NM OIL CONSERVATION

ARTESIA DISTRICT

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

SEP 0 5 2017

Form C-141 Revised April 3, 2017

Oil Conservation Division
1220 South St. Francis Dr.

Submit 1 Copy to appropriate District Office in RECEIVED and 19.15.29 NMAC.

1220 South St. Francis Dr. Santa Fe, NM 87505

Release Notification and Corrective Action **OPERATOR** ✓ Initial Report Final Report Read & Stevens, Inc. Contact Joe Tovar Name of Company Address PO Box 1518, Roswell, NM 88202 Telephone No. 575-390-2425 Highway 5 Federal Com #1 Producing Gas Well Facility Name Facility Type API No. 30-025-39120 Surface Owner Federal Mineral Owner Federal LOCATION OF RELEASE North/South Line East/West Line Unit Letter Section Feet from the Feet from the County Township Range 6601 D 5 208 34E 660' North West Lea County, NM NAD83 Longitude Latitude NATURE OF RELEASE Type of Release Water Spill Volume of Release 20 BW Volume Recovered 20 BW 210 bbl oil tank Source of Release Date and Hour of Occurrence Date and Hour of Discovery If YES, To Whom? 10:00 a.m. 8/30/17 10:00 a.m. 8/30/17 Was Immediate Notice Given? ☐ Yes ☑ No ☐ Not Required Date and Hour By Whom? Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☑ No If a Watercourse was Impacted, Describe Fully.* RECEIVED N/A. Containment was kept inside of the berm that is lined with 40 mil liner. By Olivia Yu at 2:19 pm, Sep 07, 2017 Describe Cause of Problem and Remedial Action Taken.* 20 bbls of produced water was released from a 210 bbl oil tank that had a hole on the bottom. The water was contained within the lined berms. Water was removed from the tank, Hole was dug where fluid was conming out from under the tank and vacuumed fluid up. All fluids are in water tank. Describe Area Affected and Cleanup Action Taken.* The affected area was contained within the 40 mil liner berm. Dug hole where the fluid was coming from under the tank and vacuumed up the fluid. Move out tank. Laying new 40 mil liner and build up berm and setting a new reconditioned tank. The 100 BO was moved into water tank and will be transferred into new oil tank when ready. 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. OIL CONSERVATION DIVISION Signature Approved by Environmental Specialist: Kelly Barajas Printed Names 9/7/2017 Production & Regulatory Title: Approval Date: **Expiration Date:** E-mail Address: kbarajas@read-stevens.com Conditions of Approval: Attached Please inspect liner in question. Date: 09/01/2017 Phone: 575-624-3760 Provide NMOCD with a concise report Attach Additional Sheets If Necessary of the inspection with affirmation the 9/1/2017 copy to BLM-Carlsbad lnOY1725051906 liner has and will continue to contain liquids.

 From:
 Yu, Olivia, EMNRD

 To:
 "Kelly Barajas"

 Cc:
 Tucker, Shelly

Subject: RE: Initial C-141 - Read and Stevens 30-025-39120

Date: Thursday, September 7, 2017 4:32:00 PM

Attachments: reviewed_Initial C-141 - Read Stevens - Highway 5 Fed Com 1.pdf

Kelly:

Thank you for the clarification!

Please see the attachment for your records. It is NMOCD's understanding that all impacted material in the containment has been removed and the liner inspected for integrity. Provide NMOCD with a concise report of the inspection with affirmation the liner has and will continue to contain liquids. Pictures and a record of the removal of contaminated fill or proper disposal of liquids are strongly encouraged to accompany submission of initial C-141s.

Olivia Yu Environmental Specialist NMOCD, District I Olivia.yu@state.nm.us 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: Kelly Barajas [mailto:KBarajas@read-stevens.com]

Sent: Thursday, September 7, 2017 4:19 PM **To:** Yu, Olivia, EMNRD <0livia.Yu@state.nm.us>

Subject: RE: Initial C-141 - Read and Stevens 30-025-39120

Yes, the liner was completely underneath the tank battery and the berm. The release didn't impact the soil at all. The liner was replaced with a new one.

Thank you!

And please call me Kelly!

From: Yu, Olivia, EMNRD [mailto:Olivia.Yu@state.nm.us]

Sent: Thursday, September 07, 2017 3:52 PM

To: Kelly Barajas

Subject: RE: Initial C-141 - Read and Stevens 30-025-39120

Ms. Barajas:

Please clarify a few points for me regarding the release. Was the 40 mil liner completely underneath the tank battery and up to the berm? In other words, the release did not impact the soil under the liner. From the description, it seems that the entire liner was replaced when the tank was. Is this true?

Thanks, Olivia

From: Kelly Barajas [mailto:KBarajas@read-stevens.com]

Sent: Thursday, September 7, 2017 1:54 PM **To:** Yu, Olivia, EMNRD < Olivia. Yu@state.nm.us>

Subject: RE: Initial C-141 - Read and Stevens 30-025-39120

Ok. Thank you Olivia!

Kelly

From: Yu, Olivia, EMNRD [mailto:Olivia.Yu@state.nm.us]

Sent: Thursday, September 07, 2017 1:44 PM **To:** Kelly Barajas; Weaver, Crystal, EMNRD

Cc: itovar@readoperating.com

Subject: RE: Initial C-141 - Read and Stevens 30-025-39120

Ms. Barajas:

A re-submittal is not necessary. The appropriate edits will be made when the initial C141 is processed.

Thanks, Olivia

From: Kelly Barajas [mailto:KBarajas@read-stevens.com]

Sent: Thursday, September 7, 2017 1:34 PM

To: Weaver, Crystal, EMNRD < <u>Crystal.Weaver@state.nm.us</u>>; Yu, Olivia, EMNRD

<<u>Olivia.Yu@state.nm.us</u>>

Cc: jtovar@readoperating.com

Subject: RE: Initial C-141 - Read and Stevens 30-025-39120

Oops! I'm sorry! My fault. :--(

Do I need to re-submit or is the emailed copy okay?

Thank you!

Kelly

From: Weaver, Crystal, EMNRD [mailto:Crystal.Weaver@state.nm.us]

Sent: Thursday, September 07, 2017 12:23 PM

To: Yu, Olivia, EMNRD

Cc: Kelly Barajas; <u>jtovar@readoperating.com</u>

Subject: Initial C-141 - Read and Stevens 30-025-39120

Hello Olivia,

I looked up the location of this release and have verified that it is within OCD District 1 jurisdiction. Kelly or Joe from Read and Stevens had mailed it in to our office over here in Artesia.

Thanks,

Crystal Weaver

Environmental Specialist OCD – Artesia District II 811 S. 1st Street Artesia, NM 88210

Office: 575-748-1283 ext. 101

Cell: 575-840-5963 Fax: 575-748-9720