



Souder, Miller & Associates ♦ 201 S. Halagueno St. ♦ Carlsbad, NM 88220
(575) 689-7040

July 22, 2019

SMA #5E28395, BG6

NMOCD District 1
1625 N. French Drive
Hobbs, New Mexico 88240

UGNTD-191126-C-1410

**RE: LINER INSPECTION REPORT
CHISO 14 STATE 8711 #3H TANK BATTERY (1RP-5460)**

To Whom it May Concern:

Souder, Miller & Associates (SMA) is pleased to submit this letter report on behalf of BTA Oil Producers, LLC (BTA) summarizing the liner inspection that occurred due to the Chiso 14 State 8711 #3H Tank Battery release. The site is located in Section 14, T22S, R34E (N32.38474/W-103.43578) Lea County, New Mexico, on State land.

Site Characterization

On April 2, 2019, a hole in the produced water transfer line released 40 bbls of produced water inside the lined secondary containment of the tank battery. Initial response activities were conducted by the operator and included source elimination and site stabilization, which recovered approximately 40 bbls of produced water. The tanks and containment were then pressure washed and the residual oil recovered.

Based upon New Mexico Office of the State Engineer (NMOSE) and United States Geological Survey (USGS) well data, depth to groundwater in the area is estimated to be 35 feet below grade surface (bgs). There are 4 water sources within ½-mile of the location, according to the NMOSE and USGS online water well databases (Appendix C). The nearest significant watercourse is an unnamed intermittent stream, located approximately 375 feet to the east.

Based on the information presented herein, the applicable NMOCD Closure Criteria for this site is for a groundwater depth of <50 feet bgs.

Liner Integrity

At the request of BTA, SMA conducted a liner integrity inspection per the requirements of 19.15.29.11.A(5)(a) NMAC. NMOCD was notified on July 8, 2019 that the liner inspection was to occur, and SMA conducted the liner inspection on July 11, 2019. After a thorough visual inspection of the liner within the tank battery containment, the liner appeared to be intact and had the ability to contain the leak in question. The tank from which the release occurred was identified, and SMA verified that the release did not occur outside of the lined containment. A photo log and field notes of the inspection is included in Appendix A.

SMA recommends no further action for this release.

BTA Oil Producers, LLC
Chiso 14 State 8711 #3H Tank Battery (1RP-5460)

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Souder, Miller and Associates appreciates the opportunity to provide environmental services to you. If you have any questions or comments concerning this report, please feel free to call Melodie R. Sanjari at 574-370-9782.

Sincerely,
Souder, Miller & Associates



Melodie R. Sanjari
Project Scientist



Shawna Chubbuck
Senior Scientist

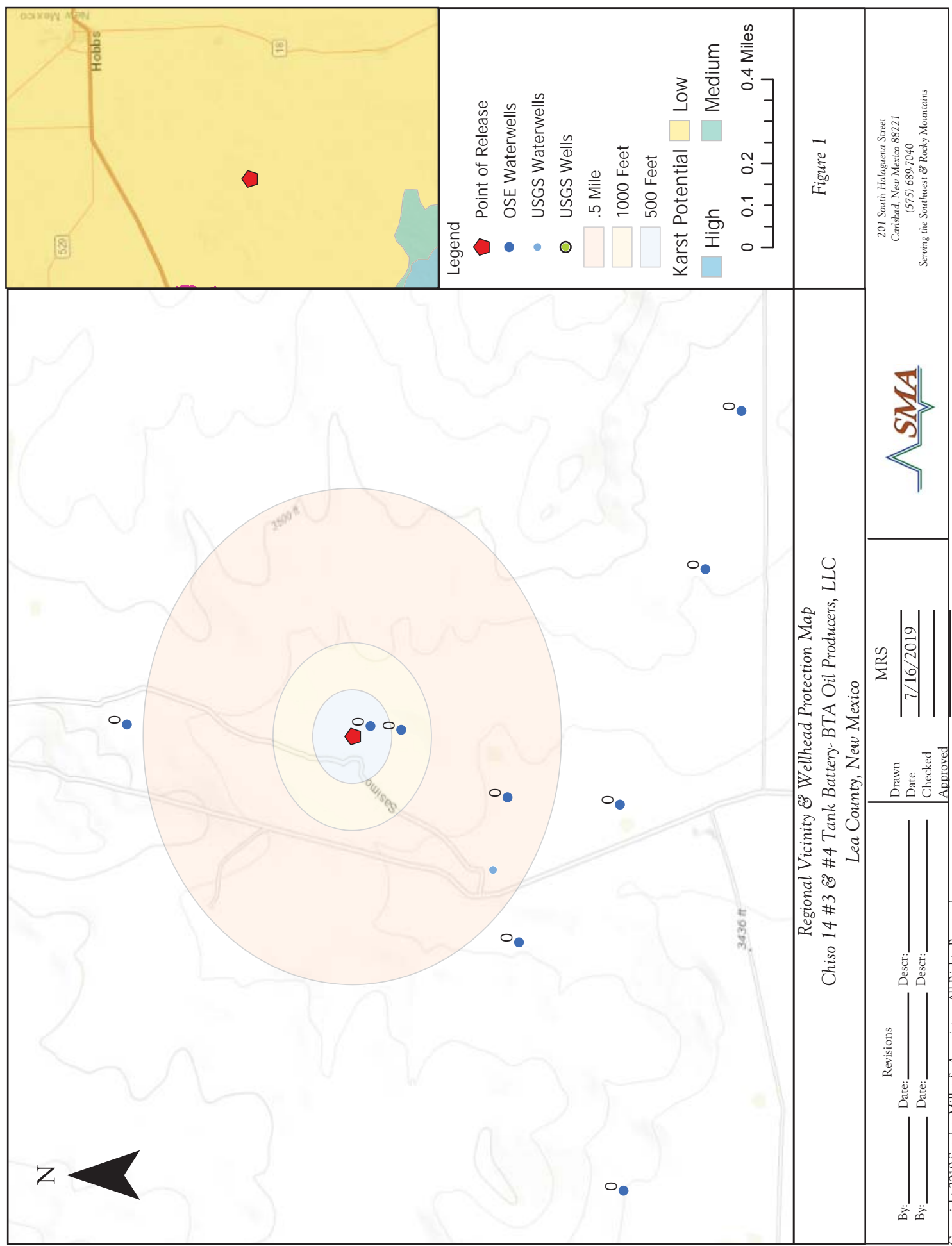
Appendices

Appendix A: Photo Log & Field Notes

Appendix B: C141

Appendix C: Water Well Data

FIGURES





BTA Oil Producers, LLC
Chiso 14 State 8711 #3H Tank Battery (1RP-5460)

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Appendix A
PHOTO LOG & FIELD NOTES







**Souder, Miller & Associates
Liner Inspection Form**Project Name: Chris 14 StateInspection Date: 7/11/19Client Name: BTAClient Representative(s): Bob HallSMA Inspector(s): MRS P IIProject Location: P 14 22S 34E Lea CoLatitude: 32.38474 Longitude: -103.43578**Inspection Parameters as Outlined in 19.15.29.11.A(5) NMAC****PRIOR TO INSPECTION:**

Two (2) Business Day Notification of Inspection to Appropriate Division Office

(Y/N): YDate of Notice: 7/8/19

Material Covering Liner Removed by Client

(Y/N): Y

Affected Areas Exposed by Client

(Y/N): Y**INSPECTION:**

Liner Thoroughly Inspected for Damage

(Y/N): YAll Damaged Areas Observed Marked in **White Paint** on Liner N/A
Photos and Field Notes Detailing Failures Attached to This Form**To Be Completed by Client Representative:**

Can Responsible Party Demonstrate:

Liner Integrity Was Maintained (per SMA Inspection)

(Y/N): Y

Release Was Contained to Lined Containment Area

(Y/N): Y

Liner Was Able to Contain the Leak

(Y/N): Y**If YES:**

Certify on Form C-141 That Liner Remains Intact

If NO to Any of Above:

Responsible Party Must Delineate Horizontal & Vertical Extent

Depending on Release:

See Table 1 19.15.29.12 NMAC

See Subparagraph (e) Paragraph (5) of Subsection A 19.15.29.11 NMAC

Additional Comments:**SMA INSPECTOR SIGNATURE****CLIENT REPRESENTATIVE**Date: 7/11/19

Date: _____

BTA Oil Producers, LLC
Chiso 14 State 8711 #3H Tank Battery (1RP-5460)

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APPENDIX B
C141

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	NAB1912843973
District RP	1RP-5460
Facility ID	
Application ID	pAB1912836147

Release Notification

Responsible Party

Responsible Party: BTA Oil Producers, LLC	OGRID: 260297
Contact Name: Bob Hall	Contact Telephone: 432-682-3753
Contact email: bhall@btaoil.com	Incident # (assigned by OCD) NAB1912843973
Contact mailing address: 104 S. Pecos St., Midland, TX 79701	

Location of Release Source

Latitude: 32.38474° Longitude: -103.43578°

(NAD 83 in decimal degrees to 5 decimal places)

Site Name: Chiso 14 State 8711 #3H Tank Battery	Site Type: Tank Battery
Date Release Discovered: 4/2/2019	API# (if applicable) Nearest well: Chiso 14 State 8711 #3H API #30-025-43614

Unit Letter	Section	Township	Range	County
P	14	22S	34E	Lea

Surface Owner: ☐ State ☐ Federal ☐ Tribal ☒ Private (Name: Merchant Livestock, PO Box 1105, Eunice, NM 88231)

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 (bbls) 40 BBL (Based on volume recovered from lined containment.)	Volume Recovered (bbls) 40 BBL – Lined containment.
	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

A hole in the transfer line for produced water at the Chiso State 14 Tank Battery allowed a release of 40 BBL of produced water inside the lined containment. The produced water was completely recovered with a vacuum truck from the lined containment.

Form C-141

State of New Mexico
Oil Conservation Division



Page 2

Incident ID	NAB1912843973
District RP	1RP-5460
Facility ID	
Application ID	pAB1912836147

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? NMOCD Rules define a release greater than 25 BBL as a major release.
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Yes, I received notification of the release via email this afternoon. This C-141 Form is being sent as immediate notice of the release.	

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: Bob Hall Title: Environmental Manager Signature: <u></u> Date: 4/2/2019 email: bhall@btaoil.com Telephone: 432-682-3753
<u>OCD Only</u> Received by: <u></u> Date: 5/8/2019

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APPENDIX C WATER WELL DATA



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	Sub-basin	County	Q 64	Q 16	Q 4	Sec	Tw	Rng	X	Y	Distance	DepthWell	DepthWater	Water Column
CP 00622		CP	LE	3	4	2	14	22S	34E	647164	3585030*	872			
CP 00598 POD1		CP	LE	4	1	23	22S	34E	646480	3583511*		922	70		
CP 01718 POD1		CP	LE	2	3	3	24	22S	34E	647700	3582811	1459	1172	855	317
CP 00704		CP	LE	2	4	22	22S	34E	645681	3583097*		1801	600		
CP 00380		CP	LE	4	2	11	22S	34E	647245	3586739*		2583	45	30	15
CP 00596 POD1		CP	LE	4	2	11	22S	34E	647245	3586739*		2583	50		
CP 00751		CP	LE	4	2	11	22S	34E	647245	3586739*		2583			45

Average Depth to Water: **310 feet**

Minimum Depth: **30 feet**

Maximum Depth: **855 feet**

Record Count: 7

UTMNAD83 Radius Search (in meters):

Easting (X): 647137

Northing (Y): 3584158

Radius: 3000

*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.

7/16/19 12:22 PM

WATER COLUMN/ AVERAGE DEPTH TO WATER



USGS Home
Contact USGS
Search USGS

National Water Information System: Web Interface

USGS Water Resources

Data Category:


Groundwater

Geographic Area:

United States

GO

Click to hide News Bulletins

- [Introducing The Next Generation of USGS Water Data for the Nation](#)
- [Full News](#) 

Groundwater levels for the Nation

Search Results -- 1 sites found

site_no list =

- 322231103262601

Minimum number of levels = 1

[Save file of selected sites](#) to local disk for future upload

USGS 322231103262601 22S.34E.23.23131

Available data for this site

Groundwater: Field measurements

GO

Lea County, New Mexico

Hydrologic Unit Code 13070007

Latitude 32°22'47.6", Longitude 103°26'25.3" NAD83

Land-surface elevation 3,452 feet above NAVD88

The depth of the well is 60 feet below land surface.

This well is completed in the Alluvium, Bolson Deposits and Other Surface Deposits (110AVMB) local aquifer.

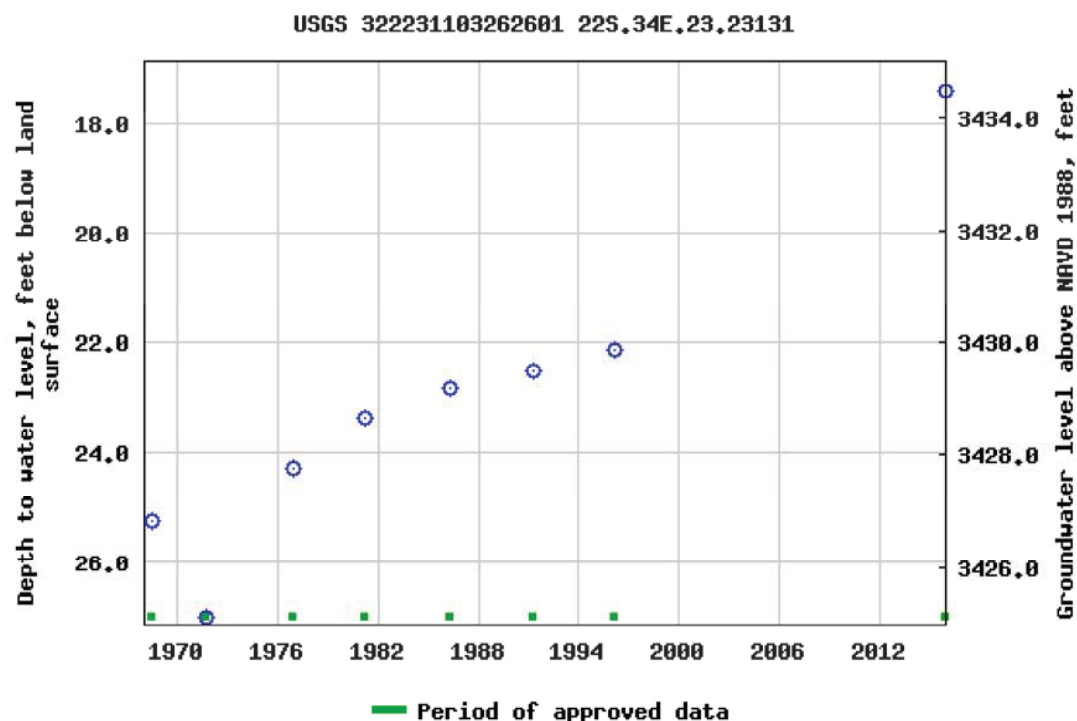
Output formats

[Table of data](#)

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Breaks in the plot represent a gap of at least one year between field measurements.

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Title: Groundwater for USA: Water Levels

URL: <https://nwis.waterdata.usgs.gov/nwis/gwlevels?>



Page Contact Information: [USGS Water Data Support Team](#)

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