

Pima Environmental Services 5614 N. Lovington Highway Hobbs, NM 88240 575-964-7740

August 7th, 2023

NMOCD District 2 811 S. First St Artesia, NM, 88210

RE: Liner Inspection and Closure Report Kool Aid State Tank Battery API No. N/A GPS: Latitude 32.82540 Longitude -104.12830 UL- B, Section 24, Township 17S, Range 28E NMOCD Reference No. NAPP2310329856

Spur Energy Partners (Spur) has contracted Pima Environmental Services, LLC (Pima) to perform a liner inspection and prepare this closure report for the release of produced water that happened on the Kool Aid State Tank Battery (Kool Aid). An initial C-141 was submitted on April 13, 2023, and can be found in Appendix B. This incident was assigned Incident ID NAPP2310329856, by the New Mexico Oil Conservation Division (NMOCD).

Site Information and Site Characterization

The Kool Aid is located approximately fourteen (8.58) miles West of Loco Hill, NM. This spill site is in Unit B, Section 24, Township 17S, Range 28E, Latitude 32.82540 Longitude -104.12830, Eddy County, NM. A Location Map can be found in Figure 1.

Based upon New Mexico Office of the State Engineer well water data, depth to the nearest groundwater in this area is 58 feet below grade surface (BGS). According to the United States Geological Survey well water data, depth to the nearest groundwater in this area is greater than 45.50 feet BGS. See Appendix A for referenced water surveys. The Kool Aid is in a low karst area (Figure 3). A Topographic Map can be found in Figure 2.

Release Information

NAPP2310329856: On April 13, 2023, a power shortage in the electrical panel caused the tank to overflow into lined containment. Approximately 27 barrels (bbls) of produced water were released. A vacuum truck was dispatched and recovered all 25 bbls of fluid from the lined SPCC containment ring.

All fluid and surrounding contaminated gravel were removed utilizing hand shovels. The liner was visually inspected by Spur field staff for any pinholes or punctures, and none were found. Based on this inspection there is no evidence that the spilled fluids left containment.

A Site Map can be found in Figure 4.

Site Assessment and Liner Inspection

On August 3, 2023, after sending the 48-hour notification via email, Pima Environmental conducted a liner inspection at this location. We concluded that this liner and containment maintained its integrity and was able to retain the fluids. The liner inspection form and photographic documentation can be found in Appendix C.

Closure Request

After careful review, Pima requests that this incident NAPP2310329856 be closed. Spur has complied with the applicable closure requirements.

Should you have any questions or need additional information, please feel free to contact Sebastian Orozco at 619-721-4813 or <u>sebastian@pimaoil.com</u>.

Respectfully,

Sebastian Orozco

Sebastian Orozco Project Manager Pima Environmental Services, LLC

Attachments

Figures:

- 1- Location Map
- 2- Topographic Map
- 3- Karst Map
- 4- Site Map

Appendices: Appendix A- Referenced Water Surveys Appendix B- C-141 Form & 48 Hour Notification Appendix C- Liner Inspection Form & Photographic Documentation

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Figures:

1-Location Map

2-Topographic Map

3-Karst Map

4-Site Map

Received by OCD: 8/14/2023 9-18:21 AM KOOI AID State Tank Battery

Spur Energy API: #N/A Eddy County, NM Location Map

Legend

Page 4 of 32

Feature 1

Loco Hills

Kool Aid State Tank Battery

Kool Aid State Tank Battery

209

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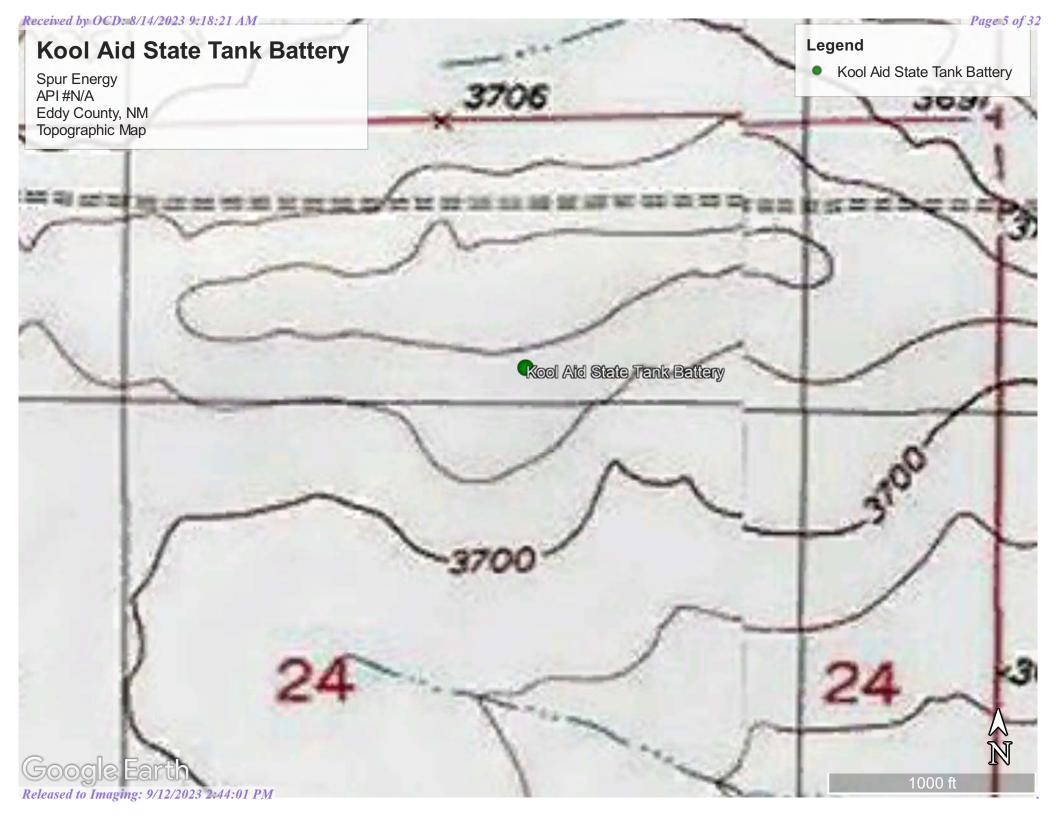
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Kool Aid State Tank Battery

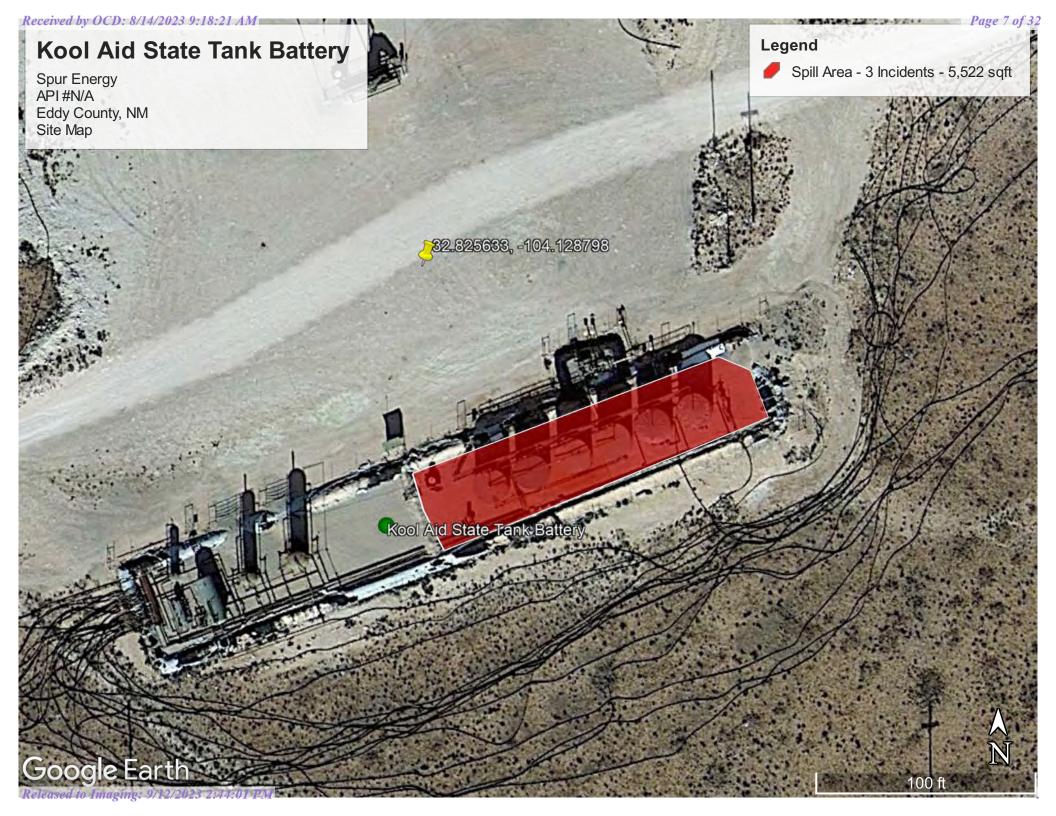
Spur Energy API #N/A Eddy County, NM Karst Map



Kool Aid State Tank Battery



N





Appendix A

Water Surveys: OSE USGS Surface Water Map

	N	/ate					00	v		e Engin e pth to		ter	
(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)	(R=POD replaced, O=orpha C=the fil closed)	, ined,	1	(1			W 2=NE est to lai	3=SW 4=SE rgest) (N	E) AD83 UTM in 1	neters)	(In fe	eet)	
		POD Sub-		00	n							W	ater
POD Number	Code		County		•	c Tws	Rng	X	Y	DistanceDep	thWellDept		
<u>RA 12307 POD1</u>		RA	ED		2 14		28E	580495	3633981 🌍	2016	140	58	82
									Avera	age Depth to Wate	er:	58 feet	t
										Minimum De	pth:	58 feet	t
										Maximum Dep	oth:	58 feet	t
Record Count: 1													
UTMNAD83 Radius	<u>Search (in</u>	<u>meters</u>)	<u>:</u>										
Easting (X): 581	541 37		Nortl	hing (Y):	36.	32257.2	9]	Radius: 5000				

7/5/23 7:10 AM

WATER COLUMN/ AVERAGE DEPTH TO WATER



USGS Home Contact USGS Search USGS

National Water Information System: Web Interface

USGS	Water	Resources	

Data Category:		Geographic Area:		
Groundwater	~	United States	~	GO

Click to hideNews Bulletins

- Explore the *NEW* <u>USGS National Water Dashboard</u> interactive map to access realtime water data from over 13,500 stations nationwide.
- Full News 🔊

Groundwater levels for the Nation

Important: <u>Next Generation Monitoring Location Page</u>

Search Results -- 1 sites found

site_no list =

• 324858104091901

Minimum number of levels = 1

Save file of selected sites to local disk for future upload

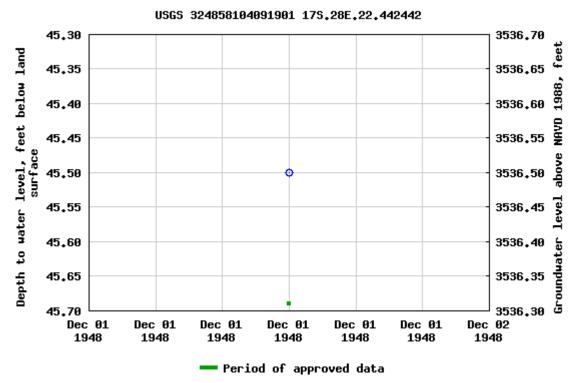
USGS 324858104091901 17S.28E.22.442442

Available data for this site Groundwater: Field measurements V GO

Eddy County, New Mexico Hydrologic Unit Code 13060007 Latitude 32°48'58", Longitude 104°09'19" NAD27 Land-surface elevation 3,582 feet above NAVD88 This well is completed in the Other aquifers (N99990THER) national aquifer. This well is completed in the San Andres Limestone (313SADR) local aquifer.

Output formats

Table of data	
Tab-separated data	
Graph of data	
Reselect period	



Breaks in the plot represent a gap of at least one year between field measurements. <u>Download a presentation-quality graph</u>

Questions or Comments Automated retrievals Help Data Tips Explanation of terms Subscribe for system changes News

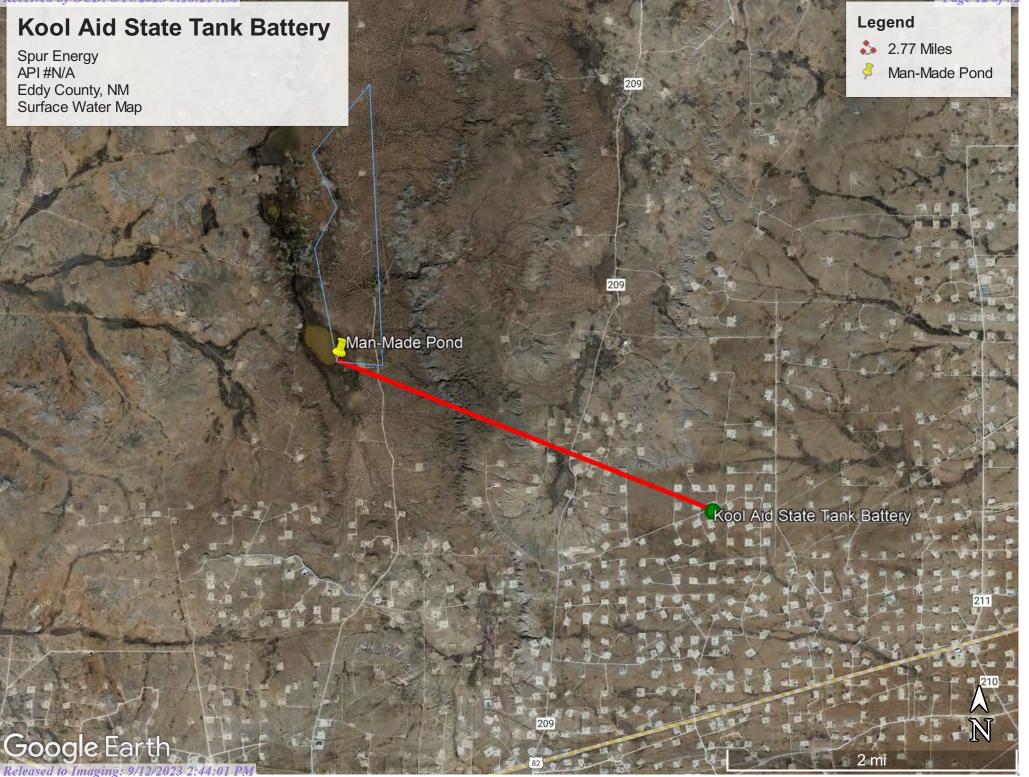
Accessibility FOIA Privacy Policies and Notices

U.S. Department of the Interior | U.S. Geological Survey Title: Groundwater for USA: Water Levels URL: https://nwis.waterdata.usgs.gov/nwis/gwlevels? USA.gov

Page Contact Information: <u>USGS Water Data Support Team</u> Page Last Modified: 2023-07-05 09:07:54 EDT 0.54 0.47 nadww02

Received by OCD: 8/14/2023 9:18:21 AM

Page 12 of 32





Appendix B

Soil Survey & Geological Data FEMA Flood Map Wetlands Map

Eddy Area, New Mexico

SG—Simona gravelly fine sandy loam, 0 to 3 percent slopes

Map Unit Setting

National map unit symbol: 1w5w Elevation: 2,750 to 5,000 feet Mean annual precipitation: 8 to 16 inches Mean annual air temperature: 57 to 70 degrees F Frost-free period: 180 to 230 days Farmland classification: Not prime farmland

Map Unit Composition

Simona and similar soils: 95 percent Minor components: 5 percent Estimates are based on observations, descriptions, and transects of the mapunit.

Description of Simona

Setting

Landform: Plains, alluvial fans Landform position (three-dimensional): Rise Down-slope shape: Convex, linear Across-slope shape: Linear Parent material: Mixed alluvium and/or eolian sands

Typical profile

H1 - 0 to 19 inches: gravelly fine sandy loam *H2 - 19 to 23 inches:* indurated

Properties and qualities

Slope: 0 to 3 percent
Depth to restrictive feature: 7 to 20 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 0.06 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: None
Frequency of ponding: None
Calcium carbonate, maximum content: 15 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 2.1 inches)

Interpretive groups

Land capability classification (irrigated): None specified Land capability classification (nonirrigated): 7e Hydrologic Soil Group: D Ecological site: R070BD002NM - Shallow Sandy Hydric soil rating: No

Minor Components

Simona

Percent of map unit: 4 percent Ecological site: R070BD002NM - Shallow Sandy Hydric soil rating: No

Playa

Percent of map unit: 1 percent Landform: Playas Landform position (three-dimensional): Talf Down-slope shape: Concave, convex Across-slope shape: Concave, linear Ecological site: R070BC017NM - Bottomland Hydric soil rating: Yes

Data Source Information

Soil Survey Area: Eddy Area, New Mexico Survey Area Data: Version 18, Sep 8, 2022

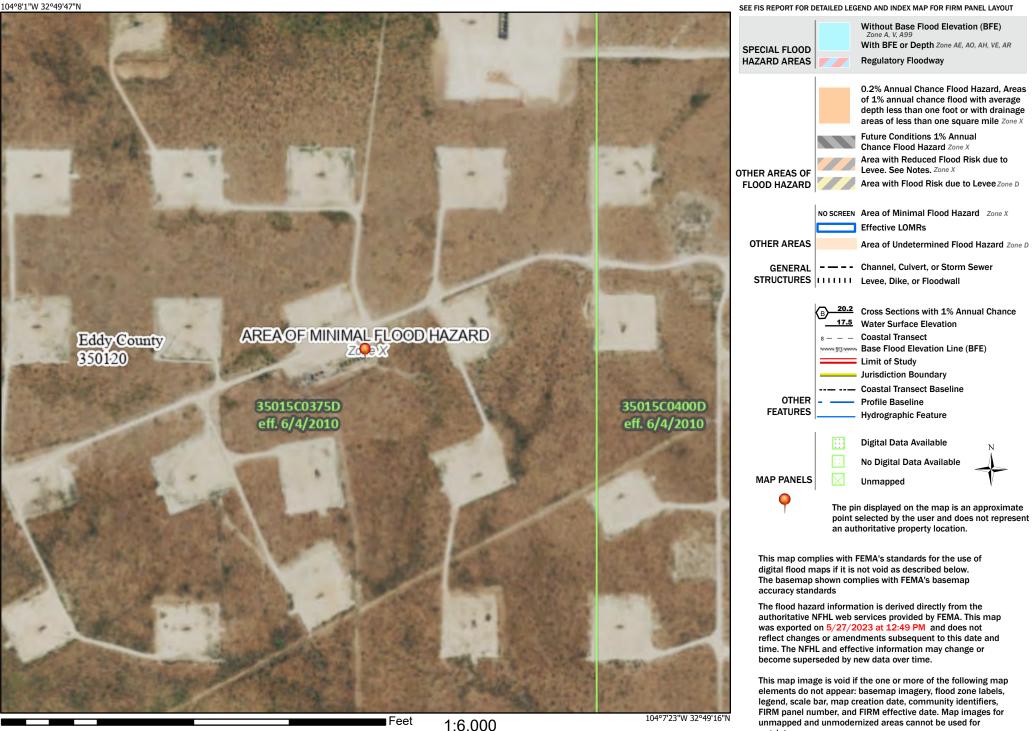


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Legend

Page 16 of 32

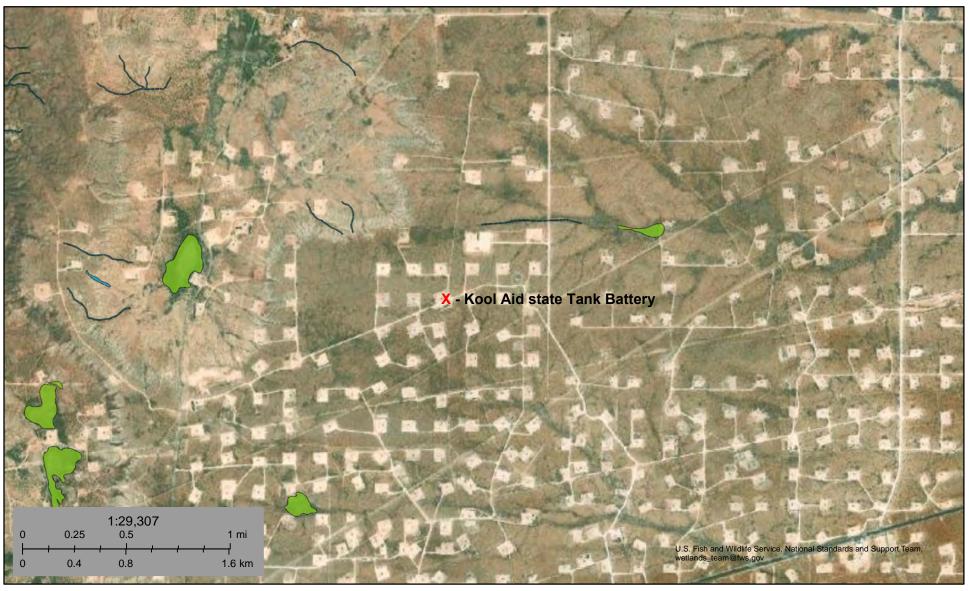


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Basemap: USGS National Map: Orthoimagery: Data refreshed October, 2020

regulatory purposes.

Wetlands Map



May 27, 2023

Wetlands

- Estuarine and Marine Deepwater
- Estuarine and Marine Wetland

- - - **Freshwater Pond**

Freshwater Emergent Wetland

Freshwater Forested/Shrub Wetland

Lake Other Riverine

This map is for general reference only. The US Fish and Wildlife Service is not responsible for the accuracy or currentness of the base data shown on this map. All wetlands related data should be used in accordance with the layer metadata found on the Wetlands Mapper web site.

Page 17 of 32

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Appendix C

C-141 Form 48-Hour Notification 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	nAPP2310329856
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party	Spur Energy Partners LLC	OGRID	328947
Contact Name	Katherine Purvis	Contact Telephone	(575) 441-8619
Contact email	katherine.purvis@spurenergy.com	Incident # (assigned by OCD)	nAPP2310329856
Contact mailing address	9655 Katy Freeway; Houston, TX 77024		

Location of Release Source

Latitude

32.82540

Longitude -104.12830

(NAD 83 in decimal degrees to 5 decimal places)

Site Name KOOL AID STATE TANK BATTERY				Site Type	BATTERY	
Date Release Discovered 04/11/2023					API# (if applicable)	N/A
Unit Letter	Section	Township	Range		County	
В	24	17S	28E		EDDY	

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) 27 BBLS	Volume Recovered (bbls) 25 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

POWER SHORTAGE IN THE ELECTRICAL PANEL CAUSED THE TANK TO OVERFLOW INTO LINED CONTAINMENT

Page 2

N/A

Oil Conservation Division

Incident ID	nAPP2310329856
District RP	
Facility ID	
Application ID	

Was this a major release as defined by 19.15.29.7(A) NMAC?	If YES, for what reason(s) does the responsible party consider this a major release? THE RELEASE WAS GREATER THAN 25 BBLS				
Yes No					
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? YES, BY KATHY PURVIS OF SPUR ENERGY TO NMOCD VIA EMAIL ON 04/12/2023					

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: Katherine Purvis	Title: EHS Coordinator		
Signature: <u>Katherine Purvia</u> email: <u>katherine.purvis@spurenergy.com</u>	Date: 04/13/2023 Telephone: (575) 441-8619		
OCD Only			
Received by: Jocelyn Harimon	Date: 04/13/2023		

OCD: 8/14/2023 9:18:21 AM State of New Mexico

Oil Conservation Division

	Page 21 0 <u>5</u> 5.
Incident ID	nAPP2310329856
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 X 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 д 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 д No
Are the lateral extents of the release overlying an unstable area such as karst geology?	🗌 Yes ᡵ No
Are the lateral extents of the release within a 100-year floodplain?	Yes X 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.

- x Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells. Field data
- Data table of soil contaminant concentration data
- x Depth to water determination
- \mathbf{x} Determination of water sources and significant watercourses within $\frac{1}{2}$ -mile of the lateral extents of the release
- Boring or excavation logs
- Photographs including date and GIS information х
- х 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.

Page 3

Received by OCD: 8/14/2023 9:18: Form C-141	21 AM			Page 22 of 32
			Incident ID	nAPP2310329856
Page 4	Oil Conservation Division		District RP	
			Facility ID	
			Application ID	
regulations all operators are required public health or the environment. The failed to adequately investigate and re- addition, OCD acceptance of a C-141 and/or regulations. Printed Name: <u>Katherine Pur-</u> Signature: <u>Katherine Pur-</u> email: <u>katherine.purvis@spurve</u>	invis	fications and perform co OCD does not relieve the at to groundwater, surfa-	rrective actions for rele operator of liability sho ce water, human health	ases which may endanger ould their operations have or the environment. In
OCD Only Received by: Shelly Wells		Date: <u>8/14/2</u>	023	

Page 6

Oil Conservation Division

Incident ID	nAPP2310329856
District RP	
Facility ID	
Application ID	

Page 23 of 32

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. X A scaled site and sampling diagram as described in 19.15.29.11 NMAC x 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) **k** 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: <u>Katherine Purvis</u> Title: <u>EHS Coordinator</u> Signature: <u>Katherine Purvis</u> Date: <u>8/14/23</u> Telephone: 575-441-8619 email: katherine.purvis@spurenergy.com **OCD Only** Received by: Shelly Wells Date: <u>8/14/2023</u> 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: Shelly Wells Date: 9/12/2023 Printed Name: Shelly Wells ______ Title: Environmental Specialist-Advanced

From:	sebastian@pimaoil.com
То:	ocdonline@state.nm.us
Cc:	Polly@pimaoil.com
Subject:	Kool Aid State Tank Battery (nAPP2310329856) - Liner Inspection 48 Hour Notification
Date:	Wednesday, August 2, 2023 8:55:49 AM
Attachments:	

Good morning,

Pima Environmental will be conducting a liner inspection at the Kool Aid State Tank Battery (nAPP2310329856), on Friday August 4th, 2023. Pima personnel will be on location roughly at 9:00 am. Thank you.

Respectfully, Sebastian Orozco Project Manager 5614 N Lovington Hwy, Hobbs, NM 88240 <u>Sebastian@pimaoil.com</u> 619-721-4813 cell





Appendix D

Liner Inspection Form

Photographic Documentation

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Liner Inspection Form

Company Name:	Spur Energy		
Site:	Kool Aid State Tank Battery	<u></u>	
Lat/Long:	32.82540, -104.12830		
NMOCD Incident ID & Incident Date:	<u>NAPP2310329856</u>	4/13/2023	
2-Day Notification Sent:	via Email by Sebastian Or	rozco_8/2/2023	
Inspection Date:	<u> 8/4/2023 </u>		
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?		Х	
Are there holes in the liner?		Х	
Is the liner retaining any fluids?		Х	
Does the liner have integrity to contain a leak?	Х		

Comments:

Inspector Name: Andrew Franco Inspector Signature: <i>Andrew Franco</i>	
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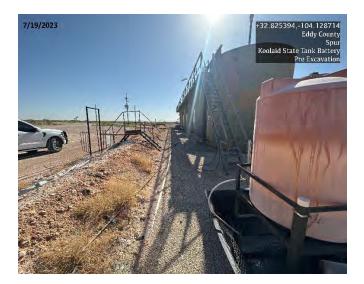


SITE PHOTOGRAPHS SPUR ENERGY PARTNERS KOOL AID STATE TANK BATTERY

Site Inspection and Pre-Excavation



















Excavation and Gravel Removal









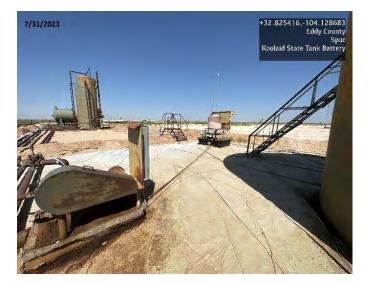


Post Excavation













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:	
Spur Energy Partners LLC	328947	
9655 Katy Freeway	Action Number:	
Houston, TX 77024	251638	
	Action Type:	
	[C-141] Release Corrective Action (C-141)	
CONDITIONS		

Created By Condition

scwells None CONDITIONS

Action 251638

Condition Date

9/12/2023