

EOG Resources, Inc. Artesia Division Office 104 S. 4th Street Artesia, N. M. 88210

June 28, 2022

Bradford Billings EMNRD 1220 South St. Francis Drive Santa Fe, NM 87505

Re: Lovelady SWD #1 30-005-20474 J-31-8S-33E Chaves County, NM Incident # nOY1715030366

EOG Resources, Inc. is submitting the enclosed Closure Report for the above referenced site. The report is being submitted in reference to the C-141 Initial-Final dated May 23, 2017. EOG Resources, Inc. has included a C-141 Final with the most current form in this Closure Report, and hereby requests closure.

If you have any questions, feel free to call me at (575) 748-1471.

Respectfully,

Chase Settle

Chase Settle Rep Safety & Environmental Sr EOG Resources, Inc.



June 28, 2022

Lovelady SWD #1

Closure Report

30-005-20474

J-31-8S-33E

Chaves County, NM

June 28, 2022

nOY1715030366

| Lovelady SV Closure Rep #nOY17150 | oort | June | 28, 2022 |
|---|-------------------------|------|----------|
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&eog resources

June 28, 2022

I. Location

The site is located in Chaves County, New Mexico approximately 16 miles west northwest of Crossroads.

II. Background

On May 14, 2017, EOG Resources, Inc. (EOG) discovered a release of 200 barrels produced at the Lovelady SWD #1 which was caused by cattle damage to a PVC connection on a water-leg. The entirety of the release was contained within the berm boundaries of the lined facility, with all of the released volume recovered. A Major Release Notification (Appendix B) was submitted to NMOCD through email on May 15, 2017.

III. Scope of Work Completed

Upon discovery of the release, the tank with the damaged water-leg was isolated to prevent any further release and vacuum trucks were immediately dispatched to recover the standing fluid contained by the facility liner. Once the fluid was recovered, the water-leg and fence were repaired, as well as an inspection of the liner which confirmed sustained integrity.

After the completion of the above activities, on May 23, 2017, a C-141 Initial-Final was submitted to NMOCD (Appendix A).

IV. Closure Request

In response to the C-141 Initial-Final submission, and recovery of all released fluids due to the site being a lined facility, NMOCD noted in the Incident Details section, "No RP issued. Incident only.". These notes are enclosed as Appendix C. During this time period, many releases were recorded as "incident only" so that NMOCD could track the release to determine if there was a repetitive nature of releases at a particular site when an RP was not issued. An RP would be issued when NMOCD believed further remediation work or a Remediation Plan was required.

This release occurred prior to the passage of the current Spill Rule (NMAC 19.15.29), many of these releases were closed with little documentation and it was very common for just a C-141 Final or Initial-Final to be submitted as the Closure document with the described remediation work included within the form.

Based on the email correspondence, NMOCD E-Permitting Notes, recovery of all released fluids, and other details within the C-141 Initial-Final, EOG Resources, Inc. believes enough evidence is provided to substantiate that remedial activities were completed correctly for the time period, and requests Closure of nOY1715030366, the current C-141 Closure Form is included with this Closure Report as Appendix D.



June 28, 2022

Appendix A Original C-141 Initial-Final

District I
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

Form C-141 Revised August 8, 2011 •

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

| | | OPERA ' | TOR | 🛛 Initi | al Report 🛛 🛛 Final Rep | |
|---|-----------------------|---------------------------|--|------------------------|--------------------------------|--|
| 1 2 | er Contact | | | | | |
| EOG Y Resources, Inc. | Robert Ash | | | | | |
| Address 104 S. 4 th Street | | Telephone 1 575-748-14 | | | | |
| Facility Name | | Facility Typ | | | , | |
| Lovelady SWD #1 | | Battery | | | | |
| Surface Owner | Mineral Ow | ner | | API No |). | |
| State | State | | | 30-005 | -20474 | |
| | | ION OF RE | LEASE | | | |
| Unit Letter Section Township Range Fe J 31 8S 33E | et from the N 1980 | lorth/South Line South | Feet from the 1980 | East/West Line East | County Chaves | |
| | | | | Last | Cliaves | |
| La | | 161_Longitude | | | | |
| T | NATU | RE OF REL | | 77.1 - | | |
| Type of Release Produced Water | | Volume of 200 B/PW | | Volume I 200 B/PV | Recovered V | |
| Source of Release | | | Hour of Occurrence | | Hour of Discovery | |
| Water Leg Was Immediate Notice Given? | | 5/14/2017; If YES, To | | 5/14/2017 | /; PM | |
| Yes No | o 🗌 Not Requ | | | | | |
| By Whom? | | | Date and Hour | | | |
| Robert Asher/EOG Y Resources, Inc. Was a Watercourse Reached? | | | 5/15/2017; AM (Email) If YES, Volume Impacting the Watercourse. | | | |
| Yas a Watercourse reducted. |) | 11 125, 14 | | ine watereourse. | | |
| If a Watercourse was Impacted, Describe Fully.* | | -1 | | | | |
| Describe Cause of Problem and Remedial Action Ta | ken * | | | | | |
| Livestock broke through the location fence and broke | e the PVC conne | ction on the water | r leg. Vacuum tru | ck(s) and roustabou | it crews were called. | |
| Describe Area Affected and Cleanup Action Taken.* An approximate area of 40'X 110' within the lined | | tery Vacuum tru | ck recovered all f | he produced water | The liner was inspected no | |
| integrity issues and in very good condition. The wate | er leg was repair | ed and the SWD p | ut back into servi | ce. The fence was 1 | repaired also. Depth to Ground | |
| Water: >100' (approximately 157', Section 34, T8 SITE RANKING IS 0. Based on all released prod | | | | | | |
| Resources, Inc. requests closure. | luceu water rec | overed, the Datte | ry being inted/be | rmed and mspect | ed/photo documented, EOG | |
| I hereby certify that the information given above is the | | | | | | |
| regulations all operators are required to report and/or public health or the environment. The acceptance of | | | | | | |
| should their operations have failed to adequately inve | estigate and rem | ediate contaminati | ion that pose a thr | eat to ground water | r, surface water, human health | |
| or the environment. In addition, NMOCD acceptanc federal, state, or local laws and/or regulations. | e of a C-141 rep | ort does not reliev | e the operator of | responsibility for c | ompliance with any other | |
| | | | OIL CON | SERVATION | DIVISION | |
| Signature: | | | | | | |
| | | Approved by | Approved by Environmental Specialist: | | | |
| Uninted Name: Robert Asher | | | | | | |
| Printed Name: Robert Asher | | Approval Dat | te: | Expiration | Date: | |
| Title: Environmental Supervisor | | | | oval: | | |
| | | Conditions of | f Approval: | | Attached 🗖 | |
| Title: Environmental Supervisor | 5-748-4217 | Conditions of 1RP- | f Approval: | | Attached | |



June 28, 2022

Appendix B Email Correspondence

| From: | Bob Asher |
|--------------|---|
| То: | olivia.yu@state.nm.us; NMSLO (Carlsbad/Ion Dolly) (idolly@slo.state.nm.us); NMSLO (Hobbs/Amber Grroves); NMSLO (Hobbs/Mathew Hagman) (mhagman@slo.state.nm.us); NMSLO (Roswell/Mark Najanjo) |
| | <u>(mnaranjo@slo.state.nm.us); NMSLO (Santa Fe/Dana Vackar Strang) (dvstrang@slo.state.nm.us)</u> |
| Cc: | <u>Amber Griffin; Chase Settle; Katie Parker; Veronica Alvarado</u> |
| Subject: | Release Notification (Lovelady SWD #1) |
| Date: | Monday, May 15, 2017 7:59:59 AM |
| Attachments: | image001.png |

EOG Y Resources, Inc. is reporting a release at the following location (5/14/2017, approximately 3:30 PM).

Lovelady SWD #1 30-005-20474 1980' FSL & 1980' FEL Section 31, T8S-R33E Chaves County, New Mexico

Released: 200 B/PW; Recovered: 200 B/PW.

Cause of the release appears to be from a cow getting into the location and breaking a PVC line inside the battery (the battery is bermed and lined, the entire release was contained). Vacuum truck(s) and roustabout crews were called to begin the recovery of produced water and repairs on the line.

All produced water was recovered from the bermed/lined battery. A Form C-141 with complete information will be submitted.

Thank you,

Robert C. "Bob" Asher

Environmental Supervisor Safety & Environmental Department EOG Resources, Inc. Artesia Division Artesia, NM 88210 575-748-4217 (Office) 575-365-4021 (Cell)

EOG Safety Begins With YOUR Safety



| From: | Bob Asher |
|--------------|---|
| То: | olivia.yu@state.nm.us; NMSLO (Carlsbad/Ion Dolly) (idolly@slo.state.nm.us); NMSLO (Hobbs/Amber Grroves); NMSLO (Hobbs/Mathew Hagman) (mhagman@slo.state.nm.us); NMSLO (Roswell/Mark Najanjo) (mnaranjo@slo.state.nm.us); NMSLO (Santa Fe/Dana Vackar Strang) (dvstrang@slo.state.nm.us) |
| Cc: | <u>Amber Griffin; Chase Settle; Katie Parker; Veronica Alvarado</u> |
| Subject: | Form C-141, Initial/Final Report (Lovelady SWD #1) |
| Date: | Tuesday, May 23, 2017 11:11:36 AM |
| Attachments: | image001.png Form C-141 Initial & Final (Lovelady SWD #1, 5-14-2017).pdf IMG 1503.JPG IMG 1504.JPG IMG 1505.JPG IMG 1506.JPG IMG 1507.JPG IMG 1508.JPG IMG 1509.JPG IMG 1510.JPG IMG 1511.JPG |

Thank you,

Robert C. "Bob" Asher

Environmental Supervisor Safety & Environmental Department EOG Resources, Inc. Artesia Division Artesia, NM 88210 575-748-4217 (Office) 575-365-4021 (Cell)

EOG Safety Begins With YOUR Safety







June 28, 2022

Appendix C NMOCD E-Permitting Notes

SIGN-IN HELP

Searches O

Operator Data He

Hearing Fee Application

OCD Permitting

Home Searches Incidents Incident Details

NOY1715030366 2017 MAJOR A SWS @ 30-005-20474

| General Incident I | Information | | Quic |
|-------------------------|---|-----------------------------------|----------------------------|
| | | | • <u>Gene</u> |
| Site Name: | | | <u>Mate</u> |
| Well: | [30-005-20474] LOVELADY SWD #001 | | • Even |
| Facility: | | | Orde |
| Operator: | [25575] EOG Y RESOURCES, INC. | | Asso |
| Status: | Closure Not Approved | Severity: Major | Incide |
| Туре: | Produced Water Release | Surface Owner: | • <u>Well</u> |
| District: | Hobbs | County: Chaves (05) | |
| Incident Location: | J-31-08S-33E 1980 FSL 1980 FEL | | New |
| Lat/Long: | 33.57461,-103.60444 NAD83 | | • <u>New</u> |
| Directions: | | | • <u>New</u> |
| Directions. | | | • <u>New</u> |
| | | | • <u>New</u> |
| Notes | | | • <u>New</u> |
| Source of Referral: | Industry Rep | Action / Escalation: | |
| Resulted In Fire: | | Will or Has Reached Watercourse: | |
| Forder word Dublic I | lea Mar | | |
| Endangered Public H | | Property Or Environmental Damage: | |
| Fresh Water Contam | ination: | | |
| Contact Details | | | |
| Contact Details | | | |
| Contact Name: | | Contact Title: | |
| Event Dates | | | |
| Date of Discovery: | 05/30/2017 | OCD Notified of Release: | |
| Extension Date: | 11/15/2018 | | |
| Initial C-141 Received: | | Cancelled Date: | |
| Characterization Rep | port Received: | Characterization Report Approved: | |
| Remediation Plan Re | eceived: | Remediation Plan Approved: | |
| | | Remediation Due: | |
| Closure Report Rece | eived: | Closure Report Approved: | |
| | | | |
| Compositional Ar | nalysis of Vented and/or Flared Natural Gas | | |

No Compositional Analysis Found

| Incidents | Materials | | | | | | |
|-----------|-----------|----------------|------|----------|-----------|-----------|-------|
| Cause | Source | Material | | | lume | | Units |
| | | Produced Water | Unk. | Released | Recovered | Lost 0 | BBL |

SIGN-IN HELP

| Incident E | vents | |
|------------|--|--|
| | | |
| Date | Detail | |
| 05/30/2017 | No RP issued. Incident only. Lined facility. Livestock broke the location fence and PVC connection on the water leg. Approx. affected area 40 ft x 110 ft within lined and bermed battery. | |
| | 110 ft within lined and bermed battery. | |

No Orders Found

New Mexico Energy, Minerals and Natural Resources Department | Copyright 2012 1220 South St. Francis Drive | Santa Fe, NM 87505 | P: (505) 476-3200 | F: (505) 476-3220

EMNRD Home OCD Main Page OCD Rules Help



June 28, 2022

Appendix D Current C-141 Closure Request

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

)

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| Incident ID | nOY1715030366 |
|----------------|---------------|
| District RP | |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

| Responsible Party EOG Resources, Inc. | OGRID 7377 | | |
|--|--|--|--|
| Contact Name Chase Settle | Contact Telephone 575-748-1471 | | |
| Contact email Chase_Settle@eogresources.com | Incident # (assigned by OCD) nOY1715030366 | | |
| Contact mailing address 104 S. 4th Street, Artesia, NM 88210 | | | |

Location of Release Source

Latitude 33.57461

Longitude -103.60444

(NAD 83 in decimal degrees to 5 decimal places)

| Site Name Lovelady SWD #1 | Site Type Battery |
|------------------------------------|--|
| Date Release Discovered 05/14/2017 | API# (if applicable) 30-005-20474 |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|--------|
| J | 31 | 8S | 33E | Chaves |

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) 200 | Volume Recovered (bbls) 200 |
| | 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 Plea | se refer to original C-141 Initial-Final for d | etails. |
| | | |
| | | |

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Oil Conservation Division

| Incident ID | nOY1715030366 |
|----------------|---------------|
| District RP | |
| Facility ID | |
| Application ID | |

| Was this a major | If YES, for what reason(s) does the responsible party consider this a major release? |
|------------------------|---|
| release as defined by | Volume released was greater than 25 bbls. |
| 19.15.29.7(A) NMAC? | |
| | |
| Yes 🗌 No | |
| | |
| | |
| If VFS was immediate n | otice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? |
| | |
| Yes, Robert Asher | through email on 05/15/2017 to Olivia Yu. |
| | |
| | |

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

 \checkmark The source of the release has been stopped.

 \bigvee 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: Chase Settle

Title: Rep Safety & Environmental Sr Date: 06/28/2022

Signature: Chase Settle

email: Chase Settle@eogresources.com

Telephone: 575-748-1471

OCD Only

Received by:

Date:

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Oil Conservation Division

| Incident ID | nOY1715030366 |
|----------------|---------------|
| 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 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. Title: Rep Safety & Environmental Sr Printed Name: Chase Settle Signature: Chase Settle Date: 06/28/2022 Telephone: 575-748-1471 email: Chase_Settle@eogresources.com **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. Juttan Hall Date: 9/30/2022 Closure Approved by: Printed Name: Brittany Hall Title: Environmental Specialist

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: |
|-----------|------------------|---|
| EO | DG RESOURCES INC | 7377 |
| P.0 | O. Box 2267 | Action Number: |
| Mic | idland, TX 79702 | 121156 |
| | | Action Type: |
| | | [C-141] Release Corrective Action (C-141) |

CONDITIONS

| Created By | | Condition Date |
|---------------|------|-------------------|
| bhall | None | 9/30/2022 |

Action 121156