District I 1625 N. French Dr , Hobbs, NM 88240 District II 1301 W. Grand Avenue, 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 U 10 7004

RECEIVED

Form C-141 Revised October 10, 2003

Oil Conservation Division HOBDSOUD 1220 South St. Francis Dr. Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

## Santa Fe, NM 87505 Release Notification and Corrective Action

| OPERATOR                     | Initial Report                              | X Final Report                                   |
|------------------------------|---|--|
| Contact Gene Hudson          |   |  |
| Telephone No. 575-441-1634   |   |  |
| Facility Type Producing Well |   |  |
|                              | ContactGene HudsonTelephone No.575-441-1634 | Contact Gene Hudson   Telephone No. 575-441-1634 |

Surface Owner N.M. State

ł

E-mail Address: richard\_hudson@xtoenergy.com

Date: 12/10/2009

Mineral Owner BLM

Lease No. Fed.# NM70948 A

Attached

IRP.09.11.2333

### **LOCATION OF RELEASE**

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| G           | 15      | 21 S     | 36 E  |               |                  |               |                | Lea    |
|             |         |          |       |               |                  |               |                |        |

| Latitude |  | Longitude |
|----------|--|-----------|
|          |  |           |

| NA | TU | RE | OF | REL | EAS | SE |  |
|----|----|----|----|-----|-----|----|--|
|    |    |    |    |     |     |    |  |

| Type of Release produced water & oil  | Volume of Release 220 bbl. Volume Recovered 200 bbl.                            |
|---|---|
| Source of Release flow line connection failure                                | Date and Hour of . Date and Hour of Discovery 10/24/09-                         |
|   | Occurrence10/24/09-1:00a.m. 8:00a.m.  |
| Was Immediate Notice Given?   | If YES, To Whom?( Occurance was on weekend) notified NMOCD & BLM                |
| Yes X No [] Not Required  | on Monday a.m10/26/09   |
| · · ·   | · · ·   |
| By Whom? Gene Hudson  | Date and Hour 10/26/09- 8:00 a.m.   |
| Was a Watercourse Reached?  | If YES, Volume Impacting the Watercourse.                                       |
| Yes X No  |   |
|   |   |
| If a Watercourse was Impacted, Describe Fully.*                               |   |
|   |   |
|   | 3   |
|   | ,   |
|   |   |
| Describe Cause of Problem and Remedial Action Taken.*                         |   |
| external corrosion on steel flow line connections. Well was shut in and co    | onnections were replaced. Fluids were removed and hauled to an approved         |
| dísposal.   | ·   |
|   |   |
|   |   |
| · · ·   |   |
| Describe Area Affected and Cleanup Action Taken.*                             | · · · · · · · · · · · · · · · · · · ·   |
| approximately 250' East/West and 10' North/South and 50'X100' around          | the well head area Contaminated soil was dug up & hauled to a state approved    |
|   | diated to NMOCD required standards. As per our Closure Plan submitted, fresh    |
| caliche will be hauled in to backfill the excavated area.                     |   |
|   |   |
|   |   |
|   |   |
| I hereby certify that the information given above is true and complete to the | he best of my knowledge and understand that pursuant to NMOCD rules and         |
|   | otifications and perform corrective actions for releases which may endanger     |
|   | e NMOCD marked as "Final Report" does not relieve the operator of liability     |
|   | e contamination that pose a threat to ground water, surface water, human health |
|   | oes not relieve the operator of responsibility for compliance with any other    |
| federal, state, or local laws and/or regulations.                             |   |
|   | OIL CONSERVATION DIVISION   |
| MIA   | OIL CONSERVATION DIVISION   |
| Signature: And Autom  |   |
|   | ENV ENGINEER;   |
| Printed Name: Gene Hudson   | Approved by District Supervisor:  |
|   |   |
|   | Jologgiery and may  |
|   | Approval Date: 12 2909 Expiration Date: -                                       |

Conditions of Approval:

Phone: 575-441-1634

# **XTO ENERGY, INC.**

E.M.S.U. #387

Unit G Section 15 T 21 S R 36E

Lea County, New Mexico

# **CLOSURE PLAN**

November 03, 2009

RECEIVED NOV 0 5 2009 HOBBSOCD

1

Gene Hudson, Maintenance Foreman

Cell Phone : 575-441-1634

e-mail address: richard\_hudson@xtoenergy.com

## PAGE 2

As stated in our C-141 report submitted to the Hobbs O.C.D. office on 10-26-2009, we incurred a flow line leak on E.M.S.U. # 387 well. The failure cause was external corrosion on the flow line connections and were replaced.

According to the "<u>New Mexico State Engineer Water Depth</u>" data, the water depth in this area is 195 feet. XTO Energy will continue to excavate the affected area around this well and dispose at an NMOCD approved facility. Periodic soil samples will be taken to Cardinal Laboratories in Hobbs, New Mexico for independent testing until soil chlorides are 250 ppm or less. We will then haul in fresh caliche to replace on the well location and pipeline right-of-way.



# New Mexico Office of the State Engineer Water Column/Average Depth to Water

| · · · · ·     |          | (quan    | ers are '           | 1 <b>-</b> -N | W 2=  | NE 3    | =SW 4 | =SE)       |              |         |                 |          |
|---------------|----------|----------|---------------------|---------------|-------|---------|-------|------------|--------------|---------|-----------------|----------|
|               |          | (quart   | ors are :           | sma           | llést | to larg | jest) | (NAD83 UTN | f in moters) |         | (In feet)       |          |
| ·             | Sub      |          | a a                 | Q             |       |         |       | •          | I            | Depth D | epth Wa         | iter     |
| POD Number    | basin Us | e County | 6416                | <b>4</b> .    | Sec   | Tws     | Rng   | • <b>X</b> | Y            | Well W  | <b>aterCo</b> l | រភាព     |
| CP 00505      | ST       | < LE     |                     | 2             | 15    | 21\$    | 36E   | 662933     | 3595244*     | 215     | 195             | 20       |
| CP 00664      | SA       | N LE     |                     | 2             | 23    | 21S     | 36E   | 666179     | 3593687*     | 185     | 150             | 35       |
| CP 00734      | DO       | M LE     | •                   | 1             | 10    | 215     | 36E   | 663713     | 3596862*     | 215     | 200             | 15       |
| CP 00882      | DO       | M LE     |                     | 5             | 23    | 21S     | 36E   | 566179     | 3593687*     | 160     |                 |          |
| CP 00941 POD1 | · SA     | V LE     | 33                  | 2             | 22    | 21\$    | 36E   | 664268     | 3593359*     | 257     |                 |          |
|               | · ·      |          |                     | ٠             | •     |         |       | Avera      | ige Depth to | Water:  | 181 feet        |          |
| 2             |          |          | يە مەرىپ<br>بەر مەر | ;             |       | -       | ,     | · · ····   | Minimum      | Dopth:  | 15D feet        | ·<br>: . |
|               | •        | • •      |                     |               | •     |         |       |            | Maximum      | Depth:  | 20D feet        |          |

### Record Count: 5

|        | •     |    |
|--------|-------|----|
|        |       |    |
| <br>cc | Cooks | ٠. |

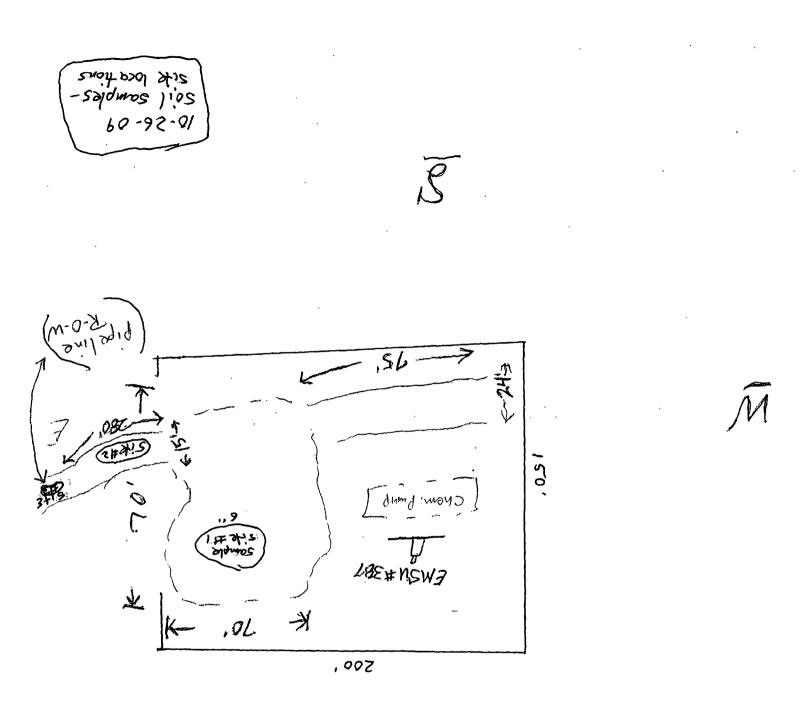
| PLSS Search:               |                          |
|----------------------------|--------------------------|
| Section(s): 9, 10, 11, 14, | Township: 219 Range: 36E |
| 16, 21, 22, 23             | 2 Act                    |
|                            |                          |

\*UTM location was derived from PLSS - see Help

The data is lumished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

10/27/09 2:22 PM

WATER COLUMN/ AVERAGE DEPTH TO WATER



43752LWN # PAJ 398 7 1812 SIB 685# MSUBS Dn

2

### 0CT-27-2009(TUE) 12:42 XTO ENERGY EUNICE 10/27/2009 12:39 57" 32476



PHONE (575) \$93-2326 • 101 E. MARLAND • HOBBS, NM 88240

(FAX)5053943362

ANALYTICAL RESULTS FOR XTO ENERGY ATTN: GENE HUDSON P.O. BOX 700 EUNICE, NM 88231 FAX TO: (575) 394-3362

Receiving Date: 10/26/09 Reporting Date: 10/27/09 Project Number: NOT GIVEN Project Name: EMSU #387 Project Location: SITE #1-6"/ SITE #2-6"/ SITE #3-4" Sampling Date: 10/26/09 Sample Type: SOIL Sample Condition: INTACT @ 7<sup>0</sup>C Sample Received By: ML Analyzed By: AB/HM

|     | ••                                    |       | · . | •    | · .    | • |  |
|-----|---------------------------------------|-------|-----|------|--------|---|--|
| ;   | ·                                     |       |     | 1.51 | • 、    |   |  |
| in  | A 12 18                               |       | ~   | (ab) | E IN'  |   |  |
| LAB | NUN                                   | IBER. | SAI | ИPL  | E ID : |   |  |
|     | · · · · · · · · · · · · · · · · · · · |       | •   | • •  |        |   |  |

GRO DRO (C<sub>6</sub>-C<sub>10</sub>) (>C<sub>10</sub>-C<sub>28</sub>) (mg/kg) (mg/kg)

CARDINAL L

₂₅) <sup>≉</sup>Cl` ) (mg/kg)

| ANALYSIS DA    | ΩE            | •                                       | 1   | 0/26/09 | 10/26/09 | 10/27/09 |
|----------------|---------------|---|-----|---------|----------|----------|
| H18576-1       | SITE #1-6"    | in a star                               | 1.0 | <10.0   | <10.0    | 400      |
| H18576-2       | SITE #2-6"    | 11. A A A A A A A A A A A A A A A A A A |     | <10.0   | <10.0    | 816      |
| H18576-3       | SITE #3-4"    |   |     | <10.0   | <10.0    | 1.140    |
|                |               |   |     |         |          |          |
| · · ·          |               | ţ                                       | . · |         |          |          |
|                |               |   | [   |         |          |          |
|                |               |   |     |         | × ,      |          |
|                |               | ······································  | 1.  |         |          |          |
| Quality Contro | [             |   |     | 422     | 434      | 500      |
| True Value QC  |               | ······································  |     | 500     | 500      |          |
| % Recovery     |               | N                                       |     | 84.4    | 86,8     | 100      |
| Relative Perce | nt Difference |   |     | 6.5     | 8.0      | < 0.1    |

METHODS; TPH GRO & DRO; EPA SW-848 8015 M; CI: Std; Methods 4500-CI B \*Analyses performed on 1:4 w:v aqueous extracts. Reported on wet weight.

ll Chemist

Date

#### H18576 TCL XTO

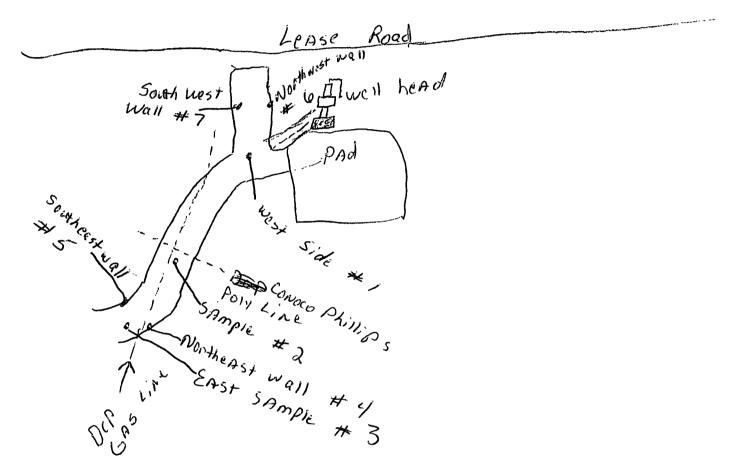
PLEASE NOTE: Liability and pamages. Cardinal's liability and cliant's coolusive remedy for my cleim straing, whither based in contract or tort, what be limited to the amount beld by client for energies. All cleims, including these for engligence and any other asure wheteover shall be descended under made in writing and received by Cardinal which thirty (20) days after completion of the applicable service. In no owner shall Cardinal be liable for incidential or contract on the applicable, building, which it incidents be descended and the applicable building, which is a contract or tort, what is a provide the applicable administry or a clocebooth shall cardinal shall not or related to anyone and the approace of the approximation of the applicable. The approximation of the applicable and the approximation of the applicable only to the another administry of the approximation of the applicable. The advected the approximation of the applicable administry of the approximation of the applicable only to the astrong part of related to another and the approximation of a client of the approximation of the approximation of the approximation approximation approximation of Cardinal Laboratories.

| Reifingvitshed By:   Date:   Received By:     Delivered By:   (Circle One)   Time:     Sampler - UPS - Bus - Other:   704120   Vis Elfest     1   Cool Infact   (Initials)     1   Cool Infact   (Initials)     1   Cardinal cannot accept verbal changes. Please fax written changes to 575.393-2476. | a remain for any deep networks as the stand in contrast a paint, and the Entrad UPP, more a paint for set of the test of the contrast of the set of the test of the contrast of the set of the contrast of the set of the contrast of the | 14:45 × | 101 East Marland, Hobbs, NM 86240   (575) 393-2326 Fax (575) 393-2476   Name: X+TO ErnOrgy True   Name: X+TO ErnOrgy True   Androy True   Androy True   Androy True   Androy True   State/UM Zip: 88 2.3)   State/UM Zip: 88 2.3) |
|--|--|---------|---|
|  | terdente<br>a<br>a<br>a<br>a<br>b<br>b<br>b<br>c<br>b<br>c<br>c<br>c<br>c<br>c<br>c<br>c<br>c<br>c<br>c<br>c<br>c<br>c   |         | ANALYSIS REQUEST  |

|  |   |  |                | an <i>a see a</i> fea |                    |  |   |           |                                | COF                         | 28       |                                |
|--|---|--|----------------|-----------------------|--------------------|--|---|-----------|--------------------------------|-----------------------------|----------|--------------------------------|
| <u>District I</u><br>1625 N. French<br>District II | Dr., Hobbs,   | NM 88240   | ECE            | WED                   | State o<br>Mineral | f New Mex<br>s and Natura              | tico<br>al Resources                    |           |                                | Re                          |          | Form C-141<br>Stober 10, 2003  |
| 1301 W. Grand<br>District III                      | Avenue, Arte  | esia, NM 8821  | 101 02         | Thra of               | Conse              | ervation Di                            | vicion                                  |           | Submit 2 Copies to appropriate |                             |          |                                |
| 1000 Rio Brazo                                     | 1000 Rio Brazos Road, Aztec, NM 8741908BSOCD 1220 S |  |                |                       |                    |  | 101011                                  |           |                                | District                    | Office i | in accordance<br>e 116 on back |
| 1220 S. St. Fran                                   | cis Dr., Santa                                      | a Fe, NM 87505   | 5              |                       |                    | Fe, NM 875                             |   |           |                                |                             |          | side of form                   |
|  |   |  | Rel            |                       |                    |  | orrective A                             | ction     | <br>}                          | <u> </u>                    |          |                                |
|  |   |  |                |                       |                    | OPERA                                  | TOR                                     |           | X Initi                        | al Report                   |          | Final Repor                    |
| Name of Co   |   |  |                | 1 7 7070              |                    | Contact: Ge                            | ne Hudson<br>No. : 575-441-1            | (24       | <u> </u>                       |                             |          |                                |
| Facility Nar                                       |   | and the second s | <u>0, Miai</u> | and,Tx. 7970          | <u> </u>           |  | be: Producing V                         |           | owline                         |                             |          |                                |
| Surface Ow   |   |  |                | Minera                | l Owner            | ······································ |   |           |                                | No. Fed.# N                 | JM709    | 484                            |
| Surface Ow   |   |  |                | ////                  |                    |  |   |           | Lease I                        | NO. 1 CU.# 1                | 111709   | 407                            |
| Unit Letter  | Section   | Township   | Range          | Feet from the         |                    | h/South Line                           | Feet from the                           | East/V    | West Line                      | County                      |          |                                |
| G  | 15  | 21 S   | 36 E           |                       |                    |  |   |           |                                | Lea                         |          |                                |
| L  | L   | 1  | La             | titude                |                    | Longitud                               | le                                      | ·····     |                                | 1 <u></u>                   |          | <u> </u>                       |
|  |   |  |                | NA                    | TURE               | E OF REL                               | EASE                                    |           |                                |                             |          |                                |
| Type of Relea                                      |   |  |                |                       |                    | Volume of<br>Date and H                | Release 220 bbl                         |           |                                | Recovered 20<br>Hour of Dis |          | 10/24/00                       |
| Source of Rel                                      | lease: steel  | now nne con  | nections       |                       |                    |  | e10/24/09-1:00a.r                       | n.        | 8:00a.m.                       | Hour of Dis                 | covery   | 10/24/09-                      |
| Was Immedia  | ate Notice C  |  | Yes X          | No 🗌 Not I            | Required           | If YES, To                             | Whom?<br>notified OCD &                 | BLM or    | 1 Monday                       | morning 10/                 | 26/09)   |                                |
| By Whom? (   | Gene Hudso  |  |                |                       |                    |  | lour 10/26/09- 8                        |           |                                |                             |          |                                |
| Was a Watero                                       |   |  |                |                       |                    |  | olume Impacting t                       |           |                                |                             |          |                                |
| 10 111   | ······  | L]   | Yes X          |                       |                    |  | ·····                                   |           |                                |                             |          |                                |
| If a Watercou                                      | rse was Imj   | pacted, Descri   | be Fully.      | *                     |                    | - 001                                  |   |           |                                |                             |          |                                |
|  |   |  |                |                       | C                  | COPY                                   |   |           |                                |                             |          | ·                              |
|  | <u> (D. 11</u>                                      | 1.0  | 1. 1 1         | <u> </u>              |                    |  | · · · · · · · · · · · · · · · · · · ·   |           |                                |                             |          |                                |
| Describe Cau<br>external corro<br>released.        |   |  |                |                       | ell was si         | hut in upon dis                        | covery of leak.Ap                       | oprox. 6  | bbl. oil & :                   | 215 bbl. of p               | oroduce  | d water was                    |
| Describe Area                                      | Affected a  | and Cleanup A  | ction Tal      |                       |                    |  |   |           |                                |                             |          | ······                         |
| approximately                                      | 250' E/W  | by 10' N/S. A  | And the a      | rea around the v      | wellhead           | approximately                          | 50'X100'. Fluids                        | were re   | moved wit                      | h vacuum tr                 | ucks &   | hauled to an                   |
| approved disp                                      | osal site. A  | backhoe back   | drug area      | a & placed wet        | soil on pl         | astic .Remedia                         | tion will continue                      | e after N | .M. One C                      | all 15 clear.               |          |                                |
|  |   |  |                |                       |                    |  |   |           |                                |                             |          |                                |
|  |   |  |                |                       |                    |  | knowledge and u                         |           |                                |                             |          |                                |
|  |   |  |                |                       |                    |  | nd perform correc<br>arked as "Final Re |           |                                |                             |          |                                |
| should their o                                     | perations ha  | ave failed to a  | dequately      | investigate and       | l remedia          | te contamination                       | on that pose a thre                     | at to gr  | ound water                     | , surface wa                | ter, hun | nan health                     |
| federal, state,                                    |   |  |                |                       |                    |  | e the operator of r                     | esponsi   | bility for co                  | ompliance w                 | itn any  | other                          |
|  | MIQ   |  |                |                       |                    |  | OIL CONS                                | SERV      | ATION                          | DIVISIO                     | <u>N</u> | <u> </u>                       |
| Signature:   | 20ne,   | Jut  | 20             |                       |                    |  |   |           |                                |                             |          |                                |
| Printed Name:                                      | Gene Huc  | lson   |                | <u></u>               |                    | Approved by                            | District Superviso                      | )r:       | $\angle$                       |                             |          |                                |
| Title: Mainter                                     | nance Forer   | nan  |                |                       |                    | Approval Date                          | e:                                      | E         | Expiration I                   | Date:                       |          |                                |
| E-mail Addres                                      | s: richard  | hudson@xto   | energy.co      | m                     |                    | Conditions of                          | Approval:                               |           |                                | Attached                    |          |                                |
| Date: 10/26/0                                      | 9   |  |                | Phone:575-441         | -1634              |  |   |           |                                |                             |          |                                |
| Attach Additi                                      | onal Sheet  | ts If Necessa  |                |                       |                    |  |   |           |                                | <u></u> .                   |          | <u> </u>                       |

| Attach Additional | Sheets | If Necessary |
|-------------------|--------|--------------|
|-------------------|--------|--------------|

Emsu 387





PHONE (575) 393-2326 . 101 E MARLAND . HOBBS, NM 86240

ANALYTICAL RESULTS FOR XTO ENERGY, INC ATTN: GENE HUDSON P.O. BOX 700 EUNICE, NM 88231 FAX TO (575) 394-3362

Receiving Date 11/19/09 Reporting Date: 11/23/09 Project Owner: NOT GIVEN Project Name: EMSU 387 Project Location: NOT GIVEN Analysis Date: 11/23/09 Sampling Date: NOT GIVEN Sample Type SOIL Sample Condition: COOL & INTACT @ 1°C Sample Received By: AB Analyzed By: HM

p

|              |   | CI        |
|--------------|---|-----------|
| LAB NO.      | SAMPLE ID                                 | (mg/kg)   |
| H18764-1     | START OF ROAD - WEST SIDE #1              | < 16      |
| H18764-2     | MIDDLE OF ROAD #2                         | 912       |
| H18764-3     | ROAD EAST END #3                          | 320       |
| H18764-4     | NORTH EAST - WALL #4                      | 352       |
| H18764-5     | SOUTH EAST - WALL #5                      | < 18      |
| H18764-6     | NORTH WEST - WALL #6                      | 48        |
| H18764-7     | SOUTH WEST - WALL #7                      | 48        |
|              | ······································    |           |
| Qua          | lity Control                              | 500       |
| True         | Value QC                                  | 500       |
| % R          | ecovery                                   | 100       |
| Rela         | live Percent Difference                   | < 0,1     |
|              |   |           |
|              | standard Methods                          | 4500-CI'B |
| Note: Analys | ses performed on 1'4 w;v aqueous extracts |           |

alus Mene Chemist

11/24/09

H18764 XTO

PLEASE NOTE Linbility and Damages. Cardinal's linbility and client's exclusive mmedy for any cleim atising, whether based in contract or tort, shall be limited to the amount raid by client for analysis All claims, including there for negligence and any other cause wheteoner shell be deemed waived unless mode in writing and received by Cardinal within thirty (30) days after completion of the applicable service in no event shall Cardinal be liable for incidental or consequential demages, including, without limitation, business interruptions, loss of use, or less of profits incruted by client, its subsidiaries, affiliates or successore arising out of or relead to the performance of anyices herounder by Cardinal, regardiess of wrather such claim is based upon any of the above-stated reasons or otherwise. roloto only to the semples identified above This report shall nor the reproduced except in full with written approval of Cardinal Laboratorias.



ANALYTICAL RESULTS FOR XTO ENERGY, INC. ATTN: GENE HUDSON P.O BOX 700 EUNICE, NM 88231 FAX TO: (575) 394-3362

Receiving Date: 11/30/09 Reporting Date: 12/02/09 Project Owner: CW BACKHOE Project Name: EMSU 387 Project Location: NOT GIVEN Analysis Date: 12/02/09 Sampling Date: NOT GIVEN Sample Type: SOIL Sample Condition: COOL & INTACT @ 5.5°C Sample Received By: AB Analyzed By: HM

|          |                          | cī      |
|----------|--------------------------|---------|
| LAB NO.  | SAMPLE ID                | (mg/kg) |
| H18810-1 | MIDDLE OF ROAD #2        | 304     |
| H18810-2 | EAST END #3              | < 16    |
| H18810-3 | NE WALL #4               | 48      |
|          |                          |         |
|          |                          |         |
|          |                          |         |
|          |                          |         |
|          |                          |         |
| Qua      | lity Control             | 500     |
|          | Value QC                 | 500     |
| % R      | ecovery                  | 100     |
|          | itive Percent Difference | 2.0     |

METHOD: Standard Methods 4500-CI'B Note: Analyses performed on 1:4 w.v aqueous extracts.

leene Chemist

12/02/09

### H18810 XTO

PLEASE NOTE: Liability and Demages. Cardinal's liability and elient's exclusive remedy for any claim urising, whether based in contract or ton shall be limited to the amount paid by client for analyses. All claims, including those for nogligence and any other cause whatsoever shall be deamed walved unless made in willing and received by Cardinal within thirly (30) days after completion of the applicable sorvice. In no event shall Cardinal be lisble for incidental or consequential damages including, without limitetion, business interruptional, loss of use, or tose of profits incurred by client, its subcidentes, alfiliates or successors arising out of or related to the performance of dervices interaulter by Cardinal, regardless of whether such claims to based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This reproduced except in full with written approval of Cardinal Leboratories.