

fAB1506942572

Release Notification and Corrective Action

nAB1506942905

OPERATOR

Initial Report

X Final Report

Name of Company Agave Energy Company	Contact Kerry Egan
Address 326 West Quay Artesia, NM 88210	Telephone No. 575 513-8988
Facility Name: Dagger ZW Pipeline ROW	Facility Type: Pipeline ROW

Surface Owner: R. Houghtaling	Mineral Owner	API No.
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LOCATION OF RELEASE								
Unit Letter L	Section 30	Township 19S	Range 25E	Feet from the	North/South Line	Feet from the	East/West Line	County EDDY

Latitude 32.631487 Longitude-104.529270

Type of Release: Natural Gas, possibly pipeline liquids	Volume of Release: Approximately 5bbls of pipeline liquids	Volume Recovered: Approximately 5bbls
Source of Release: PVC Natural Gas and Produced Water lines	Date and Hour of Occurrence: 3/3/15 9:00AM	Date and Hour of Discovery: 3/3/15 9:00AM
Was Immediate Notice Given? <div style="display: flex; justify-content: space-around;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required</div>	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <div style="display: flex; justify-content: space-around;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</div>	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

During work on the 6" PVC water line, a release of pipeline liquids occurred, totaling less than 5 bbls. While continuing work on the project, evidence of a historic leak and resulting contamination was found. This leak is believed to have occurred due to buried dresser sleeves and or other connections on a section of 6" PVC gas line and the adjacent 6" PVC water line. This release of liquids occurred south of where the Dagger ZW tied into the main lines.

Further excavation showed the historic contamination to be due to a leaking 'T' connection where the Dagger ZW Battery connected to the main 6" PVC gas pipeline. The lateral connecting the Dagger ZW had previously been taken out of service, and a new poly line was installed to tie the battery into Agave's nearby steel gas line. The section of PVC gas line, both the main 6" gas line and the lateral that formerly tied in the Dagger ZW, lying above the contaminated soil was cut and removed. As such, this entire area of PVC gas line is now permanently out of service. The 6" PVC water line was replaced with a new poly line, with all valves now above grade.

Describe Area Affected and Cleanup Action Taken.*


The area affected by the release of pipeline liquids was approximately 3' x 12' within an excavation roughly 4'-6' below grade (i.e. pipeline depth). The liquids and affected soil were promptly recovered/excavated to prevent the spread of contamination, and disposed of.

Further excavation work showed the historic contamination to be localized around the previously mentioned 'T' connection in the gas line, with further contamination following the pipeline. Signs of contamination (grey and black soil, no free liquids or hydrocarbon odor) first became evident at around 4 feet in depth. Excavation showed contamination directly below the 'T' at a depth of 10 feet, and at depths of 6-8 feet at points north and south of the 'T'.

Initial samples of areas with the highest apparent contamination (i.e. highest degree of discoloration) to be below actionable levels as set forth in NMOCD's *Guidelines for Remediation of Leaks, Spills and Releases* (August 13, 1993). As, such all soil showing discoloration was excavated to be remediated on site. The excavated material was laid out in wind-rows and repeatedly turned to encourage flashing.

To ensure removal of all contamination, Agave excavated an area approximately 18' in width, 30' in length, and 12' in depth. No apparently discolored soil was left in place. After the removal of all discolored soil, samples were collected from the bottom and sidewalls of the excavation, along with samples from the excavated material, to verify that there was no remaining contamination. Remediation attempts were successful in that all signs of discoloration in the excavated soil are no longer present. The attached sample results further verify that all contamination due to the recent release, and historic releases has been remediated to meet NMOCD's standards.

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>OIL CONSERVATION DIVISION</u>	
Printed Name: Kerry Egan		Approved by Environmental Specialist: <i>MBratcher</i>	
Title: Eng Tech		Approval Date: 1/5/2016	Expiration Date: N/A
E-mail Address: KEgan@yatespetroleum.com		Conditions of Approval: N/A FINAL REPORT	Attached <input type="checkbox"/>
Date: 3/17/15 Phone: 575 748-4555			

* Attach Additional Sheets If Necessary

2RP-2876