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.

1220 S. St. Fran	icis Dr., Sant	a Fc, NM 87503	,	Sa	anta Fe	, NM 875	505					
			Relo	ease Notific	cation	and Co	orrective A	ction				
						OPERA'		Initi	al Report	Final	Report	
	and the second s	the second s		OMPANY, LLC				PRODUCTION M	IANAGER			
			Y DR. FC	ORT WORTH, T		Construction of Construction o	and the second se					
Facility Nat	me LEWIS	\$ #1]	Facility Typ	e OIL WELL P	UMPING UNIT W	ITH BATTE	ERY		
Surface Owner WILLIAMS Mineral Owner							API No. 30-025-33350					
				LOCA	1 The second second second	OFRE	LEASE					
Unit Letter	Section	Township	Range	Feet from the	CONTRACTOR CONTRACTOR	South Line	Feet from the	East/West Line	County			
М	3	10S	36E	675	so	uth	114	west	LEA			
			La	titude <u>33[°]28</u> '	14.39	∕ V Longituo	le 103°15'	10.05"W				
				NAT	URE	OF REL	EASE					
Type of Release Produced oil from battery contained in dike.							Volume of Release UNKNOWN Volume Recovered 4 bbls oil by vac truc					
Source of Re						Date and Hour of Occurrence Date and Hour of Discovery						
Was Immedi	ate Notice					If YES, To						
			Yes X	No 🗌 Not R	equired	2/01/2018 by NMOCD's Olivia Yu notified Larry Spittler via email.						
By Whom? Was a Watercourse Reached?							Date and Hour					
was a Water	course Rea	and the second se	Yes X	No		If YES, Volume Impacting the Watercourse.						
If a Watercou	Irse was Im	pacted, Descr										
22 W FERENEWON	4100 W40 11	parter, ireari	ioo i uny.			DE						
							CEIVED					
						Bv	Olivia Yu	at 10:13 an	n. Feb	12. 2018		
Describe Car	use of Probl	em and Reme	dial Action	Tokon *					,			
								Ave				
Equipmen	it failure in	Iside contair	iment ar	ea. Heater dev	eloped	nole and re	eleased oil into	dike.				
Describe Are	a Affected	and Cleanup A	Action Tak	ten.*								
Released	d oil went	to corner of	dike and	pooled up the	re. Vac	uum truck :	sucked up free	oil. Sacks of Ab	sorbent ap	oplied to oil i	n soil.	
Crew w	ill come to	remove Ab	sorbent	material that ha	as soak	ed up rema	ainder of oil ins	ide dike in this r	nonth of F	ebruary.		
	1.1.1.1.1									-		
I hereby certi	Ity that the i	information gi	ven above	is true and comp	lete to the	e best of my	knowledge and u	inderstand that pur ctive actions for rel	suant to NM	OCD rules and	d	
public health	or the envi	ronment. The	acceptanc	e of a C-141 repo	ort by the	NMOCD m	arked as "Final R	eport" does not rel	eases which ieve the one	rator of liabilit	E tv	
should their o	operations h	ave failed to a	idequately	investigate and r	emediate	contaminati	on that pose a thi	reat to ground wate	r, surface wa	ater, human he	alth	
or the environ	nment. In a	ddition, NMC	CD accep	tance of a C-141	report do	bes not reliev	e the operator of	responsibility for c	ompliance v	with any other		
lederal, state,	, or local la	ws and/or regu	lations.	The second s				CEDUATION	DIUICI	221	_	
C	111	21.11	IX	2			<u>OIL CON</u>	SERVATION	DIVISIO	JN		
Signature:	1º as	ell	un	1				4	1			
Printed Name	M	HAEL	11).	LSON	1	Approved by	Environmental S	pecialist:	\vdash			
Printed Name	0: 1 110	11										
Title: 1800	liction	J Men	268L		1	Approval Da	le: 2/12/201	8 Expiration	Date:			
E-mail Addre	ess: MH	1:1sona	aspe	n-oil.co	my (Conditions of	Approval					
11	alia	,		817-455-2			ched direct	ive	Attached			
Date: Attach Addi	tional She	ets If Necess		011-7720	-311	coo and						
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							pOY	180433819	5			

Operator/Responsible Party,

The OCD has received the form C-141 you provided on _2/9/2018_ regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number _1RP-4966_ 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 _3/12/2018_. 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.

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