Mr. Cosme:

Based on the aerial imagery, the release is of reportable volume.

Please be advised that

- 1. The initial portion of the C-141 form does not include the calculations to determine the release volume. Visual estimation is not sufficient nor adequate. Please submit measurements in volume estimation; such as dimensions (L X W X depth of impact), soil parameters (porosity, texture, bulk density, soil moisture), meter readings, waste manifests, etc.
- 2. Per 19.15.29.13 NMAC, regulations of corresponding agencies supersede NMOCD's.

The 1RP for this incident is

5244 10/24/2018 A KO Butler State R #3 30-025-01157 14S-33E-27B Jan 2018; 201								
	5244	10/24/2018	А	KO Butler	State R #3	30-025-01157	14S-33E-27B	Jan 2018; 2014

Please remember to include this 1RP identifier to all communications. Revised NMAC 19.15.29 was effective on August 14, 2018. Delineate and remediate per regulation. Mind the timelines for submittal of requisite information.

Please be advised that NMOCD recommends a completed site characterization/delineation report be reviewed or approved by NMOCD BEFORE any significant remediation work towards closure.

Thanks,

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: acosme <acosme@kobutler.com> Sent: Tuesday, October 23, 2018 4:17 PM To: Mann, Ryan <rmann@slo.state.nm.us> Subject: [EXT] RE: State R #003

Ryan,

Attached is the completed C-141 per your request.

Thank you,

Art Cosme Controller

KEVIN O. BUTLER ASSOCIATES, INC. Phone: (432) 682-1178 Mobile: (512) 963-3403 Fax: (432) 687-5725 acosme@KOButler.com From: Mann, Ryan [mailto:rmann@slo.state.nm.us] Sent: Wednesday, October 17, 2018 1:37 PM To: Kevin Butler AOL; acosme Cc: 'Yu, Olivia, EMNRD'; 'Hernandez, Christina, EMNRD'; Khalsa, Niranjan Subject: RE: State R #003

Regardless of the results of your investigation the C-141 document must be submitted, this can be done digitally. I have conducted a site visit as part of my investigation, and you are correct the site was more/less consistent with other operation in the area. This indicates that there was remediation of a site following what appears to be a major release without consult with the appropriate agencies. It is irrelevant at this point as to why it wasn't submitted. My primary concern is resolving the issues now, in which the first step is the C-141. I have spoken to Art and provided guidance regarding the documents.

My apologies if this message comes across as blunt, but NMSLO and NMOCD has been trying without success to communicate regarding this release for over a month as you know. As previously stated the C-141 is due today. This will not impede your internal investigation.

Ryan Mann Remediation Specialist Field Operation Division (575) 392-3697 (505) 699-1989 New Mexico State Land Office 2827 N. Dal Paso Suite 117 Hobbs, NM 88240

From: Kevin Butler [mailto:kevnbutlr@aol.com]
Sent: Wednesday, October 17, 2018 12:07 PM
To: Mann, Ryan <rmann@slo.state.nm.us>
Subject: Re: State R #003

Ryan:

I am out of the country and I am NOT going to submit anything with my signature on it until, I sit down and look at it and understand it.

I told you I will look into it next week and submit a C-141 when I get back, next week, and we will submit something then. I also assure you if there was a spill of any type back then, it was immediately cleaned up. If a C-141 was needed, I will also find out why it wasn't filed back then is part of my investigation for when I get back and I can ask our field folks.

Thank you I hope you understand.

ков

Kevin O. Butler and Associates, Inc Great Eastern Energy and Development Corp KMFR Radio/ Wildcatter Wireless

Centennial Tower 200 N. Loraine Ave. Suite 1515 Midland, Texas 79701

<u>P.O. Box 1171</u> <u>Midland, Texas 79702</u>

Off: (432)-682-1178

Fax:(432)-687-5725 Cell:(432)-352-5621 SF #(505)-983-5621

Kevnbutlr@AOL.com

On Oct 17, 2018, at 12:12 PM, acosme <a>acosme@kobutler.com> wrote:

Kevin,

Do you know what date of the C-141 Ryan is requesting? Carol just forwarded the email to email.

The attached document is what we had submitted for July 2017.

Please let me know if I can help.

Thank you,

Art Cosme Controller

<image002.png> Phone: (432) 682-1178 Mobile: (512) 963-3403 Fax: (432) 687-5725 acosme@KOButler.com

From: Carol Rivas Sent: Wednesday, October 17, 2018 11:58 AM To: acosme; mymerch@penrocoil.com Subject: Fwd: State R #003

Carol Waddell Rivas

Begin forwarded message:

From: "Mann, Ryan" <<u>rmann@slo.state.nm.us</u>> Date: October 17, 2018 at 11:30:42 AM CDT To: 'Carol Rivas' <<u>carol@kobutler.com</u>>, "'<u>kevnbutlr@aol.com</u>''' <<u>kevnbutlr@aol.com</u>> Cc: "Yu, Olivia, EMNRD" <<u>Olivia,Yu@state.nm.us</u>>, "'Hernandez, Christina, EMNRD''' <<u>Christina.Hernandez@state.nm.us</u>>, "Khalsa, Niranjan" <<u>nkhalsa@slo.state.nm.us</u>> Subject: RE: State R #003

Carol-

Multiple agencies have been attempting to gain information about a release for more than 1 month with essentially no response. You have stated that Art Cosme is sick, if this is still the case someone else within your office should handle the regulatory compliance in his absence and forward the information to Mr. Cosme upon his return. NMSLO and NMOCD are busy and do have time to continually request C-141. This is the responsibility of the operator. Submit a completed C-141 by the close of business today or this issue will be passed on the NMSLO legal team.

Please call if you have any questions.

Ryan Mann Remediation Specialist Field Operation Division (575) 392-3697 (505) 699-1989 New Mexico State Land Office 2827 N. Dal Paso Suite 117 Hobbs, NM 88240

From: Carol Rivas [mailto:carol@kobutler.com]
Sent: Wednesday, October 10, 2018 10:39 AM
To: Mann, Ryan <rrmann@slo.state.nm.us>
Subject: RE: State R #003

Ryan –

I have given your message to Art Cosme, unfortunately he has been out sick, hopefully he will be in this afternoon or tomorrow morning. I will make sure he knows to call you asap.

Thanks

Carol

From: Mann, Ryan [mailto:rmann@slo.state.nm.us]
Sent: Tuesday, October 09, 2018 2:55 PM
To: Reports
Subject: RE: State R #003

Good afternoon,

I haven't received a call back regarding the State R #003.

Ryan Mann Remediation Specialist Field Operation Division (575) 392-3697 (505) 699-1989 New Mexico State Land Office 2827 N. Dal Paso Suite 117 Hobbs, NM 88240

From: Mann, Ryan Sent: Friday, October 5, 2018 10:18 AM To: '<u>reports@kobutler.com</u>' Subject: State R #003

<image004.jpg>

Ryan Mann Remediation Specialist Field Operation Division (575) 392-3697 (505) 699-1989 New Mexico State Land Office 2827 N. Dal Paso Suite 117 Hobbs, NM 88240

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<C-141 State R #1.pdf>

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This email has been scanned by the Symantec Email Security.cloud service. For more information please visit <u>http://www.symanteccloud.com</u> Mr. Butler:

Nearly a month has passed since the Responsible Operator was informed of the situation at the well pad of 30-025-01157. Please be advised that under the revised 19.15.29 NMAC, enforcement actions may be applied.

An initial C-141 form is still outstanding.

Thanks,

Olivia

From: Kevin Butler <kevnbutlr@aol.com>
Sent: Tuesday, October 9, 2018 11:22 AM
To: Yu, Olivia, EMNRD <Olivia.Yu@state.nm.us>
Subject: [EXT] Re: Reportable release at State R #3 (30-025-01157)

Olivia:

We are investigating and will be getting you the C -141 form shortly.

Thank you,

КОВ

Kevin O. Butler and Associates, Inc Great Eastern Energy and Development Corp KMFR Radio/ Wildcatter Wireless

Centennial Tower 200 N. Loraine Ave. Suite 1515 <u>Midland, Texas 79701</u>

<u>P.O. Box 1171</u> Midland, Texas 79702

Kevnbutlr@AOL.com

On Sep 21, 2018, at 10:27 AM, Yu, Olivia, EMNRD <<u>Olivia.Yu@state.nm.us</u>> wrote:

Mr. Butler:

NMOCD requires a response to the aforementioned releases at State R #3. Please be advised that a C-141 form is still outstanding for the historic releases at the State R #3 location.

Thanks,

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: Yu, Olivia, EMNRD
Sent: Wednesday, September 12, 2018 3:51 PM
To: 'dd' <kevnbutlr@aol.com>
Cc: 'Mann, Ryan' <rmann@slo.state.nm.us>; Hernandez, Christina, EMNRD
<Christina.Hernandez@state.nm.us>
Subject: Reportable release at State R #3 (30-025-01157)

Dear Mr. Butler:

NMOCD was informed today of reportable releases at State R #3 (30-025-01157). Google Earth captured a historic release in 2014 and another probable major release on January 19, 2018. Neither release was reported to NMOCD and NMSLO. Please be advised that per 19.15.29 NMAC, the Responsible Operator is not in compliance.

Revised 19.15.29 effective August 14, 2018 http://164.64.110.134/parts/title19/19.015.0029.html

Older versions of C-141 form are not accepted. New C-141 form http://www.emnrd.state.nm.us/OCD/forms.html

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

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