Dear Mr. Lewis:

Thank you for the update.

Olivia

From: Dan Lewis [mailto:dan@abopet.com]
Sent: Monday, April 3, 2017 9:38 AM
To: Yu, Olivia, EMNRD <Olivia.Yu@state.nm.us>
Cc: 'Groves, Amber' <agroves@slo.state.nm.us>
Subject: RE: Unreported release at ABO Angle State #3

Mrs Yu, After measuring the gun barrel that leaked, we estimate 40.5 barrels of produced water and 3.5 barrels of oil. I will be completing and mailing in the C-141 today.

Thank you, Dan Lewis CFO Abo Empire, LLC 575-736-3082

From: Yu, Olivia, EMNRD [mailto:Olivia.Yu@state.nm.us] Sent: Thursday, March 30, 2017 1:52 PM To: Dan Lewis Cc: 'Groves, Amber' Subject: RE: Unreported release at ABO Angle State #3

Dear Mr. Lewis:

Thank you for your prompt response. According to the photos that the NMOCD inspector took, the release is larger than 5 bbls. Looks like an oil release. I have attached a few photos.

Olivia

From: Dan Lewis [mailto:dan@abopet.com]
Sent: Thursday, March 30, 2017 1:40 PM
To: Yu, Olivia, EMNRD <<u>Olivia.Yu@state.nm.us</u>>
Cc: 'Groves, Amber' <<u>agroves@slo.state.nm.us</u>>
Subject: RE: Unreported release at ABO Angle State #3

Mrs Yu, I was under the impression that it was a small produced water leak that was quickly

contained and removed. I will check with my production foreman.

Thanks, Dan Lewis CFO Abo Empire, LLC 575-736-3082

From: Yu, Olivia, EMNRD [mailto:Olivia.Yu@state.nm.us] Sent: Thursday, March 30, 2017 1:34 PM To: dan@abopet.com Cc: Groves, Amber Subject: Unreported release at ABO Angle State #3

Dear Mr. Lewis:

A NMOCD inspector was notified of a spill at ABO Angle State #3 (API #30-025-25347) on March 15, 2017. Any releases over 5 bbls must be reported to NMOCD within 14 days and an initial C-141 form submitted. Please be aware that ABO Empire is currently in non-compliance with NMOCD regulations. Please inform of the situation.

Olivia Yu Environmental Specialist NMOCD, District I <u>Olivia.yu@state.nm.us</u> 575-393-6161 x113

OCD approval does not relieve the operator of liability should their operations fail to adequately investigate and remediate contamination that may pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

From:	Fortner, Kerry, EMNRD
То:	Oberding, Tomas, EMNRD; Yu, Olivia, EMNRD; Brown, Maxey G, EMNRD
Subject:	ABO Cleanup
Date:	Tuesday, April 18, 2017 3:25:37 PM

Tomas, I checked on the ABO Angles 3 Battery cleanup today, it looks like there was a little progress. I put pics on the L drive under Hobbs/pictures by inspectors/Kerry Fortner pics/New Abo Angles 3 Battery. There has been some dirt work done and the fence repaired but there is still quite a bit of oily dirt inside the burm.

Thanks,

Kerry

From:	Dan Lewis
To:	"Groves, Amber"; Yu, Olivia, EMNRD
Subject:	RE: reviewed Initial C141 ABO Angle State #3
Date:	Wednesday, July 26, 2017 4:32:21 PM
Attachments:	image001.png
	image002.png

Mrs. Groves, I am sorry, I have been in NC. We did the initial cleanup work as described in our Form C-141. I have just contacted an Environmental Specialist to help us thru this process. I was under the impression that you would review what we did to reclaim the area and let us know what additional things we need to do. I am sorry, I did not know a plan was due on 5/7/17. Our remediation work was completed before your 4/7/17 email.

We want to comply and resolve this, which is why we are brings someone into help us on this.

Thanks, Dan Lewis CFO Abo Empire, LLC 575-736-3082

From: Groves, Amber [mailto:agroves@slo.state.nm.us] Sent: Monday, July 24, 2017 4:15 PM To: Yu, Olivia, EMNRD; Dan Lewis Subject: RE: reviewed Initial C141 ABO Angle State #3

Good Afternoon,

I am showing that the work plan for this release was due on May 7, 2017. Can I get an update on the site, please?

Thank you,

Amber Groves

Remediation Specialist Field Operations Division (575)392-3697 (575)263-3209 cell New Mexico State Land Office 2827 N. Dal Paso Suite 117 Hobbs, NM 88260

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From: Yu, Olivia, EMNRD [mailto:Olivia.Yu@state.nm.us]
Sent: Friday, April 07, 2017 3:00 PM
To: Dan Lewis <<u>dan@abopet.com</u>>
Cc: Groves, Amber <<u>agroves@slo.state.nm.us</u>>
Subject: reviewed Initial C141 ABO Angle State #3

Dear Mr. Lewis:

The RP for this incident is

4670	4/7/2017	А	Abo Empire	Angle State #3	25347	17S-34E-9M	3/15/2017
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Please note that a release characterization/delineation workplan as detailed in the attachment must be approved by NMOCD BEFORE any remediation work.

Thanks,

Olivia Yu Environmental Specialist NMOCD, District I <u>Olivia.yu@state.nm.us</u> 575-393-6161 x113

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From:	Jennifer Knowlton
To:	Yu, Olivia, EMNRD
Cc:	agroves@slo.state.nm.us; dan@abopet.com; Austin Weyant
Subject:	RE: Abo Empire/Angle State #3
Date:	Friday, August 11, 2017 9:24:43 AM
Attachments:	image001.png image004.png

Olivia,

Thanks for your time yesterday.

To summarize, Abo Empire plans to P&A this well within the next 3 months. They are currently in the process of gathering bids for this project. Abo Empire proposes to contract with Souder Miller and Associates to complete the remediation as part of the P&A.

SMA will have a proposed work plan by the end of next week detailing the remediation work that will be completed as part of the P&A process. SMA will submit a closure plan once the site has been P&A'd and final soil samples show that the site has met the requirements. We recognize that final closure will not be recognized until a P&A inspection has been done.

Jennifer Knowlton, PE Senior Engineer II



Souder, Miller & Associates Engineering ♦ Environmental ♦ Surveying 201 S Halagueno Street Carlsbad, NM 88220 www.soudermiller.com jennifer.knowlton@soudermiller.com (505) 238-3588 (mobile)



Good morning Ms. Knowlton:

Please send a synopsis of yesterday's meeting with relevant documents for the proposed path forward to NMOCD and NMSLO.

Thanks, Olivia

From: Jennifer Knowlton [mailto:jennik1029@gmail.com]
Sent: Tuesday, August 8, 2017 2:46 PM
To: Yu, Olivia, EMNRD <<u>Olivia.Yu@state.nm.us</u>>
Cc: agroves@slo.state.nm.us; Dan Lewis <<u>dan@abopet.com</u>>
Subject: Re: Abo Empire/Angle State #3

We do request a meeting as soon as possible to fully understand exactly what is required of Abo Empire and we will comply as soon as possible.

Sent from my iPhone

On Aug 8, 2017, at 1:39 PM, Yu, Olivia, EMNRD <<u>Olivia.Yu@state.nm.us</u>> wrote:

Dear Ms. Knowlton:

Please be advised that recovery of fluids does not make the incident less reportable. A reportable release is >= 5 bbls regardless of where the release went (containment, on pad, lease road, or pasture, etc). The Responsible Operator is not precluded from immediate pick-up of fluids and impacted soil in advance of NMOCD's response on initial C141.

Photo documentation from a NMOCD inspector indicates that the originally reported volume is in range. Please submit a release characterization/delineation report for 1RP-4670 to NMOCD and NMSLO as soon as possible. The deadline was May 7, 2017.

A meeting about delineation and remediation processes may be requested to clarify any issues or questions.

Thanks,

Olivia Yu Environmental Specialist NMOCD, District I <u>Olivia.yu@state.nm.us</u> <u>575-393-6161 x113</u>

OCD approval does not relieve the operator of liability should their operations fail to adequately investigate and remediate contamination that may pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

From: Jennifer Knowlton [mailto:jennik1029@gmail.com]
Sent: Tuesday, August 8, 2017 12:38 PM
To: Yu, Olivia, EMNRD <<u>Olivia.Yu@state.nm.us</u>>
Subject: Abo Empire/Angle State #3

Ms. Yu,

My name is Jennifer Knowlton. I have been retained by Abo Empire to assist them with this project and implementing processes to make sure that this type of situation is handled correctly in the future.

I would like to speak with you as soon as possible. I think after reviewing the situation, Abo neglected to report the amount of fluids that were recovered. Once that is taken into account, I believe that this incident is less than 5 barrels. The incident was inside the containment. The containment was repaired and rebuilt.

Again, I have prepared a revised C-141 that I would like to review with you prior to submitting.

Jennifer Knowlton <u>505-238-3588</u>

From:	Austin Weyant
To:	Groves, Amber; Yu, Olivia, EMNRD
Subject:	RE: ABO Pet Angle #3 State
Date:	Tuesday, August 29, 2017 4:32:09 PM
Attachments:	image002.png image004.png image001.png

ABO is going to P&A this location, SMA will include a revegetation plan to the Closure Report to be submitted to both agencies SLO and OCD.

Thanks

From: Groves, Amber [mailto:agroves@slo.state.nm.us]
Sent: Tuesday, August 29, 2017 3:27 PM
To: Yu, Olivia, EMNRD <Olivia.Yu@state.nm.us>; Austin Weyant <austin.weyant@soudermiller.com>
Subject: RE: ABO Pet Angle #3 State

Austin,

I haven't been out there since the spill was found, but when I was there was an overspray area. Do you know what they did on that? I am asking because they do not have a re-veg plan in place and it seems like I talked to someone with Abo and they were going to scrape that.

Thank you,

Amber Groves

Remediation Specialist Field Operations Division (575)392-3697 (575)263-3209 cell New Mexico State Land Office 2827 N. Dal Paso Suite 117 Hobbs, NM 88260

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Sent: Tuesday, August 29, 2017 2:16 PM
To: Austin Weyant <<u>austin.weyant@soudermiller.com</u>>
Cc: Groves, Amber <<u>agroves@slo.state.nm.us</u>>
Subject: RE: ABO Pet Angle #3 State

Mr. Weyant:

Noted. A closure report with the delineation may be submitted for 1RP-4670.

Thanks, Olivia

From: Austin Weyant [mailto:austin.weyant@soudermiller.com]
Sent: Tuesday, August 29, 2017 1:49 PM
To: Yu, Olivia, EMNRD <<u>Olivia.Yu@state.nm.us</u>>
Subject: RE: ABO Pet Angle #3 State

Of course, I am asking if the delineation can be submitted with the Closure Report. A "Work Plan" would potentially be all be in past tense.

From: Yu, Olivia, EMNRD [mailto:Olivia.Yu@state.nm.us]
Sent: Tuesday, August 29, 2017 1:41 PM
To: Austin Weyant <austin.weyant@soudermiller.com>
Cc: Groves, Amber <agroves@slo.state.nm.us>
Subject: RE: ABO Pet Angle #3 State

Mr. Weyant:

NMOCD and NMSLO must approve the delineation before the remediation/closure report is submitted. If there is pasture impact, NMSLO has primacy.

Thanks, Olivia

From: Austin Weyant [mailto:austin.weyant@soudermiller.com]
Sent: Tuesday, August 29, 2017 1:15 PM
To: Yu, Olivia, EMNRD <<u>Olivia.Yu@state.nm.us</u>>
Subject: RE: ABO Pet Angle #3 State

SMA has completed the delineation and release area investigation and found that ABOs initial response to the release was effective in removing all contaminates of concern from the affected area. Can SMA prepare a Closure report with the complete delineation and area sample results for NMOCD review.

From: Yu, Olivia, EMNRD [mailto:Olivia.Yu@state.nm.us]
Sent: Tuesday, August 29, 2017 12:16 PM
To: Austin Weyant austin.weyant@soudermiller.com; Groves, Amber agroves@slo.state.nm.us
Cc: Lucas Middleton agroves@slo.state.nm.us
Cc: Lucas Middleton agroves@slo.state.nm.us
Subject: RE: ABO Pet Angle #3 State

Mr. Weyant:

On what specifically? Delineation and/or remediation? Would you like to request an in-person meeting?

Thanks, Olivia

From: Austin Weyant [mailto:austin.weyant@soudermiller.com]
Sent: Tuesday, August 29, 2017 11:08 AM
To: Yu, Olivia, EMNRD <<u>Olivia.Yu@state.nm.us</u>>
Cc: Lucas Middleton <<u>lucas.middleton@soudermiller.com</u>>
Subject: ABO Pet Angle #3 State

Ms. Yu,

I need some guidance for our client on the Angle #3. 1RP- 4670.

Austin Weyant Project Scientist



Souder, Miller & Associates Engineering ♦ Environmental ♦ Surveying 201 S Halagueno Street Carlsbad, NM 88220 www.soudermiller.com (575) 689-7040 (cell)

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From:	Yu, Olivia, EMNRD
To:	"Lucas Middleton"
Cc:	"Groves, Amber"
Subject:	RE: Work Plan for Abo Empire ANGLE STATE #3, 1RP-4670
Date:	Wednesday, October 18, 2017 8:00:00 AM
Attachments:	image001.png image002.png

Mr. Middleton:

Also, representative confirmation soil samples from the overspray areas are required for 1RP-4670. Photos taken on March 14, 2017 from a NMOCD inspector are upload.

Olivia

From: Yu, Olivia, EMNRD
Sent: Wednesday, October 18, 2017 7:27 AM
To: Lucas Middleton <lucas.middleton@soudermiller.com>
Cc: Groves, Amber <agroves@slo.state.nm.us>
Subject: RE: Work Plan for Abo Empire ANGLE STATE #3, 1RP-4670

Mr. Middleton:

Please be advised that the decision by the Responsible Operator to conduct delineation while remediating is considered an at-risk activity. NMOCD will agree to the proposed delineation/remediation plan for 1RP-4670 as long as the additional samples at least 5 ft. further in depth demonstrate BTEX, TPH extended, and chlorides are within permissible levels. To complete release characterization, 2 background samples near the edge of the playa to confirm non-impact are also required. NMOCD will upload photos to OCD online.

At a minimum, these items must be included in the remediation report:

- Scaled map with the locations of the delineation and confirmation bottom and sidewall samples marked, depth and dimensions of the excavation annotated, and release area outlined. GPS coordinates of the sample locations are requested.
- Laboratory analytical reports of samples tested by Method 8260 or 8021 for BTEX, Method 8015 extended for TPH, and Method 300 for chlorides.
- Photo documentation: georeferenced and dated.
- Soil bore logs if necessary.

Like approval from NMSLO is required. NMSLO may have additional stipulations regarding the playa.

Thanks, Olivia To: Yu, Olivia, EMNRD <<u>Olivia.Yu@state.nm.us</u>>Subject: RE: Work Plan for Abo Empire ANGLE STATE #3, 1RP-4670

Olivia Yu, Changes will be made for BTEX and TPH ranking due to the playa. A delineation will be done during the excavation on the site before closure. Can you please proved NMOCD pictures from the field inspection?

Thank you

Lucas Middleton Staff Scientist (575) 499-9244 (mobile)



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From: Yu, Olivia, EMNRD [mailto:Olivia.Yu@state.nm.us]
Sent: Monday, October 16, 2017 4:20 PM
To: Lucas Middleton <<u>lucas.middleton@soudermiller.com</u>>
Cc: agroves@slo.state.nm.us
Subject: RE: Work Plan for Abo Empire ANGLE STATE #3, 1RP-4670

Mr. Middleton:

This release occurred on State surface and minerals. Please remember to include NMSLO in all communications and submissions of documents.

Please address these concerns regarding the delineation workplan for 1RP-4670:

1. The RRAL assessment is incorrect. There is a playa 200-500 ft. West of the release location.

The permissible levels for BTEX and TPH need revision.

- Delineation is not considered complete due to the presence of the surface water body. Release must be vertically delineation to minimum of 5 ft. bgs. Permissible chloride level is 250 mg/kg.
- 3. Photos taken by a NMOCD inspector indicated that the release area is larger than indicated on Figure 2. There is evidence of overspray onto the lease road and pasture.

Thanks,

Olivia Yu Environmental Specialist NMOCD, District I <u>Olivia.yu@state.nm.us</u> 575-393-6161 x113

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From: Lucas Middleton [mailto:lucas.middleton@soudermiller.com]
Sent: Monday, October 9, 2017 1:30 PM
To: Yu, Olivia, EMNRD <<u>Olivia.Yu@state.nm.us</u>>
Subject: Work Plan for Abo Empire ANGLE STATE #3, 1RP-4670

Dear Olivia Yu, I have attached a work plan for approval on a Abo Empire location named the ANGLE STATE #3, API# 30-0025-25347 1RP-4670

Call or Email with any question or comments.

Thank you and have a good day

Lucas Middleton Staff Scientist (575) 499-9244 (mobile)



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Carlsbad, NM 88220

www.soudermiller.com

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