

Closure Report/Waste Transportation Standard Operating Procedure (SOP)

Lea Federal Unit #022 API #30-025-39010 Incident #nGRL0824256745 Lea County, Colorado Unit H, Section 12, Township 20 South, Range 34 East GPS Coordinates: 32.589497, -103.508415

Prepared For

Avant Natural Resources, LLC 1515 Wynkoop Street Denver, Colorado 80202

Prepared By

CDH Consulting, LLC Thornton, Colorado



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Avant Natural Resources, LLC (Avant) has contracted CDH Consulting, LLC (CDH) to complete the necessary steps to obtain closure for the above-referenced incident associated with the Lea Federal Unit #022. On August 28, 2008, the New Mexico Oil Conservation Division (NMOCD) approved the Initial C-141 Release Notification and Corrective Action form with the condition of approval (COA), "Submit final report stating action taken to prevent any future incidents of this nature" with a due date of September 12, 2008.

Samson Resources Company (Samson) was the operator at the time of the incident. In August 2010, Samson sold the production well to Legacy Reserves Operating, LP (Legacy). During Avant's recent acquisition of the production well from Legacy, Avant discovered Incident #nGRL0824256745 was still open. In an attempt to be good stewards of the land, Avant's goal is to close the historic release by presenting waste transportation practices Avant has established to prevent incidents of this nature, as requested by the NMOCD COA.

SITE INFORMATION

On August 27, 2008, a truck hauling drill cuttings from a closed-loop system to the landfarm leaked as it left the Lea Federal Unit #022 location. Upon discovery, all leaked materials were recovered, and the belly dump was sealed on the leaking truck.

On August 27, 2008, the Initial C-141 Release Notification and Corrective Action (Attachment A) was submitted to the NMOCD detailing the initial response to the release. NMOCD approved the Initial C-141, assigned incident #nGRL0824256745 to the release, and attached the COA requiring Samson to present actions taken to prevent future incidents of this nature. On August 15, 2018, an extension was submitted/approved by the NMOCD.

WASTE TRANSPORTATION PRACTICES

Avant utilizes the following outlined procedures to prevent a similar release from occurring:

- Packaging waste for transportation will be designed to reduce the risk of loss, leakage, or exposure during shipment and to communicate information on potential hazards posed by the material in transport.
- Waste shipments will be tracked and correctly packaged and labeled to communicate potential hazards. Specific transport requirements include manifesting, packaging, marking, and labeling waste



packages, placarding transport vehicles, choosing appropriate waste transporters and shipment destinations, recordkeeping, and reporting.

• The transportation of hazardous materials is regulated (49 CFR Part 172) by the Department of Transportation (DOT). Hazardous waste manifests serve as DOT shipping papers. Exploration and production (E&P) exempt waste may be documented by non-hazardous waste manifests or bills of lading for transport.

Avant has established contracts with approved transportation companies for their common waste streams. Procedures include:

- All E&P waste will be trucked offsite. Truck transport will vary depending on the site location and volume of the waste produced;
- Fluids and produced water will be hauled in a tanker or vacuum truck and soil cuttings will be hauled in dump trucks;
- Prior to leaving the site location, the truck driver will complete a thorough inspection of the truck and waste to ensure that all valves, hatches, transfer lines, and other mechanisms are in the closed position and sealed if possible; and
- Avant personnel will supervise the off-loading process for waste products to ensure personnel safety and that the contents are secure to prevent leakage during transport.

Upon providing the above established corporate procedures, Avant requests NMOCD to approve closure of this incident.

ATTACHMENT A

Initial C-141 Release Notification & Corrective Action Form

1301 W. Grand Avenue, Artesia, NM 88210 District III	65	ls and Natural Resources ervation Division		Revised October I , Submit 2 Copies to appr	priate
1000 Rto Br. Jos Road, Aztec, NM 87410 District IV		th St. Francis Dr		District Office in acco of with Rule 116 c i	dance
1220 S St Francis Dr., Santa Fe, NM 87505	Santa	Fe, NM 87505		side (f	form
R	elease Notificati	on and Corrective	Action	-)	
		OPERATOR		ial Report Final I	Report
Name of Company SAMSON Address P.O. Box 21022 TULSA	0×	Contact JOHN BLE Telephone No. 432-			
Facility Name Lea Feb UNIT 7	2	Facility Type DRILLIN	6 LOCATI	<u> </u>]
Surface Owner STATE OF NN	Mineral Owne	<u>r</u>	Lease	No. 30.025.3	4010
		ON OF RELEASE	East/West Line	County	7
Unit Letter Section Township Rang H 12 20-5 34-	- 100	th/South Line Feet from the 980	EAST	County	
Land and the second					
		Longitude 103. 5078	<u> 17 w</u>	WTR (20'	
Type of Release DRILL CUTTINGS	NATUR	E OF RELEASE Volume of Release	Volume	Recovered	
Source of Release AMIGO TRUCKIN Was Immediate Notice Given?	16	Date and Hour of Occurre If YES, To Whom?	IZ45HA	Hour of Discovery 8/27 0	
🗋 Yes	No Not Require	MARK WHITH	Ker		
By Whom? Was a Watercourse Reached?		Date and Hour 8/21			
	Ľ №		-		
If a Watercourse was Impacted, Describe Fu	lly.*				1
Describe Cause of Problem and Remedial Ac TOLAND FARM LERKING		HAULING CUTTIN	65 from cl	osed Loop system	<u> </u>
	o, ump	: HAULING EUTTIN	65 from cl	osed Loop system	
TO LAND FARM LEAKING SEAL OFF BELLY D Describe Area Affected and Cleanup Action	5 , u m f Taken.* ove is true and complete to) the best of my knowledge and	understand that pu	suant to NMOCD rules a: d	
TO LAND FARM LEAKING SEAL OFF BELLY D Describe Area Affected and Cleanup Action	ove is true and complete to t and/or file certain release lance of a C-141 report by ledy investigate and remed ceptance of a C-141 report	o the best of my knowledge and e notifications and perform corre- the NMOCD marked as "Final late contamination that pose a th t does not relieve the operator of	understand that pun ective actions for re Report" does not re ireat to ground wate f responsibility for o	suant to NMOCD rules a: d leases which may endang r lieve the operator of habi' ty r, surface water, human b al compliance with any othe	
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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:
Avant Operating, LLC	330396
1515 Wynkoop Street	Action Number:
Denver, CO 80202	333652
	Action Type:
	[IM-SD] Incident File Support Doc (ENV) (IM-BNF)

CONDITIONS

Cre By	ted Condition	Condition Date
bh	all The handwritten COA on the approved Initial C-141 stated, "Submit final report stating action taken to prevent any future incid complied with this COA. OCD has made the determination that this release closure is approved.	ents of this nature". Avant has 4/16/202

Action 333652