

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

QUESTIONS

Action 376615

QUESTIONS

Operator: CHI OPERATING INC P.O. Box 1799 Midland, TX 79702	OGRID: 4378
	Action Number: 376615
	Action Type: [NOTIFY] Notification Of Release (NOR)

QUESTIONS

Location of Release Source <i>Please answer all the questions in this group.</i>	
Site Name	Bermuda #001
Date Release Discovered	06/24/2024
Surface Owner	State

Incident Details <i>Please answer all the questions in this group.</i>	
Incident Type	Other
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	Cause: Other Valve Crude Oil Released: 1 BBL Recovered: 0 BBL Lost: 1 BBL.
Produced Water Released (bbls) Details	Cause: Other Valve Produced Water Released: 10 BBL Recovered: 0 BBL Lost: 10 BBL.
Is the concentration of chloride in the produced water >10,000 mg/l	No
Condensate Released (bbls) Details	Cause: Other Valve Condensate Released: 0 BBL Recovered: 0 BBL Lost: 0 BBL.
Natural Gas Vented (Mcf) Details	Cause: Other Valve Natural Gas Vented Released: 0 Mcf Recovered: 0 Mcf Lost: 0 Mcf.
Natural Gas Flared (Mcf) Details	Cause: Other Valve Natural Gas Flared Released: 0 Mcf Recovered: 0 Mcf Lost: 0 Mcf.
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)	Release resulted from a malfunctioning valve at the surface casing. Duration of release was < 72 hours from notification to repair of valve. The release involved formation gas and formation water with minimal entrained oil. H2S was present at concentration >100 ppm from the wellhead.

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QUESTIONS (continued)

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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	No
Reasons why this would be considered a submission for a notification of a major release	Unavailable.
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.	

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	Not answered.
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 19.15.29.11(A)(5)(a) NMAC), please prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.	

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ACKNOWLEDGMENTS

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ACKNOWLEDGMENTS

☒	I acknowledge that I am authorized to submit notification of a release on behalf of my operator.
☒	I acknowledge that upon submitting this application, I will be creating a new incident file (assigned to my operator) to track the notification(s) and corrective action(s) for a release, pursuant to NMAC 19.15.29.
☒	I acknowledge that creating a new incident file will require my operator to file subsequent submission(s) of form "C-141, Application for administrative approval of a release notification and corrective action", pursuant to NMAC 19.15.29.
☒	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.
☒	I acknowledge the fact that 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.
☒	I acknowledge the fact that, 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.

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CONDITIONS

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CONDITIONS

Created By	Condition	Condition Date
dwelch	When submitting future reports regarding this release, please submit the calculations used or specific justification for the volumes reported on the initial C-141.	8/27/2024