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

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-141 Revised October 10, 2003

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

# **Release Notification and Corrective Action**

						<b>OPERA</b>	<b>TOR</b>		☐ Initi	al Report	$\boxtimes$	Final Repor		
Name of Co	mpany	Trey Holdi	ings			Contact	Patr	ick Sims	3					
Address	P.O. Box	k 1046, Euni	38231		Telephone No. (575) 390-2642									
Facility Nar	ne Hugh	ı Drip				Facility Typ	e Ta	nk Batte	ry					
Surface Ow	ner:	Patrick Sim		Mineral O	wner:	Stat	e		API No	).				
<u> </u>						N OF REI	TEACTE							
Unit Letter	Section	Township	Range	Feet from the		South Line	Feet from the	Fact/\	West Line	County				
B	14	22S	37E	rect nom the	North	South Eme	rect from the	Lasu	west Line	Lea				
	Latitude N 32.39727° Longitude W 103.13166°													
				NAT	URE	OF REL								
Type of Rele		Oil					Release 95 bb			Recovered	75 bt			
Source of Re	lease	Tank Battery	pipeline			8/17/09 1	lour of Occurrer 000	nce	Date and 1030	Hour of Dis	covery	8/17/09		
Was Immedia	ate Notice (		Yes [	No Not Re	quired	If YES, To Geoffrey L	Whom? eking, Hobbs							
By Whom?	Patrick Sin	ns				Date and H		1	<b>WEC</b>	EWEI	A C			
Was a Water	course Read			1		If YES, Vo	lume Impacting	the Wate	ercourse.	CHOOL OF A CENTRAL EXP	200			
			Yes 🗵			UCI 2 6 2009								
If a Watercou	irse was Im	pacted, Descr	ibe Fully.*	ŧ	//	MATER (9)	601		HOBE	SOCD				
Describe Cau	se of Probl	em and Reme	dial Action	n Taken.*										
feet south of (Arapahoe) w scraping imp	the TB on a as called to acted soil fr	lease road, and the site, and rom the site, p	nd approxi approxima lacing it o	ns were released f mately 300 feet ea ately 75 bbl of hyd in 12 mil plastic un	st of th rocarbo	e TB, across ons were remo	the Chevron Hu  oved from the si	gh Lease te and dis	Well #3 w sposed. Oc	ell pad. A v	acuum	truck service		
Ocotillo Envi than 500 mg/ disposed at a Were remove in each samp and the labor with clean so to prevent mi	Describe Area Affected and Cleanup Action Taken.*  Ocotillo Environmental removed all impacted soil from the site and collected confirmation soil samples until chloride concentrations were reported less than 500 mg/kg, TPH concentrations were reported less than 1,000 mg/kg, and BTEX concentrations were reported less than 50 mg/kg. Impacted soil was disposed at an NMOCD approved facility, and the excavations were backfilled with clean soil and caliche. Hydrocarbons released from the current spill Were removed from the tank battery and soil samples were collected (SS-3 and SS-4). The laboratory reported chloride concentrations less than 50 mg/kg in each sample, and TPH concentrations of 3,000 mg/kg (SS-3) and 1334.6 mg/kg (SS-4) at depths of 3 feet bgs. A site drawing showing sample locations and the laboratory reports are attached. Upon verbal approval from the OCD, the excavations at the tank battery were backfilled to a depth of one foot bgs with clean soil. A 6" layer of clay was placed above the caliche and covered with clean caliche to surface. Berms were constructed around the tank battery to prevent migration of fluids if further releases should occur. Depth to groundwater at the site is approximately 60 feet.													
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.														
OIL CONSERVATION DIVISION														
Signature: A Much AMM								-721						
Printed Name	e: Patrick	Approved by Env Engineer:												
						Approval Det		1	3 0	Date:	-			
Title: Lando		· · · · · · · · · · · · · · · · · · ·				Approval Date: 011210 Expiration D				Attached				
E-mail Addre	ess:					Conditions of Approval:								
Date: 9/3			e: (575) 3	90-2642						1RP # 09	.8.2274	<u> </u>		
* Attach Addit	ional Shee	ets If Necess	ary											

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**

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

COPY

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back

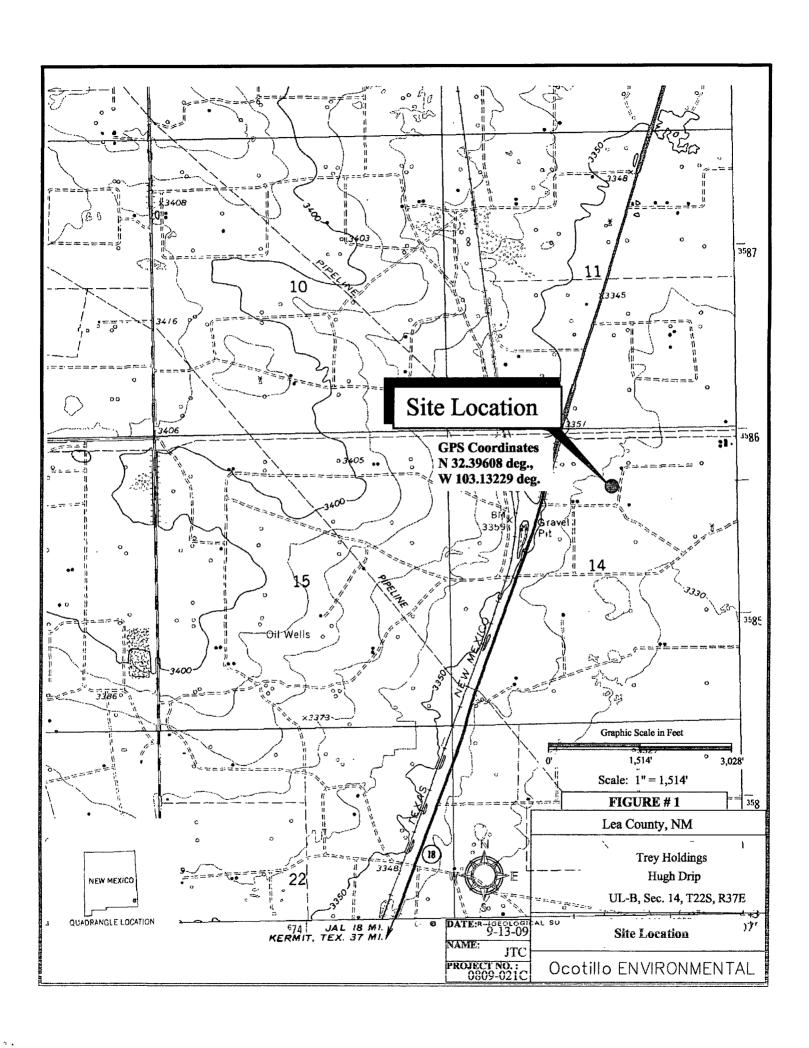
Revised October 10, 2003

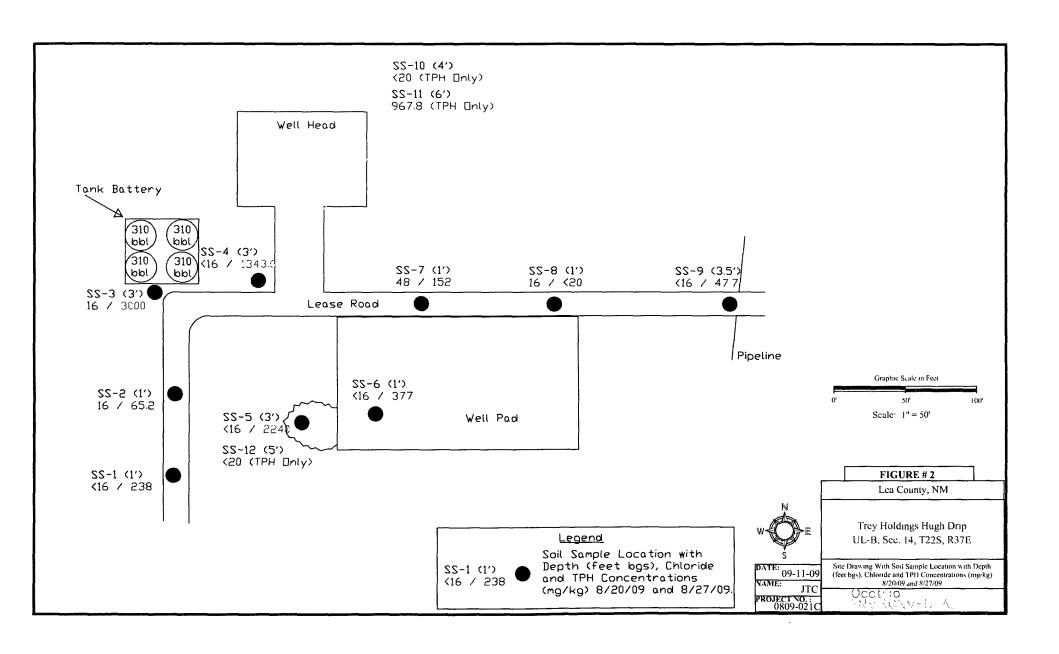
Form C-141

side of form

# Release Notification and Corrective Action

			Reit	ease mound	auoi		rrective A	Action				
						<b>OPERA</b>	ΓOR			al Report		Final Report
Name of Co	mpany	Trey Holdi	ngs			Contact	Patr	ick Sims		-		
Address		1046, Eunic	e, NM 8			Telephone N	lo. (57	5) 390-26	42			
Facility Nar	ne ~			( Hugh Drip		Facility Typ	e Ta	nk Batter	у			
Surface Ow	ner:	Patrick Sims	ļ	Mineral O	wner:	State	?		API No	).		
				LOCA	TIO	N OF REI	LEASE					
Unit Letter B	Section 14	Township 22S	Range 37E	Feet from the	North	South Line	Feet from the	East/W	West Line County Lea			
	Latitude N 32.39727° Longitude W 103.13166°											
				NAT	URE	OF RELI	EASE					
Type of Relea		Dil		2			Release 95 bb			Recovered	75 bł	
Source of Re	lease '	Tank Battery p	ipeline			Date and H 8/17/09 10	our of Occurre	nce	Date and 1030	Hour of Dis	covery	8/17/09
Was Immedia	ate Notice (					If YES, To	Whom?					
			Yes _	No Not Re	quired	Geoffrey L	eking, Hobbs					
By Whom?						Date and H			00			
Was a Watero	course Reac	hed?	Yes 🗵	No		If YES, Vo	lume Impacting	the Wate	rcourse.			
If a Watercou	irse was Im	pacted, Descri	be Fully.*									
Describe Cau	se of Probl	em and Remed	lial Action	n Taken.*								
On 8/17/09, approximately 95 bbl of hydrocarbons were released from a leaking pipe at the Sims Tank Battery. Hydrocarbons flowed approximately 100 feet south of the TB on a lease road, and approximately 300 feet east of the TB, across the Chevron Hugh Lease Well #3 well pad. A vacuum truck service (Arapahoe) was called to the site, and approximately 75 bbl of hydrocarbons were removed from the site and disposed. Ocotillo Environmental began scraping impacted soil from the site, placing it on 12 mil plastic until the soil can be hauled to disposal on 8/18/09.  Describe Area Affected and Cleanup Action Taken.*												
Ocotillo Environmental will remove all impacted soil from the site and collect confirmation soil samples until chloride concentrations are reported less than 500 mg/kg, TPH concentrations are reported less than 1,000 mg/kg, and BTEX concentrations are reported less than 50 mg/kg. Impacted soil will be disposed at an NMOCD approved facility, and the excavations will be backfilled with clean soil and caliche. A final C141 will be submitted to the NMOCD with laboratory confirmation within 30 days of completion of all field activities. Depth to groundwater at the site is approximately 60 feet.  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: Printed Name	Patrick	OIL CONSERVATION DIVISION  ENV ENGINEER Approved by District Supervisor:  JUNIANA LORIM										
Title: Landov						Approval Date: 08/26/09   Expiration Date: 10/26/09					1	
E-mail Address:						Conditions of Approval: DELINEATE TO CLEAN Attached []						
Date: 8/18/09 Phone: (575) 390-2642							1 1 HOME C	-(1 12)	IRP	09.3		74







ANALYTICAL RESULTS FOR OCOTILLO ENVIRONMENTAL

ATTN: CINDY CRAIN

P.O. BOX 1816 HOBBS, NM 88241 FAX TO: (432) 272-0304

Receiving Date: 08/20/09 Reporting Date: 08/24/09

Project Owner: NOT GIVEN

Project Name: SIMS HUGH DRIP Project Location: LEA COUNTY, NM

Sampling Date: 08/20/09 Sample Type: SOIL

Sample Condition: INTACT @ 8.5°C

Sample Received By: CK Analyzed By: AB/ZL/HM

LAB NO. SAMPLE ID	GRO (C <sub>6</sub> -C <sub>10</sub> ) (mg/kg)	DRO (>C <sub>10</sub> -C <sub>28</sub> ) (mg/kg)	BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL BENZENE (mg/kg)	TOTAL XYLENES (mg/kg)	CI* (mg/kg)
ANALYSIS DATE:	08/22/09	08/22/09	08/22/09	08/22/09	08/22/09	08/22/09	08/24/09
H18042-1 SS#1	<10 0	238	<0.050	<0.050	<0.050	<0.300	< 16
H18042-2 SS#2	<10.0	65.2	<0.050	<0.050	<0.050	<0.300	16
H18042-3 SS#3	<50.0	3,000	< 0.050	0.077	<0.050	<0.300	16
H18042-4 SS#4	24.6	1,310	<0.050	<0.050	0.095	0.552	< 16
H18042-5 SS#5	<10.0	2,240	<0.050	<0.050	<0.050	<0.300	< 16
H18042-6 SS#6	<50.0	377	<0.050	<0.050	<0.050	<0.300	< 16
H18042-7 SS#7	<10.0	152	<0.050	<0.050	<0.050	<0.300	48
H18042-8 SS#8	<10.0	<10.0	<0.050	<0.050	<0.050	<0.300	16
H18042-9 SS#9	<10.0	47.7	<0.050	<0.050	<0.050	<0.300	< 16
Quality Control	486	577	0.060	0.058	0.057	0.167	500
True Value QC	500	500				0.150	500
% Recovery	97.2	115	120	116	114	111	100
Relative Percent Difference	10.2	14.1	<1.0	<1.0	1.4	1.2	< 0.1

METHODS: TPH GRO & DRO - EPA SW-846 8015 M; BTEX - SW-846 8021B; CI-: Std. Methods 4500-CI-B \*Analyses performed on 1:4 w:v aqueous extracts. Reported on wet weight. TEXAS NELAP ACCREDITATION T104704398-08-TX FOR BENZENE, TOLUENE, ETHYL BENZENE, AND TOTAL XYLENES. Not accredited for GRO/DRO and Chloride.

Lab Director

Date



Ocotillo Environmental

Company Name:

## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

ANALYSIS REQUEST

RDINAL LABORATORIES
101 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603 (505) 393-2326 FAX (505) 393-2476 (326) 673-7001 FAX (325)673-7020

Project Manager: Cindy Crain					P.O. #:														
Address:					Company: Ocotillo					1		1							
City: $\mathcal{H}_{i}$					Attn:												Ì		
Phone #: (575) 441-7244 Fax #: (432) 272-0304				2-0304	Address		Lane,					- 1							-
Project #:	Project Owner				City:							Ì	- 1				ļ	İ	
Project Name:	Sims Hugh Drip				State:		Zĺp:					1							İ
Project Location	: Lea Co., NM				Phone #						l								
Sampler Name:	Lea Co. NM				Fax #:							- 1							
FOR LAB USE ONLY	,			MATRIX	PRES	ERV.	SAMPLING												
Lab I.D.	Sample I.D.	PARGIRAS OR (C)OMP	# CONTAINERS	GROUNDWATER WASTEWATER SOIL OIL	OTHER: ACID/BASE: ICE (COO!	отнея:	DATE THE	BTX	HCL	CH7									
H18045-	(5 #1	1213	#   5	3 3 8 6 6	DE	0	8/20/091:04	<b>-</b>	-	_				-	-				
	SS # Z	0	<del>/</del>	1-171-1-	<del>                                     </del>	+	8/20/091:11 D		-	-	<u> </u>			-	-			<b></b>	
3	SS # 3	4	$\forall$	<del> </del>		+-	8/20/09:16		-	7	╁			ļ	<del> </del>				
Ÿ	55 # Y	6	7	1//		+	8/20/01:40 P	17	1	-				<b> </b>	1	<b></b>	-		
5	55 # <u>5</u>	G	7	1	/		8/20/01/522	1	1	/				1					1.
(,	55 # la	6	7	1	1		8/20/0,2:05,2	1	1	1									
7.	55 7	G	1	1			8/20/012:150	_	1	1									
<u> </u>	55 # 8	G	1	1		′	8/20/02:217	1	1	1									
4	5S # 9	6	/		1 1	1	8/20/0 2:40	1	_	/									
						<u></u> _		<u> </u>				<u> </u>	<u> </u>	<u> </u>					
ensiyees. All claims includ sorvice. In no ovent shell C	PLEASE NOTE: Lightly and Damages. Cordinate liability and client's exclusive remedy for any claim entaing whether based in contract or lort, shall be limited to the amount paid by the client for the applicable and any other cause whethere's shall be deemed whited united and to the light withing and received by Cardinat which 30 days after completion of the applicable across the light of the applicable across on a state of the light of the ligh																		
Relinquished B	y: Date: 8/2.0/6	Rec	elve	ed By:			Phone R Fax Resi		D Y	98 C	J No	!Add'l							
Bobby D		7		1			REMARK					<u> </u>	\ \						
Relinquished By:				me			Opp	50 1	e ma	il 12	 .541.	.` !s .	to.	Lim		.1 2100	o <sub>ama</sub>	il.com	
Delivered By: (Circle One) Sample Condition Copt Intact Sampler - UPS - Bus - Other:						HEC (In)	KED BY: (laià)	, c p.	(				· · · · · · · · · · · · · · · · · · ·			<i>,</i> .		<i></i>	-0///

BILL TO



August 25, 2009

Cindy Crain
Ocotillo Environmental, LLC
P.O. Box 1816
Hobbs, NM 88241

Re: Sims Hugh Drip

Enclosed are the results of analyses for sample number H18042, received by the laboratory on 08/20/09 at 8:00 pm.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021

Benzene, Toluene, Ethyl Benzene, and Total Xylenes

Method SW-846 8260

Benzene, Toluene, Ethyl Benzene, and Total Xylenes

Method TX 1005

Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited though the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2

Haloacetic Acids (HAA-5)

Method EPA 524.2

Total Trihalomethanes (TTHM)

Method EPA 524.2

Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely,

Celey D. Keène

Laboratory Director



ANALYTICAL RESULTS FOR OCOTILLO ENVIRONMENTAL, LLC.

ATTN: CINDY CRAIN P.O. BOX 1816

HOBBS, NM 88241 FAX TO: (432) 272-0304

Receiving Date: 08/27/09

Reporting Date: 08/31/09 Project Number: 0809021 C

Project Name: SIMS HUGH DRIP

Project Location: CHEVRON HUGH LEASE

Sampling Date: 08/27/09 Sample Type: SOIL

Sample Condition. COOL & INTACT @ 6°C

Sample Received By: AB

Analyzed By: AB

	GRO	DRO
	(C <sub>6</sub> -C <sub>10</sub> )	(>C <sub>10</sub> -C <sub>28</sub> )
LAB NUMBER SAMPLE ID	(mg/kg)	(mg/kg)

ANALYSIS DATE	08/29/09	08/29/09
H18107-1 SS #10	<10.0	<10.0
H18107-2 SS #11	48.8	919
H18107-3 SS #12	<10.0	<10.0
Quality Control	498	448
True Value QC	500	500
% Recovery	99.6	89.6
Relative Percent Difference	0.6	8.3

METHODS: TPH GRO & DRO: EPA SW-846 8015 M. Reported on wet weight.

Lab Director

Date



(575) 393-2326 Fax (575) 393-2476

(575) 393-2326 Fax (575) 393-2476	Page of						
Company Name: OCOTINO CHINROLINICATAI	BILL TO	ANALYSIS REQUEST					
Project Manager: CINDY CRAIN	P.O. #:						
Address: Sox 1810	Company:						
City: Hobbs State: NM Zip: 88240	Attn:						
Phone #: 575-393-6371 Fax #: 432 - 272 -0309	Address: A						
Project #: U809021 C Project Owner: TRey Holdin	City:						
Phone #: 575-393-6371 Fax #: 432-272-0309 Project #: 0809021 C Project Owner: TRey Holdin Project Name: Sims Hugh DR:10 Project Location: Cheulan Hugh Leas C	State: Zip:	8015M					
Project Location: Cheuran Hugh Lease	Phone #:						
Sampler Name: Sobby 13 Joi/c5	Fax #:						
FOR LAB USE ONLY MAT	RIX PRESERV SAMPL						
Tap I.D.  G)RAB OR (C)OMP # CONTAINERS GROUNDWATER WASTEWATER SOIL							
(G)RAB OR (C)ON # CONTAINERS GROUNDWATER WASTEWATER SOIL							
Lab I.D. Sample I.D.	SLUDGE SLUDGE OTHER: ACID/BASE: ICE / COOL OTHER:						
STE STE	SLUDGE SLUDGE OTHER: OTHER:	. 1 1					
(G)RA GROL	DATE OF STATE						
HI8107-1 SS #10 /1 /	/ 8/27	105 pm 1,					
-Z SS 2// // //	1 8/27	1:23pm /					
-3 SS # /2 / 1 /:	/ 8/27	1:46 PM /					
PLEASE NOTE: Unblifty and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based is analyzes. All claims Including those for negligence and any other cause whatsoever shall be deemed waived unless made in							
service. In no event shall Cardinal be liable for incidental or consequental damages, including without limitation, business inte affiliates or successors arising out of or related to the porformance of services hereunder by Cerdinal, regardless of whether s	uptions, loss of use, or loss of profits incurred by	cHent, de subsidiaries.					
Sampler Relinquished: Date: Received By:		Phone Result:   No Add'l Phone #:					
Time:		Fax Result: D No Add'l Fax #:  REMARKS:					
Relinquished By: Date: A Received By;	^						
8-d7-09	3						
DOUBLE DONCS 2:53 pm / (/) -							
Cool	condition CHECKED BY:						
Sampler - UPS - Bus - Other:	Yes No						

<sup>†</sup> Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476.



September 1, 2009

Cindy Crain Ocotillo Environmental, LLC P.O. Box 1816 Hobbs, NM 88241

Re: Sims Hugh Drip (0809021C)

Enclosed are the results of analyses for sample number H18107, received by the laboratory on 08/27/09 at 2:53 pm.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021.

Benzene, Toluene, Ethyl Benzene, and Total Xylenes

Method SW-846 8260

Benzene, Toluene, Ethyl Benzene, and Total Xylenes

Method TX 1005

Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited though the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2

Haloacetic Acids (HAA-5)

Method EPA 524.2

Total Trihalomethanes (TTHM)

Method EPA 524.2

Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely

Celey D. Keene

Laboratory Director