

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 Department

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

Form C-141
Revised August 24, 2018
Submit to appropriate OCD District office

Incident ID	NAB1912935342
District RP	1RP-5467
Facility ID	fOY1807136904
Application ID	pAB1912934936

Release Notification

Responsible Party

Responsible Party: Advance Energy Partners Hat Mesa LLC	OGRID: 372417
Contact Name: David Harwell	Contact Telephone: 832-672-4604
Contact email: DHarwell@advanceenergypartners.com	Incident # (assigned by OCD) NAB1912935342
Contact mailing address: 11490 Westheimer Rd. Suite 950. Houston, TX 77077	

Location of Release Source

Latitude 32.441034

Longitude -103.545182

(NAD 83 in decimal degrees to 5 decimal places)

Site Name: Merchant Recycling Containment (1RP-29)	Site Type: Containment – recycled produced water
Date Release Discovered: March 13, 2019	API# (if applicable)

Unit Letter	Section	Township	Range	County
C	35	T21S	R33E	Lea

Surface Owner: State Federal Tribal Private (Name: Merchant Livestock)

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

<input type="checkbox"/> Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
<input checked="" type="checkbox"/> Produced Water	Volume Released (bbls) 1,048 (calculated)	Volume Recovered (bbls)
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Condensate	Volume Released (bbls)	Volume Recovered (bbls)
<input type="checkbox"/> Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
<input type="checkbox"/> Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release: Sustained winds of 60 to 80 mph on March 12 and 13, 2019 caused wave action at the Merchant Recycling Containment. The result of the significant winds and wave action caused produced water to exceed required freeboard and overflow the containment berms. The release of recycled produce water occurred along the eastern edge of the containment.

A light oil spray coated nearby vegetation (see attached maps). TPH analysis in the upper 1-foot exhibited concentrations below laboratory detection levels.

Incident ID	NAB1912935342
District RP	1RP-5467
Facility ID	fOY1807136904
Application ID	pAB1912934936

Was this a major release as defined by 19.15.29.7(A) NMAC? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release? Analytical results from soil sampling shows that chloride is greater than 600 mg/kg chloride from 0 to 4 feet at two of the three sample locations. Volume calculations from 0 to 4 feet depth along the release extent, with an assumed soil porosity of 0.35, show an estimated release volume of 1,048 barrels.
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Immediate notice was giving upon finalization of analytical data and volume calculations. Notification send via email on 04/05/2019 to EMNRD-OCD-District1spills@state.nm.us Date immediate notice was given?	

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

<input checked="" type="checkbox"/> The source of the release has been stopped. <input type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately.
If all the actions described above have <u>not</u> been undertaken, explain why: Released produced water soak into the ground. No freestanding liquid to recover. On March 20, 2019 an Electromagnetic Survey and soil sampling occurred to delineate the release (see attached maps). The one-call is being placed to begin remediation efforts. The lightly oil sprayed coated vegetation will be cut to the ground and transported off-site for proper disposal.
Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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.
Printed Name: <u>David Harwell</u> Title: <u>VP Eng. + Ops.</u> Signature: <u>David Harwell</u> Date: <u>4-8-19</u> email: <u>dharwell@advanceenergypartners.com</u> Telephone: <u>281-235-3431</u>
OCD Only Received by: <u>[Signature]</u> Date: <u>5/9/2019</u>