

---

BURGUNDY OIL & GAS OF NEW MEXICO, INC.

---



**Ben Taylor**

# Childress Lease Road

## REMEDIATION PLAN

---

API No. 30-025-04176-00-00

1RP-3212

Release Date: 07/22/2014

Section 3 Township 20 South, Range 36

East

**August 05, 2014**

**Prepared by:**

Environmental Department  
Diversified Field Service, Inc.  
206 W Snyder  
Hobbs, NM 88240  
Phone: (575)964-8394  
Fax: (575)393-8396



## Diversified Field Service, Inc.

Environmental Department

206 W Snyder

Hobbs, NM 88240

Phone: (575)964-8394

Fax: (575)964-8396

Tuesday August 5, 2014

Tomas Oberding, PhD  
Environmental Specialist  
1625 N. French Dr.  
Hobbs, NM 88240

RE: **Burgundy Flowline- Remediation Plan**  
**Childress Road**  
Section 3, T20S-  
R36E API  
30-025-04176-00-00

Mr. Oberding,  
Burgundy Oil and Gas of New Mexico has retained Diversified Field Services, Inc. (DFSI) to address environmental issues for the site detailed herein.

This site is located in Lea County. The incident occurred as a result of a flowline that runs adjacent to the Childress Lease Road. Sometime before July 22, 2014 a 2" flowline ruptured and fluid traversed at a downward slope, pooling at the bottom of a hill then north approximately 200 ft. Impact was more significant in and around the pooled area. The impacted area totaled 2,657 sq. ft. of primarily pasture area. DFSI has attached the corresponding C-141 to the NMOCD for this incident.

DFSI has conducted a groundwater study of the area and has determined that according to the New Mexico Office of the State Engineer there is no verifiable record of groundwater in the immediate vicinity. Therefore, no eminent danger of groundwater impact or threat to life is anticipated.

### Site Delineation

On July 22, 2014 DFSI personnel visited the site to assess and delineate the site. Soil samples were taken from six points at 1ft. intervals by hand, and were field tested for Chlorides and Hydrocarbons. SP1 and SP2 were field tested at 1 ft. intervals to a depth of 3ft. respectively, and the chloride levels were determined to be acceptable at 2ft for SP1 at 774 mg/kg. A representative sample was taken of SP1 at 3ft. bgs and sent to a commercial laboratory for confirmation. The chloride analyses at this depth was 480 mg/kg. SP2 at 2ft. returned chloride levels of <16. mg/kg

The greatest areas of impact were for SP3 thru SP6 and the results from the commercial laboratory are as follows:

SP3 at 7 ft. bgs. for chloride was <16. However, field analysis revealed acceptable levels at 1ft. bgs.

SP4 at 9 ft. bgs. for chloride was <16.

SP5 at 7 ft. bgs. for chloride was <16.

SP6 at 9 ft. bgs. for chloride was <16.

(Please see attached field and laboratory analyses)



## Diversified Field Service, Inc.

Environmental Department

206 W Snyder

Hobbs, NM 88240

Phone: (575)964-8394

Fax: (575)964-8396

Tuesday August 5, 2014

### Conclusion

DFSI is proposing to excavate SP1 to 2 ft. bgs. SP2 and SP3 are to be excavated to 1ft. bgs., and backfilled. SP4 thru SP6 would be excavated to a depth of 4ft. bgs., lined with a 20 mil. liner, and backfilled. All contaminants are to be removed to an NMOCD approved facility. The entire site excavation would then be contoured and seeded with a native seed mixture per BLM guidelines.

Thank you for allowing DFSI to assist you in this matter. Please call me with any questions and/or comments.

Sincerely,

A handwritten signature in black ink that reads "Natalie Gladden". The signature is written in a cursive, flowing style.

Natalie Gladden  
Environmental Director  
Diversified Field Service, Inc.  
315 S. Leech  
Hobbs, NM 88240  
Office: (575)964-8394  
Mobile: (575)602.1786  
Fax: (575)964-8396

### Attachments:

- C-141
- Site Photographs
- Site Diagram
- Labs

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

Form C-141  
Revised August 8, 2011

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

**Release Notification and Corrective Action**

**OPERATOR**

Initial Report  Final Report

Name of Company: Burgundy Oil and Gas of New Mexico	Contact: Ben Taylor
Address: 401 W Texas Suite 1003 Midland, TX 79701	Telephone No. 432-684-4033
Facility Name: Childress Road Leak	Facility Type: Gas Production

Surface Owner Federal	Mineral Owner Federal	API No. 30-025-04176-00-00(nearest facility)
-----------------------	-----------------------	---

**LOCATION OF RELEASE**

Unit Letter	Section 3	Township 20S	Range 36E	Feet from the	North/South Line	Feet from	East/West Line	County Lea
-------------	--------------	-----------------	--------------	---------------	------------------	-----------	----------------	---------------

Latitude: 32.60033 Longitude -103.34065

**NATURE OF RELEASE**

Type of Release: Produced water/crude	Volume of Release unknown	Volume Recovered unknown
Source of Release: Flowline	Date and Hour of Occurrence	Date and Hour of Discovery
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? DFSI Mike Burton SR Project Manager	
By Whom? Ben Taylor	Date and Hour: 07/23/14 3:29	
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.\*  
NA

Describe Cause of Problem and Remedial Action Taken.\* A rupture occurred in a Flow line located off of the Childress lease road.

Describe Area Affected and Cleanup Action Taken. This created an impact to pasture area measuring 2,657 sq. ft.. DFSI was retained to remediate the site.

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:	<b><u>OIL CONSERVATION DIVISION</u></b>		
Printed Name: Ben Taylor	Approved by Environmental Specialist:		
Title: Field Foreman	Approval Date:	Expiration Date:	
E-mail Address: btaylor.bogi@att.net	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 08/05/14 Phone: 432-557-2684			

\* Attach Additional Sheets If Necessary

**BURGUNDY CORPORATION**  
**Sec.3 T20S R36E**



Flowline impact facing east 07/22/14



Lease road impact 07/22/14



Impacted area facing west 07/22/14



Impacted area facing north 07/22/14



August 01, 2014

NATALIE GLADDEN

DIVERSIFIED FIELD SERVICES, INC.

P. O. BOX 5966

HOBBS, NM 88241

RE: BURGUNDY OIL & GAS

Enclosed are the results of analyses for samples received by the laboratory on 07/23/14 14:40.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (\*). For a complete list of accredited analytes and matrices visit the TCEQ website at [www.tceq.texas.gov/field/qa/lab\\_accred\\_certif.html](http://www.tceq.texas.gov/field/qa/lab_accred_certif.html).

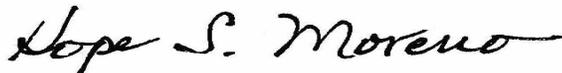
Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Hope S. Moreno For Celey D. Keene

Lab Director/Quality Manager

**Analytical Results For:**

 DIVERSIFIED FIELD SERVICES, INC.  
 NATALIE GLADDEN  
 P. O. BOX 5966  
 HOBBS NM, 88241  
 Fax To: (575) 393-2981

Received:	07/23/2014	Sampling Date:	07/22/2014
Reported:	08/01/2014	Sampling Type:	Soil
Project Name:	BURGUNDY OIL & GAS	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	CHILDRESS ROAD LEAK		

**Sample ID: SP 1 @ 3' (H402253-01)**

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	480	16.0	07/29/2014	ND	384	96.0	400	4.08	

**Sample ID: SP 2 @ 2' (H402253-02)**

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	07/29/2014	ND	384	96.0	400	4.08	

**Sample ID: SP3 @ 7' (H402253-03)**

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	07/29/2014	ND	384	96.0	400	4.08	

**Sample ID: SP 4 @ 9' (H402253-04)**

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	07/29/2014	ND	384	96.0	400	4.08	

Cardinal Laboratories

\*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Hope S. Moreno For Celey D. Keene, Lab Director/Quality Manager

**Analytical Results For:**

 DIVERSIFIED FIELD SERVICES, INC.  
 NATALIE GLADDEN  
 P. O. BOX 5966  
 HOBBS NM, 88241  
 Fax To: (575) 393-2981

Received:	07/23/2014	Sampling Date:	07/22/2014
Reported:	08/01/2014	Sampling Type:	Soil
Project Name:	BURGUNDY OIL & GAS	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	CHILDRESS ROAD LEAK		

**Sample ID: SP5 @ 7' (H402253-05)**

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	07/29/2014	ND	384	96.0	400	4.08	

**Sample ID: SP 6 @ 9' (H402253-06)**

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	07/29/2014	ND	384	96.0	400	4.08	

Cardinal Laboratories

\*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Hope S. Moreno For Celey D. Keene, Lab Director/Quality Manager

**Notes and Definitions**

- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- \*\* Samples not received at proper temperature of 6°C or below.
- \*\*\* Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C  
Samples reported on an as received basis (wet) unless otherwise noted on report

---

Cardinal Laboratories

\*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



---

Hope S. Moreno For Celey D. Keene, Lab Director/Quality Manager



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240  
 (575) 393-2326 FAX (575) 393-2476

BILL TO

ANALYSIS REQUEST

Company Name: Burgundy oil & gas Burgundy  
 Project Manager: Ben Taylor

Address: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
 City: \_\_\_\_\_

Phone #: \_\_\_\_\_ Fax #: \_\_\_\_\_  
 Project #: \_\_\_\_\_ Project Owner: \_\_\_\_\_

Project Name: \_\_\_\_\_  
 Project Location: Fluorine leak childrens rd yek

Sampler Name: Michael Alva

FOR LAB USE ONLY

Lab I.D. \_\_\_\_\_ Sample I.D. \_\_\_\_\_

Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	MATRIX						DATE	TIME	CL
				GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER :			
<u>H4D1253</u>	<u>SP.103'</u>	<u>Q</u>	<u>1</u>	<u>X</u>					<u>4/24/14</u>	<u>7:30</u>	<u>X</u>	
<u>1</u>	<u>SP.202'</u>	<u>Q</u>	<u>1</u>	<u>X</u>					<u>4/22/14</u>	<u>8:00</u>	<u>X</u>	
<u>2</u>	<u>SP.301'</u>	<u>Q</u>	<u>1</u>	<u>X</u>					<u>4/22/14</u>	<u>8:15</u>	<u>X</u>	
<u>3</u>	<u>SP.401'</u>	<u>Q</u>	<u>1</u>	<u>X</u>					<u>4/22/14</u>	<u>8:25</u>	<u>X</u>	
<u>4</u>	<u>SP.501'</u>	<u>Q</u>	<u>1</u>	<u>X</u>					<u>4/22/14</u>	<u>8:50</u>	<u>X</u>	
<u>5</u>	<u>SP.601'</u>	<u>Q</u>	<u>1</u>	<u>X</u>					<u>4/21/14</u>	<u>9:30</u>	<u>X</u>	

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Relinquished By: \_\_\_\_\_ Date: 4/23/14  
 Relinquished By: \_\_\_\_\_ Date: 4/23/14  
 Received By: Scott Jensen

Delivered By: (Circle One) \_\_\_\_\_  
 Sampler - UPS - Bus - Other: 5.76  
 Sample Condition: Cool  Intact   
 Checked By: \_\_\_\_\_

REMARKS: \_\_\_\_\_  
 E-mail Results To: Ngladden@diversifiedfsi.com  
Rpons@diversifiedfsi.com  
Tjennings@diversifiedfsi.com