RECEIVED

OCT 15 2008

HOBBS OCD

District I
1625 N. French Dr., Hobbs, NM 88240
District II
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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

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

# Release Notification and Corrective Action

## OPERATOR

☒ Initial Report ☐ Final Report

| | | | |
|---|---|---|---|
| Name of Company | Torch Energy Services, Inc. | Contact | Melanie Reyes |
| Address | 2600 W. I-20, Odessa, TX 79763 | Telephone No. | (432) 580-8500 |
| Facility Name | Cooper Jal Unit- Test Satellite #2 | Facility Type | Oil Production Test Site |

Well #127

| | | | | | |
|---|---|---|---|---|---|
| Surface Owner | RRR Ranch | Mineral Owner | Cooper Jal Unit | Lease No. | 302966 |

## LOCATION OF RELEASE

API 30 025 09637

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|---|---|---|---|---|---|---|---|---|
| H | 24 | 24S | 36E | 1695 | North | 990 | East | Lea |

Latitude 32.205403 Longitude 103.213538

GW = 125'

## NATURE OF RELEASE

| | | | |
|---|---|---|---|
| Type of Release: Salt Water with 5% Oil Cut | | Volume of Release: 230 Barrels | Volume Recovered: 230 Barrels |
| Source of Release: Tank Overflow | | Date and Hour of Occurrence: 9/9/08 5:00 AM | Date and Hour of Discovery: 9/9/08 7:00 AM |
| Was Immediate Notice Given? ☒ Yes ☐ No ☐ Not Required | | If YES, To Whom? To the NMOCD in Hobbs, NM | |
| By Whom? Randy McAnally | | Date and Hour: 9/9/08 10:00 AM | |
| Was a Watercourse Reached? ☐ Yes ☒ No | | If YES, Volume Impacting the Watercourse. NA | |

If a Watercourse was Impacted, Describe Fully.*

NA

Describe Cause of Problem and Remedial Action Taken.*

The salt water overflowed the Test Satellite Tank and ran down a lease road. No pasture was affected.

Describe Area Affected and Cleanup Action Taken.*

The salt water was picked up by a vacuum truck from the lease road.

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: | OIL CONSERVATION DIVISION |
| Printed Name: Melanie Reyes | Approved by District Supervisor: ENVIRONMENTAL ENGINEER |
| Title: Engineer Assistant | Approval Date: 10.16.08 Expiration Date: 12.16.08 |
| E-mail Address: reyesm@odessa.teai.com | Conditions of Approval: Submit Final C-141 w/ Documentation By — Attached ☐ 1RP # 1981 |
| Date: 9/17/08 Phone: (432) 580-8500 | |

* Attach Additional Sheets If Necessary

fGRL0834555483

TORCH
ENERGY SERVICES, INC.
*A Subsidiary of Torch Energy Advisors*



# Corrective Action Plan

## Torch Energy Services, Inc.
## Cooper Jal Unit Satellite No. 2 Battery
## Sec. 24 –T24S-R36E
## Lea County New Mexico

Prepared For:
New Mexico Oil Conservation Division
Hobbs District Office

October 7, 2008

Prepared by:
Torch Energy Services, Inc and
Environmental Compliance Associates, Inc.

1331 LAMAR, SUITE 1450 HOUSTON, TEXAS 77010-3039

TELEPHONE: 713.650.1246 FAX: 713.655.1866

# TABLE OF CONTENTS

## 1.0 Purpose

The purpose of this document is to summarize and define corrective action measures that will take place to mitigate any possible impairment that may have occurred from a release that occurred on September 9, 2008 at the Cooper Jal Unit Satellite No. 2 battery located in Section 24, T24S, R36E, Lea County, New Mexico.

This corrective action plan is being submitted to supplement the initial C-141 submitted to the New Mexico Oil Conservation Division (NMOCD) on September 17, 2008.

## 2.0 Description of Incident

On September 9, 2008 at approximately 0500, a failure of redundant back-up systems caused a temporary production holding tank to over flow causing produced water and hydrocarbon to migrate down gradient from the initial site resulting in pooling in three locations. All pooled areas were contained on the operators road locations and adjacent to the tank battery. This release was reported by Randy McNally of Torch to the NMOCD immediately upon discovery and the initial Form C-141 was submitted to the NMOCD on September 17, 2008 (signed by Larry Johnson of the NMOCD on September 22, 2008). Corrective actions were initiated to recover free standing fluid from the pooling areas by vacuum truck.

Approximately two hundred twenty (220) barrels of fluid were released during this event and approximately two hundred-twenty (220) barrels were recovered and removed by vacuum truck.

The areas where the fluid pooled are shown on Attachment B.

## 3.0 General Site Characteristics

The location of the Cooper Jal Unit Satellite No. 2 battery is described as a temporary storage and testing facility for fluids going to the main battery. This location sits on compacted sandy clay loam soils indigenous to the area. Some improvements have been made to the road beds with the addition of caliche to help stabilize the soils. Due to the compacted soil with the addition of caliche this caused the migration of fluids down the road beds to the pooling areas.

After reviewing aerial maps and surveys on Google Earth, we did not identify any surface impoundments retaining water within a three mile radius of the Cooper Jal Unit Satellite No. 2 battery. Furthermore, inquiry with the United States Geological Survey confirmed that ground water was found at approximately one hundred twenty-seven (127) feet in the closest water well drilled in this area. All supporting data for the site ranking can be found in Attachment C.

In accordance New Mexico Oil Conservation Division Site Ranking Regulations, it is our opinion that the affected area from this release is a zero and well with in the (0-9) classification.

## 4.0 Corrective Actions

It is our plan to remediate this site by removing contaminated soils in the three (3) main areas where pooling occurred. We will have a third party environmental firm perform on-site analysis of the walls and bottoms of the excavated areas to confirm contamination levels of less than five thousand (5,000) ppm total petroleum hydrocarbons and two hundred-fifty (250) ppm chlorides before backfilling the excavated areas with fresh caliche. One (1) sample will be gathered from each of the pooled areas and submitted to a lab for confirmation that the clean-up has met the standards set forth by the NMOCD.

## 5.0 Conclusion of Remediation

The remediation/excavation process will end once confirmation samples have been gathered, confirmation analysis are below regulatory limits set forth by the NMOCD and the lease road is backfilled and suitable for normal oilfield traffic.

Upon completion of this project, the third party environmental consulting firm will draft notes of sample results during the remediation process, photographic documentation of activities with a final version of NMOCD form C-141 and submit to the NMOCD for successful closure of this Corrective Action Plan.

It is our opinion that the implementation of this corrective action plan assures the protection of fresh waters, public health and the environment.

Please feel free to call me at (713) 756-1620 should you have any questions.

Sincerely,
Torch Energy Services, Inc.

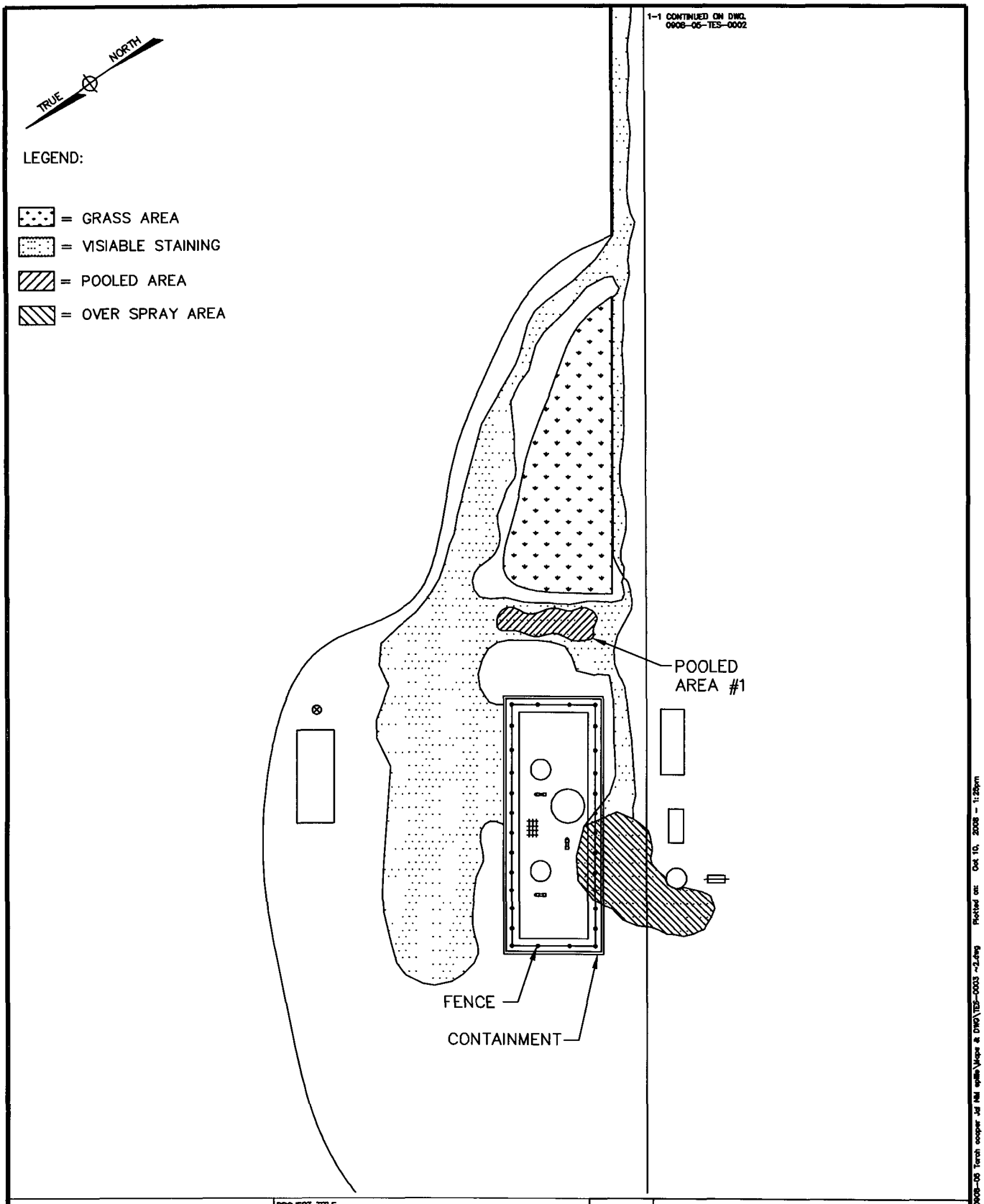
Randy Ziebarth
Vice President

**ATTACHMENT A**

**NMOCD Form C-141 (Initial)**

# ATTACHMENT B

## General Site Diagrams




ENVIRONMENTAL COMPLIANCE & ASSOCIATES
Phone: (713) 978-6700

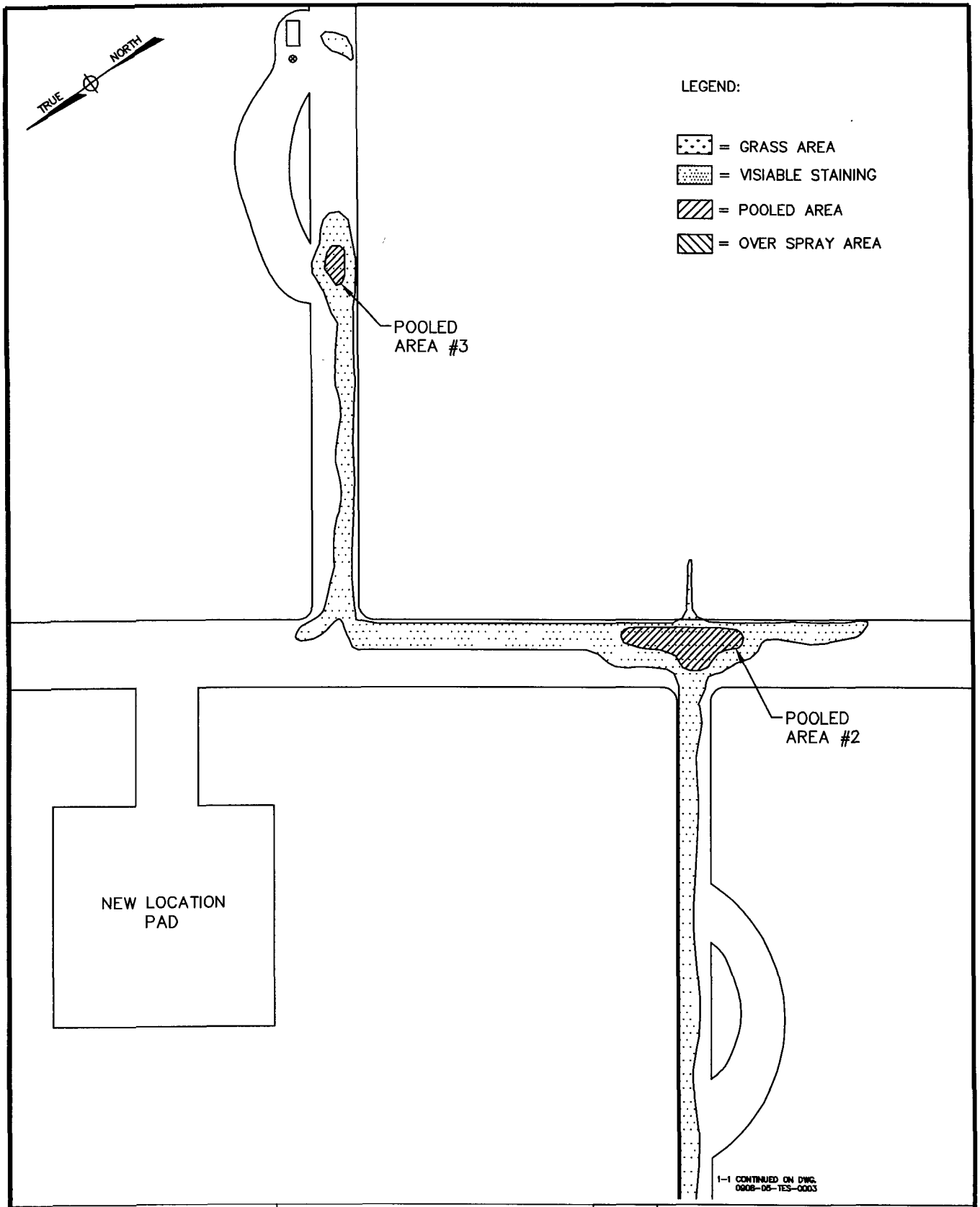
PROJECT TITLE
TORCH ENTERGY SERVICES INC.
COOPER JAL UNIT SATELLITE #2
AFS#8910115740
LEA COUNTY, NM
UNIT H SEC. 24 T24S R36E
PROJECT 0908-05

| DATE: | DRAWING APPROVAL | | | | |
|---|---|---|---|---|---|
| 9/08 | SIGNATURE | DATE | | SIGNATURE | DATE |
| DRAWN BY: | JJL | 9/21/08 | CHECKED BY: | DC | 9/08 |

DWG. NO.
0908-05-TES-0003

0

Drawing name: T:\Active\0908-05 Torch cooper jal #2 satellite\Maps & DWG\TES-0003 r2.dwg Plotted on: Oct 10, 2008 - 1:28pm

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TORCH ENTERGY SERVICES INC.
COOPER JAL UNIT SATELLITE #2
AFS#8910115740
LEA COUNTY, NM
UNIT H SEC. 24 T24S R36E
PROJECT 0908-05

| DATE: | DRAWING APPROVAL | | | | |
|---|---|---|---|---|---|
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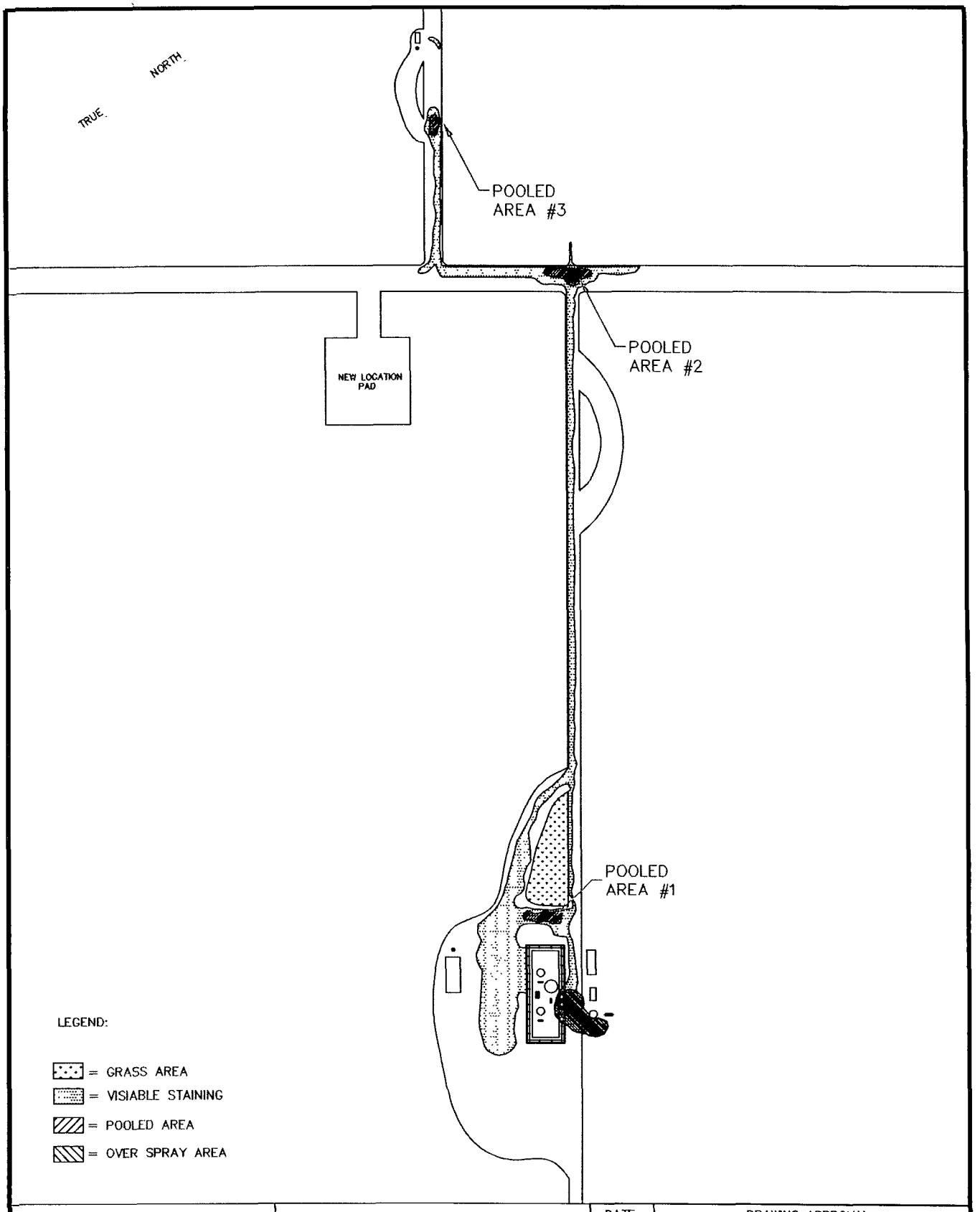
| DWG. NO. | 0908-05-TES-0002 | | | | 0 |

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TORCH ENTERGY SERVICES INC.
COOPER JAL UNIT SATELLITE #2
AFS#8910115740
LEA COUNTY, NM
UNIT H SEC. 24 T24S R36E
PROJECT 0908-05

| DATE: | DRAWING APPROVAL | | | | |
|---|---|---|---|---|---|
| 9/08 | SIGNATURE | DATE | | SIGNATURE | DATE |
| DRAWN BY: | JJL | 9/21/08 | CHECKED BY: | DC | 9/08 |
| DWG. NO. | 0908-05-TES-0001 | | | | 0 |

# ATTACHMENT C

## Site Ranking Information

USGS Home
Contact USGS
Search USGS

**National Water Information System: Web Interface**

USGS Water Resources

Data Category: Ground Water | Geographic Area: New Mexico | GO

News: Recent changes

# Ground-water levels for New Mexico

## Search Results -- 1 sites found

Search Criteria

**site_no list =** • 321219103120401
**Minimum number of levels =** 1

Save file of selected sites to local disk for future upload

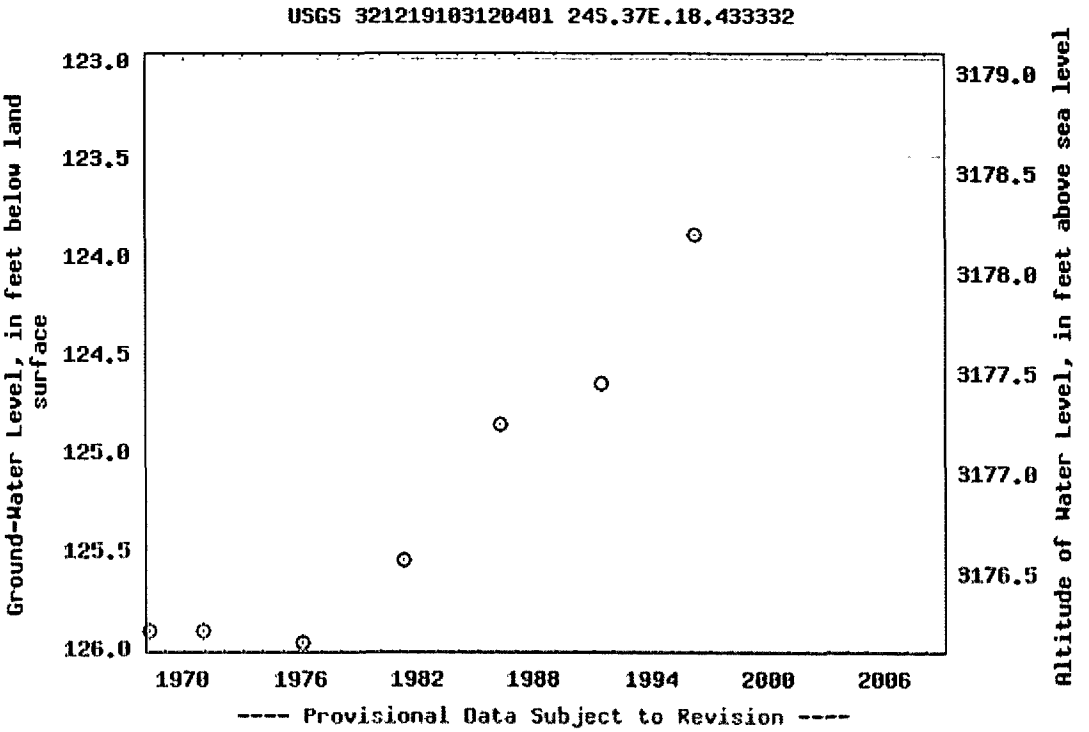
## USGS 321219103120401 24S.37E.18.433332

**Available data for this site** SUMMARY OF ALL AVAILABLE DATA GO

Lea County, New Mexico
Hydrologic Unit Code 13070007
Latitude 32°12'37", Longitude 103°12'05" NAD27
Land-surface elevation 3,302.10 feet above sea level
NGVD29
The depth of the well is 150 feet below land surface.
This well is completed in the ALLUVIUM,BOLSON DEPOSITS AND OTHER SURFACE DEPOSITS (110AVMB) 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.
Download a presentation-quality graph

**Questions about sites/data?**
**Feedback on this web site**

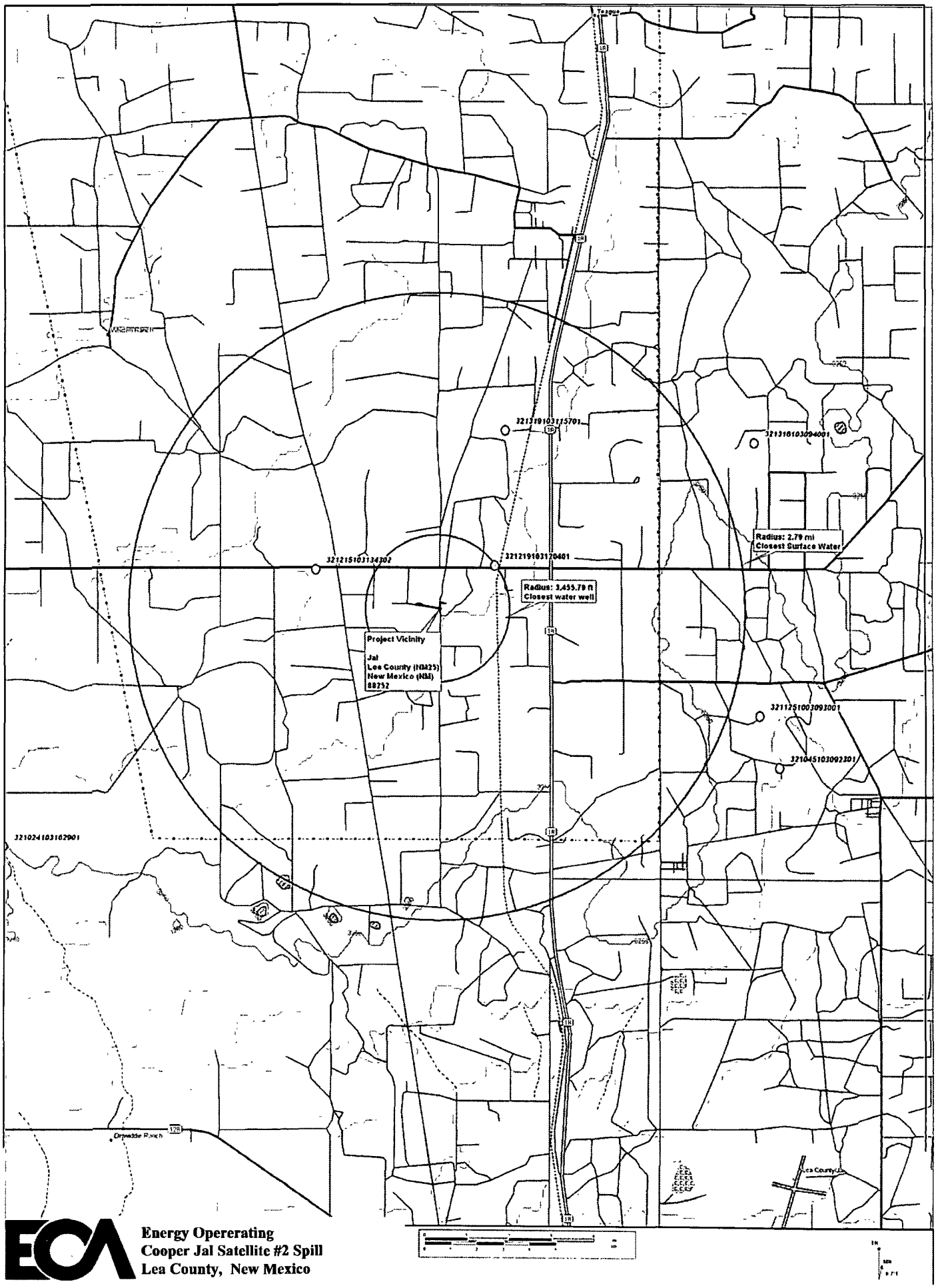
Top
Explanation of terms
Subscribe to NWISWeb notifications

**Automated retrievals**

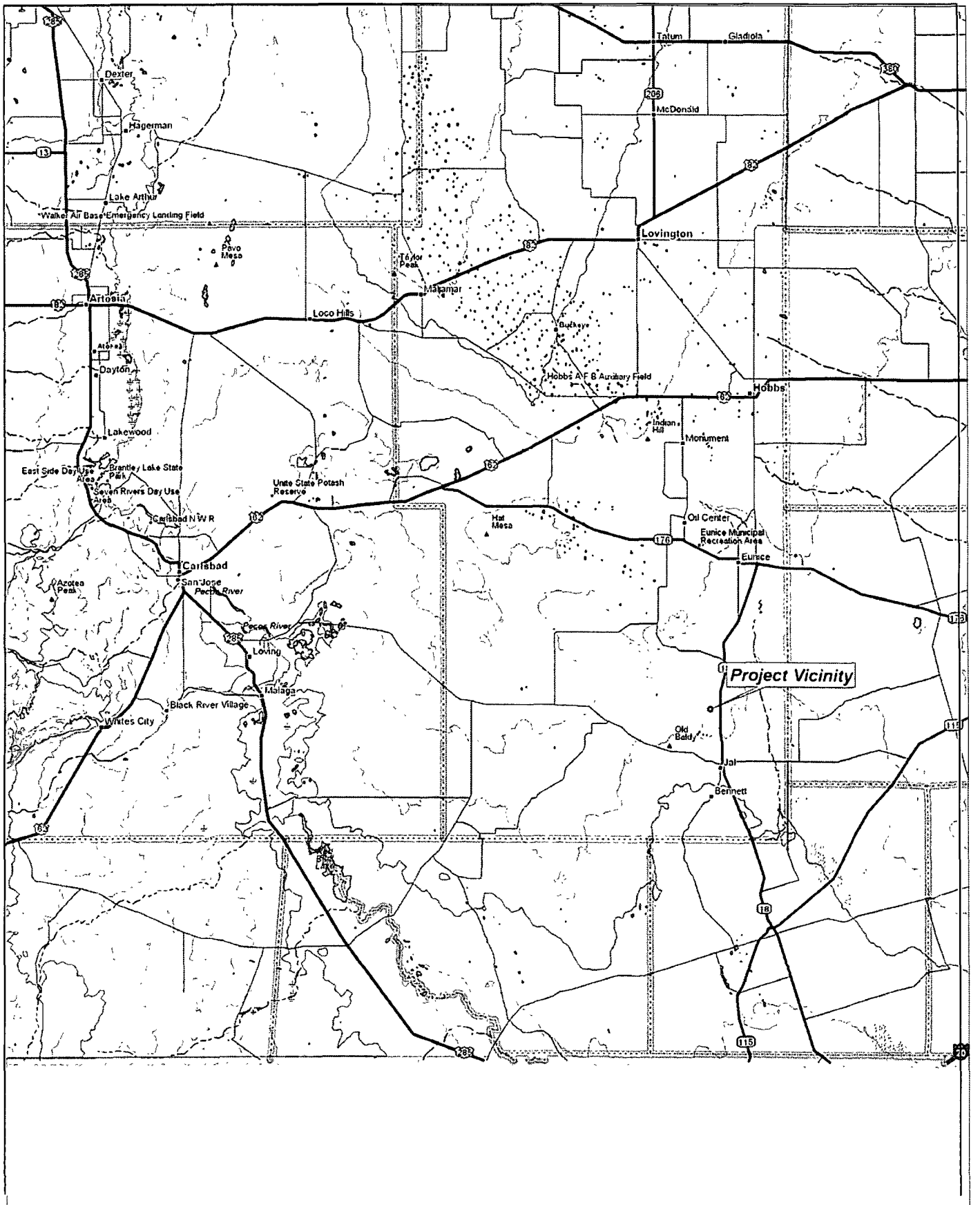
Accessibility FOIA Privacy Policies and Notices

U.S. Department of the Interior | U.S. Geological Survey
**Title: Ground water for New Mexico: Water Levels**
**URL: http://waterdata.usgs.gov/nm/nwis/gwlevels?**

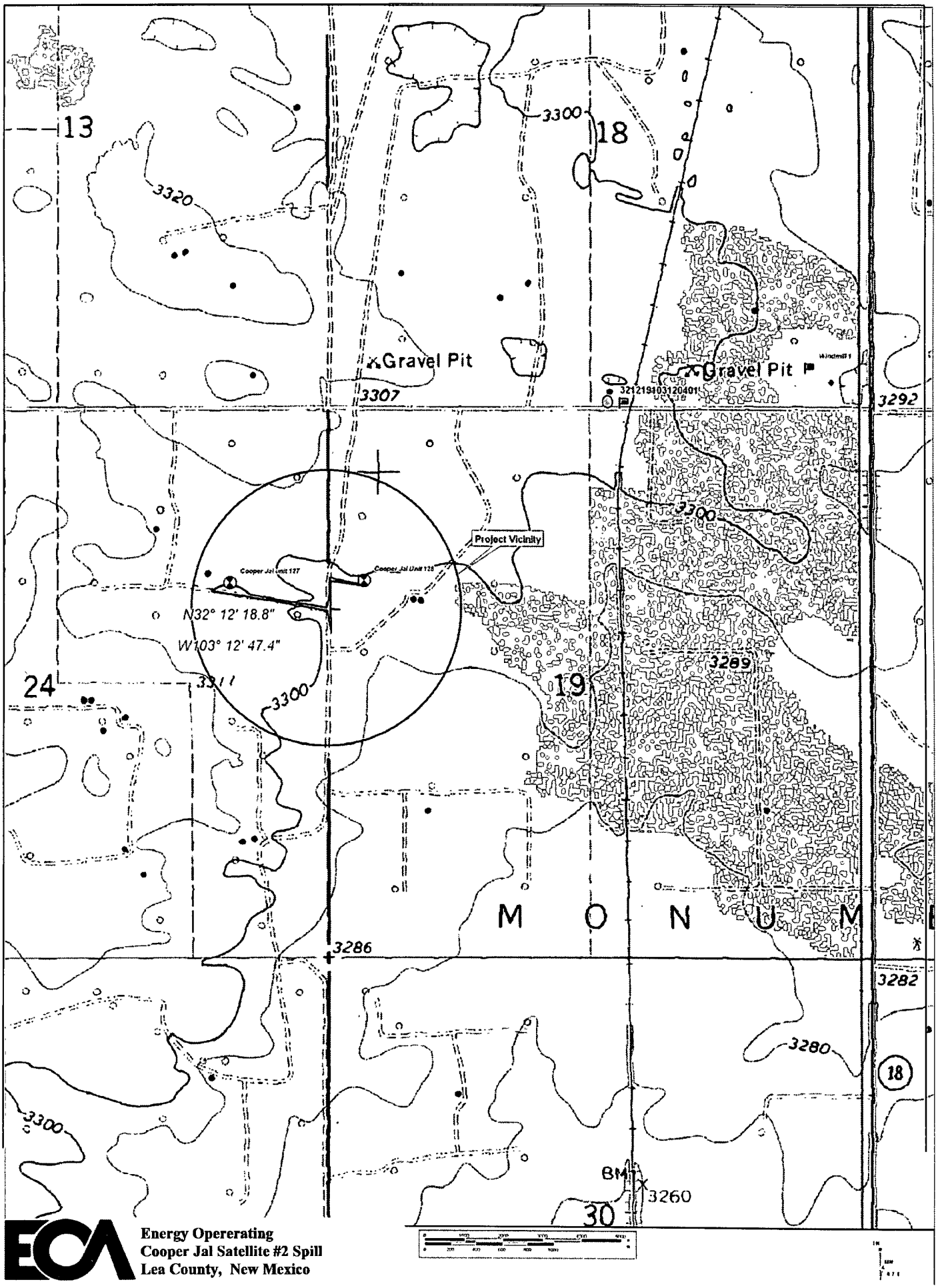
Page Contact Information: New Mexico NWISWeb Maintainer
Page Last Modified: 2008-09-29 12:07:20 EDT
2.45 1.87 nadww01




**Energy Opererating**
**Cooper Jal Satellite #2 Spill**
**Lea County, New Mexico**




**Energy Opererating**
**Cooper Jal Satellite #2 Spill**
**Lea County, New Mexico**



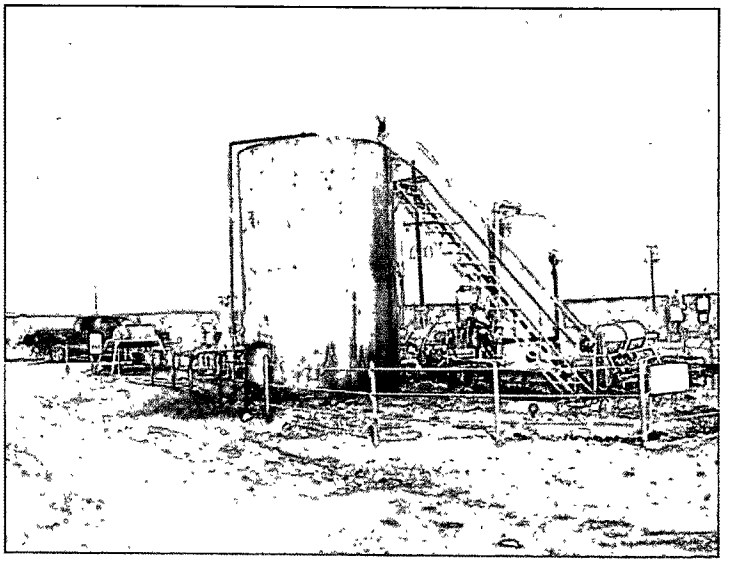

**Energy Opererating**
**Cooper Jal Satellite #2 Spill**
**Lea County, New Mexico**

# ATTACHMENT D

## Photographic Documentation

# *Torch Cooper Jal Satellite #2*
# *Producted water spill*
# *General site visit photos*


Cooper Jal Satellite #2 Facility
Photo ID- 001



Cooper Jal Satellite #2 Facility
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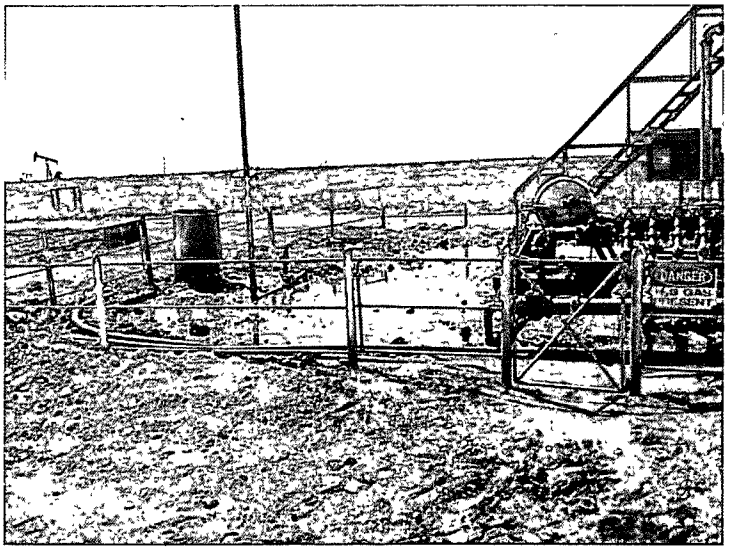

Cooper Jal Satellite #2 Facility
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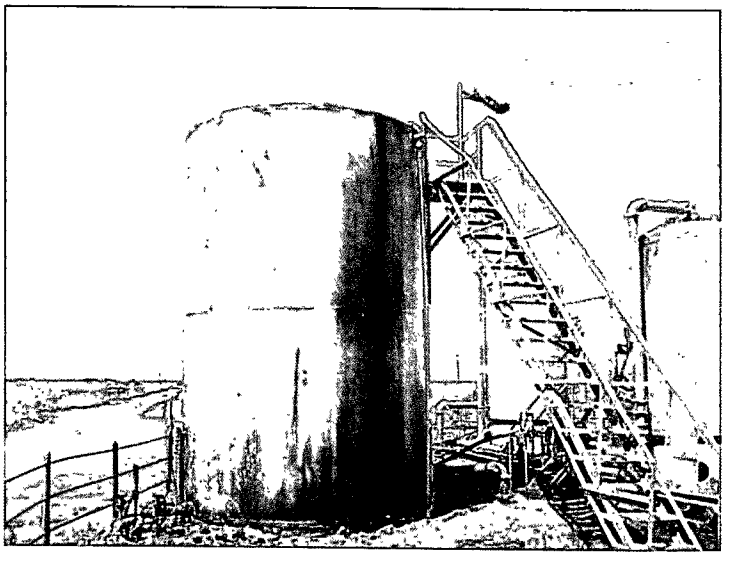
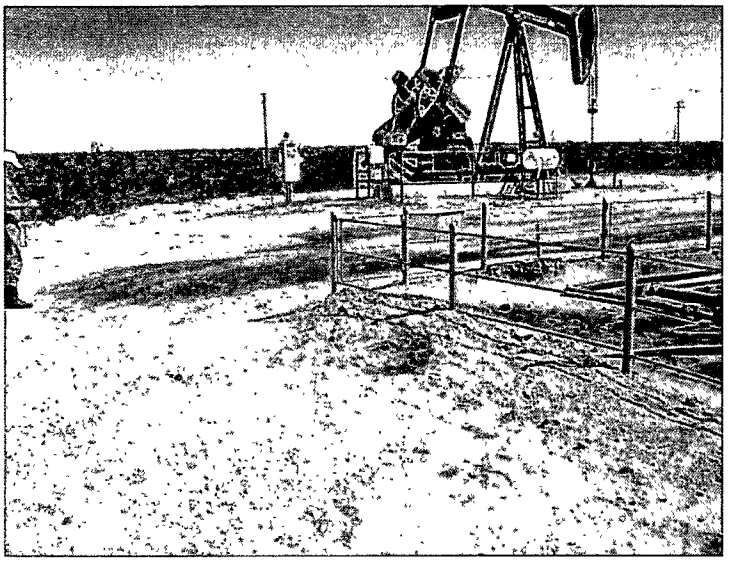


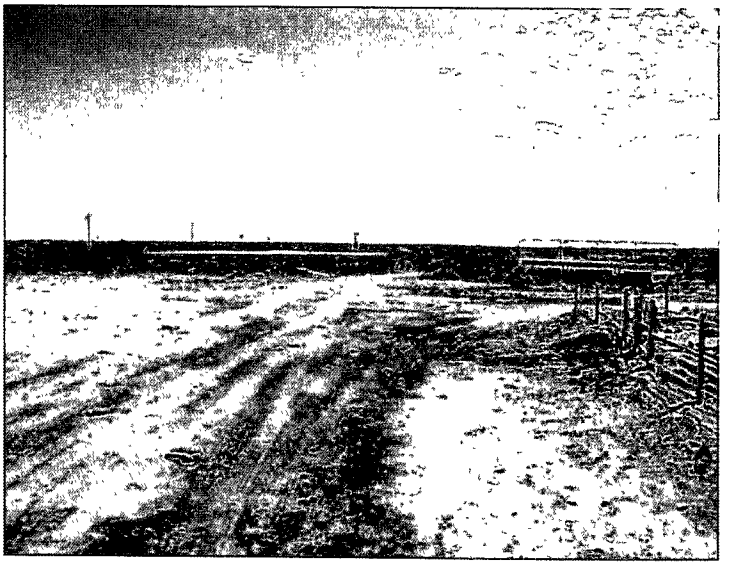
Cooper Jal Satellite #2 Facility
Photo ID- 004

Photos taken 9-17 & 18-08

# *Torch Cooper Jal Satellite #2*
# *Producted water spill*
# *General site visit photos*



General location View
Photo ID- 005



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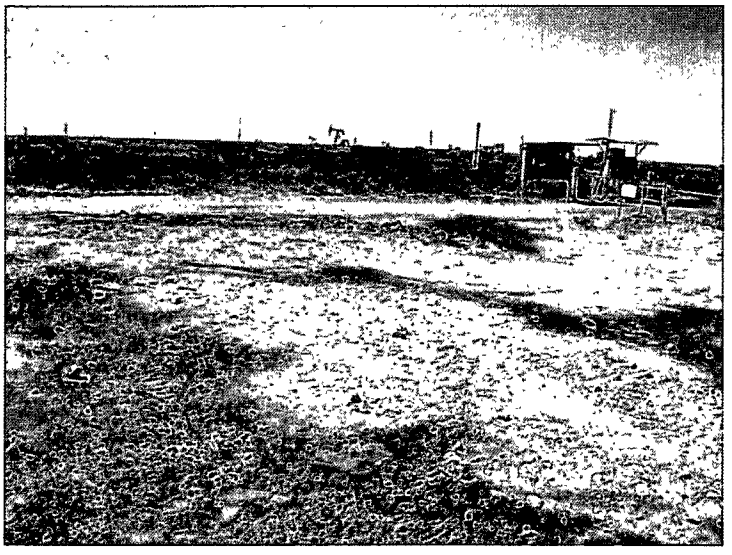
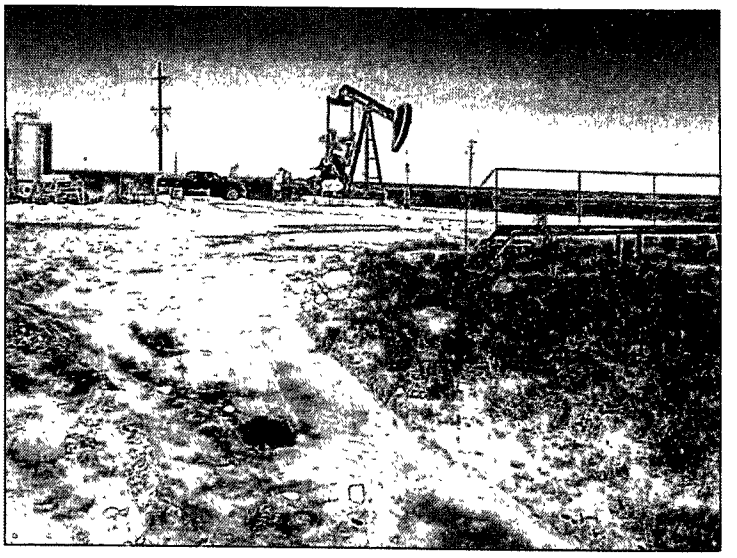


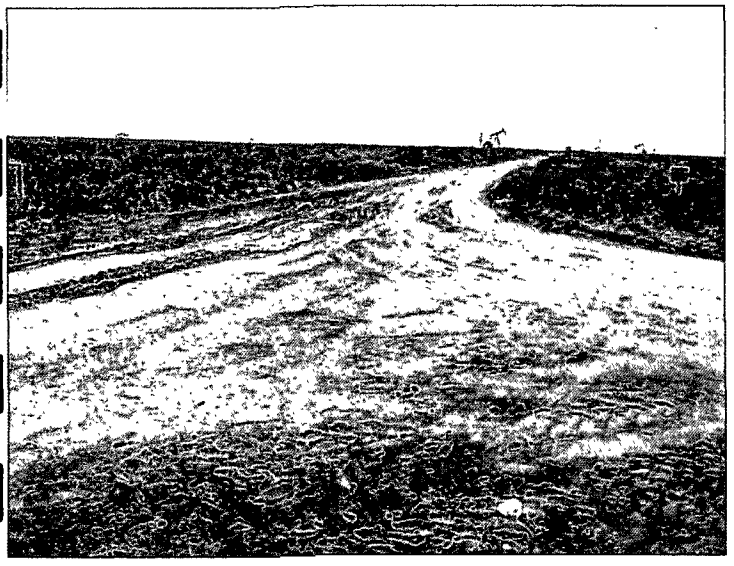
Pooled area #1
Photo ID- 007



Pooled area #1
Photo ID- 008

Photos taken 9-17 & 18-08

# *Torch Cooper Jal Satellite #2*
# *Producted water spill*
# *General site visit photos*



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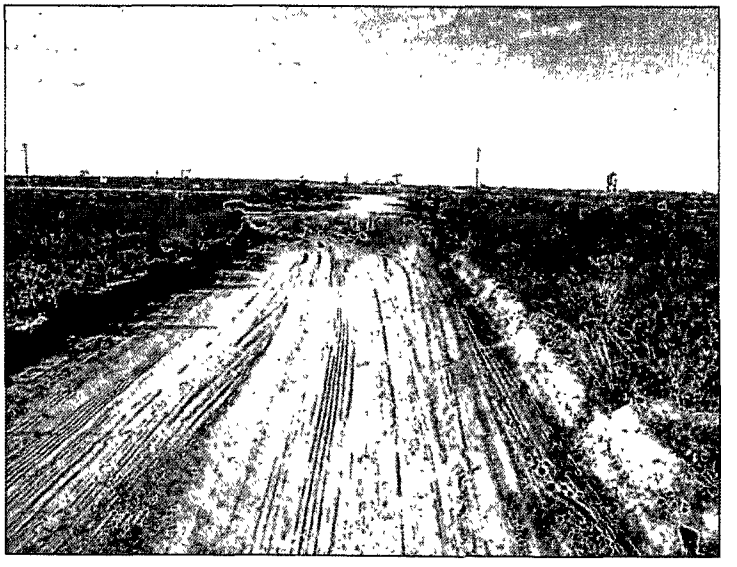

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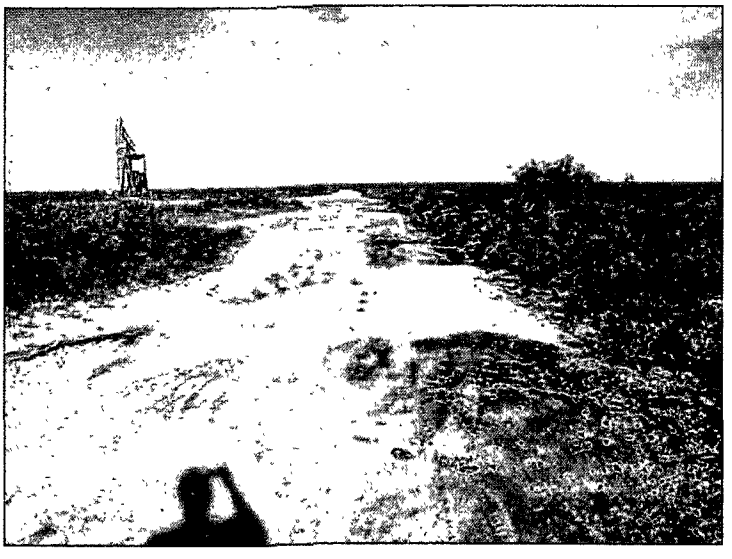
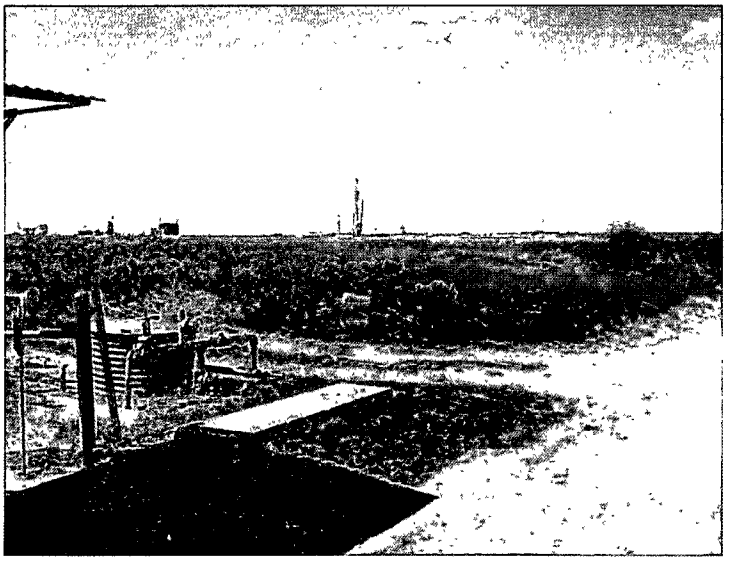


Pooled area #3
Photo ID- 011

Pooled Area #3
Photo ID- 012

Photos taken 9-17 & 18-08

***Torch Cooper Jal Satellite #2***
***Producted water spill***
***General site visit photos***



over spray Area
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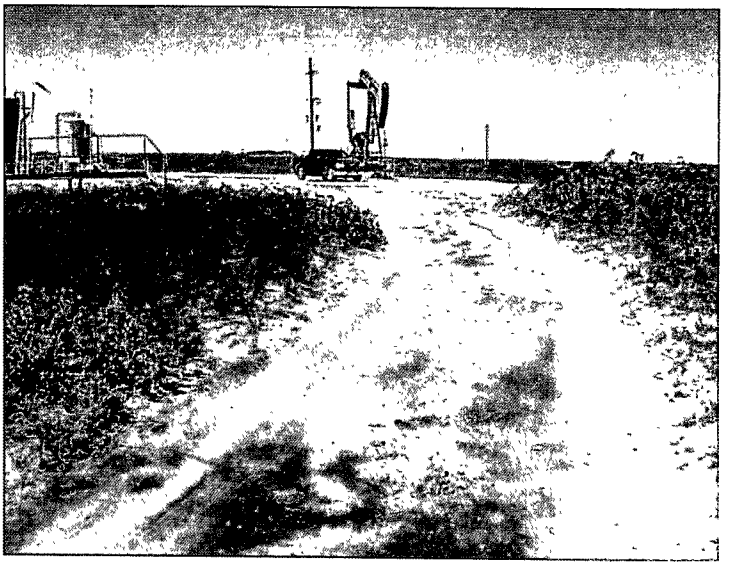

General Road view
Photo ID- 014

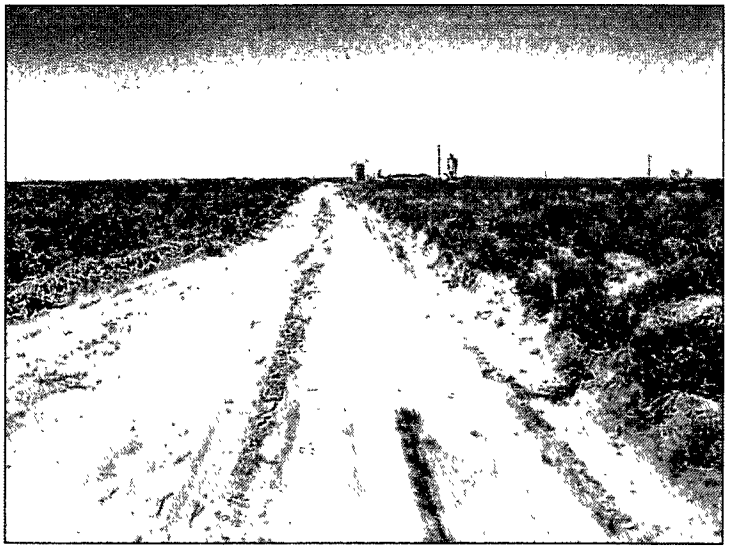

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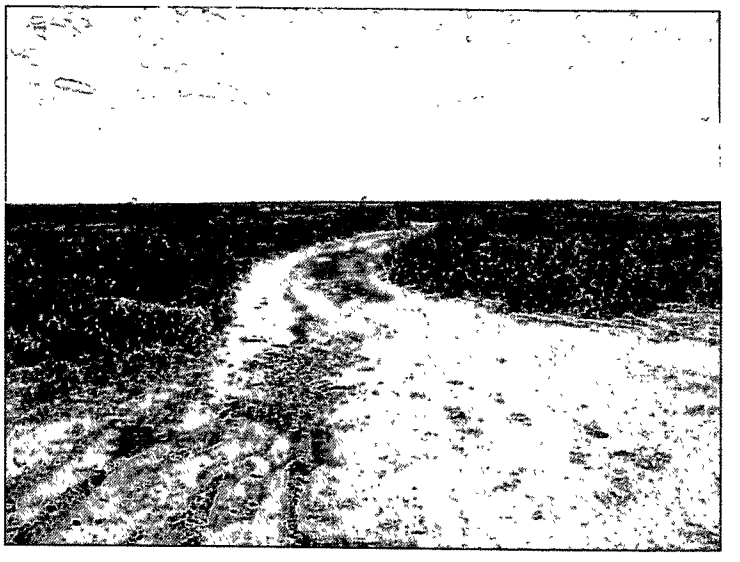
Photo ID- 015



General Road View
Photo ID- 016

Photos taken 9-17 & 18-08