



Souder, Miller & Associates ♦ 201 S. Halagueno St. ♦ Carlsbad, NM 88220
(575) 689-7040

November 24, 2020

SMA #5E29133, BG61

NMOCD District 1
1625 N. French Dr.
Hobbs, NM 88240

**RE: LINER INSPECTION REPORT
CHILES 28-21 STATE COM 2H (NRM2025334934)**

To Whom it May Concern:

Souder, Miller & Associates (SMA) is pleased to submit this letter report on behalf of Devon Energy Production (Devon) summarizing the liner inspection that occurred due to the Chiles 28-21 State Com #002H release. The site is located in Unit Letter O, Section 28, T21S, R34E (N32.443404 /W-103.473873) Lea County, New Mexico, on State land.

Site Characterization

On August 27, 2020, there was a release due to a broken flush-line coming from the discharge side of the pump. The pump and line were isolated, and the fluid released was contained within the lined containment. A vacuum truck was dispatched to recover standing fluid and a crew was called in for cleanup of the containment. A total of 75 bbls was released, in which 74.5 bbls were recovered.

Depth to Groundwater

Based upon New Mexico Office of the State Engineer (NMOSE) and United States Geological Survey (USGS) well data, depth to groundwater in the area is estimated to be 137 feet below grade surface (bgs).

Wellhead Protection Area

There are six water sources within ½-mile of the location, according to the NMOSE and USGS water well databases (Appendix C).

Distance to Nearest Significant Watercourse

The nearest significant watercourse is an unnamed intermittent stream, located approximately 433 feet to the north of the Chiles 28-21 State Com 2H.

Based on the information presented herein, the applicable NMOCD Closure Criteria for this site is for a groundwater depth of >100 feet bgs.

Liner Integrity

At the request of Devon, SMA conducted a liner integrity inspection per requirements of 19.15.29.11.A(5)(a) NMAC. NMOCD was notified on November 20, 2020 that the liner inspection was to occur, and the inspection was conducted on November 24, 2020. After a thorough visual inspection of the liner within the tank battery containment, the liner appeared to be intact and had the ability to contain the leak in question. The location where the release occurred was identified, and SMA verified

Devon Energy Production Company
Chiles 28-21 State Com 2H (NRM2025334934)

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that the release did not occur outside of the lined containment. A photo log of the inspection is included in Appendix A.

SMA recommends no further action and requests the closure of NRM2025334934.

Souder, Miller and Associates appreciates the opportunity to provide environmental services to you. If you have any questions or comments concerning this report, please feel free to call Ashley Maxwell at (505) 325-7535.

Sincerely,
Souder, Miller & Associates

Reviewed by:



Ashley Maxwell
Project Scientist



Shawna Chubbuck
Senior Scientist

Attachments:

Figures

- Figure 1: Site Map
- Figure 2: Surface Water Protection Map
- Figure 3: Site and Photograph Location Map

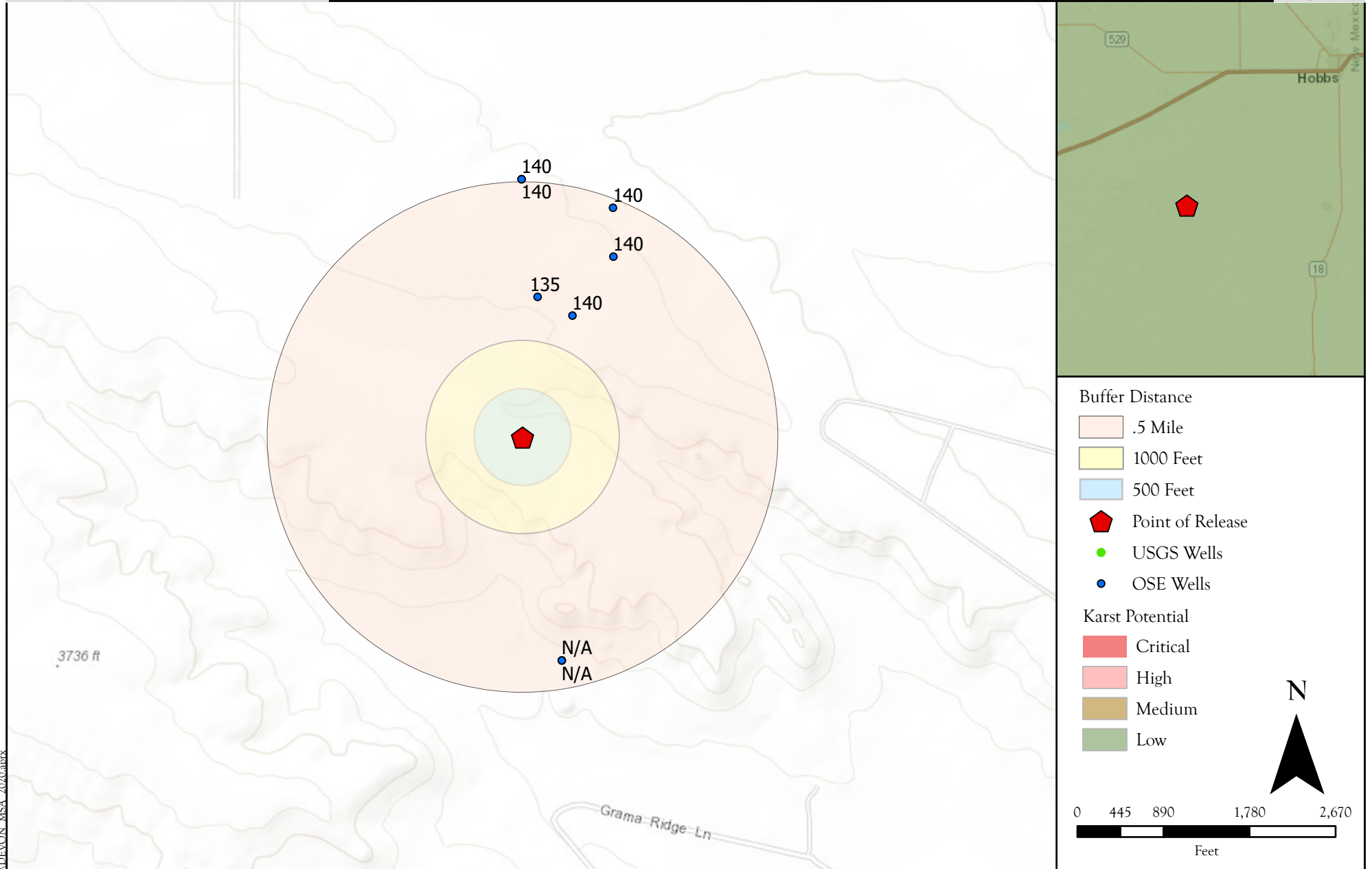
Appendices

- Appendix A: Liner Inspection Form, Field Notes & Photo Log
- Appendix B: C141
- Appendix C: Water Well Data

Devon Energy Production Company
Chiles 28-21 State Com 2H (NRM2025334934)

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FIGURES



Site Map
 Chiles 28-21 State Com 2H - Devon Energy Production Company
 UL: O S: 28 T: 21S R: 34E, Lea County, New Mexico

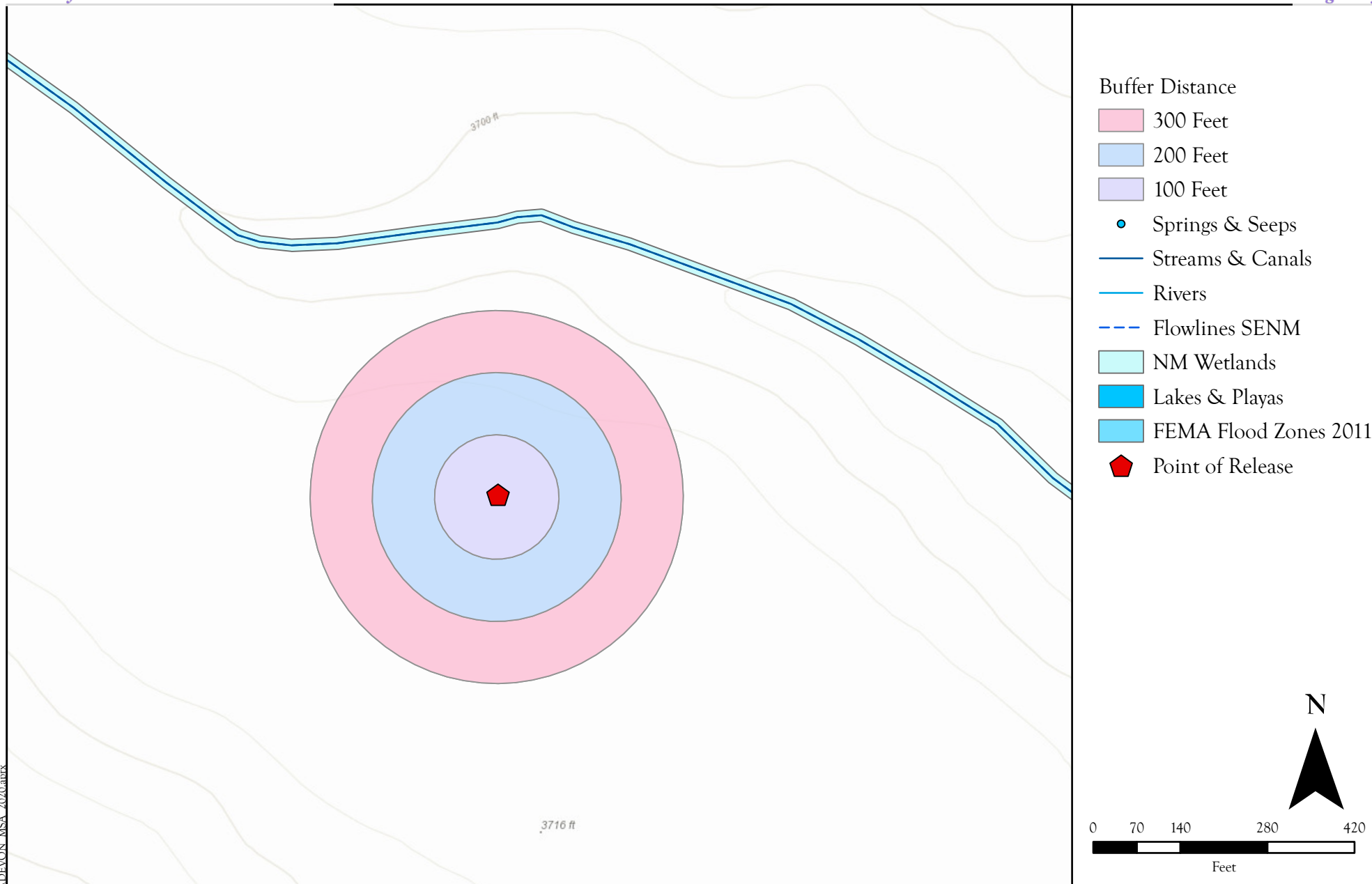
Figure 1

Revisions		
By: _____	Date: _____	Descr: _____
By: _____	Date: _____	Descr: _____

Drawn	P.R. Smith
Date	10/22/2020
Checked	_____
Approved	_____



201 South Halaguena Street
 Carlsbad, New Mexico 88221
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Surface Water Protection Map
 Chiles 28-21 State Com 2H - Devon Energy
 UL: O S: 28 T: 21S R: 34E, Lea County, New Mexico

Figure 2

Revisions

By: _____ Date: _____ Descr: _____
 By: _____ Date: _____ Descr: _____

Drawn
 Date
 Checked
 Approved

P.R. Smith
 10/26/2020



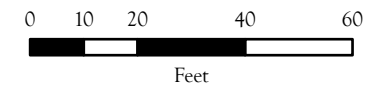
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Legend:

- Secondary Containment
- Photograph Location
- ⬠ Point of Release



Site and Sample Location Map
Chiles 28-21 State Com 2H - Devon Energy
UL: O S: 28 T: 21S R:34E, Lea County, New Mexico

Figure 3

Revisions

By: _____ Date: _____ Descr: _____
By: _____ Date: _____ Descr: _____

Drawn
Date
Checked
Approved

P.R. Smith
10/26/2020



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Appendix A

LINER INSPECTION FORM, FIELD NOTES & PHOTO LOG

**Souder, Miller & Associates
Liner Inspection Form**Project Name: Chiles 28-21 State Can 24 Inspection Date: 11/24/20Client Name: Devon EnergyClient Representative(s): Lupe CorrescoSMA Inspector(s): TR SmithProject Location: Rural LeaLatitude: 32.443404 Longitude: -103.473873**Inspection Parameters as Outlined in 19.15.29.11.A(5) NMAC****PRIOR TO INSPECTION:**

Two (2) Business Day Notification of Inspection to Appropriate Division Office

(Y/N): YDate of Notice: 11/20/20

Material Covering Liner Removed by Client

(Y/N): Y

Affected Areas Exposed by Client

(Y/N): Y**INSPECTION:**

Liner Thoroughly Inspected for Damage

(Y/N): Y**All Damaged Areas Observed Marked in White Paint on Liner**

Photos and Field Notes Detailing Failures Attached to This Form

To Be Completed by Client Representative:

Can Responsible Party Demonstrate:

Liner Integrity Was Maintained (per SMA Inspection)

(Y/N): Y

Release Was Contained to Lined Containment Area

(Y/N): Y

Liner Was Able to Contain the Leak

(Y/N): Y

If YES:

Certify on Form C-141 That Liner Remains Intact

If NO to Any of Above:

Responsible Party Must Delineate Horizontal & Vertical Extent

Depending on Release:

See Table 1 19.15.29.12 NMAC

See Subparagraph (e) Paragraph (5) of Subsection A 19.15.29.11 NMAC

Additional Comments:Water Was Present due to recent rain shower.**SMA INSPECTOR SIGNATURE****CLIENT REPRESENTATIVE**Date: 11/24/20

Date: _____

SUBJECT Chiles 28-21 State Com 2H PROJECT Liner Inspection PAGE 1 of 1
CLIENT Demon Energy DATE 11/24/20 BY FR Smith

CHECKED

BY

11/24/20

- Arrived at Scheduled time of 10:30 am.
 - Will wait 20 minutes for NMOC before beginning inspection.
- Examined POR to see if release was fully contained.
 - Release did stay in containment.
- Searched Containment for any tears or Potential Compromises.
 - No indication of liner failures were found during inspection of Secondary Containment
 - Liner remained intact
 - Water was present due to recent rainstorm
- Took photos of containment with Solocator app.
- Mapped Containment
- Left Site.

30

60

E
90

120

☀ 77°NE (T) ● 32.442957, -103.473026 ±2 m ▲ 1106 m



N
0

30

300

330

☀ 350°N (T) ● 32.442985, -103.472958 ±2 m ▲ 1109 m



270

300

330

0

☉ 309°NW (T) ● 32.443176, -103.472841 ±2 m ▲ 1112 m



120

150

180

210

☀ 171°S (T) ● 32.443237, -103.47293 ±2 m ▲ 1103 m



120

150

S
180

210

☀ 165°SE (T) ● 32.443205, -103.472981 ±2 m ▲ 1107 m



60

90

120

150

☼ 106°E (T) ● 32.443167, -103.472986 ±2 m ▲ 1107 m



90

120

150

180

☀ 123°E (T) ● 32.443126, -103.473007 ±2 m ▲ 1109 m



N
0

300

330

30

☀ 352°N (T) ● 32.443057, -103.472948 ±2 m ▲ 1111 m



120

150

180

210

☼ 172°S (T) ● 32.443154, -103.472858 ±2 m ▲ 1111 m



240

270

300

330

☉ 280°W (T) ☉ 32.442984, -103.472848 ±2 m ▲ 1108 m



330

0

30

60

☉ 4°N (T) ● 32.44303, -103.473003 ±2 m ▲ 1110 m



☀ 251°SW (T) ● 32.443119, -103.472879 ±2 m ▲ 1110 m



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Chiles 28-21 State Com 2H (NRM2025334934)

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APPENDIX B C141

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 Department

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

Form C-141
Revised August 24, 2018
Submit to appropriate OCD District office

Incident ID	NRM2025334934
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party Devon Energy	OGRID 6137
Contact Name Lupe Carrasco	Contact Telephone 575-748-0165
Contact email lupe.carrasco@dvn.com	Incident # (assigned by OCD)
Contact mailing address 6488 Seven Rivers Highway Artesia, NM 88210	

Location of Release Source

Latitude 32.443404 Longitude -103.473873
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Chiles 28-21 State Com #002H	Site Type Battery
Date Release Discovered 8/27/20	API# (if applicable) 30-025-45351

Unit Letter	Section	Township	Range	County
O	28	21S	34E	Lea

Surface Owner: ☒ State ☐ Federal ☐ Tribal ☐ Private (Name: _____)

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

<input type="checkbox"/> Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
<input checked="" type="checkbox"/> Produced Water	Volume Released (bbls) 75	Volume Recovered (bbls) 74.5
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Condensate	Volume Released (bbls)	Volume Recovered (bbls)
<input type="checkbox"/> Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
<input type="checkbox"/> Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release Release was due to a broken 1/4" flush line coming from the discharge side of the pump. The pump and line were isolated and the fluid released was contained within the lined containment. A vacuum truck was dispatched to recover standing fluid and a crew called in for cleanup of the containment.

State of New Mexico
Oil Conservation Division

Page 2

Incident ID	NRM2025334934
District RP	
Facility ID	
Application ID	

Was this a major release as defined by 19.15.29.7(A) NMAC? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release? > 25 barrels
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Immediate notice was given by email through the NMOCD portal on August 27, 2020, at approximately 1:29 pm. Notice was sent by Lupe Carrasco.	

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

<input checked="" type="checkbox"/> The source of the release has been stopped. <input checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input checked="" type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately.	
If all the actions described above have <u>not</u> 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.	
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: <u>Lupe Carrasco</u>	Title: <u>EHS Professional</u>
Signature: <u>Lupe Carrasco</u>	Date: <u>9/4/20</u>
email: <u>Lupe.Carrasco@dvn.com</u>	Telephone: <u>575-748-0165</u>
<u>OCD Only</u>	
Received by: <u>Ramona Marcus</u>	Date: <u>9/9/2020</u>

Incident ID	NRM2025334934
District RP	
Facility ID	
Application ID	

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>137</u> (ft bgs)
Did this release impact groundwater or surface water?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a wetland?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying a subsurface mine?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying an unstable area such as karst geology?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within a 100-year floodplain?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Did the release impact areas not on an exploration, development, production, or storage site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.*

- ☒ Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells.
- ☒ Field data
- ☐ Data table of soil contaminant concentration data
- ☒ Depth to water determination
- ☒ Determination of water sources and significant watercourses within ½-mile of the lateral extents of the release
- ☐ Boring or excavation logs
- ☒ Photographs including date and GIS information
- ☒ Topographic/Aerial maps
- ☐ 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.

State of New Mexico
Oil Conservation Division

Incident ID	NRM2025334934
District RP	
Facility ID	
Application ID	

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: ____Lupe Carrasco____ Title: ____EHS Professional____

Signature: ____*Lupe Carrasco*____ Date: ____11/25/20____

email: ____Lupe.Carrasco@dvn.com____ Telephone: ____575-748-0165____

OCD Only

Received by: ____Chad Hensley____ Date: ____02/23/2021____

Incident ID	NRM2025334934
District RP	
Facility ID	
Application ID	

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.

Closure Report Attachment Checklist: *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.

Printed Name: Lupe Carrasco Title: EHS Professional

Signature: Lupe Carrasco Date: 11/25/20

email: Lupe.Carrasco@dvn.com Telephone: 575-748-0165

OCD Only

Received by: Chad Hensley Date: 02/23/2021

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: 02/23/2021

Printed Name: Chad Hensley Title: Environmental Specialist Advanced

Devon Energy Production Company
Chiles 28-21 State Com 2H (NRM2025334934)

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APPENDIX C WATER WELL DATA



New Mexico Office of the State Engineer

Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)

(R=POD has been replaced, O=orphaned, C=the file is closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest)

(NAD83 UTM in meters)

(In feet)

POD Number	POD Sub-Code	basin	County	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Distance	Depth Well	Depth Water	Water Column
CP 01068 POD1	CP	LE		4	1	4	28	21S	34E	643609	3591005	421	180	140	40
CP 00571 POD1	CP	LE		3	1	4	28	21S	34E	643499	3591063	454	170	135	35
CP 01069 POD1	CP	LE		2	1	4	28	21S	34E	643737	3591191	643	210	140	70
CP 00588 POD1	CP	LE			3	2	33	21S	34E	643583	3589918*	703	89		
CP 00589 POD1	CP	LE			3	2	33	21S	34E	643583	3589918*	703	84		
CP 01066 POD1	CP	LE		4	3	2	28	21S	34E	643735	3591345	784	210	140	70
CP 01091 POD1	CP	LE		3	3	2	28	21S	34E	643446	3591434	823	200	140	60
CP 01067 POD1	CP	LE		1	3	4	28	21S	34E	643447	3591434	823	210	140	70
CP 00583	CP	LE				3	21	21S	34E	642944	3592518*	1976	171	128	43

Average Depth to Water: **137 feet**

Minimum Depth: **128 feet**

Maximum Depth: **140 feet**

Record Count: 9

UTMNAD83 Radius Search (in meters):

Easting (X): 643460

Northing (Y): 3590610.524

Radius: 2500

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

10/22/20 3:03 PM

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WATER COLUMN/ AVERAGE
DEPTH TO WATER

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 11345

CONDITIONS OF APPROVAL

Operator: DEVON ENERGY PRODUCTION COMPAN			333 West Sheridan Ave.	Oklahoma City, OK73102	OGRID: 6137	Action Number: 11345	Action Type: C-141
OCD Reviewer					Condition		
chensley					None		