From: Kerry Egan

To: <u>Bratcher, Mike, EMNRD</u>
Subject: RE: Initial Spill Notification

Date: Thursday, July 23, 2015 11:25:42 AM
Attachments: 2015July20 Larue ClosureDocumentation.pdf

Mike.

I wanted to submit the closure documentation for the minor release that occurred at our Larue Compressor Station. The total area of excavation ended up being approximately 7 ft wide by 20 feet long. In order to remove affected soil, Agave excavated to a depth of 2-4 ft. All excavated material has been placed on a plastic liner at the site, and has been turned to encourage flashing of hydrocarbons. Agave does not intend to use this material to refill the excavation. Upon approval from OCD to close the spill, Agave will backfill with clean material, and dispose of the excavated pile.

Please review the attached documentation and information, and let me know If we cleared to close the spill, or if you would like further work and sampling to be conducted.

Feel free to contact me with questions regarding this issue.

Thanks, Kerry Egan

Engineering Technician



Agave Energy Company

326 West Quay Artesia, NM 88210 575-748-4469 direct | 575-513-8988 cell

kegan@agaveenergy.com | www.agaveenergy.com

From: Kerry Egan

Sent: Thursday, June 18, 2015 10:59 AM **To:** Mike Bratcher (Mike.Bratcher@state.nm.us)

Subject: Initial Spill Notification

Mike,

I'm writing to report a small spill at one of our compressor stations. On Monday 6/15/2015 a release was reported to myself of a small area of contamination at our Larue Compressor Station (SE/NW Sec 3 T20S R24E). Upon further discovery the source of the release was a line connected to a backpressure valve on a separator at the station. Whenever the vessel would overpressure, the valve would open, releasing a minor amount of gas, and a very small amount of liquid. This resulted in the soil contamination. The affected area was in a part of the station that is not readily visible, nor

inspected regularly, and therefore we don't have an accurate estimate of how long the release had been occurring. The apparent affected area is approximately 20 ft long by 10 ft wide by 2 ft deep. Based on the area and extent of contamination we do not believe more than 50MCF of gas or 5 bbls of liquid have been released, but because we are unsure of the exact totals of material released, we are treating this as a reportable spill. Agave's remediation plan is to excavate the contaminated soil, dispose of this material at an OCD permitted landfill/landfarm, and refill with clean soil.

Please let me know if you have any questions regarding this matter.

Thanks,
Kerry Egan
Engineering Technician



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