

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

Form C-141  
Revised August 8, 2011

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

Submit 1 Copy to appropriate District Office in  
accordance with 19.15.29 NMAC.

**Release Notification and Corrective Action**

**OPERATOR**

Subsequent Report  Final Report

Name of Company: BP America	Contact: Steve Moskal
Address: 200 Energy Court, Farmington, NM 87401	Telephone No.: 505-326-9497
Facility Name: Gallegos Canyon Unit 155	Facility Type: Natural gas well

Surface Owner: Tribal	Mineral Owner: Federal	API No. 3004507269
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**LOCATION OF RELEASE**

Unit Letter N	Section 23	Township 28N	Range 13W	Feet from the 990	North/South Line South	Feet from the 1,700	East/West Line West	County: San Juan
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Latitude 36.64323° Longitude -108.19174°

**NATURE OF RELEASE**

Type of Release: produced water	Volume of Release: 7.0 bbl	Volume Recovered: none
Source of Release: Suspected integrity failure of below ground tank	Date and Hour of Occurrence: unknown	Date and Hour of Discovery: September 19, 2016; 8:00 AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour:	
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.\*

Describe Cause of Problem and Remedial Action Taken.\* During a well swabbing job it was noted a decrease in the level of the below grade tank. The level of the BGT was then closely monitored. It was noted that the level of the BGT had definitively dropped when returning to the site on 9/19/16. Review of the well file indicates a release dated November 27, 2013 may have not been addressed.

Describe Area Affected and Cleanup Action Taken.\* The fluid was removed from the tank. The tank will be removed and sampled for BTEX, TPH via 8015 and chlorides and submitted following the spill and release guidelines. Remediation will be performed via soil shredding as detailed in the attached workplan.

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:	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Steve Moskal	Approved by Environmental Specialist:	
Title: Field Environmental Coordinator	Approval Date: <u>4/12/17</u>	Expiration Date:
E-mail Address: steven.moskal@bp.com	Conditions of Approval: <u>Remediation must START</u>	Attached <input checked="" type="checkbox"/>
Date: March 29, 2017 Phone: 505-326-9497		

\* Attach Additional Sheets If Necessary

#ACS163405319 Within 90 Days of Approval.  
(3/2/17)

OIL CONS. DIV DIST. 3

MAR 30 2017

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## Smith, Cory, EMNRD

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**From:** Smith, Cory, EMNRD  
**Sent:** Wednesday, April 12, 2017 2:07 PM  
**To:** 'Moskal, Steven'; 'l1thomas@blm.gov'; Fields, Vanessa, EMNRD; Steve Austin  
**Cc:** Hixon, Vance E; Bandy, Richard T; dustindmace@gmail.com; jeffcblagg@aol.com  
**Subject:** RE: Gallegos Canyon Unit 155 Remediation Notification

Steve,

OCD has reviewed the Subsequent C-141 that included a new work plan for remediation via soil shredding. OCD has approved BP proposed work plan with the following conditions of approval:

- BP must start the remediation within 90 days of approval (7/12/17)

If you have any additional questions please give me a call.

OCD Approval of the work plan does not relieve BP of any other requirements imposed by other regulatory agencies.

Cory Smith  
Environmental Specialist  
Oil Conservation Division  
Energy, Minerals, & Natural Resources  
1000 Rio Brazos, Aztec, NM 87410  
(505)334-6178 ext 115  
[cory.smith@state.nm.us](mailto:cory.smith@state.nm.us)

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**From:** Moskal, Steven [mailto:Steven.Moskal@bp.com]  
**Sent:** Friday, March 10, 2017 8:22 AM  
**To:** 'l1thomas@blm.gov' <l1thomas@blm.gov>; Smith, Cory, EMNRD <Cory.Smith@state.nm.us>; Fields, Vanessa, EMNRD <Vanessa.Fields@state.nm.us>; Steve Austin <nnepawq@frontiernet.net>  
**Cc:** Hixon, Vance E <Vance.Hixon@bp.com>; Bandy, Richard T <richard.bandy@bp.com>; dustindmace@gmail.com; jeffcblagg@aol.com  
**Subject:** Gallegos Canyon Unit 155 Remediation Notification

Whitney, Cory, Vanessa and Steve,

The GCU 155 is located on Bureau of Indian Affairs managed land. The site has experienced two releases in recent years with no remedial actions. If possible, we will plan to mobilize to the location late next week with work beginning early the week of 3/20/17. This will be based on approval and cultural clearances.

Soil shredding will be used on location. I will have a remediation plan and/or sundry to each of you early next week. The site info is as follows:

GPS: 36.64357° N, 108.19180° W  
API: 30-045-07269

## **BP Remediation Plan**

To: Cory Smith (NMOCD), Whitney Thomas (BLM)  
From: Steve Moskal (BP)  
CC: Jeff Blagg (Blagg Engineering)  
Date: 3/29/2017  
Re: Gallegos Canyon Unit 155 - Ex-situ Soil Remediation – Soil Shredding  
(N) S-23, T28N, R13W; API #30-045-07269; Serial No.:SF-077966

Dear Mr. Smith and Mrs. Thomas,

The Gallegos Canyon Unit (GCU) 155 site is an active natural gas production well location within the San Juan Basin Gas Field in San Juan County, New Mexico. The site is located on land Navajo Tribal lands with minerals managed by the Bureau of Land Management Farmington Field Office (BLM-FFO) and is in an area primarily used for oil and gas production.

### **Background**

An integrity issue of the below grade tank was identified on September 19, 2016 during rig work at the site. Review of the well file indicates a release also occurred on November 27, 2013 in association with the condensate production tanks. The well site is operated by BP Production.

### **Site Ranking**

Following the NMOCD site ranking criteria, the site closure standard is 5,000 ppm TPH, 50 ppm BTEX and 10 ppm benzene:

- Depth to groundwater >100' (0 points)
- Nearest surface water source >1,000' (0 points)
- Distance to nearest surface water body or coarse >200'<1,000' (0 points)

### **Proposed Remediation – Soil Shredding**

BP proposes to remediate the impacted soil via soil shredding. Soil shredding involves the excavation of the impacted soil which is then placed in processing equipment, such as a hammer mill or pug mill, to mechanically process and break-up the soil. The soil becomes more uniform and is aerated during the mechanical processing. The soil is then ejected from the processing equipment and a chemical oxidizer is applied, in this case, a 35% solution of hydrogen peroxide and water. The applied concentration of hydrogen peroxide typically ranges from 3-8%. The hydrogen peroxide quickly oxidizes the hydrocarbon impacts (reagents), resulting in soil, water and carbon dioxide (products). Once the soil is processed, it is stockpiled and allowed to sit for approximately 2-5 days of residence time. A composite soil sample is collected from each segregated stockpile and submitted for laboratory analysis to determine the effectiveness of the ex-situ remediation process. If the laboratory results are of acceptable levels, the soil will be used as backfill to the excavation; if results are unsatisfactory, the soil is passed through the process once more and a subsequent laboratory sample will be collected for laboratory confirmation as described before. Typically, 48 hours of notice is provided to the regulatory agencies for the opportunity to observe and witness the stockpile sampling.

BP proposes to perform the remediation of hydrocarbon impacts by the means of soil shredding. A conservative estimate of approximately 2,000 cubic yards of soil will be treated through the soil shredding process. BP proposes to treat the impacted soil and segregate windrow stockpiles broken into 100 cubic yard increments. A single, five point composite, soil sample will be collected to

represent each 100 cubic yard stockpile. Once a baseline of approximately 1,000 cubic yards of soil is consistently and successfully treated, BP will propose to decrease the sampling frequency to 500 cubic yard stockpile segments. The 500 cubic yard sampling modification will be discussed with the NMOCD and BLM for approval and input prior to implementation. BP would expect to have a sampling modification approval from the agencies within 48 working hours from the time of request. The remediation will then continue until complete and sampling will be based on the regulatory agencies approved sampling plan.

Excavation sampling will be in accordance with a typical dig and haul. The sidewalls and base of the excavation will be sampled in a frequency based on the size and progress of the excavation. Agency notification of excavation sampling will also be issued in advanced, 48 hours if possible.

BP is currently working to establish a schedule to implement remediation at the site. BP plans to shut the well in and remove all surface equipment.

It is understood, that if soil remediation is not successful via the soil shredding, an alternative method such as a dig and haul or soil vapor extraction will be necessary. BP will be in close communications with the agencies in the event an alternative remediation method is required.

### **Site Closure and Reporting**

Once the soil shredding process is complete, the excavated area will be fully backfilled and compacted, and surface equipment will be re-set. Any necessary interim reclamation will be performed. Final reclamation of the well pad will occur at a later date, once the natural gas production well is plugged and abandoned.

A final remediation report will be delivered to NMOCD and BLM for approval of final site closure regarding the excavation and soil shredding activities within 60 days of the end of remediation.