NM OIL CONSERVATION

ARTESIA DISTRICT

District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1600 Rie Brazos Road, Aztee, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

SEP 4 2017

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 RECEIVED ordance with 19,15,29 NMAC.

NAB172625681D	
111111160600011	OPERATOR Initial Report Final Report
lame of Company Agua Sucia LLC 260779	Contact Louis G Edgett
ddress PO Box 52	Telephone No. 575-631-3387
acility Name ESU #Battery	Facility Type Battery
urface Owner Federal Mineral Ov	wner Federal API No. 30-015-05702
LOCA	TION OF RELEASE AMENDED OCT 19, 20
35 18S 31E	TION OF RELEASE North/South Line Feet from the East/West Line County BYFF = 1 Chaves EADY Aut
COMPANOVI.	URE OF RELEASE
ype of Release Produced Water	Volume of Release 100 bbls Volume Recovered 90 bbls
ource of Release. Busted plunger in the pump	(7-28-2017) Morning
/as Immediate Notice Given? ☐ Yes ☐ No ☐ Not Re	tryEs. To Whom? equired Shelly Tucker BLM OCD Hot line
y Whom? Denis Schoenhofer	Date and Hour
as a Watercourse Reached?	If YES, Volume Impacting the Watercourse.
a Watercourse was Impacted, Describe Fully.*	
Busted a plunger in the Quinplex pump.	
Describe Area Affected and Cleanup Action Taken.*	
. B.	
The water was picked up and the contaminated soil is being picked	d up and disposed of.
hereby certify that the information given above is true and complegulations all operators are required to report and/or file certain resubblic health or the environment. The acceptance of a C-141 report investigate and report the environment. In addition, NMOCD acceptance of a C-141 redetal, state, or local laws and/or regulations.	of up and disposed of. Determine the best of my knowledge and understand that pursuant to NMOCD rules and release notifications and perform corrective actions for releases which may endanger out by the NMOCD marked as "Final Report" does not relieve the operator of liability remediate contamination that pose a threat to ground water, surface water, human health report does not relieve the operator of responsibility for compliance with any other
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Operator/Responsible Party,

The OCD has received the form C-141 you provided on 9/4/17 regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number APP4343 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 II office in Artesia IMMEDIATELY your C-141 was submitted past due according to OCD regulations. 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