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

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

RECEIVED
JAN 26 2011
NMOCD ARTESIA

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

X Initial Report Final Report

nMLB1111631331

Name of Company: Marshall & Winston, Inc. 14187	Contact: Tom Brandt
Address: PO Box 50880, Midland, TX 79710-0880	Telephone No.: 432-684-6373
Facility Name: DUBLIN 23 FEDERAL NO. 1	Facility Type: Oil & Gas Wellsite **NMOCD 2RP No.: 754**

Surface Owner:	Mineral Owner:	LEASE NO.: LC-069157
Federal	Federal	API NO.: 30-015-34879

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
O	23	22S	28E	660	South	1980	East	Eddy

Latitude____ Longitude_ __

NATURE OF RELEASE

Type of Release: Produced water from accidental truck discharge	Volume of Release: Unauthorized Discharge - Unknown	Volume Recovered: None (sandy/rocky area quickly absorbed)
Source of Release: Leaking valve on the southern most load line while VMJ transport truck was loading out.	Date and Hour of Occurrence: Unknown	Date and Hour of Discovery: BLM NWO 1 December 2010
Was Immediate Notice Given? ASAP due to documentation issues. Operator not aware that this discharge was reportable until recent field work began. Thus changed status from an NR. Yes X No ☐ Not Required	If YES, To Whom? NMOCD (Mike Bratcher) 7 December 2010 via letter as an NR at that time	
By Whom? BLM	Date and Hour: Unknown based on issuance of NWO on 11/28/2010	
Was a Watercourse Reached? ☐ Yes X No	If YES, Volume Impacting the Watercourse. N/A	

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*

Since the produced water discharge had occurred at an unknown time, all discharged liquid had soaked into the impacted areas both offsite and into the side of the pad adjacent to the southern most water tank. A backhoe was contracted to begin removing the contaminated soils and haul these to disposal as soon as possible to prevent further vertical and horizontal absorption. Samples were taken to establish the discharge baseline for excavation purposes.

Describe Area Affected and Cleanup Action Taken.*

Cleanup is being conducted as delineated in the attached Corrective Action Plan (CAP) pursuant to NMOCD regulatory mandates. Sampling defined the extent of the spill area and remediation will be conducted accordingly. **SEE ATTACHED LABORATORY DOCUMENTS FOR DETAILS.**

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.

Signature: Tom M Brandt

Printed Name: Tom M. Brandt

Title: President

E-mail Address: tbrandt@mar-win.com

Date: 25 January 2011 **Phone: 432-684-6373**

OIL CONSERVATION DIVISION

Approved by District Supervisor: Mike Bratcher

Approval Date: 4/26/2011 Expiration Date:

Conditions of Approval: Remediation per NMOCD Rules & Guidelines Attached ☐

* Attach Additional Sheets If Necessary

2RP-754

Mr. Tom Brandt
President
MARSHALL & WINSTON, INC.
PO Box 50880
Midland, TX 79710-0880

25 January 2011

Mr. Mike Bratcher
OIL CONSERVATION DIVISION
1301 West Grand Avenue
Artesia, NM 88210

Re: Dublin 23 Federal No. 1 Corrective Action Plan (CAP) Produced Water Discharge
U/L O Sec 23 T22S R28E 660' FSL 1980' FEL
API No.: 30-015-34879 / Federal Lease No.: LC-069157 / **NMOCD 2RP No.:** 754

Dear Mr. Bratcher:

Marshall & Winston, Inc. (Marshall & Winston) herewith notifies the State of New Mexico, Oil Conservation Division (NMOCD) that it received a Notice of Written Order (NWO) No. 11-JA-037W from the Bureau of Land Management (BLM) on a produced water discharge caused by a leaking valve on the southern most load line of said battery as cited above. Marshall & Winston proceeded with cleanup as is warranted by the extremely rocky and thin sandy soil conditions to prevent further vertical and horizontal absorption, especially given the time of year and the onset of inclement, wintry conditions.

Samples were taken to ascertain soil chloride values and delineate the produced water discharge impact. Laboratory analyticals verified a beginning discharge baseline of 80,000 mg/K of soil chlorides with no hydrocarbons present. Excavation operations defined the presence of cap rock on 24 January 2011 at approximately 10" to 14" posing severe limitations on further excavation without danger of violating the integrity of this impermeable barrier, which had prevented further vertical transport of the contaminant. Following removal of approximately 60 yards of contaminated material to disposal (90% of which was rock) and an additional sampling investigation to re-verify the infield conditions, Marshall & Winston notified the NMOCD and the BLM that traditional cleanup methods should be re-evaluated predicated on the following dynamics which are substantiated by laboratory results after even further excavation efforts were engaged, as follows below:

	19 JANUARY 2011 SAMPLING EVENT	**24 JANUARY 2011 SAMPLING EVENT**
1.	Tank battery area -3,640 mg/K	5,210 mg/K
2.	Middle area discharge - 5,450 mg/K	4,260 mg/K
3.	Discharge at end of spill - 4,540 mg/K	3,700 mg/K
4.	SE Leg area – 1,640 mg/K	2,370 mg/K

When one compares these analytical results, they are basically identical even though more

material has been removed. This phenomenon is occurring because the surface area ratios (90% rock / 10% soil) are completely skewed to favor the contaminant values which can only be derived from two sources (1) minute amounts of loose soil which continue to mix with (2) minor amounts of soil attached to rocks constantly being moved during remediation activities within the surrounding environment. Unless all loose rock is removed and the cap rock swept clean, it is doubtful soil chloride values will decrease enough to be significantly different from the data we now have. Further, such an aggressive/radical action forebears common sense applications of environmental assuredness. It is very important to remember that the contaminant levels began with 80,000 mg/K on the surface, which for all practical and measurable options has basically been removed.

What does make sense is to consider that the remaining sodium chloride levels are trapped by the cap rock and will not penetrate into groundwater, which in this area lies at approximately 70'. Further delineation is also not possible due to the potential threat of violating the cap rock and soil chloride values are not significant when held in context with the actual infield situation. The excavated material will be replaced with clean soil, fertilized (calcium sulfate) and seeded pursuant to BLM seed mixes for this area. Thus restoring the natural habitat.

Should you have questions, please call 432-684-6373 (office) or 432-553-9747 (cell).

Sincerely,

Tom M Brandt

Tom Brandt
President

Enclosures: NMOCD Initial C-141, Laboratory Analyticals