

MAPLE STATE #1 BATTERY REMEDIATION CLOSURE REPORT

API NO. 30-015-33167 UNIT LETTER D, SECTION 30, TOWNSHIP 17S, RANGE 28E RELEASE DATE: 1/23/20 INCIDENT NO. NCE2003555083 EDDY COUNTY, NEW MEXICO

PREPARED BY:



May 12, 2021

State of New Mexico Energy Minerals and Natural Resources Department Oil Conservation Division – District II C/O Mike Bratcher, Robert Hamlet, Cristina Eads 811 S. First Street Artesia, NM 88210

Spur Energy Partners C/O Braidy Moulder and Dakota Neel 2407 Pecos Avenue Artesia, NM 88210

RE: Maple State #1 Battery Date of Release: 1/23/20 API No. 30-015-33167 U/L D, Section 30, Township 17S and Range 28E Eddy County, New Mexico

To Whom it May Concern:

Spur Energy Partners has retained ESS (Energy Staffing Services) Environmental and Regulatory Division to conduct and address the spill assessment and remediation of the crude oil and produced water release that occurred at the Maple State #1 Battery (hereafter referred to as "Maple State"). Hungry Horse provided the notification of the release to the New Mexico Oil Conservation Division (NMOCD) District 2 via submission of the initial C141 Release Notification on January 24th, of 2020. The NMOCD incident tracking number assigned to this incident is NCE2003555083.

This letter provides a description of the spill assessment and remediation activities, and demonstrates that the closure criteria established in 19.15.29.12 *New Mexico Administrative Code (NMAC; New Mexico Oil Conservation Division, 2018),* have been met and all applicable regulations have been followed. This document is intended to serve as a final report to obtain approval from the NMOCD for closure of this release.

Incident Description

On January 23, 2019 a release occurred at the Spur Energy Partners Maple State site when a 3x6 nipple on the inlet line to the production heater developed a pinhole, releasing the fluid inside a lined containment. It was observed that approximately 4bbls of crude oil and 20bbls of produced water was released. A vacuum truck was dispatched, 3.5bbls of crude oil and

18.5bbls of produced water. Although the release that occurred on January 23, 2019 was contained within the boundaries of the engineered pad. No fluid was released into any undisturbed areas and/or waterways.

Site Characterization

The release at the Maple State, occurred on State Land, 32.8109589, -104.2204819, approximately 10.9 miles east of Artesia, New Mexico. The description of the site is Unit Letter D, Section 30, Township 17S, Range 28E in Eddy County, New Mexico. This location is within the Permian Basin and has historically been used for oil and gas exploration and production, as well as rangeland. The aerial photograph and site schematic are included.

The Maple State complex consists of oil and gas equipment, a tank battery and a nearby oil and a nearby gas exploration and production well. This well is the closest well to the release and is known as the Maple State #001, which is the API No. associated with this release. The following sections precisely describe the release area inside the facility area.

The surrounding landscape is associated with the Reeves-Gypsum Land Complex, with 0 to 9 percent slopes. Elevation average around 3538 feet. The soil map and data are attached herein.

There is no surface water located on or near the site. There are no continuously flowing watercourses, lakebeds, sinkholes, playa lakes, or other critical water or community features at the Maple State, as outlined in Paragraph (4) of Subsection C of 19.15.29.12 NMAC.

The site has a "high potential" for Karst Geology to be present near the Maple State site according to the *United States Department of the Interior, Bureau of Land Management*. Please find the karst map attached herein.

The nearest recent groundwater well according to the *New Mexico Office of the State Engineer* is RA 12456 POD 1 which is located 741' from the site and data indicates that the ground water depth is 92'bgs (below ground surface). Upon researching the OSE Database (map included); the RA 12456 POD 1 is located within the ½ mile radius and was drilled in 2016. Please find the attached groundwater data and mapping attached.

Closure Criteria Determination

Using the Table I, Closure Criteria for Soils impacted by a Release dated 8/14/2018, this site falls under the site ranking of <100'bgs due to groundwater depth but due to this site falling under the "high karst potential", the closure criteria is <50'bgs.

DGW	Constituent	Method	Limit
≤ 50'	Chloride	EPA 300.0 OR SM4500 CLB	600 mg/kg
	TPH (GRO + DRO + MRO)	EPA SW-846 METHOD 8015M	100 mg/kg
	GRO + DRO	EPA SW-846 METHOD 8015M	50 mg/kg
	BTEX	EPA SW-846 METHOD 8021B OR 8260B	10 mg/kg
	Benzene	EPA SW-846 METHOD 8021B OR 8260B	10 mg/kg

Soil Sampling Procedures

Soil sampling for laboratory analysis was conducted according to the NMOCD – approved industry standards. Accepted NMOCD soil sampling procedures and laboratory analytical methods are as follows:

- Collect clean samples in air tight glass jars supplied by the laboratory to conduct the analysis
- Each sample jar was labelled with site and sample information
- Samples were kept in and stored in a cool place and packed on ice
- Promptly ship samples to the lab for analysis following the COC (chain of custody) procedures

The following lab analysis method was used for each bottom hole and sidewall samples submitted to Envirotech Analytical Laboratory:

Volatile Organics by EPA 8021B

• Benzene, Toluene, Ethylbenzene, p.m. Xylene, o-Xylene and Total Xylenes Nonhalogenated Organics by EPA 8015

• Gasoline Range Organics (C6-C10)

Nonhalogenated Organics by EPH 8015D – DRO/GRO

- Diesel Range Organics (C10-C28)
- Oil Range Organics (C28-C40)

Anions by EPA 300.0/9056A

• Chloride

Delineation and Remedial Activities

Hungry Horse, LLC on or before June 1st of 2020, removed all of the impacted soil from on-top of the polyurethane liner and hauled the impacted material to Lea Landfill for Disposal. A total of 12.6 tons or 46.66 cubic yards of impacted soil was hand excavated, loaded into a dump truck and hauled to disposal. The liner was then washed and inspected for holes, punctures and rips. No issues were found. We do not have an email notification for the liner inspection request.

ESS visited the site to photograph and visually inspect the liner. The liner is clear of any holes, punctures and or rips. No samples were taken under the liner due to liner not being compromised at this time.

Closure Request

ESS recommends no additional actions are needed to address the release at the Maple State. There are no anticipated risks to human, ecological or hydrological receptors associated with the release site.

ESS requests that the incident (NCE2003555083) be closed as the remediation and delineation of the site addresses the issues at hand and closure requirements set forth in Subsection E of 19.15.29.12 NMAC have been met. Spur Energy and ESS certifies that all of the information provided in this report and the attachments are correct, and they have complied with all applicable closure requirements and conditions specified in Division Rules and Directives to meet the NMOCD requirements to obtain closure for the Maple State #1 Battery dated 1/23/2020.

Should you have any questions or concerns, please do not hesitate to contact the undersigned at 575-390-6397 or <u>natalie@energystaffingllc.com</u>.

Sincerely,

Natalie Gladden

Director of Environmental and Regulatory Services Energy Staffing Services, LLC.

#7 Compress Rd Artesia, NM 88210 Cell: 575-390-6397 Email: <u>natalie@energystaffingllc.com</u>



Attachments: Initial C141 Site Map Initial Site Photos Soil Data and Map Karst Map Groundwater Data OSE Water Map Liner Photos Final 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	
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party SPUR ENERGY PARTNERS	OGRID 328947
Contact Name KENNY KIDD	Contact Telephone 575-616-5400
Contact email kkidd@spureplic.com	Incident # (assigned by OCD)
Contact mailing address 919 MILAM STREET SUITE 2475 HOUSTON TX 77002	

Location of Release Source

Latitude 32.8109589

NAD 83 in decimal degrees to 5 decimal places)

Longitude -104.2204819

Site Name MAPLE STATE #1 BATTERY	Site Type OIL AND GAS
Date Release Discovered 1/23/2020	API# (if applicable) 30-015-33167

Unit Letter	Section	Township	Range	County
D	30	178	28E	EDDY

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)

🛛 Crude Oil	Volume Released (bbls) 4BBLS	Volume Recovered (bbls) 3.5BBL
Produced Water	Volume Released (bbls) 20BBLS	Volume Recovered (bbls) 18.5BBLS
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	TYes 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

THE 3X6 NIPPLE ON THE INLET LINE TO THE PRODUCTION HEATER DEVELOPED A PINHOLE, RELEASING THE FLUID INSIDE A LINED CONTAINMENT. A VACUUM TRUCK WAS DISPATCHED OUT TO RECOVER FLUID AND HAUL TO DISPOSAL.

· · · · · · · · · · · · · · · · · · ·	
Incident ID	
District RP	
Facility ID	
Application ID	
r this a major release?	

	Application ID
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	
If YES, was immediate no	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

 \square The source of the release has been stopped.

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

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

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.

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 NATALIE GLADDEN Title: DIRECTOR	OF ENVIRONMENTAL & REGULATORY
Signature: Jutalie Gladden	
email: _ngladden@hungry-horse.com	Telephone: 575-390-4397
OCD Only	
Received by:	Date:

Received by OCD: 5/12/2021 4:09:54 PM SPUR ENERGY PARTNERS

MAPLE STATE #1 BATTERY SITE MAP Page 9 of 24

Earth Po

600 ft

MAPLE STATE #1 BATTERY

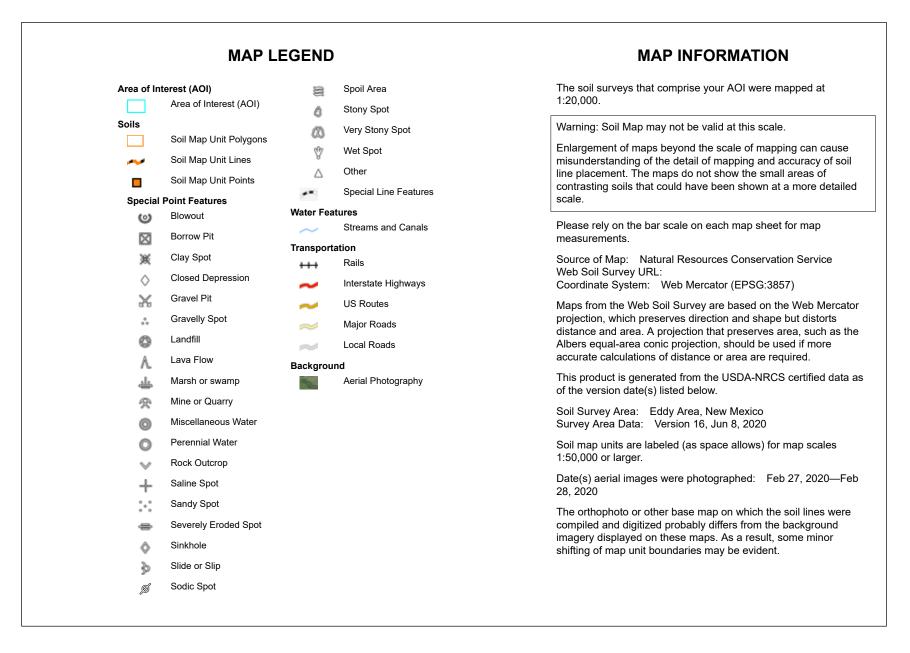
Legend

MAPLE STATE #1 BATTERY

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USDA Natural Resources Conservation Service Released to Imaging: 6/29/2021 8:17:52 AM



Map Unit Legend

Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
RG	Reeves-Gypsum land complex, 0 to 3 percent slopes	4.1	100.0%
Totals for Area of Interest		4.1	100.0%



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MAPLE STATE #1 BATTERY SITE MAP

- covington-Hwy

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Legend

Page 13 of 24

MAPLE STATE #1 BATTERY

MAPLE STATE #1 BATTERY

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New Mexico Office of the State Engineer Wells with Well Log Information

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POD suffix indicates the	been re	placed,														
POD has been replaced	O=orph	naned,														
& no longer serves a	C=the f	file is	(quar	ters are 1=	NW 2=N	E 3=SW	4=SE)									
water right	closed)			(quarters	are smal	est to larg	gest)	(NAD83	UTM in meters)					(in fe	eet)	
		POD			qqq								Log File	Depth	Depth	License
POD Number	Code	Subbasin	County	Source	64164	Sec Tw	s Rng	Х	Y	Distance S	Start Date	Finish Date			Water Driller	Number
<u>RA 12456 POD1</u>		RA	ED	Shallow	144	24 17	S 27E	572348	3630969	741 (09/07/2016	09/09/2016	09/15/2016	220	92 DON KUEHN III	1058
Record Count: 1																
	lius Soor	<u>ch (in mete</u>	<u>rs):</u>													
<u>UTMNAD83 Rad</u>	nus scar	-								00						

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, or suitability for any particular purpose of the data.

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WELLS WITH WELL LOG INFORMATION

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New Mexico Office of the State Engineer Wells with Well Log Information

(A CLW##### in the POD suffix indicates the POD has been replaced	(R=POI been rep O=orph C=the f	placed, aned,	auart	ers are 1=1	IW 2-N	= 3-SW	4- S F)									
& no longer serves a water right	closed)		(quar	(quarters a			/	(NAD8	3 UTM in meters))	(in feet)					
POD Number	Code	POD Subbasin	County	Source	qqq 64164	Sec Ty	vs Rng	х	Y	Distance Start Date	Finish Date	Log File Date		Depth Water Driller	License Number	
<u>RA 12456 POD1</u>		RA	ED	Shallow	1 4 4	24 17	S 27E	572348	3630969	741 09/07/2016	09/09/2016	09/15/2016	220	92 DON KUEHN III	1058	
<u>RA 12612 POD1</u>		RA	ED		2 4 3	23 17	S 27E	570161	3631140	2881 05/05/2018	05/07/2018	06/01/2018	300	TAYLOR, CLINTON E.	1348	
<u>RA 04554</u>		RA	ED	Artesian	1	23 17	S 27E	569859	3631947*	3409 01/26/1962	02/20/1962	12/12/1962	220	40	318	
Record Count: 3																
UTMNAD83 Rad	ius Sear	<u>ch (in mete</u> i	<u>:s):</u>													
Easting (X):	572990.7			Northing	(Y):	630599	.28		Radius: 500	00						
*UTM location was deriv	ed from	PLSS - see H	lelp													

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WELLS WITH WELL LOG INFORMATION



New Mexico Office of the State Engineer Point of Diversion Summary

Well Tag	-	DD Number	·	(quart	ers a	re si	malles Sec	t to lar Tws	=SW 4=SE gest) Rng 27E	,	•	_
				•	•	<u> </u>						-
Driller Licen	se:	1058	Drille	er Co	mpa	iny	: KE	Y'S	DRILLIN	NG & PUN	IP SERVICE	=
Driller Name	:	DON KUEHN III										
Drill Start Da	te:	09/07/2016	Drill	Finis	h Da	ate		09/	09/2016	6 Plu	g Date:	
Log File Date	e:	09/15/2016	PCW	Rcv	Dat	e:				Soι	irce:	Shallow
Pump Type:			Pipe	Disc	harg	je S	Size:			Est	imated Yiel	d: 10 GPM
Casing Size:		4.50	Dept	h We	ell:			220) feet	Dep	oth Water:	92 feet
v	Vate	r Bearing Stratific	cations	6:	Тс	ър	Bott	om	Descrip	ption		
					ę	90		110	Sandsto	one/Grave	el/Conglome	erate
					10	60		180	Shale/M	/ludstone/	Siltstone	
					18	30		200	Sandsto	one/Grave	el/Conglome	erate
					20	00		210	Sandsto	one/Grave	el/Conglome	erate
					2	10		220	Sandsto	one/Grave	el/Conglome	erate
		Casing Perfo	oration	s:	Тс	ър	Bott	om				
					20	00	1	220				

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New Mexico Office of the State Engineer **Point of Diversion Summary**

	(quarters are 1=NW 2=NE 3=SW 4=SE)				
		(quarters are smalle	est to largest)	(NAD83 UTM in meter	rs)
Well Tag	POD Number	Q64 Q16 Q4 Se	c Tws Rng	Х	Y
NA	RA 12612 POD1	2 4 3 23	3 17S 27E	570161 363114	ło 🌍
Driller License: 1348 Driller Company: TAYLOR WATER WELL SERVICE					
Driller Name	: TAYLOR, CLIN	ITON E.			
Drill Start D	ate: 05/05/2018	Drill Finish Date:	05/07/2018	Plug Date:	05/17/2018
Log File Dat	e: 06/01/2018	PCW Rcv Date:		Source:	
Pump Type:		Pipe Discharge Size):	Estimated Yi	eld:
Casing Size	:	Depth Well:	300 feet	Depth Water:	:

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.

New Mexico Office of the State Engineer Point of Diversion Summary

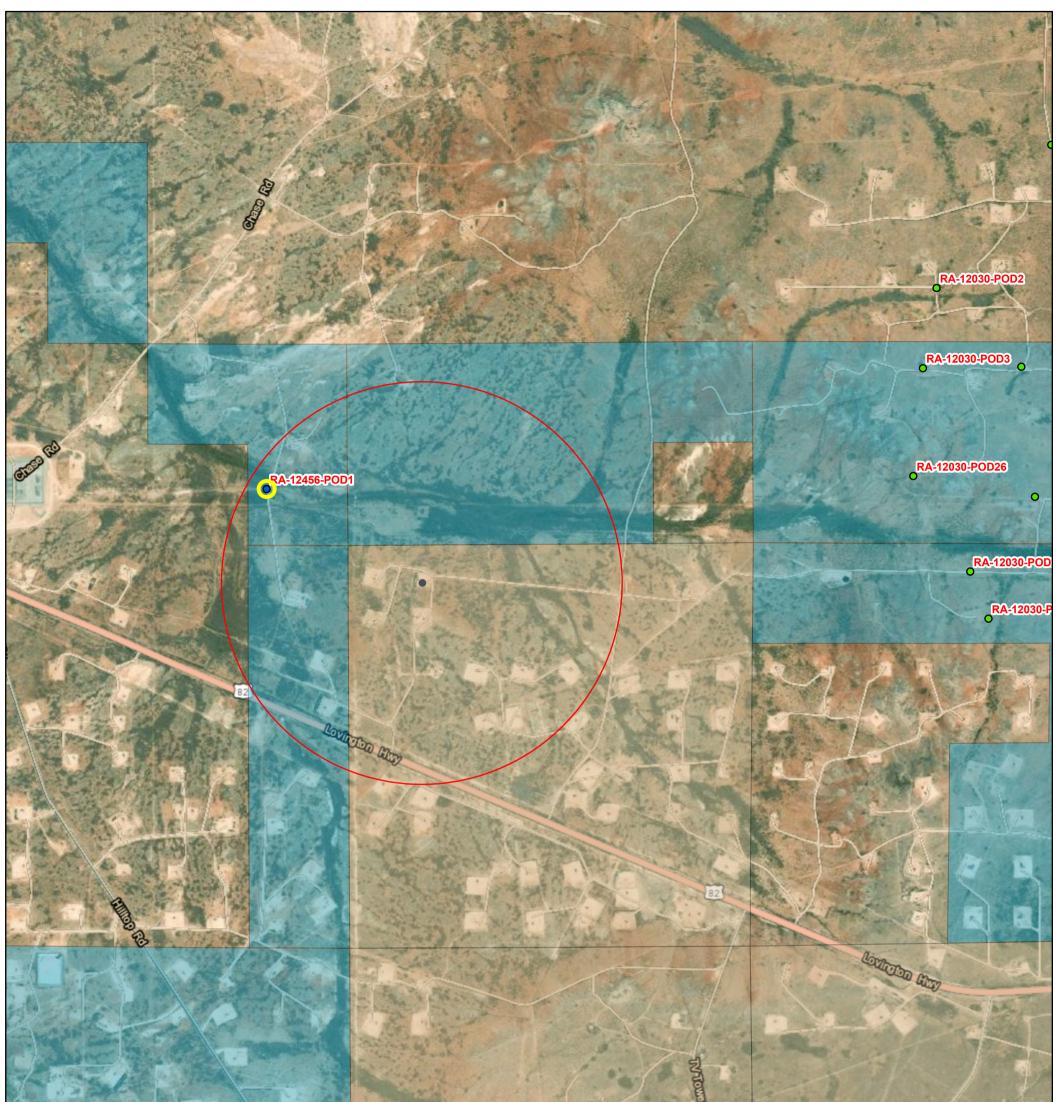
Drill Start D Log File Da Pump Type	te: 12/12/1962	Drill Finish Date: PCW Rcv Date: Pipe Discharge Size	02/20/1962	Plug Date: Source: Estimated Yiel	Artesian
Drill Start D	Date: 01/26/1962	Drill Finish Date:	02/20/1962	Plug Date:	
Driller Licer Driller Nam		Driller Company: V	VESTERN PUM	P & SUPPLY	
Well Tag	POD Number RA 04554	(quarters are smalle Q64 Q16 Q4 Se 1 23	c Tws Rng	NAD83 UTM in meters) X Y 569859 3631947*	_

*UTM location was derived from PLSS - see Help

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GIS WATERS PODs

• Active

• Pending



New Mexico State Trust Lands

Subsurface Estate

Both Estates

Esri, HERE, iPC, Esri, HERE, Garmin, iPC, Maxar

Released to Imaging: 6/29/2021 8:17:52 AM

Printed from Public Web Map Unofficial Map from OSE POD Locations Web Application



MAPLE STATE #1 BATTERY LINER PHOTOS









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State of New Mexico

Page 6

Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

Page 23 of 24

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: _NATALIE GLADDEN Title: DIRECTOR OF ENVIRONMENTAL AND REGULATORY
Signature: Atalie Gladden Date: 5-12-21
email: <u>natalie@energystaffingllc.com</u> Telephone: <u>575-390-6397</u>

OCD Only

Received by: Chad Hensley

Date: 06/29/2021

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: 06/29/2021	
Printed Name: Chad Hensley	Title: Environmental Specialist Advanced	

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

Operator:	OGRID:
Spur Energy Partners LLC	328947
9655 Katy Freeway	Action Number:
Houston, TX 77024	28021
	Action Type:
	[C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
chensley	None	6/29/2021

CONDITIONS

Page 24 of 24

Action 28021