

March 7, 2025

District Supervisor
Oil Conservation Division, District 1
1625 North French Drive
Hobbs, New Mexico 88240

Re: Liner Inspection Report and Closure Request

Maverick Permian, LLC
Encore M State Battery #002
Unit Letter N, Section 20, Township 22 South, Range 37 East

Lea County, New Mexico
Incident ID# nAPP2408626644

Dear Sir or Madam.

Tetra Tech, Inc. (Tetra Tech) was contracted by Maverick Permian, LLC (Maverick) to assess and remediate a release that occurred from overfilling a produce water tank at the Encore M State Battery #002. The release footprint is located in Public Land Survey System (PLSS) Unit Letter N, Section 20, Township 22 South, Range 37 East, in Lea County, New Mexico (Site). The approximate release point occurred at coordinates 32.3713248°, -103.1871369° as shown in **Figure 1** and **Figure 2**.

### **BACKGROUND**

The release was discovered by Maverick Operations on March 19, 2024, due to the overfilling of a produce water tank, which released 140 bbls of produced water within the battery's secondary containment. All of the fluids were reported as recovered by a vac truck during the initial response. The NMOCD received the Initial C-141 on March 26, 2024, and subsequently assigned the release Incident ID nAPP2408626644. The initial C-141 Release notification form is available from the NMOCD ePermitting portal under incident ID nAPP2408626644.

#### SITE CHARACTERIZATION

Tetra Tech performed a Site characterization that included identifying sensitive receptors, determining the depth of groundwater, and assessing the site soils. The Site Characterization data are summarized below and included in **Attachment 1**.

## **Site Characterization Summary**

Shallowest Depth to Groundwater (feet bgs)	51 to 75 feet bgs
Method to determine depth to groundwater	NM OSE iWaters Database Search
Did this release impact groundwater or surface water	No
Distance to a continuously flowing watercourse	> 5 Miles
Distance to any lakebed, sinkhole, or playa lake	1,000 feet to 0.5 Miles
Distance to any occupied permanent residence, school, hospital, institution, or church	1 to 5 Miles
Distance to A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	1 to 5 Miles

Tetra Tech, Inc.

1500 CityWest Boulevard, Suite 1000, Houston, Texas 77042
Tel +1.832.251.5160 | tetratech.com/oga | tetratech.com

March 7, 2025

Liner Inspection Report and Closure Request Maverick Permian, LLC Encore M State Battery #002 Release Incident ID: nAPP2408626644

### **Site Characterization Summary**

Distance to any other freshwater well or spring	1,000 feet to 0.5 Miles
Distance to Incorporated municipal boundaries or a defined municipal freshwater well field	> 5 Miles
Distance to a wetland	1,000 feet to 0.5 Miles
Distance to a subsurface mine	> 5 Miles
Distance to an (non-karst) unstable area	> 5 Miles
Risk of the Site being in a karst geology	Low
Distance to a 100-year floodplain	> 5 Miles
Did the release impact areas not on an exploration, development, production, or storage site	No

## **Depth to Groundwater**

According to the New Mexico Office of State Engineer's (NMOSE) Reporting System, there are no water wells within 1 mile of the Site. Groundwater has been estimated to be between 50 and 75 feet below ground surface based on a domestic and livestock water well approximately 1.50 miles east of the Site. As the depth to water cannot be proven within 0.5 miles of the Site, depth to water will be assumed as 50 feet or less for determining remediation criteria

#### Soils

According to the United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS), the Site is mapped as Ratliff-Wink Fine Sandy Loams, 0 to 3 percent slopes, and Pyote and Maljamar fine sands, 0 to 3 percent slopes.

## **REGULATORY FRAMEWORK**

Based upon the release footprint as contained completely within a lined secondary containment structure and in accordance with Subsection A(5)(a) of 19.15.29.11 NMAC, If the release occurred within a lined containment area, the responsible party must demonstrate liner integrity after affected material is removed and the affected area of the liner is exposed. The responsible party must visually inspect the liner where the release occurred, and verify that the liner remained intact and had the ability to contain the leak in question.

### LINER INSPECTION SUMMARY

### **Liner Inspection Notification**

In accordance with Subsection A(5)(a)(ii) of 19.15.29.11 NMAC, Tetra Tech provided notification to the NMOCD of the liner inspection via the electronic submission of a Notification of Liner Inspection (C-141L) Application in the NMOCD Permitting portal for the inspection scheduled to begin at 10:45 am on Friday, February 14, 2025. The C-141L Notification is available on the NMOCD Permitting Portal under Incident nAPP2408626644.

March 7, 2025

## **Liner Inspection**

A Maverick contractor cleaned out the secondary containment, ensuring the affected area liner was exposed for inspection. On Friday, February 14, 2025, at 10:45 am, Mr. Jorge FernandezVelo of Tetra Tech arrived at the Site to conduct the liner inspection. Tetra Tech performed the inspection of the liner within the earthen-bermed secondary containment of the Encore M State Battery #002.

Tetra Tech observed the liner which appeared intact with no visible holes, rips, tears, or other defects that would allow the release to penetrate the liner. **Attachment 2** provides photographic documentation of the liner collected during the liner inspection.

### **CONCLUSIONS**

Based on the results of the liner inspection, Maverick respectfully requests the closure of the incident. The release occurred within a lined containment area where the full volume of release fluids was constrained and recovered. The liner was washed, and the integrity demonstration is complete. The affected area of the liner has been visually inspected where the release occurred, and the liner remains intact and had the ability to contain the leak in question, protecting the soil. Tetra Tech performed the liner inspection on the specified day and time included in the C-141L Application. If you have any questions concerning the liner inspection for the Site, please email Charles Terhune at chuck.terhune@tetratech.com or telephone at (832) 252-2093.

Sincerely,

Chris Straub

Project Manager

Tetra Tech, Inc.

Charles H. Terhune IV, P.G.

Program Manager

Tetra Tech, Inc.

cc: Bryce Wagoner, Maverick Permian, LLC

New Mexico State Land Office

March 7, 2025

## **LIST OF ATTACHMENTS**

## **Figures**

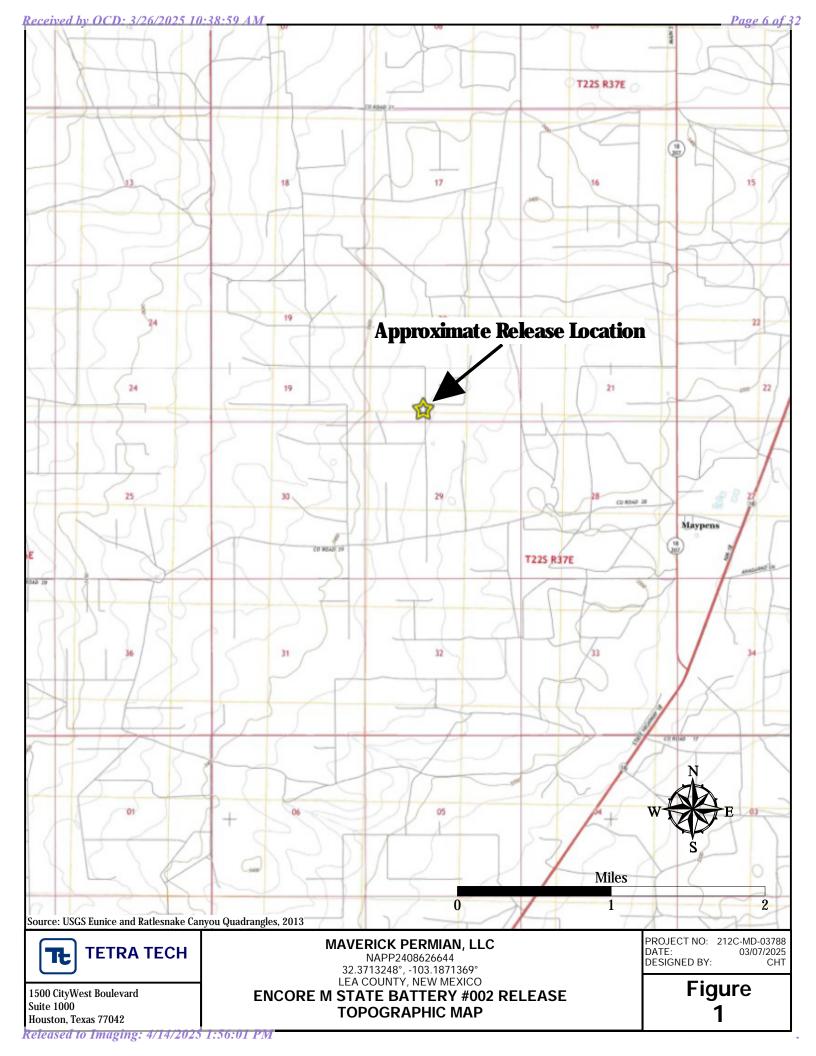
Figure 1 – Site Location and Topographic Map Figure 2 – Site Features Map

## **Attachments**

Attachment 1 – Site Characterization Data Attachment 2 – Photographic Documentation

March 7, 2025

## **FIGURES**



## **Legend**



Release Extent Within Lined Secondary Containment



Release Point

Image Source: Google Earth, 2024



1500 CityWest Boulevard Suite 1000 Houston, Texas 77042

## MAVERICK PERMIAN, LLC

NAPP2408626644 32.3713248°, -103.1871369° LEA COUNTY, NEW MEXICO

ENCORE M STATE BATTERY #002 RELEASE APPROXIMATE RELEASE EXTENT AND SITE FEATURES

PROJECT NO: 212C-MD-03788 DATE: 03/07/2025 DESIGNED BY: CHT

**Feet** 

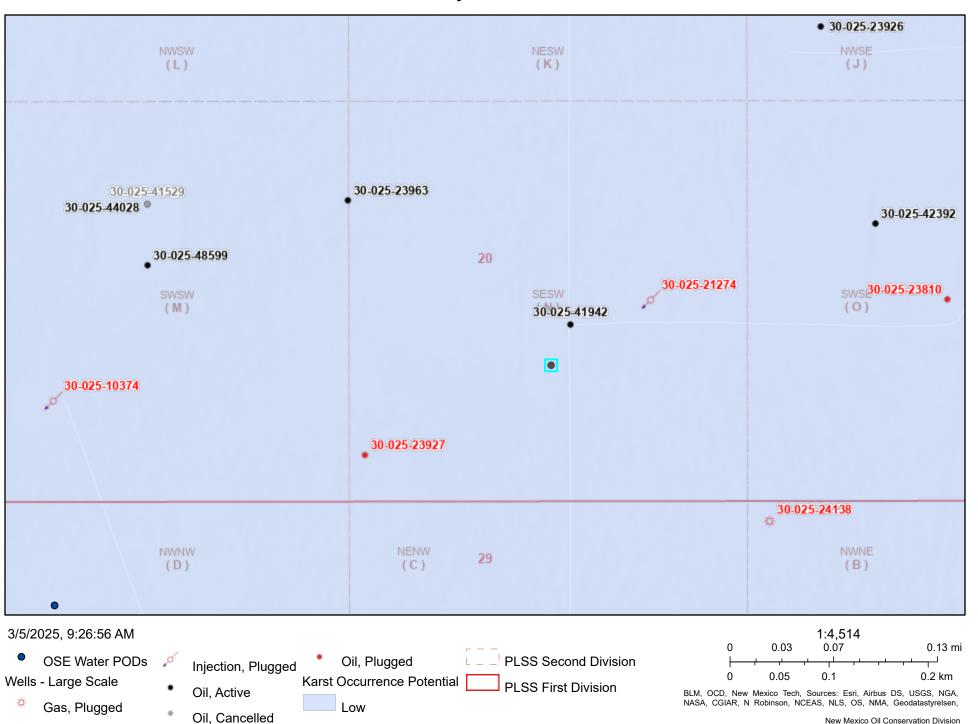
135

Figure 2

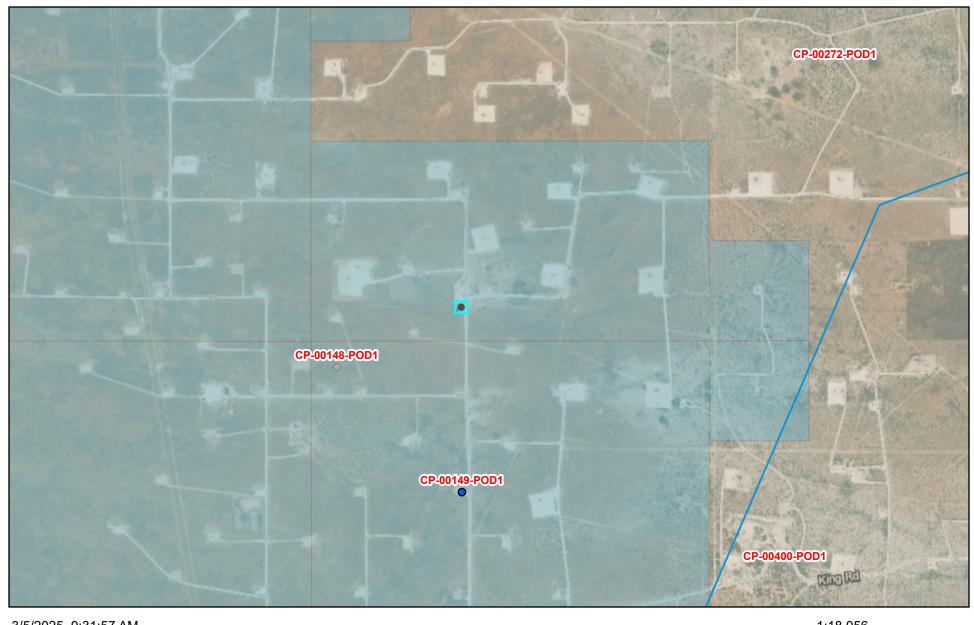
March 7, 2025

## **ATTACHMENT 1 – SITE CHARACTERIZATION DATA**

## Encore M State Battery #002 OCD Well Locations



## Encore M State Battery #002 OSE POD Location Map

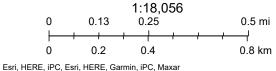


3/5/2025, 9:31:57 AM

GIS WATERS PODs OSE District Boundary Artesian Planning Area

Active Water Right Regulations New Mexico State Trust Lands

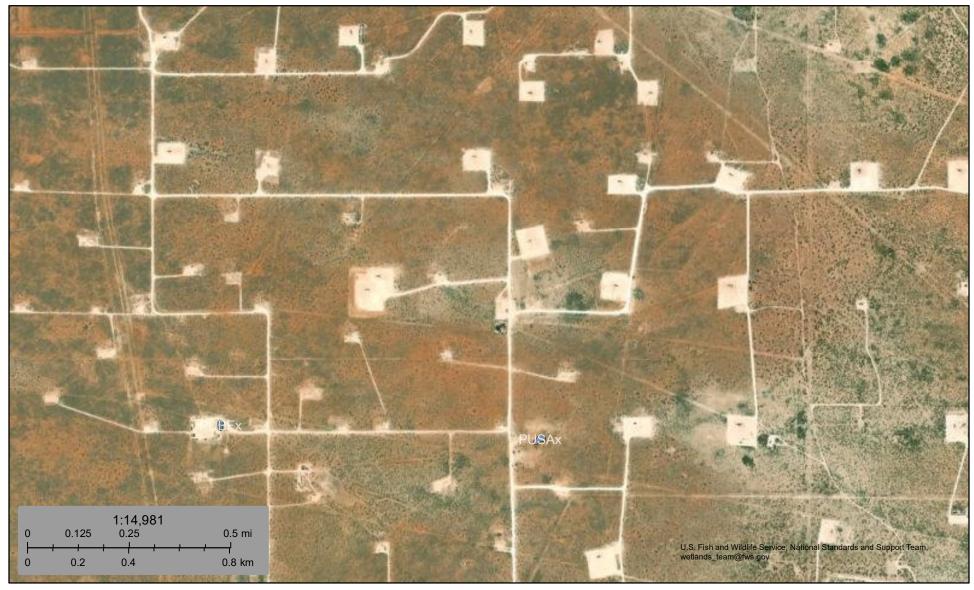
Closure Area Both Estates



Online web user



## Encore M State Battery #002 Wetlands Ma



March 5, 2025

#### Wetlands

Estuarine and Marine Deepwater

Estuarine and Marine Wetland

Freshwater Emergent Wetland

Freshwater Pond

Freshwater Forested/Shrub Wetland

L

Lake

Other

Riverine

This map is for general reference only. The US Fish and Wildlife Service is not responsible for the accuracy or currentness of the base data shown on this map. All wetlands related data should be used in accordance with the layer metadata found on the Wetlands Mapper web site.

## Received by OCD: 3/26/2025 10:38:59 AM National Flood Hazard Layer FIRMette





Legend SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT Without Base Flood Elevation (BFE) With BFE or Depth Zone AE, AO, AH, VE, AR SPECIAL FLOOD HAZARD AREAS Regulatory Floodway 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X **Future Conditions 1% Annual** Chance Flood Hazard Zone X Area with Reduced Flood Risk due to Levee. See Notes. Zone X OTHER AREAS OF Area with Flood Risk due to Levee Zone D FLOOD HAZARD NO SCREEN Area of Minimal Flood Hazard Zone X

Effective LOMRs OTHER AREAS Area of Undetermined Flood Hazard Zone D

- - - Channel, Culvert, or Storm Sewer **GENERAL** STRUCTURES | LILLIL Levee, Dike, or Floodwall

> 20.2 Cross Sections with 1% Annual Chance 17.5 Water Surface Elevation **Coastal Transect** ---- 513---- Base Flood Elevation Line (BFE) Limit of Study Jurisdiction Boundary -- Coastal Transect Baseline **Profile Baseline**

Hydrographic Feature Digital Data Available No Digital Data Available

OTHER

**FEATURES** 

MAP PANELS

Unmapped

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 3/5/2025 at 8:23 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

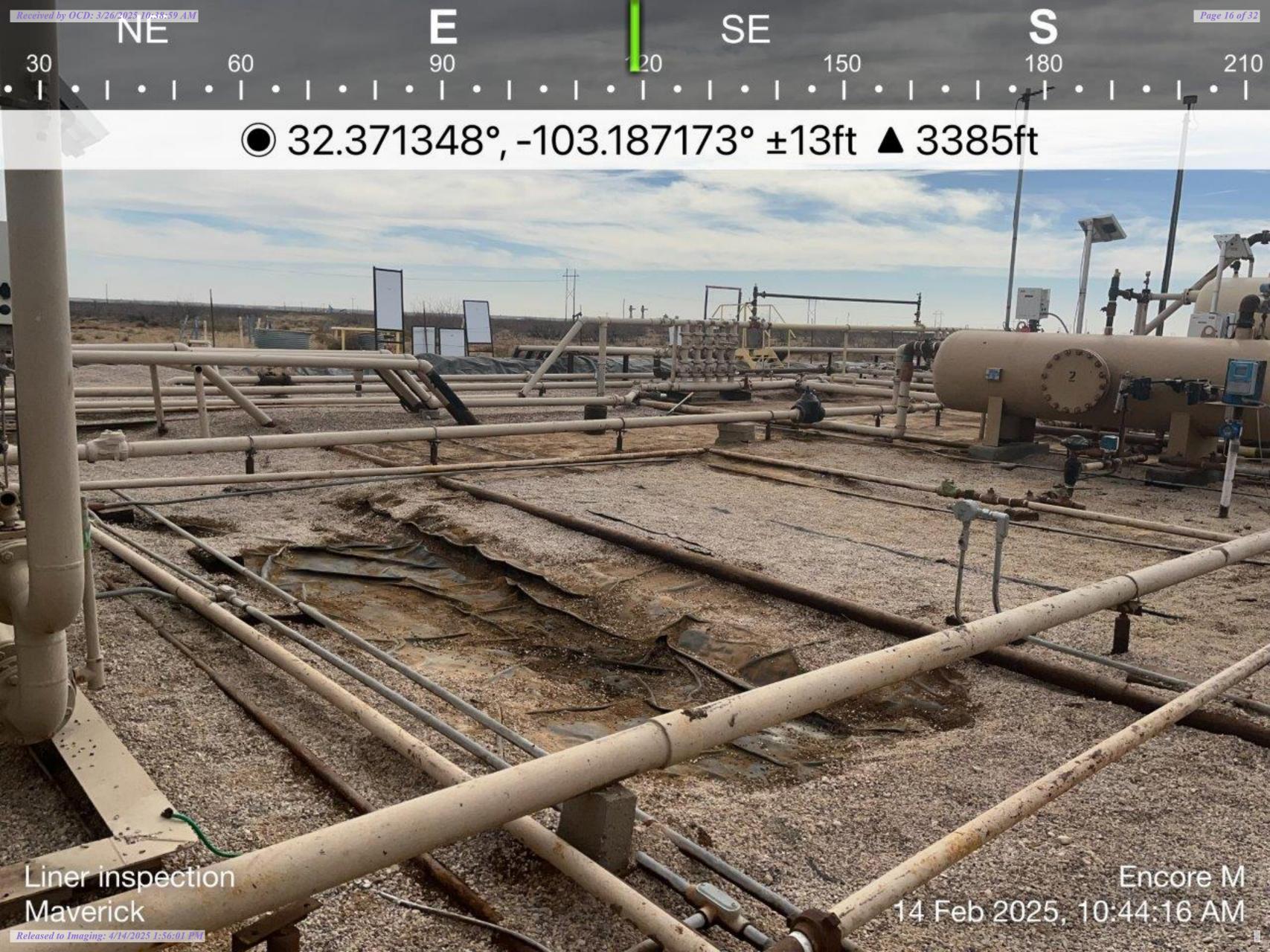


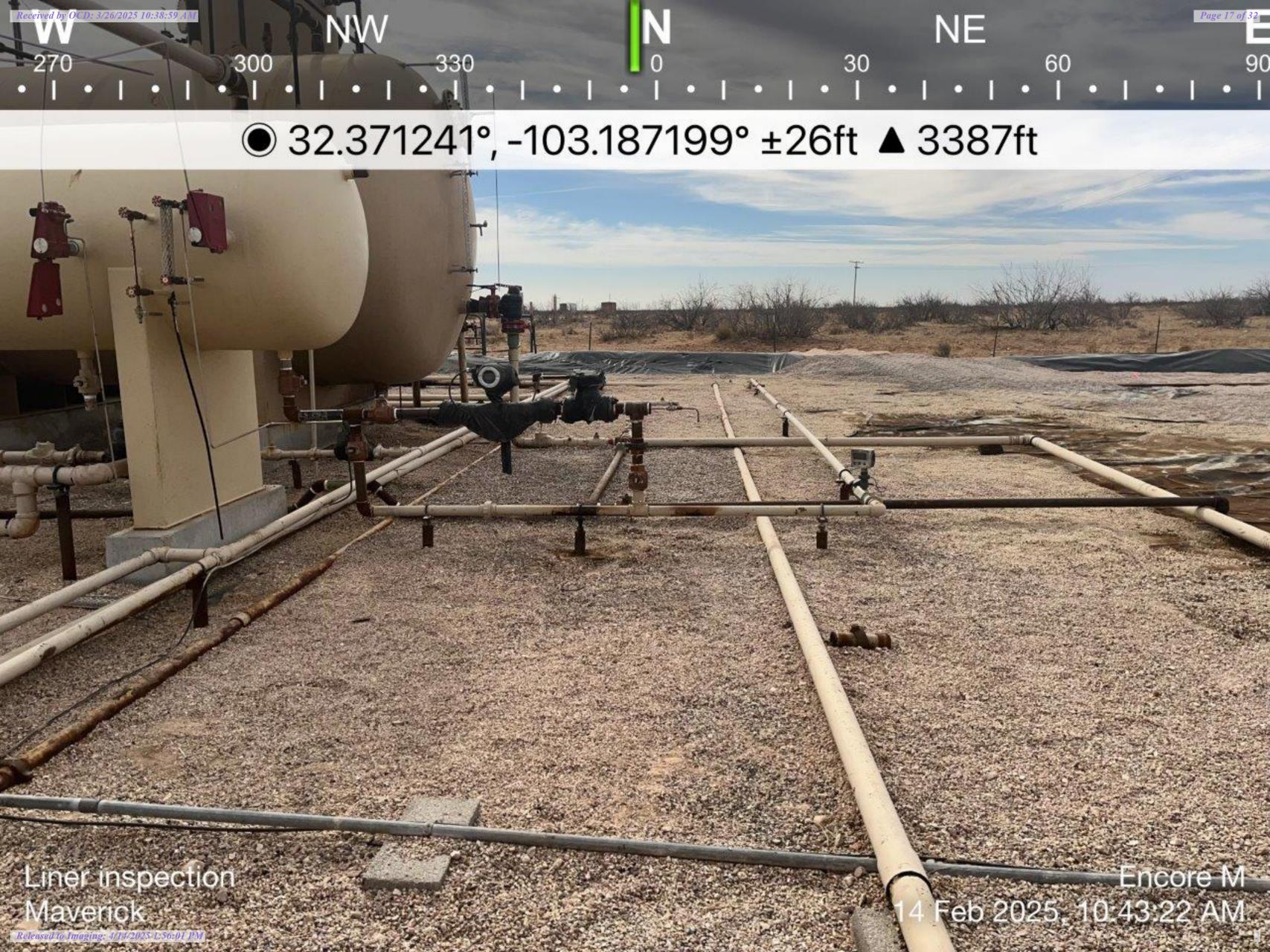
March 7, 2025

## **ATTACHMENT 2 – PHOTOGRAPHIC DOCUMENTATION**

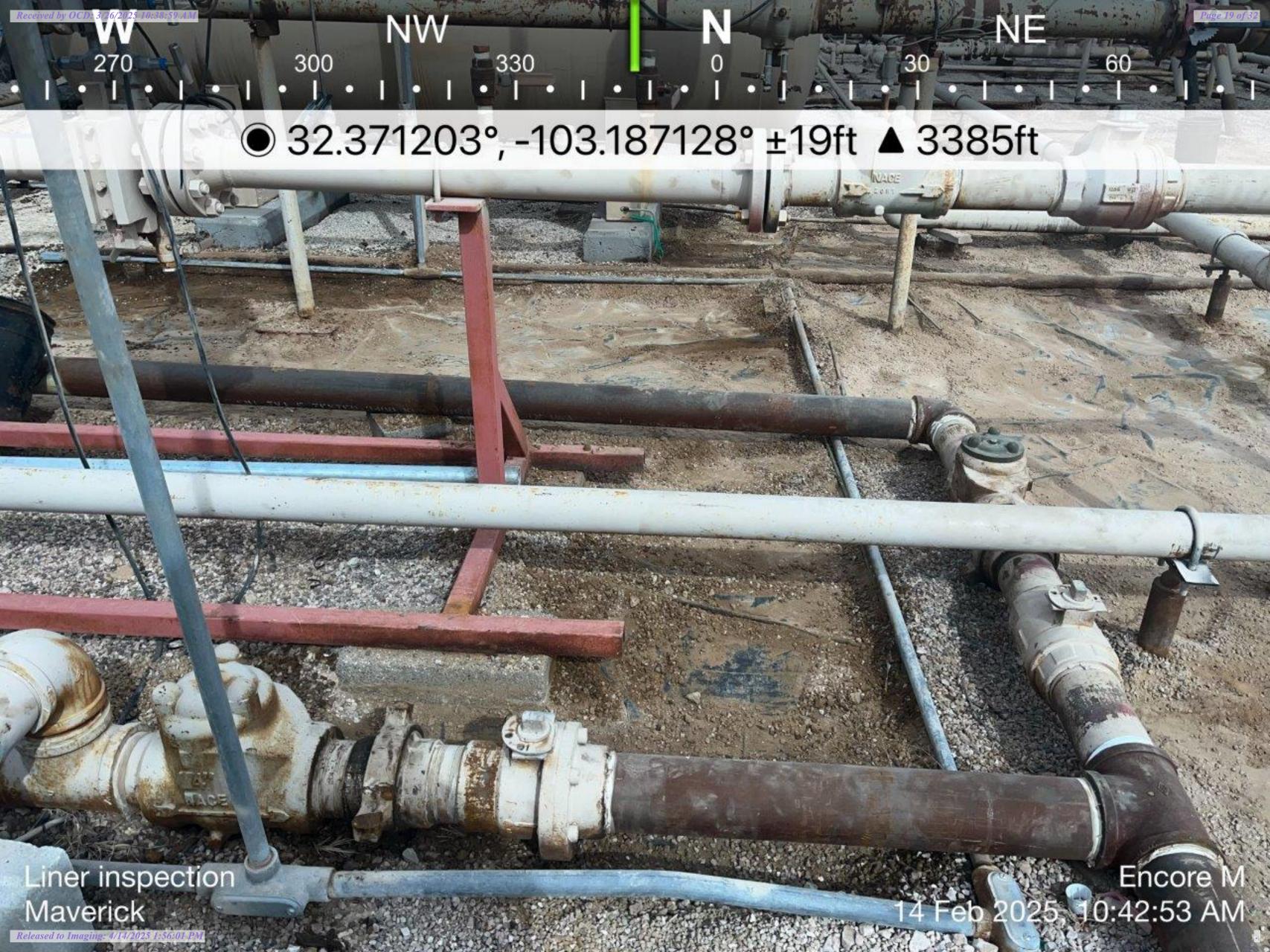


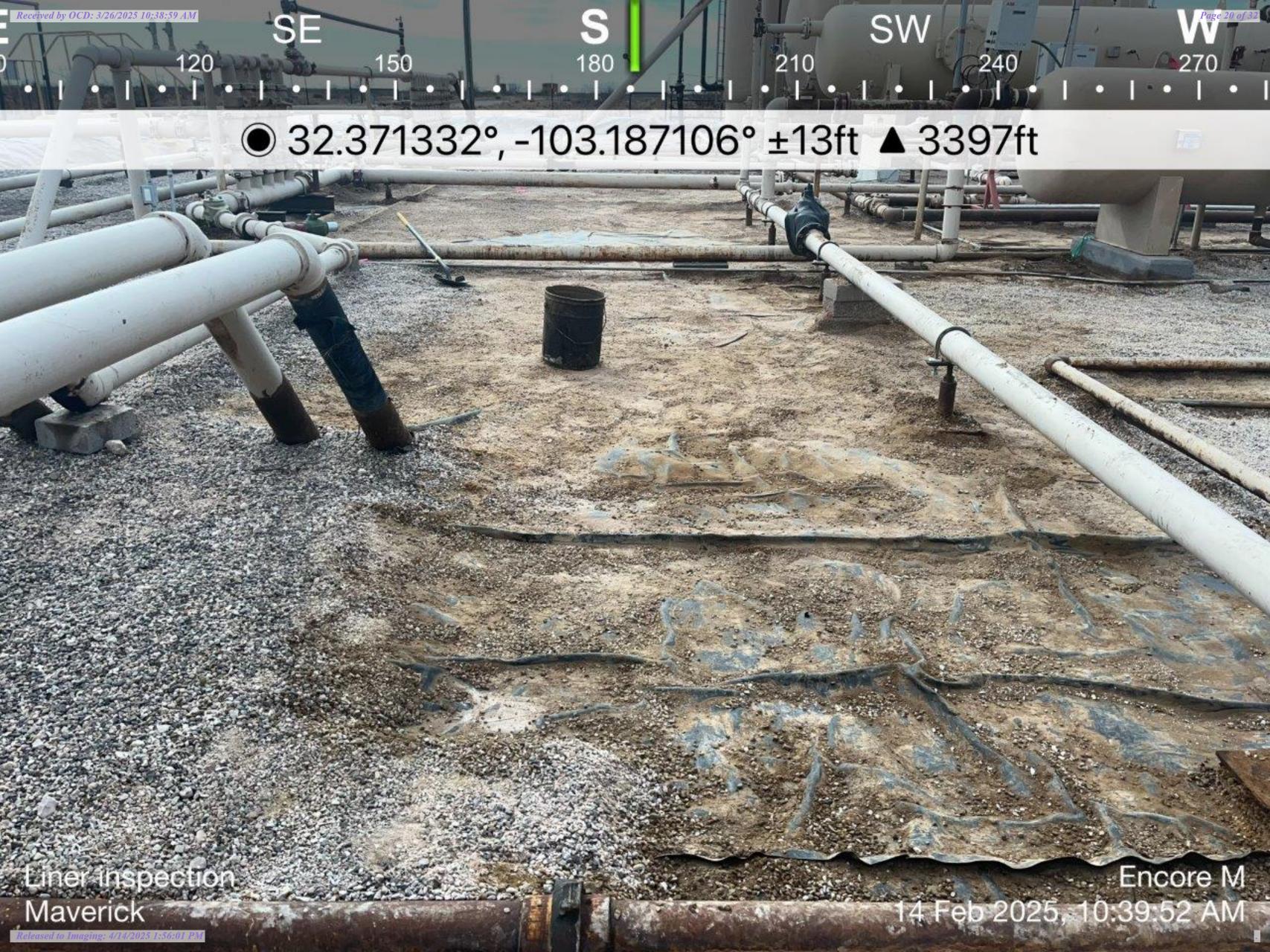






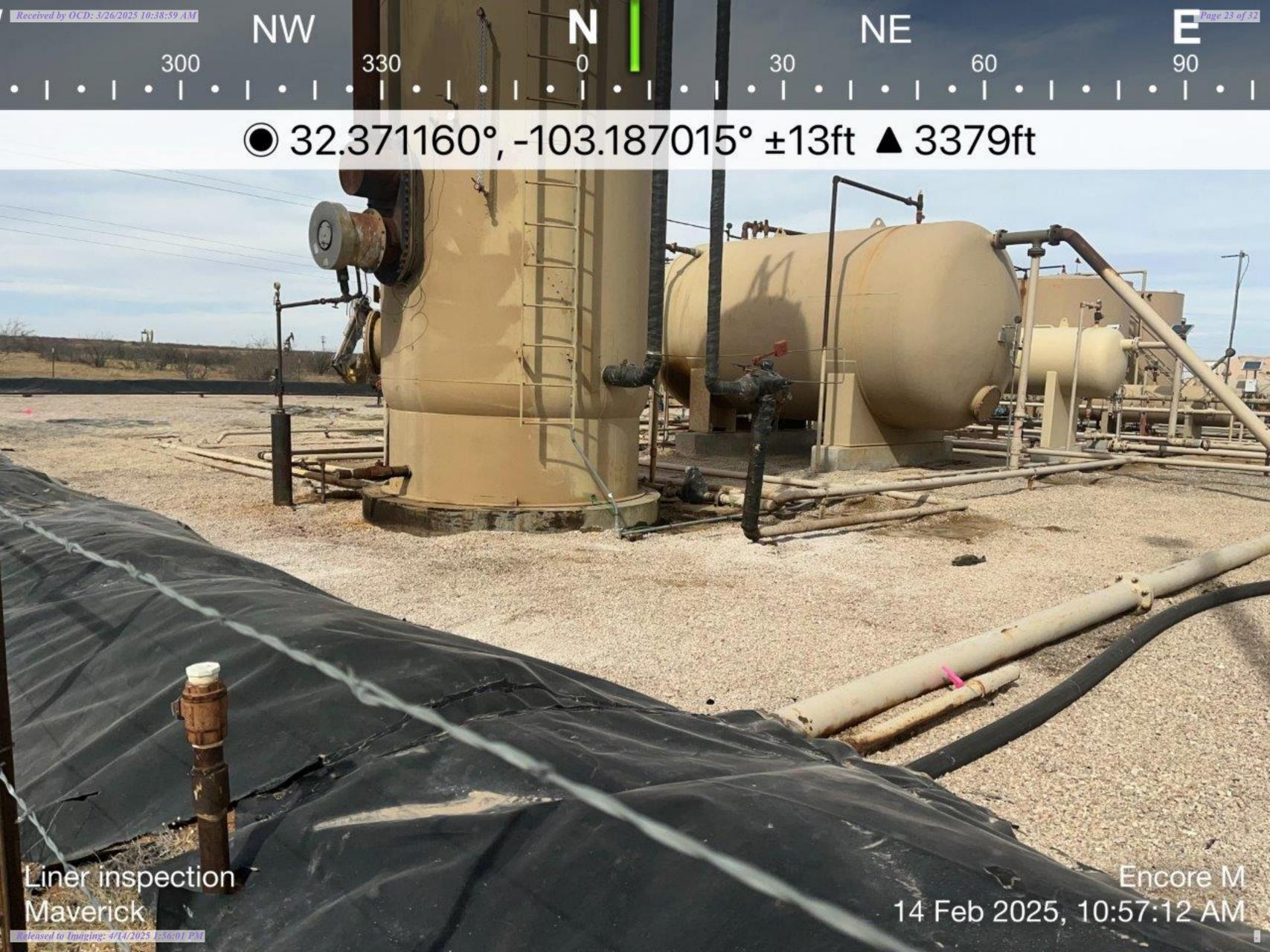


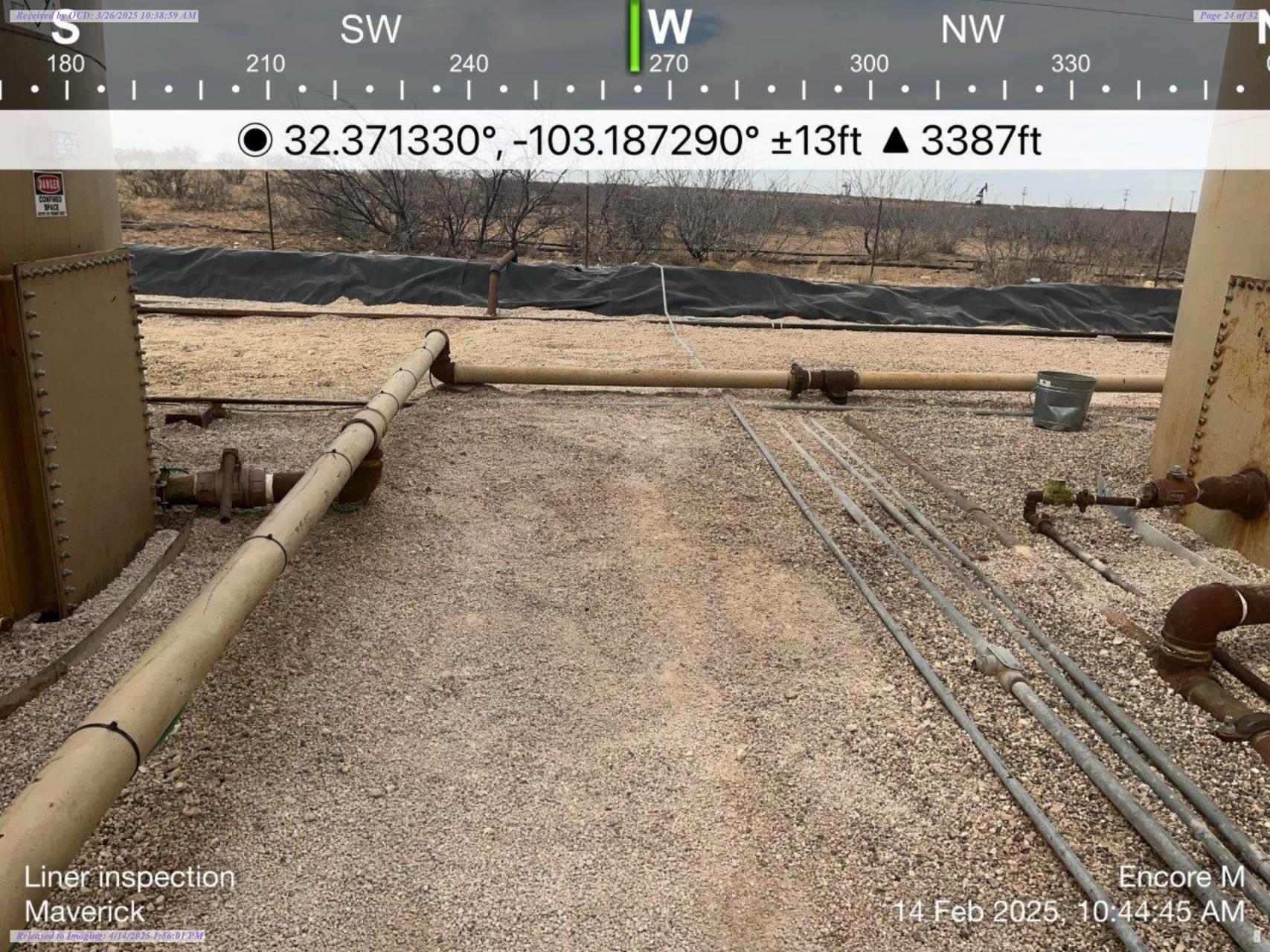


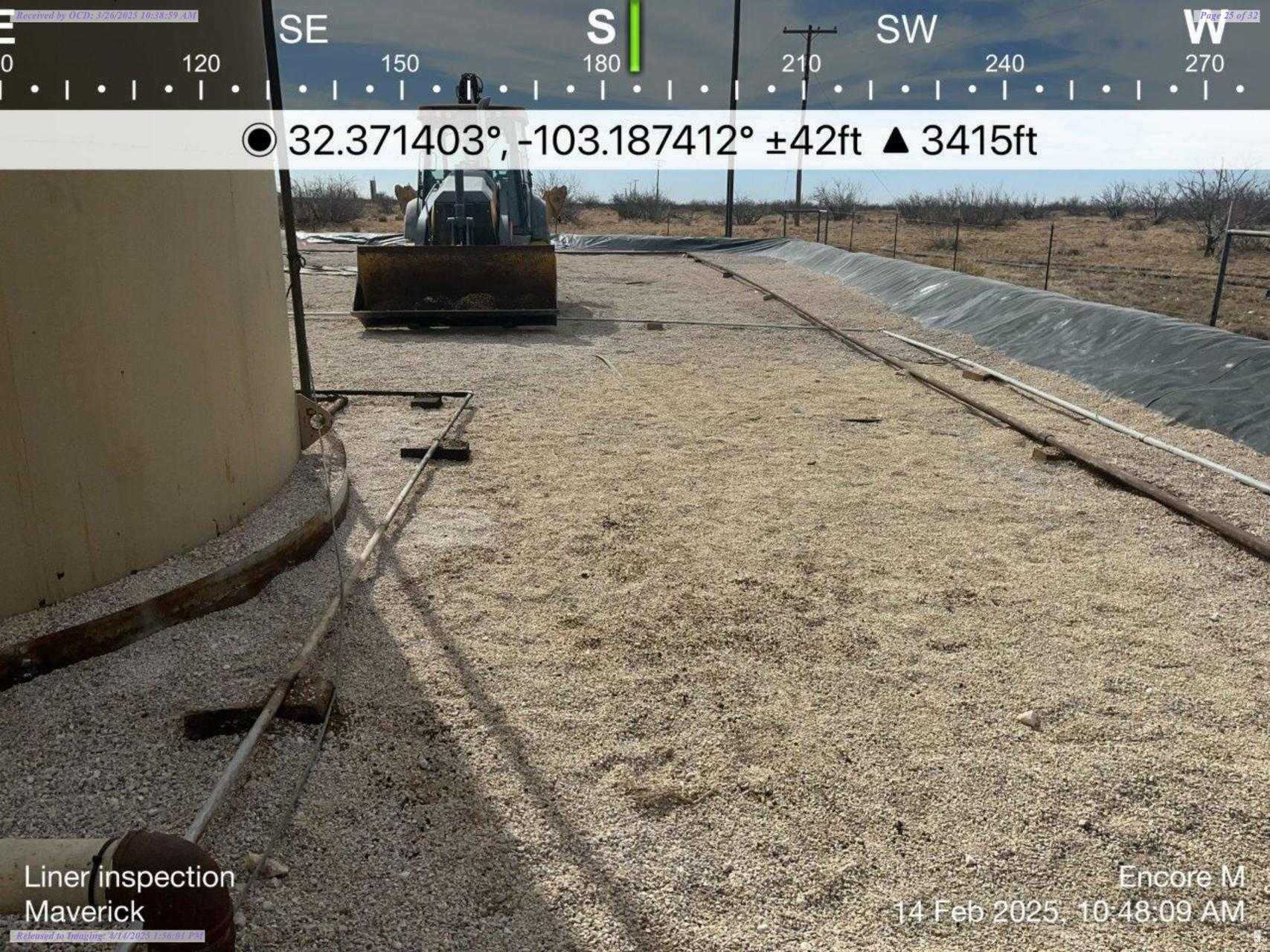














Sante Fe Main Office Phone: (505) 476-3441 General Information

Phone: (505) 629-6116
Online Phone Directory
https://www.emnrd.nm.gov/ocd/contact-us

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

QUESTIONS

Action 445780

### **QUESTIONS**

ı	Operator:	OGRID:
ı	Maverick Permian LLC	331199
ı	1000 Main Street, Suite 2900	Action Number:
ı	Houston, TX 77002	445780
ı		Action Type:
ı		[C-141] Remediation Closure Request C-141 (C-141-v-Closure)

### QUESTIONS

Prerequisites	
Incident ID (n#)	nAPP2408626644
Incident Name	NAPP2408626644 ENCORE M STATE BATTERY #002 @ 0
Incident Type	Produced Water Release
Incident Status	Remediation Closure Report Received

Location of Release Source	
Please answer all the questions in this group.	
Site Name	Encore M State Battery #002
Date Release Discovered	03/19/2024
Surface Owner	State

Incident Details	
Please answer all the questions in this group.	
Incident Type	Produced Water Release
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	No
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

Nature and Volume of Release	
Material(s) released, please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission.	
Crude Oil Released (bbls) Details	Not answered.
Produced Water Released (bbls) Details	Cause: Power Failure   Water Tank   Produced Water   Released: 140 BBL   Recovered: 140 BBL   Lost: 0 BBL.
Is the concentration of chloride in the produced water >10,000 mg/l	Yes
Condensate Released (bbls) Details	Not answered.
Natural Gas Vented (Mcf) Details	Not answered.
Natural Gas Flared (Mcf) Details	Not answered.
Other Released Details	Not answered.
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	On March 25, 2024, operations personnel discovered an approximately 140 bbl produced water release from an overfilling tank at the Encore M State Battery #002 Battery. The release was into the lined secondary containment of the tank battery and was fully contained within, and all fluids were recovered. A power failure caused the tank transfer pump to fail and the tank to overfill.

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

QUESTIONS, Page 2

Action 445780

QUESTIONS (continued)

QUESTI	IONS (continued)	
Operator:  Maverick Permian LLC 1000 Main Street, Suite 2900 Houston, TX 77002	OGRID: 331199 Action Number: 445780 Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)	
QUESTIONS		
Nature and Volume of Release (continued)		
Is this a gas only submission (i.e. only significant Mcf values reported)	No, according to supplied volumes this does not appear to be a "gas only" report.	
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	Yes	
Reasons why this would be considered a submission for a notification of a major release	From paragraph A. "Major release" determine using: (1) an unauthorized release of a volume, excluding gases, of 25 barrels or more.	
With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e.	e. gas only) are to be submitted on the C-129 form.	
Initial Response  The responsible party must undertake the following actions immediately unless they could create a s	safety hazard that would result in injury.	
The source of the release has been stopped	True	
The impacted area has been secured to protect human health and the environment	True	
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True	
All free liquids and recoverable materials have been removed and managed appropriately	True	
If all the actions described above have not been undertaken, explain why	Not answered.	
	ation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative ted or if the release occurred within a lined containment area (see Subparagraph (a) of Paragraph (5) of valuation in the follow-up C-141 submission.	
to report and/or file certain release notifications and perform corrective actions for releating the OCD does not relieve the operator of liability should their operations have failed to a	knowledge and understand that pursuant to OCD rules and regulations all operators are require ases which may endanger public health or the environment. The acceptance of a C-141 report by adequately investigate and remediate contamination that pose a threat to groundwater, surface t does not relieve the operator of responsibility for compliance with any other federal, state, or	
I hereby agree and sign off to the above statement	Name: Chuck Terhune	

Date: 03/26/2024

Sante Fe Main Office Phone: (505) 476-3441 General Information

Phone: (505) 629-6116

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

QUESTIONS, Page 3

Action 445780

**QUESTIONS** (continued)

Operator:	OGRID:
Maverick Permian LLC	331199
1000 Main Street, Suite 2900 Houston, TX 77002	Action Number: 445780
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

#### QUESTIONS

Site Characterization	
Please answer all the questions in this group (only required when seeking remediation plan approva release discovery date.	l and beyond). This information must be provided to the appropriate district office no later than 90 days after the
What is the shallowest depth to groundwater beneath the area affected by the release in feet below ground surface (ft bgs)	Between 51 and 75 (ft.)
What method was used to determine the depth to ground water	U.S. Geological Survey
Did this release impact groundwater or surface water	No
What is the minimum distance, between the closest lateral extents of the release and the following surface areas:	
A continuously flowing watercourse or any other significant watercourse	Between 1 and 5 (mi.)
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Between 1 and 5 (mi.)
An occupied permanent residence, school, hospital, institution, or church	Between 1 and 5 (mi.)
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Between 1 and 5 (mi.)
Any other fresh water well or spring	Between 1 and 5 (mi.)
Incorporated municipal boundaries or a defined municipal fresh water well field	Greater than 5 (mi.)
A wetland	Between 1 and 5 (mi.)
A subsurface mine	Greater than 5 (mi.)
An (non-karst) unstable area	Greater than 5 (mi.)
Categorize the risk of this well / site being in a karst geology	Low
A 100-year floodplain	Greater than 5 (mi.)
Did the release impact areas not on an exploration, development, production, or storage site	No

Remediation Plan		
Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.		
Requesting a remediation plan approval with this submission	Yes	
Attach a comprehensive report demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined, pursuant to 19.15.29.11 NMAC and 19.15.29.13 NMAC.		
Have the lateral and vertical extents of contamination been fully delineated	Yes	
Was this release entirely contained within a lined containment area	Yes	
Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.		
On what estimated date will the remediation commence	02/12/2025	
On what date will (or did) the final sampling or liner inspection occur	02/14/2025	
On what date will (or was) the remediation complete(d)	02/15/2025	
What is the estimated surface area (in square feet) that will be remediated	2600	
What is the estimated volume (in cubic yards) that will be remediated	0	
These estimated dates and measurements are recognized to be the best guess or calculation at the time of submission and may (be) change(d) over time as more remediation efforts are completed.		

The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to

significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.

Sante Fe Main Office Phone: (505) 476-3441

Operator

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

Maverick Permian LLC

Houston, TX 77002

1000 Main Street, Suite 2900

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

QUESTIONS, Page 4

Action 445780

<b>QUESTIONS</b>	(continued)
QUESTIONS!	COHUHU <del>C</del> U

OGRID:

Action Number:

331199

445780

	Action Type.
	[C-141] Remediation Closure Request C-141 (C-141-v-Closure)
QUESTIONS	
Remediation Plan (continued)	
Please answer all the questions that apply or are indicated. This information must be provided to the	e appropriate district office no later than 90 days after the release discovery date.
This remediation will (or is expected to) utilize the following processes to remediate	e / reduce contaminants:
(Select all answers below that apply.)	
Is (or was) there affected material present needing to be removed	Yes
Is (or was) there a power wash of the lined containment area (to be) performed	No
OTHER (Non-listed remedial process)	Yes
Other Non-listed Remedial Process. Please specify	Scrape/Sweep up of liner-based material and replace with new material.
Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed el which includes the anticipated timelines for beginning and completing the remediation.	fforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC
to report and/or file certain release notifications and perform corrective actions for releate OCD does not relieve the operator of liability should their operations have failed to a	knowledge and understand that pursuant to OCD rules and regulations all operators are required asses which may endanger public health or the environment. The acceptance of a C-141 report by adequately investigate and remediate contamination that pose a threat to groundwater, surface t does not relieve the operator of responsibility for compliance with any other federal, state, or
I hereby agree and sign off to the above statement	Name: Chris Straub Title: Contractor Email: chris.straub@tetratech.com Date: 03/26/2025 ordance with the physical realities encountered during remediation. If the responsible party has any need to

significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory <a href="https://www.emnrd.nm.gov/ocd/contact-us">https://www.emnrd.nm.gov/ocd/contact-us</a>

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

QUESTIONS, Page 6

Action 445780

QUESTIONS (co	ntinued)
	0.0010

Operator:  Maverick Permian LLC  1000 Main Street, Suite 2900  Houston, TX 77002	OGRID: 331199	
	Action Number: 445780	
	Action Type:  [C-141] Remediation Closure Request C-141 (C-141-v-Closure)	
QUESTIONS		
Liner Increation Information		

Liner Inspection Information	
Last liner inspection notification (C-141L) recorded	439184
Liner inspection date pursuant to Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC	02/14/2025
Was all the impacted materials removed from the liner	Yes
What was the liner inspection surface area in square feet	11850

Remediation Closure Request		
Only answer the questions in this group if seeking remediation closure for this release because all remediation steps have been completed.		
Requesting a remediation closure approval with this submission	Yes	
Have the lateral and vertical extents of contamination been fully delineated	Yes	
Was this release entirely contained within a lined containment area	Yes	
What was the total surface area (in square feet) remediated	2600	
What was the total volume (cubic yards) remediated	0	
Summarize any additional remediation activities not included by answers (above)	None	

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 (in .pdf format) 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.

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.

Name: Chris Straub
Title: Contractor
Email: chris.straub@tetratech.com
Date: 03/26/2025

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

CONDITIONS

Action 445780

#### **CONDITIONS**

Operator:	OGRID:
Maverick Permian LLC	331199
1000 Main Street, Suite 2900	Action Number:
Houston, TX 77002	445780
	Action Type:
	[C-141] Remediation Closure Request C-141 (C-141-v-Closure)

#### CONDITIONS

Create By	d Condition	Condition Date
nvel	Liner inspection approved, release resolved.	4/14/2025