

## Remediation Summary Report Form

### General Information

This report prepared by Hungry Horse , LLC on 12Jun14, is inn response to the release for Alamo Permian Resources at the Delhi B State #3, located in Eddy County, New Mexico for the spill that occurred 26Mar14, releasing 20 bbls of oil due to the blow out of a stuffing box.

**Date:** 12Jun14

**Client:** Alamo Permian Resources

**Site Name:** Delhi B State #3

**County:** Eddy County

**State:** New Mexico

**Legals:** UL, M, Sec. 28, T17S, R28E

**Site Coordinates** Latitude: 32.8002  
Longitude: -104.1878

**Property Owner:** State of New Mexico

**NM OCD Report No.:** 2RP-2263

### Release Description and Assessment

The information below is related to the spill (Date, Type, Cause, and Quantity) and the area impacted.

**Date of Spill:** 26Mar14

**Type of Spill:**  Oil  Produced Water  Condensate  Other (Specify):

**Cause of Spill:**  Equipment Failure  Valve Failure  Line Rupture  Leaking Tank  Tank Overfill  
 Other (Specify): Stuffing Box Blow Out

**Other Contributing Factors or Comments:**

**Quantity Spilled:** 20 bbls **Quantity Recovered:** 20 bbls **Total Released:** 0

**Method of Recovery:**  Vacuum Truck  Other (Specify):

**New Mexico Oil Conservation Division Notified:**  Yes  No

**C-141 Completed and Submitted:**  Yes  No

**Spill Area Impacted:**  Inside Firewall  On Production Pad  In Pasture  In Cultivated Land  
 Other (Specify):

**Total Square Foot Impacted:** 1600sf **Estimated Depth:** 1.5' **Volume (Cu. Yards):** 100 yds

**Other Comments:**

### Remediation Activity Summary

The following summarizes the activities used to remediate the spill.

The remediation of the impacted area was conducted within the scope of the approved work plan. The impacted area was approximately 50 x 50', and was the portion of the pad around the well head and to the east of the well head. Hand excavation was conducted around the well head to a depth of approximately 2.5' below ground surface (BGS). Once a safe zone around the well head had been hand excavated, the remainder of the impacted area was mechanically excavated to a depth of approximately 1.5' BGS. At this point, impenetrable rock was encountered and excavation halted. It was determined that due to the close proximity of the well head, further excavation using a hammer-hoe or drill would threaten the integrity of the well head as well as pose a serious safety hazard.

Two soil samples were then obtained and analyzed for Chlorides, TPH, and BTEX. Lab results were presented to NM OCD's Mike Bratcher along with the explanation behind stopping the excavation. It was agreed that the excavation could be closed and backfilled with the stipulation that a complete remediation would be conducted when the well was plugged and abandon and the location reclaimed.

The area was backfilled with clean material and brought back to grade. All impacted soil was placed on a plastic liner and then transported to a division approved disposal facility for disposal.

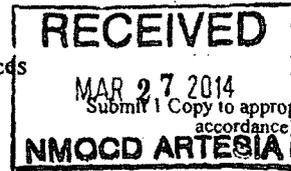


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Vernon K. Black, Hungry Horse, LLC

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



Form C-141  
Revised August 8, 2011  
Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

**Release Notification and Corrective Action**

*nHMP1411826132* OPERATOR  Initial Report  Final Report

Name of Company ALAMO PERMIAN RESOURCES, LLC	Contact CARIE STOKER
Address 415 W. WALL ST. SUITE 500 <i>274841</i>	Telephone No. 432 664 7659
Facility Name DELHI B STATE 3	Facility Type WELL

Surface Owner STATE	Mineral Owner STATE	API No. 30-015-39590
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**LOCATION OF RELEASE**

<i>M</i>	Section 28	Township 17S	Range 28E	Feet from the 835	North/South Line S	Feet from the 330	East/West Line W	County EDDY
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Latitude 32.800283  
Longitude -104.187839

**NATURE OF RELEASE**

Type of Release: OIL	Volume of Release: 20 BBLS	Volume Recovered: 20 BBLS
Source of Release: STUFFING BOX	Date and Hour of Occurrence: MARCH 26 2014	Date and Hour of Discovery: MARCH 27 2014, 10:00 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? MIKE BRATCHER	
By Whom? CARIE STOKER	Date and Hour MARCH 27 2014, 4:30 P.M., LEFT VOICE MESSAGE	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.\*

Describe Cause of Problem and Remedial Action Taken.\*

Cause of problem: Packing blew out of stuffing box; Remedial Action Taken: Shut well in

Describe Area Affected and Cleanup Action Taken.\*

Clean up action: Spill contained to wellhead area; Backhoe scheduled to scrape up top layer of contaminated earth

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.

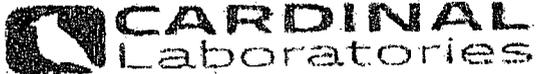
Signature: <i>Carie Stoker</i>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: CARIE STOKER	Approved by Environmental Specialist: <i>[Signature]</i>	
Title: REGULATORY AFFAIRS COORDINATOR	Approval Date: <i>4/28/14</i>	Expiration Date: <i>NA</i>
E-mail Address: carie@stokeroilfield.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 03/27/2014	Phone: 432 664 7659	

\* Attach Additional Sheets If Necessary

Remediation per OCD Rule & Guidelines. **SUBMIT REMEDIATION PROPOSAL NO LATER THAN:**

*5/20/14*

*2RP-2263*



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

May 30, 2014

VERNON BLACK  
Hungry Horse Environmental  
P.O. Box 1058  
Hobbs, NM 88240

RE: DELHI B STATE #3

Enclosed are the results of analyses for samples received by the laboratory on 05/23/14 15:30.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T10470-398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (\*). For a complete list of accredited analytes and matrices visit the TCEQ website at [www.tceq.texas.gov/field/qa/lab\\_accred\\_certif.html](http://www.tceq.texas.gov/field/qa/lab_accred_certif.html).

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Halocetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene  
Lab Director/Quality Manager

JUN 02 2014









HUNGRY HORSE, LLC  
ENVIRONMENTAL SERVICES

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**Dirt Work   \*   On-Site Remediation   \*   Soil Testing   \*   Excavation**

19May14

To: Mike Bratcher, New Mexico Oil Conservation Division, District 2  
Reference: Remediation Work Plan  
Location: Delhi B State #003  
Operator: Alamo Permian Resources  
API: 30-025-39590  
Legals: UL. M, Sec. 28, T17S, R28E (Eddy County)  
GPS: N32.80044, W-104.18832  
2RP-2263

Dear Mr. Bratcher,

Hungry Hose, LLC has been contracted Alamo Permian Resources to conduct the soil remediation at the above referenced location for the release that occurred 26Mar14. This remediation work plan is being submitted for your review and feedback.

**Location**

This location is in rural Eddy County, New Mexico and is located west of Loco Hills, New Mexico on the north side of Highway 82 at mile marker #120, approximately 400 yards off the highway. The vegetation in this area is primarily creosote bushes, mesquite, yucca cactus, and various range grasses. The area is relatively flat with a few rolling sand dunes. Based upon the Eddy County Depth to Groundwater Map, the depth to groundwater is greater than 100'. There are no known water wells or surface bodies of water within 1000' of this location.

**Work Conducted to Date**

Upon detection of the release, a back-hoe was used to help contain the release and to remove the saturated layer of soil. A thin layer of caliche was then spread over the hydrocarbon stained area to assist in the drying of the remaining areas that were damp.

**Proposed Remediation Plan**

The impacted area is approximately a 50' x 50' area in the immediate vicinity of the well head and to the east of the wellhead. The release was contained to the existing well pad and no area off the caliche pad was impacted.

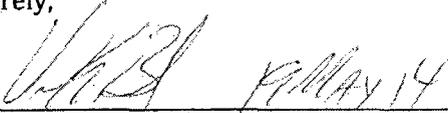
I propose to hand excavate the impacted soil around the well head until a safe work zone is created for a back-hoe to begin excavating the pad. The back-hoe will be used to excavate the impacted soil from the pad. All impacted soil will be placed in a truck for transportation or on a plastic liner if awaiting transportation. Upon reaching the depth at which the caliche pad stops, field tests for chlorides will be conducted. If field test results indicate chloride levels at 1000ppm or less, confirmation samples will be obtained for laboratory analysis.

HUNGRY HORSE, LLC  
ENVIRONMENTAL SERVICES

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Laboratory results will be presented to you for closure approval. When such approval is granted, fresh caliche will be used for backfilling the excavation and the pad brought back to grade. A Final C-141 along with closure documentation will be submitted.

Sincerely,



VK Black May 14

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Vernon K. Black, Hungry Horse, LLC

c.c. Carey Stoker

**From:** Bratcher, Mike, EMNRD [mike.bratcher@state.nm.us]  
**Sent:** Wednesday, May 21, 2014 7:36 AM  
**To:** Vernon Black  
**Subject:** RE: Remediation Work Plan

Vernon,

That will work, but we will need testing for hydrocarbons (TPH & BTEX) in addition to the chloride tests.

Mike Bratcher  
NMOCD District 2  
811 S. First Street  
Artesia, NM 88210  
O: 575-748-1283 X108  
C: 575-626-0857  
F: 575-748-9720

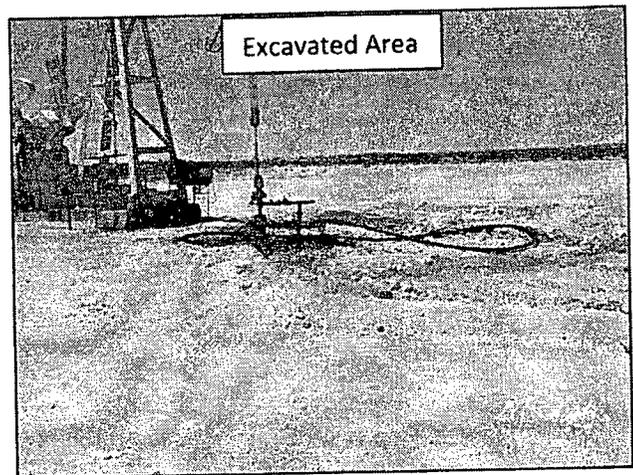
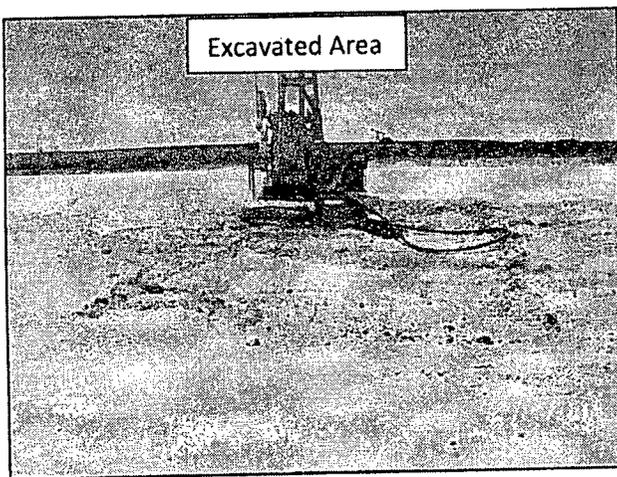
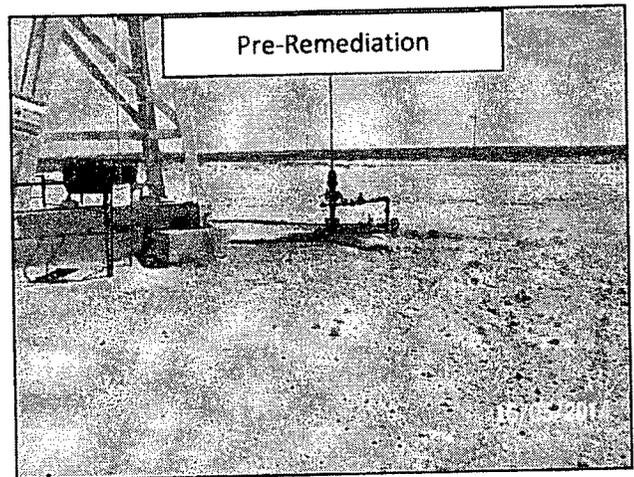
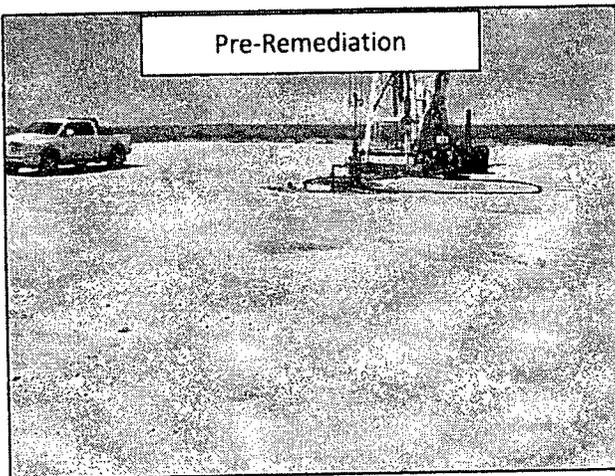
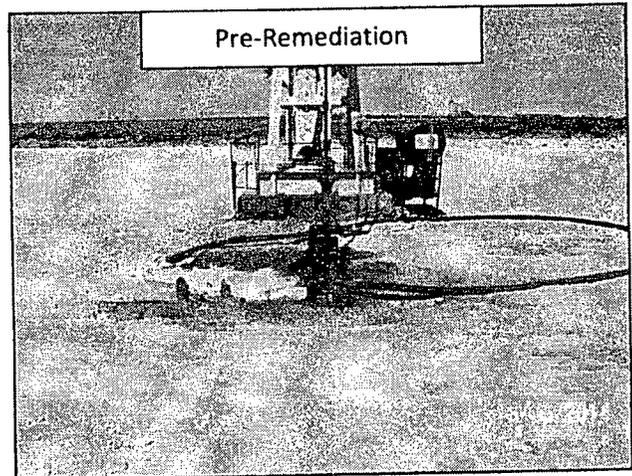
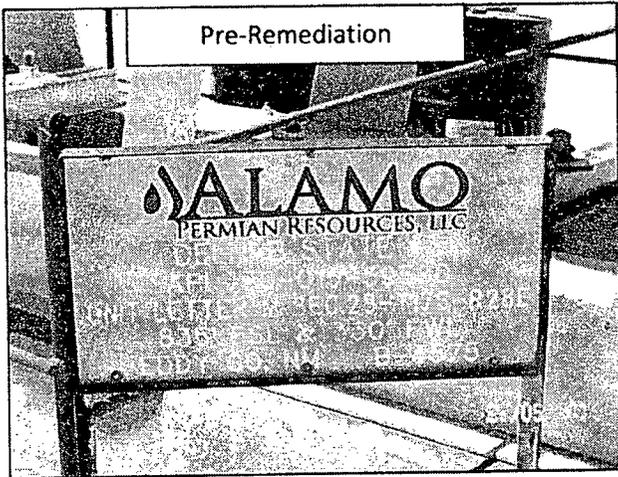
**From:** Vernon Black [mailto:VBlack@Hungry-Horse.com]  
**Sent:** Tuesday, May 20, 2014 7:33 AM  
**To:** Bratcher, Mike, EMNRD  
**Subject:** Remediation Work Plan

Good Morning Mike,

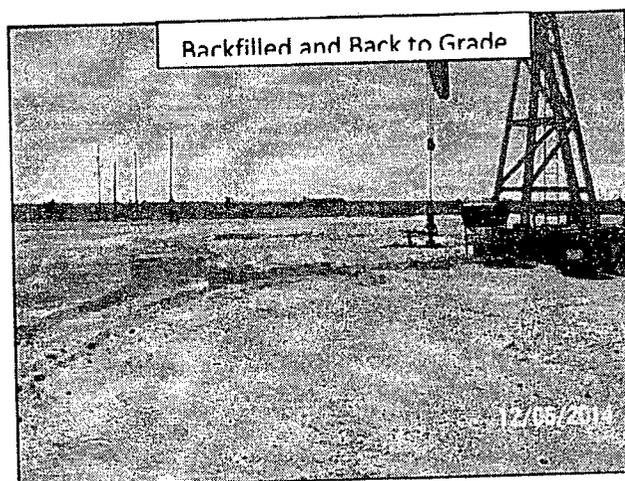
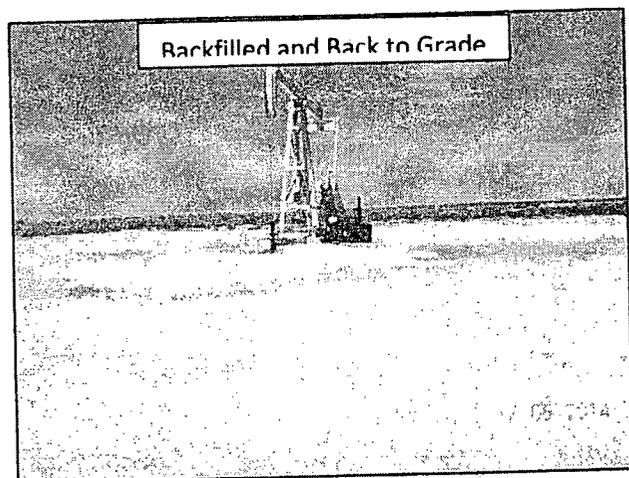
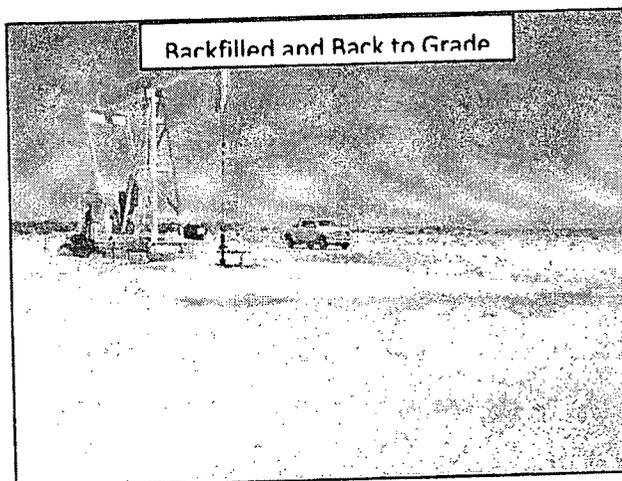
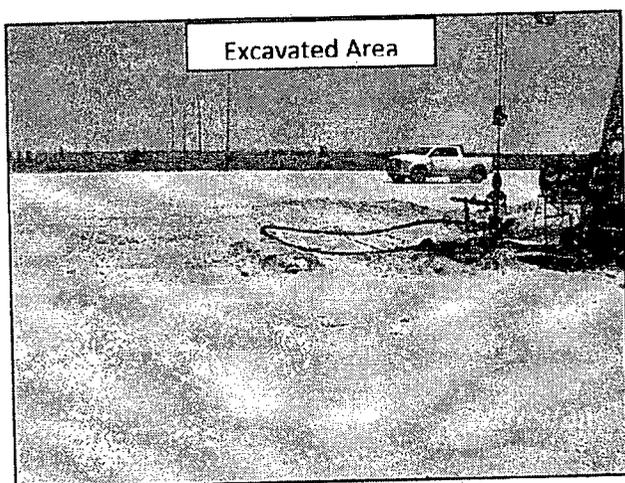
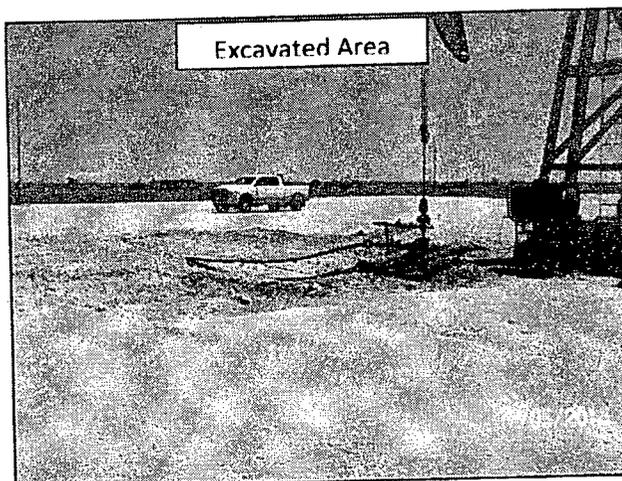
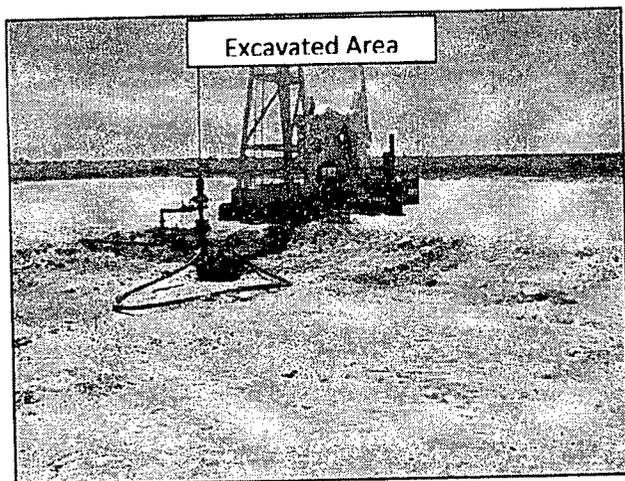
Please take a look at the attached work plan and provide your guidance. It's not much to it.....a stuffing box blew out and the release remained on the pad. We'll get it knocked out upon your approval.

Vernon K. Black  
Hungry Horse, LLC  
PO Box 1058  
Hobbs, NM 88241  
575 393 3386 office  
575 631 2253 cell

Alamo Permian Resources-Delhi b State #3



Alamo Permian Resources-Delhi B State #3



## Bratcher, Mike, EMNRD

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**From:** Vernon Black <VBlack@Hungry-Horse.com>  
**Sent:** Thursday, June 12, 2014 2:08 PM  
**To:** Bratcher, Mike, EMNRD; CARIE STOKER  
**Subject:** Emailing: Alamo Permian Resources-Delhi B St #3 Closing Documents.pdf  
**Attachments:** Alamo Permian Resources-Delhi B St #3 Closing Documents.pdf

Mike/Carie,

Here are the closing documents for the Delhi B St #3. If there's anything else you need, please let me know. I appreciate all your help on this project and look forward to the next time we work together.

Thanks,  
Vernon