

LINER INSPECTION AND CLOSURE REPORT
REPORTABLE RELEASE

Spur Energy Partners
Stonewall 9 Fee #8H Battery
Incident ID: NAPP2134127547
Eddy County, NM

Prepared by:



Paragon Environmental LLC
1601 N. TURNER ST. STE.500
Hobbs, NM 88240
575-964-7814

GENERAL DETAILS

This report was prepared by Paragon Environmental LLC (Paragon) in response to the release for Spur Energy Partners (Spur) at the **Stonewall 9 Fee #8H Battery (Stonewall)**.

Site Coordinates: Latitude: 32.668313655 Longitude: -104.37967276

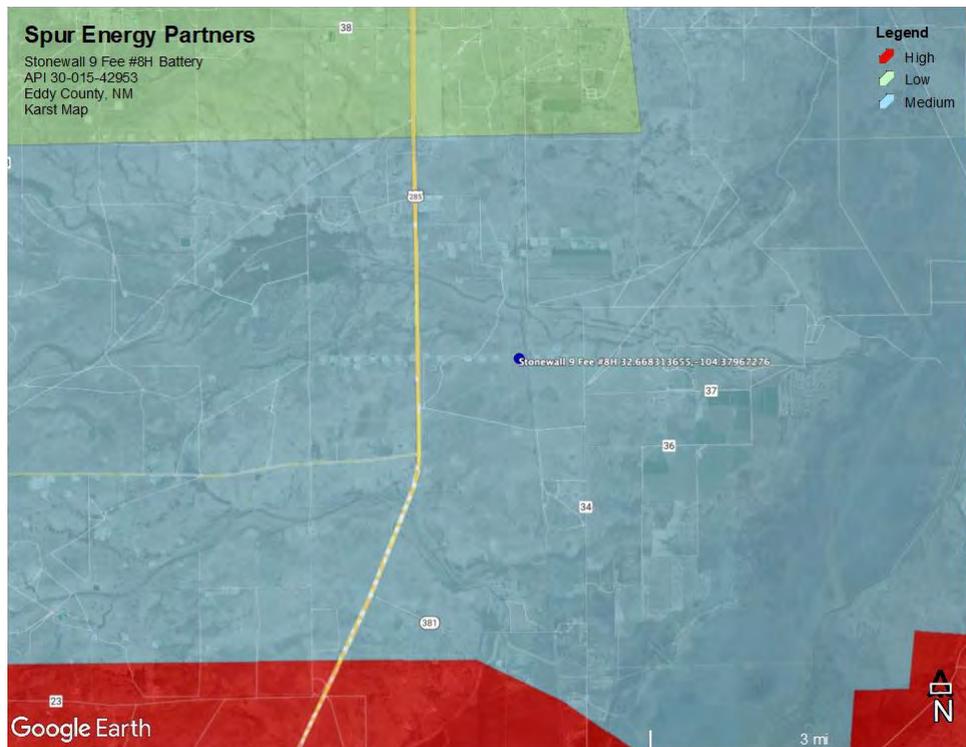
Unit UL P, Section 09, Township 19S, Range 26E

Incident ID: NAPP2134127547

REGULATORY FRAMEWORK

Depth to Groundwater: According to the New Mexico State of Engineers Office, the nearest water data is approximately 8/10ths of a mile away and is 70 feet below ground surface (BGS). See Appendix A for details.

Soil Survey: Per the New Mexico Bureau of Geology and Mineral Resources, the geology is in the Piedmont alluvial deposits (Holocene to lower Pleistocene)-Includes deposits of higher gradient tributaries bordering major stream valleys, alluvial veneers of the piedmont slope, and alluvial fans. May locally include uppermost Pliocene deposits (QP). According to the United States Department of Agriculture Natural Resources Conservation Service soil survey, the soil in this area is comprised of the Reagan loam, with 0 to 3 percent slopes. The drainage courses in this area is well-drained. The karst geology in the area of the Stonewall is not in a High Karst area. See the map below.



RELEASE DETAILS

This incident occurred due to the internal corrosion inside the treater. This resulted in the release of 20 bbls of Produced Water that was contained in the Falcon Lined Containment. A vacuum truck was dispatched and recovered the 20 bbls of fluids.

Date of Spill: 12/04/2021

Type of Spill: Crude Oil Produced Water Condensate Other (Specify):

Comments: Reportable release.

Released: 20 bbls of Produced Water

Recovered: 20 bbls of Produced Water

INITIAL SITE ASSESSMENT

On July 12, 2022, Paragon went to the Stonewall and conducted an initial assessment. There was obvious staining on the liner from the spill. There was nothing outside the containment that showed any signs that the liner had been breached. Therefore, no samples were taken. See the site map below showing the affected area.



REMEDIATION ACTIVITIES

On July 29, 2022, Paragon returned to the site with equipment and personnel to conduct cleanup activities. We initially sprayed the affected area with surface cleaner. We then power washed and squeegeed the runoff to where the vacuum truck could capture the fluids.

On August 6, 2022, Paragon returned to the site to conduct a liner inspection. A 48-hour notification was sent out to the NMOCD on August 3, 2022. The liner inspection concluded that the liner was all intact and in good condition. The integrity of the liner appears to have the ability to contain spills. See Appendix D for the email notification and liner report.

CLOSURE REQUEST

After careful review, Paragon requests that the incident, NAPP2134127547, be closed. Spur has complied with the applicable closure requirements. If you have any questions or need additional information, please contact Chris Jones at 575-964-7814 or chris@paragonenvironmental.net.

Respectfully,



Chris Jones
Environmental Professional
Paragon Environmental LLC

Attachments

Figures:

- 1- Topo Map
- 2- Aerial Map

Appendices:

- Appendix A- Referenced Water Data
- Appendix B- Soil Survey & FEMA Flood Map
- Appendix C- C-141
- Appendix D- Email, Liner Inspection and Photographic Documentation

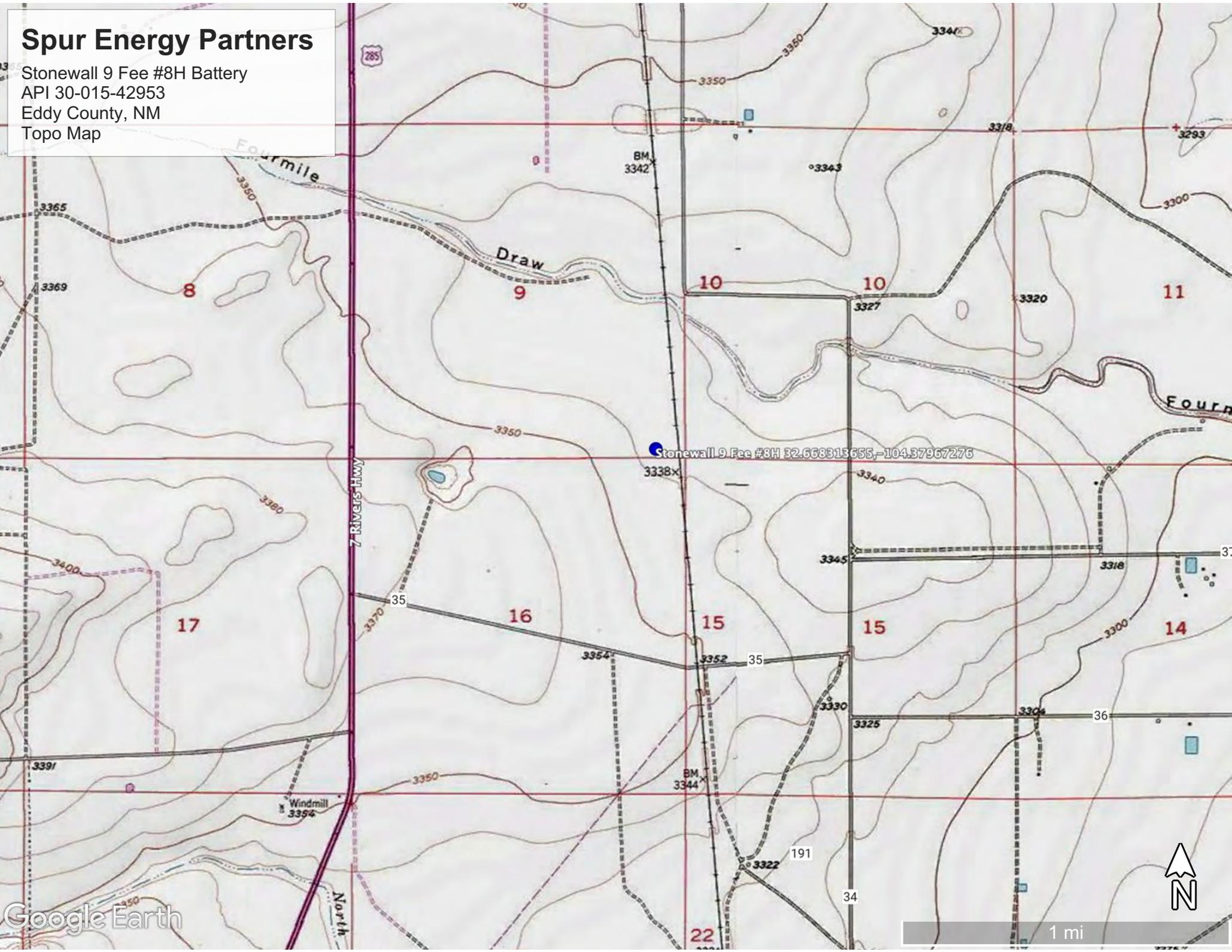


Figures:

- 1-Topo Map
- 2- Aerial Map

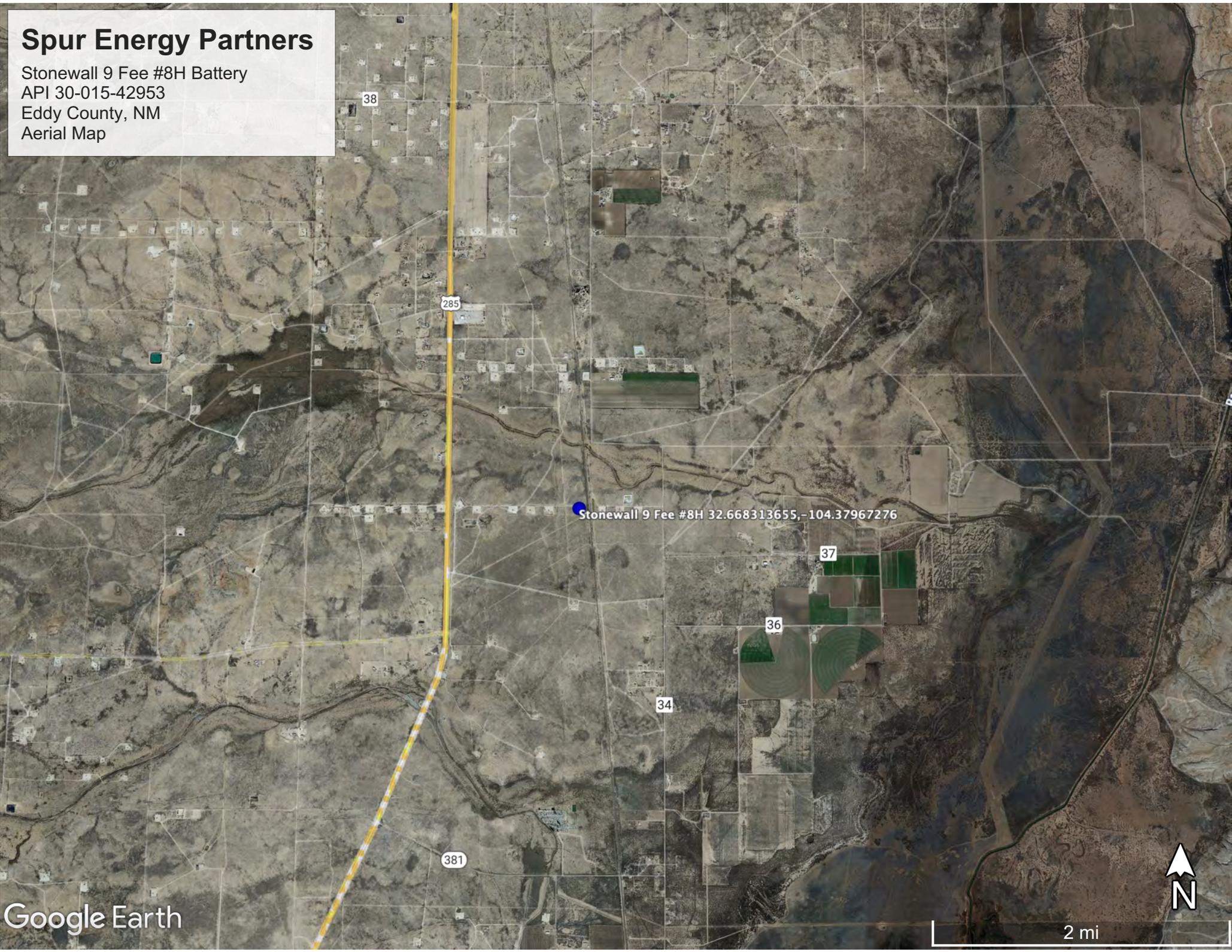
Spur Energy Partners

Stonewall 9 Fee #8H Battery
API 30-015-42953
Eddy County, NM
Topo Map



Spur Energy Partners

Stonewall 9 Fee #8H Battery
API 30-015-42953
Eddy County, NM
Aerial Map



Stonewall 9 Fee #8H 32.668313655,-104.37967276





Appendix A
Referenced Water Data:

New Mexico State of Engineers Office



New Mexico Office of the State Engineer

Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)

(R=POD has been replaced,
O=orphaned,
C=the file is closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest) (NAD83 UTM in meters)

(In feet)

POD Number	Code	POD Sub-basin	County	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Distance	DepthWell	DepthWater	Water Column
RA 01215		RA	ED	4	3	3	10	19S	26E	558603	3614739*	440	1192		
RA 03564		RA	ED		1	1	10	19S	26E	558491	3616060*	1411	200	70	130
													Average Depth to Water:		70 feet
													Minimum Depth:		70 feet
													Maximum Depth:		70 feet

Record Count: 2

UTM NAD83 Radius Search (in meters):

Easting (X): 558165.645

Northing (Y): 3614686.537

Radius: 1500

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



Appendix B
Soil Survey:

U.S.D.A.

FEMA Flood Map

Eddy Area, New Mexico

RA—Reagan loam, 0 to 3 percent slopes

Map Unit Setting

National map unit symbol: 1w5c

Elevation: 1,100 to 4,400 feet

Mean annual precipitation: 7 to 14 inches

Mean annual air temperature: 60 to 70 degrees F

Frost-free period: 200 to 240 days

Farmland classification: Farmland of statewide importance

Map Unit Composition

Reagan and similar soils: 98 percent

Minor components: 2 percent

Estimates are based on observations, descriptions, and transects of the mapunit.

Description of Reagan

Setting

Landform: Fan remnants, alluvial fans

Landform position (three-dimensional): Rise

Down-slope shape: Convex, linear

Across-slope shape: Linear

Parent material: Alluvium and/or eolian deposits

Typical profile

H1 - 0 to 8 inches: loam

H2 - 8 to 60 inches: loam

Properties and qualities

Slope: 0 to 3 percent

Depth to restrictive feature: More than 80 inches

Drainage class: Well drained

Runoff class: Low

Capacity of the most limiting layer to transmit water

(Ksat): Moderately high to high (0.60 to 2.00 in/hr)

Depth to water table: More than 80 inches

Frequency of flooding: None

Frequency of ponding: None

Calcium carbonate, maximum content: 40 percent

Maximum salinity: Very slightly saline to moderately saline (2.0 to 8.0 mmhos/cm)

Sodium adsorption ratio, maximum: 1.0

Available water supply, 0 to 60 inches: Moderate (about 8.2 inches)

Interpretive groups

Land capability classification (irrigated): 2e

Land capability classification (nonirrigated): 6e

Hydrologic Soil Group: B

Ecological site: R042XC007NM - Loamy
Hydric soil rating: No

Minor Components

Upton

Percent of map unit: 1 percent
Ecological site: R042XC025NM - Shallow
Hydric soil rating: No

Atoka

Percent of map unit: 1 percent
Ecological site: R042XC007NM - Loamy
Hydric soil rating: No

Data Source Information

Soil Survey Area: Eddy Area, New Mexico
Survey Area Data: Version 17, Sep 12, 2021

National Flood Hazard Layer FIRMette



104°23'6"W 32°40'21"N



Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS		Without Base Flood Elevation (BFE) Zone A, V, A99
		With BFE or Depth Zone AE, AO, AH, VE, AR
		Regulatory Floodway
OTHER AREAS OF FLOOD HAZARD		0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
		Future Conditions 1% Annual Chance Flood Hazard Zone X
		Area with Reduced Flood Risk due to Levee. See Notes. Zone X
		Area with Flood Risk due to Levee Zone D
OTHER AREAS		NO SCREEN Area of Minimal Flood Hazard Zone X
		Effective LOMRs
GENERAL STRUCTURES		Area of Undetermined Flood Hazard Zone D
		Channel, Culvert, or Storm Sewer
		Levee, Dike, or Floodwall
OTHER FEATURES		20.2 Cross Sections with 1% Annual Chance Water Surface Elevation
		17.5 Cross Sections with 1% Annual Chance Water Surface Elevation
		Coastal Transect
		Base Flood Elevation Line (BFE)
		Limit of Study
MAP PANELS		Digital Data Available
		No Digital Data Available
		Unmapped
		The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on **8/5/2022 at 1:47 PM** and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.



Appendix C:

C-141

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	NAPP2134127547
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party Spur Energy Partners	OGRID 328947
Contact Name Chad Hensley	Contact Telephone 346-339-1494
Contact email chensley@spurenergy.com	Incident # NAPP2202848888
Contact mailing address 919 Milam Street Suite 2475 Houston, TX 77002	

Location of Release Source

Latitude 32.636495 Longitude -104.449015
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Stonewall 9 Fee #8H Battery	Site Type Production Facility
Date Release Discovered 12-04-21	API# 30-015-42953

Unit Letter	Section	Township	Range	County
P	09	19S	26E	Eddy

Surface Owner: State Federal Tribal Private (Name: _____)

Nature and Volume of Release

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

<input type="checkbox"/> Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
<input checked="" type="checkbox"/> Produced Water	Volume Released 20 (bbls)	Volume Recovered 20 (bbls)
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input type="checkbox"/> Yes <input checked="" 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.

Corrosion in the treater lead to failure resulting in the release of 20 bbls of produced water inside the falcon lined containment.

Incident ID	NAPP2134127547
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Application ID	

Was this a major release as defined by 19.15.29.7(A) NMAC? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release?
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?	

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: Chad Hensley	Title: HSE Coordinator
Signature: _____	Date: _____
email: chensley@spurenergy.com	Telephone: 346-339-1494
<u>OCD Only</u>	
Received by: _____	Date: _____

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Site Assessment/Characterization

This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release?	70 (ft bgs)
Did this release impact groundwater or surface water?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 500 horizontal feet of a spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a wetland?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying a subsurface mine?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying an unstable area such as karst geology?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within a 100-year floodplain?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Did the release impact areas not on an exploration, development, production, or storage site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Attach a comprehensive report (electronic submittals in .pdf format are preferred) demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined. Refer to 19.15.29.11 NMAC for specifics.

Characterization Report Checklist: <i>Each of the following items must be included in the report.</i>
<input checked="" type="checkbox"/> Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells.
<input checked="" type="checkbox"/> Field data
<input checked="" type="checkbox"/> Data table of soil contaminant concentration data
<input checked="" type="checkbox"/> Depth to water determination
<input checked="" type="checkbox"/> Determination of water sources and significant watercourses within ½-mile of the lateral extents of the release
<input type="checkbox"/> Boring or excavation logs
<input type="checkbox"/> Photographs including date and GIS information
<input checked="" type="checkbox"/> Topographic/Aerial maps
<input checked="" type="checkbox"/> Laboratory data including chain of custody

If the site characterization report does not include completed efforts at remediation of the release, the report must include a proposed remediation plan. That plan must include the estimated volume of material to be remediated, the proposed remediation technique, proposed sampling plan and methods, anticipated timelines for beginning and completing the remediation. The closure criteria for a release are contained in Table 1 of 19.15.29.12 NMAC, however, use of the table is modified by site- and release-specific parameters.

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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: Chad Hensley

Title: HSE Coordinator

Signature: _____

Date:

email: chensley@spurenergy.com

Telephone: 346-339-1494

OCD Only

Received by: _____

Date: _____

Incident ID	NAPP2134127547
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Facility ID	
Application ID	

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: Chad Hensley

Title: HSE Coordinator

Signature: Chad Hensley

Date: 09/09/2022

email: chensley@spurenergy.com

Telephone: 346-339-1494

OCD Only

Received by: _____

Date: _____

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: _____

Printed Name: _____

Title: _____



Appendix D:

Liner Inspection

Email Notification

Photographic Documentation



Paragon Environmental LLC

Liner Inspection Form

Company Name: SPUR ENERGY PARTNERS

Site: Stonewall 9 Fee #8H

Lat/Long: 32.668313655, -104.37967276

NMOCD Incident ID: nAPP2134127547

Incident Date: 12/04/21

2-Day Notification

Sent: 08/03/2022

Inspection Date: 08/06/2022

Liner Type: Earthen w/liner Earthen no liner Polystar

Steel w/poly liner Steel w/spray epoxy No Liner

Other: _____

Visualization	Yes	No	Comments
Is there a tear in the liner?		x	
Are there holes in the liner?		x	
Is the liner retaining any fluids?		x	
Does the liner have integrity to contain a leak?	x		

Comments: _____

Inspector Name: Tristan Jones

Subject: Liner Inspections
Date: Wednesday, August 3, 2022 at 9:51:53 AM Mountain Daylight Time
From: Chris Jones
To: EMNRD Bratcher Mike, EMNRD Hamlet Robert, Nobui Jennifer EMNRD
Attachments: image001.jpg

All,

This is to inform you all that Paragon will be conducting liner inspections on behalf of Spur Energy at the referenced sites on the following days:

8-5-22 We will begin at app 8 am and go in this order.

Pinto 36 St Com 1- napp2216838692

Saber Fed 1- nrm2004833416

Skelly Unit 968- napp2106449127

Tex Mack 11 Fed 3- napp2119557530

JG State 7 Battery- napp2130548510

8-6-22 We will begin these at app 8 am and will go in this order:

California 29 Fee 1- nrm2024759404

Tarpan 33 Fee #4H- napp2129837754

Clydesdale 1 Fee 6H Battery- napp2130547657

Stonewall 9 Fee 8H-napp2134127547

Loco Hills SWD 35 #2- nrm2033528219

If you have any questions or miss us and want to meet up, please give me a call or send me an email.

Thank You,

Chris Jones
Environmental Professional
1601 N. Turner Ste. 500
Hobbs, NM 88240
chris@paragonenvironmental.net
575-631-6977 cell



“We do not inherit the Earth
from our ancestors; we borrow
it from our children.”
Chief Seattle

Photographic Documentation

Liner Inspection

