

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

NM OIL CONSERVATION
ARTESIA DISTRICT

FEB 02 2017

Form C-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in
concordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

DAB1703851902

Name of Company Devon Energy Production Company <i>6137</i>		OPERATOR ☒ Initial Report ☐ Final Report
Address 6488 Seven Rivers Hwy Artesia, NM 88210		Contact Wesley Ryan, Production Foreman
Facility Name Laguna Salado South I		Telephone No. 575-390-5436
		Facility Type Gas
Surface Owner Federal	Mineral Owner Federal	API No 30-015-26407

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
F	22	23S	29E	2030	North	1980	West	Eddy

Latitude: *32.2922534*

Longitude: *-103.9748001*

32.287758 NATURE OF RELEASE *-103.937149*

Type of Release Produced Water	Volume of Release 21bbls	Volume Recovered 10bbls
Source of Release Transfer line	Date and Hour of Occurrence January 26, 2017 @ 6:00PM	Date and Hour of Discovery January 26, 2017 @ 6:00PM
Was Immediate Notice Given? ☒ Yes ☐ No ☐ Not Required	If YES, To Whom? Shelly Tucker, BLM Mike Bratcher, OCD	
By Whom? Wesley Ryan, Production Foreman	Date and Hour Shelly Tucker, BLM January 27, 2017 @ 1:14 PM Mike Bratcher, OCD January 27, 2017 @ 9:25 AM	
Was a Watercourse Reached? ☐ Yes ☒ 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.*

Water transfer line between the Laguna Salado South I and the Remuda Basin SWD I was struck by a rancher's backhoe. The transfer pumps were immediately shut down and the pipeline was isolated on both ends.

Describe Area Affected and Cleanup Action Taken.*

Approximately 21bbls produced water was released due to the line strike. The release traveled in a West direction along the lease road in approximately a 4' to 24' wide by 1135' long area, it also traveled down a sandy two track road in a Southwest direction in an approximately a 12' wide by 107' long area. A vacuum truck was called and recovered approximately 10bbls. Environmental agency will be contacted for remediation.

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: <i>Sheila Fisher</i>		OIL CONSERVATION DIVISION	
Printed Name: Sheila Fisher		Signed By <i>Mike Bratcher</i>	
Title: Field Admin Support		Approved by Environmental Specialist:	
E-mail Address: Sheila.fisher@dev.com		Approval Date: <i>2/7/17</i>	Expiration Date: <i>N/A</i>
Date: 1/31/17 Phone: 575.748.1829		Conditions of Approval: <i>See attached</i>	Attached ☐

* Attach Additional Sheets If Necessary

ARP-4102

Operator/Responsible Party,

The OCD has received the form C-141 you provided on 2/2/17 regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number ARP-4102 has been assigned. Please refer to this case number in all future correspondence.

It is the Division's obligation under both the Oil & Gas Act and Water Quality Act to provide for the protection of public health and the environment. Our regulations (19.15.29.11 NMAC) state the following,

The responsible person shall complete division-approved corrective action for releases that endanger public health or the environment. The responsible person shall address releases in accordance with a remediation plan submitted to and approved by the division or with an abatement plan submitted in accordance with 19.15.30 NMAC. [emphasis added]

Release characterization is the first phase of corrective action unless the release is ongoing or is of limited volume and all impacts can be immediately addressed. Proper and cost-effective remediation typically cannot occur without adequate characterization of the impacts of any release. Furthermore, the Division has the ability to impose reasonable conditions upon the efforts it oversees. As such, the Division is requiring a workplan for the characterization of impacts associated with this release be submitted to the OCD District 2 office in ARIZONA on or before 3/17/17. If and when the release characterization workplan is approved, there will be an associated deadline for submittal of the resultant investigation report. Modest extensions of time to these deadlines may be granted, but only with acceptable justification.

The goals of a characterization effort are: 1) determination of the lateral and vertical extents along with the magnitude of soil contamination. 2) determine if groundwater or surface waters have been impacted. 3) If groundwater or surface waters have been impacted, what are the extents and magnitude of that impact. 4) The characterization of any other adverse impacts that may have occurred (examples: impacts on vegetation, impacts on wildlife, air quality, loss of use of property, etc.). To meet these goals as quickly as possible, the following items must, at a minimum, be addressed in the release characterization workplan and subsequent reporting:

- Horizontal delineation of soil impacts in each of the four cardinal compass directions. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C₆ thru C₃₆), and for chloride by Method 300. This is not an exclusive list of potential contaminants. Analyzed parameters should be modified based on the nature of the released substance(s). Soil sampling must be both within the impacted area and beyond.
- Vertical delineation of soil impacts. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C₆ thru C₃₆), and for chloride by Method 300. As above, this is not an exclusive list of potential contaminants and can be modified. Vertical characterization samples should be taken at depth intervals no greater than five feet apart. Lithologic description of encountered soils must also be provided. At least ten vertical feet of soils with contaminant concentrations at or below these values must be demonstrated as existing above the water table.
- Nominal detection limits for field and laboratory analyses must be provided.
- Composite sampling is not generally allowed.
- Field screening and assessment techniques are acceptable (headspace, titration, EC [include algorithm for validation purposes], EM, etc.), but the sampling and assay procedures must be clearly defined. Copies of field notes are highly desirable. A statistically significant set of split samples must be submitted for confirmatory laboratory analysis, including the laterally farthest and vertically deepest sets of soil samples. Make sure there are at least two soil samples submitted

for laboratory analysis from each borehole or test pit (highest observed contamination and deepest depth investigated). Copies of the actual laboratory results must be provided including chain of custody documentation.

- Probable depth to shallowest protectable groundwater and lateral distance to nearest surface water. If there is an estimate of groundwater depth, the information used to arrive at that estimate must be provided. If there is a reasonable assumption that the depth to protectable water is 50 feet or less, the responsible party should anticipate the need for at least one groundwater monitoring well to be installed in the area of likely maximum contamination.

- If groundwater contamination is encountered, an additional investigation workplan may be required to determine the extents of that contamination. Groundwater and/or surface water samples, if any, must be analyzed by a competent laboratory for volatile organic hydrocarbons (typically Method 8260 full list), total dissolved solids, pH, major anions and cations including chloride and sulfate, dissolved iron, and dissolved manganese. The investigation workplan must provide the groundwater sampling method(s) and sample handling protocols. To the fullest extent possible, aqueous analyses must be undertaken using nominal method detection limits. As with the soil analyses, copies of the actual laboratory results must be provided including chain of custody documentation.

- Accurately scaled and well-drafted site maps must be provided providing the location of borings, test pits, monitoring wells, potentially impacted areas, and significant surface features including roads and site infrastructure that might limit either the release characterization or remedial efforts. Field sketches may be included in subsequent reporting, but should not be considered stand-alone documentation of the site's layout. Digital photographic documentation of the location and fieldwork is recommended, especially if unusual circumstances are encountered.

Nothing herein should be interpreted to preclude emergency response actions or to imply immediate remediation by removal cannot proceed as warranted. Nonetheless, characterization of impacts and confirmation of the effectiveness of remedial efforts must still be provided to the OCD before any release incident will be closed.

Jim Griswold
OCD Environmental Bureau Chief
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
505-476-3465
jim.griswold@state.nm.us

Bratcher, Mike, EMNRD

From: Fisher, Sheila <Sheila.Fisher@dev.com>
Sent: Thursday, February 2, 2017 4:14 PM
To: Bratcher, Mike, EMNRD; Weaver, Crystal, EMNRD; Amber Groves (agroves@slo.state.nm.us)
Cc: Fulks, Brett; Shoemaker, Mike; Ryan, Wesley
Subject: Laguna Salado South 1_21bbls PW_1.26.17
Attachments: Laguna Salado South 1_21bbls PW_Initial C-141_1.26.17.doc; Laguna Salado South 1_21bbls PW_GIS Image_1.26.17.pdf

Good Afternoon,

Attached please find the Initial C-141 and GIS Image for the 21bbl produced water release on the lease road from the transfer line coming from the Laguna Salado South 1 to the Remuda Basin SWD 1 on 1.26.17.

If you have any questions please feel free to contact me.

Thank you,

Sheila Fisher
Field Admin Support
Production
B-Schedule

Devon Energy Corporation
PO Box 250
Artesia, NM 88211
575 748 1829 Direct



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Weaver, Crystal, EMNRD

From: Fulks, Brett <Brett.Fulks@dmv.com>
Sent: Wednesday, March 1, 2017 3:01 PM
To: Weaver, Crystal, EMNRD
Cc: Shoemaker, Mike; Bratcher, Mike, EMNRD
Subject: Re: [EXTERNAL] RE: Meeting and Contact information

Crystal,

Below is the GPS coordinates requested for the Laguna, again I apologize for the delay. Will you be in the office tomorrow when Mike and I are there?

32.287758 N. 103.937149 W

Sent from my iPhone

On Mar 1, 2017, at 8:29 AM, Weaver, Crystal, EMNRD <Crystal.Weaver@state.nm.us> wrote:

Hello Mike Shoemaker,

My name is Crystal, I work with Mike Bratcher, I am the other Environmental Regulator in District II Artesia. I was out on site at Cotton Draw Unit #181 this last Monday 2/27/17 with Kimberly and Robbie from Talon.

Anyways, I am hoping since you are going to be the guy we deal with from here on, regarding Devon, that you could help me out with something. I have called and left messages for Brett Fulks and sent him a follow up email letting him know that I need some corrections on logistical information from initial reporting on C-141's, from you all, before I could finish processing them.

I sent him this on 2/23/17...

Hey Brett,

I left you a voice mail yesterday regarding the Todd 36 State #1 release. I had a few questions on site location logistics. I was waiting to hear back from you on it before I sent out the initial approval with the COA's on it just in case I needed to make any changes to the original documents. I am also waiting to send out on the initial approval of the Laguna Salado South 1 (DOR 1/26/17) that we talked about over the phone that was needing updated coordinates.

Just following up if you could get back to me at your earliest convenience that would be great.

Thank you kindly,

Crystal Weaver
Environmental Specialist
OCD – Artesia District II
811 S. 1st Street

Artesia, NM 88210
Office: 575-748-1283 ext. 101
Cell: 575-840-5963
Fax: 575-748-9720

Could you please help me out with this.

Thank you,

Crystal Weaver

Environmental Specialist
OCD – Artesia District II
811 S. 1st Street
Artesia, NM 88210
Office: 575-748-1283 ext. 101
Cell: 575-840-5963
Fax: 575-748-9720

From: Bratcher, Mike, EMNRD
Sent: Tuesday, February 28, 2017 11:45 AM
To: Shoemaker, Mike <Mike.Shoemaker@dvn.com>
Cc: Fulks, Brett <Brett.Fulks@dvn.com>; David J. Adkins (dadkins@talonlpe.com) <dadkins@talonlpe.com>; Kimberly M. Wilson (kwilson@talonlpe.com) <kwilson@talonlpe.com>; Weaver, Crystal, EMNRD <Crystal.Weaver@state.nm.us>
Subject: RE: Meeting and Contact information

Mike,

Thursday would probably work best on my end.

Thank you,

Mike Bratcher
NMOC District 2
811 South First Street
Artesia NM 88210
575-748-1283 Ext 108
mike.bratcher@state.nm.us

From: Shoemaker, Mike [<mailto:Mike.Shoemaker@dvn.com>]
Sent: Monday, February 27, 2017 1:36 PM
To: Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>
Cc: Fulks, Brett <Brett.Fulks@dvn.com>; David J. Adkins (dadkins@talonlpe.com)

<dadkins@talonlpe.com>; Kimberly M. Wilson (kwilson@talonlpe.com) <kwilson@talonlpe.com>

Subject: Meeting and Contact information

Mike,

I just wanted to quickly reach out and introduce myself and provide you with my contact information which is provided below. I am Mike Shoemaker and I am now working with Brett Fulks here at Devon. Moving forward I will be working to take over the spills reporting and remediation work as Brett begins to focus more on the air programs. With that being said I was wondering if you might have some time to sit down this week to discuss the Cotton Draw Unit #181 with myself, Brett, and Talon LPE (David and Kimberly). I am going to propose a few times where our schedules are most but also realize that some of them are short notice for you so if they do not work please propose an alternate time and will get together to see if we can make it work on our side. In turn, would any of the following times work for you?

- Tuesday 02/28 – Anytime between 1 p.m. and 4 p.m.-Short notice but would be the best option for Brett and I
- Wednesday 03/01- Anytime between 9:00 a.m. and 11:30 a.m. – I know that Talon has training going on this day so it may not be a great option all together
- Thursday -03/02- Anytime between 10:00 a.m. and noon

Will look forward to hearing back from you.

Thanks,

Mike Shoemaker
EHS Representative

Devon Energy Corporation
6488 Seven Rivers Highway
Artesia, New Mexico 88210
575-746-5566 Office
575-513-5035 Mobile

<image003.jpg>

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