

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 Department

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

Form C-141
Revised August 24, 2018
Submit to appropriate OCD District office

Incident ID	NRM2019560813
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party: WPX Energy Permian, LLC.	OGRID: 246289
Contact Name: Jim Raley	Contact Telephone: 575-689-7597
Contact email: james.ralej@wpxenergy.com	Incident # (assigned by OCD)
Contact mailing address: 5315 Buena Vista Dr., Carlsbad, NM 88220	

Location of Release Source

Latitude 32.33342 _____ Longitude -104.18275 _____
(NAD 83 in decimal degrees to 5 decimal places)

Site Name: DALMATIAN 3 2 23 27 FEE #411H	Site Type: Production Facility
Date Release Discovered: 7/6/2020	API# (if applicable): 30-015-45690

Unit Letter	Section	Township	Range	County
L	03	23S	27E	Eddy

Surface Owner: State Federal Tribal Private

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

<input checked="" type="checkbox"/> Crude Oil	Volume Released (bbls)30	Volume Recovered (bbls)30
<input type="checkbox"/> Produced Water	Volume Released (bbls)	Volume Recovered (bbls)
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Condensate	Volume Released (bbls)	Volume Recovered (bbls)
<input type="checkbox"/> Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
<input type="checkbox"/> Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release: Leak on circulation pump resulted in approx. 30 bbls of oil released to lined secondary containment. Fluids recovered.

bbl estimate = recovered fluids (bbl)

State of New Mexico
 Oil Conservation Division

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Was this a major release as defined by 19.15.29.7(A) NMAC? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release? Volume exceeded 25 bbls.
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Email to NMOCD District II Office and NMOCD Director on 7/7/2019.	

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

<input checked="" type="checkbox"/> The source of the release has been stopped. <input checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input checked="" type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately.
If all the actions described above have <u>not</u> been undertaken, explain why:
Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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.
Printed Name: Jim Raley Title: Environmental Specialist Signature:  Date: 7/7/2020 email: james.raley@wpenergy.com Telephone: 575-689-7597
<u>OCD Only</u> Received by: <u>Ramona Marcus</u> Date: <u>7/13/2020</u>

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Oil Conservation Division

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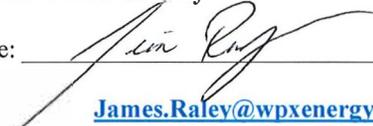
Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: *Each of the following items must be included in the closure report.*

- A scaled site and sampling diagram as described in 19.15.29.11 NMAC
- Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)
- Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)
- Description of remediation activities

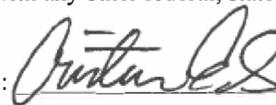
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

Printed Name: **Jim Raley** Title: **Environmental Specialist**
 Signature:  Date: **09/29/2019**
 email: James.Raley@wpenergy.com Telephone: **575-689-7597**

OCD Only

Received by: Cristina Eads Date: 09/29/2020

Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.

Closure Approved by:  Date: 11/23/2020
 Printed Name: Cristina Eads Title: Environmental Specialist



September 29, 2020

Vertex Project #: 20E-01585-005

Spill Closure Report: DALMATIAN 3 2 23 27 FEE #411H
Unit L, Section 03, Township 23 South, Range 27 East
County: Eddy
API: 30-015-45690
Tracking Number: nRM2019560813

Prepared For: WPX Energy
5315 Buena Vista Drive
Carlsbad, New Mexico 88220

New Mexico Oil Conservation Division – District 2 – Artesia

811 South First Street
Artesia, New Mexico 88210

WPX Energy (WPX) retained Vertex Resource Services Inc. (Vertex) to conduct a liner inspection for a release that occurred at DALMATIAN 3 2 23 27 FEE #411H (hereafter referred to as “Dalmatian”). WPX provided notification of the spill to New Mexico Oil Conservation Division (NM OCD) District 2, via submission of an initial C-141 Release Notification. The NM OCD tracking number assigned to this release is nRM2019560813.

This letter provides a description of the spill characterization and liner inspection, and demonstrates that closure criteria established in 19.15.29.12 *New Mexico Administrative Code* (NMAC; New Mexico Oil Conservation Division, 2018) have been met and all applicable regulations are being followed. This document is intended to serve as a final report to obtain approval from NM OCD for closure of this release.

Incident Description

On July 6, 2020, a release occurred at WPX’s Dalmatian site when a leak on a circulation pump developed. This incident resulted in the release of approximately 30 barrels (bbls) of crude oil into the lined secondary containment. Upon discovery of the release a hydrovac truck was dispatched to recover all free-standing liquids. Approximately 30 bbls of crude oil were recovered from the secondary containment and removed for disposal off-site. All fluids were contained within the lined Spill Prevention Control and Countermeasures (SPCC) containment and no produced water was released into undisturbed areas or waterways.

Site Characterization

The release at Dalmatian occurred on privately-owned land, N 32.33342, W 104.18275, approximately 5 miles southeast of Carlsbad, New Mexico. The legal description for the site is Unit L, Section 03, Township 23 South, Range 27 East, Eddy County, New Mexico. This location is within the Permian Basin in southeast New Mexico and has historically been used for oil and gas exploration and production, and rangeland. An aerial photograph and site schematic are included in Attachment 1.

WPX Energy
DALMATIAN 3 2 23 27 FEE #411H

2020 Spill Assessment and Closure
September 2020

Liner Inspection

On September 23, 2020, Vertex provided 48-hour notification of the liner inspection to NM OCD, as required by Subparagraph (a) of Paragraph (5) of Subsection A 19.15.29.11 NMAC (Attachment 2). On September 25, 2020, Vertex conducted a visual inspection of the production equipment secondary containment liner for cracks, tears, cuts and other signs of damage to verify that the liner remained intact and had the ability to contain the release. The photograph log associated with the inspection is included in Attachment 3.

Closure Request

Vertex recommends no remediation action to address the release at Dalmatian. The secondary containment liner appeared to be intact and had the ability to contain the release in question, as shown in the inspection photographs (Attachment 3). There are no anticipated risks to human, ecological or hydrological receptors associated with the release site.

Vertex requests that incident nRM2019560813 be closed as all closure requirements set forth in Subsection E of 19.15.29.12 NMAC have been met. WPX certifies that all information in this report and the attachments is correct and that they have complied with all applicable closure requirements and conditions specified in Division rules and directives to meet NM OCD requirements to obtain closure on the July 6, 2020 release at Dalmatian.

Should you have any questions or concerns, please do not hesitate to contact the undersigned at 575.988.0871 or ksmith@vertex.ca.

Sincerely,



KEVIN SMITH
ENVIRONMENTAL TECHNICIAN

Attachments

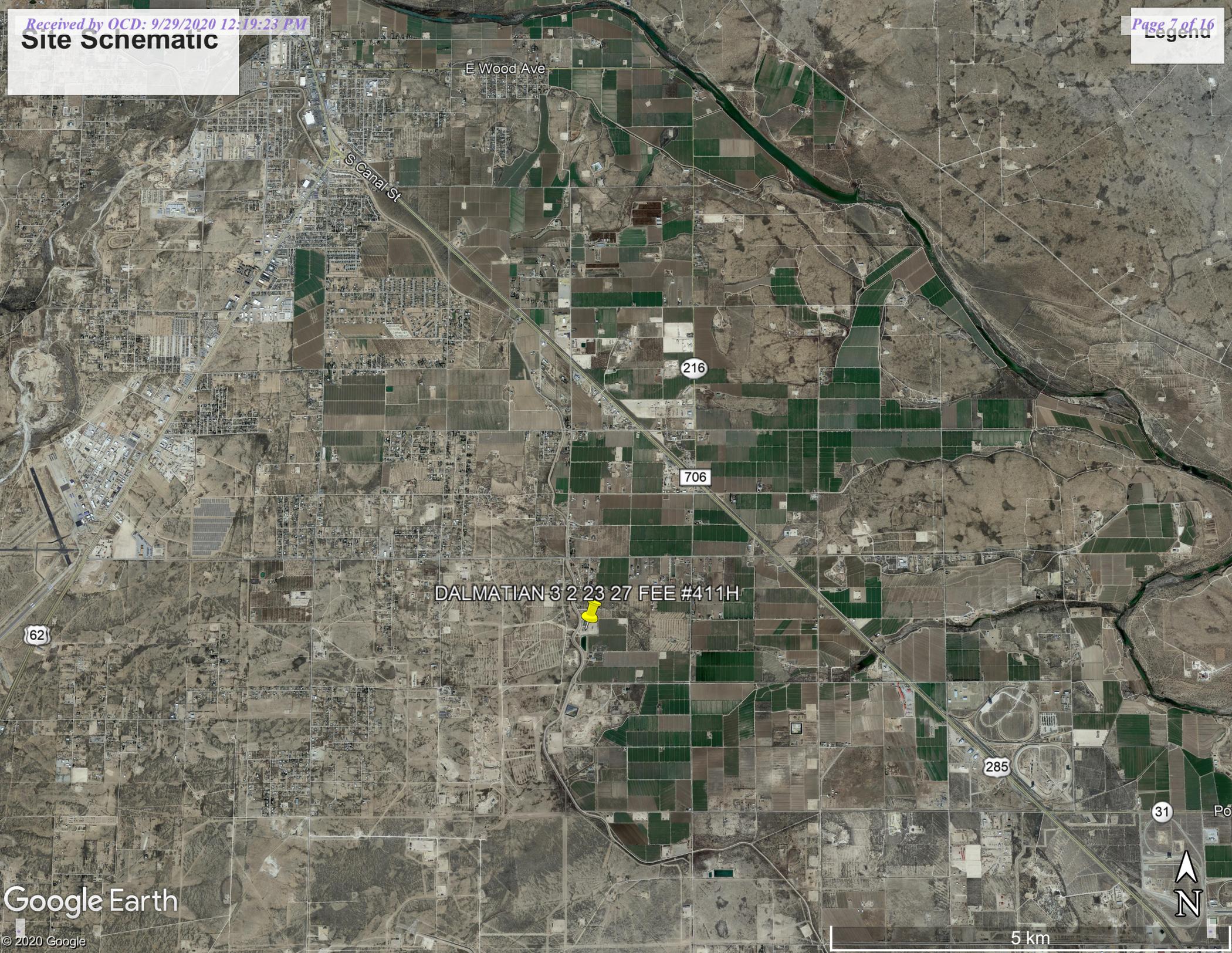
- Attachment 1. Site Schematic
- Attachment 2. Required 48-hr Notification of Liner Inspection to Regulatory Agencies
- Attachment 3. Photograph Log

Limitations

This report has been prepared for the sole benefit of WPX Energy (WPX). This document may not be used by any other person or entity, with the exception of the New Mexico Oil Conservation Division, without the express written consent of Vertex Resource Services Inc. (Vertex) and WPX. Any use of this report by a third party, or any reliance on decisions made based on it, or damages suffered as a result of the use of this report are the sole responsibility of the user.

The information and conclusions contained in this report are based upon work undertaken by trained professional and technical staff in accordance with generally accepted scientific practices current at the time the work was performed. The conclusions and recommendations presented represent the best judgement of Vertex based on the data collected during the assessment. Due to the nature of the assessment and the data available, Vertex cannot warrant against undiscovered environmental liabilities. Conclusions and recommendations presented in this report should not be considered legal advice.

Site Schematic



DALMATIAN 3 2 23 27 FEE #411H

E Wood Ave

S Canal St

216

706

62

285

31



Kevin Smith

From: Kevin Smith
Sent: September 23, 2020 8:06 AM
To: Mike.Bratcher@state.nm.us; Victoria.Venegas@state.nm.us; Robert.Hamlet@state.nm.us
Cc: Raley, Jim; Natalie Gordon
Subject: nRM2019560813: DALMATIAN 3 2 23 27 FEE #411H 48-hr Liner Inspection Notification
- WPX Energy

All,

Please accept this email as 48-hr notification that Vertex Resource Services Inc. has scheduled a liner inspection to be conducted at DALMATIAN 3 2 23 27 FEE #411H for Incident nRM2019560813, DOR: 07/06/2020.

On Friday, September 25, 2020 at approximately 8:30 a.m., Vertex will be onsite to perform the liner inspection. If you have any questions or concerns regarding this notification, please give me a call at 575-988-0871.

Thank you,
Kevin

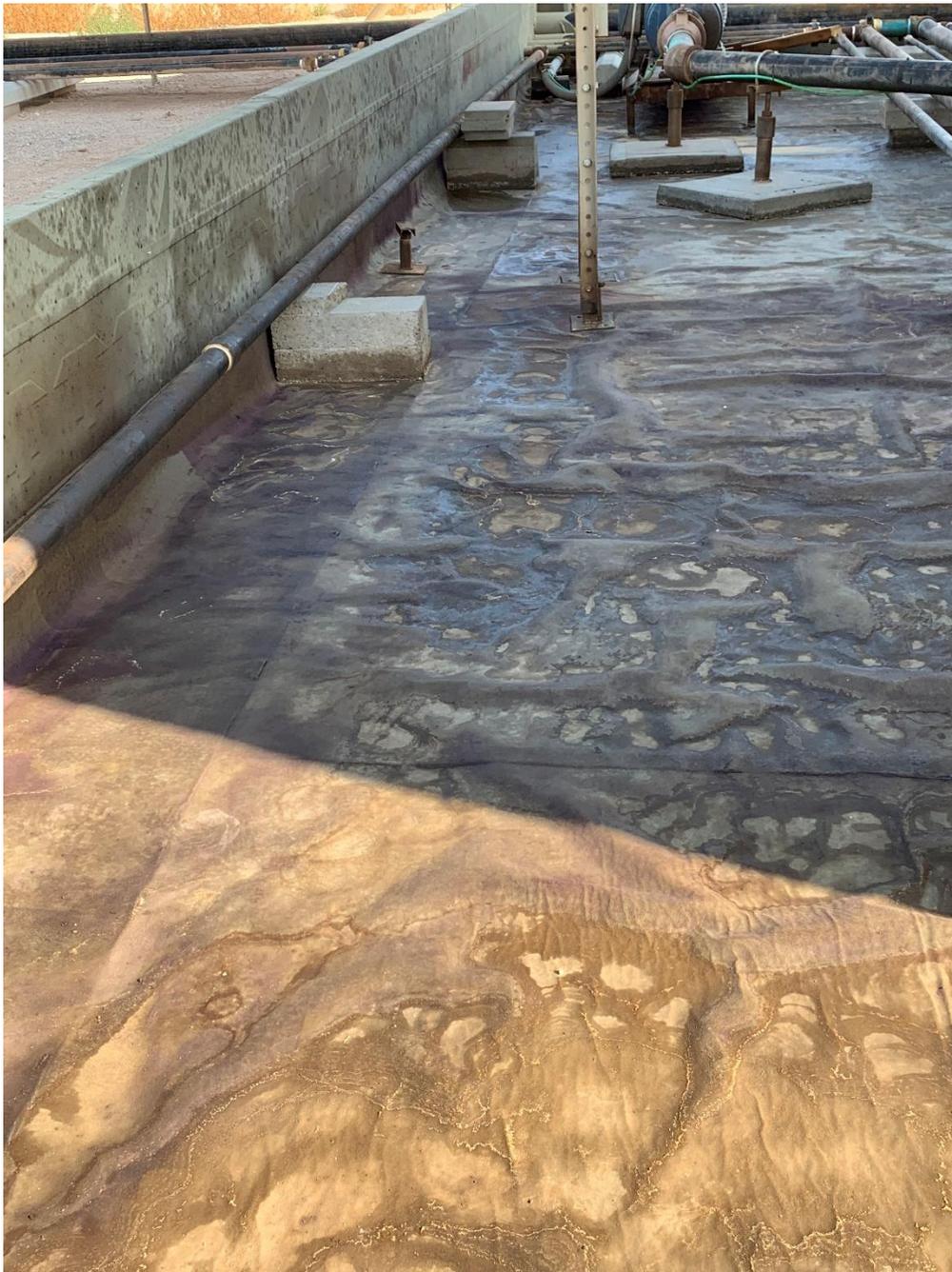


PHOTOGRAPH LOG



WPX Energy
DALMATIAN 3 2 23 27 FEE #411H

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