

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	
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party: DJR Operating, LLC	OGRID: 371838
Contact Name: Larissa Farrell	Contact Telephone: (505) 444-0289
Contact email: lfarrell@djrlc.com	Incident # (assigned by OCD) nAPP2100438243
Contact mailing address: 1 Road 3263 Aztec, NM 87410	

Location of Release Source

Latitude 36.2913666 _____ Longitude -107.7306213 _____
(NAD 83 in decimal degrees to 5 decimal places)

Site Name: Crow Canyon Unit 701H	Site Type: Well
Date Release Discovered: 12 /21/2020	API# (if applicable) 30-045-35467

Unit Letter	Section	Township	Range	County
D	30	24N	08W	San Juan

Surface Owner: ☐ State ☒ Federal ☐ Tribal ☐ Private (Name: _____)

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

<input checked="" type="checkbox"/> Crude Oil	Volume Released (bbls) 30.1 bbls	Volume Recovered (bbls) 29.5 bbls
<input type="checkbox"/> Produced Water	Volume Released (bbls)	Volume Recovered (bbls)
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Condensate	Volume Released (bbls)	Volume Recovered (bbls)
<input type="checkbox"/> Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
<input type="checkbox"/> Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

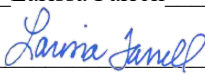
Cause of Release: It was determined that the release occurred due to a hole in Tank #3's heater tube resulting in 30.1 bbls of oil inside the secondary containment. All fluids remained inside the secondary containment. DJR is currently conducting efforts to recover the fluids from the containment and will dispose of the fluids at a permitted surface waste facility.

Incident ID	
District RP	
Facility ID	
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Was this a major release as defined by 19.15.29.7(A) NMAC? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release? The volume of fluids released constitutes a major release.
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Yes, Larissa Farrell notified NMOCD and BLM by email on 12/21/2020 at 2:29pm.	

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

<input checked="" type="checkbox"/> The source of the release has been stopped. <input checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input checked="" type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately.	
If all the actions described above have <u>not</u> been undertaken, explain why: 	
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: <u>Larissa Farrell</u>	Title: <u>Regulatory Specialist</u>
Signature: <u></u>	Date: <u>01/04/2020</u>
email: <u>lfarrell@djrlc.com</u>	Telephone: <u>(505) 444-0289</u>
<u>OCD Only</u> Received by: _____ Date: _____	

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Site Assessment/Characterization

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

What is the shallowest depth to groundwater beneath the area affected by the release?	<u>508</u> (ft bgs)
Did this release impact groundwater or surface water?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a wetland?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying a subsurface mine?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying an unstable area such as karst geology?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within a 100-year floodplain?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Did the release impact areas not on an exploration, development, production, or storage site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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.

Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

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Printed Name: Larissa Farrell Title: Regulatory Specialist

Signature:  Date: 3/17/2021

email: lfarrell@djrlc.com Telephone: (505) 444-0289

OCD Only

Received by: _____ Date: _____

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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 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: Larissa Farrell Title: Regulatory Specialist

Signature:  Date: 3/17/2021

email: lfarrell@djrlc.com Telephone: (505) 444-0289

OCD Only

Received by: _____ Date: _____

Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.

Closure Approved by:  Date: 10/06/2021

Printed Name: Nelson Velez Title: Environmental Specialist - Adv



1 Road 3263
Aztec, NM 87410
Phone: (505) 632-3476

March 17, 2021

New Mexico Oil Conservation Division
Environmental Bureau
1000 Rio Brazos Road
Aztec, New Mexico 87410

Re: Incident ID #nAPP2100438243
Crow Canyon Unit 701H

Dear Mr. Smith,

Enclosed with this letter is the final C-141 for the Crow Canyon 701H release that occurred on December 21, 2020. It was determined that the release occurred due to a hole in tank #3's heater tube resulting in 30.1 bbls of oil inside the secondary containment. DJR Operating contracted a third party to pull all fluids from the containment area and dispose at a certified disposal facility. DJR was able to recover 29.79 bbls from the containment area along with stained gravel. DJR gave 48-hour notice to NMOCD and BLM to inspect the liner which was scheduled for December 30, 2020. DJR certifies that the liner was visually inspected, and the liner remains intact and contained the release therefore no sampling was required. Attached are pictures of the exposed liner to confirm the integrity of the liner. There are no significant watercourses within 1,000 feet of the release point. Depth to groundwater is represented by the nearest point of diversion (POD) SJ 02686 located in Section 32, T24N, R8W showing depth to ground water at 690 feet. SJ 02686 sits at 7,063 feet above sea level and the point of release is 6,854 feet with groundwater at approximately 508 feet below surface.

If you have any questions, please contact me at (505) 444-0289 or lfarrell@djrlc.com.

Sincerely,

A handwritten signature in blue ink that reads 'Larissa Farrell'.

Larissa Farrell
Regulatory Specialist



New Mexico Office of the State Engineer Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)

(R=POD has been replaced, O=orphaned, C=the file is closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest) (NAD83 UTM in meters)

(In feet)

POD Number	Code	Sub-basin	County	Q	Q	Q	Sec	Tws	Rng	X	Y	DepthWell	DepthWater	WaterColumn
SJ 02686		SJ	SJ	3	4	2	32	24N	08W	257502	4017472*	690	690	0

Average Depth to Water: **690 feet**

Minimum Depth: **690 feet**

Maximum Depth: **690 feet**

Record Count: 1

PLSS Search:

Section(s): 30, 29, 32, 31, 19, 21 **Township:** 24N **Range:** 08W

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

3/17/21 9:36 AM

WATER COLUMN/ AVERAGE DEPTH TO WATER



New Mexico Office of the State Engineer

Point of Diversion Summary

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest) (NAD83 UTM in meters)

Well Tag	POD Number	Q64	Q16	Q4	Sec	Tws	Rng	X	Y
	SJ 02686	3	4	2	32	24N	08W	257502	4017472*

Driller License: 725

Driller Company: MCDONALD'S WATER WELL DRLG

Driller Name: MCDONALD, D.K.

Drill Start Date: 04/28/1996

Drill Finish Date: 05/02/1996

Plug Date:

Log File Date: 10/29/1997

PCW Rcv Date:

Source: Shallow

Pump Type:

Pipe Discharge Size:

Estimated Yield: 3 GPM

Casing Size: 7.00

Depth Well: 690 feet

Depth Water: 690 feet

Water Bearing Stratifications: Top Bottom Description

600 690 Other/Unknown

Casing Perforations: Top Bottom

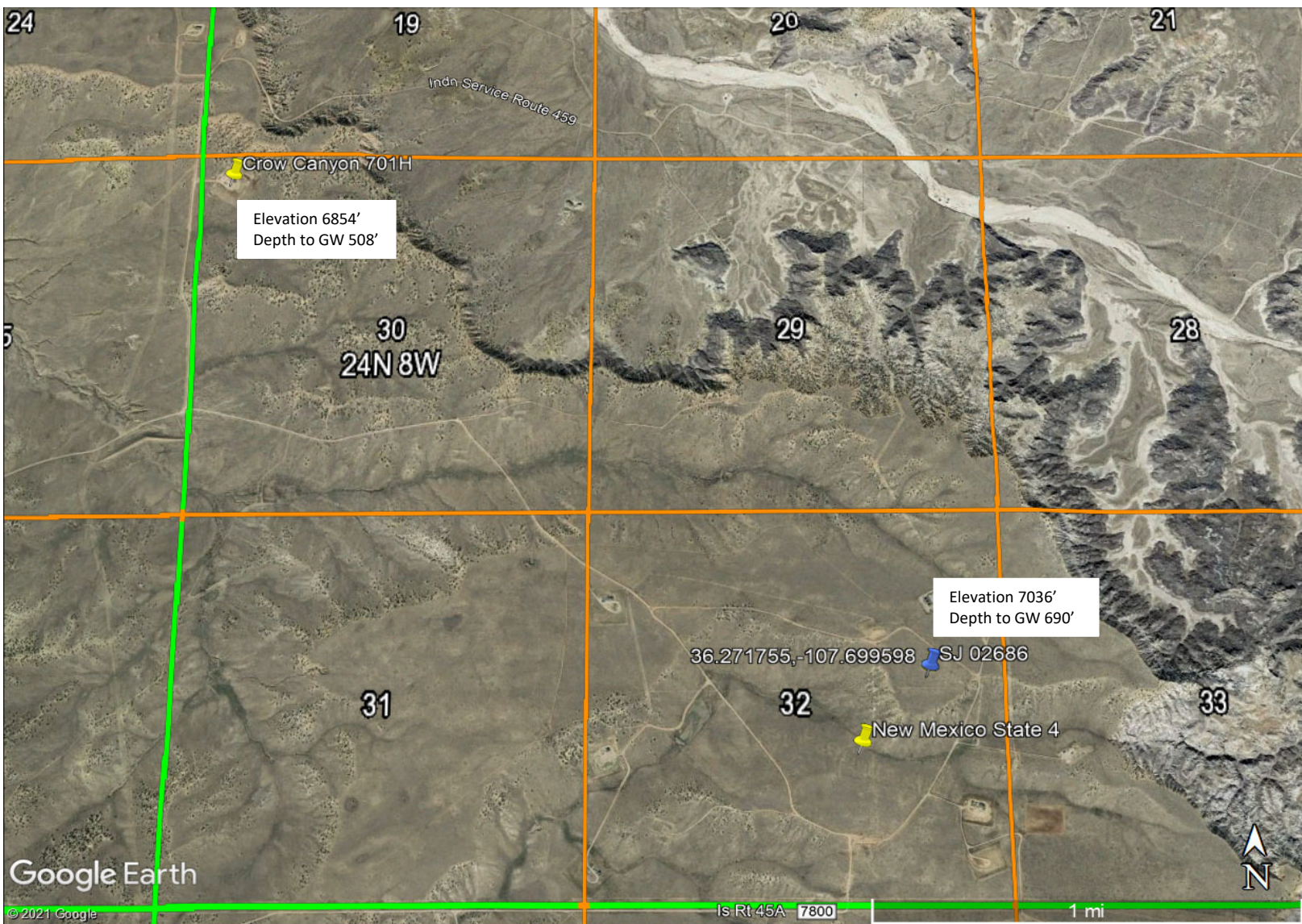
600 690

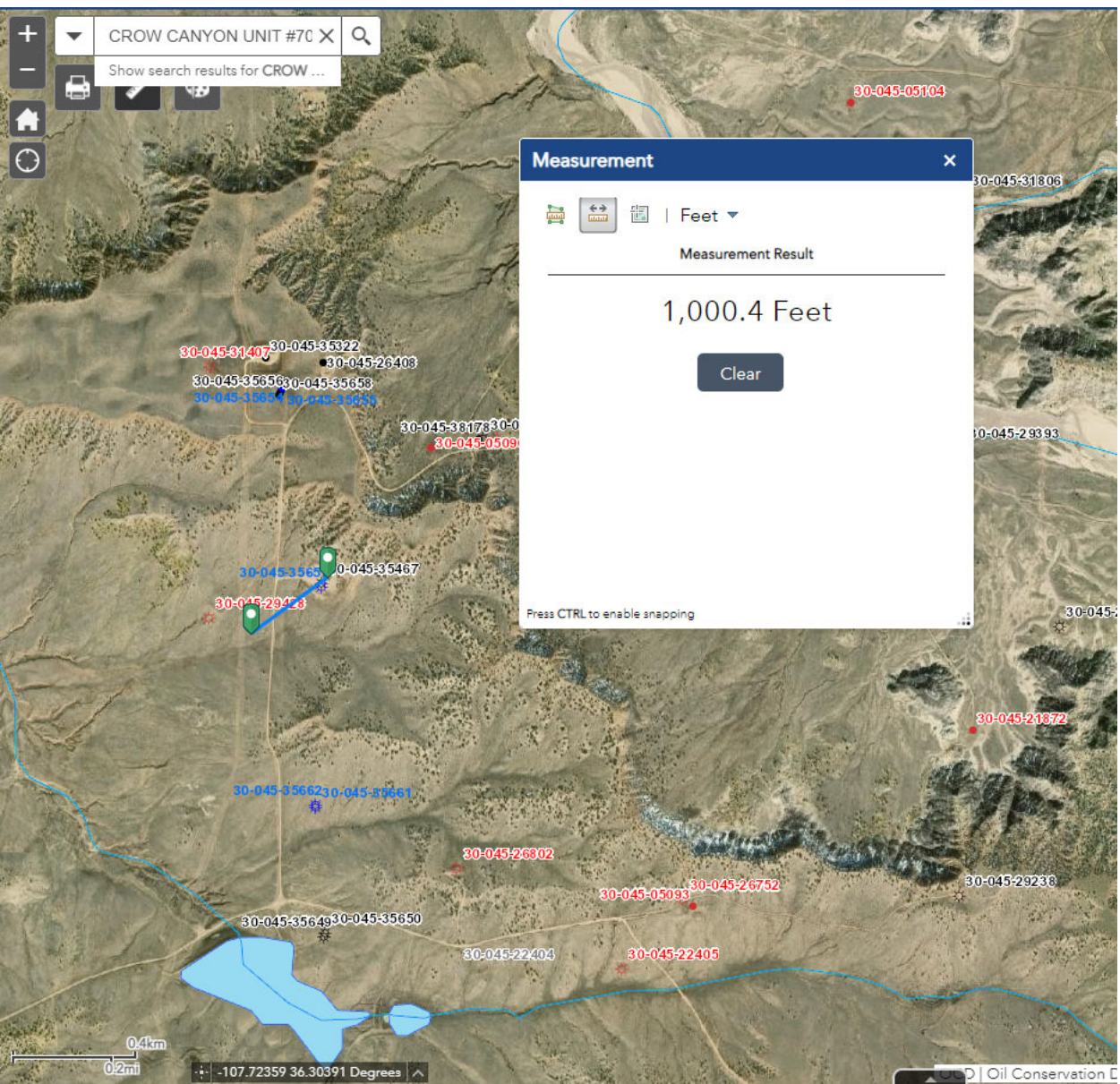
*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

3/17/21 10:34 AM

POINT OF DIVERSION SUMMARY











Larissa Farrell

From: Smith, Cory, EMNRD <Cory.Smith@state.nm.us>
Sent: Tuesday, December 29, 2020 8:51 AM
To: Larissa Farrell; Mankiewicz, David J; Smith, Gary W
Subject: RE: Crow Canyon 701H 48-hour notification

Larissa,

Thank you for the notice of the liner inspection for Wednesday December 30, 2020 at 2pm. IF OCD is not onsite please continue on with the liner inspection per 19.15.29 NMAC. If the inspection date/time changes please contact OCD as soon as possible so we can adjust our schedules.

Thank you,

Cory Smith • Environmental Specialist
Environmental Bureau
EMNRD - Oil Conservation Division
1000 Rio Brazos | Aztec, NM 87410
505.334.6178 x115 | Cory.Smith@state.nm.us
<http://www.emnrd.state.nm.us/OCD/>

From: Larissa Farrell <lfarrell@djrlc.com>
Sent: Monday, December 28, 2020 2:05 PM
To: Smith, Cory, EMNRD <Cory.Smith@state.nm.us>; Mankiewicz, David J <dmankiew@blm.gov>; Smith, Gary W <g1smith@blm.gov>
Subject: [EXT] Crow Canyon 701H 48-hour notification

Good afternoon,

DJR has recovered 99% of the oil that was released at the Crow Canyon 701H inside the secondary containment. DJR would like to request NMOCD and BLM to verify the integrity of the liner inside the containment facility in order to close out this release. As a safety measure, DJR needs to replace the gravel inside the containment to mitigate any risk to the operators that are on site. This is scheduled for Wednesday December 30, 2020 at 2pm on the Crow Canyon location. Please let me know if you will be available to attend.

Crow Canyon 701H
30-045-35467
UL – D, Sec. 30, T24N, R08W

Thank you,

Larissa Farrell
Regulatory Specialist
(505)444-0289
lfarrell@djrlc.com



From: Larissa Farrell
Sent: Monday, December 21, 2020 2:29 PM
To: Smith, Cory, EMNRD <Cory.Smith@state.nm.us>
Subject: Crow Canyon 701H 24-hr Release Notification

Good afternoon,

On Monday December 21, 2020 DJR Operating had a release at the Crow Canyon 701H (30-045-35467) that was discovered at approximately 8am. It was determined that the release occurred due to a hole in Tank #3's heater tube resulting in 30.1 bbls of oil inside the secondary containment. All fluids remained inside the secondary containment. DJR is currently conducting efforts to recover the fluids from the containment and will dispose of the fluids at a permitted surface waste facility. The surface ownership has been verified to be BLM and a release notification has been provided. An initial C-141 will be submitted to the NMOCD portal as a follow-up to this 24-hour notification.

Crow Canyon 701H
30-045-35467
UL – D, Sec. 30, T24N, R08W

Thank you,

Larissa Farrell
Regulatory Specialist
(505)444-0289
lfarrell@djrlc.com



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District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

District II

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Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 21078

CONDITIONS

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 21078
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
nvelez	None	10/6/2021