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: XTO Energy, Inc.	Contact: James McDaniel
Address: 382 Road 3100, Aztec, New Mexico 87410	Telephone No.: (505) 333-3701
Facility Name: Ohio C Government #3 (30-045-07125)	Facility Type: Gas Well (Dakota)

Surface Owner: Federal	Mineral Owner:	Lease No.:

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
P	26	28N	11W	1190	FSL	990	FEL	San Juan

Latitude: 36.62905 **Longitude:** -107.96760

RCVD JUL 22'10
OIL CONS. DIV.
DIST. 3

NATURE OF RELEASE

Type of Release: Condensate/Oil	Volume of Release: 147 BBLs	Volume Recovered: None
Source of Release: Broken Valve on a Production Tank	Date and Hour of Occurrence: unknown	Date and Hour of Discovery: November 29, 2008
Was Immediate Notice Given? ☒ Yes ☐ No ☐ Not Required	If YES, To Whom? Brandon Powell	
By Whom? Kim Champlin	Date and Hour: November 30, 2008	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
On November 29, 2008, an XTO employee notice that a valve had broken on the production tank at the Ohio C Government #3 wellsite. It was estimated that 147 bbls of oil and water were released into the soil around the tank, with none being recovered. Due to a wash at less than 1,000 feet from the location, and a depth to groundwater of less than 50 feet, the site was ranked a 30 pursuant to the NMOCD Guidelines for the remediation of Leaks, Spills and Releases. This set the closure standard to 100 ppm TPH, 10 ppm benzene and 50 ppm total BTEX. Impacted soils were removed and replaced with clean fill under the direction of the OCD and the BLM.

Describe Area Affected and Cleanup Action Taken.*
Approximately 13,652 cubic yards of impacted soil was removed from the wellsite and hauled to Envirotech's Landfarm for disposal. Backfill was hauled in from the Moss Pit. XTO is currently working closely with the BLM to reclaim the area in a matter approved by the BLM. Please reference the attached report from LT Environmental documenting on-site activities, sampling locations, sample results and project conclusions.

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: James McDaniel	Approved by District Supervisor: Brandon Powell For: CP
Title: EH&S Specialist	Approval Date: 9/21/10 Expiration Date:
E-mail Address: James_McDaniel@xtoenergy.com	Conditions of Approval: Attached ☐
Date: 7/22/2010 Phone: 505-333-3701	

nBP1026447844

9

EXCAVATION REPORT

OHIO C GOVERNMENT #3

SAN JUAN COUNTY, NEW MEXICO

July 14, 2010

Prepared for:

XTO ENERGY, INC

EXCAVATION REPORT

OHIO C GOVERNMENT #3

SAN JUAN COUNTY, NEW MEXICO

July 14, 2010

Prepared for:

XTO ENERGY, INC
382 CR 3100
Aztec, NM 87410

Prepared by:

LT ENVIRONMENTAL, INC.
2243 Main Avenue, Suite 3
Durango, Colorado 81301
(970) 385-1096

TABLE OF CONTENTS

FIGURES

TABLES

APPENDICES

EXECUTIVE SUMMARY

This report was prepared by LT Environmental, Inc. (LTE), on behalf of XTO Energy, Inc (XTO), to document remediation activities at the Ohio C Government #3 (Site). The Site is located in Unit P of Section 26 within Township 28 North and Range 11 West in San Juan County, New Mexico.

The scope of work for this project included mitigation of hydrocarbon impacts following a release of oil and produced water from an above ground storage tank at the Site. Soil impacted by the recent release was removed and disposed of, along with historically impacted soil encountered in the subsurface. As the excavation progressed laterally, at least three additional sources were identified, including a former earthen pit and two abandoned below ground pipelines. The perimeter of the final excavation was approximately 60,500 square yards. The excavation advanced to an average depth of 15 feet below ground surface. In the deepest portions of the excavation (19 feet below ground surface), groundwater was encountered. A vacuum truck was used to remove and dispose of impacted groundwater that pooled within the open excavation. Multiple groundwater pumping events served to flush groundwater through impacted soil. These activities contributed to overall remediation at the Site. A total of 13,652 cubic yards of impacted soil were excavated and transported to the Envirotech Landfarm in Hilltop, New Mexico for disposal. Analytical results from soil confirmation samples indicated that the walls and floor of the excavation were remediated to below New Mexico Oil Conservation Division (NMOCD) standards, except on the southwest side. Concentrations of total petroleum hydrocarbons were above the 100 milligrams per kilogram (mg/Kg) standard, but the NMOCD and Bureau of Land Management (BLM) permitted XTO to leave impacted soil in place on a risk-based closure. Analytical results from groundwater samples collected from the open excavation were below New Mexico Water Quality Control Commission standard for benzene, toluene, ethylbenzene, and total xylenes.

SECTION 1.0

INTRODUCTION

This report was prepared by LT Environmental, Inc. (LTE) for XTO Energy, Incorporated (XTO) to document excavation activities at the Ohio C Government #3 (Site). The purpose of this project was to remove hydrocarbon-impacted soils from the Site and investigate potential impacts to groundwater.

1.1 SITE DESCRIPTION

The Ohio C Government #3 is located in Unit P of Section 26 within Township 28 North and Range 11 West in San Juan County, New Mexico. The Site is situated within the Kutz Canyon arroyo of the San Juan River Drainage Basin. It is approximately 950 feet south of Kutz Wash (Figure 1). Site geology is identified as Quaternary alluvium overlying the Nacimiento Formation and Ojo Alamo Sandstone. Shallow soils are composed of wind-blown alluvium, which are weathered from shale. Depth to groundwater at the site is less than 50 feet below ground surface (bgs), based on observations of groundwater pooling in the open excavation.

1.2 SITE HISTORY

On November 29, 2009, an XTO employee noticed that a drain valve on a production tank at the Ohio C Government #3 had broken. An estimated 127 barrels of oil and 20 barrels of produced water were released into an earthen-berm containment. All of the fluids were absorbed into the ground and could not be recovered. XTO responded immediately and scheduled excavation to start on December 2, 2009. XTO contracted LTE to oversee the excavation and collect confirmation samples for closure.

1.3 SCOPE OF WORK

The scope of work for this remediation project included removal of impacted soil. Impacted soil was transported off site to the Envirotech Landfarm and replaced with clean fill from the Moss Pit. During onsite activities, LTE personnel conducted excavation oversight, collected soil and groundwater samples, field screened samples to segregate clean from impacted soils, monitored health and safety, and documented field activities. A summary of field work, analytical results from soil sampling, and conclusions are presented in the subsequent sections of this report.

SECTION 2.0

SUMMARY OF FIELD ACTIVITIES

2.1 EXCAVATION ACTIVITIES

2.1.1 Impacted Soil Removal

Excavation activities began on December 2, 2009. During the period from December 2, 2009 to May 4, 2010, XTO contractors removed impacted soil. An LTE geologist noted evidence of impact beginning immediately beneath the ground surface and extending to an average depth of 15 feet. While excavating the initial release, soil impacted by other historical releases where identified and removed. Additional sources included a former earthen pit and two abandoned below ground pipelines.

During the excavation, LTE personnel conducted field screening of organic vapor concentrations with a photoionization detector (PID) according to New Mexico Oil Conservation Division (NMOCD) headspace techniques. LTE also collected confirmation samples of the sidewalls and floor of the excavation to document excavation activities. LTE was not on site from February 6, 2010 through April 14, 2010. During this time period, XTO conducted field screening and collected all soil samples.

As the excavation expanded and additional subsurface historical sources were identified, soil removal extended to areas off of the well pad and into natural vegetation, particularly on the south and west sides of the Site (Figure 2). XTO received permission from the Bureau of Land Management (BLM) to work in undisturbed areas and contracted an archaeologist to conduct surface surveys prior to soil removal. Due to the duration and large size of the excavation, XTO worked with the BLM and NMOCD to subdivide the excavation and allow for backfilling portions shown to be clean prior to moving forward with additional soil removal. This strategy provided a larger and safer area for equipment operators to work.

The final dimensions of the excavation were approximately 360 feet long by 168 feet wide and the total depth of the excavation ranged from 12 to 19 feet bgs. A total estimated volume of 39,600 cubic yards was excavated. Of that, 13,652 cubic yards of impacted soil were transported to the Envirotech Landfarm in Hilltop, New Mexico. The remainder was clean overburden that was used to backfill the excavation.

Confirmation samples were collected for submittal to an analytical laboratory. Figure 2 presents the excavation extent and the location of final composite soil samples collected from the sidewalls and floor of the excavation. Composite soil samples were collected by depositing five aliquots of soil into plastic bags, thoroughly mixing the contents and sampling into 4-ounce glass jars. Samples were stored on ice and dropped off at Envirotech in Bloomfield, New Mexico or shipped to Hall Environmental Analysis Laboratory (HEAL) in Albuquerque, New Mexico following strict chain-of-custody procedures. The soil samples were analyzed for benzene, toluene, ethylbenzene and total

xylenes (BTEX) by U.S. Environmental Protection Agency (USEPA) Method 8021, as well as total petroleum hydrocarbons (TPH) by USEPA Method 8015.

2.1.2 Impacted Groundwater Removal

Approximately 5,555 barrels of impacted groundwater were pumped and transferred by Roberts Trucking to Basin Disposal SWD #1. Groundwater that pooled within the excavation was sampled for BTEX multiple times by collecting a grab sample in a decontaminated pitcher or bailer and immediately filling three pre-cleaned and pre-preserved 40-milliliter (ml) glass vials with zero headspace to prevent degradation of the sample. The groundwater samples were shipped on ice to HEAL and analyzed for BTEX according to USEPA Method 8021B.

SECTION 3.0

ANALYTICAL RESULTS

Results from laboratory testing of all soil samples collected during the excavation are listed on Table 1. Locations of soil samples collected for site closure are shown in Figure 2. Complete laboratory reports are included in Appendix A. Final laboratory analyses indicate that TPH and BTEX concentrations in soils from the sidewalls and floor of the excavation were beneath NMOCD standards for sites where groundwater is less than 50 feet deep, except on the southwest sidewall. TPH concentrations in two closure samples exceeded 100 milligrams per kilogram (mg/Kg). The South Wall 3 composite sample contained a TPH concentration of 228.1 mg/Kg. The SW Wall Comp. sample contained 192.4 mg/Kg of TPH. The floor of the excavation beneath these areas and groundwater pooling within the West Pool were shown to be below applicable regulatory standards.

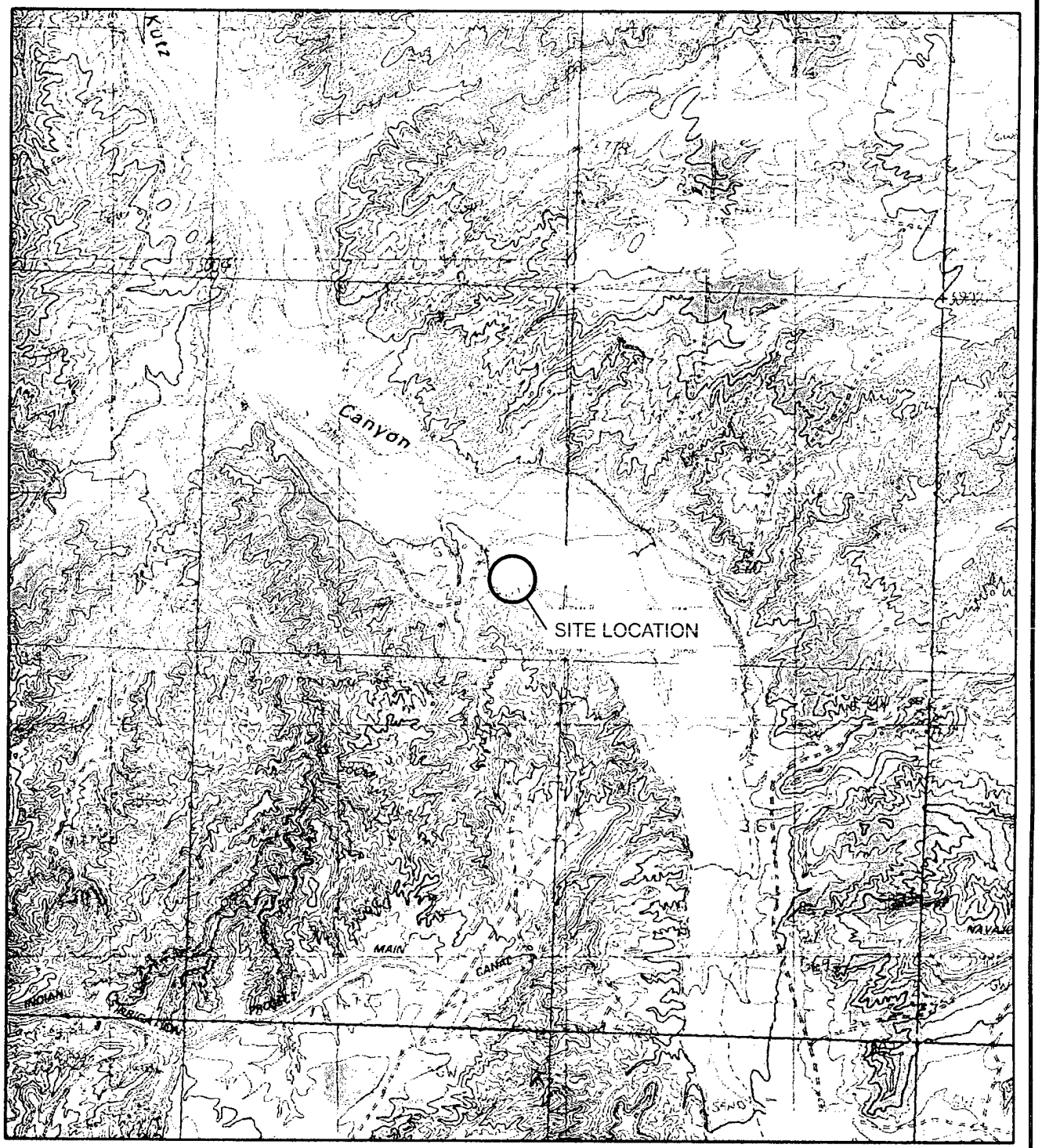
Groundwater sampling results are presented in Table 2, and sample locations are shown in Figure 2. Laboratory reports can be found in Appendix B. The final groundwater samples collected from each pool in the excavation was below NMWQCC standards for benzene, toluene, ethylbenzene, and total xylenes.

SECTION 4.0

SUMMARY AND CONCLUSIONS

A total of 39,600 cubic yards of soil were excavated from the Site. Of those yards, 13,652 cubic yards were impacted by both the recent release and by historical releases identified in the subsurface. Impacted soil was transported to the Envirotech Landfarm in Hilltop, New Mexico for disposal. XTO worked with the NMOCD to gain approval to backfill the excavation as progress was made towards ultimate removal of all impacted soil. Except for the southwest wall, confirmation soil samples from the sidewalls and floor of the excavation were below NMOCD standards for BTEX and TPH concentrations. As part of a risk-based closure, the NMOCD and BLM allowed XTO to leave impacted soils in place on the southwest wall, since soils collected from the floor of the excavation and groundwater from the West Pool were shown to be beneath standards for contaminants. A vacuum truck collected 5,555 barrels of impacted groundwater, which was transported to Basin Disposal SWD #1 for proper disposal. BTEX concentrations in samples collected from three areas of pooling groundwater generally decreased during the course of the field work, and final closure samples were below NMWQCC standards.

FIGURES



LEGEND

○ SITE LOCATION

IMAGE COURTESY OF USDA/NRCS, VARIOUS DATES

0 2,000 4,000

Feet

N

FIGURE 1
SITE LOCATION MAP
OHIO GOVERNMENT C #3
SAN JUAN COUNTY, NEW MEXICO

XTO ENERGY, INC.

P:\XTO Energy\GIS\MXD\XTO1005\SITE_LOCATION.mxd

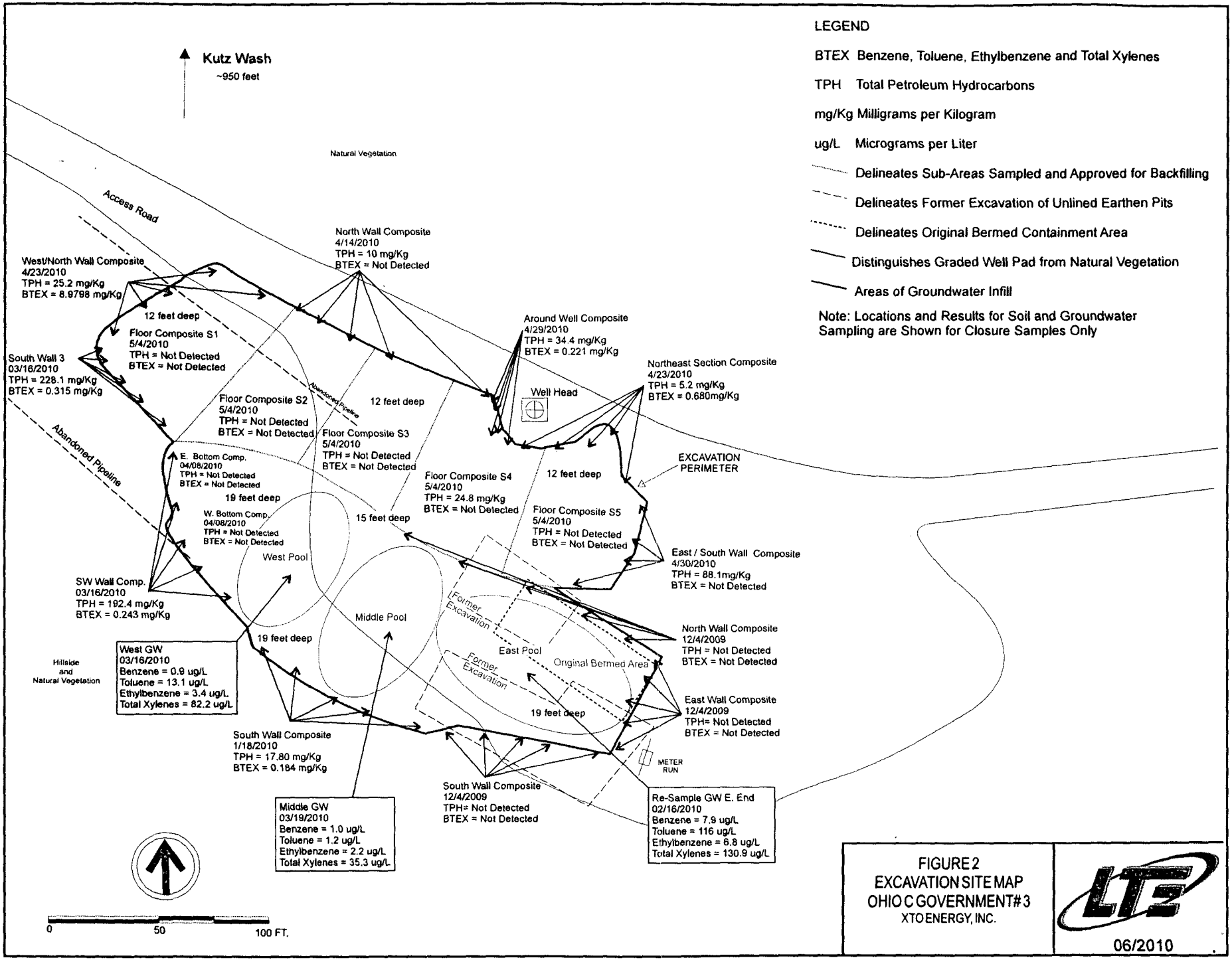


FIGURE 2
EXCAVATION SITE MAP
OHIO C GOVERNMENT#3
XTO ENERGY, INC.

06/2010

TABLES

TABLE 1

SOIL ANALYTICAL RESULTS
OHIO C GOVERNMENT #3
XTO ENERGY, INC

Sample ID (Depth in feet)	Date Sampled	Field Screening Results (ppm)	Benzene (mg/kg)	Toluene (mg/kg)	Ethylbenzene (mg/kg)	Total Xylenes (mg/kg)	DRO (mg/kg)	MRO (mg/kg)	GRO (mg/kg)
West Wall Composite	12/3/2009	12	<0.050	<0.050	<0.050	<0.10	**110**	**220**	<5.0
*East Wall Composite	12/4/2009	26	<0.050	<0.050	<0.050	<0.10	<10.0	<50.0	<5.0
*North Wall Composite	12/4/2009	88	<0.050	<0.050	<0.050	<0.10	<10.0	<50.0	<5.0
*South Wall Composite	12/4/2009	101	<0.050	<0.050	<0.050	<0.10	<10.0	<50.0	<5.0
Under South Line	12/15/2009	227.6	<0.10	<0.10	<0.10	0.51	**130**	**69**	<10
Under North Line	12/15/2009	54	<0.10	<0.10	<0.10	<0.20	**67**	**62**	<10
*South Wall Composite	1/18/2010	93	0.0032	0.0102	0.0182	0.1525	15.8	NA	2.00
West Wall Composite	1/18/2010	98	0.0059	0.0872	0.0967	1.416	**290**	NA	**64.3**
*South West Wall Composite	2/5/2010	679	0.0185	1.0100	0.4480	6.0700	**305**	NA	**136**
NW Test Hole	2/16/2010		0.121	13.600	4.770	75.100	**1730**	NA	**1910**
SW Wall Comp	3/16/2010		0.0026	0.0072	0.1200	0.1129	**186**	NA	**6.4**
South Wall 3	3/16/2010		0.0057	0.0173	0.0187	0.2735	**216**	NA	**12.1**
North Wall 3	3/16/2010		0.0034	0.0244	0.0421	0.6130	**331**	NA	**36.3**
*West Wall 3	3/16/2010		0.0158	0.2590	0.3070	5.2100	**1140**	NA	**181**
E. Bottom Comp.	4/8/2010		<0.0009	<0.001	<0.001	<0.0021	<0.1	NA	<0.2
W. Bottom Comp.	4/8/2010		<0.0009	<0.001	<0.001	<0.0021	<0.1	NA	<0.2
Middle of N. Wall	4/8/2010	415	0.0333	0.2110	0.7610	6.7000	**672**	NA	**307**
*North Wall Composite	4/14/2010	150.0	<0.0009	<0.001	<0.001	<0.0021	10	NA	<0.2
North Wall	4/14/2010	1.1	<0.0009	<0.001	<0.001	<0.0021	16.6	NA	<0.2
*West/North Wall Composite	4/23/2010	180	0.0148	0.4080	4.2300	4.3270	<0.1	NA	25.2
Floor Composite	4/23/2010	24.7	0.0010	0.0086	0.0037	0.0129	<0.1	NA	<0.2
*Northeast Section Composite	4/23/2010	4.0	<0.0009	0.0406	0.0428	0.5970	<0.1	NA	5.2
*Around Well Composite	4/29/2010	120	0.0014	0.0246	0.0046	0.1952	31.4	NA	3.0
*East/South Composite	4/30/2010	29	<0.0009	<0.001	<0.001	<0.0021	88.1	NA	<0.2
*Floor Comp S1	5/4/2010	5.3	<0.0009	<0.001	<0.001	<0.0021	<0.1	NA	<0.2
*Floor Comp S2	5/4/2010	10.2	<0.0009	<0.001	<0.001	<0.0021	<0.1	NA	<0.2
*Floor Comp S3	5/4/2010	11	<0.0009	<0.001	<0.001	<0.0021	<0.1	NA	<0.2
*Flood Comp S4	5/4/2010	7.7	<0.0009	<0.001	<0.001	<0.0021	24.8	NA	<0.2
*Flood Comp S5	5/4/2010	21	<0.0009	<0.001	<0.001	<0.0021	<0.1	NA	<0.2
NMOCD Standard			**10**					**Combined to 100**	

Notes:

ppm - parts per million

mg/kg - milligrams per kilogram

< indicates result is less than the stated laboratory method detection limit

DRO - Diesel Range Organics

MRO - Motor Oil Range Organics

GRO - Gasoline Range Organics

NA - Not analyzed

NMOCD - New Mexico Oil Conservation Commission

DRO, MRO and GRO analyzed by EPA Modified Method 8015

Benzene, toluene, ethylbenzene, and total xylenes analyzed by EPA Method 8021

Bold font indicates values exceeding NMOCD standard

* - Indicates final confirmation sample

Missing field screening data represents a time period when LTE was not on site for excavation oversight. XTO collected soil samples during this time

TABLE 2

GROUNDWATER ANALYTICAL RESULTS
OHIO C GOVERNMENT #3
XTO ENERGY, INC

Sample ID	Date Sampled	Benzene (µg/L)	Toluene (µg/L)	Ethylbenzene (µg/L)	Total Xylenes (µg/L)
East Pool					
Excavation GW	12/3/2009	**1460**	**6080**	693	**6440**
Excavation GW	12/10/2009	**200**	**880**	45	**1100**
Excavation GW	1/12/2010	**15.2**	336	39.6	**831**
Excavation GW	1/15/2010	**24**	408	34.9	**809**
E. Groundwater Sample	2/2/2010	**27.1**	315	20.0	**683**
G.W. E. End	2/11/2010	**12.6**	160	10.8	262.6
Re-Sample GW E. End	2/15/2010	2	37.9	4.2	62.7
*Re-Sample GW E. End	2/16/2010	7.9	116	6.8	130.9
Middle Pool					
GW Middle	2/17/2010	**110**	521	108	**1373**
Re-Sample GW Middle	2/19/2010	**106**	246	23.6	**707**
Re-Sample GW Middle	2/23/2010	**121**	104	13.9	**761**
Re-Sample GW Middle	2/24/2010	**83.5**	74.7	18.9	**631**
Re-Sample GW Middle	3/9/2010	**55.3**	10.8	12.7	519.7
GW Middle Bell Hole	3/16/2010	**58.6**	6.1	19.9	453.1
Middle GW	3/16/2010	4.4	7.3	11.6	165
*Middle GW	3/19/2010	1.0	1.2	2.2	35.3
West Pool					
Excavation GW West Side	1/26/2010	**307**	**3910**	317	**4870**
GW West End	3/9/2010	1.1	3.1	1.3	31.8
*West GW	3/16/2010	0.9	13.1	3.4	82.2
NMWQCC Standard		**10**	**750**	**750**	**620**

Notes:
ug/L - micrograms per liter
NMWQCC - New Mexico Water Quality Control Commission
Benzene, toluene, ethylbenzene, and total xylenes analyzed by EPA Method 8021
Bold font indicates values exceeding NMOCD standards
* - indicates final confirmation sample
LTE did not conduct excavation oversight from 02/06/2010 through 04/13/2010. Samples were collected by XTO.

APPENDIX A

SOIL LABORATORY REPORTS