

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: XTO Energy, Inc.	Contact: James McDaniel
Address: 382 Road 3100, Aztec, New Mexico 87410	Telephone No.: (505) 333-3701
Facility Name: Hoover #2 (30-045-31220)	Facility Type: Gas Well (Fruitland Coal)

Surface Owner: BLM	Mineral Owner:	Lease No.:
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LOCATION OF RELEASE

Unit Letter	Section 21	Township 30N	Range 14W	Feet from the 1550	North/South Line FNL	Feet from the 950	East/West Line FEL	County San Juan
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Latitude: 36.80467 Longitude: -108.30880

RCVD SEP 1 '10
OIL CONS. DIV.

NATURE OF RELEASE

DIST. 3

Type of Release: Produced Water (CBM)	Volume of Release: 25 bbls	Volume Recovered: None
Source of Release: Leaking Pipeline	Date and Hour of Occurrence: August 25, 2010	Date and Hour of Discovery: August 25, 2010 - 09:25
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Brandon Powell	
By Whom? James McDaniel	Date and Hour: August 25, 2010 - 15:30	
Was a Watercourse Reached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, Volume Impacting the Watercourse. 25 bbls	

If a Watercourse was Impacted, Describe Fully.*

The produced water traveled along the edge of an access road for approximately 130' before running into a small drainage feature off the road. The produced water traveled in the drainage feature for approximately 900 feet. The produced water then entered the Coolidge Arroyo and traveled an additional 250 feet before coming to an end. All waterways were dry at the time of the spill.

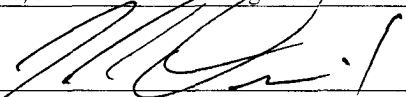
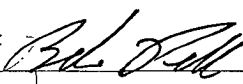
Describe Cause of Problem and Remedial Action Taken.

On August 25, 2010, an XTO employee noticed the produced water seeping up from the ground, and traveling across the road into the drainage feature. The nearby wells that used the pipeline were shut in, stopping the release. The pipeline was then uncovered using a hydro-excavator, and the leaking pipeline was repaired, pressure checked, and put back into service.

Describe Area Affected and Cleanup Action Taken.

On August 25, 2010, composite samples were collected from the drainage feature, before the spill entered the wash, and from the surface of the wash. These samples were labeled Top Wash Composite, Middle Wash Composite and Bottom Wash Composite respectively. Two background samples were also collected in Coolidge Arroyo at the request of Brandon Powell, OCD. The wash composite samples were analyzed for TPH via USEPA Method 8015, benzene and BTEX via USEPA Method 8021, and for total chlorides. The background samples were analyzed for chlorides. All three spill composite samples returned results below the NMOCD standard determined for this site of 100 ppm TPH, 10 ppm benzene and 50 ppm total BTEX. The chlorides results for these three samples returned results ranging from 800-1100 ppm total chlorides. Background levels were 36 ppm and 110 ppm. Due to a distance of over 7.5 miles to the nearest major water way, the San Juan River, it was determined that the chloride levels would not pose a threat to human health and the environment. Analytical results are attached for your reference.

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: James McDaniel	Approved by District Supervisor:  For: CP	
Title: EH&S Specialist	Approval Date: 9/7/10	Expiration Date:
E-mail Address: James_McDaniel@xtoenergy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 8/30/2010	Phone: 505-333-3701	



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Tax I.D. 62-0814289

Est. 1970

James McDaniel
XTO Energy - San Juan Division
382 Road 3100
Aztec, NM 87410

Report Summary

Friday August 27, 2010

Report Number: L475683

Samples Received: 08/26/10

Client Project:

Description: Pipeline Release Near Hoover 2

The analytical results in this report are based upon information supplied by you, the client, and are for your exclusive use. If you have any questions regarding this data package, please do not hesitate to call.

Entire Report Reviewed By:

Daphne Richards , ESC Representative

Laboratory Certification Numbers

A2LA - 1461-01, AIHA - 100789, AL - 40660, CA - I-2327, CT - PH-0197, FL - E87487
GA - 923, IN - C-TN-01, KY - 90010, KYUST - 0016, NC - ENV375/DW21704, ND - R-140
NJ - TN002, NJ NELAP - TN002, SC - 84004, TN - 2006, VA - 00109, WV - 233
AZ - 0612, MN - 047-999-395, NY - 11742, WI - 998093910, NV - TN000032008A

Accreditation is only applicable to the test methods specified on each scope of accreditation held by ESC Lab Sciences.

Note: The use of the preparatory EPA Method 3511 is not approved or endorsed by the CA ELAP.

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REPORT OF ANALYSIS

James McDaniel
XTO Energy - San Juan Division
382 Road 3100
Aztec, NM 87410

August 27, 2010

Date Received : August 26, 2010
Description : Pipeline Release Near Hoover 2
Sample ID : DOWNSTREAM BACKGROUND
Collected By : James McDaniel
Collection Date : 08/25/10 12:45

ESC Sample # : L475683-01

Site ID : PIPELINE RELEASE NEAR

Project # :

Parameter	Dry Result	Det. Limit	Units	Method	Date	Dil.
Chloride	110	10.	mg/kg	9056	08/27/10	1
Total Solids	98.7		%	2540G	08/27/10	1

Results listed are dry weight basis.

BDL - Below Detection Limit

Det. Limit - Practical Quantitation Limit (PQL)

Note:

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The reported analytical results relate only to the sample submitted

Reported: 08/27/10 15:24 Printed: 08/27/10 15:25



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REPORT OF ANALYSIS

August 27, 2010

James McDaniel
XTO Energy - San Juan Division
382 Road 3100
Aztec, NM 87410

Date Received : August 26, 2010
Description : Pipeline Release Near Hoover 2
Sample ID : UPSTREAM BACKGROUND
Collected By : James McDaniel
Collection Date : 08/25/10 12:50

ESC Sample # : L475683-02

Site ID : PIPELINE RELEASE NEAR

Project # :

Parameter	Dry Result	Det. Limit	Units	Method	Date	Dil.
Chloride	36.	10.	mg/kg	9056	08/27/10	1
Total Solids	99.0		%	2540G	08/27/10	1

Results listed are dry weight basis.

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REPORT OF ANALYSIS

James McDaniel
XTO Energy - San Juan Division
382 Road 3100
Aztec, NM 87410

August 27, 2010

Date Received : August 26, 2010
Description : Pipeline Release Near Hoover 2
Sample ID : BOTTOM WASH COMPOSITE
Collected By : James McDaniel
Collection Date : 08/25/10 13:00

ESC Sample # : L475683-03

Site ID : PIPELINE RELEASE NEAR

Project # :

Parameter	Dry Result	Det. Limit	Units	Method	Date	Dil.
Chloride	800	12.	mg/kg	9056	08/27/10	1
Total Solids	82.7		%	2540G	08/27/10	1
Benzene	BDL	0.0030	mg/kg	8021/8015	08/26/10	5
Toluene	BDL	0.030	mg/kg	8021/8015	08/26/10	5
Ethylbenzene	BDL	0.0030	mg/kg	8021/8015	08/26/10	5
Total Xylene	BDL	0.0091	mg/kg	8021/8015	08/26/10	5
TPH (GC/FID) Low Fraction	BDL	0.60	mg/kg	GRO	08/26/10	5
Surrogate Recovery-%						
a,a,a-Trifluorotoluene (FID)	99.4		% Rec.	8021/8015	08/26/10	5
a,a,a-Trifluorotoluene (PID)	105.		% Rec.	8021/8015	08/26/10	5
TPH (GC/FID) High Fraction	BDL	4.8	mg/kg	3546/DRO	08/27/10	1
Surrogate recovery(%)						
o-Terphenyl	73.1		% Rec.	3546/DRO	08/27/10	1

Results listed are dry weight basis.

BDL - Below Detection Limit

Det. Limit - Practical Quantitation Limit (PQL)

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REPORT OF ANALYSIS

James McDaniel
XTO Energy - San Juan Division
382 Road 3100
Aztec, NM 87410

August 27, 2010

Date Received : August 26, 2010
Description : Pipeline Release Near Hoover 2
Sample ID : MIDDLE WASH COMPOSITE
Collected By : James McDaniel
Collection Date : 08/25/10 13:10

ESC Sample # : L475683-04

Site ID : PIPELINE RELEASE NEAR

Project # :

Parameter	Dry Result	Det. Limit	Units	Method	Date	Dil.
Chloride	1100	13.	mg/kg	9056	08/27/10	1
Total Solids	77.4		%	2540G	08/27/10	1
Benzene	BDL	0.0032	mg/kg	8021/8015	08/26/10	5
Toluene	BDL	0.032	mg/kg	8021/8015	08/26/10	5
Ethylbenzene	BDL	0.0032	mg/kg	8021/8015	08/26/10	5
Total Xylene	BDL	0.0097	mg/kg	8021/8015	08/26/10	5
TPH (GC/FID) Low Fraction	BDL	0.64	mg/kg	GRO	08/26/10	5
Surrogate Recovery-%						
a,a,a-Trifluorotoluene (FID)	100.		% Rec.	8021/8015	08/26/10	5
a,a,a-Trifluorotoluene (PID)	104.		% Rec.	8021/8015	08/26/10	5
TPH (GC/FID) High Fraction	BDL	5.2	mg/kg	3546/DRO	08/27/10	1
Surrogate recovery(%)						
o-Terphenyl	75.1		% Rec.	3546/DRO	08/27/10	1

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REPORT OF ANALYSIS

August 27, 2010

James McDaniel
XTO Energy - San Juan Division
382 Road 3100
Aztec, NM 87410

ESC Sample # : L475683-05

Date Received : August 26, 2010
Description : Pipeline Release Near Hoover 2

Site ID : PIPELINE RELEASE NEAR

Sample ID : TOP WASH COMPOSITE

Project # :

Collected By : James McDaniel
Collection Date : 08/25/10 13:15

Parameter	Dry Result	Det. Limit	Units	Method	Date	Dil.
Chloride	880	13.	mg/kg	9056	08/27/10	1
Total Solids	78.0		%	2540G	08/27/10	1
Benzene	BDL	0.0032	mg/kg	8021/8015	08/26/10	5
Toluene	BDL	0.032	mg/kg	8021/8015	08/26/10	5
Ethylbenzene	BDL	0.0032	mg/kg	8021/8015	08/26/10	5
Total Xylene	BDL	0.0096	mg/kg	8021/8015	08/26/10	5
TPH (GC/FID) Low Fraction	BDL	0.64	mg/kg	GRO	08/26/10	5
Surrogate Recovery-%						
a,a,a-Trifluorotoluene (FID)	99.6		% Rec.	8021/8015	08/26/10	5
a,a,a-Trifluorotoluene (PID)	104.		% Rec.	8021/8015	08/26/10	5
TPH (GC/FID) High Fraction	BDL	5.1	mg/kg	3546/DRO	08/27/10	1
Surrogate recovery(%)						
o-Terphenyl	78.2		% Rec.	3546/DRO	08/27/10	1

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Summary of Remarks For Samples Printed
08/27/10 at 15:25:18

TSR Signing Reports: 288
R2 - Rush: Next Day

Only charge 1 energy fee per day for all samples received

Sample: L475683-01 Account: XTORNM Received: 08/26/10 09:00 Due Date: 08/27/10 00:00 RPT Date: 08/27/10 15:24
Sample: L475683-02 Account: XTORNM Received: 08/26/10 09:00 Due Date: 08/27/10 00:00 RPT Date: 08/27/10 15:24
Sample: L475683-03 Account: XTORNM Received: 08/26/10 09:00 Due Date: 08/27/10 00:00 RPT Date: 08/27/10 15:24
Sample: L475683-04 Account: XTORNM Received: 08/26/10 09:00 Due Date: 08/27/10 00:00 RPT Date: 08/27/10 15:24
Sample: L475683-05 Account: XTORNM Received: 08/26/10 09:00 Due Date: 08/27/10 00:00 RPT Date: 08/27/10 15:24