is encountered, an additional investigation workplan may be required to determine the extents of that contamination. Groundwater and/or surface water samples, if any, must be analyzed by a competent laboratory for volatile organic hydrocarbons (typically Method 8260 full list), total dissolved solids, pH, major anions and cations including chloride and sulfate, dissolved iron, and dissolved manganese. The investigation workplan must provide the groundwater sampling method(s) and sample handling protocols. To the fullest extent possible, aqueous analyses must be undertaken using nominal method detection limits. As with the soil analyses, copies of the actual laboratory results must be provided including chain of custody documentation.
- Accurately scaled and well-drafted site maps must be provided providing the location of borings, test pits, monitoring wells, potentially impacted areas, and significant surface features including roads and site infrastructure that might limit either the release characterization or remedial efforts. Field sketches may be included in subsequent reporting, but should not be considered stand-alone documentation of the site's layout. Digital photographic documentation of the location and fieldwork is recommended, especially if unusual circumstances are encountered.

Nothing herein should be interpreted to preclude emergency response actions or to imply immediate remediation by removal cannot proceed as warranted. Nonetheless, characterization of impacts and confirmation of the effectiveness of remedial efforts must still be provided to the OCD before any release incident will be closed.

Jim Griswold

OCD Environmental Bureau Chief 1220 South St. Francis Drive Santa Fe, New Mexico 87505 505-476-3465 jim.griswold@state.nm.us