

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 Department

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

Form C-141
Revised August 24, 2018
Submit to appropriate OCD District office

Incident ID	
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party: Enduring Resources	OGRID: 372286
Contact Name: James McDaniel	Contact Telephone: (505) 444-9731
Contact email: jmcdaniel@enduringresources.com	Incident # <i>(assigned by OCD)</i>
Contact mailing address: 200 Energy Court	Farmington, New Mexico 87401

Location of Release Source

Latitude 36.252592 Longitude -107.678928
(NAD 83 in decimal degrees to 5 decimal places)

Site Name: Chaco 2308 4P 149H	Site Type: Wellsite
Date Release Discovered: 6/25/2020	API# <i>(if applicable)</i> 30-045-35495

Unit Letter	Section	Township	Range	County
P	4	23N	8W	San Juan

Surface Owner: ☐ State ☒ Federal ☐ Tribal ☐ Private (Name: _____)

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

☐ Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
☒ Produced Water	Volume Released (bbls): 7 bbls	Volume Recovered (bbls): 7 bbls
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	☐ Yes ☒ No
☐ Condensate	Volume Released (bbls)	Volume Recovered (bbls)
☐ Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
☐ Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release:

On 6/25/2020, a waterline leak was discovered at the Chaco 2308 4P 149H wellsite. The line leak was due to internal corrosion on the above ground water dump line, leaking 7 bbls of produced water onto the lined secondary containment for this well facility. The water was recovered off of the liner using a water truck, with 7 bbls of water being recovered in the truck. The volume of the release was the amount of liquid that was recovered off of the liner in the water truck. The fluids were recovered, and all liquids remained within the lined containment.

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Was this a major release as defined by 19.15.29.7(A) NMAC? ☐ Yes ☒ No	If YES, for what reason(s) does the responsible party consider this a major release?
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?	

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

- ☒ The source of the release has been stopped.
- ☒ The impacted area has been secured to protect human health and the environment.
- ☒ Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.
- ☒ All free liquids and recoverable materials have been removed and managed appropriately.

If all the actions described above have not been undertaken, explain why:

Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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.

Printed Name: James McDaniel Title: HSE Supervisor
Signature:  Date: 7/6/2020
email: jmcDaniel@enduringresources.com Telephone: (505) 444-9731

OCD Only

Received by: _____ Date: _____

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Site Assessment/Characterization

This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release?	_____ (ft bgs)
Did this release impact groundwater or surface water?	☐ Yes ☐ No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	☐ Yes ☐ No
Are the lateral extents of the release within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)?	☐ Yes ☐ No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	☐ Yes ☐ No
Are the lateral extents of the release within 500 horizontal feet of a spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes?	☐ Yes ☐ No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	☐ Yes ☐ No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	☐ Yes ☐ No
Are the lateral extents of the release within 300 feet of a wetland?	☐ Yes ☐ No
Are the lateral extents of the release overlying a subsurface mine?	☐ Yes ☐ No
Are the lateral extents of the release overlying an unstable area such as karst geology?	☐ Yes ☐ No
Are the lateral extents of the release within a 100-year floodplain?	☐ Yes ☐ No
Did the release impact areas not on an exploration, development, production, or storage site?	☐ Yes ☒ No

Attach a comprehensive report (electronic submittals in .pdf format are preferred) demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined. Refer to 19.15.29.11 NMAC for specifics.

Characterization Report Checklist: *Each of the following items must be included in the report.*

- ☐ Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells.
- ☐ Field data
- ☐ Data table of soil contaminant concentration data
- ☐ Depth to water determination
- ☐ Determination of water sources and significant watercourses within ½-mile of the lateral extents of the release
- ☐ Boring or excavation logs
- ☐ Photographs including date and GIS information
- ☐ Topographic/Aerial maps
- ☐ Laboratory data including chain of custody

If the site characterization report does not include completed efforts at remediation of the release, the report must include a proposed remediation plan. That plan must include the estimated volume of material to be remediated, the proposed remediation technique, proposed sampling plan and methods, anticipated timelines for beginning and completing the remediation. The closure criteria for a release are contained in Table 1 of 19.15.29.12 NMAC, however, use of the table is modified by site- and release-specific parameters.

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Printed Name: _____ Title: _____

Signature: _____ Date: _____

email: _____ Telephone: _____

OCD Only

Received by: _____ Date: _____

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Remediation Plan

Remediation Plan Checklist: *Each of the following items must be included in the plan.*

- ☐ Detailed description of proposed remediation technique
- ☐ Scaled sitemap with GPS coordinates showing delineation points
- ☐ Estimated volume of material to be remediated
- ☐ Closure criteria is to Table 1 specifications subject to 19.15.29.12(C)(4) NMAC
- ☐ Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is required)

Deferral Requests Only: *Each of the following items must be confirmed as part of any request for deferral of remediation.*

- ☐ Contamination must be in areas immediately under or around production equipment where remediation could cause a major facility deconstruction.
- ☐ Extents of contamination must be fully delineated.
- ☐ Contamination does not cause an imminent risk to human health, the environment, or groundwater.

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Printed Name: _____ Title: _____

Signature: _____ Date: _____

email: _____ Telephone: _____

OCD Only

Received by: _____ Date: _____

☐ Approved ☐ Approved with Attached Conditions of Approval ☐ Denied ☐ Deferral Approved

Signature: _____ Date: _____

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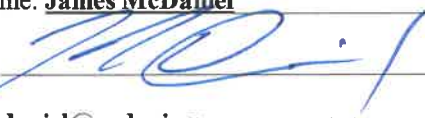
Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: *Each of the following items must be included in the closure report.*

- ☒ A scaled site and sampling diagram as described in 19.15.29.11 NMAC
- ☒ Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)
- ☐ Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)
- ☒ Description of remediation activities

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

Printed Name: **James McDaniel**Title: **HSE Supervisor**Signature: Date: **7/6/2020**email: **jmcdaniel@enduringresources.com**Telephone: **(505) 444-9731**

OCD Only

Received by: **OCD**Date: **7/6/2020**

Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.

Closure Approved by: Date: **1/26/2021**Printed Name: **Cory**Title: **Environmental Specialist**

James McDaniel

From: James McDaniel
Sent: Friday, June 26, 2020 10:17 AM
To: 'Smith, Cory, EMNRD'
Cc: Lacey Granillo
Subject: Chaco 2308 4P 149H Release
Attachments: IMG_1734.JPG; IMG_1737.JPG

Cory,

Yesterday, June 25, 2020, a waterline leak was discovered at the Chaco 2308 4P 149H well location, API 30-045-35495. This well is located in Section 4P, Section 23N, Range 8W, San Juan County, New Mexico. 7 bbls of water was released from a leaking above ground produced water line on location. The water was contained on the lined secondary containment for this location. A water truck was dispatched, and the water was sucked up off of the liner. 7 bbls of water was recovered off of the liner, which is where the reported volume of the release is taken from. Enduring will be performing a liner inspection on Wednesday, July 1, 2020 at 11:30 AM. Pictures of the leaking line and the water on the liner are attached to this email for reference. Please don't hesitate to contact me with any questions regarding this incident. Thank you.

James McDaniel
HSE Supervisor
Enduring Resources

CSP #30009

CHMM #15676

CIT #13805

Office: 505-636-9731

Cell: 505-444-3004

jmcdaniel@enduringresources.com



Chaco 2308 4P 149H Narrative

6/25/2020

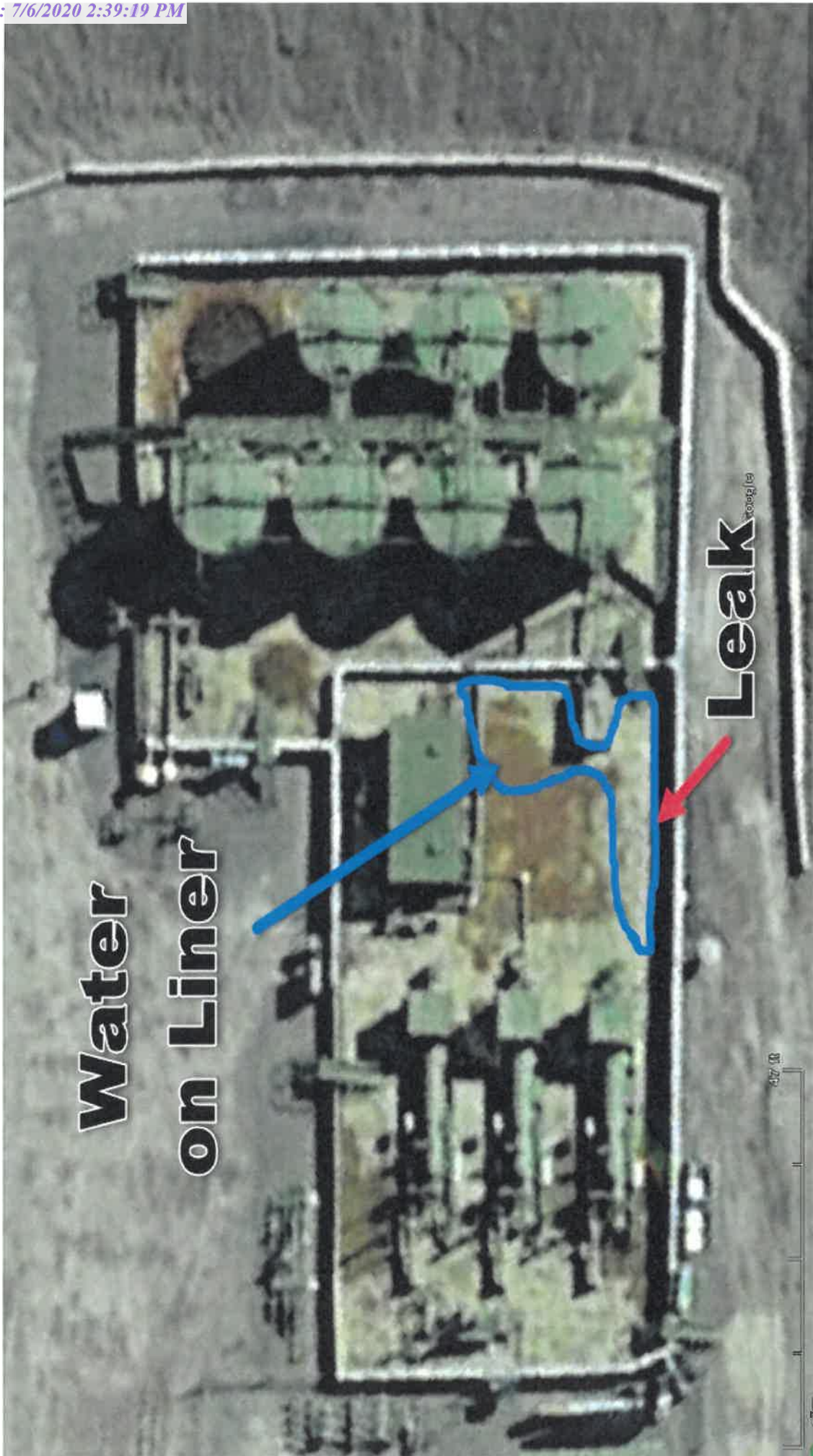
A waterline leak was discovered at the Chaco 2308 4P 149H wellsite. The line leak was due to internal corrosion on the above ground water dump line, leaking 7 bbls of produced water onto the lined secondary containment for this well facility. The leak was stopped and the line repaired.

6/26/2020

A water truck was on-site to recover the spilled water. 7 bbls of produced water was recovered off of the liner. Notification was submitted to Cory Smith, NMOCD, of the release, and to inform the NMOCD of the liner inspection that would take place on July 1, 2020.

7/1/2020

The Enduring HSE Supervisor was on-site at 11:30 AM to perform the liner inspection. A representative from the NMOCD was not present. The liner was inspected, and no evidence of a liner integrity issue was found during the inspection. Pictures were taken of the liner during inspection and are attached to the closure report for reference.





Enduring Resources, LLC
Chaco 2308 4P 149H Photo Page



Photo 1: View of Leaking Line



Photo 2: View of Water on Liner



Enduring Resources, LLC
Chaco 2308 4P 149H Photo Page

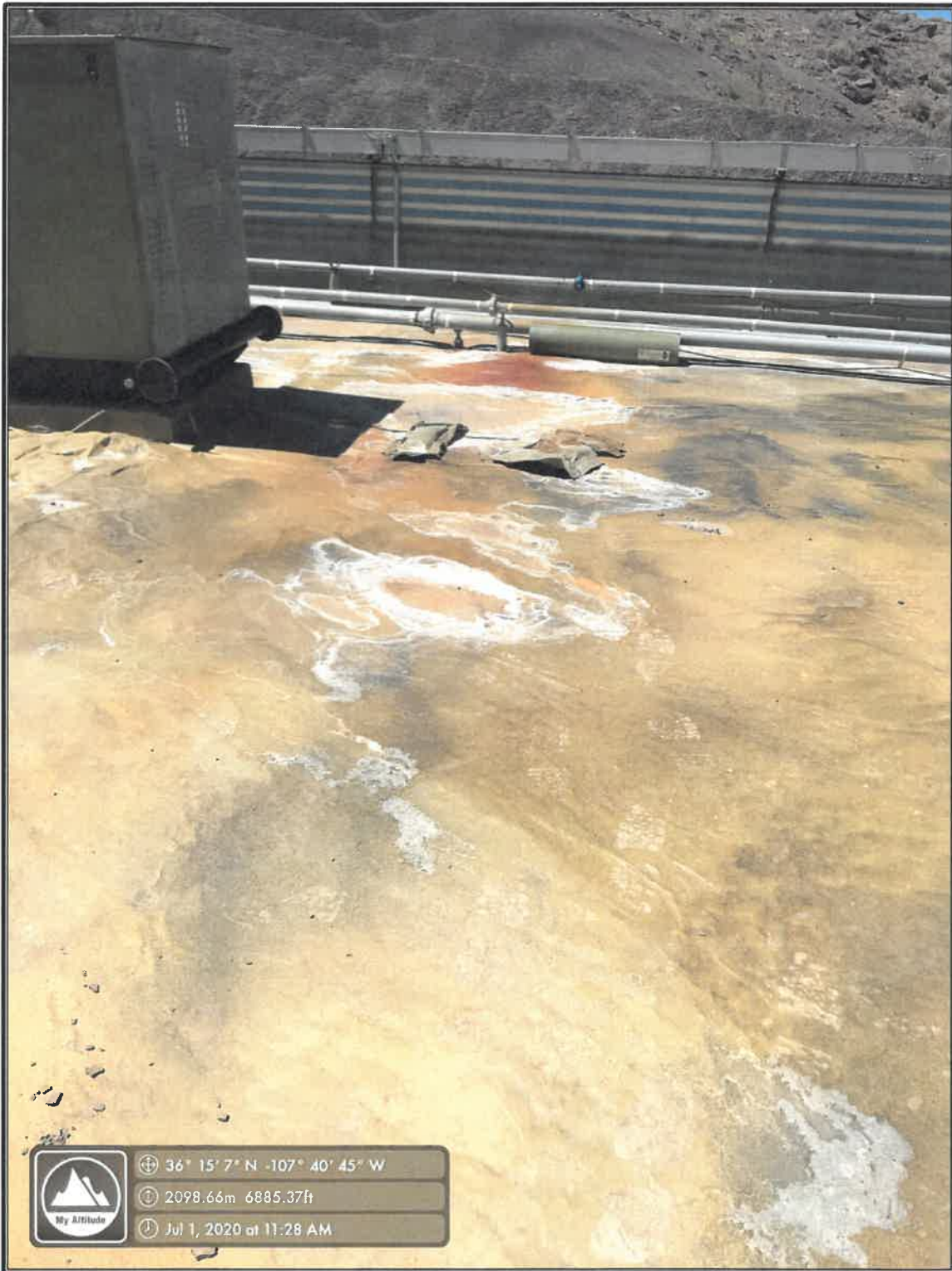


Photo 4: View of Liner after Cleanup (2)



Enduring Resources, LLC
Chaco 2308 4P 149H Photo Page



Photo 1: View of Leaking Line



Photo 2: View of Water on Liner



Enduring Resources, LLC
Chaco 2308 4P 149H Photo Page



Photo 3: View of Liner after Cleanup



Enduring Resources, LLC
Chaco 2308 4P 149H Photo Page

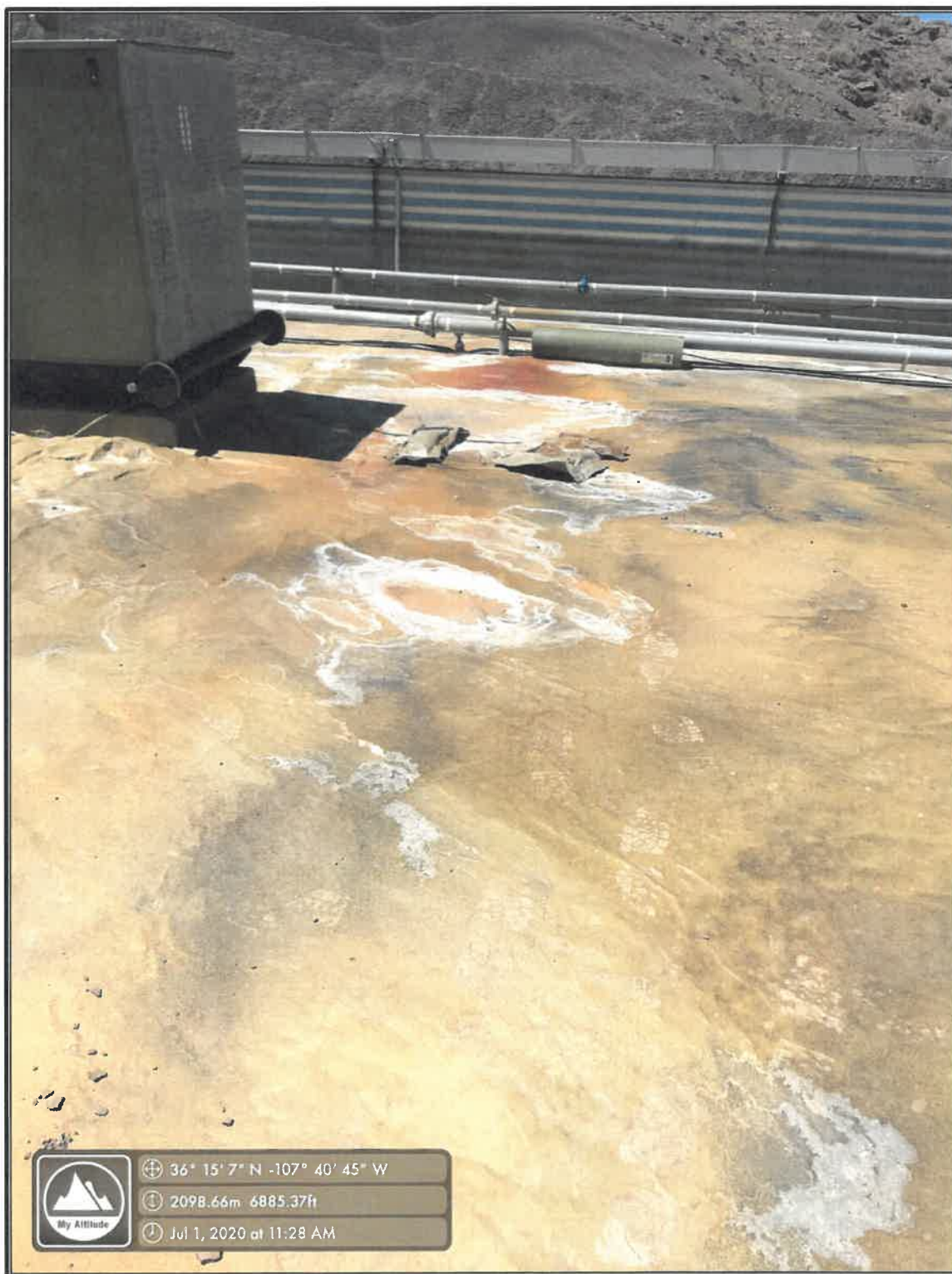


Photo 4: View of Liner after Cleanup (2)

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

District II

811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 9060

CONDITIONS OF APPROVAL

Operator:	ENDURING RESOURCES, LLC	1050 17TH STREET, SUITE 2500	DENVER, CO80265	OGRID:	372286	Action Number:	9060	Action Type:	C-141
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OCD Reviewer	Condition
csmith	Release Resolved