

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

HOBBS OCD
SEP 18 2013

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

Form C-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company <i>VPR Operating, LLC</i>	Contact <i>Denise Jones</i>
Address <i>1406 Camp Croft Road, Ste 1160 Austin, TX</i>	Telephone No. <i>432-620-9181</i>
Facility Name <i>Stephanie Federal 78746</i>	Facility Type <i>Tank Battery</i>
Surface Owner	Mineral Owner <i>BLM</i> API No. <i>30-025-24646</i>

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<i>D</i>	<i>4</i>	<i>T-10-S</i>	<i>R-37-E</i>	<i>660</i>	<i>North</i>	<i>660</i>	<i>West</i>	<i>Lea</i>

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release <i>Oil</i>	Volume of Release <i>184 bbls</i>	Volume Recovered <i>12 bbls</i>
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <i>9-7-13 1:00 PM</i>	<i>9-8-13 10:00 AM</i>
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*
JRL 9/18/13 or W@135'

Describe Cause of Problem and Remedial Action Taken.*
Hole in tank. Tank will be repaired/replaced as required

Describe Area Affected and Cleanup Action Taken.*
Please See Attached

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD 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.

Signature: <i>Denise Jones</i>	OIL CONSERVATION DIVISION	
Printed Name: <i>Denise Jones</i>	<i>Stephanie Sekiny</i> Approved by Environmental Specialist: Environmental Specialist	
Title: <i>Regulatory Analyst</i>	Approval Date: <i>9-19-13</i>	Expiration Date: <i>11-19-13</i>
E-mail Address: <i>djones@cambrianmgmt.com</i>	Conditions of Approval: <i>SUBMIT FINAL</i>	Attached <input type="checkbox"/>
Date: <i>9-14-13</i> Phone: <i>432-620-9181</i>	<i>C-141 BY 11-19-13</i>	<i>IRP-9-13-2963</i>

* Attach Additional Sheets If Necessary

OCT 03 2013

[Handwritten mark]

HUNGRY HORSE, LLC
ENVIRONMENTAL SERVICES

Dirt Work * On-Site Remediation * Soil Testing * Excavation

11Sept13

To: Geoffrey Leking, NM OCD
Jim Amos, BLM
Reference: Remediation Work Plan
Location: Stephanie Federal #1
API: 30-025-24646
Operator: ~~Cambrian Management~~
Legals: Ul. D, Sec 4, T10S, R37E
GPS: N 33.48158, W-103.16429

HOBBS OCD

SEP 18 2013

RECEIVED

VPR OPERATING, LLC. JAD
10/13/2013
Geoffrey Leking
Environmental Specialist
NMOCOD-DIST 1
9/27/13

Background

This proposed remediation work plan is in response to an accidental crude oil release that happened on or about 7Sept13. The release was due to a hole near the bottom of a storage tank. The impacted area is the south part of the fenced battery (60' x 35') and an area in the pasture to the south of the battery (20' x 55') and east of the battery (100' x 100').

The impacted area is located in rural northern Lea County, NM. It is approximately 3 miles west of the intersection of Hwy 125 and White Ranch Road off White Ranch Road. The impacted area is ranch land with the vegetation consisting of native grasses, yucca plants, and scattered mesquite bushes. There is one water well and a surface body of water .41 miles to the northeast of the location which is used for watering livestock. The rancher, Mr. Michael Harton, advised the depth to ground water is 144'. The Lea County Depth to Groundwater Map shows the depth to groundwater to be between 130'-150'. There is no ground water data listed on the NM Office of State Engineer's website for the section, township, and range. The impacted area is on deeded land with federal mineral rights.

Remediation Proposal

After a site assessment and phone conversations with the land owner, I propose to remediate the impacted area by breaking it into two separate work areas, the pasture and inside the fenced battery. I propose to excavate the impacted area of the pasture to a depth of 2' below ground surface (BGS) in order to remove the saturated soil. All impacted soil will be stock piled on the location for transportation to a division approved disposal facility. Soil samples will be obtained and delivered to Cardinal Lab in Hobbs, NM for TPH, BTEX, and Chloride analysis. Lab results will be presented to NM OCD's Geoffrey Leking seeking closure approval or an alternative plan for further remediation.

P.O. Box 1058 * Hobbs New Mexico * Office 575-393-3386 * Fax 575-391-4585

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HUNGRY HORSE, LLC
ENVIRONMENTAL SERVICES

I propose to excavate the impacted area inside the fence to a depth of 3' below the grade of the existing battery and obtain soil samples. These samples will be handled and analyzed in the same manner as the ones from the pasture. Upon receipt of the lab results, they will be presented to Geoffrey Leking seeking closure approval or an alternative method of closure.

Upon receipt of closure approval, both work areas will be backfilled with clean soil from a local source. The firewalls on the battery will be reconstructed and the fence put back. The area in the pasture will be seeded using an approved seed mixture. A closure report detailing remediation activities will be submitted.

Vernon K. Black, Hungry Horse, LLC