State of New Mexico Energy Minerals and Natural Resources

> 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.

Form C-141 Revised April 3, 2017

Release Notification			· · · · · · · · · · · · · · · · · · ·		
Name of Company Tandem Energy Corp	OPERATOR Contact Tony Tucker		Init	tial Report 🔲 Final Re	
Address 1494 Blue Stem Loco Hills NM					
Facility Name Pure State Gathering Facility	Telephone No. 575-70 Facility Type Gathering F		3283		
Surface Owner State of New Mexico Mineral Owner	er State of New Mexico		API No. 30-025-20096		
LOCATIO	ON OF REI	LEASE			
	h/South Line Feet from the		East/West Line	County	
P 36 19S 34E 660 Se	outh	330	East	Lea	
orrect battery identified. Latitude 32.613036		41.115			
		5 - 1	and the second	EVISED	
ype of Release Oil & Water NATUR	E OF RELI			53 am, Feb 09, 2018	
ource of Release Storage Tanks		Release 318 BO		Recovered 0	
as Immediate Notice Given?	Date and H	Date and Hour of Occurrence 10:30 PMDate and Hour of Discovery 12:00AM 10 If YES, To Whom? 10-19-2017			
Yes No Not Require					
y Whom? Maljamar Vol Fire Dept. Tandem Rep Tony Tucker	Olivia	U ES NMOC	3		
as a Watercourse Reached?	Date and H	our 10am 10-2	0-2017		
\Box Yes X No	I (ES, VO	lume Impacting t	ne watercourse.		
a Watercourse was Impacted, Describe Fully.*	DEC				
		RECEIVED			
		By Olivia Yu at 12:46 pm, Nov 01, 2017			
escribe Cause of Problem and Remedial Action Taken.* It appears hit by a lightening strike the explosion that followed ignit					
ecover any fluids. Describe Area Affected and Cleanup Action Taken.* Impacted area: Paslure Facility Location & Road. No	action taken	as of comple	tion of this wr	itten notification.	
Detailed map and delineation plan to follow.					
hereby certify that the information given above is true and complete to egulations all operators are required to report and/or file certain release ublic health or the environment. The acceptance of a C-141 report by thould their operations have failed to adequately investigate and remedia r the environment. In addition, NMOCD acceptance of a C-141 report ederal, state, or local laws and/or regulations.	notifications an he NMOCD ma the contamination	d perform correct rked as "Final Re	tive actions for rel port" does not rel	leases which may endanger lieve the operator of liability	
//		OIL CONS	SERVATION	DIVISION	
gnature:			2	M.	
	Approved by I	Environmental Sp	ecialist.	T	
inted Name: Jony Jucker	Thursday 1			U	
tle: Superintendent	Approval Date	Approval Date: 11/1/2017 Expiration Date:			
mail Address: fon y ta t 5 CACK54, COM ate: 10-31-17 Phone: 575-705-8283 tach Additional Shorts IF Name	Conditions of	Approval:			
ate: 10-31-17 Phone: 575-705-8283	see atta	ched directiv	ve	Attached	
tach Additional Sheets If Necessary					
	1RP-4859	lnOY1	730547039		
	fOY17305	46586	pOY173	0547027	

Operator/Responsible Party,

The OCD has received the form C-141 you provided on _11/1/2017_ regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number _1RP-4859_ has been assigned. Please refer to this case number in all future correspondence.

It is the Division's obligation under both the Oil & Gas Act and Water Quality Act to provide for the protection of public health and the environment. Our regulations (19.15.29.11 NMAC) state the following,

The responsible person shall complete <u>division-approved corrective action</u> for releases that endanger public health or the environment. The responsible person shall address releases in accordance with a remediation plan submitted to and approved by the division or with an abatement plan submitted in accordance with 19.15.30 NMAC. [emphasis added]

Release characterization is the first phase of corrective action unless the release is ongoing or is of limited volume and all impacts can be immediately addressed. Proper and cost-effective remediation typically cannot occur without adequate characterization of the impacts of any release. Furthermore, the Division has the ability to impose reasonable conditions upon the efforts it oversees. As such, the Division is requiring a workplan for the characterization of impacts associated with this release be submitted to the OCD District _1_ office in __Hobbs____ on or before _12/1/2017_. If and when the release characterization workplan is approved, there will be an associated deadline for submittal of the resultant investigation report. Modest extensions of time to these deadlines may be granted, but only with acceptable justification.

The goals of a characterization effort are: 1) determination of the lateral and vertical extents along with the magnitude of soil contamination. 2) determine if groundwater or surface waters have been impacted. 3) If groundwater or surface waters have been impacted, what are the extents and magnitude of that impact. 4) The characterization of any other adverse impacts that may have occurred (examples: impacts on vegetation, impacts on wildlife, air quality, loss of use of property, etc.). To meet these goals as quickly as possible, the following items must, at a minimum, be addressed in the release characterization workplan and subsequent reporting:

• Horizontal delineation of soil impacts in each of the four cardinal compass directions. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C₆ thru C₃₆), and for chloride by Method 300. This is not an exclusive list of potential contaminants. Analyzed parameters should be modified based on the nature of the released substance(s). Soil sampling must be both within the impacted area and beyond.

• Vertical delineation of soil impacts. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C₆ thru C₃₆), and for chloride by Method 300. As above, this is not an exclusive list of potential contaminants and can be modified. Vertical characterization samples should be taken at depth intervals no greater than five feet apart. Lithologic description of encountered soils must also be provided. At least ten vertical feet of soils with contaminant concentrations at or below these values must be demonstrated as existing above the water table.

• Nominal detection limits for field and laboratory analyses must be provided.

• Composite sampling is not generally allowed.

• Field screening and assessment techniques are acceptable (headspace, titration, EC [include algorithm for validation purposes], EM, etc.), but the sampling and assay procedures must be clearly defined. Copies of field notes are highly desirable. A statistically significant set of split samples must be submitted for confirmatory laboratory analysis, including the laterally farthest and vertically deepest sets of soil samples. Make sure there are at least two soil samples submitted

for laboratory analysis from each borehole or test pit (highest observed contamination and deepest depth investigated). Copies of the actual laboratory results must be provided including chain of custody documentation.

•Probable depth to shallowest protectable groundwater and lateral distance to nearest surface water. If there is an estimate of groundwater depth, the information used to arrive at that estimate must be provided. If there is a reasonable assumption that the depth to protectable water is 50 feet or less, the responsible party should anticipate the need for at least one groundwater monitoring well to be installed in the area of likely maximum contamination.

• If groundwater contamination is encountered, an additional investigation workplan may be required to determine the extents of that contamination. Groundwater and/or surface water samples, if any, must be analyzed by a competent laboratory for volatile organic hydrocarbons (typically Method 8260 full list), total dissolved solids, pH, major anions and cations including chloride and sulfate, dissolved iron, and dissolved manganese. The investigation workplan must provide the groundwater sampling method(s) and sample handling protocols. To the fullest extent possible, aqueous analyses must be undertaken using nominal method detection limits. As with the soil analyses, copies of the actual laboratory results must be provided including chain of custody documentation.

• Accurately scaled and well-drafted site maps must be provided providing the location of borings, test pits, monitoring wells, potentially impacted areas, and significant surface features including roads and site infrastructure that might limit either the release characterization or remedial efforts. Field sketches may be included in subsequent reporting, but should not be considered stand-alone documentation of the site's layout. Digital photographic documentation of the location and fieldwork is recommended, especially if unusual circumstances are encountered.

Nothing herein should be interpreted to preclude emergency response actions or to imply immediate remediation by removal cannot proceed as warranted. Nonetheless, characterization of impacts and confirmation of the effectiveness of remedial efforts must still be provided to the OCD before any release incident will be closed.

Jim Griswold OCD Environmental Bureau Chief 1220 South St. Francis Drive Santa Fe, New Mexico 87505 505-476-3465 jim.griswold@state.nm.us