

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 # 30-039-06513

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: Cheney Federal #3	Facility Type: Oil/Gas Well Site

Surface Owner: Federal	Mineral Owner: Federal	Lease No. NMNM046
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### LOCATION OF RELEASE

Unit Letter B	Section 17	Township 26N	Range 2W	Feet from the 790	North/South Line North	Feet from the 1850	East/West Line East	County Rio Arriba
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Latitude 36.49012

Longitude -107.07014

### 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: 3/16/09
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Brandon Powell - OCD (Email) Kevin Schneider - BLM (Email)	
By Whom? Ed Hasely	Date and Hour: 3/17/09 7:45 am	
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

Describe Cause of Problem and Remedial Action Taken.\*

During the below-grade tank closure, soils underneath the tank were visually impacted.

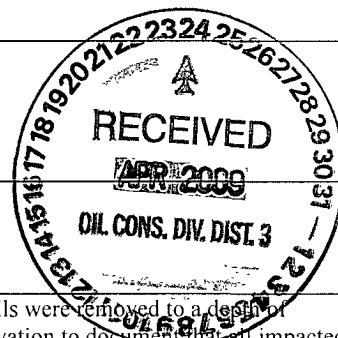
Describe Area Affected and Cleanup Action Taken.\* The impacted soils were excavated using a backhoe. Soils were removed to a depth of approximately 5 feet below the tank. Composite samples were collected from the walls and the bottom of the excavation to document that all impacted soils had been removed. The analyses (attached) shows acceptable results. The impacted soils were disposed at a commercial disposal facility and the excavation was backfilled with clean soils.

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>Ed Hasely</i>		OIL CONSERVATION DIVISION	
Printed Name: Ed Hasely		Approved by District Supervisor: <i>Brandon Powell</i> For: <i>Charlie Perrin</i>	
Title: Sr. Environmental Engineer	Approval Date: 4-24-09	Expiration Date:	
E-mail Address: ed.hasely@encrgen.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 4/22/09	Phone: 505-324-4131 / 505-330-3584(cell)		

\* Attach Additional Sheets If Necessary

Incident# nRMD0924538560



**Hall Environmental Analysis Laboratory, Inc.**

Date: 26-Mar-09

CLIENT: Energen Resources  
Lab Order: 0903252  
Project: Cheney Fed #3  
Lab ID: 0903252-02

Client Sample ID: Below Walls Grade Tank  
Collection Date: 3/16/2009  
Date Received: 3/18/2009  
Matrix: SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
<b>EPA METHOD 8015B: DIESEL RANGE ORGANICS</b>						Analyst: SCC
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	3/21/2009
Surr: DNOP	89.9	61.7-135		%REC	1	3/21/2009
<b>EPA METHOD 8015B: GASOLINE RANGE</b>						Analyst: DAM
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	3/24/2009 12:05:01 AM
Surr: BFB	89.4	58.8-123		%REC	1	3/24/2009 12:05:01 AM
<b>EPA METHOD 8021B: VOLATILES</b>						Analyst: DAM
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	3/24/2009 12:05:01 AM
Benzene	ND	0.050		mg/Kg	1	3/24/2009 12:05:01 AM
Toluene	ND	0.050		mg/Kg	1	3/24/2009 12:05:01 AM
Ethylbenzene	ND	0.050		mg/Kg	1	3/24/2009 12:05:01 AM
Xylenes, Total	ND	0.10		mg/Kg	1	3/24/2009 12:05:01 AM
Surr: 4-Bromofluorobenzene	96.8	66.8-139		%REC	1	3/24/2009 12:05:01 AM
<b>EPA METHOD 300.0: ANIONS</b>						Analyst: RAGS
Chloride	27	1.5		mg/Kg	5	3/24/2009 5:20:29 AM
<b>EPA METHOD 418.1: TPH</b>						Analyst: LRW
Petroleum Hydrocarbons, TR	ND	20		mg/Kg	1	3/19/2009

Walls Composite

Qualifiers: \* Value exceeds Maximum Contaminant Level  
E Estimated value  
J Analyte detected below quantitation limits  
ND Not Detected at the Reporting Limit  
S Spike recovery outside accepted recovery limits

B Analyte detected in the associated Method Blank  
H Holding times for preparation or analysis exceeded  
MCL Maximum Contaminant Level  
RL Reporting Limit

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**Hall Environmental Analysis Laboratory, Inc.**

Date: 26-Mar-09

**CLIENT:** Energen Resources  
**Lab Order:** 0903252  
**Project:** Cheney Fed #3  
**Lab ID:** 0903252-01

**Client Sample ID:** Below Bottom Grade Tank  
**Collection Date:** 3/16/2009  
**Date Received:** 3/18/2009  
**Matrix:** SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
<b>EPA METHOD 8015B: DIESEL RANGE ORGANICS</b>						Analyst: SCC
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	3/21/2009
Surr: DNOP	87.2	61.7-135		%REC	1	3/21/2009
<b>EPA METHOD 8015B: GASOLINE RANGE</b>						Analyst: DAM
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	3/23/2009 11:34:46 PM
Surr: BFB	89.0	58.8-123		%REC	1	3/23/2009 11:34:46 PM
<b>EPA METHOD 8021B: VOLATILES</b>						Analyst: DAM
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	3/23/2009 11:34:46 PM
Benzene	ND	0.050		mg/Kg	1	3/23/2009 11:34:46 PM
Toluene	ND	0.050		mg/Kg	1	3/23/2009 11:34:46 PM
Ethylbenzene	ND	0.050		mg/Kg	1	3/23/2009 11:34:46 PM
Xylenes, Total	ND	0.10		mg/Kg	1	3/23/2009 11:34:46 PM
Surr: 4-Bromofluorobenzene	95.8	66.8-139		%REC	1	3/23/2009 11:34:46 PM
<b>EPA METHOD 300.0: ANIONS</b>						Analyst: RAGS
Chloride	53	1.5		mg/Kg	5	3/24/2009 5:03:04 AM
<b>EPA METHOD 418.1: TPH</b>						Analyst: LRW
Petroleum Hydrocarbons, TR	ND	20		mg/Kg	1	3/19/2009

Bottom Composite

**Qualifiers:**

- \* Value exceeds Maximum Contaminant Level
- E Estimated value
- J Analyte detected below quantitation limits
- ND Not Detected at the Reporting Limit
- S Spike recovery outside accepted recovery limits

- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded
- MCL Maximum Contaminant Level
- RL Reporting Limit

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**Ed Hasely**

**From:** Ed Hasely  
**Sent:** Tuesday, March 17, 2009 7:46 AM  
**To:** 'Powell, Brandon, EMNRD'  
**Cc:** 'kevin\_schneider@nm.blm.gov'  
**Subject:** FW: Cheney Federal #3

During the closure of the subject below grade tank on 3/16, impacted soils were discovered underneath the tank. The impacted soils were excavated and we are currently waiting on analytical results to verify a "clean" closure. The impacted soils will be hauled to commercial disposal and the excavation will be backfilled w/ clean soils.

I will follow up w/ a C-141 and a C-144 closure report. Please let me know if you have any questions.

**Ed Hasely**  
**Energen Resources Corporation**

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**From:** Ed Hasely  
**Sent:** Friday, March 06, 2009 2:54 PM  
**To:** 'Powell, Brandon, EMNRD'  
**Subject:** Cheney Federal #3

Brandon - This is to notify you that Energen plans to close a below grade tank on the subject location in the near future. The BGT is in Unit Letter B, Section 17 - T26N - R2W, Rio Arriba County. Let me know if you need additional information. Thanks.

**Ed Hasely**  
**Energen Resources Corporation**

Sr. Environmental Engineer  
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Office: (505) 324-4131  
Cell: (505) 330-3584

4/22/2009