NM OIL CONSERVATION

ARTESIA DISTRICT

District 1
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

FEB 2 2 2018

Form C-141 Revised April 3, 2017

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit 1 Copy to appropriate District Office in RECEIVE Deordance with 19.15.29 NMAC.

Release Notification and Corrective Action												
NAB 18	80534							Final Report				
Name of Company: RKI Exploration / WPX Energy 244289 Contact: James Raley												
						Telephone No: 575-689-7597 Facility Type: Production Facility						
Surface Ow	ner: Feder)wner:	: Federal API No. 30-015-42293									
LOCATION OF RELEASE												
Unit Letter	Section	Township	Range	Feet from the	North	n/South Line	Feet from the	East/V	West Line		County	
В	25	258	29E 175			FNL	2290	FEL			Eddy	
Latitude 32.0930557 Longitude -103.9538727 NAD83												
NATURE OF RELEASE												
Type of Release: Gasket Failure						Volume of Release: 25 bbls Volume Recovered: 10 bbls					10 bbls	
Source of Release: Heater Treater						Date and Hour of Occurrence 2/7/2018 - 04:00 AM			Date and Hour of Discovery 2/7/2018 – 05:00 AM			
Was Immediate Notice Given? ☐ Yes ☐ No ☐ Not Required						If YES, To Whom? Crystal Weaver						
By Whom? Jim Raley						Date and Hour: 2/7/2018 5:16 PM						
Was a Watercourse Reached? ☐ Yes ☒ No						If YES, Volume Impacting the Watercourse.						
If a Watercourse was Impacted, Describe Fully.* N/A Describe Cause of Problem and Remedial Action Taken.* Gasket on heater treater failed allowing fluids to escape as mist. Vac truck was immediately dispatched to remove any standing liquids. Treater gasket was												
Describe Area Affected and Cleanup Action Taken.* Soils were impacted immediately around treater containment and off-pad approx 150' to NW. Environmental cleanup crew was dispatched to remove any saturated soils on pad surface. Area was mapped with GPS unit. Samples were collected in area of release to determine extent of impacts and remediation required.												
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.												
							OIL CON	SERV	ATION	DIVISI	<u>ON</u>	
Signature:						Approved by Environmental Specialist:						
Printed Name: Jim Raley						Signed By Miles Exercise						
Title: Enviro	Title: Environmental Specialist						Approval Date: 2/22/18 Expiration Date: N/A					
E-mail Addre	E-mail Address: james.raley@wpxenergy.com						Conditions of Approval: Attached 1770 (110.21)					
Date: 2/22/2018 Phone: 575-689-7597 Attach Additional Sheets If Necessary Attach Additional Sheets If Necessary											164-411	

Operator/Responsible Party,

The OCD has received the form C-141 you provided on 2/22/2018 regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number 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 2 office in ARTESIA on or before 3/22/18. 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 jim.griswold@state.nm.us

Bratcher, Mike, EMNRD

From: Raley, Jim < James.Raley@wpxenergy.com>

Sent: Thursday, February 22, 2018 8:16 AM

To: Weaver, Crystal, EMNRD; Bratcher, Mike, EMNRD

Cc: Tucker, Shelly; Blaney, Karolina

Subject: RE: [EXTERNAL] RE: Initial Notification - North Brushy Draw 35-6

Attachments: North Brushy 35-6H C-141.pdf

Please find attached C-141.

Jim Raley | Environmental Specialist - Permian Basin 5315 Buena Vista Dr., Carlsbad, NM 88220 C: (575)689-7597 | james.raley@wpxenergy.com

WPXENERGY

From: Weaver, Crystal, EMNRD [mailto:Crystal.Weaver@state.nm.us]

Sent: Thursday, February 08, 2018 3:12 PM

To: Raley, Jim <James.Raley@wpxenergy.com>; Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>

Cc: Tucker, Shelly <stucker@blm.gov>

Subject: [EXTERNAL] RE: Initial Notification - North Brushy Draw 35-6

CAUTION: This email was sent from an EXTERNAL source. Use caution when clicking links or opening attachments.

Jim,

Thank you for the notification. If surfactant wont do you a whole lot of good then OCD is agreeable with your proactive immediate response, however, please note approval of your request would defer primarily to BLM since this release has impacted federal surface. Therefore, OCD defers to and concurs with whatever recommendation BLM provides to you all for immediate response on this incident.

Thank you,

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: Raley, Jim [mailto:James.Raley@wpxenergy.com]

Sent: Thursday, February 8, 2018 9:15 AM

To: Weaver, Crystal, EMNRD < Crystal. Weaver@state.nm.us >; Bratcher, Mike, EMNRD < mike.bratcher@state.nm.us >

Cc: Tucker, Shelly <stucker@blm.gov>

Subject: Initial Notification - North Brushy Draw 35-6

This email is in regards to voicemail left with Crystal Weaver on 2/7/2018 at 5:16 P.M. giving verbal notification of an unauthorized release at the North Brushy 35-6H well pad.

API 30-015-42292, Lat 32.0929574, Long -103.953377

This incident occurred approx. 4 A.M. during the morning of 2/7/2017. A seal on the heater treater fire tube failed and allowed approx. 25 bbls of fluids to be released to the pad surface and land off-location. The impacts to the land off location are misting on to brush and soil. Approx. 10 bbls was able to be recovered.

WPX would like permission to remove the heavily impacted brush and remove 6" of soil from approx. 1 acre of BLM off location land.

A C-141 will be delivered within 15 days. Please let me know if you have any additional questions.

Jim Raley | Environmental Specialist - Permian Basin 5315 Buena Vista Dr., Carlsbad, NM 88220 C: (575)689-7597 | james.raley@wpxenergy.com WPXENERGY

Weaver, Crystal, EMNRD

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Cc: Tucker, Shelly

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