OIL COMPANY 4801 Business Park Blvd | Hobbs, NM 88240 | Phone 575.393.5905

December 29, 2021

Attn: NMOCD

New Mexico Energy, Minerals, & Natural Resources Oil Conservation Division, Environmental Bureau – District 2 811 S. First St. Artesia, NM 88210

RE: Request for Closure

Mewbourne Oil Company – Parkchester 24 State #3H

UL/C sec. 24 T19S R32E

API No. 30-015-37998

Reference - nAPP2124236054

To Whom it May Concern:

Mewbourne Oil Company (Mewbourne) has addressed the potential environmental concerns at the above-referenced site.

Background and Previous Work

The site is located approximately fourteen and four tenths (14.4) miles southwest of Loco Hills, New Mexico at Unit Letter C of Section 24 in Township 19 South of Range 32 East (Figure 1). The latitude of the release location is 32.652581 and the longitude is -104.133530. This site is located in an area where groundwater can be anticipated to found at a depth greater than two-hundred (100) feet below ground surface (bgs).

On August 14th, 2021, Mewbourne discovered a release of approximately one-hundred sixty-eight (168) barrels (bbls) of produced water when lightning struck a fiberglass tank. An estimated one-hundred seventy-five (175) bbls were recovered as a rain event occurred prior to the lightning strike. All water was contained within the secondary containment. The release did not impact any area outside of the lined, secondary containment. The New Mexico Oil Conservation Division (NMOCD) was notified of the release on August 14th, 2021, and an initial Release Notification and Corrective Action form (C-141) was submitted to NMOCD on August 30th, 2021, for approval (Appendix C).

Once the water was removed from the lined, secondary containment, the liner was inspected for damage. On top of the berm on the north side of the containment, a few small holes had been found in the liner, at the top of the berm, above the water mark for the spill (Appendix A). A composite soil sample was retrieved below the liner holes in order to determine if the release had breached the liner integrity. The soil sample was submitted to an approved NMOCD commercial laboratory (Cardinal Laboratories in Hobbs, NM [Cardinal]) for concentration analyses of chloride, Gas

Range Organics (GRO), Diesel Range Organics (DRO), and Oil Range Organics (ORO) [TPH]. Laboratory analyses confirmed that contents of the release did not reach the holes that were melted in the liner. (Appendix B).

A contractor was hired to repair the liner. A photo shown in Appendix C indicates the repair is complete.

A discrete soil sample from the Parkchester 24 State #3H indicates that the produced water released from the lightning strike did not penetrate the ground below the liner. The soil sample was analyzed by an NMOCD approved laboratory, and concentrations of BTEX, chloride and TPH were below the recommended remediation action levels (RRAL) established for this site through Table 1 of 19.15.29 of the New Mexico Administrative Code.

Mewbourne requests site closure to the Parkchester 24 State #3H release site.

Sincerely,

Robbie Runnels

Environmental Specialist

Mewbourne Oil Company

(575) 393-5905

Attachments:

Figure 1 – Site Location Map

Appendix A – Photo Documentation

Appendix B – Laboratory Analyses

Appendix C – Final C-141

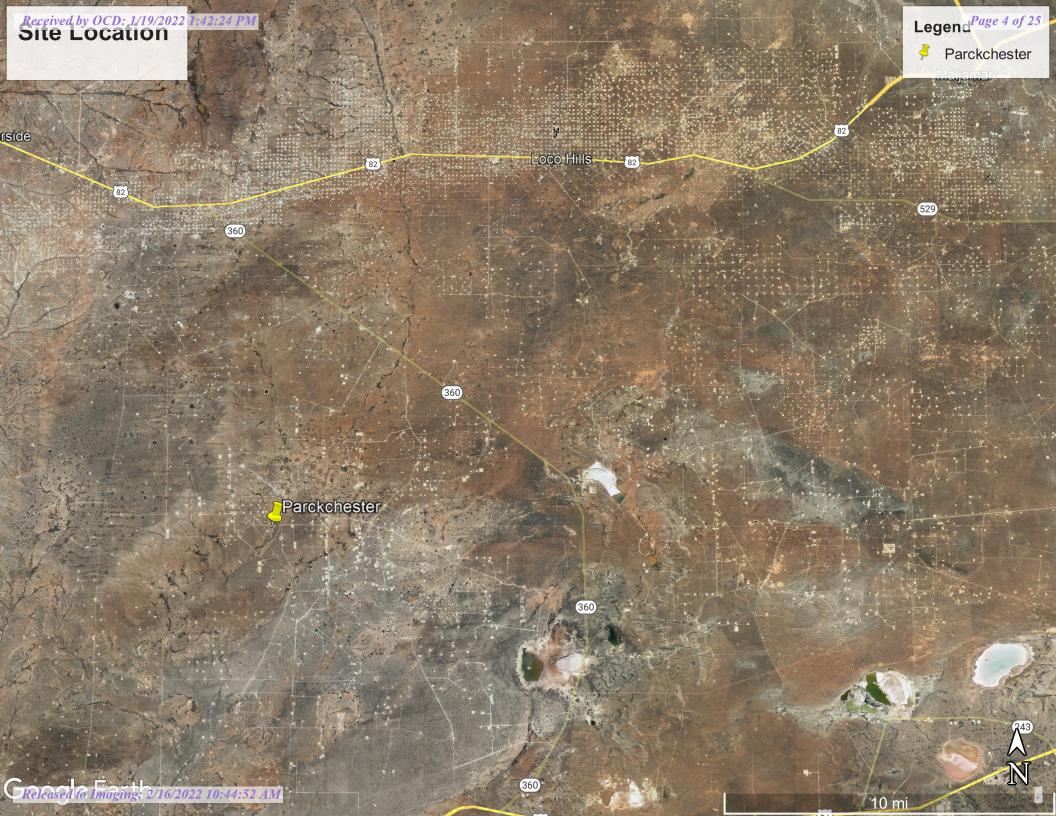
Appendix D – Notification Documents

cc. Ryan Mann State Land Office

914 N Linam St.

Hobbs, NM 88240

FIGURES





APPENDICES

APPENDIX – A Photo Documentation









APPENDIX – B Analytical Reports



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

November 04, 2021

ROBBIE RUNNELS
MEWBOURNE OIL COMPANY
P. O. BOX 5270
HOBBS, NM 88240

RE: PARKCHESTER 24 ST 003H

Enclosed are the results of analyses for samples received by the laboratory on 11/02/21 9:15.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-21-14. 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/ga/lab accred certif.html.

Cardinal Laboratories is accreditated 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)

Celey D. Keene

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,

Celey D. Keene

Lab Director/Quality Manager



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

Analytical Results For:

MEWBOURNE OIL COMPANY **ROBBIE RUNNELS** P. O. BOX 5270 HOBBS NM, 88240

Fax To: (575) 937-6252

Received: 11/02/2021 Sampling Date: 11/01/2021

Reported: 11/04/2021 Sampling Type: Soil Project Name: PARKCHESTER 24 ST 003H Sampling Condition:

** (See Notes) Project Number: NONE GIVEN Sample Received By: Tamara Oldaker

Applymed By MC

Project Location: NOT GIVEN

Sample ID: LINER HOLE (H213084-01)

DTEV 0021D

BTEX 8021B	mg/	'kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	11/03/2021	ND	2.08	104	2.00	8.16	
Toluene*	<0.050	0.050	11/03/2021	ND	1.99	99.6	2.00	7.94	
Ethylbenzene*	<0.050	0.050	11/03/2021	ND	2.04	102	2.00	7.32	
Total Xylenes*	<0.150	0.150	11/03/2021	ND	6.24	104	6.00	7.13	
Total BTEX	<0.300	0.300	11/03/2021	ND					
Surrogate: 4-Bromofluorobenzene (PID	102 9	% 69.9-14	0						
Chloride, SM4500Cl-B	mg/	kg	Analyze	d By: GM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	11/03/2021	ND	416	104	400	3.92	
TPH 8015M	mg/	'kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	<10.0	10.0	11/03/2021	ND	210	105	200	2.73	
DRO >C10-C28*	<10.0	10.0	11/03/2021	ND	216	108	200	1.63	
EXT DRO >C28-C36	<10.0	10.0	11/03/2021	ND					
Surrogate: 1-Chlorooctane	104 5	% 44.3-13	3						
Surrogate: 1-Chlorooctadecane	103 9	% 38.9-14	2						

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. Keine

Celey D. Keene, Lab Director/Quality Manager



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

Notes and Definitions

QR-03 The RPD value for the sample duplicate or MS/MSD was outside of QC acceptance limits due to matrix interference. QC batch

accepted based on LCS and/or LCSD recovery and/or RPD values.

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 whistoever 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.

Celeg D. Freene

Celey D. Keene, Lab Director/Quality Manager

Received by OCD: 1/19/2022 1:42:24 PM

Page 4 of

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240 (575) 393-2326 FAX (575) 393-2476 Company Name:

Project Manager:	BILL 10	ANALYSIS REQUEST
	P.O. #:	
Address:	Company: Reubir	1
City: State: Zip:	Attn:	
Phone #: Fax #:	Address:	1
Project #: Project Owner:	City:	1
Project Name: Perkehester 24 St 00)	H State: Zip:	
Project Location:	Phone #:	
Sampler Name: Polis Runnels	Fax #:	
FOR LAB USE ONLY MAT	The state of the s	1
Tap I.D. Samble I.D. A GONTAINERS GROUNDWATER SOIL	SLUDGE SLUDGE SLUDGE OTHER: ACID/BASE: ACID/	X 828 X X X X X X X X X X X X X X X X X
PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based in a analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in we service. In no event shall Cardinal be liable for incidental or consequental damages, including without limitation, business in the consequents.	contract or tort, shall be limited to the amount paid by the client for the	ie .
affiliates or successors arising out of an related to the performance of services hereunder by Cardinal regardless of whether our	ptions, loss of use, or loss of profits incurred by client, its subsidiaries of claim is based upon any of the above stated reserve or otherwise.	applicable s,
Relinquished By: Date: //2/21 Received By: Time: 0915 Received By: Date: Received By:	Verbal Resi	
Time:) Inclination	
Delivered By: (Circle One) Sampler - UPS - Bus - Other: Observed Temp. °C 17.2 Cool Int. Yes Delivered By: (Circle One)	act (Initials)	Rush Cool Intact Observed Temp. °C
Sampler - UPS - Bus - Other: Corrected Temp. °C //6.7 PNN	No Thermometer Correction Fac	ID #113 Yes Yes

APPENDIX – C 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 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 Mewbourne Oil Company			OGRID 14744				
Contact Name Connor Walker			Contact Telephone 806-202-5281				
Contact email cwalker@mewbourne.com			Incident #	(assigned by OCD)			
Contact mail	ing address	4801 Business I	Park Blvd, Hobbs	s, NM 8	8240		
			Location	n of R	Release So	ource	
Latitude 32.6	552581		(NAD 83 in a	decimal de	Longitude - egrees to 5 decim	-104.133530 nal places)	
Site Name Pa	rkchester 24	4 St #3H			Site Type I	Production Battery	7
Date Release	Discovered	8/14/2021			API# (if app	olicable) 30-015-37 9	998
Unit Letter	Section	Township	Range		Coun	ntv	
C	24	19S	32E	Edd		ity	
	Materia	ıl(s) Released (Select a	Nature an				olumes provided below)
Crude Oi		Volume Release			•	Volume Recove	
Produced	Water	Volume Release	ed (bbls) 168			Volume Recovered (bbls) 175	
		produced water		chlorid	e in the	⊠ Yes □ No	
	Condensate Volume Released (bbls)			Volume Recovered (bbls)			
Natural Gas Volume Released (Mcf)			Volume Recovered (Mcf)				
Other (de	scribe)	Volume/Weigh	t Released (provi	de units)	Volume/Weight	Recovered (provide units)
		berglass water tan Rainwater was pre					nts of the tank were contained within

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\boldsymbol{P}	age	? <i>1</i>	9	of	<i>25</i>
					1

Incident ID	
District RP	
Facility ID	
Application ID	

Was this a major release as defined by	If YES, for what reason(s) does the responding The release was over 25 bbls and was the	
19.15.29.7(A) NMAC?	The release was over 25 oors and was the	esuit of a file.
⊠ Yes □ No		
The state of the s	otice given to the OCD? By whom? To wh Robbie Runnels to Cristina Eads on 8/14/2	om? When and by what means (phone, email, etc)? 021 at 5:24PM via email.
	Initial Ro	esponse
The responsible p	party must undertake the following actions immediately	vunless they could create a safety hazard that would result in injury
☐ The source of the rele	ase has been stopped.	
☐ The impacted area ha	s been secured to protect human health and	the environment.
Released materials ha	ve been contained via the use of berms or d	ikes, absorbent pads, or other containment devices.
All free liquids and re	coverable materials have been removed and	l managed appropriately.
If all the actions described	d above have <u>not</u> been undertaken, explain	vhy:
D 10 15 20 0 D (4) ND	AC.	
has begun, please attach	a narrative of actions to date. If remedial	emediation immediately after discovery of a release. If remediation efforts have been successfully completed or if the release occurred lease attach all information needed for closure evaluation.
regulations all operators are public health or the environment failed to adequately investigation	required to report and/or file certain release notinent. The acceptance of a C-141 report by the Cate and remediate contamination that pose a thre	pest of my knowledge and understand that pursuant to OCD rules and fications and perform corrective actions for releases which may endanger CD does not relieve the operator of liability should their operations have at to groundwater, surface water, human health or the environment. In responsibility for compliance with any other federal, state, or local laws
Printed Name:Conno	or Walker	Title:Sr. Engineer
Signature:	Malh.	Date: 8/16/2021
email: <u>cwalker</u>	@mewbourne.com	Telephone: 806-202-5281
OCD Only		
Received by:		Date:

Received by OCD: 1/19/2022 1:42:24 PM Form C-141 State of New Mexico Page 3 Oil Conservation Division

	Page 20 of 25
Incident ID	
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>>50'</u> (ft bgs)			
Did this release impact groundwater or surface water?	☐ Yes ⊠ No			
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	☐ Yes ⊠ 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)?	☐ Yes ⊠ No			
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	☐ Yes ⊠ 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?	☐ Yes ⊠ No			
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	☐ Yes ⊠ No			
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	☐ Yes ⊠ No			
Are the lateral extents of the release within 300 feet of a wetland?	☐ Yes ⊠ No			
Are the lateral extents of the release overlying a subsurface mine?	☐ Yes ⊠ No			
Are the lateral extents of the release overlying an unstable area such as karst geology?	⊠ Yes □ No			
Are the lateral extents of the release within a 100-year floodplain?	☐ Yes ⊠ No			
Did the release impact areas not on an exploration, development, production, or storage site?	☐ Yes ⊠ 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.

Received by OCD: 1/19/2022 1:42:24 PM Form C-141 State of New Mexico Page 4 Oil Conservation Division

Received by: _____

OCD Only

Incident ID
District RP

Facility ID

Date: _____

	Application ID
I hereby certify that the information given above is true and complete to the best regulations all operators are required to report and/or file certain release notific public health or the environment. The acceptance of a C-141 report by the OCI failed to adequately investigate and remediate contamination that pose a threat addition, OCD acceptance of a C-141 report does not relieve the operator of resund/or regulations.	ations and perform corrective actions for releases which may endanger D does not relieve the operator of liability should their operations have to groundwater, surface water, human health or the environment. In
Printed Name: Connor Walker	Title:Sr. Engineer
Signature:	Date: 1/10/2022
email:cwalker@mewbourne.com	Telephone: 806-202-5281

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Incident ID
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 must be notified 2 days prior to liner inspection)	of the liner integrity if applicable (Note: appropriate OCD District office			
☐ Laboratory analyses of final sampling (Note: appropriate ODC	C District office must be notified 2 days prior to final sampling)			
□ Description of remediation activities				
all operators are required to report and/or file certain release notifications at environment. The acceptance of a C-141 report by the OCD does not relieve	e best of my knowledge and understand that pursuant to OCD rules and regulations and perform corrective actions for releases which may endanger public health or the ve the operator of liability should their operations have failed to adequately surface water, human health or the environment. In addition, OCD acceptance of a with any other federal, state, or local laws and/or regulations.			
Printed Name: Connor Walker	Title:Sr. Engineer			
Signature:	Date: 1/10/2022			
email: <u>cwalker@mewbourne.com</u>	Telephone: 806-202-5281			
OCD Only				
Received by:	Date:			
	of liability should their operations have failed to adequately investigate and water, human health, or the environment nor does not relieve the responsible for regulations.			
Closure Approved by:	Date: 02/16/2022			
Printed Name: Jennifer Nobui	Title: Environmental Specialist A			

APPENDIX – D Notification Documents

Connor Walker

From: Robbie Runnels

Sent: Thursday, October 28, 2021 8:13 AM

To: Eads, Cristina, EMNRD

Cc: Connor Walker

Subject: Parkchester 24 State 3

Ms. Eads,

Mewbourne Oil Company will be sampling on Monday, November 1, through the hole in the liner to ensure no liquids were released to the ground beneath during the lightening strike on August 14.

Thank you,

Robbie Runnels Mewbourne Oil Company 575-602-2188 c. 575-393-5905 ext. 5092 o.



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

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 73546

CONDITIONS

Operator:	OGRID:
MEWBOURNE OIL CO	14744
P.O. Box 5270	Action Number:
Hobbs, NM 88241	73546
	Action Type:
	[C-141] Release Corrective Action (C-141)

CONDITIONS

Created	Condition	Condition
Ву		Date
jnobui	Closure Report Approved. In the future, please submit photos of the intact lined secondary containment.	2/16/2022