NM OIL CONSERVATION

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 AUG 09 2017

ARTESIA DISTRICT

Form C-141 Revised August 8, 2011

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

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

RECEIVED

Release Notification and Corrective Action

DAB1722431479						OPERATOR Initial Report Final Report						Final Report	
Name of Company WPX Energy Inc/RKI 246280						Contact Karolina Blaney							
						Telephone No. 970 589 0743							
Facility Name: North Brushy Draw 35-10H						Facility Type: Well Pad							
Surface Owner: Federal Mineral Owner: I						Federal API No. 30- 015-43638							
LOCATION OF RELEASE													
Unit Letter	Section	Township	Range	Feet from the		South Line	Feet from the	East/We	est Line	County			
0	35	25S	29E	275		FSL	1600	FE	EL	Eddy			
Latitude: 32.35783866 N Longitude -104.30457203 W NATURE OF RELEASE													
Type of Release. Produced Water							Volume of Release: 1300 Bbls Volume Recovered: 1300 Bbls						
Source of Release							Date and Hour of Occurrence Date and Hour of Di						
Tank Was Immediate Notice Given?							7/31/2017 7/31/2017 9:00 hrs MT If YES, To Whom?						
✓ Yes ☐ No ☐ Not Required						NMOCD Crystal Weaver & Michael Bratcher, BLM Shelly Tucker							
By Whom? Karolina Blaney						Date and Hour: 3/18/2017 –15:23 hrs MT 3:23 pm							
Was a Watercourse Reached? ☐ Yes ☒ No						If YES, Volume Impacting the Watercourse. N/A							
If a Watercourse was Impacted, Describe Fully.* N/A													
- a macroodide mas impacted, positive i unj. 1971													
Describe Cause of Problem and Remedial Action Taken.*													
The spill was caused by power outage; water transfer pump stopped working and the electronic shut in system failed to close the wells. Therefore produced water transfer pump stopped working and the electronic shut in system failed to close the wells.													
Therefore, produced water tanks were overfilled. The containment liner was inspected immediately after the spill occurred. Based on the inspection, there is no evidence that the spilled fluids have left the containment.													
•													
Describe Area Affected and Cleanup Action Taken.*													
All spilled fluids were recovered from the lined containment with vacuum trucks and the transfer pump.													
I hereby certi	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												
regulations al	l operators or the envi	are required to ronment. The	o report ar	nd/or file certain r	elease no	otifications ar	nd perform correc arked as "Final R	ctive action enort" doe	ns for rele es not reli	eases which leve the one	may er	idanger Hability	
should their o	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 CONSERVATION DIVISION							
Kamlina Blaney Signature:													
						Approved by Environicanal Breciality / Senared							
Printed Name: Karolina Blaney							Gl. AL. A			111			
Title: Environmental Specialist						Approval Dat	.e: 8 0 7	Ex	xpiration	Date: N	<u>H_</u>		
E-mail Address: Karolina.blaney@wpxenergy.com						Conditions of	Approval:	,					
D. 00017						FINAL 1200-4337						337	
Attach Additional Sheets If Necessary												, 0	
Attucii Attu	Attach Additional Sheets If Necessary Please refer to the New Mexico Oil												
	Conservation												
	Conservation updated form(s) at: updated form(s) at: http://www.emnrd.state.nm.us/ http://www.emnrd.state.nm.us/ Thank you												
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OCD/ forms.html

MIDIMAR

Operator/Responsible Party,

The OCD has received the form C-141 you provided on 8/9/2017 regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number APD-4337 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 9/9/2017. 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

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