

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

OIL CONS. DIV DIST. 3

Form C-141
Revised August 8, 2011

JAN 06 2018
Submit 1 copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company WPX Energy Production	Contact Deborah Watson
Address PO Box 640 Aztec, NM 87410	Telephone No. 505-333-1880
Facility Name Schalk 32 #003H	Facility Type Well Site

Surface Owner Federal	Mineral Owner Federal (NMNM-23044)	API No. 30-039-31108
-----------------------	------------------------------------	----------------------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
L	32	31N	04W	2080	South	714	West	Rio Arriba

Latitude N36.854604 Longitude W107.285004

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 85 bbl	Volume Recovered 80 bbl
Source of Release Production Tank- failed gasket	Date and Hour of Occurrence	Date and Hour of Discovery 12/9/17, 8:00
Was Immediate Notice Given? (within 24-hour notice) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Vanessa Fields (NMOCD) JJ Miller (USFS)	
By Whom? N/A	Date and Hour Phone Call 12/9/17 12:28 NMOCD, 12:33 FS Email 12/9/17 Cory Smith, Vanessa Fields, JJ Miller 12:36	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. N/A	

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*

Valve which ties to tank had a gasket fail causing release of produced water into lined secondary containment, less than 1 bbl of produced water seeped outside of containment onto the pad. All fluids remained on pad. Tank was isolated.

Describe Area Affected and Cleanup Action Taken.*

- A water truck recovered 80 bbl of produced water.
- All released produced water remained on location.
- One composite confirmation sample was collected from within the area of impact (soil) on 12/11/17. The sample was laboratory analyzed for TPH (GRO/DRO/MRO), BTEX, and chlorides. TPH and BTEX concentrations were reported below applicable NMOCD action levels. Laboratory results are attached.
- Repairs to the gasket were completed during week of 12/11. Minor repair to liner-pinhole has been completed.
- Gypsum was applied to the produced water impacted soil on the pad 1/4/2018. (see attached email)
- No further action is recommended.

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: Deborah Watson	Approved by Environmental Specialist: 	
Title: Environmental Specialist	Approval Date: 1/8/2018	Expiration Date:
E-mail Address: deborah.watson@wpenergy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 1/4/2018	Phone: 505-333-1880	

* Attach Additional Sheets If Necessary

NVF-1734527615

10



Hall Environmental Analysis Laboratory
4901 Hawkins NE
Albuquerque, NM 87109
TEL: 505-345-3975 FAX: 505-345-4107
Website: www.hallenvironmental.com

January 03, 2018

Debbie Watson
WPX Energy
721 S Main Ave
Aztec, NM 87410
TEL: (505) 333-1880
FAX

RE: Schalk 32 #003 H

OrderNo.: 1712729

Dear Debbie Watson:

Hall Environmental Analysis Laboratory received 1 sample(s) on 12/13/2017 for the analyses presented in the following report.

These were analyzed according to EPA procedures or equivalent. To access our accredited tests please go to www.hallenvironmental.com or the state specific web sites. In order to properly interpret your results, it is imperative that you review this report in its entirety. See the sample checklist and/or the Chain of Custody for information regarding the sample receipt temperature and preservation. Data qualifiers or a narrative will be provided if the sample analysis or analytical quality control parameters require a flag. When necessary, data qualifiers are provided on both the sample analysis report and the QC summary report, both sections should be reviewed. All samples are reported, as received, unless otherwise indicated. Lab measurement of analytes considered field parameters that require analysis within 15 minutes of sampling such as pH and residual chlorine are qualified as being analyzed outside of the recommended holding time.

Please don't hesitate to contact HEAL for any additional information or clarifications.

ADHS Cert #AZ0682 -- NMED-DWB Cert #NM9425 -- NMED-Micro Cert #NM0190

Sincerely,

A handwritten signature in black ink, appearing to read 'Andy Freeman', is written over a thin horizontal line.

Andy Freeman
Laboratory Manager
4901 Hawkins NE
Albuquerque, NM 87109

Hall Environmental Analysis Laboratory, Inc.

CLIENT: WPX Energy **Client Sample ID:** SC-1
Project: Schalk 32 #003 H **Collection Date:** 12/11/2017 11:20:00 AM
Lab ID: 1712729-001 **Matrix:** SOIL **Received Date:** 12/13/2017 7:00:00 AM

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed	Batch
EPA METHOD 300.0: ANIONS							Analyst: SRM
Chloride	1300	75		mg/Kg	50	12/29/2017 5:38:59 AM	35727
EPA METHOD 8015M/D: DIESEL RANGE ORGANICS							Analyst: TOM
Diesel Range Organics (DRO)	ND	9.6		mg/Kg	1	12/14/2017 3:18:10 PM	35493
Motor Oil Range Organics (MRO)	ND	48		mg/Kg	1	12/14/2017 3:18:10 PM	35493
Surr: DNOP	97.1	70-130		%Rec	1	12/14/2017 3:18:10 PM	35493
EPA METHOD 8015D: GASOLINE RANGE							Analyst: NSB
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	12/15/2017 3:19:47 AM	35484
Surr: BFB	76.1	15-316		%Rec	1	12/15/2017 3:19:47 AM	35484
EPA METHOD 8021B: VOLATILES							Analyst: NSB
Benzene	ND	0.025		mg/Kg	1	12/15/2017 3:19:47 AM	35484
Toluene	ND	0.050		mg/Kg	1	12/15/2017 3:19:47 AM	35484
Ethylbenzene	ND	0.050		mg/Kg	1	12/15/2017 3:19:47 AM	35484
Xylenes, Total	ND	0.10		mg/Kg	1	12/15/2017 3:19:47 AM	35484
Surr: 4-Bromofluorobenzene	93.5	80-120		%Rec	1	12/15/2017 3:19:47 AM	35484

Refer to the QC Summary report and sample login checklist for flagged QC data and preservation information.

Qualifiers:	* Value exceeds Maximum Contaminant Level.	B Analyte detected in the associated Method Blank
	D Sample Diluted Due to Matrix	E Value above quantitation range
	H Holding times for preparation or analysis exceeded	J Analyte detected below quantitation limits
	ND Not Detected at the Reporting Limit	P Sample pH Not In Range
	PQL Practical Quantitative Limit	RL Reporting Detection Limit
	S % Recovery outside of range due to dilution or matrix	W Sample container temperature is out of limit as specified

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1712729

03-Jan-18

Client: WPX Energy
Project: Schalk 32 #003 H

Sample ID	MB-35727	SampType:	mbk	TestCode:	EPA Method 300.0: Anions					
Client ID:	PBS	Batch ID:	35727	RunNo:	48035					
Prep Date:	12/27/2017	Analysis Date:	12/27/2017	SeqNo:	1540826	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	ND	1.5								

Sample ID	LCS-35727	SampType:	lcs	TestCode:	EPA Method 300.0: Anions					
Client ID:	LCSS	Batch ID:	35727	RunNo:	48035					
Prep Date:	12/27/2017	Analysis Date:	12/27/2017	SeqNo:	1540827	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	14	1.5	15.00	0	96.6	90	110			

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- D Sample Diluted Due to Matrix
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- PQL Practical Quantitative Limit
- S % Recovery outside of range due to dilution or matrix
- B Analyte detected in the associated Method Blank
- E Value above quantitation range
- J Analyte detected below quantitation limits
- P Sample pH Not In Range
- RL Reporting Detection Limit
- W Sample container temperature is out of limit as specified

QC SUMMARY REPORT
Hall Environmental Analysis Laboratory, Inc.

WO#: 1712729
 03-Jan-18

Client: WPX Energy
Project: Schalk 32 #003 H

Sample ID	LCS-35493	SampType:	LCS	TestCode:	EPA Method 8015M/D: Diesel Range Organics					
Client ID:	LCSS	Batch ID:	35493	RunNo:	47769					
Prep Date:	12/13/2017	Analysis Date:	12/14/2017	SeqNo:	1528985	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Diesel Range Organics (DRO)	47	10	50.00	0	94.9	73.2	114			
Surr: DNOP	4.6		5.000		92.7	70	130			

Sample ID	MB-35493	SampType:	MBLK	TestCode:	EPA Method 8015M/D: Diesel Range Organics					
Client ID:	PBS	Batch ID:	35493	RunNo:	47769					
Prep Date:	12/13/2017	Analysis Date:	12/14/2017	SeqNo:	1528986	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Diesel Range Organics (DRO)	ND	10								
Motor Oil Range Organics (MRO)	ND	50								
Surr: DNOP	9.6		10.00		96.4	70	130			

Qualifiers:

- | | |
|---|---|
| * Value exceeds Maximum Contaminant Level. | B Analyte detected in the associated Method Blank |
| D Sample Diluted Due to Matrix | E Value above quantitation range |
| H Holding times for preparation or analysis exceeded | J Analyte detected below quantitation limits |
| ND Not Detected at the Reporting Limit | P Sample pH Not In Range |
| PQL Practical Quantitative Limit | RL Reporting Detection Limit |
| S % Recovery outside of range due to dilution or matrix | W Sample container temperature is out of limit as specified |

QC SUMMARY REPORT
Hall Environmental Analysis Laboratory, Inc.

WO#: 1712729
 03-Jan-18

Client: WPX Energy
Project: Schalk 32 #003 H

Sample ID MB-35484	SampType: MBLK		TestCode: EPA Method 8015D: Gasoline Range							
Client ID: PBS	Batch ID: 35484		RunNo: 47787							
Prep Date: 12/13/2017	Analysis Date: 12/14/2017		SeqNo: 1528362	Units: mg/Kg						
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)	ND	5.0								
Surr: BFB	860		1000		86.2	15	316			

Sample ID LCS-35484	SampType: LCS		TestCode: EPA Method 8015D: Gasoline Range							
Client ID: LCSS	Batch ID: 35484		RunNo: 47787							
Prep Date: 12/13/2017	Analysis Date: 12/14/2017		SeqNo: 1528363	Units: mg/Kg						
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)	27	5.0	25.00	0	110	75.9	131			
Surr: BFB	1000		1000		101	15	316			

Qualifiers:

- | | |
|---|---|
| * Value exceeds Maximum Contaminant Level. | B Analyte detected in the associated Method Blank |
| D Sample Diluted Due to Matrix | E Value above quantitation range |
| H Holding times for preparation or analysis exceeded | J Analyte detected below quantitation limits |
| ND Not Detected at the Reporting Limit | P Sample pH Not In Range |
| PQL Practical Quantitative Limit | RL Reporting Detection Limit |
| S % Recovery outside of range due to dilution or matrix | W Sample container temperature is out of limit as specified |

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1712729

03-Jan-18

Client: WPX Energy
Project: Schalk 32 #003 H

Sample ID	MB-35484	SampType:	MBLK	TestCode:	EPA Method 8021B: Volatiles					
Client ID:	PBS	Batch ID:	35484	RunNo:	47787					
Prep Date:	12/13/2017	Analysis Date:	12/14/2017	SeqNo:	1528617	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Benzene	ND	0.025								
Toluene	ND	0.050								
Ethylbenzene	ND	0.050								
Xylenes, Total	ND	0.10								
Surr: 4-Bromofluorobenzene	1.0		1.000		103	80	120			

Sample ID	LCS-35484	SampType:	LCS	TestCode:	EPA Method 8021B: Volatiles					
Client ID:	LCSS	Batch ID:	35484	RunNo:	47787					
Prep Date:	12/13/2017	Analysis Date:	12/14/2017	SeqNo:	1528618	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Benzene	0.94	0.025	1.000	0	94.0	77.3	128			
Toluene	0.97	0.050	1.000	0	96.6	79.2	125			
Ethylbenzene	0.97	0.050	1.000	0	97.4	80.7	127			
Xylenes, Total	2.9	0.10	3.000	0	98.2	81.6	129			
Surr: 4-Bromofluorobenzene	1.1		1.000		108	80	120			

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- D Sample Diluted Due to Matrix
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- PQL Practical Quantitative Limit
- S % Recovery outside of range due to dilution or matrix
- B Analyte detected in the associated Method Blank
- E Value above quantitation range
- J Analyte detected below quantitation limits
- P Sample pH Not In Range
- RL Reporting Detection Limit
- W Sample container temperature is out of limit as specified



Hall Environmental Analysis Laboratory
 4901 Hawkins NE
 Albuquerque, NM 87109
 TEL: 505-345-3975 FAX: 505-345-4107
 Website: www.hallenvironmental.com

Sample Log-In Check List

Client Name: WPX ENERGY

Work Order Number: 1712729

RcptNo: 1

Received By: Anne Thorne

12/13/2017 7:00:00 AM

Anne Thorne

Completed By: Michelle Garcia

12/13/2017 9:13:01 AM

Michelle Garcia

Reviewed By: PDS

12/13/17

Chain of Custody

- 1. Custody seals intact on sample bottles? Yes No Not Present
- 2. Is Chain of Custody complete? Yes No Not Present
- 3. How was the sample delivered? Courier

Log In

- 4. Was an attempt made to cool the samples? Yes No NA
 - 5. Were all samples received at a temperature of >0° C to 6.0°C Yes No NA
 - 6. Sample(s) in proper container(s)? Yes No
 - 7. Sufficient sample volume for indicated test(s)? Yes No
 - 8. Are samples (except VOA and ONG) properly preserved? Yes No
 - 9. Was preservative added to bottles? Yes No NA
 - 10. VOA vials have zero headspace? Yes No No VOA Vials
 - 11. Were any sample containers received broken? Yes No
 - 12. Does paperwork match bottle labels? (Note discrepancies on chain of custody) Yes No
 - 13. Are matrices correctly identified on Chain of Custody? Yes No
 - 14. Is it clear what analyses were requested? Yes No
 - 15. Were all holding times able to be met? (If no, notify customer for authorization.) Yes No
- # of preserved bottles checked for pH: _____
 (<2 or >12 unless noted)
 Adjusted? _____
 Checked by: _____

Special Handling (if applicable)

- 16. Was client notified of all discrepancies with this order? Yes No NA

Person Notified: _____ Date: _____
 By Whom: _____ Via: eMail Phone Fax In Person
 Regarding: _____
 Client Instructions: _____

17. Additional remarks:

18. Cooler Information

Cooler No	Temp °C	Condition	Seal Intact	Seal No	Seal Date	Signed By
1	1.0	Good	Yes			

From: [Fields, Vanessa, EMNRD](#)
To: [Watson, Debbie](#); [Smith, Cory, EMNRD](#); [Miller, Jon J -FS](#)
Subject: [EXTERNAL] RE: Schalk 32 #003H Laboratory Results
Date: Thursday, January 04, 2018 3:35:33 PM

CAUTION: This email was sent from an EXTERNAL source. Use caution when clicking links or opening attachments.

Thank you Debbie. The OCD gives approval for the application of Gypsum. Please include this e-mail in your final C-141.

Thank you,

Vanessa Fields
Environmental Specialist
Oil Conservation Division
Energy, Minerals, & Natural Resources
1000 Rio Brazos, Aztec, NM 87410
(505)334-6178 ext 119
Cell: (505) 419-0463
vanessa.fields@state.nm.us

From: Watson, Debbie [mailto:Deborah.Watson@wpenergy.com]
Sent: Thursday, January 4, 2018 12:56 PM
To: Fields, Vanessa, EMNRD <Vanessa.Fields@state.nm.us>; Smith, Cory, EMNRD <Cory.Smith@state.nm.us>; Miller, Jon J -FS <jjmiller@fs.fed.us>
Subject: Schalk 32 #003H Laboratory Results

Good Afternoon,

Attached are the laboratory analytical results for the Schalk 32 #003H. One sample (SC-1) was collected from the small area outside of containment impacted from the PW on December 11, 2017. BTEX and TPH concentrations were reported as non-detect. Chloride was slightly elevated at 1,300 mg/kg. WPX will be applying gypsum to the impacted area today. The small impacted area and relatively low chloride concentration at the surface is not likely to have an impact to the environment or migrate off the location.

Please contact me with any questions.

Thank you,

Debbie