

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	NRM2002949710
District RP	
Facility ID	
Application ID	

## Release Notification

### Responsible Party

Responsible Party: 3 Bear Delaware Operating – NM, LLC	OGRID: 372603
Contact Name: Liz Klein	Contact Telephone: (303) 882-4404
Contact email: lklein@3bearllc.com	Incident # (assigned by OCD)
Contact mailing address 1512 Larimer St. Suite 540, Denver, CO 80202	

### Location of Release Source

Latitude 32.287281 Longitude -104.257159  
*(NAD 83 in decimal degrees to 5 decimal places)*

Site Name: Dark Canyon (Carlsbad 960 SWD)	Site Type: SWD
Date Release Discovered: 12/2/2019	API# (if applicable): 30-015-45033

Unit Letter	Section	Township	Range	County
I	23	23S	26E	Eddy

Surface Owner:  State  Federal  Tribal  Private (Name: 3Bear)

### Nature and Volume of Release

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

<input type="checkbox"/> Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
<input checked="" type="checkbox"/> Produced Water	Volume Released (bbls) 1670 bbls	Volume Recovered (bbls) 1670 bbls
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Condensate	Volume Released (bbls)	Volume Recovered (bbls)
<input type="checkbox"/> Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
<input type="checkbox"/> Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release: The spill to containment happened as a result of a water tank overflowing. The tank overflowed due to a facility power interruption and subsequent malfunction of the inlet motor operated valve.

Form C-141

State of New Mexico  
Oil Conservation Division

Page 2

Incident ID	NRM2002949710
District RP	
Facility ID	
Application ID	

Was this a major release as defined by 19.15.29.7(A) NMAC?  <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release? 3Bear Energy considered this a major release because the volume of the spill was greater than 25 bbls 19.15.297(A)(1). However, since the spill occurred to a lined containment it would not with reasonable probability reach a watercourse; would not with reasonable probability endanger public health or substantially damages property or the environment and would not be detrimental to fresh water. The entire spill was contained within a lined containment. 3Bear Energy sent OCD a 48 hour notification of a liner inspection scheduled for December 6, 2019. The liner inspection found that the integrity of the liner was intact. Results of the liner inspection and photos are attached. 3Bear Energy requests closure of this incident.
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Elisabeth Klein, 3Bear Energy, when notified of the event called Mike Bratcher, OCD – District 2 by phone (left a voicemail). This phone notification was also followed up with an email dated December 3, 2019 to Mike Bratcher, OCD, Robert Hamlet, OCD, and Victoria Venegas, OCD.	

### Initial Response

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

<input checked="" type="checkbox"/> The source of the release has been stopped. <input checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input checked="" type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately.
If all the actions described above have <u>not</u> 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: <u>Elisabeth Klein</u> Title: <u>Director, EHS Regulatory Compliance</u>  Signature:  Date: <u>12/17/2019</u>  email: <u>klein@3bearllc.com</u> Telephone: <u>(303) 882-4404</u>
<b><u>OCD Only</u></b>  Received by: <u>Ramona Marcus</u> Date: <u>1/29/2020</u>

Incident ID	NRM2002949710
District RP	
Facility ID	
Application ID	

## 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?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	<input type="checkbox"/> Yes <input type="checkbox"/> 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)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	<input type="checkbox"/> Yes <input type="checkbox"/> 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?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a wetland?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release overlying a subsurface mine?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release overlying an unstable area such as karst geology?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release within a 100-year floodplain?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Did the release impact areas <b>not</b> on an exploration, development, production, or storage site?	<input type="checkbox"/> Yes <input type="checkbox"/> 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.

<p><b>Characterization Report Checklist:</b> <i>Each of the following items must be included in the report.</i></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells.</li> <li><input type="checkbox"/> Field data</li> <li><input type="checkbox"/> Data table of soil contaminant concentration data</li> <li><input type="checkbox"/> Depth to water determination</li> <li><input type="checkbox"/> Determination of water sources and significant watercourses within 1/2-mile of the lateral extents of the release</li> <li><input type="checkbox"/> Boring or excavation logs</li> <li><input type="checkbox"/> Photographs including date and GIS information</li> <li><input type="checkbox"/> Topographic/Aerial maps</li> <li><input type="checkbox"/> Laboratory data including chain of custody</li> </ul> <p><b>A Characterization Report was not submitted because the spill occurred to a lined containment. A copy of the liner inspection is attached.</b></p>
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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.

Form C-141

State of New Mexico  
Oil Conservation Division

Page 4

Incident ID	
District RP	
Facility ID	
Application ID	

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Printed Name: Elisabeth Klein Title: Directory, EHS Regulatory Compliance

Signature:  Date: 12/17/2019

email: klein@3bearllc.com Telephone: 303-882-4404

**OCD Only**

Received by: Ramona Marcus Date: 1/29/2020

Form C-141

State of New Mexico  
Oil Conservation Division

Page 5

Incident ID	NRM2002949710
District RP	
Facility ID	
Application ID	

## Remediation Plan

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

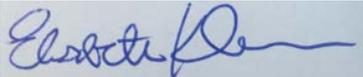
- Detailed description of proposed remediation technique
- Scaled sitemap with GPS coordinates showing delineation points
- Estimated volume of material to be remediated
- Closure criteria is to Table 1 specifications subject to 19.15.29.12(C)(4) NMAC
- Proposed schedule for remediation (note if remediation 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: Elisabeth Klein Title: Director, EHS Regulatory Compliance

Signature:  Date: 12/17/2019

email: iklein@3bearllc.com Telephone: 303-882-4404

**OCD Only**

Received by: Ramona Marcus Date: 1/29/2020

- Approved     
  Approved with Attached Conditions of Approval     
  Denied     
  Deferral Approved

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Form C-141

State of New Mexico  
Oil Conservation Division

Page 6

Incident ID	NRM2002949710
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.

**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

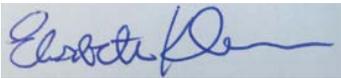
Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)

Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)

Description of remediation activities    **No remediation or closure required since spill occurred to a lined containment. A copy of the liner inspection is attached.**

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Printed Name: Elisabeth Klein Title: Director, EHS Regulatory Compliance

Signature:  Date: 12/17/2019

email: lklein@3bearllc.com Telephone: 303-882-4404

**OCD Only**

Received by: Ramona Marcus Date: 1/29/2020

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: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Title: \_\_\_\_\_

**Liz Klein**

NRM2002949710

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**From:** Kevin Heath  
**Sent:** Tuesday, December 10, 2019 10:18 AM  
**To:** Liz Klein  
**Cc:** Mike Solomon; Gerald Wyche  
**Subject:** Dark Canyon SWD Liner Inspection

Liz,

I did the finale inspection of the liner. On December 6th 2019, the liner remains intact with no damages. The liner had the ability to contain the leak that occurred and looks able to contain any further leaks in the future. I have attached some pictures to view.







Kevin Heath  
Lead Operator  
3 Bear LLC  
Eddy County  
575-200-0452  
[kheath@3bearllc.com](mailto:kheath@3bearllc.com)