

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

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

Form C-141
Revised April 3, 2017

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

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Whiptail Midstream	Contact Ernie Johnson	
Address 504 S. Bloomfield Blvd, Bloomfield, NM 87413	Telephone No. 918-289-2147	
Facility Name 7-1 CDP	Facility Type Central Depository	
Surface Owner Bureau of Land Management	Mineral Owner Bureau of Land Management	API No. N/A

LOCATION OF RELEASE

Unit Letter C	Section Sec. 35	Township T23N	Range 9W	Feet from the 554.8ft	North/South Line South Line	Feet from the 32.4ft	East/West Line West Line	County San Juan County
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Latitude 36.188903 Longitude -107.763032 NAD83

NATURE OF RELEASE

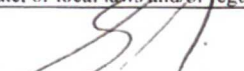
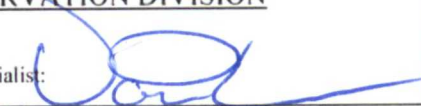
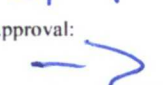

Type of Release Crude Oil	Volume of Release 195bbl	Volume Recovered 194-194.5bbl
Source of Release Faulty gasket on LACT unit.	Date and Hour of Occurrence 6/5/18	Date and Hour of Discovery 6/5/18 1:30PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Vanessa Fields - Environmental Specialist (NMOCD)	
By Whom? Kris Rowe (HRL Compliance Solutions)	Date and Hour 6/6/18 @1:20	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*
NMOCD
JUN 19 2018

Describe Cause of Problem and Remedial Action Taken.*
It was determined that approximately 195bbls of Crude Oil was released within the lined secondary containment due to a LACT unit gasket failure. The LACT unit was shut off upon discovery of the leak and has been repaired.
DISTRICT III

Describe Area Affected and Cleanup Action Taken.*
Of the 195bbls released, crews recovered 194-194.5bbls within containment. A small pinhole leak was observed, which misted ~0.5-1 bbl outside of containment and onto the soils around the containment wall. Whiptail personnel utilized vac-trucks to recover the released material within containment and placed it back into the tank system. A hydro-vac truck has been utilized to remove any impacted soils outside of containment. A liner crew repaired the pin-hole leak section Friday (6/8/18). Once the site had fully dried from hydro-excavation activities Monday (6/14/18), additional impacted soils were observed adjacent to the containment and were excavated utilizing a vac-truck on Wednesday (6/13/18).

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.

Signature: 	OIL CONSERVATION DIVISION		
Printed Name: Greg Riley	Approved by Environmental Specialist: 		
Title: Conservation Manager	Approval Date: 6/29/18	Expiration Date:	
E-mail Address: greg.riley@whiptailmidstream.com	Conditions of Approval: 	Attached: 	
Date: 6/19/2018	Phone: 970 759 3452		

* Attach Additional Sheets If Necessary

NVF1816448793

Fields, Vanessa, EMNRD

From: Fields, Vanessa, EMNRD
Sent: Wednesday, June 20, 2018 9:15 AM
To: 'Greg Riley'; Gunnar Westerman
Cc: aadeloye@blm.gov; l1thomas@blm.gov; Brian Skyles; Kris Rowe; Ernie Johnson
Subject: RE: Whiptail Midstream - 7-1 CDP - 6/5/18 Release - Sampling

Good morning,

The OCD approves Whiptail Midstream Initial C-141 for the 7-1 CDP with the following condition of approvals.

- Following the NMOCD Guidelines for Remediation's of Leaks, Spills and Releases the remediation's levels for soils at the 7-1 CDP are as follows 10 mg/kg Benzene, 50 mg/kg BTEX and 1000 mg/kg TPH
- Sampling methods will include 8015 and 8021.
- Incident # to reference for release is **nVF1816448793**
- Provide OCD with 24 hour scheduling confirmation prior to sampling.

We are unable to scan at the moment but the approved Initial C-141 should be available on-line in the next few days. You can find the C-141 by using the following instructions below.

- Proceed to NMOCD website <http://www.emnrd.state.nm.us/o cd/>



- Select OCD ONLINE

Imaging

- Select imaging

Administrative & Environmental Orders

OCD administrative orders such as NSL, DHC, WFX, NSP and others, and OCD environmental permits and orders.

- Select
- Enter fields as shown below. Select search after entering the following data.

Specific Information *If you know the Order Number, please input that number below and click "Search".*

Enter Administrative/Environmental Order Number/Amendment:

Order Type:

Order Number/ Amendment: / (example: NSL1234)

Search

OR

Full Search *If you do not know the Order Number please input the known Administrative/Environmental information below an*

General Information

Order Type:

Order Date: (example: 12/01/2002)

Facility Information

These two fields apply only to Environmental Orders.

Facility Type:

Facility Name: 7-1 CDP

Select the below file.

Order Number	County	Entity
144B-15558-0	San Juan	WPX Chaco 7-1 CDP

Please let me know if you have any questions.

Thank you,

Vanessa Fields
Environmental Specialist
Oil Conservation Division
Energy, Minerals, & Natural Resources
1000 Rio Brazos, Aztec, NM 87410
(505)334-6178 ext 119
Cell: (505) 419-0463

vanessa.fields@state.nm.us

From: Greg Riley <greg.riley@whiptailmidstream.com>
Sent: Monday, June 18, 2018 6:06 PM
To: Gunnar Westerman <gwesterman@hrlcomp.com>
Cc: aadeloye@blm.gov; l1thomas@blm.gov; Fields, Vanessa, EMNRD <Vanessa.Fields@state.nm.us>; Brian Skyles <BSkyles@hrlcomp.com>; Kris Rowe <krowe@hrlcomp.com>; Ernie Johnson <ernie.johnson@whiptailmidstream.com>
Subject: Re: Whiptail Midstream - 7-1 CDP - 6/5/18 Release - Sampling

Gunner

I will be working on the site tomorrow. I

Will call when I am ready for more testing so please wait for my phone call before you go out to the site.

Thanks

Greg Riley

Pipeline Operations Supervisor

[970.759.3452](tel:970.759.3452)

Greg.riley@whiptailmidstream.com



On Jun 14, 2018, at 1:20 PM, Gunnar Westerman <gwesterman@hrlcomp.com> wrote:

Good afternoon,

HRL plans to evaluate and sample soils tomorrow (6/15/18) in the area where the breach in containment occurred at the Whiptail 7-1 CDP on 6/5/18. Sampling will take place under the liner and near the containment wall.

If you have any questions, please do not hesitate to call at your convenience.

Thanks much,

-Gunnar

Gunnar Westerman | Project Lead

HRL Compliance Solutions, Inc.

65 Mercado Street, Suite 109 | Durango, CO 81301

main 970.259.0926 | fax 970.259.0971 | mobile 970.683.0668

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From: Brian Skyles
Sent: Thursday, June 14, 2018 9:52 AM
To: Gunnar Westerman <gwesterman@hrlcomp.com>
Subject: FW: Whiptail Midstream - 7-1 CDP - Spill Reporting

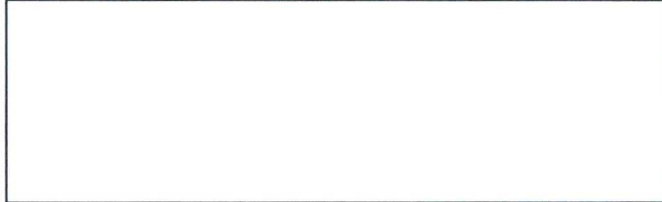
Brian Skyles | Project Lead/Business Development Associate

HRL Compliance Solutions, Inc.

65 Merado Street, Suite 109 Durango, CO 81301

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From: Fields, Vanessa, EMNRD [<mailto:Vanessa.Fields@state.nm.us>]

Sent: Thursday, June 07, 2018 7:29 AM

To: Kris Rowe <krowe@hrlcomp.com>

Cc: Ernie Johnson <ernie.johnson@whiptailmidstream.com>; greg.riley@whiptailmidstream.com; Brian Skyles <BSkyles@hrlcomp.com>; Casey Richardson <crichardson@hrlcomp.com>; Smith, Cory, EMNRD <Cory.Smith@state.nm.us>

Subject: RE: Whiptail Midstream - 7-1 CDP - Spill Reporting

Good morning Kris,

Please ensure to notify the surface owner of the release as well.

Thank you,

Vanessa Fields
Environmental Specialist
Oil Conservation Division
Energy, Minerals, & Natural Resources
1000 Rio Brazos, Aztec, NM 87410
(505)334-6178 ext 119
Cell: (505) 419-0463
vanessa.fields@state.nm.us

From: Kris Rowe <krowe@hrlcomp.com>

Sent: Wednesday, June 6, 2018 2:57 PM

To: Fields, Vanessa, EMNRD <Vanessa.Fields@state.nm.us>

Cc: Ernie Johnson <ernie.johnson@whiptailmidstream.com>; greg.riley@whiptailmidstream.com; Brian Skyles <BSkyles@hrlcomp.com>; Casey Richardson <crichardson@hrlcomp.com>

Subject: Whiptail Midstream - 7-1 CDP - Spill Reporting

Vanessa,

Just to follow-up on our phone conversation from earlier today (6/6/18 @ 1:20), which I also left you a voicemail on your office phone, Whiptail Midstream had a reportable release on the 7-1 CDP that was discovered yesterday (6/5/18) at 1:30pm. It was determined that approximately 195 bbls of produced water was released within the lined secondary containment due to a latch unit gasket failure, of which they were able to recover 194-194.5 bbls. A small pinhole leak was observed, which misted ~0.5-1 bbl outside of containment and onto the soils around the containment wall.

Whiptail personnel has utilized vac-trucks to recover the released material within containment and placed it back into the tank system. A hydro-vac truck has been utilized to remove any impacted soils outside of containment. Below are the site specifics:

Location:	7-1 CDP
Legal Description:	Sec. 35, T23N, R9W, Unit C
Lat/Long:	36188494, -107.762564

I spoke with Greg Riley after our conversation, and he is having a liner crew working to repair the pin-hole leak section by Friday. Once they have completed their work, HRL will evaluate the soils early next (Monday or Tuesday) where the breach in containment occurred. Greg is going to excavate a small area around the liner breach to allow for investigation screening and sampling under the liner near the containment wall. Samples will be collected at that time and any additional remediation will be discussed with you and Whiptail, as well as relayed on the C-141 formal spill report.

If you have any questions, feel free to give myself, Greg Riley, or Ernie Johnson with Whiptail a call at your convenience.

Thanks,


Kris

Kris Rowe | Waste Management Program Manager

HRL Compliance Solutions, Inc.

2385 F 17 Road | Grand Junction, CO 815

main 970.243.3271 Ex. 07 | mobile 970.261.2015

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