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 Page 1 of 28

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 EPIC ENERGY LLC	OGRID 372834	
Contact Name Shawna Martinez	Contact Telephone 505-327-4892	
Contact email Shawna@walsheng.net	Incident # (assigned by OCD) nAPP2233531466	
Contact mailing address 332 Rd 3100, Aztec, NM 87410		

Location of Release Source

Latitude 36.3699455_

Longitude -107.8164139_ (NAD 83 in decimal degrees to 5 decimal places)

Site Name Federal 29 #2E	Site Type Gas
Date Release Discovered 11/30/2022	API# (if applicable) 30-045-26550

Unit Letter	Section	Township	Range	County
K	29	25N	09W	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)

🔀 Crude Oil	Volume Released (bbls) 50	Volume Recovered (bbls) 40
Produced Water	Volume Released (bbls) 3	Volume Recovered (bbls) 2
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	Yes No
Condensate	Volume Released (bbls)	Volume Recovered (bbls)
🗌 Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)
Cause of Release: Dra	in valve on oil tank froze and broke on the Federal (29 #2E on November 30, 2022 @9:15am

ge 2	Oil Conservation Division	District RP Facility ID
		Application ID
Was this a major release as defined by 19.15.29.7(A) NMAC?	If YES, for what reason(s) does the responsible	party consider this a major release?
🛛 Yes 🗌 No		
	notice given to the OCD? By whom? To whom? To vhom? To vhom?	When and by what means (phone, email, etc)?
	Initial Respon	nse
The responsibl	e party must undertake the following actions immediately unless	they could create a safety hazard that would result in injury
☑ The source of the re	lease has been stopped.	
	has been secured to protect human health and the en	vironment.
	have been contained via the use of berms or dikes, a	
_	,	1
All free liquids and	recoverable materials have been removed and mana	ged appropriately.
-	recoverable materials have been removed and mana ed above have <u>not</u> been undertaken, explain why:	ged appropriately.
Fer 19.15.29.8 B. (4) NI has begun, please attach within a lined containme I hereby certify that the inf regulations all operators ar public health or the environ failed to adequately investi	ed above have <u>not</u> been undertaken, explain why: MAC the responsible party may commence remedia a a narrative of actions to date. If remedial efforts ent area (see 19.15.29.11(A)(5)(a) NMAC), please a formation given above is true and complete to the best of re required to report and/or file certain release notification ment. The acceptance of a C-141 report by the OCD do igate and remediate contamination that pose a threat to gro	tion immediately after discovery of a release. If remediation have been successfully completed or if the release occurred ttach all information needed for closure evaluation. my knowledge and understand that pursuant to OCD rules and s and perform corrective actions for releases which may endanger es not relieve the operator of liability should their operations have oundwater, surface water, human health or the environment. In
Fer 19.15.29.8 B. (4) NI has begun, please attach within a lined containmed I hereby certify that the inf regulations all operators ar public health or the environ failed to adequately investi addition, OCD acceptance and/or regulations.	ed above have <u>not</u> been undertaken, explain why: MAC the responsible party may commence remedia a narrative of actions to date. If remedial efforts ent area (see 19.15.29.11(A)(5)(a) NMAC), please a formation given above is true and complete to the best of re required to report and/or file certain release notification nment. The acceptance of a C-141 report by the OCD do igate and remediate contamination that pose a threat to gre of a C-141 report does not relieve the operator of respons	tion immediately after discovery of a release. If remediation have been successfully completed or if the release occurred ttach all information needed for closure evaluation. my knowledge and understand that pursuant to OCD rules and s and perform corrective actions for releases which may endanger es not relieve the operator of liability should their operations have oundwater, surface water, human health or the environment. In ibility for compliance with any other federal, state, or local laws
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Oil Conservation Division

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Incident ID	
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.

What is the shallowest depth to groundwater beneath the area affected by the release?	<u>< 50</u> (ft bgs)
Did this release impact groundwater or surface water?	🗌 Yes 🛛 No
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?	🗌 Yes 🛛 No
Are the lateral extents of the release within a 100-year floodplain?	🗌 Yes 🛛 No
Did the release impact areas not on an exploration, development, production, or storage site?	🗌 Yes 🛛 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.

<i>Received by OCD: 2/28/2023</i> Form C-141	State of New Mexico			Page 4 of 28
10111 C-141			Incident ID	
Page 4	Oil Conservation Division		District RP	
			Facility ID	
			Application ID	
regulations all operators are required public health or the environment failed to adequately investigate a addition, OCD acceptance of a C and/or regulations.	tion given above is true and complete to the uired to report and/or file certain release not t. The acceptance of a C-141 report by the and remediate contamination that pose a thr C-141 report does not relieve the operator of	ifications and perform con OCD does not relieve the eat to groundwater, surfac responsibility for compli	rrective actions for rele operator of liability sh water, human health ance with any other fe	eases which may endanger ould their operations have or the environment. In deral, state, or local laws
OCD Only				
Received by:		Date:		

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Oil Conservation Division

Incident ID	
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Remediation Plan

Remediation Plan Checklist: Each of the following items must be included in the plan.								
 Detailed description of proposed remediation technique SEE ATTACHED Scaled sitemap with GPS coordinates showing delineation points Estimated volume of material to be remediated Closure criteria is to Table 1 specifications subject to 19.15.29.12(C)(4) NMAC Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is required) 								
Deferral Requests Only: Each of the following items must be confirmed 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, 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: Shawna Martinez Title: _Regulatory Specialist Signature:								
Received by: Jocelyn Harimon Date: 02/28/2023								
Approved Approved with Attached Conditions of Approval Denied Deferral Approved (see text box below)								
Signature: Nelson Velez Date: 03/20/2023								

1. The release on pad must be closed according to Epic's sampling plan.

2. The release perimeter of the off-pad flow path must be sampled to verify the horizontal extent.

3. The base of the release off-pad must be sampled in order to achieve the vertical extent.

4. Epic Energy has approximately 60 days (May 22, 2023) to complete and submit its closure report to OCD.



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332 RD 3100 Aztec, New Mexico 87410 (505) 327-4892 | Fax (505) 327-9834

Nelson Velez-Environmental Specialist-Adv EMNRD – Oil Conservation Division Aztec, NM

Federal 29 #2E Release – Remediation Plan

API# 30-045-26550 K 29 25N 09W San Juan County, NM 36.3699455,-107.8164139

On November 30, 2022, Epic Energy LLC experienced an oil/produced water release on the Federal; 29 #2E. The drain valve on the oil tank froze and broke, releasing oil and produced water across location and off pad, down the road, exiting road in turnout to NUTA water line ROW. There is approximately .25 acres to reclaim. Epic Energy responded to the release on arrival by installing a new valve on the tank to stop the source and built berms to prevent migration of fluids. The action taken by Epic Energy has been to dig up contaminated soil and haul to Envirotech Landfarm. The contaminated soil has been replaced with BLM approved clean soil and hauled back load for load. Thus far the soil has been removed by hydrovac.

The equipment that would be utilized is a hydrovac, dump truck and backhoe. The impacted soil and vegetation will be hauled to Envirotech. Clean BLM approved soil would replace contaminated soil. The seed mix would be the Mesa seed mix approved by the BLM.

Proposed Sampling Plan

Based on the sitting criteria of the release, Epic Energy will sample all constituents in accordance with 19.15.29.12 NMAC, Table 1.

- 10 milligrams per kilogram (mg/kg) benzene
- 50 mg/kg total benzene, BTEX
- 100 mg/kg TPH (the total sum of gasoline range organics, diesel range organics, and motor oil range organics): and
- 600 mg/kg chloride

Soil samples will be submitted to Envirotech Inc, New Mexico for analysis of BTEX by EPA Method 8021, TPH by EPA Method 8015, and chloride by EPA Method 300.0. Samples will be submitted under standard chain-of-custody procedure and analyzed within a three-day turnaround time. Prior to any soil sampling, 48-hour notification will be provided to the NMOCD and BLM.



FEDERAL 29 #2E 30-045-26550



FEDERAL 29 #2E 30-045-26550



Federal 29 #2E Release API# 30-045-26550 K 29 25N 09W San Juan County 36.3699455,-107.8164139

Closest Groundwater data near the Federal 29 #2E – Incident # nVF1833048464 Merrion Oil and Gas Corporation – 11/14/2018 produced water spill.



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 replaced, O=orpha C=the fil closed)	(qı						E 3-SW Ngesi)		3 UTM in meter	•) ((In feet)		
POD Namber	Code	POD Sab- basia	County		Q 16			Tws	Rag	x	¥	DepthWellDept	•	Yater olumn
5101979		នរ	IJ		3	2	32	25N	09W	247538	4027524 🚱	3120	628	552
<u>5104149 PODI</u>		SJ	SJ	2	3	2	и	25N	09W	251224	4027500 🚱	1000		
											Average Depth to	623 fee	:t	
											Minimu	m Depth:	628 feet	
											Maximu	n Depth:	628 fee	H
Record Count: 2														
Barla/County Search	1													
		_												

Basia: San Juan County: San Juan PLSS Scarch: Township: 25N Range: 09W Received by OCD: 2/28/2023 1:35:52 PM //23/23, 3:26 PM nmwrrs.cse.state.nm.us/nmwrrs/ReportProxy?queryData=%7B"report"%3A"waterColumn"%2C%0A"BasinDiv"%3A"true %2C%0...



PLSS Search:

Section(s): 28

Township: 24N

N Range: 08W

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.

1/23/23 3:25 PM

WATER COLUMN/ AVERAGE DEPTH TO WATER

Received by OCD: 2/28/2023 1:35:52 PM 1/23/23, 3:26 PM nmwrrs.ose.state.nm.us/nmwrrs/ReportProxy?queryData=%7B"report"%3A"waterColumn"%2C%0A"BasinDiv"%3A"true %2C%0...



1/23/23 3:25 PM

WATER COLUMN/ AVERAGE DEPTH TO WATER

Received by OCD: 2/28/2023 1:35:52 PM 1/23/23, 5:26 PM nmwrrs.ose.state.nm.us/nmwrrs/ReportProxy?queryData=%7B"report"%3A"waterColumn"%2C%0A"BasinDiv"%3A"true %2C%0...



PLSS Search:

Section(s): 29

Township: 25N

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.

Range: 09W

1/23/23 3:25 PM

WATER COLUMN/ AVERAGE DEPTH TO WATER

National 71000 Hazard Layer FIRMette



Legend

unmapped and unmodernized areas cannot be used for

regulatory purposes.

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Feet 2,000

1:6,000

Received by OCD: 2/28/2023 1:35:52 PM



-105.711 36.165 Degrees

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RAL 29 2E

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ank drain valve	tank drain valve br	roken. Oil r

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

811 S. First St., Artesia, NM 88210 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

Operator:	OGRID:
EPIC ENERGY, L.L.C.	372834
332 Road 3100	Action Number:
Aztec, NM 87410	191583
	Action Type:
	[C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
nvelez	 Time extension approved after receiving site assessment/ characterization document on 02/28/2023. The release on pad must be closed according to Epic's sampling plan. The release perimeter of the off-pad flow path must be sampled to verify the horizontal extent. The base of the release off-pad must be sampled in order to achieve the vertical extent. Epic Energy has until May 22, 2023 to complete and submit its closure report to OCD. 	3/20/2023

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Action 191583