District I - (505) 393-6161 P O Box 1980

Hobbs, NM 88241-1980

State of New Mexico

District II - (505) 748-1283

Energy Minerasl and Natural Resources Department

811 South First Artesia, NM 88210 District III - (505) 334-6178 1000 Rio Brazos Road Aztec, NM 87410 Oil Conservation Division 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

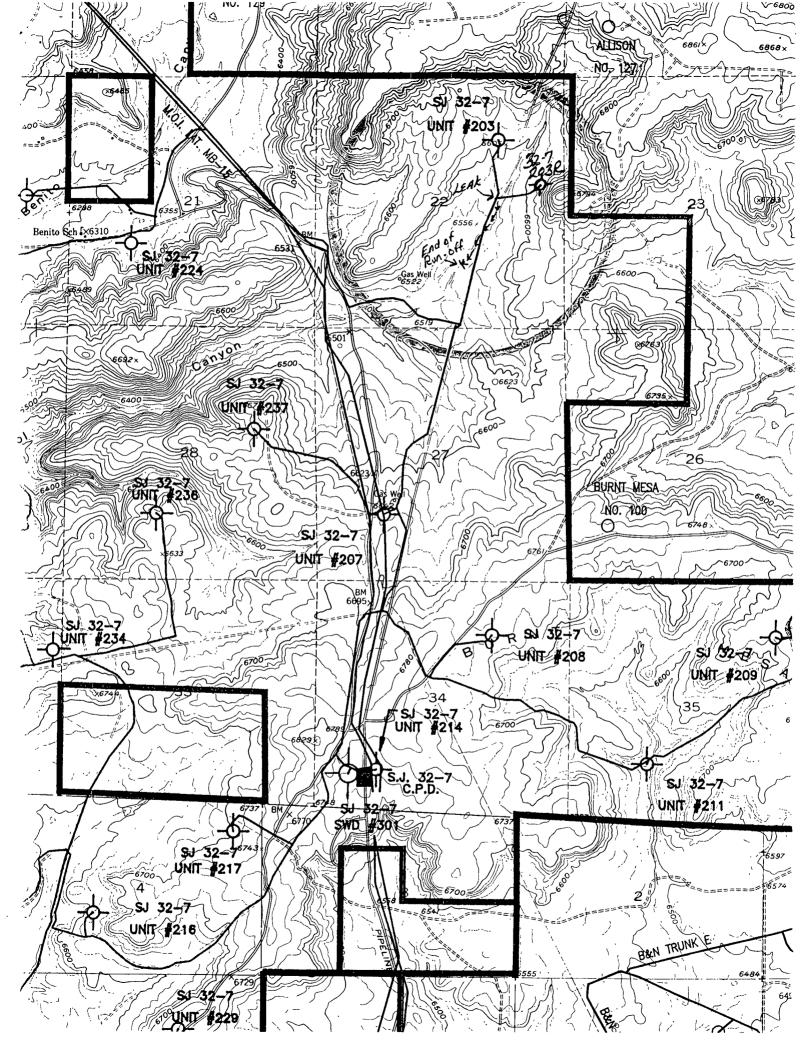
Submit 2 copies to
Appropriate District
Office in accordance
with Rull 116 on

| District IV - (505) 827-7131 back side of form | | | | | | | | | | | |
|--|--|----------------------|------------------|---------------------------|---|---------------------------|-----------------|---------------|--------------------------|-----------|--------------|
| 30-045-24623 Release Notification and Corrective Action OPERATOR XX Initial Report XX Final Report | | | | | | | | | | | |
| | 30 - O | to - 2 | 1623 | | OPER/ | TOR | | XX | Initial Report | XX | Final Report |
| Name | | | | | | Contact | | | | | |
| Phillips Petroleum Company | | | Patsy Clugston | | | | | | | | |
| | | | | Telephone Number | (505) 500 2454 | | | | | | |
| Facility Name | 5525 Hwy. 64, Farmington, New Mexico 87401 | | | | Facility Type | (505) 599-3454 | | | | | |
| , acinty ream | | 7 Unit #203R | | | | Tacility Type | Pipeline | | | | |
| | | | | | | <u> </u> | | | | | |
| Surface Owne | er | | | Mineral Owner | | | | | Lease No | | |
| <u> </u> | Federal | | | <u></u> | Federal | | | | L | SF-078459 |) |
| | | | | | LOCATION C | F RELEASE | | | | | |
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | 1 | County | | | |
| Н | 22 | 32N | | 2428' | North | 857' | East | | San Juan | · | |
| | | | | | NATURE OF | PDELEASE | | | | | |
| Type of Relea | 1CA | | | | TATORE OF | Volume of Release | | | Volume Pecove | red. | |
|) ype of Reica | Produced coa | alseam water | | | | Approx. 450 bbls | | | Volume Recovered None | | |
| | | | | | | | | | | | |
| Source of Rela | ease | | | | | Date & Hour of Occurrence | | | Date & Hour of Discovery | | |
| | Water from | the 32-7 #203R | | | | ** Unknow | wn exactly (see | below) | 1/18/00 @ 4 | :30 pm | |
| | 4-N-4 6' 0 | | | | | 16 1/F0 TO 1/F 0 | | · · · · · · · | | | |
| was immedia | te Notice Given? | | XX Ye | s No | Not Required | If YES, To Whom? | with the BLM 1 | /19/00 @ 8-1 | 5 am | | |
| | | | ۰۰ لتتا | , | | | ith the OCD 1/1 | _ | | | |
| By Whom? | | | | | | Date and Hour | | | | | |
| | Patsy Clugst | on | | | | | 1/19/00 @ 8:30 | am | | | |
| | | | | | | | | | | | |
| Was a Watercource Reached? | | | | 3 | If YES, Volume Impacting the Watercource approx. 450 bbls | | | | | | |
| | | L | 16. | , L., W | , | approx. 450 b | ois | | | | i |
| If a Watercou | ırse was ımpacted, e | describe fully (Atta | ch additional sh | eets if necessary) | | 1 | | | | | |
| | Produced wa | ter ran down v | vash for 145 | 0 feet to the S/SV | V. | | | | | | |
| ľ | See attached | Topo highlight | ing area inv | olved. | | | | | | | |
| | | | | | | | | | | | |
| Describe cause of problem and remedial action taken (attach additional sheets if necessary) Mechanical failure of the valve assembly - Repairs were made and service restored. | | | | | | | | | | | |
| | Meenanicari | anure or the va | iive assembi | y - Repairs were | made and service | restoreu. | | | | | |
| | | | | | | | | | | | |
| Describe area affected and cleanup action taken Attach additional sheets if necessary) | | | | | | | | | | | |
| | - | - | - | - | art of leak, end o | | | | - | | |
| was also take at a stock pond that this arroya could of reach (but didn't). See attached report from Cimarron Environmental for more details. PPCo will monitor quality of water at the stock pond if the BLM requires, but no other cleanup seemed pertainent. | | | | | | | | | | | |
| I hereby cer | | | | | | | | | | | |
| I hereby certify that the information given above is true and complete to the best of my knowledge and understant 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 releave the | | | | | | | | | | | |
| Operator of responsibility for compliance with any other federal, state, or local laws and/or regulations | | | | | | | | | | | |
| Sugnature Atita Wester | | | | OIL CONSERVATION DIVISION | | | | | | | |
| Signature Tursy (SUS) | | | | Approved by Denny, toun | | | | | | | |
| Printed Name Patsy Clugston | | | | | District Supervisor. 2/02/12000 | | | | | | |
| Title Sr. Regulatory/Proration Clerk | | | | | Approval Date 2/02/2000 Expiration Date | | | | | | |
| | | | | | | Conditions of Appr | roval | · | Attached | | |
| Date | 01/24/2000 | 0 | Phone | (505) 599-3454 | <u> </u> | | | | | | |

c141-spillreport

nJK1217254431

^{**} The pump from this well's storage tank leading to the pipeline only could of possible ran 2 times (12 hours each) since the pipeline was last visited. This is how the volume was calculated. According to Frank McDonald with Cimmaron, the leak was between 350 & 450 bbls.



PHILLIPS PETROLEUM COMPANY

32-7 PRODUCED WATER SPILL

Mr. Jack Mackey reported a produced water spill on the evening of Jan. 18, 2000. Cimarron Environmental was notified on the morning of Jan. 19, 2000.

Bill Twilley and Jerry Loudermilk represented Phillips Petroleum Company and Mr. Jack Mackey as the livestock lessee of the impacted property. Mr. Mackey stated that his cows had consumed the water and had not shown any ill affects from the consumption of the water.

Foutz and Bursum accompanied Mr. Twilley to the site and excavation of the valve can of a produced water line to determine the cause. The cause of the spill was determined to be a crack in a two-inch brass valve. Repair of the valve began immediately.

Mr. Loudermilk stated the spill might extend to 1400 bbls at the most. Cimarron Environmental estimated approximately 400-500 bbls involved. Mr. Twilley stated that two wells (SJ 32-7 # 203R & SJ 32-7 # 206) are contributing water associated with the spill.

The spill began at the valve can and extended directly in to a small ephemeral stream traveling approximately 2600 feet down the ephemeral stream. The spill area varied in width from four feet to six inches. The spill stopped approximately 1300 feet from a water impoundment utilized for domestic livestock and wildlife.

Existing vegetation is primarily rabbit brush, big basin sage, sand drop seed, Indian rice grass, and blue gramma.

There are four tributaries to the ephemeral stream within the spill area.

Five samples were extracted. Three soil samples and two water samples. The soil samples are described as follows:

- 1. Soil sample extracted above the spill site approximately three inches in depth, and utilized as background.
- 2. Soil sample extracted approximately three inches in depth from the immediate spill area.
- 3. Soil sample extracted approximately three inches in depth from the end point of the spill.

The water samples are described as follows:

1. Water sample extracted from the pipeline and utilized as determining the quality of the produced water.

2. Water sample extracted from the existing water impoundment utilized to determine existing water quality.

Samples were delivered to Inter-Mountain Labs and analyzed for Ph, Cation Exchange Capacity, Sodium Absorption Ratio, Exchangeable Sodium Potential, and Bi-Carbonates. Results of the analysis are pending.

On January 20, 2000, Ron Mead met with Mr. Denny Foust of the NMOCD at the spill site. Mr. Foust concluded that any remediation of the spill site might cause more environmental damage than the spill itself. Final conclusion of spill remediation was left to the determination of the BLM.

January 21, 2000: Frank McDonald met with Neil McBride and Bill Liess of the BLM. BLM was notified that NMOCD had waived clean-up measures to the BLM. Bill Liess will assume the lead in the clean-up operation. BLM was notified of the extent of the spill and that samples had been extracted. Bill Liess advised that Frank meet with Mr. Bob Wirtanen of PPCo and discuss remedial activities. Frank stated that NMOCD had agreed that any excavation would probably cause more damage than the spill. Bill inquired as to how bad was the spill. Frank stated that it is unknown with the season we are in and that no results have been reported from the samples extracted. Bill states that some clean-up will be necessary due to the spills relation to the Navajo lake, the spill being within an ephemeral stream, and the possible inclusion of the Bureau of Reclamation.

January 25, 2000: Denny Foust contacted Frank McDonald and inquired about the spill. Mr. McDonald went over the previous meeting with Bill Liess. Denny suggested a possible monitoring of the stock pond due to the spill being located within the ephemeral stream. Denny requested that Frank and Bob meet and derive a remediation plan and consult BLM and NMOCD.

5525 HWY. 64 NBU 3004



Action Plan to CBM Water Spill 32-7 (adjacent to the 203r & 206) Discovered 1/18/00

Bill Liess BLM ~ FDO 1235 La Plata Hwhy Suite A Farmington, NM 87401

Enclosed is our written submittal form c-141, for the above referenced spill which was telephoned in to both BLM & NMOCD on 1/19/00.

Our action plan in assessing potential damages, is to gather additional lab samples of the water quality at the down gradient stock pond no later than 6/30/00. The future samples will be compared to the enclosed baseline lab reports as differences between the spilled water & the pond water. We will use levels of sodium and electrical conductivity (as a measure of total solids) to confirm if the spilled water migrated into the stock pond. The attached lab reports show sodium & ec as clear distinctions between the two water types. An attached document from the Wyoming Dept. of Agriculture shows suggested water standards for livestock use.

We will also observe the quality of the vegetation in the known spill-zones to determine evidence of damage and if witnessed, or if our future lab reports show commonality between the two water types, we will advise your office and conform to corrective steps as you recommend.

Regards.

R. A. Wirtanen, CSP

Sr. S&E Specialist

Attachments

Cc w/o attach: msrs. Jaap, Brooks, McDonald D. Faust - NMOCD, Loudermilk

TO: IML GILLETTE

NOU 13. 1995 , 2:4874

Water Standards for Livestock Use

Good water should meet the following criteria:

, FRX

Total Solids less than 1000 ppm
Hardness less than 1000 ppm
Sulfates less than 500ppm
Nitrates less than 45 ppm
Sodium less than 500 ppm

Total Solids

| Good water | less than 1000 ppm |
|-------------------------|------------------------------|
| Pair, Usable | 1000 • 3000 ppm . |
| Poor, Usable | 3000 - 5000 ppm |
| Very Poor, Questionable | 5000 - 9000 p pm |
| Not Advised | 9000 or more ppm |

Maximum recommended for livestock is 5000 ppm. Horses, however can tolerate a maximum of 6000 ppm.

Sulfates

The meximum recommended level of sulfates for caute and horses is 1000 ppm. The desirable level is 500 ppm.

Nitrates

The levels for cattle are:

| Safe for use | • | 0 - 45 pm |
|-------------------|---|-----------------|
| Doubtful | • | 4 5 - 135 ppra |
| Risky | | 135 - 225 ppm |
| Do not use | | 225 - 450 ppm |
| Subjetted - toxic | | 150 - 675 ppm |
| Lethal | • | 675 ppm or more |

Sodium

The maximum level of sodium livestock can tolerate is 2,000 ppm.

ppm - parts per million

Source

Wyoming Department of Agriculture Division of Laboratories Apr-73

Ra. rotz



Inter-Mountain Laboratories, Inc.

Phone (505) 326-4737 Fax (505) 325-4182

2506 West Main Street, Farmington, NM 87401

Client:

Phillips Petroleum Co.

Sample ID:

Prod. Water

Lab ID:

0300W00218

Matrix:

Water

Condition:

Intact

Date Received: 01/19/00

Date Reported: 01/25/00

Date Sampled: 01/19/00

Time Sampled: 1124

| Parameter | Analytical Result | Units |
|-------------------------|-------------------|----------|
| LABORATORY DATA | | |
| PH | 8.4 | s.u. |
| Electrical Conductivity | 9,370 | μmhos/cm |
| Bicarbonate (HCO3) | 6,870 | mg/L |
| Calcium | 13.3 | mg/L |
| Magnesium | 11.6 | mg/L |
| Sodium | 2,950 | mg/L |
| Sodium Absorbtion Ratio | 140 | |

Reference: EPA - "Methods for Chemical Analysis of Water and Wastes (MCAWW)" - EPA/600/4-79-020 - March, 1983.

EPA - "Methods for the Determination of Metals in Environmental Samples" - Supplement I - 600/R-94-111 - May, 1994

Reviewed By



Inter-Mountain Laboratories, Inc.

Phone (505) 326-4737 Fax (505) 325-4182

2506 West Main Street, Farmington, NM 87401

Client:

Phillips Petroleum Co.

Sample ID:

Pond Water

Lab ID:

0300W00219

Matrix:

Water

Condition:

Intact

Date Received: 01/19/00

Date Reported: 01/25/00

Date Sampled: 01/19/00

Time Sampled: 1320

| Parameter | A'nalytical Result | Units |
|-------------------------|-----------------------|----------|
| LABORATORY DATA | | |
| PH | 8.4 | s.u |
| Electrical Conductivity | 121 | µmhos/cm |
| Bicarbonate (HCO3) | 101 | mg/L |
| Calcium | 15.6 | mg/L |
| Magnesium | 3.5 | mg/L |
| Sodium | 3.0 | mg/L |
| Sodium Absorbtion Ratio | 0.2 | |

Reference. EPA - "Methods for Chemical Analysis of Water and Wastes (MCAWW)" - EPA/600/4-79-020 - March, 1983.

EPA - "Methods for the Determination of Metals in Environmental Samples" - Supplement I - 600/R-94-111 - May, 1994.

Reviewed By