

19 November 2013

Mr. Mike Bratcher, Environmental Specialist NMOCD 811 S. First St. Artesia, New Mexico 88210

Re: Final C-141 Chevron Lotos 15 Federal #1 UL-P, Section 15, Township 24 South, Range 31 East Eddy County, New Mexico

Mr. Bratcher:

Environmental Plus, Inc. (EPI), on behalf of Mr. Bradley Blevins, Chevron Delaware Basin (Chevron), submits the attached form C-141 for the above-referenced leak site, located on land owned by the State of New Mexico and administered by the BLM.

The site is located approximately 16 miles west of Ochoa, New Mexico (reference *Figure 1*). A search for water wells was completed utilizing the <u>New Mexico Office of the State Engineer's</u> website and a United States Geological Survey (USGS) database. A total of one (1) well is located in the area surrounding the release site (reference *Table 1*). No wells (domestic, agriculture or public) and no bodies of surface water exist within a 1,000-foot radius of the release site (reference *Figure 2*). Groundwater data indicated the average water depth is approximately 360 feet below ground surface (bgs). The attached site information and metrics form ranks the site in accordance with the NMOCD Guidelines for Remediation of Leaks, Spills and Releases (August 13, 1993).

Approximately 9 bbls of produced water was released when a water hauler released its load on the well pad, no barrels were recovered (reference *Figure 3* and attached photographs). Based on available information, it was projected distance between impacted soil and groundwater is approximately 360 vertical feet. Utilizing this information, New Mexico Oil Conservation Division (NMOCD) Remedial Goals for this Site were determined as follows:

Parameter	Remedial Goal
Benzene	10 parts per million
BTEX	50 parts per million
ТРН	5,000 parts per million
Chloride	1,000 parts per million

Should you have any questions or concerns please feel free to contact me at (575) 394-3481 or via email at <u>ddominguezepi@gmail.com</u> or Mr. Bradley Blevins at (575) 391-1462 Ext. 86424 or via e-mail at <u>bradley.blevins@chevron.com</u>. All official communication should be addressed to:

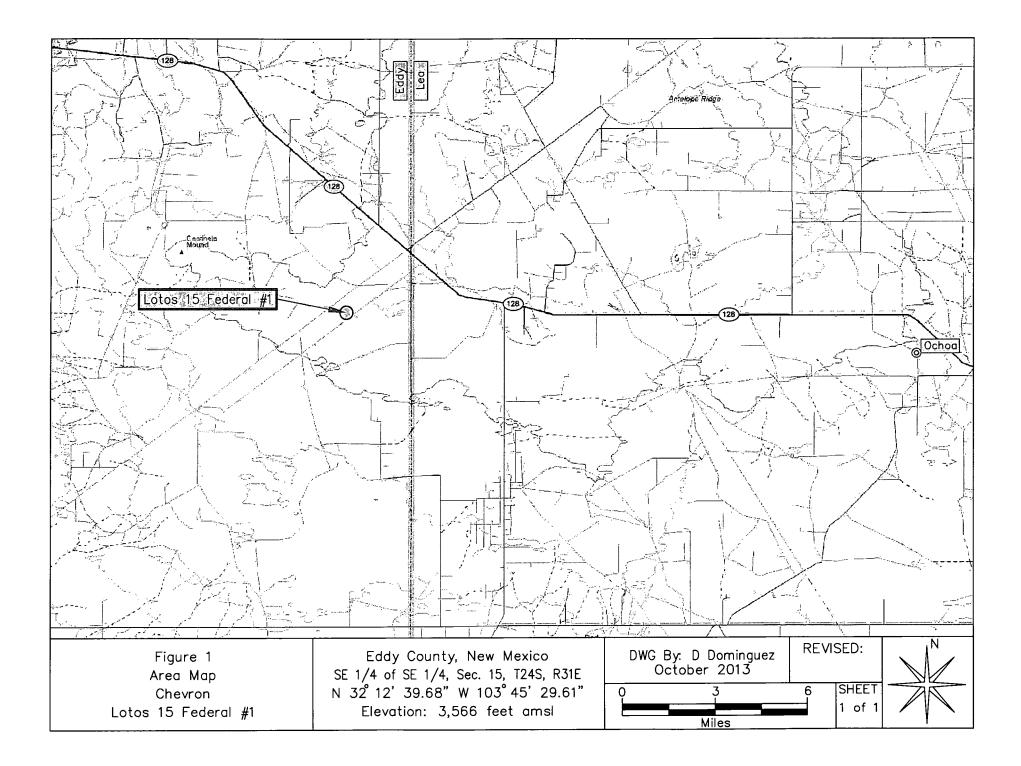
> Mr. Bradley Blevins Chevron 1616 West Bender Hobbs, New Mexico 88240

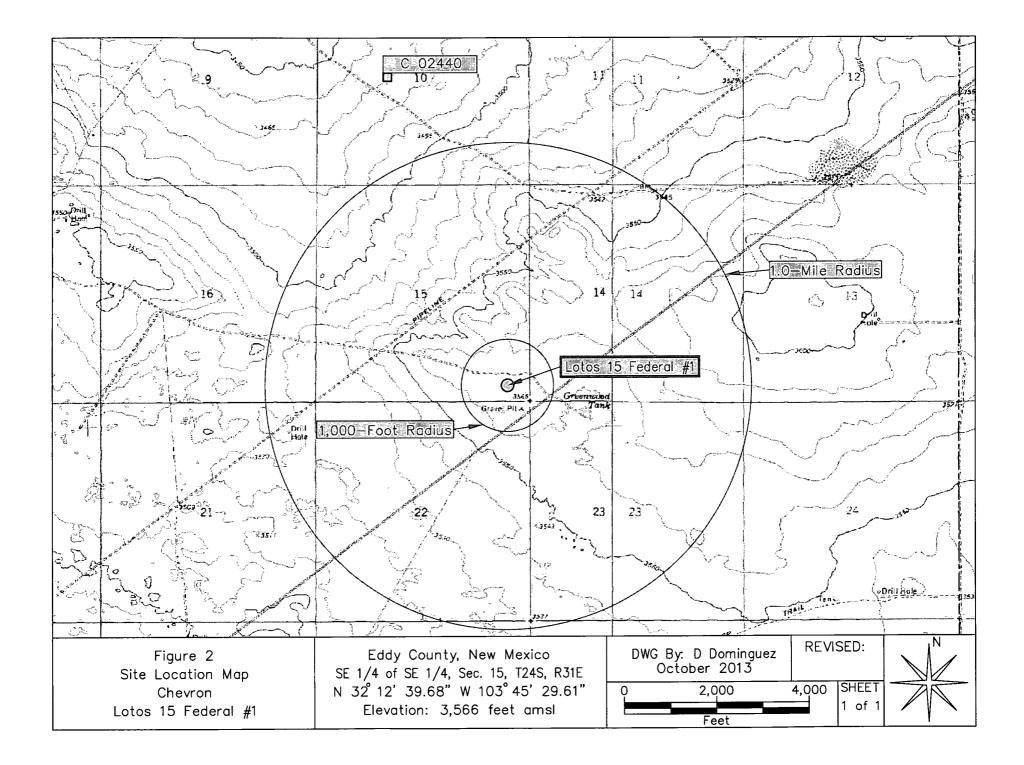
Sincerely,

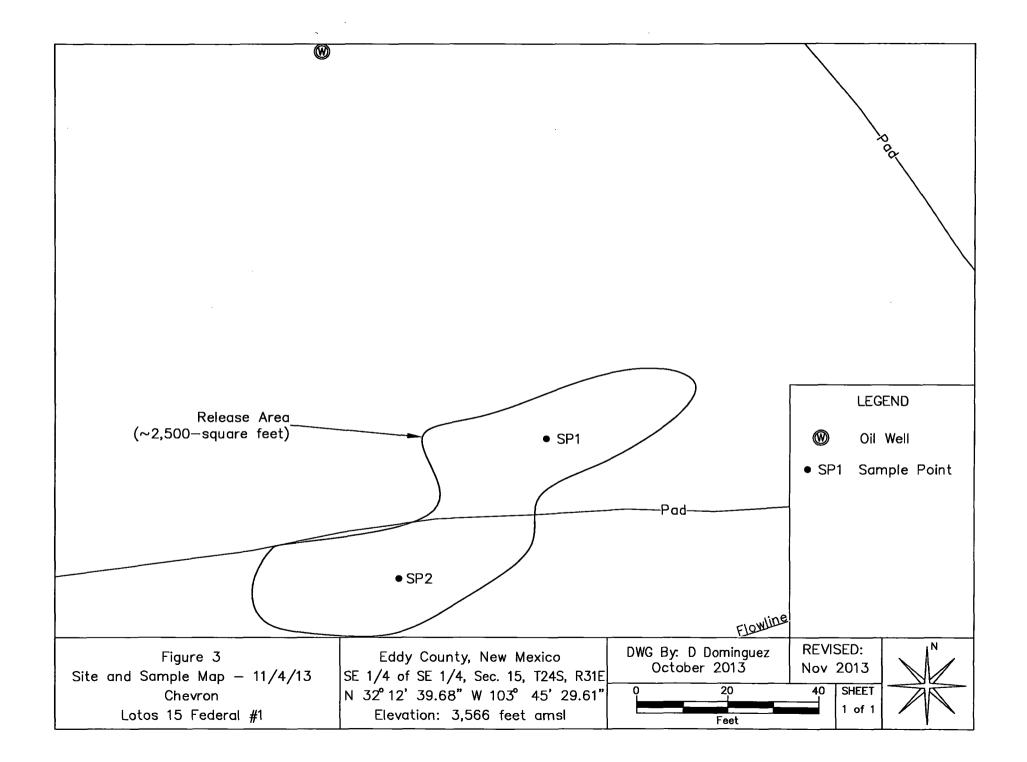
ENVIRONMENTAL PLUS, INC.

Daniel Dominguez Environmental Consultant

cc: Par 5 Services File **FIGURES**







TABLES

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TABLE 1

Well Data

Chevron - Lotos 15 Federal #1

Well Number	Diversion ^A	Owner	Use	Twsp	Rng	Sec	q64	q16	q4	Easting	Northing	Date Measured	Surface Elevation ^B	Depth to Water (ft bgs)
C 02440	0	SONAT EXPLORATION	PRO	24S	31E	10		2	3	616103	3566599	21-Mar-95	3,470	

* = Data obtained from the New Mexico Office of the State Engineer Website (http://iwaters.ose.state.nm.us:7001/iWATERS/wr_RegisServlet1) and USGS Database

 A = In acre feet per annum

 B = Elevation interpolated from USGS topographical map based on referenced location.

PRO = 72-12-1 Prospecting or Development Of Natural Resource

quarters are 1=NW, 2=NE, 3=SW, 4=SE; quarters are biggest to smallest

TABLE 2

Summary of Soil Sample Laboratory Analytical Results

Chevron

Lotos 15 Federal #1 (EPI Ref. #160512)

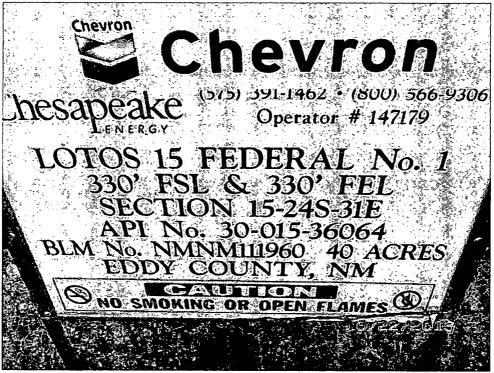
Sample ID	Depth (feet)	Soil Status	Sample Date	PID Reading (ppm)	Field Chloride (mg/Kg)	Benzene (mg/Kg)	Toluene (mg/Kg)	Ethylbenzene (mg/Kg)	Total Xylenes (mg/Kg)	Total BTEX (mg/Kg)	GRO C6-C10 (mg/Kg)	DRO C10-C28 (mg/Kg)	Total TPH (mg/Kg)	Chloride (mg/Kg)
PAD	surface	In situ	22-Oct-13	0.8	960	< 0.050	<0.050	<0.050	<0.150	<0.300	<10.0	11.4	11.4	912
PASTURE	surface	In situ	22-Oct-13	0.6	680	<0.050	<0.050	<0.050	<0.150	<0.300	<10.0	<10.0	<20.0	736
SP1	1	In situ	04-Nov-13		200	<0.050	<0.050	<0.050	<0.150	<0.300	<10.0	<10.0	<20.0	<16.0
SP1	2	In situ	04-Nov-13		160	<0.050	<0.050	<0.050	<0.150	<0.300	<10.0	<10.0	<20.0	<16.0
SP1	3	In situ	04-Nov-13		160	<0.050	<0.050	<0.050	<0.150	<0.300	<10.0	<10.0	<20.0	<16.0
SP1	4	In situ	04-Nov-13		160	<0.050	< 0.050	<0.050	<0.150	<0.300	<10.0	<10.0	<20.0	80
SP2	1	In situ	04-Nov-13		320	<0.050	<0.050	<0.050	<0.150	<0.300	<10.0	<10.0	<20.0	208
SP2	2	In situ	04-Nov-13		160	<0.050	<0.050	<0.050	<0.150	<0.300	<10.0	<10.0	<20.0	48
SP2	3	In situ	04-Nov-13		160	<0.050	<0.050	<0.050	<0.150	< 0.300	<10.0	<10.0	<20.0	<16.0
SP2	4	In situ	04-Nov-13		80	<0.050	<0.050	<0.050	<0.150	<0.300	<10.0	<10.0	<20.0	<16.0
NMO	CD Reme	edial Thresho	olds	100		10				50			5,000	1,000

- - = Not Analyzed

Bold values are in excess of NMOCD Remediation Threshold Goals

ATTACHMENTS

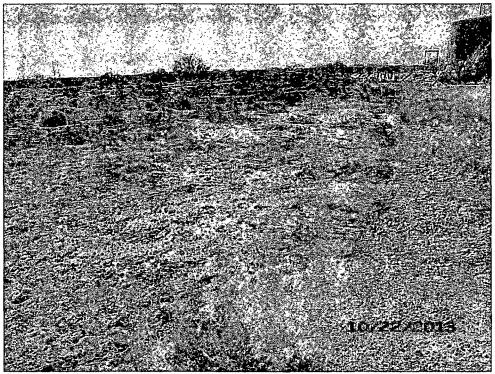
ATTACHMENT I PHOTOGRAPHS



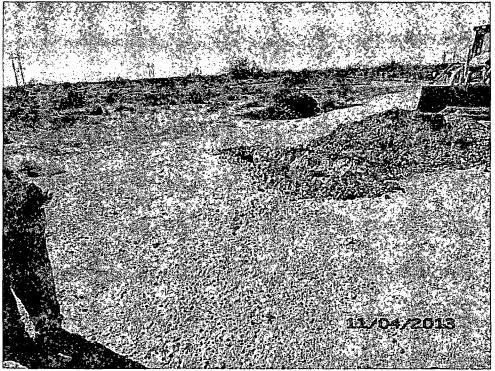
Photograph #1- Lease sign.



Photograph #2- Looking south-west across release area.



Photograph #3- Looking south-west across release area.



Photograph #4- Looking south across release area and sample locations.

ATTACHMENT II INFORMATION AND METRICS INITIAL C-141

		Incident Date: 10/22/13	NMOCD Notified: 10/22/13						
		10/22/13	10/22/13						
	Information and Metrics								
Site: Lotos 15		Assigned Site Reference #: 1	60512						
Company: Cl									
	: 1616 West Bender								
Mailing Addre									
City, State, Zip		88240							
	: Bradley Blevins								
Representative	Telephone: (575) 391	- 1462 Ext. 86424							
Telephone:									
Fluid volume r	eleased (bbls): ~9 bbls	Recovered (bbls): 0 ba	rrels						
		OCD verbally within 24 hrs and submit form C-14 plies to unauthorized releases >500 mcf Natural (
5-25 b	bls: Submit form C-141 wi	thin 15 days (Also applies to unauthorized release	es of 50-500 mcf Natural Gas)						
Leak, Spill, or	Pit (LSP) Name: Loto 15	Federal #1							
	····· · · · · · · · · · · · · · · · ·	dumped produced water on pad							
	.e., BLM, ST, Fee, Other								
	ns: \sim 114 feet by 41 feet								
LSP Area: ~2,									
Location of Re	ference Point (RP):								
	nce and direction from R	IP:							
Latitude: N 32	2° 12' 39.68"								
	103° 45' 29.61"								
	e mean sea level: 3,566	feet							
	th Section Line: 330	·							
Feet from Wes	t Section Line: 330								
Location- Unit	or 1/41/4: SE1/4 of the SE	Unit Letter: P							
Location-Sect	ion: 15	· · · · · · · · · · · · · · · · · · ·							
Location- Tow	nship: T24S	· · · · · · · · · · · · · · · · · · ·							
Location- Ran									
	<u> </u>		<u> </u>						
Surface water	body within 1000 ' radiu	s of site: none							
Domestic wate	r wells within 1000' radi	us of site: none							
Agricultural w	ater wells within 1000' r	adius of site: none							
	upply wells within 1000'		······································						
	nd surface to ground wat								
	mination (DC): unknow								
Depth to grour	nd water (DG – DC = Dte	GW): ~ 360'							
1. G	round Water	2. Wellhead Protection Area	3. Distance to Surface Water Body						
If Depth to GW	<50 feet: 20 points	If <1000' from water source, or;<200' from	<200 horizontal feet: 20 points						
If Depth to GW	50 to 99 feet: 10 points	private domestic water source: 20 points	200-100 horizontal feet: 10 points						
If Depth to GW	>100 feet: 0 points	If >1000' from water source, or; >200' from private domestic water source: 0 points	>1000 horizontal feet: 0 points						
Site Rank (1+2-	(+3) = 0 + 0 + 0 = 0								
		te Ranking Score and Acceptable Concentra	tions						
Parameter	>19	10-19	0-9						
Benzene ¹	10 ppm	10 ppm	10 ppm						
BTEX	50 ppm	50 ppm	50 ppm						
ТРН	100 ppm	1,000 ppm	5,000 ppm						
100 ppm field		nent may be substituted for lab analysis							

1625 N. French D District II 1301 W. Grand A					e of New Mexico rals and Natural R		Form C-141 Revised October 10, 2003				
District III 1000 Rio Brazos I District IV 1220 S. St. Franci	Road, Aztec,	NM 87410		1220 S	nservation Divisi outh St. Francis I ta Fe, NM 87505	Dr.	Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form				
		F	Release	e Notificatio	on and Correc	tive Action	1				
			🗌 Initi	al Report 🛛 🛛	Final Report						
Name of C	Company	: Chevron	l		Contact: Bra	Contact: Bradley Blevins					
Address:	1616 We	st Bender			Telephone N	Telephone No.: (575) 391-1462 Ext. 86424					
Facility Na	ame: Lo	tos 15 Fed	eral #1		Facility Typ	e: Oil well					
Surface O	wner: B	LM		Mineral (Owner:	wner: API: 30-015-3606					
				LOCATIC	N OF RELEAS	E					
Unit Letter P	Section 15	Township 24S	Range 31E	Feet from the 330	North/South Line South	Feet from the 330	East/West Line East	County Eddy			
	•	Lat	itude: N	J 32º 12' 39 6	8" Longitude: W	103° 45' 29 (61"	·			

NATURE OF RELEASE Type of Release: Produced water Volume of Release: 9 bbls Volume Recovered: 0 bbls Source of Release: Water hauler dumped produced water on pad Date and Hour of Occurrence: Date and Hour of Discovery: 10/22/13 @ 12:30pm 10/22/13 @ 12:30pm If YES, To Whom? Was Immediate Notice Given? 🛛 Yes 🗌 No 🗌 Not Required Mike Bratcher By Whom? Bradley Blevins Date and Hour: 10/22/13 Was a Watercourse Reached? If YES, Volume Impacting the Watercourse: 🗌 Yes 🖾 No Not Applicable Depth to Water. ~360 ft bgs If a Watercourse was Impacted, Describe Fully.* Not Applicable Describe Cause of Problem and Remedial Action Taken.* Approximately 9 bbls of produced water were released when a water hauler released its load on the well pad. There was no volume recovered. No remedial work has yet commenced on the location. Describe Area Affected and Cleanup Action Taken.* Approximately 2,500 square feet of surface area was impacted by the release. No volume of water was recovered from the site. Soil samples were collected from release area and submitted to Cardinal Laboratories for testing. Having received acceptable results and NMOCD approval, the site has been closed with no further action required. 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. OIL CONSERVATION DIVISION Signature: **Approved by District Supervisor:** Printed Name: Bradley Blevins **Approval Date:** Title: HE Specialist **Expiration Date:** E-mail Address: bradley blevins@chevron.com **Conditions of Approval:** Attached

<u>12' 39.68"</u> Longitude: <u>W 103° 45' 29.61"</u>

* Attach Additional Sheets If Necessary

Date:

Phone: (575) 391-1462 Ext. 86424

Distant at 1