

**NM OIL CONSERVATION**  
ARTESIA DISTRICT

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

JUN 19 2017

Form C-141  
Revised April 3, 2017

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.  
**RECEIVED**

**Release Notification and Corrective Action**

NAB1717131551 OPERATOR  Initial Report  Final Report

Name of Company	OXY USA INC <u>11010910</u>	Contact	CASEY L SUMMERS
Address	PO BOX 4294; HOUSTON, TX 77210	Telephone No.	575-513-8289
Facility Name	CEDAR CANYON 16 SWD #3	Facility Type	SWD
Surface Owner	Private	Mineral Owner	STATE
		API No.	30-015-41324

**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	16	24S	29E	725	NORTH	600	WEST	EDDY

Latitude 32.2228966 Longitude -103.9960938 NAD83

**NATURE OF RELEASE**

Type of Release	OIL & PRODUCED WATER	Volume of Release	50 bbls oil 430 bbls produced water	Volume Recovered	450 bbls of total fluid
Source of Release	LIGHTNING STRIKE FACILITY	Date and Hour of Occurrence	06/07/2017	Date and Hour of Discovery	06/07/2017
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	MIKE BRATCHER-NMOCD; CRYSTAL WEAVER-NMOCD		
By Whom?	CASEY SUMMERS	Date and Hour	06/07/2017 5:11 PM	<u>*4:11pm per email</u>	
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.*					
Describe Cause of Problem and Remedial Action Taken.*					
Leaked was caused by a lightning strike that caused a fire and the rupture of three fiberglass water tanks. Approximately 450 bbls of total fluid stayed in containment and approximately 30 bbls left containment. Oxy recovered all free fluids via vacuum trucks that stayed in containment.					
Describe Area Affected and Cleanup Action Taken.*					
The affected area is to be determined and subject to GPS tracking. Remediation will be completed in accordance with a remediation plan approved by the NMOCD and SLO.					
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:	<b>OIL CONSERVATION DIVISION</b>				
Printed Name:	CASEY L SUMMERS	Approved by Environmental Specialist:	<u>Crystal Weaver</u>		
Title:	ENVIRONMENTAL ADVISOR	Approval Date:	6/20/17	Expiration Date:	N/A
E-mail Address:	casey.summers@oxy.com	Conditions of Approval:	see attached		Attached <input checked="" type="checkbox"/>
Date:	6-16-17	Phone:	575-513-8289		

\* Attach Additional Sheets If Necessary

2RP-425A

Operator/Responsible Party,

The OCD has received the form C-141 you provided on **6/19/17** regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number ORP-4254 has been assigned. **Please refer to this case number in all future correspondence.**

It is the Division's obligation under both the Oil & Gas Act and Water Quality Act to provide for the protection of public health and the environment. Our regulations (19.15.29.11 NMAC) state the following,

*The responsible person shall complete division-approved corrective action for releases that endanger public health or the environment. The responsible person shall address releases in accordance with a remediation plan submitted to and approved by the division or with an abatement plan submitted in accordance with 19.15.30 NMAC. [emphasis added]*

Release characterization is the first phase of corrective action unless the release is ongoing or is of limited volume and all impacts can be immediately addressed. Proper and cost-effective remediation typically cannot occur without adequate characterization of the impacts of any release. Furthermore, the Division has the ability to impose reasonable conditions upon the efforts it oversees. **As such, the Division is requiring a workplan for the characterization of impacts associated with this release be submitted to the OCD District II office in Artesia on or before 7/19/17. If and when the release characterization workplan is approved, there will be an associated deadline for submittal of the resultant investigation report. Modest extensions of time to these deadlines may be granted, but only with acceptable justification.**

The goals of a characterization effort are: 1) determination of the lateral and vertical extents along with the magnitude of soil contamination. 2) determine if groundwater or surface waters have been impacted. 3) If groundwater or surface waters have been impacted, what are the extents and magnitude of that impact. 4) The characterization of any other adverse impacts that may have occurred (examples: impacts on vegetation, impacts on wildlife, air quality, loss of use of property, etc.). To meet these goals as quickly as possible, the following items must, at a minimum, be addressed in the release characterization workplan and subsequent reporting:

- Horizontal delineation of soil impacts in each of the four cardinal compass directions. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C<sub>6</sub> thru C<sub>36</sub>), and for chloride by Method 300. This is not an exclusive list of potential contaminants. Analyzed parameters should be modified based on the nature of the released substance(s). Soil sampling must be both within the impacted area and beyond.
- Vertical delineation of soil impacts. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C<sub>6</sub> thru C<sub>36</sub>), and for chloride by Method 300. As above, this is not an exclusive list of potential contaminants and can be modified. Vertical characterization samples should be taken at depth intervals no greater than five feet apart. Lithologic description of encountered soils must also be provided. At least ten vertical feet of soils with contaminant concentrations at or below these values must be demonstrated as existing above the water table.
- Nominal detection limits for field and laboratory analyses must be provided.
- Composite sampling is not generally allowed.
- Field screening and assessment techniques are acceptable (headspace, titration, EC [include algorithm for validation purposes], EM, etc.), but the sampling and assay procedures must be clearly defined. Copies of field notes are highly desirable. A statistically significant set of split samples must be submitted for confirmatory laboratory analysis, including the laterally farthest and vertically deepest sets of soil samples. Make sure there are at least two soil samples submitted

for laboratory analysis from each borehole or test pit (highest observed contamination and deepest depth investigated). Copies of the actual laboratory results must be provided including chain of custody documentation.

- Probable depth to shallowest protectable groundwater and lateral distance to nearest surface water. If there is an estimate of groundwater depth, the information used to arrive at that estimate must be provided. If there is a reasonable assumption that the depth to protectable water is 50 feet or less, the responsible party should anticipate the need for at least one groundwater monitoring well to be installed in the area of likely maximum contamination.

- If groundwater contamination is encountered, an additional investigation workplan may be required to determine the extents of that contamination. Groundwater and/or surface water samples, if any, must be analyzed by a competent laboratory for volatile organic hydrocarbons (typically Method 8260 full list), total dissolved solids, pH, major anions and cations including chloride and sulfate, dissolved iron, and dissolved manganese. The investigation workplan must provide the groundwater sampling method(s) and sample handling protocols. To the fullest extent possible, aqueous analyses must be undertaken using nominal method detection limits. As with the soil analyses, copies of the actual laboratory results must be provided including chain of custody documentation.

- Accurately scaled and well-drafted site maps must be provided providing the location of borings, test pits, monitoring wells, potentially impacted areas, and significant surface features including roads and site infrastructure that might limit either the release characterization or remedial efforts. Field sketches may be included in subsequent reporting, but should not be considered stand-alone documentation of the site's layout. Digital photographic documentation of the location and fieldwork is recommended, especially if unusual circumstances are encountered.

**Nothing herein should be interpreted to preclude emergency response actions or to imply immediate remediation by removal cannot proceed as warranted. Nonetheless, characterization of impacts and confirmation of the effectiveness of remedial efforts must still be provided to the OCD before any release incident will be closed.**

**Jim Griswold**

OCD Environmental Bureau Chief  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505  
505-476-3465  
jim.griswold@state.nm.us

## Weaver, Crystal, EMNRD

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**From:** Casey\_Summers@oxy.com  
**Sent:** Monday, June 19, 2017 8:31 AM  
**To:** Weaver, Crystal, EMNRD; agroves@slo.state.nm.us  
**Cc:** Bratcher, Mike, EMNRD; Jennifer\_Smith@oxy.com; Wade\_Dittrich@oxy.com  
**Subject:** RE: Cedar Canyon 16 SWD #03  
**Attachments:** CEDAR CANYON 16 SWD #3 - INITIAL C-141.pdf

Here you go.. Thanks for the help!

Casey Summers  
O: (575)-628-4152  
C: (575)-513-8289

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**From:** Weaver, Crystal, EMNRD [mailto:Crystal.Weaver@state.nm.us]  
**Sent:** Monday, June 19, 2017 8:22 AM  
**To:** Groves, Amber <agroves@slo.state.nm.us>  
**Cc:** Summers, Casey L <Casey\_Summers@oxy.com>; Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>  
**Subject:** [EXTERNAL] Re: Cedar Canyon 16 SWD #03

Thank you Amber. :)

Casey would you mind correcting that please and resubmitting it since I haven't ran it thru the system yet.  
Thank you sir.

Sincerely,

Crystal Weaver  
Environmental Specialist  
OCD - Artesia District 2  
811 S. 1st Street  
Artesia, NM 88210  
Office: 575-748-1238 ext. 101  
Cell: 575-840-5963  
Fax: 575-748-9720

On Jun 19, 2017, at 8:15 AM, Groves, Amber <agroves@slo.state.nm.us> wrote:

Good Morning,

I am showing this as private surface, state minerals.

Thank you,

<image003.png>Amber Groves

Remediation Specialist  
Field Operations Division  
(575)392-3697  
(575)263-3209 cell  
New Mexico State Land Office  
2827 N. Dal Paso Suite 117  
Hobbs, NM 88260

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**CONFIDENTIALITY NOTICE** - This e-mail transmission, including all documents, files, or previous e-mail messages attached hereto, may contain confidential and/or legally privileged information. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution, or use of any of the information contained in and/or attached to this transmission is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

**From:** Weaver, Crystal, EMNRD [<mailto:Crystal.Weaver@state.nm.us>]  
**Sent:** Friday, June 16, 2017 3:51 PM  
**To:** [Casey Summers@oxy.com](mailto:Casey_Summers@oxy.com); Groves, Amber <[agroves@slo.state.nm.us](mailto:agroves@slo.state.nm.us)>  
**Cc:** Bratcher, Mike, EMNRD <[mike.bratcher@state.nm.us](mailto:mike.bratcher@state.nm.us)>  
**Subject:** RE: Cedar Canyon 16 SWD #03

Casey,

Thank you for the initial C-141. I checked using my surface ownership layer on my map and I show this site being on private land. Amber can you verify if this is or isn't state land for us pretty please madam?

Thank you,

**Crystal Weaver**  
Environmental Specialist  
OCD – Artesia District II  
811 S. 1<sup>st</sup> Street  
Artesia, NM 88210  
Office: 575-748-1283 ext. 101  
Cell: 575-840-5963  
Fax: 575-748-9720

-----Original Message-----

**From:** [Casey Summers@oxy.com](mailto:Casey_Summers@oxy.com) [[mailto:Casey\\_Summers@oxy.com](mailto:Casey_Summers@oxy.com)]  
**Sent:** Friday, June 16, 2017 1:52 PM  
**To:** Bratcher, Mike, EMNRD <[mike.bratcher@state.nm.us](mailto:mike.bratcher@state.nm.us)>; Weaver, Crystal, EMNRD <[Crystal.Weaver@state.nm.us](mailto:Crystal.Weaver@state.nm.us)>; [agroves@slo.state.nm.us](mailto:agroves@slo.state.nm.us); [cbrunson@bbcinternational.com](mailto:cbrunson@bbcinternational.com); [kswinney@bbcinternational.com](mailto:kswinney@bbcinternational.com); [jgilkey@bbcinternational.com](mailto:jgilkey@bbcinternational.com); [kathy@bbcinternational.com](mailto:kathy@bbcinternational.com);

Jennifer\_Smith@oxy.com; Wade\_Dittrich@oxy.com

Subject: RE: Cedar Canyon 16 SWD #03

All,

Please find the attached initial C141 for this release.

Thank you!

Casey Summers

O: (575)-628-4152

C: (575)-513-8289

-----Original Message-----

From: Summers, Casey L

Sent: Wednesday, June 07, 2017 4:11 PM

To: Mike Bratcher <[mike.bratcher@state.nm.us](mailto:mike.bratcher@state.nm.us)>; Weaver, Crystal, Emnrd <[crystal.weaver@state.nm.us](mailto:crystal.weaver@state.nm.us)>; cbrunson@bbcinternational.com; kswinney@bbcinternational.com; jgilkey@bbcinternational.com; kathy@bbcinternational.com; Smith, Jennifer A <[Jennifer\\_Smith@oxy.com](mailto:Jennifer_Smith@oxy.com)>

Subject: Cedar Canyon 16 SWD #03

All,

Oxy had a release in Eddy County at the Cedar Canyon 16 SWD #03. The release was caused by a lightning strike. The strike caused a fire and the rupture of three fiberglass water tanks.

-Location: Cedar Canyon 16 SWD #03 (Eddy County) -Well information: Legal: D-16-24S-29E, API:30-015-

41324 -Cause of Release: lightning strike caused fire and the rupture of 3 fiberglass water tanks.

-Volume of Release: 50bbls of oil and 430bbls of produced water. Approximately 450bbls of total fluid stayed in containment and approximately 30bbls was released outside of containment.

Volume Recovered: In progress

-GPS Coordinates: 32.2228966, -103.9960938

Thanks,

Casey Summers

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This email has been scanned by the Symantec Email Security.cloud service.

For more information please visit <http://www.symanteccloud.com>

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For more information please visit <http://www.symanteccloud.com>

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## **Weaver, Crystal, EMNRD**

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**From:** Casey\_Summers@oxy.com  
**Sent:** Wednesday, June 7, 2017 4:11 PM  
**To:** Bratcher, Mike, EMNRD; Weaver, Crystal, EMNRD; cbrunson@bbcinternational.com; kswinney@bbcinternational.com; jgilkey@bbcinternational.com; kathy@bbcinternational.com; Jennifer\_Smith@oxy.com  
**Subject:** Cedar Canyon 16 SWD #03

All,

Oxy had a release in Eddy County at the Cedar Canyon 16 SWD #03. The release was caused by a lightning strike. The strike caused a fire and the rupture of three fiberglass water tanks.

-Location: Cedar Canyon 16 SWD #03 (Eddy County) -Well information: Legal: D-16-24S-29E, API:30-015-41324 -Cause of Release: lightning strike caused fire and the rupture of 3 fiberglass water tanks.

-Volume of Release: 50bbls of oil and 430bbls of produced water. Approximately 450bbls of total fluid stayed in containment and approximately 30bbls was released outside of containment.

Volume Recovered: In progress

-GPS Coordinates: 32.2228966, -103.9960938

Thanks,  
Casey Summers