

484 Turner Dr. Bldg. D P.O. Box 1653 Durango, Colorado 81302 (970) 764-7356 www.cottonwoodconsulting.com

December 8, 2023

New Mexico Oil Conservation Division 1000 Rio Brazos Road Aztec, New Mexico 87410

RE: Northeast Blanco Unit #400A Volume Calculation and Site Summary Incident ID: nAPP2333849051

To Whom it May Concern,

Cottonwood Consulting LLC (Cottonwood), on behalf of Simcoe LLC (Simcoe), is pleased to provide you with this volume calculation and site summary for a release at the NEBU #400A (Incident ID: nAPP2333849051; API #: 30-045-33467).

Simcoe discovered a release from a pinhole at a 500 barrel produced water above-ground storage tank (AST) at the NEBU #400A during routine inspection operations. Simcoe immediately pulled the water from the tank and stopped the release. The release was caused by corrosion and the AST is no longer in use. Release volume was calculated based on AST volumes and production data.

Please do not hesitate to contact me at (970) 764-7356 or <u>ksiesser@cottonwoodconsulting.com</u> for additional information. We appreciate the opportunity to provide this information to the New Mexico Oil Conservation Division.

Sincerely,

Kyle Siesser, P.G.

Kyle D. Siesser

Cottonwood Consulting, LLC

Location: Section 7 T31N R6W NMPM

AST



NEBU #400A Photographic Log Simcoe LLC



Photo 1: NEBU #400A well sign, 12/7/2023.

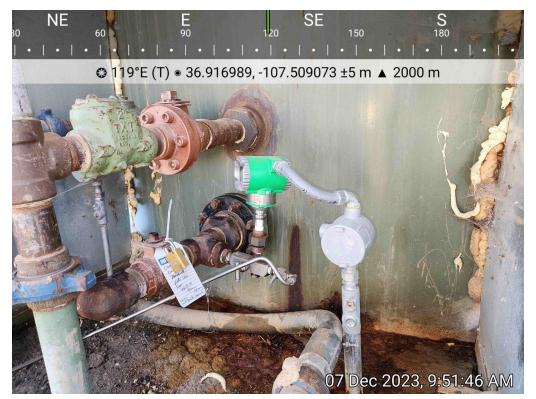


Photo 2: NEBU #400A point of release 12/7/2023.



NEBU #400A Photographic Log Simcoe LLC



Photo 3: SS01 is a five-point composite sample collected from the wet area, 12/7/2023.

<u>District I</u> 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

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 292839

QUESTIONS

ı	Operator:	OGRID:
ı	SIMCOE LLC	329736
ı	1199 Main Ave., Suite 101	Action Number:
ı	Durango, CO 81301	292839
ı		Action Type:
ı		[C-141] Initial C-141 (C-141-v-Initial)

QUESTIONS

Prerequisites	
Incident ID (n#)	nAPP2333849051
Incident Name	NAPP2333849051 NORTHEAST BLANCO UNIT #400A @ 0
Incident Type	Produced Water Release
Incident Status	Initial C-141 Received

Location of Release Source	
Please answer all the questions in this group.	
Site Name	NORTHEAST BLANCO UNIT #400A
Date Release Discovered	12/02/2023
Surface Owner	Federal

Incident Details	
lease answer all the questions in this group.	
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		
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.		
Crude Oil Released (bbls) Details	Not answered.	
Produced Water Released (bbls) Details	Cause: Equipment Failure Production Tank 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	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)	Not answered.	

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

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

QUESTIONS, Page 2

Action 292839

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462	11 e, NW 07 303
QUEST	IONS (continued)
Operator: SIMCOE LLC 1199 Main Ave., Suite 101 Durango, CO 81301	OGRID:
QUESTIONS	[5]
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 second content of the con	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.
	I lation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative o ted or if the release occurred within a lined containment area (see Subparagraph (a) of Paragraph (5) of evaluation in the follow-up C-141 submission.
to report and/or file certain release notifications and perform corrective actions for releathe OCD does not relieve the operator of liability should their operations have failed to	knowledge and understand that pursuant to OCD rules and regulations all operators are required asses which may endanger public health or the environment. The acceptance of a C-141 report by adequately investigate and remediate contamination that pose a threat to groundwater, surface t does not relieve the operator of responsibility for compliance with any other federal, state, or
	Names Kula Ciasaan

Title: Principal, Cottonwood Consulting

Email: ksiesser@cottonwoodconsulting.com

I hereby agree and sign off to the above statement

<u>District I</u> 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

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, Page 3

Action 292839

QUESTIONS (continued)

Operator:		OGRID:
	SIMCOE LLC	329736
	1199 Main Ave., Suite 101	Action Number:
	Durango, CO 81301	292839
		Action Type:
		[C-141] Initial C-141 (C-141-v-Initial)

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 ar	nd the following surface areas:	
A continuously flowing watercourse or any other significant watercourse	Between 1 and 5 (mi.)	
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Between 1 and 5 (mi.)	
An occupied permanent residence, school, hospital, institution, or church	Greater than 5 (mi.)	
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Between 1000 (ft.) and ½ (mi.)	
Any other fresh water well or spring	Greater than 5 (mi.)	
Incorporated municipal boundaries or a defined municipal fresh water well field	Greater than 5 (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	No	
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.		

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

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 292839

CONDITIONS

Operator:	OGRID:
SIMCOE LLC	329736
1199 Main Ave., Suite 101	Action Number:
Durango, CO 81301	292839
	Action Type:
	[C-141] Initial C-141 (C-141-v-Initial)

CONDITIONS

Created By	Condition	Condition Date
scwells	None	12/15/2023