#### Received by OCD: 6/23/2020 10:10:53 AM

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    | NRM201755788 |
|----------------|--------------|
| District RP    |              |
| Facility ID    |              |
| Application ID |              |

### **Release Notification**

### **Responsible Party**

| Responsible Party: Enduring Resources   |                                   |  |  | OGRID: 3                 | 72286   |
|---|-----------------------------------|--|--|--------------------------|---|
| Contact Name: James McDaniel  |                                   | Contact Te   | elephone: (505) 444-9731                 |                          |   |
| Contact email: jmcdaniel@enduringresources.com  |                                   | Incident #   | (assigned by OCD)                        |                          |   |
| Contact mail  | ing address:                      | 200 Energy Cou   | rt                                       | Farmingto                | on, New Mexico 87401  |
| Location of Release Source  |                                   |  |  |                          |   |
| Latitude 36.2752983   |                                   | Longitude  |  |                          |   |
|   |                                   |  | (NAD 83 in dec                           | cimal degrees to 5 decin | al places)  |
| Site Name: M  | IC 5 COM                          | 112H   |  | Site Type:               | Wellsite  |
| Date Release  | Discovered:                       | 6/16/2020  |  | API# (if app             | licable) 30-045-35605   |
| Unit Letter   | Section                           | Township   | Range                                    | Coun                     | ty  |
| D   | 33                                | 24N  | 8W                                       | San Ju                   | uan   |
| Crude Oi  |                                   | l(s) Released (Select a<br>Volume Release<br>Volume Release                    | Il that apply and attached (bbls) 6 bbls | d Volume of I            | Release justification for the volumes provided below) Volume Recovered (bbls) 6 bbls Volume Recovered (bbls): |
|   |                                   | Is the concentration of dissolved chloride in the produced water >10,000 mg/l? |  | hloride in the           | Yes No  |
| Condensa  | Condensate Volume Released (bbls) |  |  | Volume Recovered (bbls)  |   |
| ☐ Natural G   | Natural Gas Volume Released (Mcf) |  |  | Volume Recovered (Mcf)   |   |
| Other (describe) Volume/Weight Released (provide units)   |                                   | e units)   | Volume/Weight Recovered (provide units)  |                          |   |
| Cause of Release: On 6/16/2020, a pit tank overflow was discovered at the MC 5 COM 112H wellsite. Upon investigation, it was determined that a valve on the produced water tank header was opened, allowing the contents of the above ground produced water tank to be emptied into the pit tank, causing the tank to overflow onto the liner secondary containment. The volume was determined by measuring the area and depth of the overflowed area, and calculating the volume of the liquid. The fluids were recovered, and the liner sprayed clean. The cause of the release is suspected to be vandalism. |                                   |  |  |                          |   |

Page 2 Oil Conservation Division

|                | Page 2 of 15  |
|----------------|---------------|
| Incident ID    | 1 uge 2 0j 13 |
| District RP    |               |
| Facility ID    |               |
| Application ID |               |

| Was this a major<br>release as defined by<br>19.15.29.7(A) NMAC?   | If YES, for what reason(s) does the responsible party consider this a major release?  |  |  |
|--|---|--|--|
| ☐ Yes ⊠ No   |   |  |  |
|  |   |  |  |
|  |   |  |  |
| If YES, was immediate no   | otice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?                                       |  |  |
|  |   |  |  |
|  | Initial Response  |  |  |
| The responsible p  | party must undertake the following actions immediately unless they could create a safety hazard that would result in injury |  |  |
| ∑ The source of the rele   | ase has been stopped.   |  |  |
| ☐ The impacted area has  | s been secured to protect human health and the environment.   |  |  |
| Released materials ha  | ve been contained via the use of berms or dikes, absorbent pads, or other containment devices.                              |  |  |
| All free liquids and re  | coverable materials have been removed and managed appropriately.  |  |  |
| If all the actions described   | above have not been undertaken, explain why:  |  |  |
|  |   |  |  |
|  |   |  |  |
|  |   |  |  |
|  |   |  |  |
| Per 10 15 20 8 R (4) NM  | AC the responsible party may commence remediation immediately after discovery of a release. If remediation                  |  |  |
| 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: James Mc   | Daniel Title: HSE Supervisor  |  |  |
| Signature:   | Date: <u>6/23/2020</u>  |  |  |
| email: imcdaniel@end   | uringresources.com Telephone: (505) 444-9731  |  |  |
|  |   |  |  |
| OCD Only   |   |  |  |
| Received by:   | Date:   |  |  |

| Refrived by OCD: | 6/23/2020 10:10:53 Me of New Mexico |
|------------------|-------------------------------------|
| Page 3           | Oil Conservation Division           |

|                | ———— Page 3 of |
|----------------|----------------|
| Incident ID    | Tuge 3 of      |
| District RP    |                |
| Facility ID    |                |
| Application ID |                |

### Site Assessment/Characterization

This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

|   | ¥0         |  |  |
|---|------------|--|--|
| What is the shallowest depth to groundwater beneath the area affected by the release?   | (ft bgs)   |  |  |
| Did this release impact groundwater or surface water?   |            |  |  |
| Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?  | ☐ Yes ☐ No |  |  |
| Are the lateral extents of the release within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)?  | Yes No     |  |  |
| Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?  | Yes No     |  |  |
| Are the lateral extents of the release within 500 horizontal feet of a spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes?   | ☐ Yes ☐ No |  |  |
| Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?  | ☐ Yes ☐ No |  |  |
| Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?   | Yes No     |  |  |
| Are the lateral extents of the release within 300 feet of a wetland?  | ☐ Yes ☐ No |  |  |
| Are the lateral extents of the release overlying a subsurface mine?   | ☐ Yes ☐ No |  |  |
| Are the lateral extents of the release overlying an unstable area such as karst geology?  |            |  |  |
| Are the lateral extents of the release within a 100-year floodplain?  |            |  |  |
| Did the release impact areas not on an exploration, development, production, or storage site?   |            |  |  |
| Attach a comprehensive report (electronic submittals in .pdf format are preferred) demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined. Refer to 19.15.29.11 NMAC for specifics.  |            |  |  |
| Characterization Report Checklist: Each of the following items must be included in the report.  |            |  |  |
| Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells.  Field data  Data table of soil contaminant concentration data  Depth to water determination  Determination of water sources and significant watercourses within ½-mile of the lateral extents of the release |            |  |  |
| Boring or excavation logs  Photographs including date and GIS information   |            |  |  |
| Topographic/Aerial maps Laboratory data including chain of custody  |            |  |  |
|   |            |  |  |

If the site characterization report does not include completed efforts at remediation of the release, the report must include a proposed remediation plan. That plan must include the estimated volume of material to be remediated, the proposed remediation technique, proposed sampling plan and methods, anticipated timelines for beginning and completing the remediation. The closure criteria for a release are contained in Table 1 of 19.15.29.12 NMAC, however, use of the table is modified by site- and release-specific parameters.

Page 4 Och: 6/23/2020 10:10:53 State of New Mexico
Oil Conservation Division

|                | Page 4 of 15 |
|----------------|--------------|
| Incident ID    | ruge 4 of 13 |
| District RP    |              |
| Facility ID    |              |
| Application ID |              |

| 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:  | _ Title:   |  |
| Signature:   | Date:      |  |
| email:   | Telephone: |  |
| OCD Only Received by:  | Date:      |  |

Page 5 Oil Conservation Division

|                | ———— Page 5 of |
|----------------|----------------|
| Incident ID    | 1 age 3 of     |
| District RP    |                |
| Facility ID    |                |
| Application ID |                |

### **Remediation Plan**

| Remediation Plan Checklist: Each of the following items must be included in the plan.  |   |  |  |
|--|---|--|--|
| <ul> <li>□ Detailed description of proposed remediation technique</li> <li>□ Scaled sitemap with GPS coordinates showing delineation points</li> <li>□ Estimated volume of material to be remediated</li> <li>□ Closure criteria is to Table 1 specifications subject to 19.15.29.12(C)(4) NMAC</li> <li>□ Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is required)</li> </ul>  |   |  |  |
| Deferral Requests Only: Each of the following items must be con  | nfirmed as part of any request for deferral of remediation. |  |  |
| Contamination must be in areas immediately under or around production equipment where remediation could cause a major facility deconstruction.   |   |  |  |
| Extents of contamination must be fully delineated.   |   |  |  |
| Contamination does not cause an imminent risk to human health  | n, the environment, or groundwater.                         |  |  |
| 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:  | Title:  |  |  |
| Signature:   | Date:   |  |  |
| email:   | Telephone:  |  |  |
| OCD Only   |   |  |  |
| Received by:   | Date:   |  |  |
| Approved   | Approval  |  |  |
| Signature:   | Date:   |  |  |

### Reserved by OCD: 6/23/2020 10:10:53 State of New Mexico Page 6 Oil Conservation Division

|                | Page 6 of |
|----------------|-----------|
| Incident ID    | Tuge o of |
| District RP    |           |
| Facility ID    |           |
| Application ID |           |

### Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

| Closure Report Attachment Checklist: Each of the following items must be included in the closure report.  |  |
|---|--|
| A scaled site and sampling diagram as described in 19.15.29.11 l  | NMAC   |
| Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)   |  |
| Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)   |  |
| □ Description of remediation activities   |  |
|   |  |
| 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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.  Printed Name: James McDaniel  Title: HSE Supervisor  Date: 6/23/2020  Telephone: (505) 444-9731 |  |
| OCD Only  |  |
| Received by: OCD  | Date: 6/23/2020  |
|   |  |
| Closure approval by the OCD does not relieve the responsible party of   | liability should their operations have failed to adequately investigate and ter, human health, or the environment nor does not relieve the responsible |
| Closure approval by the OCD does not relieve the responsible party of remediate contamination that poses a threat to groundwater, surface was   | liability should their operations have failed to adequately investigate and ter, human health, or the environment nor does not relieve the responsible |

#### MC 5 COM 112H Narrative

#### 6/16/2020

A pit tank overflow was discovered at the MC 5 COM 112H wellsite. Upon investigation, it was determined that a valve on the produced water tank header was opened, allowing the contents of the above ground produced water tank to be emptied into the pit tank, causing the tank to overflow onto the liner secondary containment. The volume was determined by measuring the area and depth of the overflowed area, and calculating the volume of the liquid. A truck was dispatched, and the pit tank was emptied and fluids on the liner were recovered.

#### 6/17/2020

A wash crew sprayed the liner clean. A notification was sent to Cory Smith, NMOCD, to notify of a liner inspection to take place on June 22, 2020.

#### 6/19/2020

HSE visited the site to confirm the release had been cleaned up properly ahead of the liner inspection scheduled for June 22, 2020.

#### 6/22/2020

The Enduring HSE Supervisor was on-site at 9 AM to perform the liner inspection. A representative from the NMOCD was not present. The liner was inspected, and no evidence of a liner integrity issue was found during the inspection. Pictures were taken of the liner during inspection and are attached to the closure report for reference.

#### **James McDaniel**

From: James McDaniel

Sent: Wednesday, June 17, 2020 2:12 PM

To: 'Smith, Cory, EMNRD'

Cc: Lacey Granillo

Subject: MC 5 COM 112H Spill

Attachments: IMG\_1718.JPG; IMG\_1719.JPG

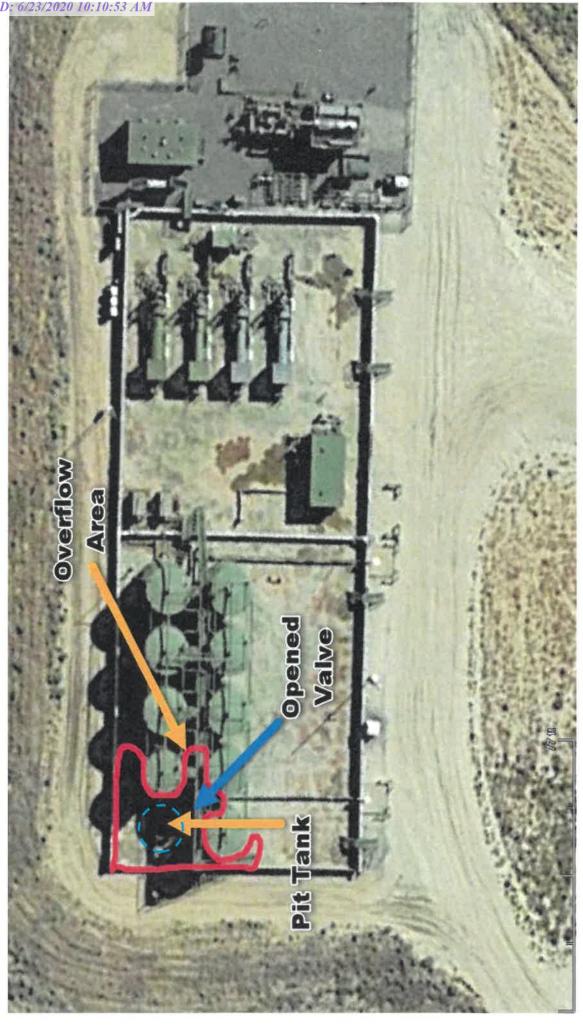
#### Cory,

Yesterday around 1:00 PM, a pit tank overflow was reported at the MC 5 COM 112H wellsite, API 30-045-35605, located in Section 33D, 24N, Range 8W, San Juan County, NM. A valve on the drain line from the water tank is believed to have been opened by vandals, emptying the contents of the water tank into the pit tank, causing it to overflow. The volume of the water/oil that was overflowed onto the liner was 6 bbls. This volume was found by measuring the size and depth of the liquid on the liner, and calculating the volume. All liquids were contained within the lined secondary containment for the tank battery, and has been cleaned up. Enduring will perform an inspection of the liner for integrity on Monday, June 22, 2020 at 9 AM. Pictures of the liquid on the liner are attached for reference.

James McDaniel HSE Supervisor Enduring Resources CSP #30009 CHMM #15676 CIT #13805

Office: 505-636-9731 Cell: 505-444-3004

imcdaniel@enduringresources.com





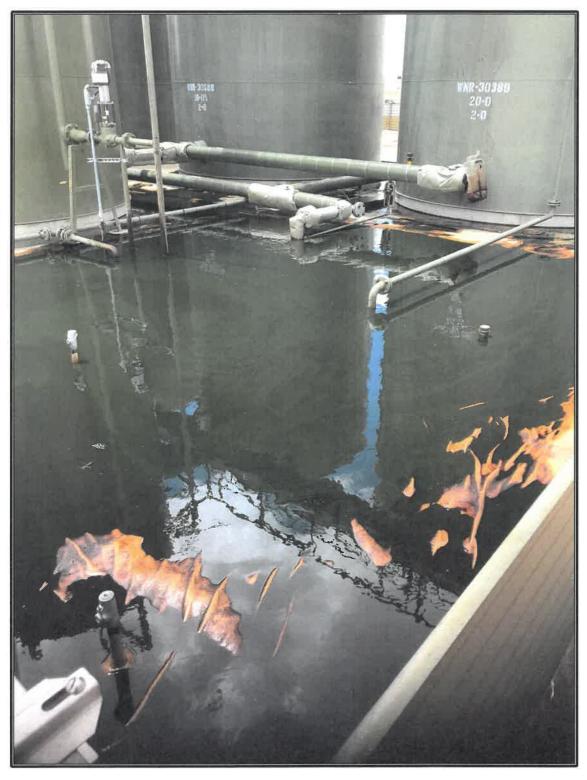


Photo 1: View of Overflowed BGT





Photo 2: View of BGT Overflow (2)



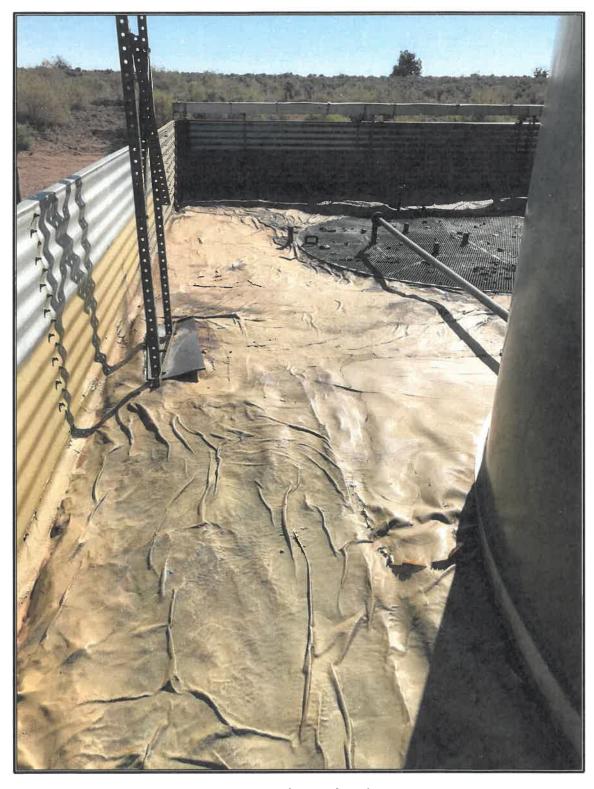


Photo 3: View of Liner after Cleanup



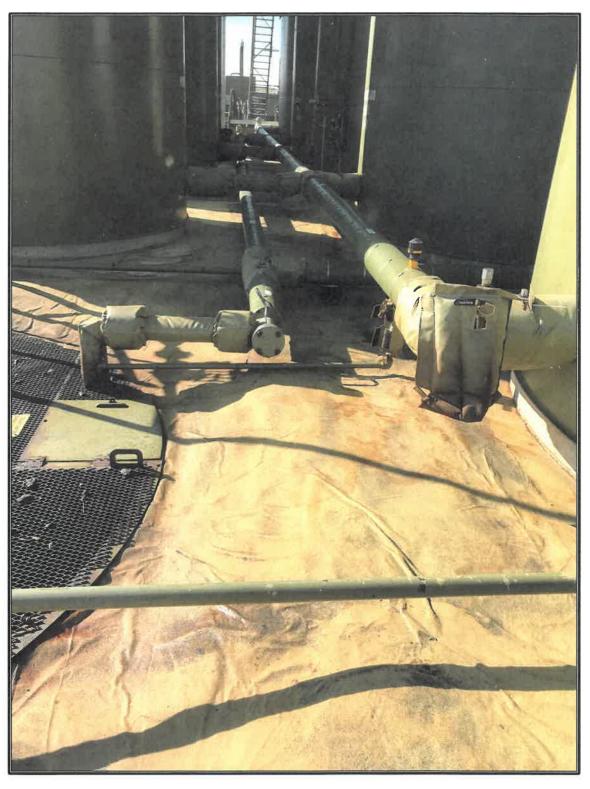


Photo 4: View of Liner after Cleanup (2)

ŗ





Photo 5: View of Liner after Cleanup (3)



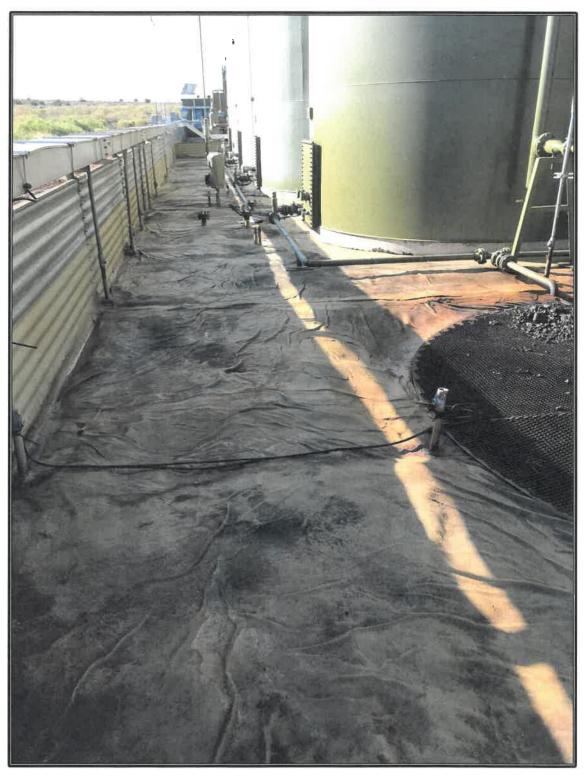


Photo 6: View of Liner after Cleanup (4)