<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 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

1/8/18 AB

State of New Mexico Energy Minerals and Natural Resources AVES LANM

Form C-141 Revised April 3, 2017

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

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

Release Notification and Corrective Action												
NABIS	X) 934	<i>43</i> 8		DXY USA		OPERA	ГOR	⊠ Init	ial Report		Final Report	
Name of Co				MIAN LTD 7/		VADE DITTRIC						
		294; HOUS			<u> Celephone N</u>		2828					
Facility Name CEDAR CANYON 15 1 SWD Facility Type SWD												
Surface Ow	ner PRI	VATE		Mineral C	PRIVATE	RIVATE API No. 30-015-42797						
LOCATION OF RELEASE												
Unit Letter	Section	Township	Range	Feet from the	North/	South Line	Feet from the	East/West Line		Count	у	
K	15	248	_29E	2500	se	OUTH	1400	WEST	EDDY		<u>r</u>	
32.217 18386 Latitude 32.2166 Longitude103.1756 NAD83 - 103.97635767												
NATURE OF RELEASE												
Type of Release PRODUCED WATER							Volume of Release 10 bbls Volume Recovered 10 bbls produced water					
Source of Release 4 inch steel inj. line failure-inside							lour of Occurrenc	e Date and	Date and Hour of Discovery			
containment							9274 21	12-27-1	7			
Was Immediate Notice Given? ☐ Yes ☐ No ☐ Not Required							If YES, To Whom? MIKE BRATCHER-NMOCD; CRYSTAL WEAVER-NMOCD					
By Whom? WADE DITTRICH							Date and Hour 12-27-17 @ 11:42 AM					
Was a Water	course Read		Yes 🛭	No		If YES, Volume Impacting the Watercourse.						
If a Watercourse was Impacted, Describe Fully.*												
Describe Cause of Broblem and Bornetial Action Taken &												
Describe Cause of Problem and Remedial Action Taken.*												
4 inch steel inj. line failure-inside containment. Vacuum truck called. Line repaired and returned to service.												
Describe Area Affected and Cleanup Action Taken.*												
		•										
	The affected area is 40x40ft (measurements are subject to change with GPS tracking). Remediation will be completed in accordance with a											
remediation	remediation plan approved by the NMOCD.											
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												
should their	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 enviro	nment. In a	iddition, NMC	CD accep	tance of a C-141	report de	oes not reliev	e the operator of	responsibility for	compliance v	vith any	other /	
rederar, state	, or local la	ws and/or regu	nations.				OII CON	CEDVATION	IDIVICI	או		
1.4/1.74							OIL CONSERVATION DIVISION					
Signature: //addata							C. 1/4 / '					
Printed Name	e: WADE	DITTRICH	·			Approved by Environmental Specialist:						
Title: ENVIROMENTAL SPECIALIST						Approval Date: 1818 Expiration Date: N/A						
E-mail Addre	ess: wade	dittrich@ox	y.com			Conditions of Approval:						
Date: 1-7	-27-	/ ") Di-	Ma. 545	200 2020		Cl 0 A + A () All 0 Attached 2004550						
* Attach Addi	Date: 12-27-17 Phone: 575-390-2828 SUNTALVION JRP-455C											

Operator/Responsible Party,

The OCD has received the form C-141 you provided on 12/27/18 regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number <u>ARP-4550</u> 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 1/27/18. 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: Weaver, Crystal, EMNRD

Sent: Monday, January 8, 2018 10:27 AM

To: 'Wade_Dittrich@oxy.com'; Bratcher, Mike, EMNRD

Cc: Jennifer_Smith@oxy.com

Subject: RE: Cedar Canyon 15-1 SWD-Initial C141 Corrected

Attachments: RE: Cedar Canyon 15-1 SWD

Wade,

Thank you for correcting the coordinates on this one. This form that you have corrected is an Initial/Final that you originally submitted on 11/13/17. We are still waiting on this one for the pictures that OCD requested (see previous email of mine that I have attached above) and the letter confirming liner integrity and fill material was completely removed and replaced if there was any in the secondary containment. This C-141 form will not be processed until those requested items have been submitted.

Also OCD is still waiting on the other corrected coordinates for the C-141 Initial form that you had submitted to OCD on 12/27/17 according to your form this spill seems to have also occurred at the same location as the one mentioned in the above paragraph. On your original submission of this form you state full recovery 10bbls lost 10bbls recovered, yet decided to mark this form as Initial only. So a Final C-141 will need to be sent and if full recovery of fluids was indeed achieved for this release then you will again for this one have to provide photos and statements as I have just mentioned above for the other release.

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: Wade_Dittrich@oxy.com [mailto:Wade Dittrich@oxy.com]

Sent: Monday, January 8, 2018 7:17 AM

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

Cc: Jennifer Smith@oxy.com

Subject: Cedar Canyon 15-1 SWD-Initial C141 Corrected

All,

Attached is the Initial C141 that has been corrected. Please contact me if there are any questions. Thank you.

Weaver, Crystal, EMNRD

From: Wade_Dittrich@oxy.com

Sent: Wednesday, December 27, 2017 2:35 PM

To: Bratcher, Mike, EMNRD; Weaver, Crystal, EMNRD

Cc:Jennifer_Smith@oxy.comSubject:Cedar Canyon 15 1 SWDAttachments:Initial and Signed C141.pdf

All,

Attached is the Initial C141. Please review and let me know if there are any questions. Thank you.

Wade Dittrich

Environmental Specialist
Oxy Permian-New Mexico
575-390-2828 cell
575-397-8214 office
Wade_Dittrich@Oxy.com