

District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, 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

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

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company Hallador Petroleum LLP	Contact Tim Lovseth
Address 1660 Lincoln St., Ste 2700, Denver CO 80264	Telephone No. 303 839-5504 ext 317
Facility Name Horton 4	Facility Type well

Surface Owner Duane Miller	Mineral Owner Federal	Lease No. SF-078146A
-----------------------------------	------------------------------	-----------------------------

LOCATION OF RELEASE

Unit Letter M	Section 27	Township 32N	Range 12W	Feet from the 990	North/South Line FSL	Feet from the 990	East/West Line FWL	County San Juan
-------------------------	----------------------	------------------------	---------------------	-----------------------------	--------------------------------	-----------------------------	------------------------------	---------------------------

Latitude 36.95243 Longitude 108.08832

NATURE OF RELEASE

Type of Release possible hydrocarbons	Volume of Release unknown	Volume Recovered none
Source of Release below-grade tank	Date and Hour of occurrence ?	Date and Hour of Discovery 7/13 10 am
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Brandon Powell - OCD	
By Whom? Tim Lovseth	Date and Hour 7/13/10 10 am	
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.*

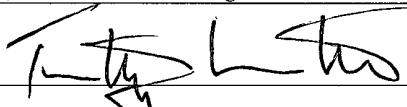
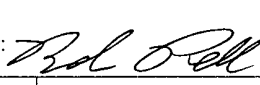
Describe Cause of Problem and Remedial Action Taken.*

BGT closure 5-point composite sample showed TPH to be ND mg/kg by method 8015, no remedial action taken

Describe Area Affected and Cleanup Action Taken.*

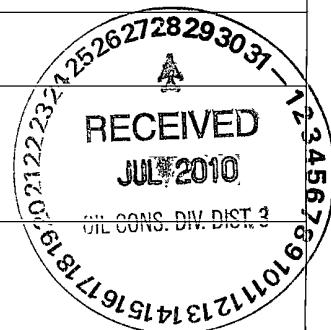
No soil hydrocarbon staining observed, no cleanup action taken

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: 	<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Tim Lovseth	Approved by District Supervisor:  For: CP	
Title: Exploration Manager	Approval Date: 9/16/10	Expiration Date:
E-mail Address: timlovseth@qwest.net	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 7-26-10 5504 ext 317	Phone: 303 839-	

* Attach Additional Sheets If Necessary

hBP025954777



h

Location: Horton # 4
Footages: 990' FSL & 990' FWL
Unit Letter: M **Sec.** 27 **Twn.** 32N **Rng** 12W
Latitude: 36.95243 **Longitude:** 108.08832
Lease Num. SF-078146A **Land Type:** BLM

BGT Type: Sep

BGT Reference

Reference: wellhead **Footage:** 85-ft

Direction: North 35° West

Initial size: 20'x20'x4' deep

Final Size: 20'x20'x4' deep

Total Cubic Yards: 0

Distances from (ft):

Groundwater: >100'

Wellhead Protection Area: >1000'

Nearest Surface Water: >1000'

Distance to ephemeral stream: N/A

(Navajo/Jicarilla only)

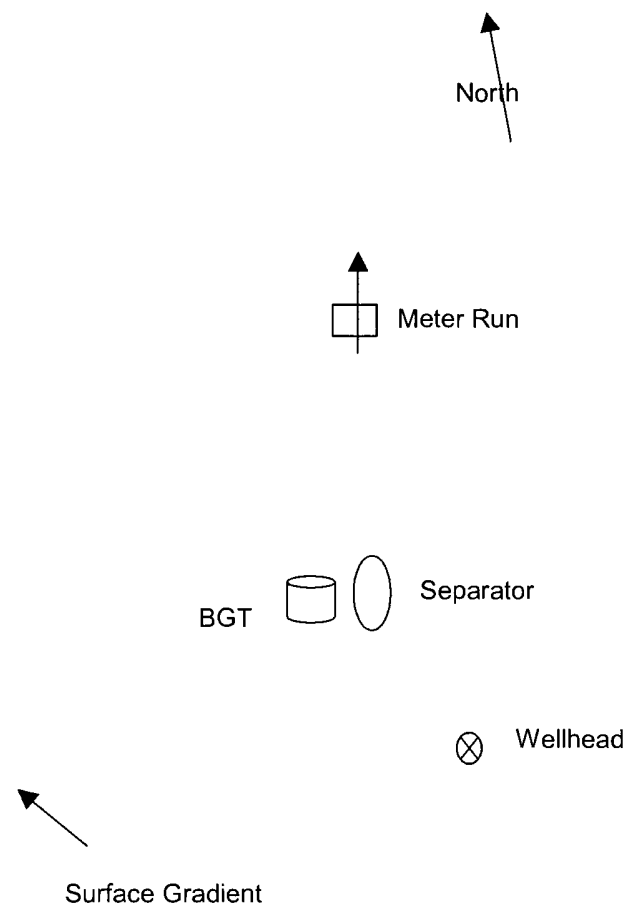
Ranking Score (points): 0

Sample ID	Description	OVM Reading
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

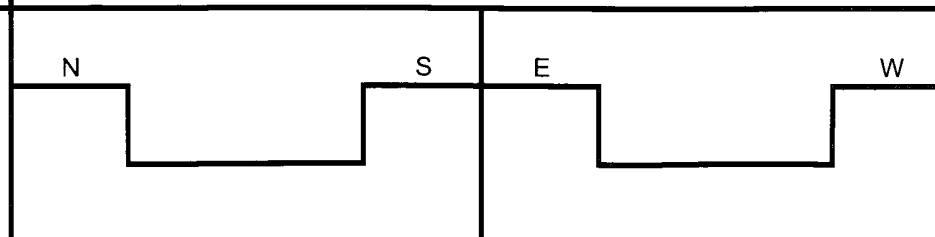
Comments:

Soil is brown clayey loam, no h-c odor & or staining. 5-point composite sample prepared for Lab analysis.

Site Diagram:



Not to Scale





EPA METHOD 8015 Modified
Nonhalogenated Volatile Organics
Total Petroleum Hydrocarbons

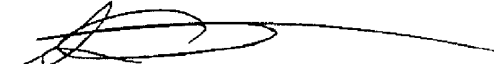
Client:	Hallador Petroleum	Project #:	10067-0001
Sample ID:	5 Pt. Comp.	Date Reported:	07-15-10
Laboratory Number:	55145	Date Sampled:	07-14-10
Chain of Custody No:	9960	Date Received:	07-14-10
Sample Matrix:	Soil	Date Extracted:	07-14-10
Preservative:	Cool	Date Analyzed:	07-15-10
Condition:	Intact	Analysis Requested:	8015 TPH

Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)
Gasoline Range (C5 - C10)	ND	0.2
Diesel Range (C10 - C28)	ND	0.1
Total Petroleum Hydrocarbons	ND	0.2

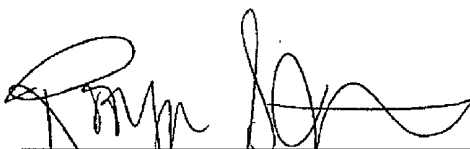
ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: **Horton #4**



Analyst



Review

EPA Method 8015 Modified
Nonhalogenated Volatile Organics
Total Petroleum Hydrocarbons

Quality Assurance Report

Client:	QA/QC	Project #:	N/A
Sample ID:	07-15-10 QA/QC	Date Reported:	07-15-10
Laboratory Number:	55143	Date Sampled:	N/A
Sample Matrix:	Methylene Chloride	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	07-15-10
Condition:	N/A	Analysis Requested:	TPH

	I-Cal Date	I-Cal RF	C-Cal RF	% Difference	Accept Range
Gasoline Range C5 - C10	05-07-07	9.9960E+002	1.0000E+003	0.04%	0 - 15%
Diesel Range C10 - C28	05-07-07	9.9960E+002	1.0000E+003	0.04%	0 - 15%

Blank Conc. (mg/L - mg/Kg)	Concentration	Detection Limit
Gasoline Range C5 - C10	ND	0.2
Diesel Range C10 - C28	ND	0.1
Total Petroleum Hydrocarbons	ND	0.2

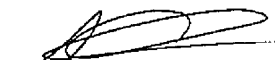
Duplicate Conc. (mg/Kg)	Sample	Duplicate	% Difference	Accept Range
Gasoline Range C5 - C10	ND	ND	0.0%	0 - 30%
Diesel Range C10 - C28	ND	ND	0.0%	0 - 30%

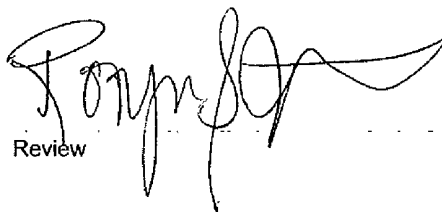
Spike Conc. (mg/Kg)	Sample	Spike Added	Spike Result	% Recovery	Accept Range
Gasoline Range C5 - C10	ND	250	255	102%	75 - 125%
Diesel Range C10 - C28	ND	250	252	101%	75 - 125%

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: QA/QC for Samples 55141, 55143-55145 and 55156


 Analyst


 Review

CHAIN OF CUSTODY RECORD

09960

Client: <u>Hallador Petroleum</u>			Project Name / Location: <u>HORTON #4</u>			ANALYSIS / PARAMETERS														
Client Address:			Sampler Name: <u>F. McDaniel</u>			TPH (Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	PCRA 8 Metals	Cation / Anion	RCI	TCLP with H/P	PAH	TPH (418.1)	CHLORIDE				Sample Cool	Sample Intact
Client Phone No.:			Client No.: <u>10067-0001</u>																	
Sample No./ Identification	Sample Date	Sample Time	Lab No.	Sample Matrix	No./Volume of Containers	Preservative														
				Soil Solid	Sludge Aqueous															
<u>5pt Comp</u>	<u>7/14/10</u>	<u>12:00</u>	<u>55145</u>	<u>Soil Solid</u>	<u>Sludge Aqueous</u>	<u>1</u>														
				Soil Solid	Sludge Aqueous															
				Soil Solid	Sludge Aqueous															
				Soil Solid	Sludge Aqueous															
				Soil Solid	Sludge Aqueous															
				Soil Solid	Sludge Aqueous															
				Soil Solid	Sludge Aqueous															
				Soil Solid	Sludge Aqueous															
				Soil Solid	Sludge Aqueous															
				Soil Solid	Sludge Aqueous															
				Soil Solid	Sludge Aqueous															
Relinquished by: (Signature) <u>[Signature]</u>						Date	Time	Received by: (Signature) <u>[Signature]</u>						Date	Time					
Relinquished by: (Signature)						<u>7/14/10</u>	<u>13:20</u>	Received by: (Signature)						<u>7/14/10</u>	<u>1320</u>					
Relinquished by: (Signature)								Received by: (Signature)												



5796 US Highway 64 • Farmington, NM 87401 • 505-632-0615 • lab@envirotech-inc.com