LINER INSPECTION AND CLOSURE REPORT

REPORTABLE RELEASE

Spur Energy Partners
Oakmont 11-10 St Com TB
Incident ID: nAPP2302728147
Eddy County, NM

Prepared by:

Paragon Environmental LLC
1601 N. TURNER ST. STE.500
Hobbs, NM 88240
575-631-6977

GENERAL DETAILS

This report was prepared by Paragon Environmental LLC (Paragon) in response to the release for Spur Energy Partners (Spur) at the **Oakmont 11-10 St Com TB (Oakmont)**.

API #: N/A

Site Coordinates: Latitude: 32.85030 Longitude: -103.63120

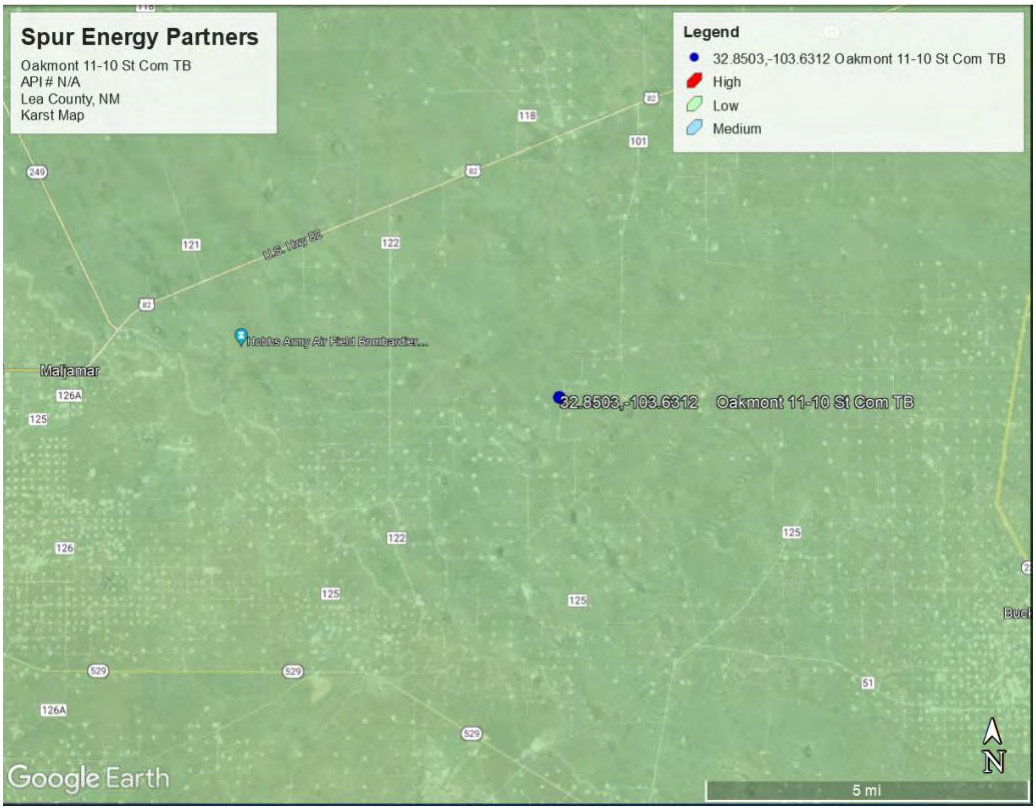
Unit UL G, Section 11, Township 17S, Range 33E

Incident ID: nAPP2302728147

REGULATORY FRAMEWORK

Depth to Groundwater: According to the New Mexico State of Engineers Office, the nearest water data is less than 1/2 mile away and is 156 feet below ground surface (BGS). See Appendix A for details.

Soil Survey: Per the New Mexico Bureau of Geology and Mineral Resources, the geology is in the Ogallala Formation (lower Pliocene to middle Miocene)—Alluvial and eolian deposits, and petrocalcic soils of the southern High Plains. Locally includes Qoa (TO). According to the United States Department of Agriculture Natural Resources Conservation Service soil survey, the soil in this area comprises the Kimbrough Lea complex, with 0 to 3 percent slopes. The drainage courses in this area are well-drained. The karst geology in the area of the Oakmont is in Low Karst. See the map below.



RELEASE DETAILS

This release was due to equipment failure. The PLC power issues caused a water tank to overflow. This resulted in the release of 207 bbls of produced water in the Lined Containment. A vacuum truck was dispatched and recovered 165 bbls of the fluids.

Date of Spill: 1/26/2023

Type of Spill: Crude Oil ☐ Produced Water ☒ Condensate ☐ Other (Specify):

Comments: Reportable release.
Released: 207 bbls of Produced Water
Recovered: 165 bbls of Produced Water

INITIAL SITE ASSESSMENT

On February 1, 2023, Paragon received pictures and the C-141 regarding the incident at the Oakmont. Due to there being a loss in barrels of produced water Paragon decided to take samples outside the containment to confirm whether the containment had been breached. The results from this sampling event are as follows:

2-10-23 Sample Results

NMOCD Table 1 Closure Criteria 19.15.29 NMAC (Depth to Groundwater is >100')								
Sample Date 2-10-23		Closure Criteria ≤ 50 mg/kg	Closure Criteria ≤ 10 mg/kg	Combined Closure Criteria ≤ 1,000 mg/kg			Closure Criteria ≤ 2,500 mg/kg	Closure Criteria ≤ 20,000 mg/kg
Sample ID	Depth (BGS)	BTEX	Benzene	GRO	DRO	MRO	Total TPH	CHLORIDES
N Comp 1	6"	ND	ND	ND	ND	ND	0	32
W Comp 2	6"	ND	ND	ND	ND	ND	0	64
W Comp 3	6"	ND	ND	ND	ND	ND	0	64
S Comp 4	6"	ND	ND	ND	ND	ND	0	64
E Comp 5	6"	ND	ND	ND	ND	ND	0	96
E Comp 6	6"	ND	ND	ND	ND	ND	0	16

ND - Analyte Not Detected

These results confirm no fluid breached the containment walls. This confirms the reason there was a discrepancy between there being a loss of 205 bbls and 165 recovered by vacuum truck was due to the produced water being recirculated back into the system via the sump pump.

REMEDIATION ACTIVITIES

On February 17, 2023, Paragon went to the site and conducted a liner inspection. A 48-hour notification was sent to the NMOCD on February 15, 2023. The liner inspection concluded that the liner's integrity was intact and in good condition however, there was a large spill covering up the liner. See Appendix D for the email notification and liner report.

On February 20, 2023, Paragon returned to the site with equipment and personnel to conduct cleanup activities. We initially sprayed the affected area with a degreaser. We then power washed and squeegeed the runoff to where the vacuum truck could capture the fluids.

On June 29, 2023, Paragon returned to the site to conduct a liner inspection. A 48-hour notification was sent to the NMOCD on June 26, 2023. The liner inspection concluded that the liner's integrity was intact and in good condition. The liner is clean and appears to have the ability to contain spills. See Appendix D for the email notification and liner report.

CLOSURE REQUEST

After careful review, Paragon requests that the incident, nAPP2302728147, be closed. Spur has complied with the applicable closure requirements. If you have any questions or need additional information, please contact Tristan Jones at 575-318-6841 or tristan@paragonenvironmental.net.

Respectfully,

Tristan Jones
Project Coordinator
Paragon Environmental LLC

Chris Jones
Environmental Professional
Paragon Environmental LLC

Attachments

Figures:

1- Site Map
2- Topo Map
3- Aerial Map

Appendices:

- Appendix A- Referenced Water Data
- Appendix B- Soil Survey & FEMA Flood Map
- Appendix C- C-141
- Appendix D- Email Notification, Liner Inspection, and Photographic Documentation
- Appendix E- Laboratory Results

Figures:

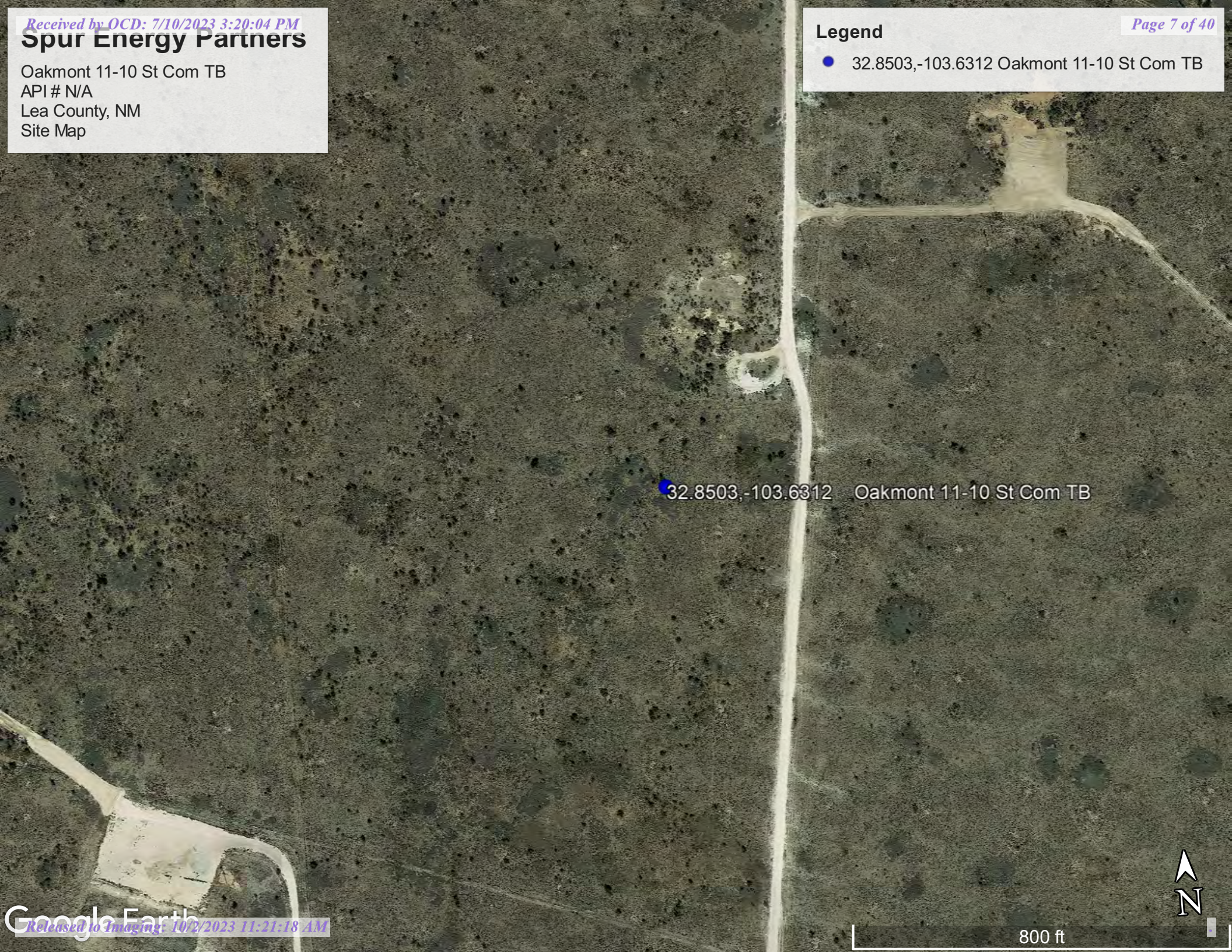
1-Site Map
2- Topo Map
3- Aerial Map

Spur Energy Partners

Oakmont 11-10 St Com TB
API # N/A
Lea County, NM
Site Map

Legend

- 32.8503,-103.6312 Oakmont 11-10 St Com TB

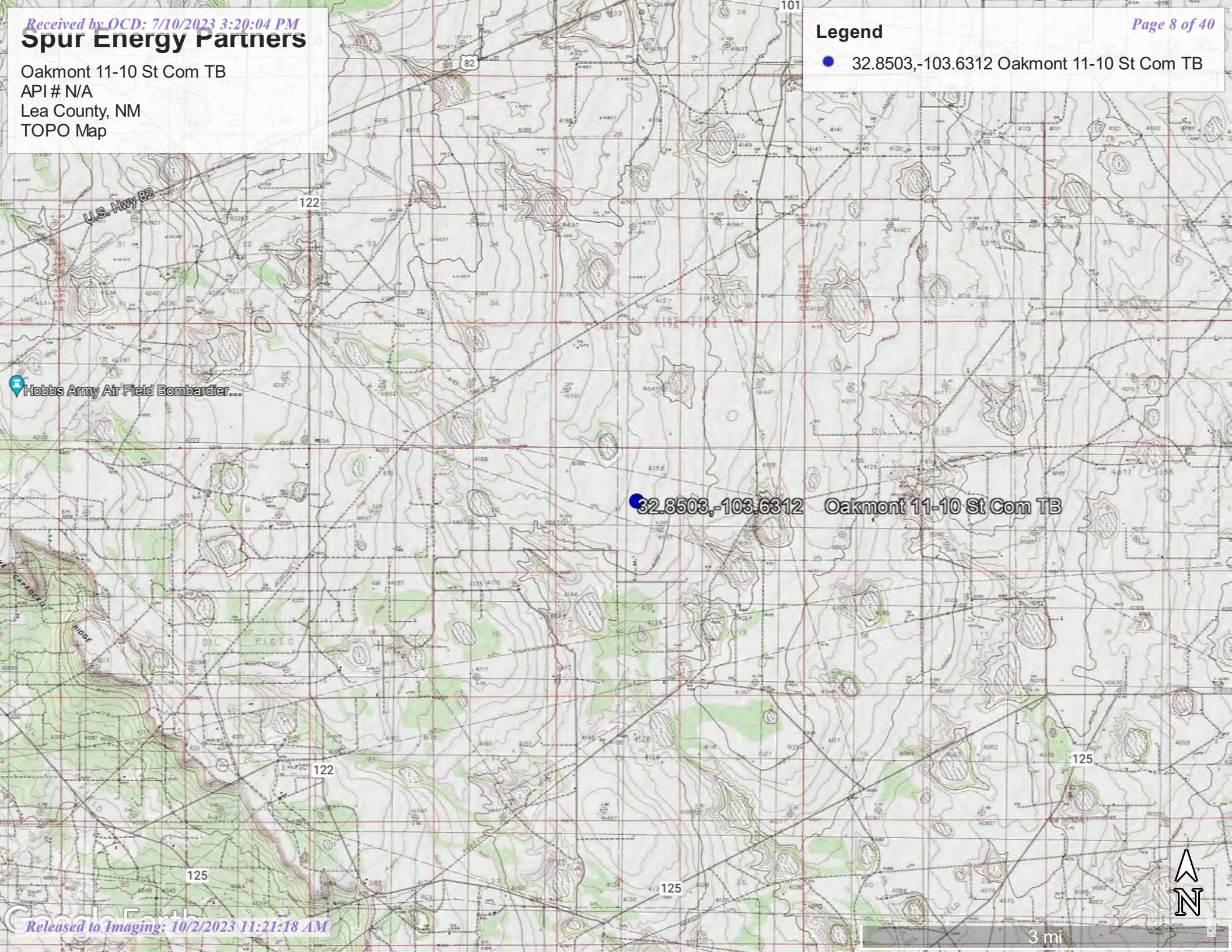


Spur Energy Partners

Oakmont 11-10 St Com TB
API # N/A
Lea County, NM
TOPO Map

Legend

- 32.8503,-103.6312 Oakmont 11-10 St Com TB

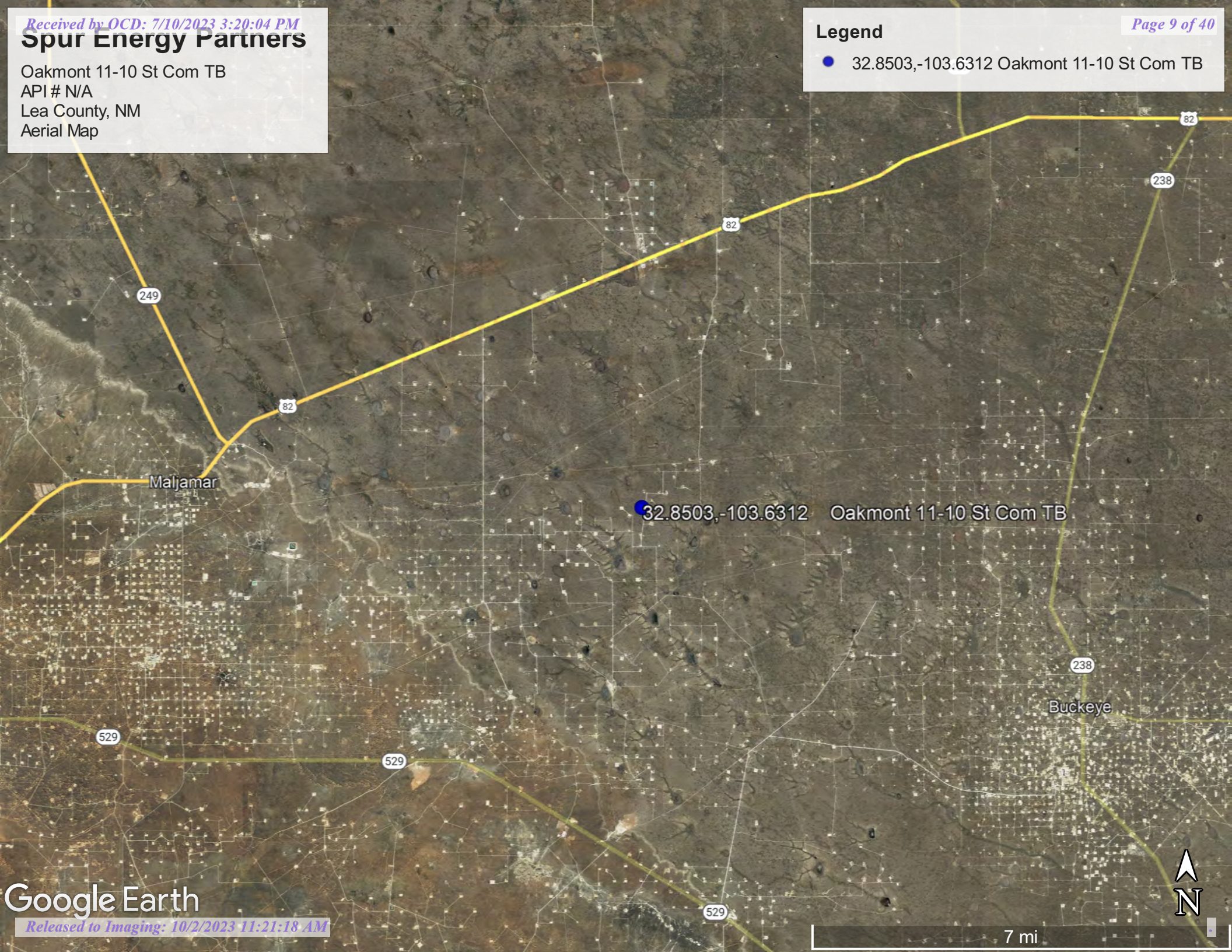


Spur Energy Partners

Oakmont 11-10 St Com TB
API # N/A
Lea County, NM
Aerial Map

Legend

- 32.8503,-103.6312 Oakmont 11-10 St Com TB



Appendix A
Referenced Water Data:

New Mexico State of Engineers Office

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	Code	POD Sub-basin	County	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Distance	Depth Well	Depth Water	Water Column
L 14337 POD1		L	LE	3	3	4	35	16S	33E	627983	3636226	715	237	156	81
L 03782		L	LE	4	4	4	02	17S	33E	628532	3636311*	907	183	151	32
L 10212		L	LE		4	4	02	17S	33E	628433	3636412*	957	273	168	105
L 14592 POD1		L	LE	3	4	1	12	17S	33E	629053	3635531	962	300	180	120
L 01880 S3		L	LE	1	4	1	12	17S	33E	629093	3635771	1034	268	155	113
L 01880 POD7		L	LE	4	3	3	12	17S	33E	629029	3634644	1282	280		
L 04333		L	LE		1	1	13	17S	33E	628862	3634407*	1353	217	165	52
L 14591 POD1		L	LE	1	1	1	13	13S	33E	629046	3634474	1415	300	180	120
L 14136 POD1		L	LE	3	3	2	12	17S	33E	629604	3635569	1514	245	141	104

Average Depth to Water: **162 feet**
Minimum Depth: **141 feet**
Maximum Depth: **180 feet**

Record Count: 9

UTMNAD83 Radius Search (in meters):

Easting (X): 628089.8 **Northing (Y):** 3635518.104 **Radius:** 1600

***UTM location was derived from PLSS - see Help**

New Mexico Office of the State Engineer

Point of Diversion Summary

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest) (NAD83 UTM in meters)

Well Tag	POD Number	Q64	Q16	Q4	Sec	Twp	Rng	X	Y
2061A	L 14337 POD1	3	3	4	35	16S	33E	627983	3636226

Driller License: 1755 **Driller Company:** HUNGRY HORSE, LLC.

Driller Name: NORRIS, JOHN

Drill Start Date: 09/01/2017 **Drill Finish Date:** 09/06/2017 **Plug Date:**

Log File Date: 02/05/2018 **PCW Rcv Date:** **Source:** Shallow

Pump Type: **Pipe Discharge Size:** **Estimated Yield:**

Casing Size: 8.00 **Depth Well:** 237 feet **Depth Water:** 156 feet

Water Bearing Stratifications:	Top	Bottom	Description
	227	237	Other/Unknown

Casing Perforations:	Top	Bottom
	197	237

Appendix B
Soil Survey:

U.S.D.A.
FEMA Flood Map

Lea County, New Mexico

KU—Kimbrough-Lea complex, dry, 0 to 3 percent slopes

Map Unit Setting

National map unit symbol: 2tw46
Elevation: 2,500 to 4,800 feet
Mean annual precipitation: 14 to 16 inches
Mean annual air temperature: 57 to 63 degrees F
Frost-free period: 180 to 220 days
Farmland classification: Not prime farmland

Map Unit Composition

Kimbrough and similar soils: 45 percent
Lea and similar soils: 25 percent
Minor components: 30 percent
Estimates are based on observations, descriptions, and transects of the mapunit.

Description of Kimbrough

Setting

Landform: Playa rims, plains
Down-slope shape: Convex, linear
Across-slope shape: Concave, linear
Parent material: Loamy eolian deposits derived from sedimentary rock

Typical profile

A - 0 to 3 inches: gravelly loam
Bw - 3 to 10 inches: loam
Bkkm1 - 10 to 16 inches: cemented material
Bkkm2 - 16 to 80 inches: cemented material

Properties and qualities

Slope: 0 to 3 percent
Depth to restrictive feature: 4 to 18 inches to petrocalcic
Drainage class: Well drained
Runoff class: Very high
Capacity of the most limiting layer to transmit water (Ksat): Very low to moderately low (0.00 to 0.01 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: None
Frequency of ponding: None
Calcium carbonate, maximum content: 95 percent
Maximum salinity: Nonsaline to very slightly saline (0.0 to 2.0 mmhos/cm)
Sodium adsorption ratio, maximum: 1.0
Available water supply, 0 to 60 inches: Very low (about 1.4 inches)

Interpretive groups

Land capability classification (irrigated): None specified

Land capability classification (nonirrigated): 7s
Hydrologic Soil Group: D
Ecological site: R077DY049TX - Very Shallow 12-17" PZ
Hydric soil rating: No

Description of Lea

Setting

Landform: Plains
Down-slope shape: Convex
Across-slope shape: Linear
Parent material: Calcareous, loamy eolian deposits from the blackwater draw formation of pleistocene age over indurated caliche of pliocene age

Typical profile

A - 0 to 10 inches: loam
Bk - 10 to 18 inches: loam
Bkk - 18 to 26 inches: gravelly fine sandy loam
Bkkm - 26 to 80 inches: cemented material

Properties and qualities

Slope: 0 to 3 percent
Depth to restrictive feature: 22 to 30 inches to petrocalcic
Drainage class: Well drained
Runoff class: High
Capacity of the most limiting layer to transmit water (Ksat): Very low to moderately low (0.00 to 0.06 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: None
Frequency of ponding: None
Calcium carbonate, maximum content: 90 percent
Maximum salinity: Nonsaline to very slightly saline (0.0 to 2.0 mmhos/cm)
Sodium adsorption ratio, maximum: 3.0
Available water supply, 0 to 60 inches: Very low (about 2.9 inches)

Interpretive groups

Land capability classification (irrigated): None specified
Land capability classification (nonirrigated): 7s
Hydrologic Soil Group: D
Ecological site: R077DY047TX - Sandy Loam 12-17" PZ
Hydric soil rating: No

Minor Components

Douro

Percent of map unit: 12 percent
Landform: Plains
Down-slope shape: Linear
Across-slope shape: Linear
Ecological site: R077DY047TX - Sandy Loam 12-17" PZ
Other vegetative classification: Unnamed (G077DH000TX)
Hydric soil rating: No

Kenhill

Percent of map unit: 12 percent
Landform: Plains
Down-slope shape: Linear
Across-slope shape: Linear
Ecological site: R077DY038TX - Clay Loam 12-17" PZ
Hydric soil rating: No

Spraberry

Percent of map unit: 6 percent
Landform: Playa rims, plains
Down-slope shape: Convex, linear
Across-slope shape: Linear
Ecological site: R077DY049TX - Very Shallow 12-17" PZ
Other vegetative classification: Unnamed (G077DH000TX)
Hydric soil rating: No

Data Source Information

Soil Survey Area: Lea County, New Mexico
Survey Area Data: Version 19, Sep 8, 2022

National Flood Hazard Layer FIRMette

FEMA

103°38'11"W 32°51'16"N

103°37'34"W 32°50'46"N

0 250 500 1,000 1,500 2,000 Feet

1:6,000

Basemap Imagery Source: USGS National Map 2023

Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS
- Without Base Flood Elevation (BFE) *Zone A, V, A99*
- With BFE or Depth *Zone AE, AO, AH, VE, AR*
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD
- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile *Zone X*
- Future Conditions 1% Annual Chance Flood Hazard *Zone X*
- Area with Reduced Flood Risk due to Levee. See Notes. *Zone X*
- Area with Flood Risk due to Levee *Zone D*

OTHER AREAS
- NO SCREEN Area of Minimal Flood Hazard *Zone X*
- Effective LOMRs
- Area of Undetermined Flood Hazard *Zone D*

GENERAL STRUCTURES
- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES
- 20.2 Cross Sections with 1% Annual Chance
- 17.5 Water Surface Elevation
- Coastal Transect
- 513 Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS
- Digital Data Available
- No Digital Data Available
- Unmapped

N

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 6/26/2023 at 12:21 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

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	OGRID
Contact Name	Contact Telephone
Contact email	Incident # *(assigned by OCD)*
Contact mailing address	

Location of Release Source

Latitude _____ Longitude _____
(NAD 83 in decimal degrees to 5 decimal places)

Site Name	Site Type
Date Release Discovered	API# *(if applicable)*

Unit Letter	Section	Township	Range	County

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)	Volume Recovered (bbls)
☐ Produced Water	Volume Released (bbls)	Volume Recovered (bbls)
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	☐ Yes ☐ 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		

State of New Mexico
Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

Was this a major release as defined by 19.15.29.7(A) NMAC? ☐ Yes ☐ No	If YES, for what reason(s) does the responsible party consider this a major release?
If YES, was immediate notice 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

☐ 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: _____ Title: _____

Signature: Katherine Purvis Date: _____

email: _____ Telephone: _____

OCD Only

Received by: _____ Date: _____

State of New Mexico
Oil Conservation Division

Incident ID	nAPP2302728147
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?	156 (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.

State of New Mexico
Oil Conservation Division

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Application ID	

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Printed Name: Kathy Purvis. Title: HSE Coordinator

Signature: Katherine Purvis Date: 7/10/23

email: katherine.purvis@spurenergy.com Telephone: 575-441-8619

OCD Only

Received by: _____ Date: _____

State of New Mexico
Oil Conservation Division

Incident ID	nAPP2302728147
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Remediation Plan

Remediation Plan Checklist: ***Each of the following items must be included in the plan.***

- ☐ Detailed description of proposed remediation technique
- ☐ Scaled sitemap with GPS coordinates showing delineation points
- ☐ Estimated volume of material to be remediated
- ☐ Closure criteria is to Table 1 specifications subject to 19.15.29.12(C)(4) NMAC
- ☐ Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is required)

Deferral Requests Only: ***Each of the following items must be confirmed as part of any request for deferral of remediation.***

☐ Contamination must be in areas immediately under or around production equipment where remediation could cause a major facility deconstruction.

☐ Extents of contamination must be fully delineated.

☐ Contamination does not cause an imminent risk to human health, the environment, or groundwater.

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: Kathy Purvis. Title: HSE Coordinator

Signature: Katherine Purvis Date: 7/10/23

email: katherine.purvis@spurenergy.com Telephone: 575-441-8619

OCD Only

Received by: _____ Date: _____

☐ Approved ☐ Approved with Attached Conditions of Approval ☐ Denied ☐ Deferral Approved

Signature: _____ Date: _____

State of New Mexico
Oil Conservation Division

Incident ID	nAPP2302728147
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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: Kathy Purvis. Title: HSE Coordinator

Signature: Katherine Purvis Date: 7/10/23

email: katherine.purvis@spurenergy.com Telephone: 575-441-8619

OCD Only

Received by: _____ Date: _____

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: Nelson Velez Date: 10/02/2023

Printed Name: Nelson Velez Title: Environmental Specialist - Adv

Appendix D:

Email Notification

Liner Inspection

Photographic Documentation

Friday, July 7, 2023 at 10:59:00 Central Daylight Time

Subject: Liner Inspection - 6/29/23
Date: Monday, June 26, 2023 at 5:53:39 PM Central Daylight Time
From: Tristan Jones
To: mike.bratcher@state.nm.us, Robert.Hamlet@state.nm.us, bmoulder@spurenergy.com, Katherine Purvis, Chris Jones, Angel Pena

All,

This is to inform you that Paragon will conduct a liner inspection on behalf of Spur Energy Partners on the date of 6/29/23. We will begin this inspection at 9:00 AM. Feel free to call me so we can coordinate with you if you'd like to join us.

nAPP2302728147 Oakmont 11-10 St Com TB

Thank you,

Tristan Jones
Project Coordinator
1601 N. Turner Ste. 500
Hobbs, NM 88240
tristan@paragonenvironmental.net
575-318-6841

Paragon Environmental LLC

Liner Inspection Form

Company Name: Spur Energy Partners

Site: Oakmont 11-10 St Com TB

Lat/Long: 32.85030, -103.63120

NMOCD Incident ID & Incident Date: nAPP2302728147; 1-26-23

2-Day Notification Sent: 6-26-23

Inspection Date: 6-29-23

Liner Type: Earthen w/liner | Earthen no liner | Polystar | Steel w/poly liner | Steel w/spray epoxy | No Liner

Other: _____

Visualization	Yes	No	Comments
Is there a tear in the liner?		x	
Are there holes in the liner?		x	
Is the liner retaining any fluids?		x	
Does the liner have integrity to contain a leak?	x		

Comments: _____

Inspector Name: Jeremy Maner

PARAGON ENVIRONMENTAL

Photographic Documentation

Before Remediation

PARAGON ENVIRONMENTAL

Photographic Documentation

Post Remediation

Appendix E:

Laboratory Results

CARDINAL Laboratories

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

February 17, 2023

CASON SPURLOCK

PARAGON ENVIROMENTAL

5002 CARRAIGE RD

HOBBS, NM 88242

RE: OAKMONT 11-10 STATE COM

Enclosed are the results of analyses for samples received by the laboratory on 02/10/23 16:55.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-22-15. 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 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)

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

CARDINAL Laboratories

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

Analytical Results For:

PARAGON ENVIROMENTAL
CASON SPURLOCK
5002 CARRAIGE RD
HOBBS NM, 88242
Fax To:

Received:	02/10/2023	Sampling Date:	02/10/2023
Reported:	02/17/2023	Sampling Type:	Soil
Project Name:	OAKMONT 11-10 STATE COM	Sampling Condition:	Cool & Intact
Project Number:	NOT GIVEN	Sample Received By:	Tamara Oldaker
Project Location:	SPUR - LEA COUNTY		

Sample ID: N. COMP. 1 (H230656-01)

BTEX 8021B mg/kg Analyzed By: JH/

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	02/16/2023	ND	1.98	99.1	2.00	4.38	
Toluene*	<0.050	0.050	02/16/2023	ND	2.04	102	2.00	4.22	
Ethylbenzene*	<0.050	0.050	02/16/2023	ND	2.02	101	2.00	4.73	
Total Xylenes*	<0.150	0.150	02/16/2023	ND	6.30	105	6.00	4.75	
Total BTEX	<0.300	0.300	02/16/2023	ND					

Surrogate: 4-Bromofluorobenzene (PID *109 %* *71.5-134*

Chloride, SM4500Cl-B mg/kg Analyzed By: AC

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	**32.0**	16.0	02/15/2023	ND	432	108	400	3.64	

TPH 8015M mg/kg Analyzed By: MS

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	<10.0	10.0	02/15/2023	ND	191	95.6	200	1.76	
DRO >C10-C28*	<10.0	10.0	02/15/2023	ND	176	88.1	200	1.29	
EXT DRO >C28-C36	<10.0	10.0	02/15/2023	ND					

Surrogate: 1-Chlorooctane *90.8 %* *48.2-134*

Surrogate: 1-Chlorooctadecane *97.0 %* *49.1-148*

Cardinal Laboratories *=Accredited Analyte

Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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

Analytical Results For:

PARAGON ENVIROMENTAL
CASON SPURLOCK
5002 CARRAIGE RD
HOBBS NM, 88242
Fax To:

Received:	02/10/2023	Sampling Date:	02/10/2023
Reported:	02/17/2023	Sampling Type:	Soil
Project Name:	OAKMONT 11-10 STATE COM	Sampling Condition:	Cool & Intact
Project Number:	NOT GIVEN	Sample Received By:	Tamara Oldaker
Project Location:	SPUR - LEA COUNTY		

Sample ID: W. COMP. 2 (H230656-02)

BTEX 8021B mg/kg Analyzed By: JH/

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	02/16/2023	ND	1.98	99.1	2.00	4.38	
Toluene*	<0.050	0.050	02/16/2023	ND	2.04	102	2.00	4.22	
Ethylbenzene*	<0.050	0.050	02/16/2023	ND	2.02	101	2.00	4.73	
Total Xylenes*	<0.150	0.150	02/16/2023	ND	6.30	105	6.00	4.75	
Total BTEX	<0.300	0.300	02/16/2023	ND					

Surrogate: 4-Bromofluorobenzene (PID *110 %* *71.5-134*

Chloride, SM4500Cl-B mg/kg Analyzed By: AC

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	**64.0**	16.0	02/15/2023	ND	432	108	400	3.64	

TPH 8015M mg/kg Analyzed By: MS

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	<10.0	10.0	02/15/2023	ND	191	95.6	200	1.76	
DRO >C10-C28*	<10.0	10.0	02/15/2023	ND	176	88.1	200	1.29	
EXT DRO >C28-C36	<10.0	10.0	02/15/2023	ND					

Surrogate: 1-Chlorooctane *89.7 %* *48.2-134*

Surrogate: 1-Chlorooctadecane *94.5 %* *49.1-148*

Cardinal Laboratories *=Accredited Analyte

Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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

Analytical Results For:

PARAGON ENVIROMENTAL
CASON SPURLOCK
5002 CARRAIGE RD
HOBBS NM, 88242
Fax To:

Received:	02/10/2023	Sampling Date:	02/10/2023
Reported:	02/17/2023	Sampling Type:	Soil
Project Name:	OAKMONT 11-10 STATE COM	Sampling Condition:	Cool & Intact
Project Number:	NOT GIVEN	Sample Received By:	Tamara Oldaker
Project Location:	SPUR - LEA COUNTY		

Sample ID: W. COMP. 3 (H230656-03)

BTEX 8021B mg/kg Analyzed By: JH/

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	02/16/2023	ND	1.98	99.1	2.00	4.38	
Toluene*	<0.050	0.050	02/16/2023	ND	2.04	102	2.00	4.22	
Ethylbenzene*	<0.050	0.050	02/16/2023	ND	2.02	101	2.00	4.73	
Total Xylenes*	<0.150	0.150	02/16/2023	ND	6.30	105	6.00	4.75	
Total BTEX	<0.300	0.300	02/16/2023	ND					

Surrogate: 4-Bromofluorobenzene (PID *111 %* *71.5-134*

Chloride, SM4500Cl-B mg/kg Analyzed By: AC

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	**64.0**	16.0	02/15/2023	ND	432	108	400	3.64	

TPH 8015M mg/kg Analyzed By: MS

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	<10.0	10.0	02/15/2023	ND	191	95.6	200	1.76	
DRO >C10-C28*	<10.0	10.0	02/15/2023	ND	176	88.1	200	1.29	
EXT DRO >C28-C36	<10.0	10.0	02/15/2023	ND					

Surrogate: 1-Chlorooctane *89.5 %* *48.2-134*

Surrogate: 1-Chlorooctadecane *96.1 %* *49.1-148*

Cardinal Laboratories *=Accredited Analyte

Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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

Analytical Results For:

PARAGON ENVIROMENTAL
CASON SPURLOCK
5002 CARRAIGE RD
HOBBS NM, 88242
Fax To:

Received:	02/10/2023	Sampling Date:	02/10/2023
Reported:	02/17/2023	Sampling Type:	Soil
Project Name:	OAKMONT 11-10 STATE COM	Sampling Condition:	Cool & Intact
Project Number:	NOT GIVEN	Sample Received By:	Tamara Oldaker
Project Location:	SPUR - LEA COUNTY		

Sample ID: S. COMP. 4 (H230656-04)

BTEX 8021B mg/kg Analyzed By: JH/

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	02/16/2023	ND	1.98	99.1	2.00	4.38	
Toluene*	<0.050	0.050	02/16/2023	ND	2.04	102	2.00	4.22	
Ethylbenzene*	<0.050	0.050	02/16/2023	ND	2.02	101	2.00	4.73	
Total Xylenes*	<0.150	0.150	02/16/2023	ND	6.30	105	6.00	4.75	
Total BTEX	<0.300	0.300	02/16/2023	ND					

Surrogate: 4-Bromofluorobenzene (PID *108 %* *71.5-134*

Chloride, SM4500Cl-B mg/kg Analyzed By: AC

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	**64.0**	16.0	02/15/2023	ND	432	108	400	3.64	

TPH 8015M mg/kg Analyzed By: MS

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	<10.0	10.0	02/15/2023	ND	191	95.6	200	1.76	
DRO >C10-C28*	<10.0	10.0	02/15/2023	ND	176	88.1	200	1.29	
EXT DRO >C28-C36	<10.0	10.0	02/15/2023	ND					

Surrogate: 1-Chlorooctane *87.2 %* *48.2-134*

Surrogate: 1-Chlorooctadecane *92.0 %* *49.1-148*

Cardinal Laboratories *=Accredited Analyte

Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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

Analytical Results For:

PARAGON ENVIROMENTAL
CASON SPURLOCK
5002 CARRAIGE RD
HOBBS NM, 88242
Fax To:

Received:	02/10/2023	Sampling Date:	02/10/2023
Reported:	02/17/2023	Sampling Type:	Soil
Project Name:	OAKMONT 11-10 STATE COM	Sampling Condition:	Cool & Intact
Project Number:	NOT GIVEN	Sample Received By:	Tamara Oldaker
Project Location:	SPUR - LEA COUNTY		

Sample ID: E. COMP. 5 (H230656-05)

BTEX 8021B mg/kg Analyzed By: JH/

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	02/16/2023	ND	1.98	99.1	2.00	4.38	
Toluene*	<0.050	0.050	02/16/2023	ND	2.04	102	2.00	4.22	
Ethylbenzene*	<0.050	0.050	02/16/2023	ND	2.02	101	2.00	4.73	
Total Xylenes*	<0.150	0.150	02/16/2023	ND	6.30	105	6.00	4.75	
Total BTEX	<0.300	0.300	02/16/2023	ND					

Surrogate: 4-Bromofluorobenzene (PID *111 %* *71.5-134*

Chloride, SM4500Cl-B mg/kg Analyzed By: AC

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	**96.0**	16.0	02/15/2023	ND	432	108	400	3.64	

TPH 8015M mg/kg Analyzed By: MS

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	<10.0	10.0	02/15/2023	ND	191	95.6	200	1.76	
DRO >C10-C28*	<10.0	10.0	02/15/2023	ND	176	88.1	200	1.29	
EXT DRO >C28-C36	<10.0	10.0	02/15/2023	ND					

Surrogate: 1-Chlorooctane *93.4 %* *48.2-134*

Surrogate: 1-Chlorooctadecane *99.9 %* *49.1-148*

Cardinal Laboratories *=Accredited Analyte

Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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

Analytical Results For:

PARAGON ENVIROMENTAL
CASON SPURLOCK
5002 CARRAIGE RD
HOBBS NM, 88242
Fax To:

Received:	02/10/2023	Sampling Date:	02/10/2023
Reported:	02/17/2023	Sampling Type:	Soil
Project Name:	OAKMONT 11-10 STATE COM	Sampling Condition:	Cool & Intact
Project Number:	NOT GIVEN	Sample Received By:	Tamara Oldaker
Project Location:	SPUR - LEA COUNTY		

Sample ID: E. COMP. 6 (H230656-06)

BTEX 8021B mg/kg Analyzed By: JH/

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	02/16/2023	ND	1.98	99.1	2.00	4.38	
Toluene*	<0.050	0.050	02/16/2023	ND	2.04	102	2.00	4.22	
Ethylbenzene*	<0.050	0.050	02/16/2023	ND	2.02	101	2.00	4.73	
Total Xylenes*	<0.150	0.150	02/16/2023	ND	6.30	105	6.00	4.75	
Total BTEX	<0.300	0.300	02/16/2023	ND					

Surrogate: 4-Bromofluorobenzene (PID *109 %* *71.5-134*

Chloride, SM4500Cl-B mg/kg Analyzed By: AC

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	**16.0**	16.0	02/15/2023	ND	432	108	400	3.64	

TPH 8015M mg/kg Analyzed By: MS

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	<10.0	10.0	02/15/2023	ND	191	95.6	200	1.76	
DRO >C10-C28*	<10.0	10.0	02/15/2023	ND	176	88.1	200	1.29	
EXT DRO >C28-C36	<10.0	10.0	02/15/2023	ND					

Surrogate: 1-Chlorooctane *94.9 %* *48.2-134*

Surrogate: 1-Chlorooctadecane *103 %* *49.1-148*

Cardinal Laboratories *=Accredited Analyte

Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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

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

Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

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

Company Name:	Paragon Environmental
Project Manager:	Casan Spurlock
Address:	5002 Carriage Rd.
City:	Hobbs
State:	NM
Zip:	88242
Phone #:	575.631.6977
Fax #:	
Project #:	
Project Owner:	SPUR
Project Name:	OAKMONT 11-10 STATE COM
Project Location:	Lea County
Sampler Name:	Jeremy Miner

BILL TO

P.O. #:	
Company:	SPUR
Attn:	Brady Malder
Address:	
City:	
State:	Zip:
Phone #:	
Fax #:	

ANALYSIS REQUEST

FOR LAB USE ONLY Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	MATRIX: GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER :	PRESERV.: ACID/BASE:	ICE / COOL	OTHER :	SAMPLING: DATE	TIME	TPH Ext.	BTEX	Chlorides
H23056																	
1	N. Comp. 1												02/10				
2	W. Comp. 2																
3	W. Comp. 3																
4	S. Comp. 4																
5	E. Comp. 5																
6	E. Comp. 6																

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 consequental 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: 02/10	Received By:	Verbal Result: ☐ Yes ☐ No Add'l Phone #:
	Time: 1655		All Results are emailed. Please provide Email address:
Relinquished By:	Date:	Received By:	REMARKS:
	Time:		Email results to Chris Jones

Delivered By: (Circle One)	Observed Temp. °C 2.4	Sample Condition: Cool ☑ Yes ☐ No; Intact ☑ Yes ☐ No	CHECKED BY: (Initials) TO	Turnaround Time: Standard ☑ Rush ☐
Sampler - UPS - Bus - Other:	Corrected Temp. °C 1.8			Thermometer ID #113 Correction Factor -0.6°C

Bacteria (only) Sample Condition: Cool ☐ Yes ☐ No; Intact ☐ Yes ☐ No; Observed Temp. °C; Corrected Temp. °C

FORM-006 R 3.3 07/18/22

† Cardinal cannot accept verbal changes. Please email changes to celey.keene@cardinallabsnm.com

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 238194

CONDITIONS

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 238194
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
nvelez	Liner inspection approved. Release resolved.	10/2/2023