

NAGEEZI UNIT #627H @ 30-045-35649

NAPP2406465047

M-30-24N-08W

1133 FSL 447 FWL

36.281184, -107.73054

Severity: Major OCD / Minor BLM Surface Owner: Federal Mineral Owner: Federal County: San Juan (45)

Timeline

- 2/26/2024 Release discovered by operator.
- 3/4/2024 New incident created by operator, upon the submission of notification of release.
- 3/15/2024 UE Minor Release Reporting Form completed & submitted to AFMSS. Sundry ID: 2779776. Saved to EHS Release incident folder. Initial C141 submitted to OCD (due by 3/19/24). Action ID: 323672
- 5/22/2024 Liner inspection notice sent to BLM (email) and OCD (Action ID: 346672) (scheduled for 5/24/24 @ 8:30AM)
- 5/24/2024 Liner inspection conducted at 8:30AM. No agency personnel were on location during inspection.
- 5/24/2024 Final C141 closure request submitted to OCD

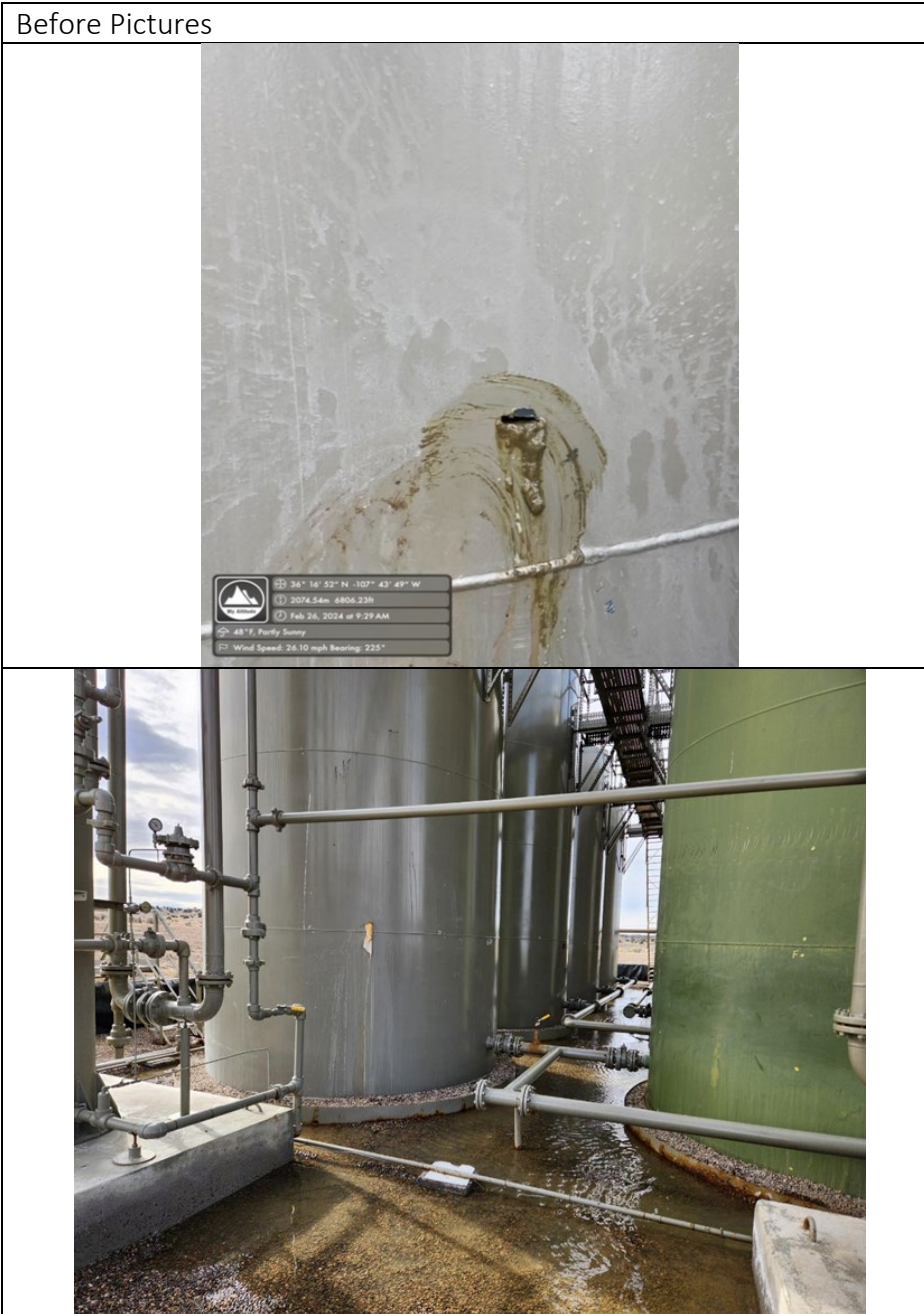
Nature and Volume of Release

Produced Water: 43 bbls

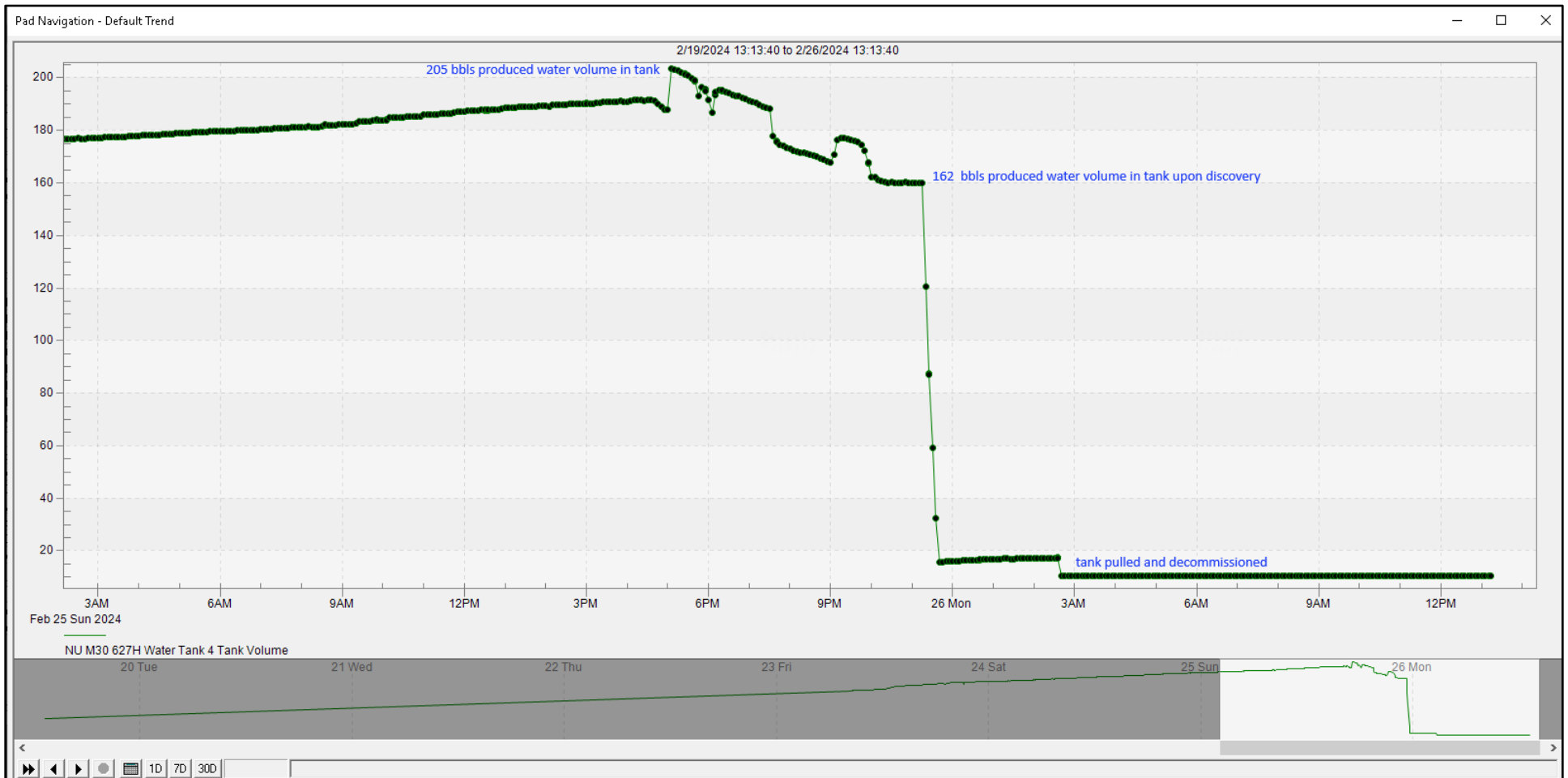
Volume Recovered: 43 bbls

Cause of Release:

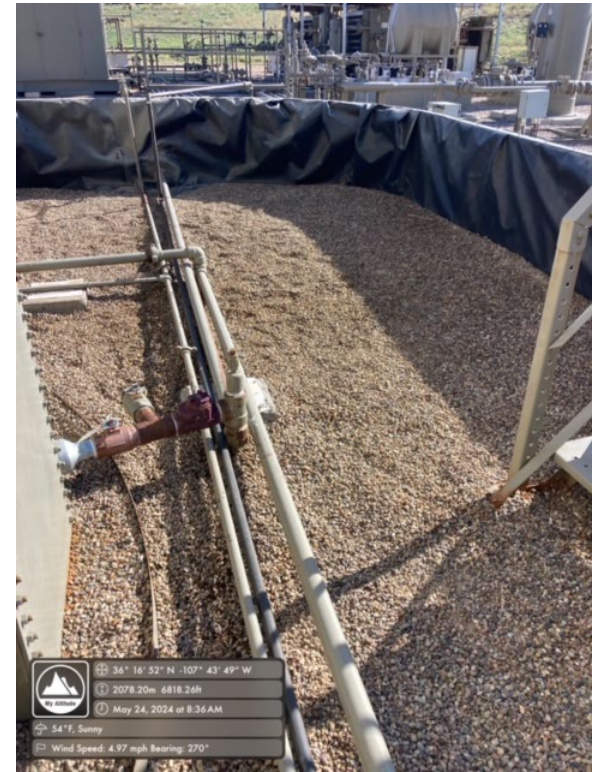
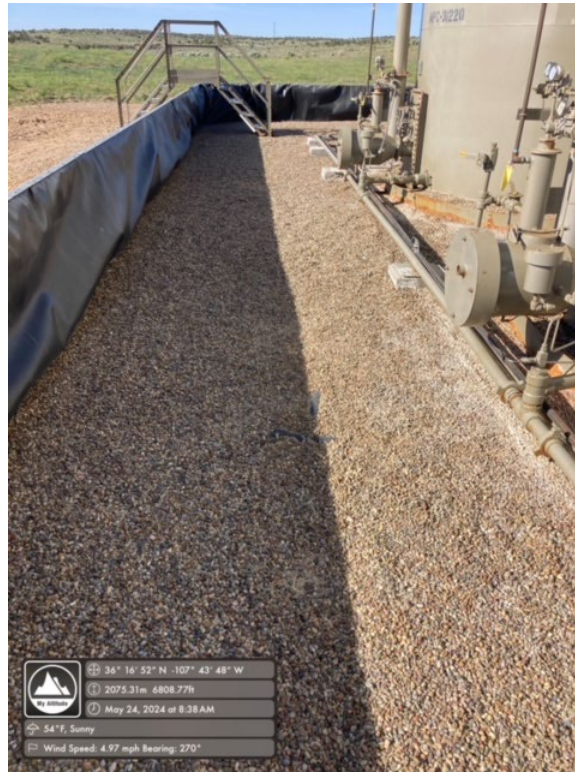
On 2/26/24 a release was discovered at the Nageezi Unit 627H production facility. During inspection, a hole was found in the above-ground produced water storage tank. A tank SCADA trend showed a total of 43 bbls of produced water leaked from the hole. The release was contained within the facility's secondary containment. 2/26/24 A hydro vac truck was dispatched to the facility and the secondary containment was vacuumed of all residual fluids. 43 bbls of produced water was recovered and transported to an authorized disposal facility. The damaged above-ground produced water storage tank has been put into inactive status and will not be used in any production operations. On 5/24/2024 a liner inspection was conducted for closure request.



Tank SCADA Trend on 2/26/2024



Liner Inspection Pictures 5.24.24









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	Tws	Rng	X	Y
50115	SJ 04587 POD1		2	3	25	24N	09W	253550	4018974

Driller License: 622	Driller Company: THOMPSON WATER WELLS INC.	
Driller Name:		
Drill Start Date: 02/24/1986	Drill Finish Date: 02/26/1986	Plug Date:
Log File Date: 08/22/1986	PCW Rcv Date:	Source: Shallow
Pump Type:	Pipe Discharge Size:	Estimated Yield: 50 GPM
Casing Size: 5.00	Depth Well: 640 feet	Depth Water: 165 feet

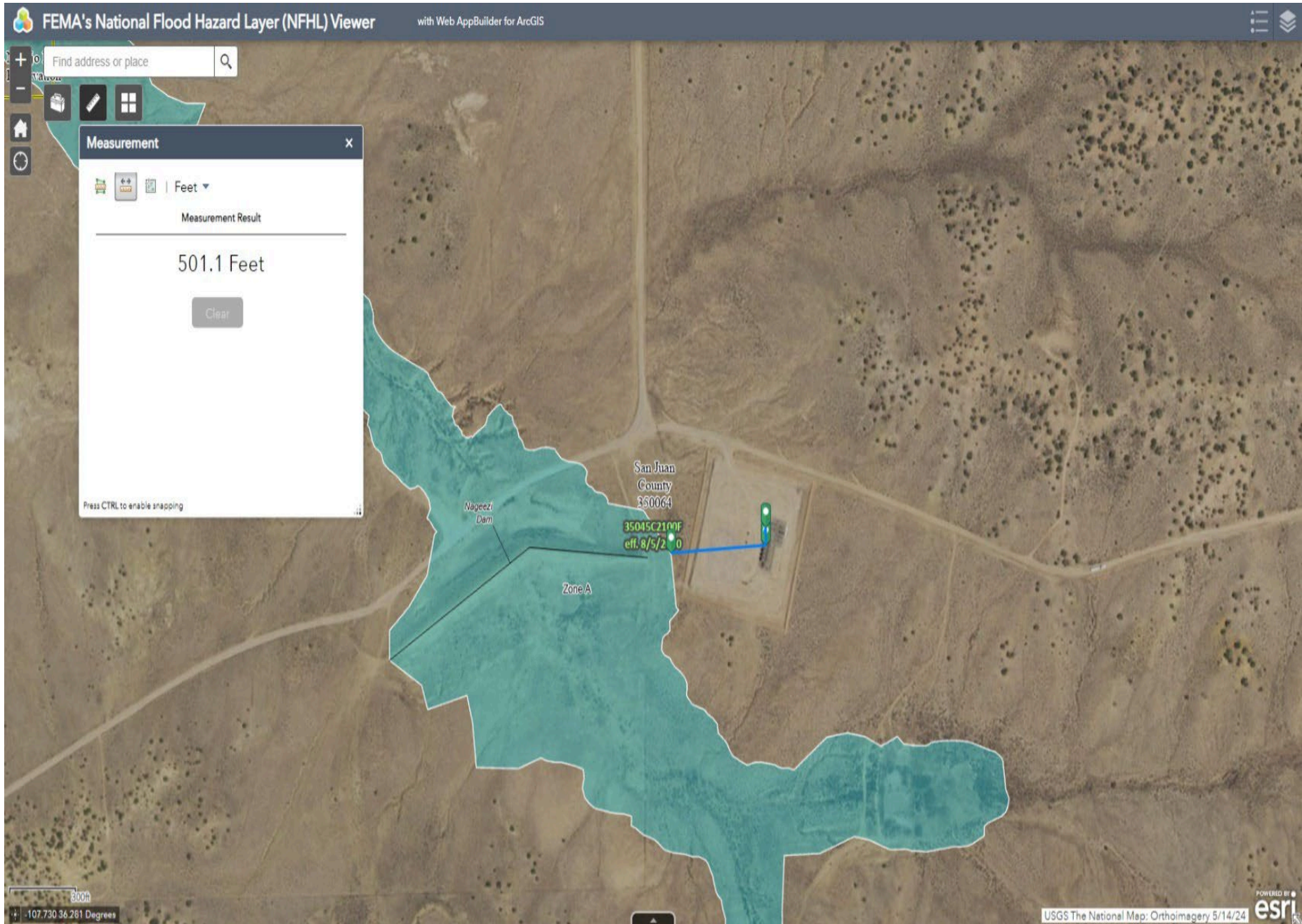
Water Bearing Stratifications:	Top	Bottom	Description
	540	640	Sandstone/Gravel/Conglomerate

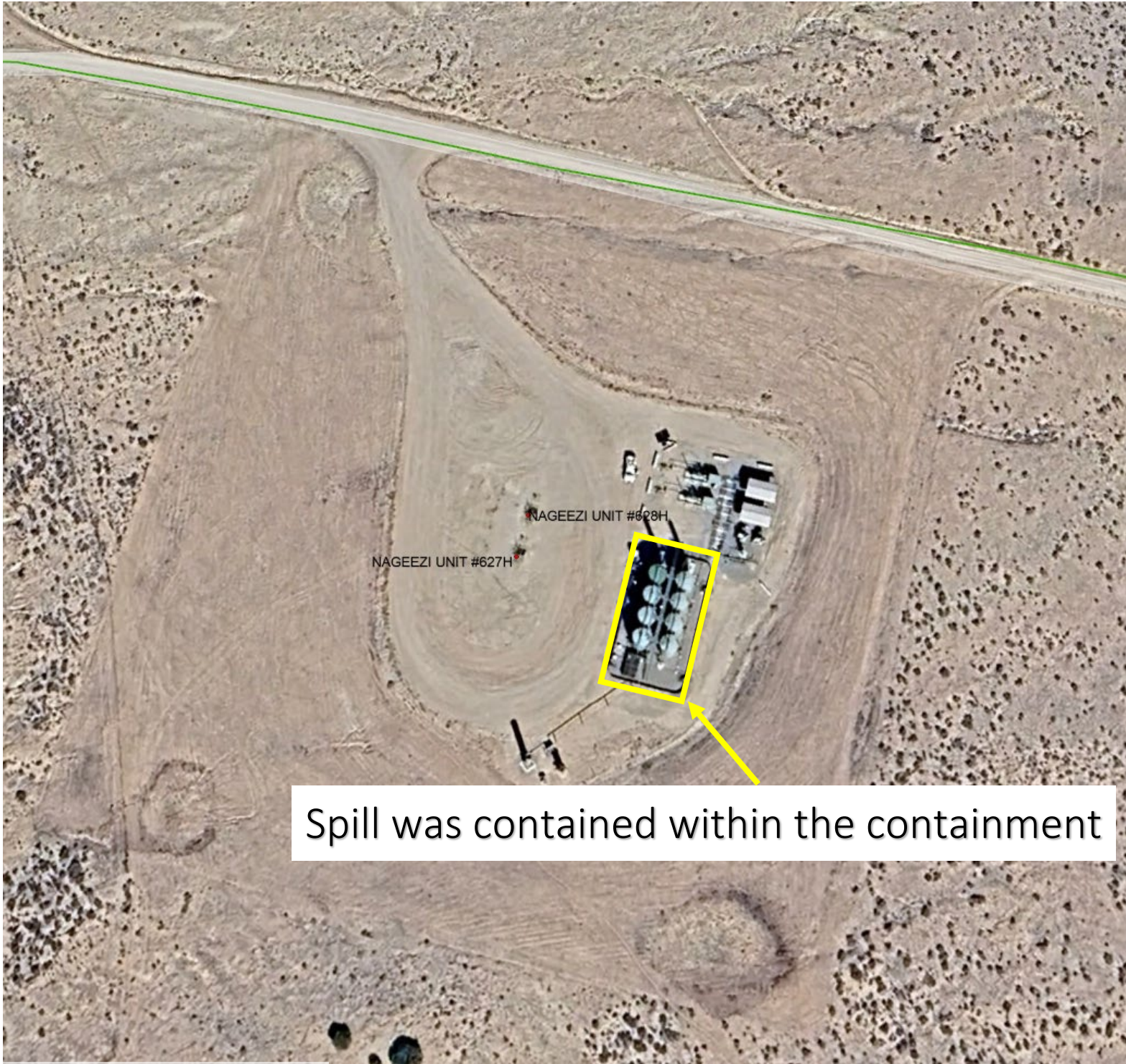
Casing Perforations:	Top	Bottom
	580	640

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.

5/22/24 8:07 AM

POINT OF DIVERSION SUMMARY





Spill was contained within the containment

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

QUESTIONS

Action 347817

QUESTIONS

Operator: DJR OPERATING, LLC 200 Energy Court Farmington, NM 87401	OGRID: 371838
	Action Number: 347817
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Prerequisites	
Incident ID (n#)	nAPP2406465047
Incident Name	NAPP2406465047 NAGEEZI UNIT #627H @ 30-045-35649
Incident Type	Produced Water Release
Incident Status	Remediation Closure Report Received
Incident Well	[30-045-35649] NAGEEZI UNIT #627H

Location of Release Source	
<i>Please answer all the questions in this group.</i>	
Site Name	NAGEEZI UNIT #627H
Date Release Discovered	02/26/2024
Surface Owner	Federal

Incident Details	
<i>Please answer all the questions in this group.</i>	
Incident Type	Produced Water Release
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	No
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

Nature and Volume of Release	
<i>Material(s) released, please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission.</i>	
Crude Oil Released (bbls) Details	Not answered.
Produced Water Released (bbls) Details	Cause: Equipment Failure Production Tank Produced Water Released: 43 BBL Recovered: 43 BBL Lost: 0 BBL.
Is the concentration of chloride in the produced water >10,000 mg/l	No
Condensate Released (bbls) Details	Not answered.
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Not answered.
Other Released Details	Not answered.
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	found hole in Produced Water Tank, under investigation for possible vandalism by gun shot. 3/15/24: Upon investigation, corrosion was the determining factor for hole in the tank.

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QUESTIONS, Page 2

Action 347817

QUESTIONS (continued)

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QUESTIONS

Nature and Volume of Release (continued)	
Is this a gas only submission (i.e. only significant Mcf values reported)	No, according to supplied volumes this does not appear to be a "gas only" report.
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	Yes
Reasons why this would be considered a submission for a notification of a major release	From paragraph A. "Major release" determine using: (1) an unauthorized release of a volume, excluding gases, of 25 barrels or more.
<i>With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e. gas only) are to be submitted on the C-129 form.</i>	

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	True
The impacted area has been secured to protect human health and the environment	True
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True
All free liquids and recoverable materials have been removed and managed appropriately	True
If all the actions described above have not been undertaken, explain why	<i>Not answered.</i>

Per Paragraph (4) of Subsection B of 19.15.29.8 NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative of actions to date in the follow-up C-141 submission. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC), please prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.

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.

I hereby agree and sign off to the above statement	Name: Lindsey Lain Title: Regulatory Specialist Email: llain@enduringresources.com Date: 05/24/2024
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QUESTIONS, Page 3

Action 347817

QUESTIONS (continued)

Operator: DJR OPERATING, LLC 200 Energy Court Farmington, NM 87401	OGRID:	371838
	Action Number:	347817
	Action Type:	[C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Site Characterization
 Please answer all the questions in this group (only required when seeking remediation plan approval and beyond). 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 in feet below ground surface (ft bgs)	Between 100 and 500 (ft.)
What method was used to determine the depth to ground water	NM OSE iWaters Database Search
Did this release impact groundwater or surface water	No
What is the minimum distance, between the closest lateral extents of the release and the following surface areas:	
A continuously flowing watercourse or any other significant watercourse	Between 500 and 1000 (ft.)
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Between 500 and 1000 (ft.)
An occupied permanent residence, school, hospital, institution, or church	Between 1000 (ft.) and ½ (mi.)
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Between 500 and 1000 (ft.)
Any other fresh water well or spring	Between 1000 (ft.) and ½ (mi.)
Incorporated municipal boundaries or a defined municipal fresh water well field	Between 1000 (ft.) and ½ (mi.)
A wetland	Between 1000 (ft.) and ½ (mi.)
A subsurface mine	Greater than 5 (mi.)
An (non-karst) unstable area	Greater than 5 (mi.)
Categorize the risk of this well / site being in a karst geology	None
A 100-year floodplain	Between 1 and 5 (mi.)
Did the release impact areas not on an exploration, development, production, or storage site	No

Remediation Plan

Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

Requesting a remediation plan approval with this submission	Yes
Attach a comprehensive report demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined, pursuant to 19.15.29.11 NMAC and 19.15.29.13 NMAC.	
Have the lateral and vertical extents of contamination been fully delineated	Yes
Was this release entirely contained within a lined containment area	Yes
Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.	
On what estimated date will the remediation commence	02/26/2024
On what date will (or did) the final sampling or liner inspection occur	05/24/2024
On what date will (or was) the remediation complete(d)	02/27/2024
What is the estimated surface area (in square feet) that will be remediated	2000
What is the estimated volume (in cubic yards) that will be remediated	18.5

These estimated dates and measurements are recognized to be the best guess or calculation at the time of submission and may (be) change(d) over time as more remediation efforts are completed.
 The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.

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QUESTIONS, Page 4

Action 347817

QUESTIONS (continued)

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QUESTIONS

Remediation Plan (continued)

Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

This remediation will (or is expected to) utilize the following processes to remediate / reduce contaminants:

(Select all answers below that apply.)

Is (or was) there affected material present needing to be removed	Yes
Is (or was) there a power wash of the lined containment area (to be) performed	No
OTHER (Non-listed remedial process)	Yes
Other Non-listed Remedial Process. Please specify	Liner was inspected 5/24/2024

Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.

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.

I hereby agree and sign off to the above statement	Name: Lindsey Lain Title: Regulatory Specialist Email: llain@enduringresources.com Date: 05/24/2024
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The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.

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QUESTIONS (continued)

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QUESTIONS

Liner Inspection Information	
Last liner inspection notification (C-141L) recorded	346672
Liner inspection date pursuant to Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC	05/24/2024
Was all the impacted materials removed from the liner	Yes
What was the liner inspection surface area in square feet	4500

Remediation Closure Request	
<i>Only answer the questions in this group if seeking remediation closure for this release because all remediation steps have been completed.</i>	
Requesting a remediation closure approval with this submission	Yes
Have the lateral and vertical extents of contamination been fully delineated	Yes
Was this release entirely contained within a lined containment area	Yes
What was the total surface area (in square feet) remediated	2000
What was the total volume (cubic yards) remediated	18.5
Summarize any additional remediation activities not included by answers (above)	Remediation and liner inspection completed

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 (in .pdf format) 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.

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I hereby agree and sign off to the above statement	Name: Lindsey Lain Title: Regulatory Specialist Email: llain@enduringresources.com Date: 05/24/2024
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CONDITIONS

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CONDITIONS

Created By	Condition	Condition Date
nvelez	None	6/25/2024