District I
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

* Attach Additional Sheets If Necessary

State of New Mexico Energy Minerals and Natural Resources

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

ARTESIA DISTRICT Form C-141
Revised August 8, 2011

MAR 2 1 2018
Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action												
NABIS	08241	369 K	BOPC	<u>) </u>		OPERA'	TOR		⊠ Initi	al Report		Final Report
		TO Energy		ÐUD 3)		Contact: Ky					····	
Address: 522 W. Mermod, Suite 704 Carlsbad, N.M. 88220						Telephone No. 432-221-7331						
Facility Name: PLU Ross Ranch 33-25-30 USA Battery (API						Facility Type: Exploration and Production						
for well Poker Lake Unit CVX JV RR #007H)									······	,,,		
Surface Owner: Federal Mineral Owner						Federal API No. 30-015-40762						····
Surface Owner. Federal Milleral Owner						redeiai			Ari No. 30-013-40/02			
LOCATION OF RELEASE												
Unit Letter						l l			East/West Line County			
D	D 33 25S 30E 330 North				<u> </u>	680 West Eddy						
Latitude32.092806° Longitude103.892550°												
NATURE OF RELEASE												
Type of Rele	ase					Volume of	Volume of Release Volume Recover					
Produced water							10.1 BBL 10 BBL					
Source of Release						1	Iour of Occurrence	Date and Hour of Discovery				
Steel water line						3/8/2018 3/8/2018, 7:30 AM						
Was Immediate Notice Given?						If YES, To Whom?						
☐ Yes ☐ No ☒ Not Required						N/A						
By Whom? N/A						Date and Hour N/A						
Was a Watercourse Reached?						If YES, Volume Impacting the Watercourse. N/A						
☐ Yes ☒ No												
If a Watercourse was Impacted, Describe Fully.*												
N/A												
Describe Cause of Problem and Remedial Action Taken.*												
Release was due to corrosion on 4" steel water line. The section of line was replaced.												
Describe Are	a Affected	and Cleanup A	Action Tak	en.*					······································	,	***************************************	,
					itely 3	gallons of wat	er misted the pad	outside	the contain	ment. Vac t	ruck re	covered all
fluid within o	containmen	t. An environn	nental con	tractor has been r	etained	to assist with	the remediation e	effort.				
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							knowledge and und perform correct					
							arked as "Final R					
							on that pose a thr					
or the environ	nment. In a	addition, NMC	CD accep	tance of a C-141	report o	loes not reliev	e the operator of	respons	ibility for c	ompliance v	with an	y other
		ws and/or regu						•	-	-		
		2				., .	OIL CON	SERV	ATION	DIVISIO	<u>NC</u>	
							***************************************			/	γ	
Signature		full				N_{n}	1/4	/_	_			
Daimend March	June 1	Approved by	Environmental S	pecialis	4 <i>M</i> /	1947) \	/ \					
Printed Name	Kyle L	auren		***************************************	┯┼		. د د ۱ س		V' /	Lan	·	
Title:	EHS Co	ordinator				Approval Da	_{le:} 3123116	3	Expiration	Date: N	IA	
1 3 LIV.	2110 00	VAUITURVI		***************************************						7		
E-mail Address: Kyle_Littrell@xtoenergy.com							f Approval:	i	Ø	Attached	i Uzzl	
	×.		Conditions of Approval.									
Date: 3/2	1/2018	Ph	one: 432-	221-7331]	80	,	\sim	V	1	\mathcal{M}	K- 4WW1

Operator/Responsible Party,

The OCD has received the form C-141 you provided on 3/21/18 regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number 4449 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 4/21/18. 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: Littrell, Kyle <Kyle_Littrell@xtoenergy.com>
Sent: Wednesday, March 21, 2018 2:41 PM

To: Bratcher, Mike, EMNRD; Weaver, Crystal, EMNRD; Tucker, Shelly; Jim Amos

Cc: Sanders, Toady; McSpadden, Wes; Foust, Bryan; Ruth, Amy

Subject: Initial C-141 - PLU Ross Ranch 33-25-30 USA Battery 3-8-18 (API 30-015-40762 for

Poker Lake Unit CVX JV RR #007H)

Attachments: Initial C-141 for PLU RR 33-25-30 USA Battery 3-8-18.pdf

Good Afternoon,

Please find attached the initial C-141 detailing the accidental release of fluids from the PLU Ross Ranch 33-25-30 USA Battery (API 30-015-40762 for Poker Lake Unit CVX JV RR #007H). Please contact me with any questions or concerns. Thanks. --Kyle

Kyle Littrell

SH&E Coordinator
XTO Energy Inc.
Delaware Division
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kyle_littrell@xtoenergy.com

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