

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

API# 30-039-22210

OPERATOR

☐ Initial Report ☒ Final Report

| | | |
|---|----------------------------------|-----------------------|
| Name of Company: Energen Resources, Inc. | Contact: Ed Hasely | |
| Address: 2010 Afton Place, Farmington, NM 87401 | Telephone No: 505-324-4131 | |
| Facility Name: San Juan 30-4 Unit #39 | Facility Type: Oil/Gas Well Site | |
| Surface Owner: Forest Service | Mineral Owner: Federal | Lease No. NMSF079485A |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|------------|
| F | 18 | 30N | 4W | 1520 | North | 720 | West | Rio Arriba |

Latitude 36.8148

Longitude -107.29958

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release: Produced Fluids | Volume of Release: Unknown | Volume Recovered: 0 bbls |
| Source of Release: Production Pit Tank | Date and Hour of Occurrence: Unknown | Date and Hour of Discovery: 8/6/08 |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? NA | |
| By Whom? NA | Date and Hour: NA | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. NA | |
| If a Watercourse was Impacted, Describe Fully.* NA | | RCVD AUG 25 '08 OIL CONS. DIV. DIST. 3 |
| Describe Cause of Problem and Remedial Action Taken.* Sampling underneath the tank during the below-grade tank closure showed TPH (Method 418.1) results of 500 ppm. According to the Pit Rule, any result over 100 ppm is an indication of a release. | | |
| Describe Area Affected and Cleanup Action Taken.* A risk ranking of the location revealed that the lab results are below remediation levels per Rule 116 and the "Guidelines for Remediation of Leaks, Spills and Releases". Depth to water is greater than 100 feet, distance to surface water is between 200 and 1000 feet, and it is not in a Wellhead Protection Area --- Total Ranking Score of 10, which gives a remediation level of 1000 ppm for TPH. No remediation required. | | |
| 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:  | OIL CONSERVATION DIVISION | |
| Printed Name: Ed Hasely | Approved by District Supervisor:  For: Charlie Perin | |
| Title: Sr. Environmental Engineer | Approval Date: 8/25/08 | Expiration Date: |
| E-mail Address: ed.hasely@energen.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: 8/21/08 Phone: 505-324-4131 / 505-330-3584(cell) | | |

* Attach Additional Sheets If Necessary

Incident # n RMD 0928 152282

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

| | | | |
|--------------------|----------------|---------------------|------------|
| Client: | Energen | Project #: | 03022-0001 |
| Sample ID: | Pit Sample | Date Reported: | 08-06-08 |
| Laboratory Number: | 46570 | Date Sampled: | 07-31-08 |
| Chain of Custody: | 4922 | Date Received: | 07-31-08 |
| Sample Matrix: | Soil | Date Analyzed: | 08-05-08 |
| Preservative: | | Date Extracted: | 08-04-08 |
| Condition: | Plastic Bottle | Analysis Requested: | BTEX |

| Parameter | Concentration (ug/Kg) | Det. Limit (ug/Kg) |
|--------------|--------------------------|--------------------------|
| Benzene | ND | 0.9 |
| Toluene | 5.2 | 1.0 |
| Ethylbenzene | 1.0 | 1.0 |
| p,m-Xylene | 2.5 | 1.2 |
| o-Xylene | 3.8 | 0.9 |
| Total BTEX | 12.5 | |

ND - Parameter not detected at the stated detection limit.

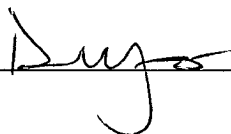
| Surrogate Recoveries: | Parameter | Percent Recovery |
|-----------------------|---------------------|------------------|
| | Fluorobenzene | 97.0 % |
| | 1,4-difluorobenzene | 97.0 % |
| | Bromochlorobenzene | 97.0 % |

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

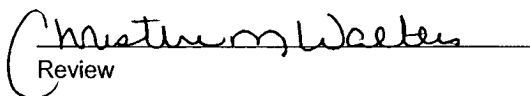
Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: San Juan 30-4 #39

Analyst



Review



ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS

| | | | |
|----------------------|----------------|------------------|------------|
| Client: | Energen | Project #: | 03022-0001 |
| Sample ID: | Pit Sample | Date Reported: | 08-04-08 |
| Laboratory Number: | 46570 | Date Sampled: | 07-31-08 |
| Chain of Custody No: | 4922 | Date Received: | 07-31-08 |
| Sample Matrix: | Soil | Date Extracted: | 08-01-08 |
| Preservative: | | Date Analyzed: | 08-01-08 |
| Condition: | Plastic Bottle | Analysis Needed: | TPH-418.1 |

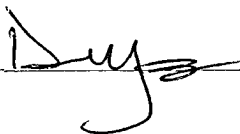
| Parameter | Concentration (mg/kg) | Det. Limit (mg/kg) |
|------------------------------|--------------------------|--------------------------|
| Total Petroleum Hydrocarbons | 500 | 5.0 |

ND = Parameter not detected at the stated detection limit.

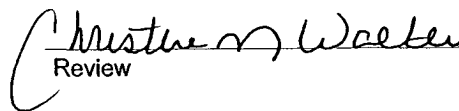
References: Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water and Waste, USEPA Storet No. 4551, 1978.

Comments: San Juan 30-4 #39.

Analyst



Review



ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

Chloride

| | | | |
|----------------|----------------|-------------------|------------|
| Client: | Energen | Project #: | 03022-0001 |
| Sample ID: | Pit Sample | Date Reported: | 08-04-08 |
| Lab ID#: | 46570 | Date Sampled: | 07-31-08 |
| Sample Matrix: | Soil | Date Received: | 07-31-08 |
| Preservative: | | Date Analyzed: | 08-04-08 |
| Condition: | Plastic Bottle | Chain of Custody: | 4922 |

| Parameter | Concentration (mg/Kg) |
|-----------|-----------------------|
|-----------|-----------------------|

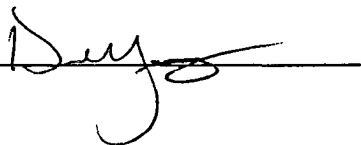
Total Chloride

36.0

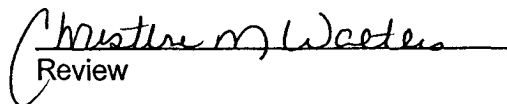
Reference: U.S.E.P.A., 4500B, "Methods for Chemical Analysis of Water and Wastes", 1983.
Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

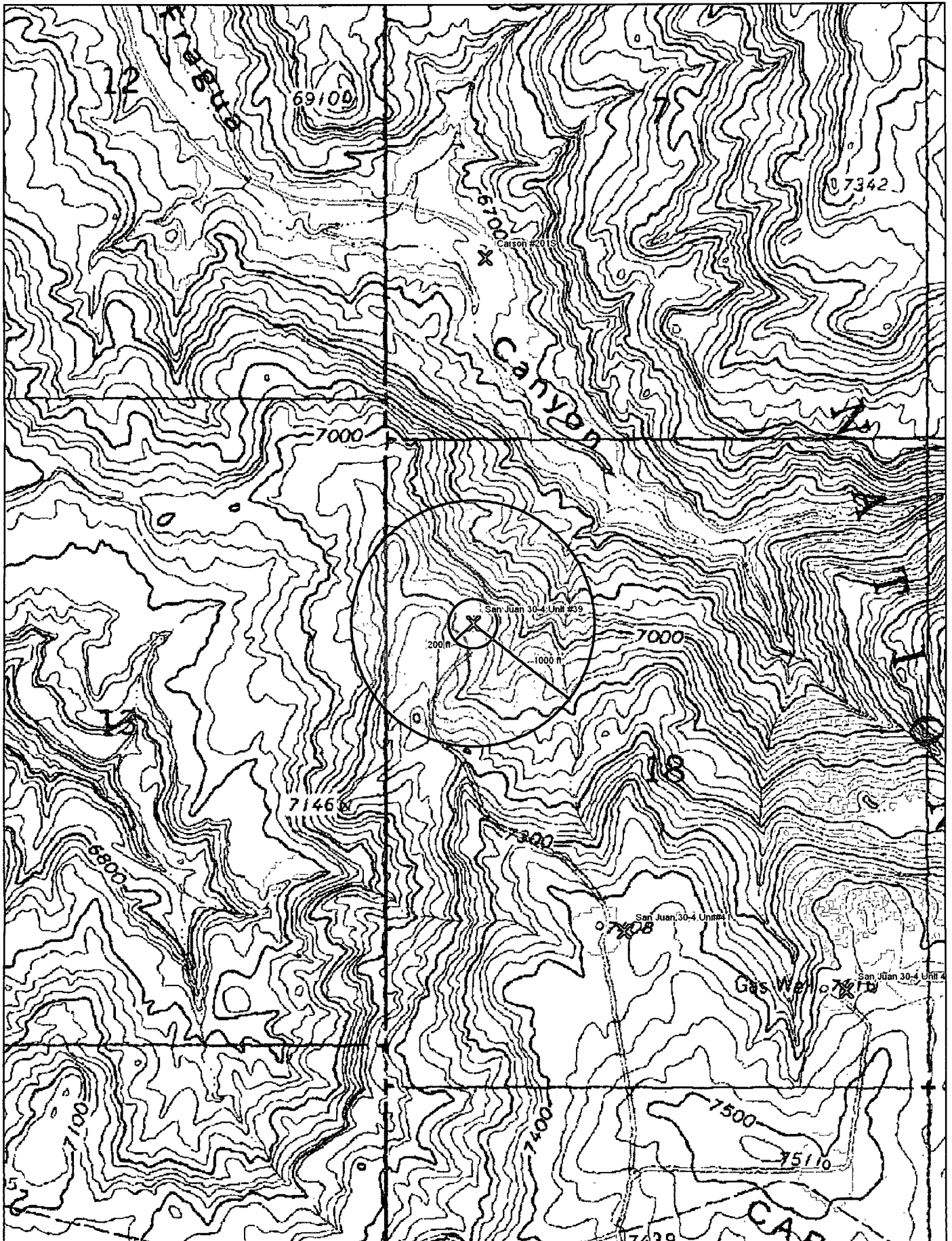
Comments: San Juan 30-4 #39.

Analyst



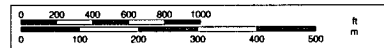
Review





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Scale 1 : 12,800
1" = 1070 ft





August 21, 2008

New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410
Attn: Brandon Powell

Re: **San Juan 30-4 Unit #39**
C-141 Submittal
Below Grade Tank Closure – Release Notification

Dear Mr. Powell:

Enclosed is the final C-141 Form for the possible release identified during a Below-Grade Tank closure on the San Juan 30-4 Unit #39 well location.

If there are any questions or concerns with this submittal, please contact me at 505-324-4131.

Sincerely,

A handwritten signature in black ink, appearing to read "Ed Hasely".

Ed Hasely
Sr. Environmental Engineer
Energen Resources

Attachments: Final C-141
Closure Report
Lab Reports

Cc: BLM – Mr. Kevin Schneider
HSE File
Facility File
Correspondence