NM OIL CONSERVATION

District 1
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 ARTESIA DISTRICT Energy Minerals and Natural Resource NOV 0 3 2017

Form C-141 Revised August 8, 2011

Oil Conservation Division 1220 South St. Francis Dr.

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Santa Fe, NM 87505

Release Notification and Corrective Action													
		55411					OPERATOR Initial Report					Final Report	
Name of Company Devon Energy Production Company 6/37 Contact Matt Nettles, Production Foreman													
		Rivers Hwy				Celephone No. 575-513-5767							
Facility Na 36D State 2		36G State 8	Facility Type Oil										
Surface Ov	vner Feder	al	State	State			API No 30-015-29292						
				LOCA	OIT	N OF REI	LEASE						
Unit Letter D	Section 36	Township 23S	Range 31E	Feet from the	North	n/South Line	Feet from the	East/Wes	st Line	County Eddy			
Latitude: 32.26703 Longitude: -103.73840													
NATURE OF RELEASE													
Type of Rele Produced Wa			Volume of	Release	Volume Recovered Obbls								
Source of Re			0.00000				d Hour of Discovery						
Flow line			October 2,	October 2, 2017 @ 3:30 PM October 2, 2017 @ 3									
Was Immed	iate Notice			If YES, To Whom?									
			Mike Bratcher, OCD										
By Whom?						Date and Hour							
Chris West, Asst. Production Foreman Was a Watercourse Reached?							October 2, 2017 @ 4:30 PM If YES, Volume Impacting the Watercourse						
Yes No							N/A						
If a Watercourse was Impacted, Describe Fully.*													
N/A Describe Cause of Problem and Remedial Action Taken.*													
Flow line from the Todd 36G State 8 ruptured due to murphy kill having a broke wire. The well was shut in at the header to stop the release.													
Thow fine from the Toug 500 State o suptified due to murphy kin having a broke wife. The wen was shut in at the header to stop the release.													
		and Cleanu											
				oil were released will be contacted					in the pa	asture to the	East of	the battery.	
Obbis recove	rea. An er	ivironmentai o	contractor	will be contacted	to assi:	st with the der	meation and reme	diation.					
*1 1	· 6					.1 1 C	1 . 1 . 1		L -4		IOCD	lan and	
				is true and completed is true and complete is true and complete is true in the complete is true in the interest in the complete is true and complete is true									
public health	or the envi	ronment. The	acceptano	ce of a C-141 repo	rt by tl	ne NMOCD m	arked as "Final R	eport" does	s not rel	ieve the ope	erator of	liability	
				investigate and re									
		ddition, NMC ws and/or regu		tance of a C-141	report	does not reliev	e the operator of	responsibili	ity for c	ompliance v	with any	other	
					·····		OIL CON	SEDVA'	TION	DIVISIO)NI	1	
Signature: Sheila Fisher Please refer to the New Mexico Oil							OIL CONSERVATION DIVISION						
		Cons	ervation	Division website	for			(n. L	1	/1.	111-	
Printed Nam	e: Sheila Fi		Approved by Environmental Specialist:										
Title, Etcl. 1	Admir C			mnrd.state.nm.		Approval Date:							
Title: Field A		<u> </u>	<u>forms.h</u>	<u>tml</u> Thanl	k you !	Approval Da		i Exi	mayon	Date. 13	[*]		
E-mail Addre	ess: Sheila.	fisher@dvn.c	Conditions o	Conditions of Approval: Attached					dual				
Date: 10/3/	17_	Pho	ne: 575.7 4	18.1829		see attached 2KP-4411						44'	
* Attach Addi						_	·						

Operator/Responsible Party,

The OCD has received the form C-141 you provided on 11/3/17 regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number has been assigned. Please refer to this case number in all future correspondence.

It is the Division's obligation under both the Oil & Gas Act and Water Quality Act to provide for the protection of public health and the environment. Our regulations (19.15.29.11 NMAC) state the following,

The responsible person shall complete <u>division-approved corrective action</u> for releases that endanger public health or the environment. The responsible person shall address releases in accordance with a remediation plan submitted to and approved by the division or with an abatement plan submitted in accordance with 19.15.30 NMAC. [emphasis added]

Release characterization is the first phase of corrective action unless the release is ongoing or is of limited volume and all impacts can be immediately addressed. Proper and cost-effective remediation typically cannot occur without adequate characterization of the impacts of any release. Furthermore, the Division has the ability to impose reasonable conditions upon the efforts it oversees. As such, the Division is requiring a workplan for the characterization of impacts associated with this release be submitted to the OCD District II office in Artesia on or before 12/3/17. If and when the release characterization workplan is approved, there will be an associated deadline for submittal of the resultant investigation report. Modest extensions of time to these deadlines may be granted, but only with acceptable justification.

The goals of a characterization effort are: 1) determination of the lateral and vertical extents along with the magnitude of soil contamination. 2) determine if groundwater or surface waters have been impacted. 3) If groundwater or surface waters have been impacted, what are the extents and magnitude of that impact. 4) The characterization of any other adverse impacts that may have occurred (examples: impacts on vegetation, impacts on wildlife, air quality, loss of use of property, etc.). To meet these goals as quickly as possible, the following items must, at a minimum, be addressed in the release characterization workplan and subsequent reporting:

- Horizontal delineation of soil impacts in each of the four cardinal compass directions. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C₆ thru C₃₆), and for chloride by Method 300. This is not an exclusive list of potential contaminants. Analyzed parameters should be modified based on the nature of the released substance(s). Soil sampling must be both within the impacted area and beyond.
- Vertical delineation of soil impacts. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C₆ thru C₃₆), and for chloride by Method 300. As above, this is not an exclusive list of potential contaminants and can be modified. Vertical characterization samples should be taken at depth intervals no greater than five feet apart. Lithologic description of encountered soils must also be provided. At least ten vertical feet of soils with contaminant concentrations at or below these values must be demonstrated as existing above the water table.
- Nominal detection limits for field and laboratory analyses must be provided.
- Composite sampling is not generally allowed.
- Field screening and assessment techniques are acceptable (headspace, titration, EC [include algorithm for validation purposes], EM, etc.), but the sampling and assay procedures must be clearly defined. Copies of field notes are highly desirable. A statistically significant set of split samples must be submitted for confirmatory laboratory analysis, including the laterally farthest and vertically deepest sets of soil samples. Make sure there are at least two soil samples submitted

for laboratory analysis from each borehole or test pit (highest observed contamination and deepest depth investigated). Copies of the actual laboratory results must be provided including chain of custody documentation.

- •Probable depth to shallowest protectable groundwater and lateral distance to nearest surface water. If there is an estimate of groundwater depth, the information used to arrive at that estimate must be provided. If there is a reasonable assumption that the depth to protectable water is 50 feet or less, the responsible party should anticipate the need for at least one groundwater monitoring well to be installed in the area of likely maximum contamination.
- If groundwater contamination is encountered, an additional investigation workplan may be required to determine the extents of that contamination. Groundwater and/or surface water samples, if any, must be analyzed by a competent laboratory for volatile organic hydrocarbons (typically Method 8260 full list), total dissolved solids, pH, major anions and cations including chloride and sulfate, dissolved iron, and dissolved manganese. The investigation workplan must provide the groundwater sampling method(s) and sample handling protocols. To the fullest extent possible, aqueous analyses must be undertaken using nominal method detection limits. As with the soil analyses, copies of the actual laboratory results must be provided including chain of custody documentation.
- Accurately scaled and well-drafted site maps must be provided providing the location of borings, test pits, monitoring wells, potentially impacted areas, and significant surface features including roads and site infrastructure that might limit either the release characterization or remedial efforts. Field sketches may be included in subsequent reporting, but should not be considered stand-alone documentation of the site's layout. Digital photographic documentation of the location and fieldwork is recommended, especially if unusual circumstances are encountered.

Nothing herein should be interpreted to preclude emergency response actions or to imply immediate remediation by removal cannot proceed as warranted. Nonetheless, characterization of impacts and confirmation of the effectiveness of remedial efforts must still be provided to the OCD before any release incident will be closed.

Jim Griswold

OCD Environmental Bureau Chief 1220 South St. Francis Drive Santa Fe, New Mexico 87505 505-476-3465 jim.griswold@state.nm.us

Weaver, Crystal, EMNRD

From:

Fisher, Sheila < Sheila. Fisher@dvn.com>

Sent:

Friday, November 3, 2017 1:27 PM

To:

Weaver, Crystal, EMNRD; Bratcher, Mike, EMNRD; Amber Groves

(agroves@slo.state.nm.us)

Cc:

Shoemaker, Mike; Fulks, Brett; West, Christopher; Carter, Ray; Nettles, Matt

Subject:

RE: [EXTERNAL] RE: Todd 36D State 2_5.6bbls pw & oil_10.2.17

Attachments:

Todd 36G State 8_5.6bbls pw & oil_Initial C-141_10.2.17-Revised.doc; Todd 36G State 8_

5.6bbls pw & oil_GIS Image_10.2.17.pdf

Good Afternoon,

Please see updated C-141 and GIS Image with revised title block per your comments.

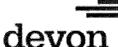
Thank you,

Sheila Fisher

Field Admin Support Production B-Schedule

Devon Energy Corporation

PO Box 250 Artesia, NM 88211 575 748 1829 Direct



From: Weaver, Crystal, EMNRD [mailto:Crystal.Weaver@state.nm.us]

Sent: Friday, October 13, 2017 9:04 AM

To: Fisher, Sheila <Sheila.Fisher@dvn.com>; Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>; Amber Groves (agroves@slo.state.nm.us) <agraves@slo.state.nm.us>

Cc: Shoemaker, Mike <Mike.Shoemaker@dvn.com>; Fulks, Brett <Brett.Fulks@dvn.com>; West, Christopher <Christopher.West@dvn.com>; Carter, Ray <Ray.Carter@dvn.com>; Nettles, Matt <Matt.Nettles@dvn.com> **Subject:** [EXTERNAL] RE: Todd 36D State 2 5.6bbls pw & oil_10.2.17

Also Shelia,

I forgot to mention. I have the locations for both wells as being on Federal surface and State minerals. So you, and anyone else, would need to include both Amber Groves from the State Land Office and Shelly Tucker from the Carlsbad BLM Office on all submissions unless they indicate otherwise.

Thank you,

Crystal Weaver

Environmental Specialist OCD – Artesia District II 811 S. 1st Street Artesia, NM 88210

Office: 575-748-1283 ext. 101

Cell: 575-840-5963 Fax: 575-748-9720

From: Weaver, Crystal, EMNRD

Sent: Friday, October 13, 2017 8:45 AM

To: 'Fisher, Sheila' < Sheila. Fisher@dvn.com >; Bratcher, Mike, EMNRD < mike.bratcher@state.nm.us >; Amber Groves

(agroves@slo.state.nm.us) <agroves@slo.state.nm.us>

Cc: Shoemaker, Mike < Mike.Shoemaker@dvn.com">Mike.Shoemaker@dvn.com; Fulks, Brett < Brett.Fulks@dvn.com; West, Christopher < Christopher.West@dvn.com; Carter, Ray < Ray.Carter@dvn.com; Nettles, Matt < Matt.Nettles@dvn.com>

Subject: RE: Todd 36D State 2_5.6bbls pw & oil_10.2.17

Shelia,

I have made some changes to your initial C-141 to give you an idea of what we need to see (please see the attachment). How you had sent it in makes things confusing. If the release occurred at the Todd 36D State 2 location then that is where your coordinates need to indicate, but if the well responsible for the leak is Todd 36G State 8 then you need to mostly fill out the C-141 to relate the incident to that well. Please make the suggested corrections and resend. If I am understanding the events of this spill incorrectly in any way please clarify.

Thank you,

Crystal Weaver

Environmental Specialist OCD – Artesia District II 811 S. 1st Street Artesia, NM 88210

Office: 575-748-1283 ext. 101

Cell: 575-840-5963 Fax: 575-748-9720

From: Fisher, Sheila [mailto:Sheila.Fisher@dvn.com]

Sent: Thursday, October 12, 2017 3:07 PM

To: Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>; Weaver, Crystal, EMNRD <Crystal.Weaver@state.nm.us>;

Amber Groves (agroves@slo.state.nm.us) <agroves@slo.state.nm.us>

Cc: Shoemaker, Mike < Mike.Shoemaker@dvn.com">Mike.Shoemaker@dvn.com; Fulks, Brett < Brett.Fulks@dvn.com; West, Christopher < Christopher.West@dvn.com; Carter, Ray < Ray.Carter@dvn.com; Nettles, Matt < Mike.Shoemaker@dvn.com; Carter, Ray < Ray.Carter@dvn.com; Nettles, Matt < Mike.Shoemaker@dvn.com; Carter, Ray < Ray.Carter@dvn.com; Nettles, Matt < Mike.Shoemaker@dvn.com; Nettles, Matt. Nettles@dvn.com

Subject: Todd 36D State 2_5.6bbls pw & oil_10.2.17

Good Afternoon,

Attached please find the Initial C-141 and GIS Image for the 5.6bbls produced water and oil released at the Todd 36D State 2 on 10.2.17.

If you have any questions please feel free to contact me.

Thank you,

Sheila Fisher Field Admin Support Production B-Schedule

Devon Energy Corporation PO Box 250 Artesia, NM 88211 575 748 1829 Direct



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