

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

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 accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company - Rover Operating LLC	Contact Keri Clark
Address 17304 Preston Road Suite 740 Dallas Tx 75252	Telephone No. 469-399-5387
Facility Name SFPRR #15	Facility Type Out-of-Service SWD

Surface Owner Harton 4H Ranch	Mineral Owner Undetermined Fee	API No. OGRID # 371484
--------------------------------------	---	-------------------------------

LOCATION OF RELEASE

30-025-24344

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	34	9S	37E					LEA

Latitude 33.495683 Longitude -103.138998 NAD83

NATURE OF RELEASE

Type of Release Tank Bottoms (BS&W)	Volume of Release 30 barrels	Volume Recovered 30 barrels
Source of Release Tank	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? Jim Griswold & Oliva Yu	
By Whom? Keith Nichols	Date and Hour September 6, 2017 approximately 3:00pm	
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.*

Release was contained onsite; no surface water contact – see attachment

RECEIVED
By Olivia Yu at 8:11 am, Sep 15, 2017

Describe Cause of Problem and Remedial Action Taken.*

See attachment

Describe Area Affected and Cleanup Action Taken.*

See attachment

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: 	OIL CONSERVATION DIVISION	
	Approved by Environmental Specialist: 	
Printed Name: Keith Nichols	Approval Date: 9/15/2017	Expiration Date:
Title: Ecological Program Manager	Conditions of Approval: see attached directive	Attached <input checked="" type="checkbox"/>
E-mail Address: Keith.Nichols@C-Ka.com		
Date: September 11, 2017 Phone: 225-252-6526 cell		

* Attach Additional Sheets If Necessary

1RP-4809

nOY1725829416

pOY1725830195

Operator/Responsible Party,

The OCD has received the form C-141 you provided on 9/13/2017 regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number 1RP-4809 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 division-approved corrective action 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 1 office in Hobbs on or before 10/15/2017. 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

OCD Environmental Bureau Chief
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
505-476-3465
jim.griswold@state.nm.us



MEMORANDUM

Date: September 11, 2017

To: Olivia Yu, New Mexico Oil Conservation Division

From: Keith Nichols, CK Associates, LLC

Re: Rover Operating LLC Tank Release Notification & Documentation for SFPRR #15 Unit B, Sec. 34-T9S-R37E; Lea County; OGRID #371484; CK # 15429

CK Associates, LLC (CK) acting on behalf of Rover Operating, LLC (Rover) is providing Form C-141 documentation per our meeting on September 6, 2017.

On September 5, 2017, approximately 11:00 am Rover (RP) discovered a release from an out-of-service 500-barrel tank. The tank had remnants of bottom slop oil (BS&W) that was released within the SFPRR #15 pad area. The estimated volume of release and recovery was approximately 30 barrels. Approximately 20 barrels remained within the earthen berm and approximately 10 barrels flowed within low lying areas immediately outside of the earthen berm. The attached Figure 1 depicts the geographical location of the pad and the general spread of the release.

Based on Rover information the site was visited on September 4, 2017 with no evidence of a release, so the release occurred within approximately 24 hours of discovery on September 5, 2017.

Notifications attempts were made to the Oil Conservation Division (OCD) District 1 but due to the poor cell coverage, notifications occurred shortly after 24-hour discovery of the release. CK appreciates OCD understanding of the situation and the subsequent meeting that same day to provide guidance on next steps.

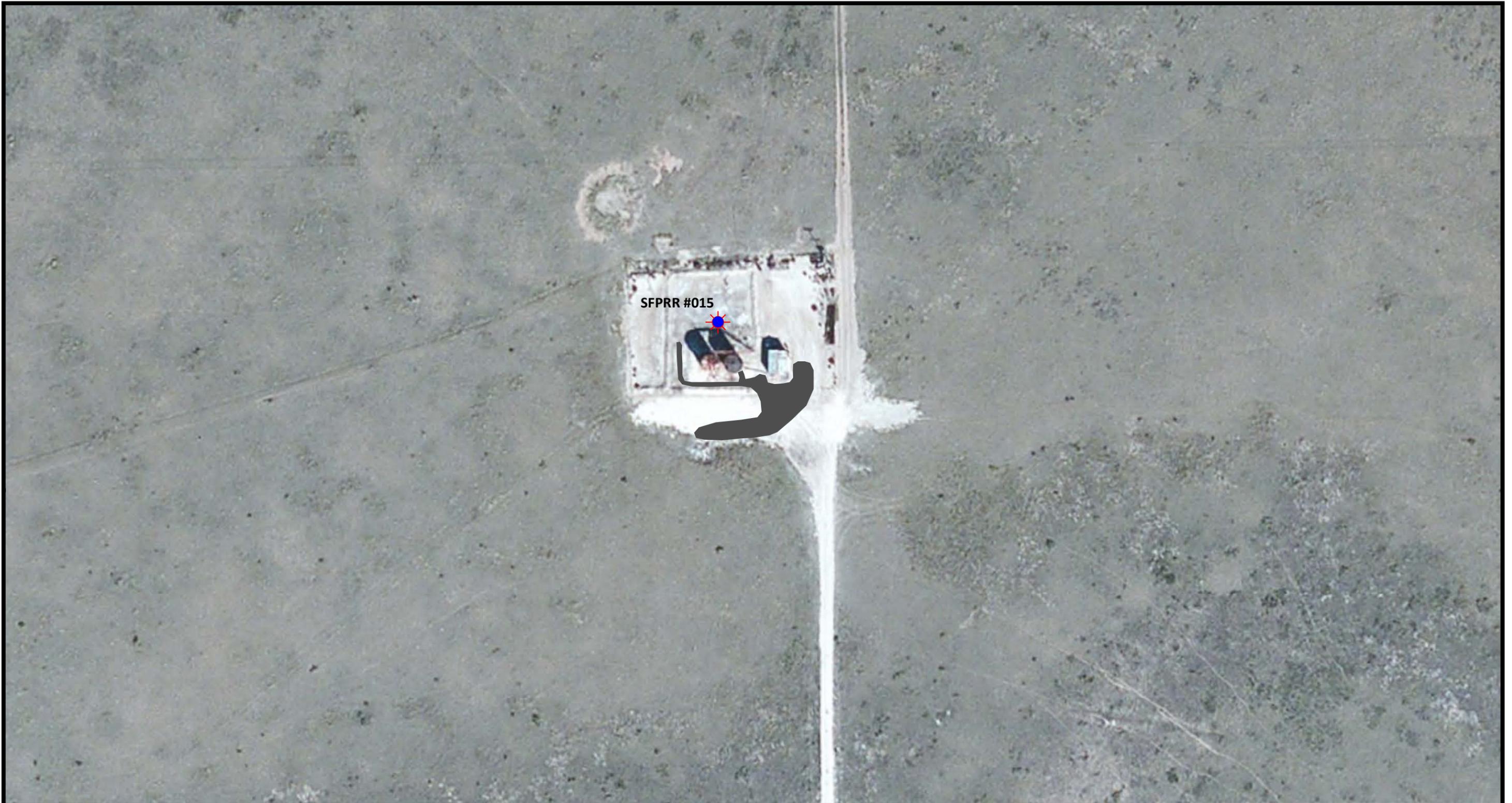
Upon discovery of the release Rover deployed a vacuum truck to recover free fluids from within any pooled areas and then initiated backhoe operations to recover contaminated soils (to a visual clean, representing 4-6 inches of top soil). All soils were piled on a plastic liner in preparation for transport to Gandy Marley for disposal (OCD permitted land farm). CK is

checking on the fluid disposal but it is assumed that all waste went to Gandy Marley. Approximately 44 yards of contaminated soils were collected and 30 barrels of fluids for disposal. Cleanup operation began upon discovery of the release (September 5, 2017) and ended at 10:41 am on September 7, 2017. The bulk of cleanup operations were conducted on September 6, 2017.

The believed cause of the incident is vandalism. The pad tanks are out-of-service and the tank associated with the release has a hole in the bottom tank hatch. There is evidence that supports that someone pumped water into the tank, which displaced the tank bottoms causing the discharge. As part of the cleanup operations, Rover flushed and cleaned both tanks. Additionally, Rover reported the incident to the New Mexico State Police (NMSP) on September 7, 2017. The NMSP visited the site the same day for documentation.

CK applied the OCD ranking criteria to the site for (1) depth to ground water which was confirmed by OCD to be greater than 100 feet, (2) wellhead protection appears to be greater than 2-miles, (3) distance to surface water appears to be greater than 5-miles. This information will be further reviewed; however, based on current evaluations the total ranking score is "0".

Currently, no further actions are being taken on the site soils until a formal OCD site delineation is conducted. CK will draft a Sampling & Analysis Plan (SAP) for OCD review and comment. Upon approval CK will initiate the SAP on behalf of Rover.



SFPRR #015



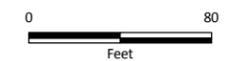
SFPRR #15
Unit B, SEC.34-T9S-R37E

Lat: 33.495683
Lon: -103.138998

Lat: 33° 29' 44.4594" N
Lon: 103° 8' 20.3926" W

Legend

 Tank Release (0.07 acres)



Imagery: USDA FSA, NAIP 2016



Rover Operating, LLC
Dallas, Texas

Environmental Site Assessment

SFPRR #015 Tank Release

Lea County

Drawn: CPL Checked: KN

Date: 09/11/17 Approved: KN

Dwg. No.: B15429-02

Figure 1