



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E

Director

Oil Conservation Division

12-Dec-05

MERIT ENERGY CO

PO Box 69

Loco Hills NM 88255

TURNER A No. 58

30-015-29001

O-18-117S-31E

The Form C-141 (Release Notification and Corrective Action) for the Turner A No. 58 has been reviewed and is being returned marked "denied" subject to the following comments:

1. The Date and Hour of Occurrence is given as "10-17-05 9:00 A". The Date and Hour of Discovery is given as "10-17-05 9:30 A". The OCD Inspector visited this well on 10-27-05 and found standing liquids across the location indicative of a recent release.
2. The Volume of Release is listed as "4 bbl". The OCD Inspector calculated the volumes based on the following table. Note that the "small pools of hydrocarbons" in the pasture were not included in this calculation indicating that the volume noted below is the lower estimate for this release.

Soil Type	Porosity	Length	Width	Depth (.083 per inch)	Cubic Feet	Estimated Barrels	Location
Medium Sand	0.25	75	1	0.25	18.75	0.84	Pasture S of well
Caliche Pad	0.26	25	25	0.083	51.87	2.40	Pad N of well
Caliche Pad	0.26	15	10	0.083	12.45	0.58	Pad W of well
Standing Liquids	X	15	10	0.083	12.45	2.22	Pad W of well
Standing Liquids	X	8	5	0.083	3.32	0.59	Pad N of well
						6.63	Total Volume

3. The Cleanup Action Taken is given as "The area was sprayed [with] microblaze and tilled [with] hand tiller on 11-12-05. Site to be monitored and re-sprayed or tilled if necessary." It is questionable whether the use of Micro-Blaze® would be effective in the environment at the Turner A No. 58. The product is designed as a hydrocarbon remediation agent and no data can be found that would support its use in a produced water release. In fact, high concentrations of highly chlorinated organics or inorganic salts are likely to be toxic to microorganisms in Micro-Blaze®. The use of Micro-Blaze® in this environment would not have been the preferred method for remediating the limited amount of hydrocarbons observed by the OCD Inspector. Tilling of the area, while it may have been a good choice for diluting the limited hydrocarbons in this release also would not have been the preferred method for remediating the produced water without introducing clean material to "cut in" and lower the potential chloride concentrations for this release.
4. The C-141 is not dated and no phone number is given.

The OCD District 2 Office is requiring that Merit Energy Company conduct further remediation on this location as follows:

- A. Samples showing concentrations of chlorides in the two pooling areas on the location and samples showing chloride, BTEX and TPH concentrations in the flow path in the pasture must be taken and submitted to the OCD District 2 Office prior to January 7, 2005. Contact the OCD District 2 Office to arrange a date and time that these samples may be witnessed by the OCD.
- B. A corrected Form C-141 is to be submitted prior to January 14, 2005.
- C. Based on the results of the samples a remediation work plan may be required for this release.

In the event that a satisfactory response is not received to this letter further enforcement will occur. Such enforcement may include issuance of a Notice of Violation to impose civil penalties or may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may also result in imposition of civil penalties for violations of OCD rules.



Artesia OCD District 2 Office

Nov 12 2005 5:00PM

MERIT ENERGY COMPANY

15056772162

P. 1

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☒ Initial Report☒ Final Report

Name of Company <i>Merit Energy</i>	Contact <i>Mike Self</i>
Address <i>PO Box 69 loco Hills Nm 88255</i>	Telephone No. <i>505-706-4758</i>
Facility Name <i>Turner A 38 Ins Well</i>	Facility Type <i>Ins Well - 1/4 Valve</i>
Surface Owner <i>BIM</i>	Mineral Owner <i>BIM</i>
Lease No.	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
	<i>18</i>	<i>17-S</i>	<i>31-E</i>	<i>560'</i>	<i>FSL</i>	<i>1880'</i>	<i>FEL</i>	<i>Eddy</i>

Latitude

Longitude

NATURE OF RELEASE

Type of Release <i>Produced H₂O w/ Hydrocarbon Comp.</i>	Volume of Release <i>4 bbl</i>	Volume Recovered <i>0</i>
Source of Release <i>1/4" Bleed off Valve</i>	Date and Hour of Occurrence	Date and Hour of Discovery
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? <i>10-17-05 9:00A</i>	<i>10-17-05 9:30A</i>
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

A 1/4" Valve had been rubbed open by a cow. Valve was closed and Valve handle removed

Describe Area Affected and Cleanup Action Taken.*

Approximate 25' northeast & 15' southwest of well-head. The area was sprayed w/ micro blaze and filled w/ hand filler on 11-12-05. Site to be monitored and re-sprayed or filled if necessary.

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.

OIL CONSERVATION DIVISION

Signature: <i>Mike Self</i>	<div style="text-align: center; font-size: 2em; font-weight: bold;">DENIED</div>	
Printed Name: <i>Mike Self</i>		
Title: <i>Ores Foreman</i>	Approval Date:	Expiration Date:
E-mail Address: <i>M.Self@Merit Energy</i>	Conditions of Approval:	Attached <input type="checkbox"/>
Date:	Phone:	

* Attach Additional Sheets If Necessary