

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

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company	Trey Holdings	Contact	Patrick Sims
Address	P.O. Box 1046, Eunice, NM 88231	Telephone No.	(575) 390-2642
Facility Name	Hugh Drip	Facility Type	Tank Battery

Surface Owner:	Patrick Sims	Mineral Owner:	State	API No.
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	14	22S	37E					Lea

Latitude N 32.39727° Longitude W 103.13166°

NATURE OF RELEASE

Type of Release	Oil	Volume of Release	95 bbl	Volume Recovered	75 bbl
Source of Release	Tank Battery pipeline	Date and Hour of Occurrence	8/17/09 1000	Date and Hour of Discovery	8/17/09 1030
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Geoffrey Leking, Hobbs		
By Whom?	Patrick Sims	Date and Hour	8/17/09	11 RECEIVED	
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	UCL 26 2009		

If a Watercourse was Impacted, Describe Fully.*

WATER @ 60'

HOBBSOCD

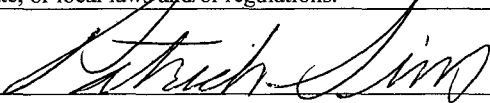
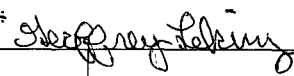
Describe Cause of Problem and Remedial Action Taken.*

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 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.

Signature: 	OIL CONSERVATION DIVISION	
Printed Name: Patrick Sims	Approved by <u>Env Engineer</u> 	
Title: Landowner	Approval Date: <u>01/12/10</u>	Expiration Date: <u>—</u>
E-mail Address:	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 9/30/09 Phone: (575) 390-2642		1RP # 09.8.2274

* Attach Additional Sheets If Necessary

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Address	P.O. Box 1046, Eunice, NM 88231	Telephone No.	(575) 390-2642
Facility Name	(Hugh Drip)	Facility Type	Tank Battery
Surface Owner:	Patrick Sims	Mineral Owner:	State
		API No.	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	14	22S	37E					Lea

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Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Geoffrey Leking, Hobbs		
By Whom?	Patrick Sims	Date and Hour	8/17/09 1100		
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.*

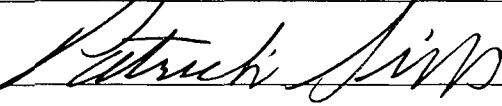
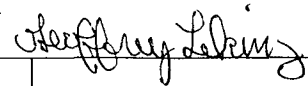
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Describe Area Affected and Cleanup Action Taken.*

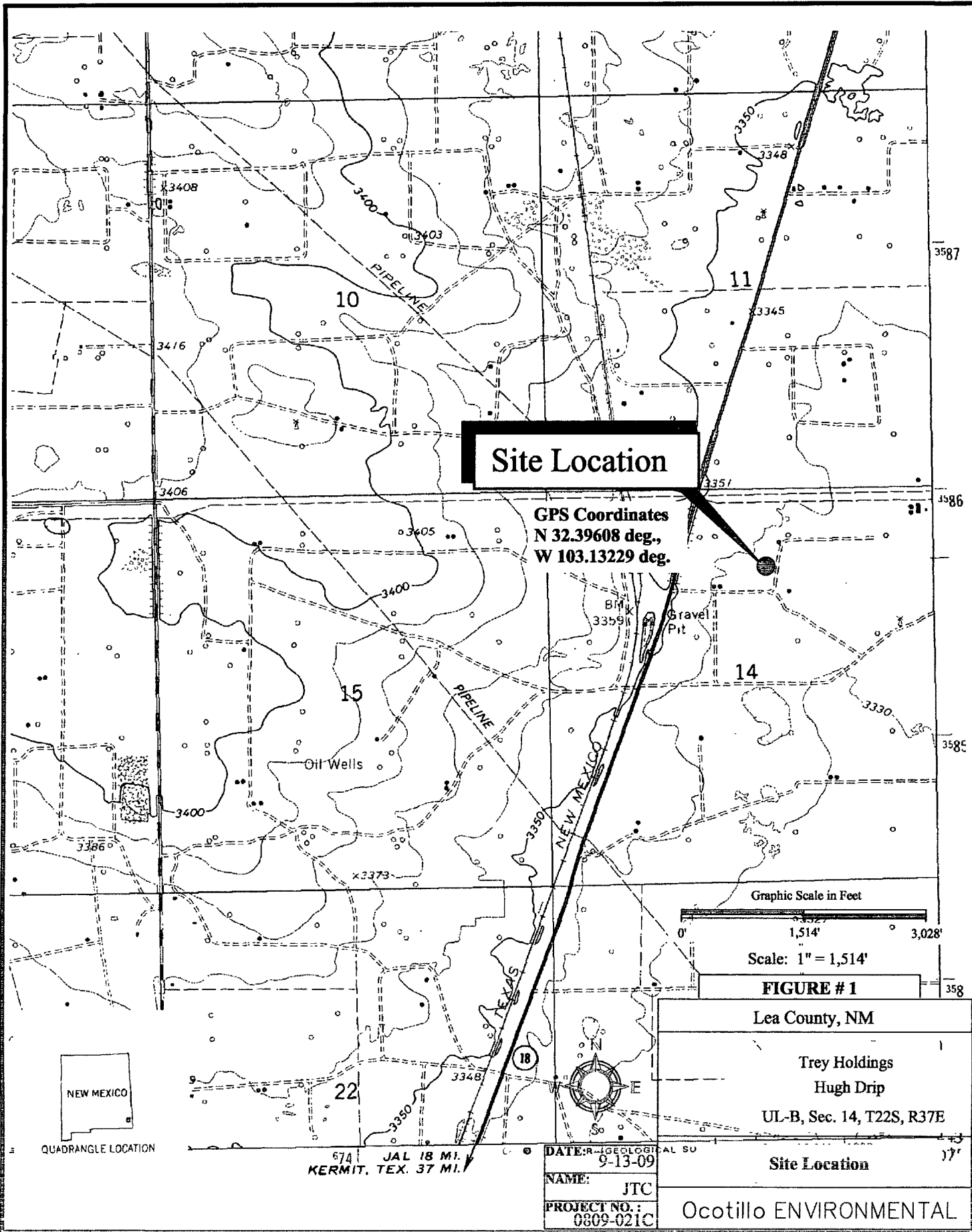
Ocotillo Environmental will remove all impacted soil from the site and collect confirmation soil samples until chloride concentrations are reported less than 500 mg/kg, TPH concentrations are reported less than 1,000 mg/kg, and BTEX concentrations are reported less than 50 mg/kg. Impacted soil will be 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.

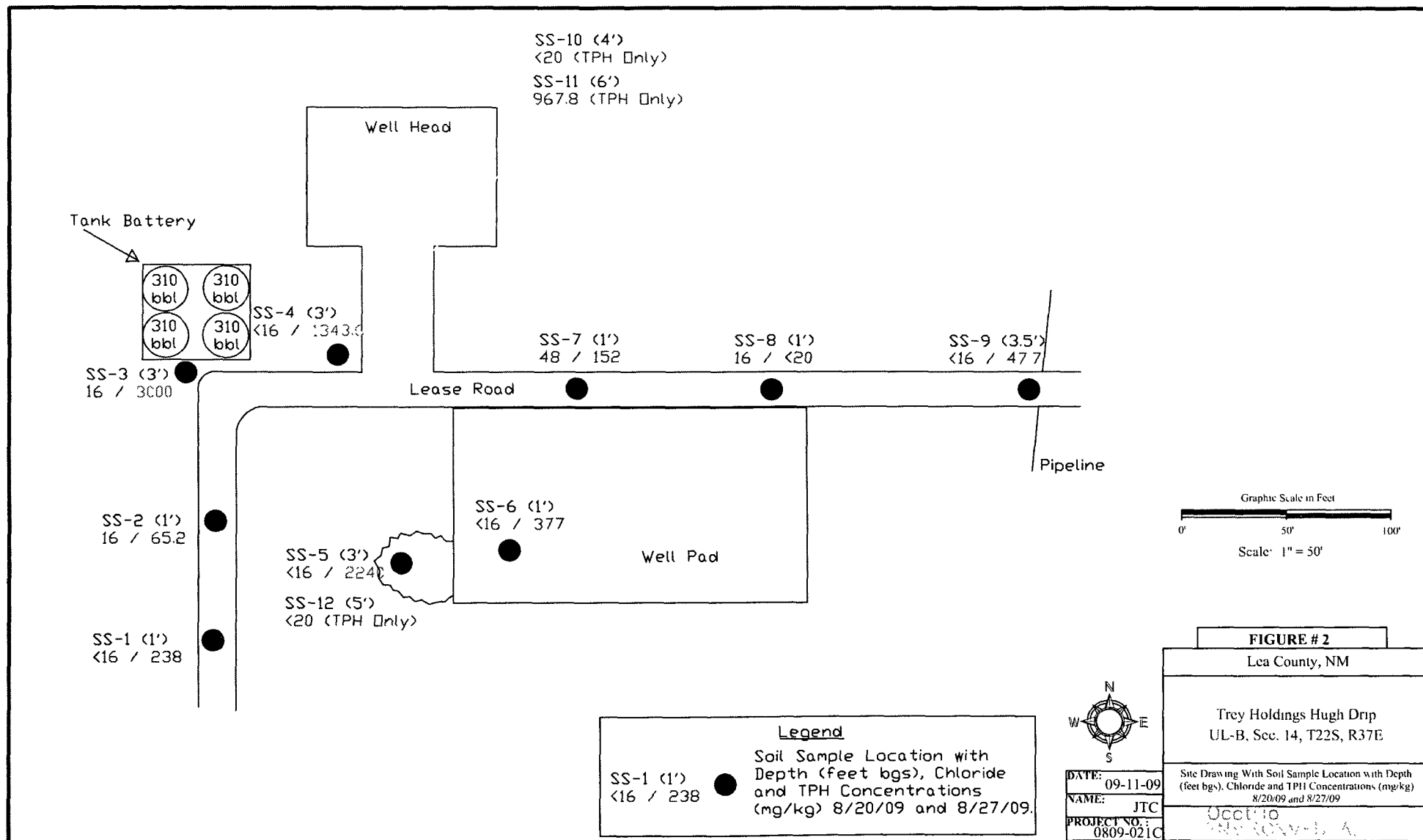
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger 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: 	OIL CONSERVATION DIVISION	
Printed Name: Patrick Sims	Approved by ENV ENGINEER District Supervisor: 	
Title: Landowner	Approval Date: 08/26/09	Expiration Date: 10/26/09
E-mail Address:	Conditions of Approval: DELINEATE TO CLEAN + 1. SUBMIT FINAL C-141 BY	Attached <input type="checkbox"/>
Date: 8/18/09 Phone: (575) 390-2642	IRP-09.8.2274	

* Attach Additional Sheets If Necessary

- COPY -





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

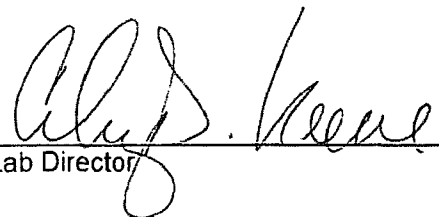
 Sampling Date: 08/20/09
 Sample Type: SOIL
 Sample Condition: INTACT @ 8.5°C
 Sample Received By: CK
 Analyzed By: AB/ZL/HM

LAB NO.	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/kg)	DRO (>C ₁₀ -C ₂₈) (mg/kg)	BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL BENZENE (mg/kg)	TOTAL XYLENES (mg/kg)	Cl* (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	0.050	0.050	0.050	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; Cl-: Std. Methods 4500-Cl-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

 08/25/09
 Date

H18042 TBCL OCO



(505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325) 673-7020

BILL TO

ANALYSIS REQUEST

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the project. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profit incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

† Cardinal cannot accept verbal changes. Please fax written changes to 506-383-2476

* on ice



ARDINAL LABORATORIES

PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

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 through 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



Sampling Date: 08/27/09
Sample Type: SOIL
Sample Condition: COOL & INTACT @ 6°C
Sample Received By: AB
Analyzed By: AB

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

09/01/09
Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made 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 damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



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

Page _____ of _____

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† Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476.



ARDINAL LABORATORIES

PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

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.

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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