Form C-141

Page 6

State of New Mexico
Oil Conservation Division

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

Incident ID	nAPP2213734490
District RP	
Facility ID	
Application ID	

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.

A scaled site and sampling diagram as described in 19.15.29	2.11 NMAC
Photographs of the remediated site prior to backfill or photomust be notified 2 days prior to liner inspection)	os of the liner integrity if applicable (Note: appropriate OCD District office
☐ Laboratory analyses of final sampling (Note: appropriate OI	OC District office must be notified 2 days prior to final sampling)
Description of remediation activities	
and regulations all operators are required to report and/or file cert may endanger public health or the environment. The acceptance of should their operations have failed to adequately investigate and rehuman health or the environment. In addition, OCD acceptance of compliance with any other federal, state, or local laws and/or regu	olete to the best of my knowledge and understand that pursuant to OCD rules ain release notifications and perform corrective actions for releases which of a C-141 report by the OCD does not relieve the operator of liability remediate contamination that pose a threat to groundwater, surface water, of a C-141 report does not relieve the operator of responsibility for alations. The responsible party acknowledges they must substantially conditions that existed prior to the release or their final land use in OCD when reclamation and re-vegetation are complete.
Printed Name Hutton Andrew	Title: EHS Representative
Signature: (MA)	Date: 06/28/2022
email: huttona@kfoc.net	Telephone: 918-491-4615
OCD Only	
Received by: Robert Hamlet	Date:7/21/2022
	ty of liability should their operations have failed to adequately investigate and se water, human health, or the environment nor does not relieve the responsible ad/or regulations.
Closure Approved by: Robert Hamlet	Date: 7/21/2022
Printed Name: Robert Hamlet	Title: Environmental Specialist - Advanced



June 29, 2022

Mr. Aaron Daniels
Kalser-Francis Oil Company

6733 South Yale Avenue Tulsa, Ok, 74136

RE:

Containment Liner Inspection Incident Number nAPP2213734490 Bell Lake Unit North Pad #7 Lea County, New Mexico

Dear Mr. Daniels,

Wescom, Inc., hereafter referred to as Wescom, is pleased to present the following letter report to Kaiser-Francis Oil Company, hereafter referred to as KFOC, summarizing the response efforts and liner inspection associated with a crude oil release at the Bell Lake Unit North Pad #7 Site. On May 13, 2022, a bleeder valve was left open after a seal was changed on a LACT feed pump. Approximately 15 barrels (bbls) of crude oil were released inside the secondary containment and 15 bbls were recovered with a vac truck. KFOC reported the release to the New Mexico Oil Conservation Division (NMOCD) via email on May 13, 2022. NMOCD accepted the submitted notification of release and subsequently assigned Incident Number nAPP2213734490 to this spill.

On May 25, 2022, Wescom personnel, competent in conducting inspections of on-site equipment and facilities, visited the Site to visually inspect the integrity of the liner. Prior to conducting the inspection, the NMOCD was provided with a 48-hour liner inspection notification on May 23, 2022 (Attachment C). During the inspection, Wescom personnel identified four areas of concern. The first and second areas of concern were located on the Northeast side of tank 1196. The second layer of liner that lies beneath the containment liner could be seen in a circular area approximately a quarter of an inch in size and underneath a small bubble on top of the containment liner. The third and fourth areas of concern were located on the East side of tank

1194. The second liner layer could be seen in a pinhole sized area and in a folded section of the containment liner.

There was no visible evidence that fluid inside the containment had breached the second layer of liner and the rest of the liner was found to remain intact and had the ability to contain the leak in question. The four areas of concern were patched to ensure they would not become potential points of release in the future. Photographs taken during the liner inspection are included in Attachment B.

If you have any questions or comments, please do not hesitate to contact Mrs. Ashley Giovengo at (505) 382-1211 or ashley.giovengo@wescominc.com

Sincerely,

Wescom, Inc.

Ashley Giovengo

Project Environmental Scientist

cc: Aaron Daniels, Kaiser-Francis Oil Company

Andrew, Hutton, Kaiser-Francis Oil Company

Bradford Billings, NMOCD

Mike Bratcher, NMOCD

Robert Hamlet, NMOCD

Chad Hensley, NMOCD

Jennifer Nobui, NMOCD

Nelson Velez, NMOCD

REFERENCE MATERIALS

ATTACHMENTS

ATTACHMENT A. Signed C-141

ATTACHMENT B. Site Photos

ATTACHMENT C. 48-Hour Liner Inspection Notification Email

ATTACHMENT A

Signed C-141

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	ī	APP2213734490
District RP		
Facility ID		
Application ID		

Release Notification

Responsible Party

	sponsible 1 arty
Responsible Party: Kaiser-Francis Oil Company	OGRID 12361
Contact Name: Hutton Andrew	Contact Telephone: 918-491-4615
Contact email: huttona@kfoc.net	Incident # (assigned by OCD) nAPP2213734490
Contact mailing address: 6733 S. Yale, Tulsa, OK 74136	
Latitude 32.3342775 Longitude -103.515594	on of Release Source n decimal degrees to 5 decimal places)
Site Name: Bell Lake Unit North Pad 1	Site Type: Well Pad
Date Release Discovered: 05/13/2022	API# (if applicable) 30-025-47770
Unit Letter Section Township Range	County

Unit Letter	Section	Township	Range	County
Е	6	238	34E	Lea

Surface Owner:	State		Tribal	Private
----------------	-------	--	--------	---------

Nature and Volume of Release

☑ Crude Oil	Volume Released (bbls) 15	Volume Recovered (bbls) 15
Produced Water	Volume Released (bbls)	Volume Recovered (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		
Bleeder valve left oper	after changing seal on pump.	

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State of New Mexico Oil Conservation Division

Incident ID	nAPP2213734490
District RP	
Facility ID	
Application ID	

Was this a major release as defined by	If YES, for what reason(s) does the responsible party consider this a major release?
19.15.29.7(A) NMAC?	
☐ Yes 🏿 No	
TCVDC was immediate	otice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?
If YES, was immediate in	office given to the OCD, by whoth, to whom, then and of the same (pro)
	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 re	lease has been stopped.
·	as been secured to protect human health and the environment.
¥	have been contained via the use of berms or dikes, absorbent pads, or other containment devices.
	recoverable materials have been removed and managed appropriately.
	ed above have not been undertaken, explain why:
has been nlease after	MAC the responsible party may commence remediation immediately after discovery of a release. If remediation h a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred ent area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.
I hereby certify that the in	formation given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and
regulations all operators a	re required to report and/or file certain release notifications and perform corrective actions for releases which may endanger
Cited to adequately invest	ligate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In the 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.	301 a C-141 report does not remove the operator of responsioning to somptimize the angle of the sound of the
 Printed Name: Hutton	Andrew Title: EHS Representative
1 11	(1101) -7
Signature:	Date: STATE
email: huttona@kfoc.1	Telephone: 918-491-4615
OCD Only	
Received by:	Date:
	, , , , , , , , , , , , , , , , , , , ,

Form C-141 Page 3

State of New Mexico Oil Conservation Division

Incident ID	nAPP2213734490
District RP	
Facility ID	
Application ID	

Site Assessment/Characterization

This ago mation must be provided to the appropriate district office no taler than 20 adys after the release discovery date.		
What is the shallowest depth to groundwater beneath the area affected by the release?	305 (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 		

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.

Depth to water determination

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Page 4	

State of New Mexico Oil Conservation Division

Incident ID	nAPP2213734490
District RP	
Facility ID	
Application ID	

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: Hutton Andrew

Signature: Date: 06/28/2022

email: huttona@kfoc.net

Title: EHS Representative

Date: 918-491-4615

OCD Only

Received by: Date: Date:

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

Form C-141 Page 6

State of New Mexico Oil Conservation Division

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

Incident ID	nAPP2213734490
District RP	
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Application ID	

Closure

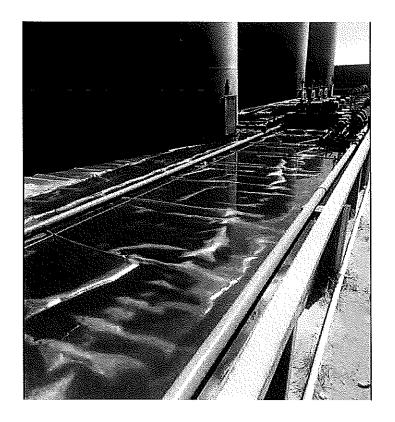
The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled 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.

A scaled site and sampling diagram as described in 19.15.29.11 NMAC				
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■ Laboratory analyses of final sampling (Note: appropriate)	ODC District office must be notified 2 days prior to final sampling)			
Description of remediation activities				
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Printed Name Hutton Andrew Signature:	Title: EHS Representative Date: 06/28/2022			
email: huttona@kfoc.net	Telephone: 918-491-4615			
OCD Only				
Received by:	Date:			
	party of liability should their operations have failed to adequately investigate and face water, human health, or the environment nor does not relieve the responsible and/or regulations.			
Closure Approved by:	Date:			
Printed Name:	Title:			

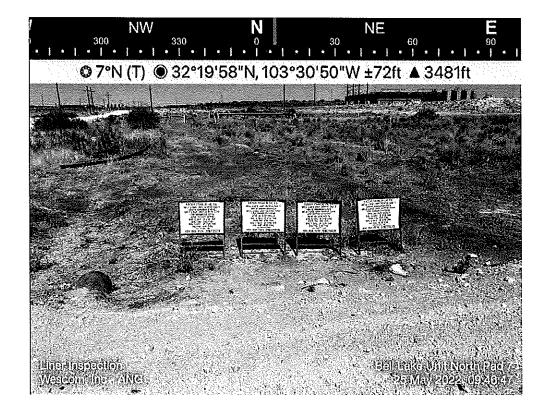
ATTACHMENT B

Site Photos



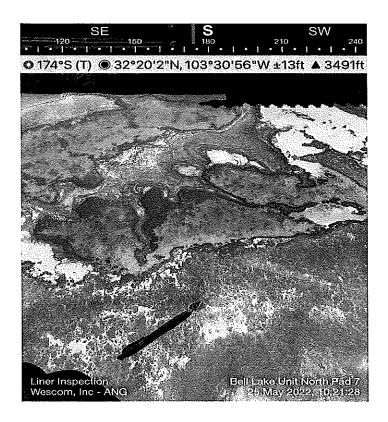


Initial Spill Photo

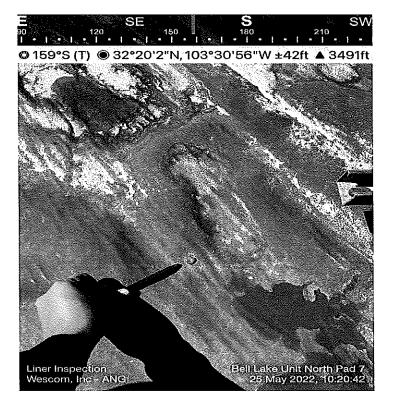


Site Signage





Second Liner Layer Visible (Near Tank 1196)

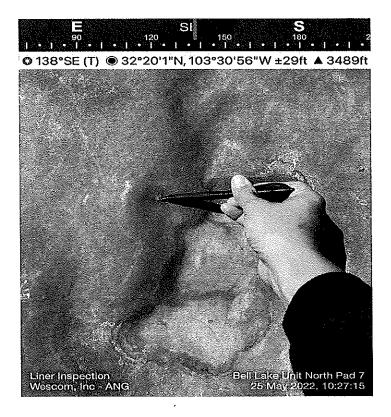


Liner Bubble (Near Tank 1196)



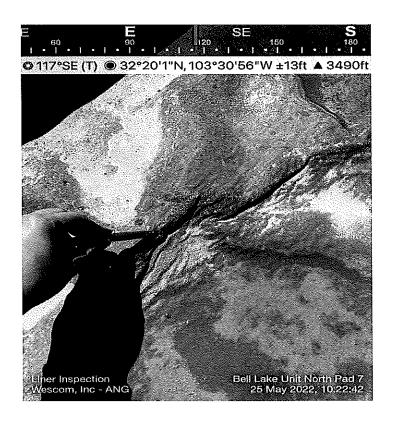


Liner Bubble (Second Liner Visible)

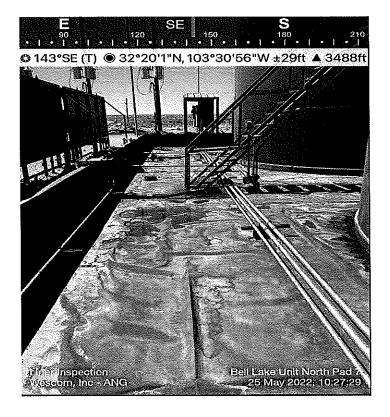


Pinhole East Side of Tank 1194 (Second Liner Visible)



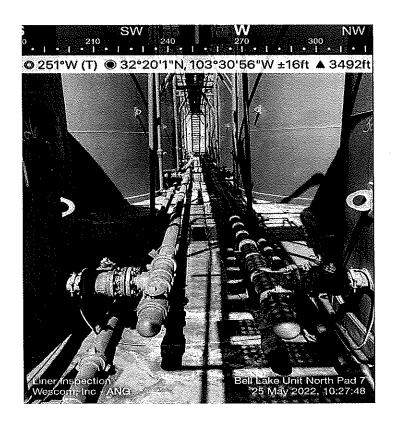


Liner Fold East side of Tank 1194 (Second Liner Visible)

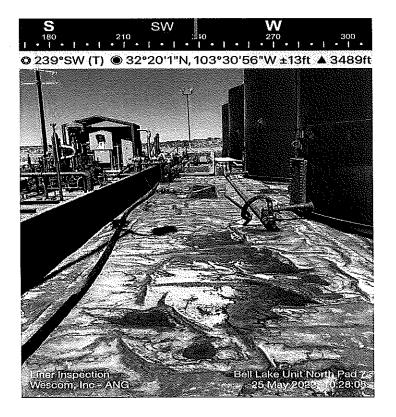


Contaiment - East Side



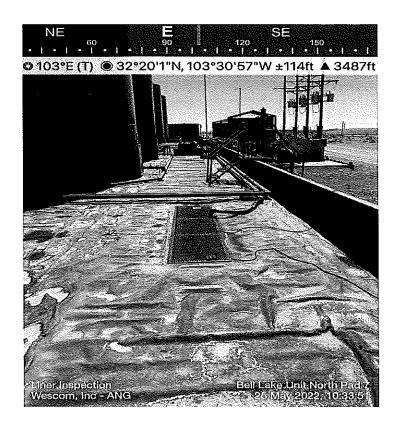


Containment

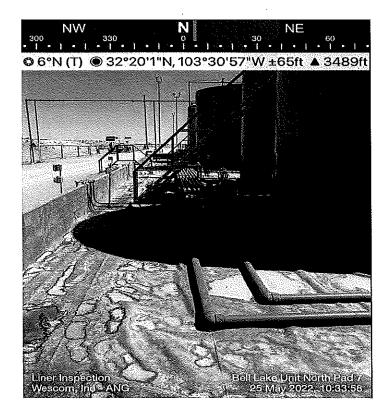


Containment - Northwest Corner





Containment - South Side

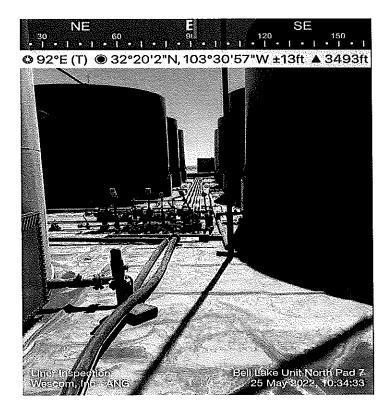


Containment - West Side



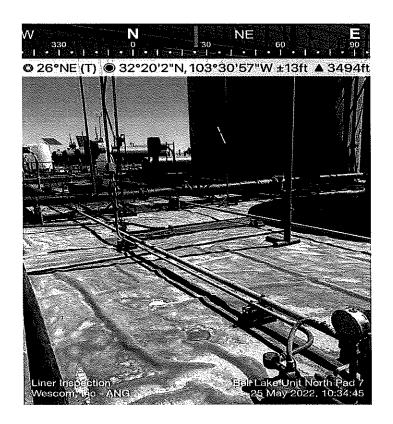


Containment

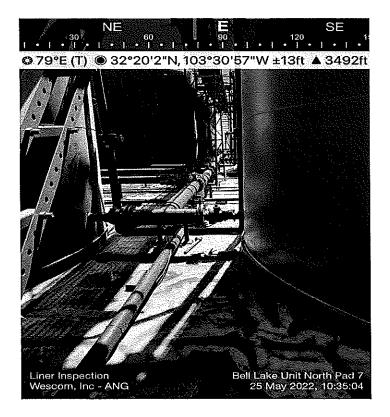


Containment



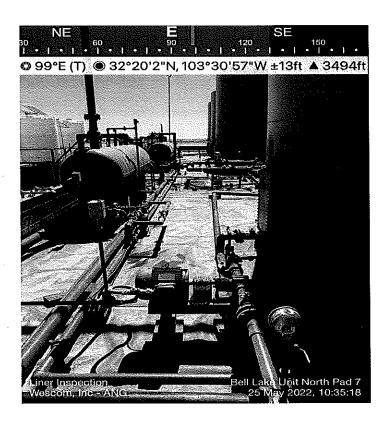


Containment - North Side



Contianment



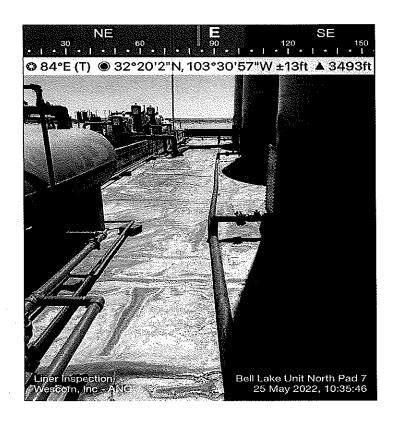


Containment - North Side



Containment - North Side



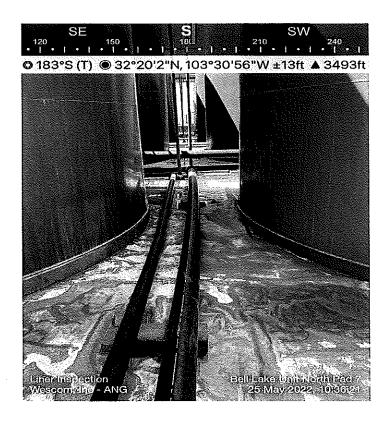


Containment - North Side



Containment





Containment



Containment - East Side

ATTACHMENT C

48-Hour Liner Inspection Notification Email



Ashley Giovengo <ashley.giovengo@wescominc.com>

48-hour Liner Inspection Notification - Bell Lake Unit North Pad #7 (nAPP2213734490)

1 message

Ashley Giovengo <ashley.giovengo@wescominc.com>

Mon, May 23, 2022 at 8:50 AM

To: "Bratcher, Mike, EMNRD" <mike.bratcher@state.nm.us>, "Hamlet, Robert, EMNRD" <Robert.hamlet@state.nm.us>, "Billings, Bradford, EMNRD"

"Billings, Bradford, EMNRD"

"Velez, Nelson, EMNRD" <nelson.velez@state.nm.us>, "Hensley, Chad, EMNRD" <Chad.Hensley@state.nm.us>

Cc: Aaron Daniels <aarond@kfoc.net>, Hutton Andrew <Huttona@kfoc.net>, Shar Harvester <shar.harvester@wescominc.com>, Cole Burton <cole.burton@wescominc.com>, Joey Croce

<joey.croce@wescominc.com>, Cody York <cody.york@wescominc.com>

Hello All,

This email is to notify the NMOCD that Wescom, Inc. will be at the Bell Lake Unit North Pad #7 (nAPP2213734490) to perform a liner inspection. Inspection will be conducted on Wednesday, May 25, 2022 (05/25/2022) at approximately 0900 hours. Please let me know if you have any questions.

Thank you,

Ashley Giovengo, Environmental Manager - Permian O (218) 724-1322 | C (505) 382-1211 **WescomInc.com** | ashley.giovengo@WescomInc.com
"I am in charge of my own safety."



Minnesota | North Dakota | New Mexico | Wisconsin

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

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 125923

CONDITIONS

Operator:	OGRID:
KAISER-FRANCIS OIL CO	12361
PO Box 21468	Action Number:
Tulsa, OK 74121146	125923
	Action Type:
	[C-141] Release Corrective Action (C-141)

CONDITIONS

Crea	ted By	Condition	Condition Date
rha	ımlet	We have received your closure report and final C-141 for Incident #NAPP2213734490 BELL LAKE UNIT NORTH PAD #7, thank you. This closure is approved. Black and white pictures make it very difficult to visually inspect liner. Please, include color pictures in next liner inspection report.	7/21/2022