

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

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-141
Revised April 3, 2017

AUG 01 2017

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

NAB1722A51B32

OPERATOR

Initial Report Final Report

Name of Company	Mesquite SWD, Inc. 10196B	Contact	Riley Neatherlin
Address	PO Box 1479, Carlsbad, NM 88220	Telephone No.	575-706-7288
Facility Name	Big Eddy SWD #1 (BLM R/W NM-125702)	Facility Type	Salt Water Disposal
Surface Owner	BLM	Mineral Owner	BLM
		API No.	30-015-05819

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
P	3	20S	31E	660	South	660	East	Eddy

Latitude **32.597080** Longitude **-103.850349** NAD83

NATURE OF RELEASE

determined upon delineation

Type of Release	Produced water spill	Volume of Release	<5 bbls	Volume Recovered	None
Source of Release	Pumps at SWD	Date and Hour of Occurrence	7/27/17	Date and Hour of Discovery	7/27/17
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?		Date and Hour			
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.*
Plunger broke in pump causing pump to flood and run produced water on location

Describe Area Affected and Cleanup Action Taken.*
Caliche/gravel area approximately 10' x 10' on SWD location. Will excavate contaminated soil. Soil samples will be taken by a third party contractor. All excavated soil will be taken to an OCD approved facility.

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>Melanie Wilson</i>	OIL CONSERVATION DIVISION	
Printed Name:	Melanie Wilson	Approved by Environmental Specialist:	<i>Cyber D We</i>
Title:	Regulatory Analyst	Approval Date:	8/15/17
E-mail Address:	mjp1692@gmail.com	Expiration Date:	N/A
Date:	08/01/17	Conditions of Approval:	see attached
Phone:	575-914-1461	Attached:	<input checked="" type="checkbox"/> 2 RP 4348

* Attach Additional Sheets If Necessary

8/14/17 AB

Operator/Responsible Party,

The OCD has received the form C-141 you provided on **8/1/17** regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number 2RP-434B 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 division-approved corrective action 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 II office in Artesia on or before 9/1/17. 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

jjim.griswold@state.nm.us

Weaver, Crystal, EMNRD

From: mjp1692@gmail.com
Sent: Tuesday, August 1, 2017 2:30 PM
To: Weaver, Crystal, EMNRD; Clay Wilson; Riley Neatherlin
Subject: FW: MESQUITE SWD, INC. - C-141 FOR BIG EDDY SWD #1
Attachments: Big Eddy SWD #1 C-141 for Location.pdf; Big Eddy SWD 1 C-141.pdf

Ms. Weaver,

I am forwarding an email sent last Friday to Mike Bratcher at the Artesia OCD. I apologize, I did not realize this should have gone to you. I am also attaching a new C-141 covering the location. Should you need anything further, please let me know.

Melanie Wilson

575-914-1461

Mjp1692@gmail.com

From: mjp1692@gmail.com
Sent: Friday, July 28, 2017 12:38 PM
To: mike.bratcher@state.nm.us; Sharp, Karen, EMNRD; ranell.klein@state.nm.us; Clay Wilson; Riley Neatherlin
Subject: MESQUITE SWD, INC. - C-141 FOR BIG EDDY SWD #1

Mike,

Attached is a C-141 for Mesquite's Big Eddy SWD #1. Please let us know if you need anything further from me.

Thanks!

Melanie Wilson

575-914-1461

Weaver, Crystal, EMNRD

From: Weaver, Crystal, EMNRD
Sent: Tuesday, August 1, 2017 12:44 PM
To: 'Clay Wilson'; Pair, Randal; Gomez, Robert; Yolanda Jordan
Cc: Bratcher, Mike, EMNRD; Stephanie Bergman
Subject: RE: Mesquite produced water spill
Attachments: IMG_7065.jpg; IMG_7081.jpg; IMG_7083.jpg; IMG_7085.jpg; IMG_7087.jpg; IMG_7089.jpg; IMG_7091.jpg; IMG_7093.jpg; IMG_7105.jpg; IMG_7133.jpg; IMG_7135.jpg; IMG_7137.jpg; IMG_7139.jpg; IMG_7141.jpg; IMG_7143.jpg; IMG_7145.jpg; IMG_7147.jpg; IMG_7149.jpg; IMG_7151.jpg; IMG_7153.jpg; IMG_7155.jpg

Mesquite SWD Inc. * Big Eddy SWD #1 * 30-015-05819

Hello Mr. Wilson,

As Mr. Pair stated OCD was also out on site at the location of the release along with the location of the SWD facility on 7/27/17. The photographs represent what was observed during OCD's investigation. The photographs attest to Mr. Pair's statements regarding: the overspray plume, that transplanted soil was dispersed atop large portions of the produced water release area, and that a good sized area of the spill is fenced in. Photos of the SWD facility also show the amount of pressure that the SWD injection well was running at during the time of our visit, large areas of staining across the well pad, and an area around the pump station that appears to be where a hole for some reason was dug out that OCD observed as having what appeared to be a sheen across the top of the liquid inside the hole. As you stated Mr. Wilson OCD has been contacted by Mesquite SWD Inc. via a telephone call, but let me take the time to reiterate what it is that the OCD is requiring going forward:

- A C-141 will be required for the release at the flowline site which is approximately at 32.627544, -103.873604.
- An additional C-141 will be required for the staining on the pad and for the surrounding area of the pump station including the area where the hole is dug out (which if Mesquite desires to claim that the hole is not a part of a release they will at the very least still be required to produce sufficient lab sampling and delineation in order to prove said statement as OCD determines suitable).

Please provide the required C-141 forms on or before **August 11, 2017**.

If you have any questions or concerns please contact Mike Bratcher or myself in the District II Office.

Crystal Weaver

Environmental Specialist

OCD – Artesia District II

811 S. 1st Street

Artesia, NM 88210

Office: 575-748-1283 ext. 101

Cell: 575-840-5963

Fax: 575-748-9720

From: Clay Wilson [mailto:claywilson@hotmail.com]

Sent: Thursday, July 27, 2017 3:51 PM

To: Pair, Randal <rpair@blm.gov>; Gomez, Robert <rgomez@blm.gov>; Yolanda Jordan <yjordan@blm.gov>

Cc: Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>; Weaver, Crystal, EMNRD <Crystal.Weaver@state.nm.us>; Stephanie Bergman <sbergman@blm.gov>

Subject: Re: Mesquite produced water spill

Mr, Pair,

Were on it, OCD was notify yesterday. I will send in the BLM form this afternoon. We dust the area because the rancher was worried about his cow's getting into the produced water. I can assure Mesquite isn't try to hide a thing from anyone. We will work closely with the BLM, OCD to get this spill clean up asap. B&R has collected samples. We'll stop all work until we get the trespass issues taken care.

Thanks

Clay Wilson

Mesquite SWD, Inc.

575-706-1840

From: Pair, Randal <rpair@blm.gov>

Sent: Thursday, July 27, 2017 3:08 PM

To: Clay Wilson; Gomez, Robert; Yolanda Jordan

Cc: Bratcher, Mike, EMNRD; Weaver, Crystal, EMNRD; Stephanie Bergman

Subject: Mesquite produced water spill

Mr. Wilson -

I have recently been informed that a 4.5-in surface water line transporting produced water - part of Mesquite SWD's BLM R/W NM-129905 - was leaking over a period of days about a week ago.

The spill location is about 100-yds south of your truck unloading facility on Shugart Rd (Eddy Co 222).

I visited the site this afternoon (Thurs 7/27). It appears that the main leak was on the east side of the lease road. While the worst contaminated area is now fenced, it appears that Mesquite dumped clean sand over the leak site, either to hide it or to keep cows out of it. It appears that the leak ran westward across the lease road; a large area there also shows salt stains. That area west of the road also had clean fill dumped lightly over it; this appears to me to be an attempt to hide the contamination.

Further, a spray plume left salt residue on the ground for a distance of about 145-feet to the NE and ENE of the main leak site.

Clean sand to cover the spilled produced water was obtained from as much as 140-feet east of the pipeline leak; also, some was excavated at the NW corner of the west-side contamination, about 65-feet west of the road.

You have not reported this to BLM. Reporting of such contaminant discharge is required under 43 CFR 2805.12(j).

Mesquite is in a state of trespass, as a result of (1) discharging contaminants, (2) not reporting same, (3) discharging outside the limits of the R/W, and (4) excavating fill outside the R/W.

When this R/W was issued, Mesquite - in lieu of archeological ground survey - paid into the Permian Basin research fund. However, that was only for a 30-foot width, much less than your current disturbance.

Please immediately provide me with notification of spill dates, quantities, description of all work to date, and other parties notified.

You may not do any further ground disturbance until the applicable areas have been ground surveyed for archeology or - if allowed in this instance - additional contributions are made to the research fund.

Also, before any further ground disturbance is done, you must submit, and have approved by BLM - a written remediation plan. That is the only way to authorize the remedial work - otherwise it, too, would be in trespass.

I met staff from Artesia OCD on the site this afternoon, so they should also be making contact with you.

Randal "Randy" Pair
Envir. Protection Specialist - Realty Compliance
office: 575.234.6240
cell: 575.361.0062
email: rpair@blm.gov