26 April 2016

Mr. Jaime Keyes Environmental Specialist NMOCD 1625 N. French Drive Hobbs, New Mexico 88240

Re: Initial C-141

Legacy, L.P.
JM Denton A #2

UL-O, Section 11, Township 15 South, Range 37 East

Lea County, New Mexico

Mr. Keyes:

Environmental Plus, Inc. (EPI), on behalf of Mr. Manuel Soriano, Legacy, L.P., submits the attached form C-141 for the above-referenced leak site, located on land owned by Darr Angell.

The site is located approximately 11 miles northeast of Lovington, New Mexico (reference *Figure 1*). A search for water wells was completed utilizing the New Mexico Office of the State Engineer's website and a United States Geological Survey (USGS) database. A total of twenty-two (22) wells are located in the area surrounding the release site (reference *Table 1*). No wells (domestic, agriculture or public) and no bodies of surface water exist within a 1,000-foot radius of the release site (reference *Figure 2*). Groundwater data indicated the average water depth is approximately 55 feet below ground surface (bgs). The attached site information and ranking form ranks the site in accordance with the New Mexico Oil Conservation Division (NMOCD) Guidelines for Remediation of Leaks, Spills and Releases (August 13, 1993).

The release occurred when the transfer pump quit. Approximately 40 bbls of oil and produced water were released with approximately 35 bbls picked up by vacuum trucks (reference *Figure 3* and attached photographs). Based on available information, the projected distance between impacted soil and groundwater is approximately 55 vertical feet. Utilizing this information, NMOCD Recommended Remedial Action Levels (RRALs) for this Site were determined as follows:

Parameter	Recommended Remedial Action Level
Benzene	10 parts per million
BTEX	50 parts per million
ТРН	1,000 parts per million
Chloride	500 parts per million



Should you have any questions or concerns please feel free to contact me at (575) 394-3481 or via email at ddominguezepi@gmail.com or Mr. Manuel Soriano at (432) 269-8806 or via e-mail at jsoriano@legacylp.com. All official communication should be addressed to:

Mr. Manuel Soriano Legacy, L.P. P.O. Box 10848 Midland, Texas 79702

Sincerely,

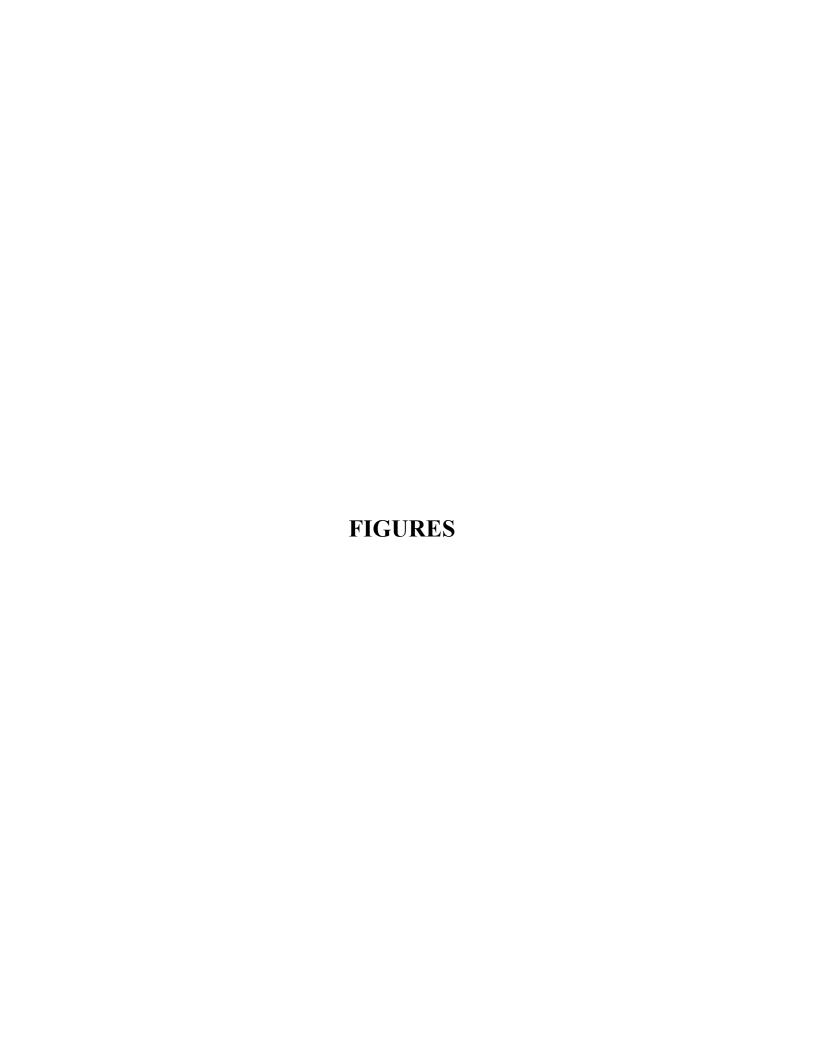
ENVIRONMENTAL PLUS, INC.

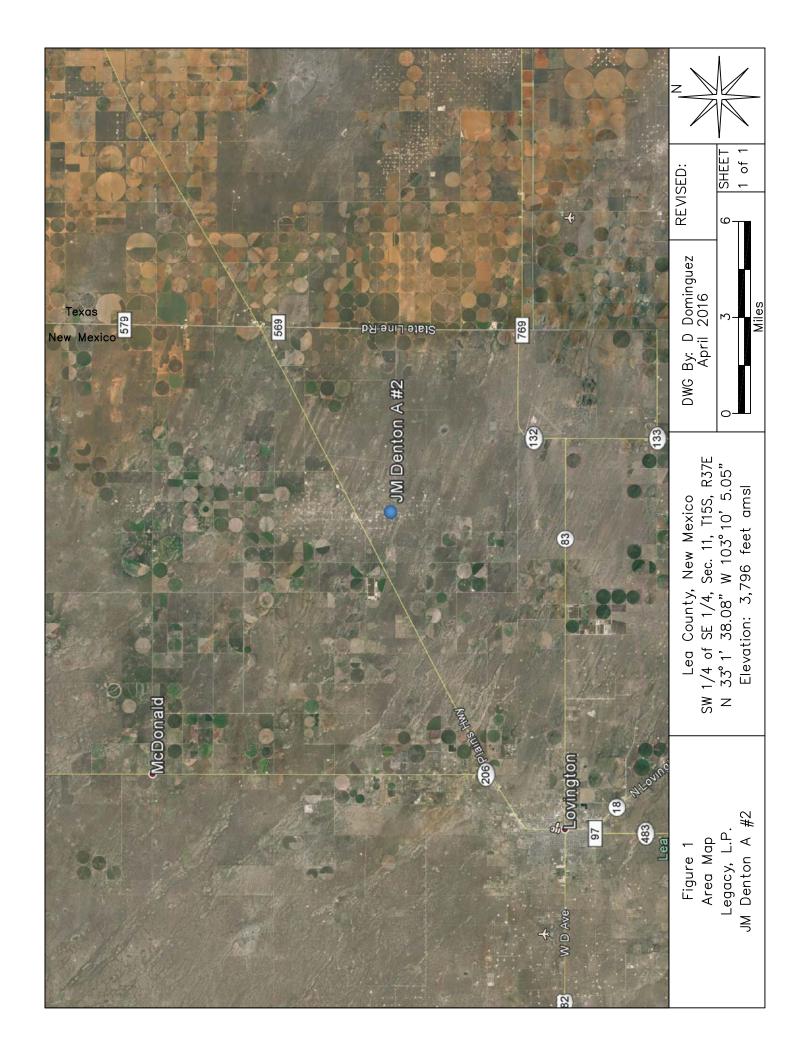
Daniel Dominguez Environmental Consultant

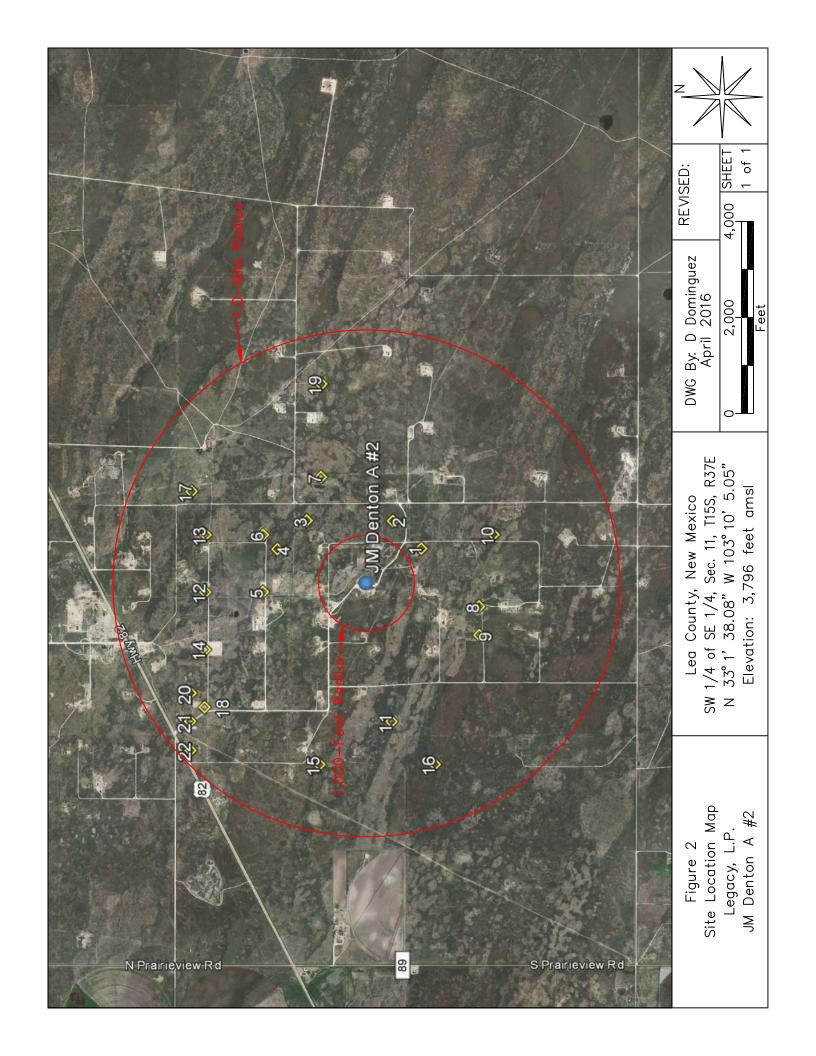
cc: Manuel Soriano, Production Foreman – Legacy, L.P.

File

2 JM Denton A #2







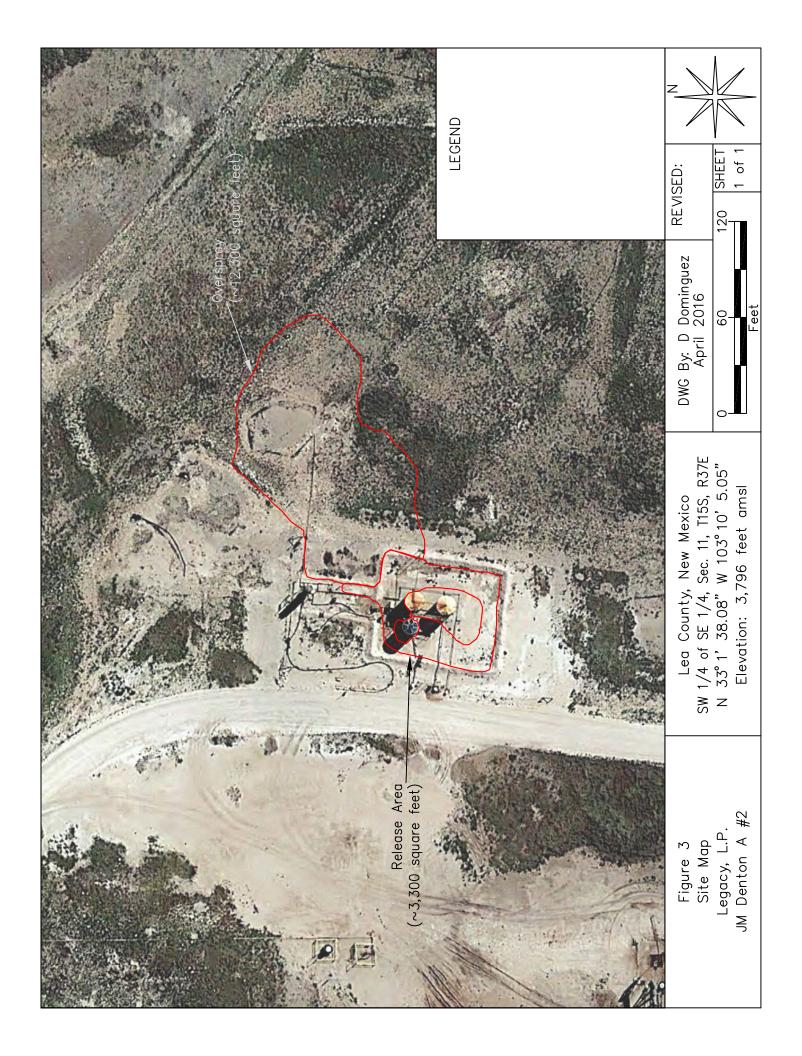




TABLE 1

Well Data

Legacy, L.P. - JM Denton A #2

Ref#	Well Number	Use	Diversion ^A	Owner	q64 (q16 q	q4 S.	Sec Twsp	sp Rng	g Easting	Northing	Distance ^B	Date Measured	Surface Elevation ^C	Depth to Water
															(ft bgs)
1	L 01080	PRO	0	MCALESTER FUEL CO.	1	2	2 1	14 15S	S 37E	E 671336	3655412	457	03-Mar-52	3,791	32
2	T 07665	PRO	0	M G F DRILLING COMPANY INC	4	,	4 1	1 15S	S 37E	E 671529	3655614	475	29-Mar-77	3,791	40
3	L 02302	PRO	0	STONE DRILLING COMPANY	2	, 2	4 1	11 15S	S 37E	E 671521	3656216	665	07-Aug-53	3,796	45
4	L 01117	PRO	0	PHILLIPS PETROLEUM CO	3	4	2 1	11 15S	S 37E	E 671314	3656419	659	11-May-51	3,797	90
5	L 01283	PRO	0	PHILLIPS PETROLIEM COMPANY		3	2 1	11 15S	S 37E	E 671012	3656515	720	23-Oct-51	3,799	40
9	L 01321	PRO	0	LLANO DRILLING CO.		4	2 1	11 15S	S 37E	E 671415	3656520	791	21-Dec-51	3,796	32
7	L 01568	DOL	3	OLLIBEL C CARD ESTATE		1	3 1	12 15S	S 37E	E 671826	3656122	803	10-Sep-52	3,792	38
8	L 01045	PRO	0	MCALESTER FUEL CO.	1	3	2 1	14 15S	S 37E	E 670939	3655004	808	06-Oct-50	3,793	35
6	L 01199	PRO	0	GULF OIL CORP	2	4	1 1	14 15S	S 37E	£ 670736	3654999	874	24-Jul-51	3,795	37
10	L 02382	DOM	3	GULF REFINING COMPANY		4	2 1	14 15S	S 37E	E 671444	3654911	955	10-Nov-53	3,790	35
11	L 02391	STK	3	J M DENTON	3	3	3 1	11 15S	S 37E	3 670118	3655599	992	24-Oct-53	3,800	37
12	L 01324	PRO	0	PHILLIPS PETROLEUM CO.		1	2 1	11 15S	S 37E	E 671004	3656917	1,121	27-Dec-51	3,800	32
13	L 01332	PRO	0	BRINKENHOFF DRILLING CO.		2	2 1	11 15S	S 37E	E 671408	3656922	1,167	17-Nov-51	3,799	32
14	L 01430	PRO	0	PHILLIPS PETROLEUM CO		2	$1 \boxed{1}$	11 15S	S 37E	E 670601	3656913	1,217	14-Apr-52	3,804	33
15	L 02268	PRO	0	SHELL OIL CO.		7	4 1	10 15S	S 37E	808699 E	3656097	1,316	21-Jun-53	3,807	25
16	L 01207	PRO	0	PARKER DRILLING CO		2	2 1	.5 15S	S 37E	E 669823	3655292	1,364	31-Jul-51	3,805	32
17	L 04956	STK	3	DICKINSON HEIRS	1	1	1 1	12 15S	S 37E	3 671710	3657026	1,375	21-Sep-76	3,801	43
18	L 02317	PRO	0	TRINITY DRILLING COMPANY			1 1	11 15S	S 37E	E 670197	3656908	1,424	13-Aug-53	3,809	99
19	T 09926	PRO	0	NORTH AMERICAN ROYALTIES	3	-	4 1	12 15S	S 37E	E 672479	3656131	1,428	01-Jul-87	3,789	75
20	L 01322	PRO	0	CORBETT DRILLING CO.	2	1	1 1	11 15S	S 37E	E 670296	3657007	1,446	20-Dec-51	3,806	32
21	L 01182	DOM	3	PHILLIPS PETROLEUM COMPANY	1	1	1 1	11 15S	S 37E	9600 2 9	3657007	1,565	19-Jul-51	3,810	35
22	L 01739	PRO	0	SHELL OIL COMPANY	2	2	2 1	10 15S	S 37E	E 669893	3657001	1,697	21-Jan-53	3,810	55

^{* =} Data obtained from the New Mexico Office of the State Engineer Website (http://iwaters.ose.state.nm.us:7001/iWATERS/wr_RegisServlet1)

 $^{^{\}rm C}$ = Elevation interpolated from satellite map based on referenced location. $^{\rm A}=$ In acre feet per annum $^{\rm B}=$ In meters $^{\rm C}=$ Elev PRO = 72-12-1 Prospecting or development of Natural Resource

DOL = 72-12-1 Domestic and Livestock watering

DOM = 72-12-1 Domestic one household

STK = 72-12-1 Livestock watering quarters are 1=NW, 2=NE, 3=SW, 4=SE; quarters are smallest to biggest



ATTACHMENT I PHOTOGRAPHS



Photograph #1- Overspray area on northeast end of release





Photograph #3- Looking southeast across release area



Photograph #4- Looking east across release area



Photograph #5- Looking north across release area and overspray area



Photograph #6- Looking north across release area and overspray area

ATTACHMENT II INFORMATION AND RANKING INITIAL C-141

	Inciden	NMOCD Notified:								
I.C. (: 1D.1:										
Information and Ranking Site: JM Denton A #2		A' 1 C'4 - I	D - C							
		Assigned Site I	Keierence #:							
Company: Legacy, L.P. Street Address:										
Mailing Address: P.O. Box 10848										
City, State, Zip: Midland, Texas, 79°	702									
Representative: Manuel Soriano	702									
Representative Telephone: (432) 269	8800									
Telephone: (432) 209	- 6609									
Fluid volume released (bbls): 40 bbls		Recove	red (bbls): 35	hhls						
>25 bbls: Notify NM	OCD work aller wit									
	pplies to unauthor									
5-25 bbls: Submit form C-141 w		o applies to una	uthorized release	es of 50-500 mcf Natural Gas)						
Leak, Spill, or Pit (LSP) Name: JM De										
Source of contamination: Tank Battery Land Owner in BLM ST Fee Other: Fee										
Land Owner, i.e., BLM, ST, Fee, Other: Fee										
LSP Area: ~ 3 300 sq. ft										
LSP Area: ~ 3,300 sq. ft. Location of Reference Point (RP):										
Location of Reference Point (RP):										
Location distance and direction from	RP:									
Latitude: N 33° 1' 38.08"										
Longitude: W 103° 10' 5.05"										
Elevation above mean sea level: 3,796	feet									
Feet from Section Line:										
Feet from Section Line:	71./									
Location- Unit or 1/4/4: SW1/4 of the SI	Ľ1/4	Unit Letter:	O							
Location- Section: 11 Location- Townshin: T15S										
Location- Township: T15S Location- Range: R37E										
LUCATION- MAIIGE: N3/E										
Surface water body within 1000 ' radius of site: none										
Domestic water wells within 1000' radius of site: none										
Agricultural water wells within 1000' radius of site: none										
Agricultural water wells within 1000' radius of site: none Public water supply wells within 1000' radius of site: none										
Depth from land surface to ground water (DG): ~55'										
Depth of contamination (DC): unknown										
Depth of contamination (DC): unknown Depth to ground water (DG – DC = DtGW): ~55'										
1. Ground Water 2. Wellhead Protection Area 3. Distance to Surface Water Body										
If Depth to GW <50 feet: 20 points	If <1000' from			3. Distance to Surface Water Body <200 horizontal feet: 20 points						
If Depth to GW 50 to 99 feet: 10 points			·	200-100 horizontal feet: <i>10 points</i>						
If >1000' from water source or: >200' from										
If Depth to GW >100 feet: 0 points The private domestic water source; 0; >200 from private domestic water source; 0 points >1000 horizontal feet: 0 points										
Site Rank $(1+2+3) = 10 + 0 + 0 = 10$										
Total Site Ranking Score and Acceptable Concentrations										
Parameter >19		10-19		0-9						
Benzene ¹ 10 ppm		10 ppm		10 ppm						
BTEX ¹ 50 ppm		50 ppm		50 ppm						
TPH 100 ppm		1,000 ppm	ı	5,000 ppm						
Chloride 250 ppm		500 ppm		1,000 ppm						
100 ppm field VOC headspace measurement may be substituted for lab analysis										

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 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

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

Form C-141

Revised August 8, 2011

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

		В	telease				ective Actio	on			
						RATOR Initial Report Final Report					
Name of Company: Legacy, L.P.						Contact: Manuel Soriano					
Address: P.O. Box 10848, Midland, Texas 79702 Facility Name: JM Denton A #2						Telephone No. 432-269-8806 Facility Type: Battery					
Surface Owner: Darr Angell Mineral Owner)wner:	: API No. 30-025-05274					
				LOCATI	ON O	F RELEA	ASE				
Unit Letter	Section	Township	Range	Feet from the	North	/South Line	Feet from the	1	Vest Line	County	
0	11	15S	37E	810		South 1980 East Lea					
		1	Lotite	do: N 22 0272	410 T	angituda. U	102 1690760			Maria de Caracteria de Car	
			Lautt	ide: N 33.02724							
Type of Pale	aga: ail and	d produced wa	ton	NATUR	E OF	RELEAS	Release: ~40 bbl		Valuma D		
		fer pump quit	ici				Iour of Occurrence			ecovered: ~35 bbls Hour of Discovery:	
Was Immediate Notice Given?											
Was Immedi	ate Notice (No Not R	eanired	If YES, To	Whom?					
By Whom?		THO LITTLE	Date and H	Iour:							
Was a Watercourse Reached?							olume Impacting t	the Water	rcourse:		
	☐ Yes ⊠ No						cable				
If a Watercon	ırse was Im	pacted, Descr	ibe Fully.*	Not Applicable							
D. 11 C	CD 11	10		T 1 *							
		em and Reme causing the rele			bls oil a	nd produced v	vater. Vacuum tru	icks were	e called in t	o draw up standing fluid.	
Describe Are	a Affected :	and Cleanup A	Action Tal	cen.*							
The spill imp	acted appro	oximately 3,30	00 sq. ft. o	f caliche tank batt	tery pad	. An overspra	y area of approxim	nately 12	2,300 sq. ft.	was treated with Micro-	
Blaze. Vacuu	ım trucks co	ollected approx	ximately 3	35 bbls of fluid fro	om with	in containmer	nt. The stained so	il has be	en scraped	up and hauled to a state	
approved dis	posai iaciiii	.y.									
I hereby certi	fy that the i	information gi	ven above	is true and comp	lete to t	he best of my	knowledge and u	ınderstan	d that pursi	uant to NMOCD rules and	
regulations a	ll operators	are required to	o report ar	nd/or file certain r	elease r	notifications a	nd perform correc	tive action	ons for rele	ases which may endanger	
should their	or the envir	nave failed to a	acceptant adequately	investigate and r	อณ by เก emediat	e NMOCD m	on that pose a thre	eport ac	oes not rene	eve the operator of liability surface water, human	
health or the	environmen	nt. In addition	, NMOCE	acceptance of a						for compliance with any	
other federal,	state, or lo	cal laws and/o	r regulation	ons.							
	11		OIL CONSERVATION DIVISION								
Signature:	TY Janu	nd Orsa	M)						1 . 12	<i>u</i>	
D :	h	7.)		Approved by Environmental Specialist:							
Printed Name	e:'Manuel S	oriano									
Title: Produc	tion Forema	an				Approval Dat	te: 05/05/2016	E	expiration I	07/05/2016	
E-mail Addre	ess: isoriano	alegacylp.co	om			Conditions of	Approval-				
							• •	te and re	mediate	Attached	
Date: 5-5-2016 Phone: 432-269-8806 Discrete samples only. Delineate and remediate ner NMOCD guidelines									1KP 4269		