

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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

JAN 23 2009
OCD-ARTESIA
Form C-141
Revised October 10, 2003

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

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

Release Notification and Corrective Action

NSEB0902729644 OPERATOR Initial Report Final Report

Name of Company <u>St. Mary Land & Exploration Co. 154903</u>	Contact <u>Donna Huddleston</u>
Address <u>3300 N. A Street, Bldg. 7, Ste. 200 Midland, TX</u>	Telephone No. <u>(432)688-1789</u>
Facility Name <u>Tirano CNG State</u>	Facility Type <u>Tank Battery</u>
<u>TIRANO CNG STATE 001</u>	
Surface Owner <u>State of New Mexico</u>	Mineral Owner _____ Lease No. _____

30 015 27853

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
N	36	24S	28E	660	South	1980	West	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release <u>OIL</u>	Volume of Release <u>20 bbls</u>	Volume Recovered <u>2 bbls</u>
Source of Release <u>4' X 20' Heater Treater</u>	Date and Hour of Occurrence <u>1/19/2009</u>	Date and Hour of Discovery <u>1 AM 1/19</u>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <u>NMOCD - Mike Bratcher (left voicemail)</u>	
By Whom? <u>Bill Hearne</u>	Date and Hour <u>1/19/09 @ 11:07 AM</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.*

Heater Treater dump failure. Oil dump failed to operate properly, filled gas section of heater treater and dumped oil out of gas vent line. Repair oil dump on heater treater and return wells to production. Vacuum truck picked up approx 2 bbls off ground.

Describe Area Affected and Cleanup Action Taken.*

Affected area: 30' X 30' @ vent line and 300' x 12' South of Vent. Total area 4800 sq. ft. in pasture.
Cleanup Action Taken: Washed down treater and used Vacuum truck to pick up oil. Plan to remediate affected area.

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: <u>Donna Huddleston</u>	OIL CONSERVATION DIVISION	
Printed Name: <u>Donna Huddleston</u>	Approved by District Supervisor: <u>T. Gumm SB</u>	Remediation Actions to be completed and Final C-141 submitted with confirmation analyses/ documentation on or before the Expiration Date.
Title: <u>Production Tech</u>	Approval Date: <u>1-27-09</u>	Expiration Date: <u>03-27-09</u>
E-mail Address: <u>dhuddleston@stmaryland.com</u>	Conditions of Approval: Within 30 days, on or before <u>2-27-09</u> , completion of a remediation work plan based on delineation should be finalized and submitted for approval to the Division summarizing all actions taken and/or to be taken to mitigate environmental damage.	Attached <input checked="" type="checkbox"/>
Date: <u>01/20/2009</u> Phone: <u>(432)688-1789</u>	Notify OCD 48 hours prior to obtaining samples where analyses are to be presented to OCD	<u>2RP - 294</u>

* Attach Additional Sheets If Necessary

NMOCD approval shall be obtained prior to any backfilling activities.



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



January 27, 2009

CERTIFIED MAIL—RETURN RECEIPT REQUESTED
7007 2560 0002 2222 8230

St. Mary Land & Exploration Co
3300 N. A Street, Bldg 7, Suite 200
Midland TX 79705

RE: Tirano CNG State 001 30-015-27853
N-36-24S-28E Eddy County, New Mexico
2RP-294

Dear Operator:

This office is in receipt of your C-141 regarding the crude oil release at this facility.

NMOCD Rule 19.15.29.11 NMAC states in part, "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."

A guide document intended to provide direction for remediation of soils and fresh waters contaminated as a result of leaks, spills, or releases of oilfield wastes and products is found on OCD's web site at the following link:
http://www.emnrd.state.nm.us/oed/documents/7C_spill1.pdf

The following actions are **required** to be addressed in the **remediation plan**:

- Horizontal and vertical delineation of the spill by soil sampling. Delineation is required until contamination reaches background levels or a site specific acceptable level. Any constituent(s) of concern—to include but not limited to TPH, BTEX, and chlorides—are to be addressed in the delineation and remediation plan.
- Prepare a sketch of the site indicating where and at what depths the samples were taken.
- Submit laboratory results of sampling and the work plan proposal (plan) for remediation, removal and/or clean up of contaminants that may be present at the site.

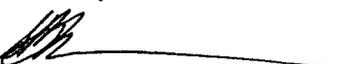
Notify the OCD 48 hours prior to obtaining samples where analyses of samples obtained are to be submitted to the OCD. Notification is to include date and time of sample event.

Within 30 days, **on or before February 27, 2009**, completion of a remediation work plan should be finalized and submitted to the Division summarizing all actions taken or to be taken to mitigate environmental damage related to the leak, spill or release for approval.

Please be advised that NMOCD acceptance and/or approval of documents or work plans 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 and/or approval of documents or work plans do not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

If I may be of further assistance with this matter or should you have any questions, please feel free to contact me.

Sincerely,



Sherry Bonham
NMOCD District II
575.748.1283 X109

