

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

Form C-144
Revised April 3, 2017

For temporary pits, below-grade tanks, and multi-well fluid management pits, submit to the appropriate NMOCD District Office.
For permanent pits submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Pit, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application

Type of action: ☐ Below grade tank registration
☐ Permit of a pit or proposed alternative method
☒ Closure of a pit, below-grade tank, or proposed alternative method
☐ Modification to an existing permit/or registration
☐ Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, below-grade tank or alternative request

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1.
Operator: Epic Energy, L.L.C. OGRID #: 320949
Address: 7415 E. Main Street Farmington, NM 87402
Facility or well name: Marcus #002
API Number: 30-039-23667 OCD Permit Number: _____
U/L or Qtr/Qtr J Section 06 Township 23N Range 6W County: Rio Arriba
Center of Proposed Design: Latitude 36.251194 Longitude -107.5071945 NAD83
Surface Owner: ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2.
☐ **Pit:** Subsection F, G or J of 19.15.17.11 NMAC
Temporary: ☐ Drilling ☐ Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A ☐ Multi-Well Fluid Management Low Chloride Drilling Fluid ☐ yes ☐ no
☐ Lined ☐ Unlined Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
☐ String-Reinforced
Liner Seams: ☐ Welded ☐ Factory ☐ Other _____ Volume: _____ bbl Dimensions: L _____ x W _____ x D _____

3.
☒ **Below-grade tank:** Subsection I of 19.15.17.11 NMAC * Release confirmed Additional C-141 Required.
Volume: 27 bbl Type of fluid: Produced Water NCS1933641104
Tank Construction material: Fiberglass
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☒ Other Single Wall Tank
Liner type: Thickness _____ mil ☐ HDPE ☐ PVC ☐ Other _____

4.
☐ **Alternative Method:**
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

5.
Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)
☐ Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church)
☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet
☒ Alternate. Please specify Four Foot height with mesh T-Post

6.

Netting: Subsection E of 19.15.17.11 NMAC (*Applies to permanent pits and permanent open top tanks*)

- ☐ Screen ☐ Netting ☒ Other Domed Fiberglass Top
- ☐ Monthly inspections (If netting or screening is not physically feasible)

7.

Signs: Subsection C of 19.15.17.11 NMAC

- ☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
- ☐ Signed in compliance with 19.15.16.8 NMAC

8.

Variances and Exceptions:

Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.

Please check a box if one or more of the following is requested, if not leave blank:

- ☐ Variance(s): Requests must be submitted to the appropriate division district for consideration of approval.
- ☐ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

9.

Siting Criteria (regarding permitting): 19.15.17.10 NMAC***Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Siting criteria does not apply to drying pads or above-grade tanks.*****General siting****Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank.**

- ☐ NM Office of the State Engineer - iWATERS database search; ☐ USGS; ☐ Data obtained from nearby wells

☐ Yes ☒ No

☐ NA

Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit.

NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

☐ Yes ☐ No

☐ NA

Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. (**Does not apply to below grade tanks**)

- Written confirmation or verification from the municipality; Written approval obtained from the municipality

☐ Yes ☐ No

Within the area overlying a subsurface mine. (**Does not apply to below grade tanks**)

- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division

☐ Yes ☐ No

Within an unstable area. (**Does not apply to below grade tanks**)

- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map

☐ Yes ☐ No

Within a 100-year floodplain. (**Does not apply to below grade tanks**)

- FEMA map

☐ Yes ☐ No

Below Grade Tanks

Within 100 feet of a continuously flowing watercourse, significant watercourse, lake bed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☒ No

Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption;

- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

☐ Yes ☒ No

Temporary Pit using Low Chloride Drilling Fluid (maximum chloride content 15,000 mg/liter)

Within 100 feet of a continuously flowing watercourse, or any other significant watercourse or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.)

- Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within 300 feet from a occupied permanent residence, school, hospital, institution, or church in existence at the time of initial application.

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

☐ Yes ☐ No

Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 300 feet of any other fresh water well or spring, in existence at the time of the initial application.

NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within 100 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
<u>Temporary Pit Non-low chloride drilling fluid</u>	
Within 300 feet of a continuously flowing watercourse, or any other significant watercourse, or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 500 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 1000 feet of any other fresh water well or spring, in the existence at the time of the initial application; - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
<u>Permanent Pit or Multi-Well Fluid Management Pit</u>	
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No

10.

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

☐ Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
☐ Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC
☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

☐ Previously Approved Design (attach copy of design) API Number: _____ or Permit Number: _____

11.

Multi-Well Fluid Management Pit Checklist: Subsection B of 19.15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☐ A List of wells with approved application for permit to drill associated with the pit.
☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
☐ Hydrogeologic Data - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC

☐ Previously Approved Design (attach copy of design) API Number: _____ or Permit Number: _____

12.

Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC
☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Climatological Factors Assessment
☐ Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Quality Control/Quality Assurance Construction and Installation Plan
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☐ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Nuisance or Hazardous Odors, including H₂S, Prevention Plan
☐ Emergency Response Plan
☐ Oil Field Waste Stream Characterization
☐ Monitoring and Inspection Plan
☐ Erosion Control Plan
☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

13.

Proposed Closure: 19.15.17.13 NMAC

Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.

- Type: ☐ Drilling ☐ Workover ☐ Emergency ☐ Cavitation ☐ P&A ☐ Permanent Pit ☒ Below-grade Tank ☐ Multi-well Fluid Management Pit
☐ Alternative
- Proposed Closure Method: ☐ Waste Excavation and Removal
☒ Waste Removal (Closed-loop systems only)
☐ On-site Closure Method (Only for temporary pits and closed-loop systems)
☐ In-place Burial ☐ On-site Trench Burial
☐ Alternative Closure Method

14.

Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) **Instructions:** Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.

- ☒ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
☒ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.13 NMAC
☒ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
☒ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☒ Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☒ Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

15.

Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC

Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. Please refer to 19.15.17.10 NMAC for guidance.

Ground water is less than 25 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Ground water is between 25-50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Within 100 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Written confirmation or verification from the municipality; Written approval obtained from the municipality	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	<input type="checkbox"/> Yes <input type="checkbox"/> No

adopted pursuant to NMSA 1978, Section 3-27-3, as amended.	<input type="checkbox"/> Yes <input type="checkbox"/> No
- Written confirmation or verification from the municipality; Written approval obtained from the municipality	
Within the area overlying a subsurface mine.	<input type="checkbox"/> Yes <input type="checkbox"/> No
- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	
Within an unstable area.	<input type="checkbox"/> Yes <input type="checkbox"/> No
- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	
Within a 100-year floodplain.	<input type="checkbox"/> Yes <input type="checkbox"/> No
- FEMA map	

16.

On-Site Closure Plan Checklist: (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.*

- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection E of 19.15.17.13 NMAC
☐ Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Subsection K of 19.15.17.11 NMAC
☐ Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of 19.15.17.13 NMAC
☐ Waste Material Sampling Plan - based upon the appropriate requirements of 19.15.17.13 NMAC
☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)
☐ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

17.

Operator Application Certification:

I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

18.

OCD Approval: ☐ Permit Application (including closure plan) ☒ Closure Plan (only) ☒ OCD Conditions (see attachment) **Front**

OCD Representative Signature:  Approval Date: 12/2/19

Title: Environmental Specialist OCD Permit Number: _____

19.

Closure Report (required within 60 days of closure completion): 19.15.17.13 NMAC

Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☒ Closure Completion Date: 8/30/2019

20.

Closure Method:

- ☒ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-loop systems only)
☐ If different from approved plan, please explain.

21.

Closure Report Attachment Checklist: *Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.*

- ☒ Proof of Closure Notice (surface owner and division)
☐ Proof of Deed Notice (required for on-site closure for private land only)
☐ Plot Plan (for on-site closures and temporary pits)
☒ Confirmation Sampling Analytical Results (if applicable)
☐ Waste Material Sampling Analytical Results (required for on-site closure)
☒ Disposal Facility Name and Permit Number
☒ Soil Backfilling and Cover Installation
☒ Re-vegetation Application Rates and Seeding Technique
☐ Site Reclamation (Photo Documentation)

On-site Closure Location: Latitude 36.251194 Longitude -107.507194 NAD: ☐ 1927 ☒ 1983

22.

Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): Vanessa Fields Title: Regulatory Compliance Manager

Signature:  Date: 10/24/2019

e-mail address: vanessa@walsheng.net Telephone: 505-327-4892

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

Form C-141
Revised August 24, 2018
Submit to appropriate OCD District office

Incident ID	
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party EPIC Energy L.L.C	OGRID 320949
Contact Name Vanessa Fields	Contact Telephone 505-787-9100
Contact email vanessa@walsheng.net	Incident # (assigned by OCD) N/A
Contact mailing address 7415 East Main Street Farmington, NM 87402	

Location of Release Source

Latitude 36.251194 Longitude -107.5071945
(NAD 83 in decimal degrees to 5 decimal places)

Site Name: Marcus #002	Site Type Gas
Date Release Discovered N/A	API# (if applicable) 30-039-23667

Unit Letter	Section	Township	Range	County
J	06	23N	06W	Rio Arriba

Surface Owner: ☐ State ☒ Federal ☐ Tribal ☐ Private (Name: _____)

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

<input type="checkbox"/> Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
<input type="checkbox"/> Produced Water	Volume Released (bbls)	Volume Recovered (bbls)
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Condensate	Volume Released (bbls)	Volume Recovered (bbls)
<input type="checkbox"/> Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
<input type="checkbox"/> Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release: Analytical results determined a release occurred with Chloride samples resulting in 368 mg/kg. Sample results were below regulatory closure standard of 600 mg/kg.

Form C-141

State of New Mexico
Oil Conservation Division

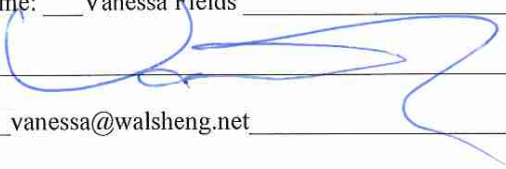
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Incident ID	
District RP	
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Application ID	

Was this a major release as defined by 19.15.29.7(A) NMAC? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release?
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?	

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

<input type="checkbox"/> The source of the release has been stopped. <input type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately.
If all the actions described above have <u>not</u> been undertaken, explain why:
Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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.
Printed Name: <u>Vanessa Fields</u> Title: <u>Regulatory Compliance Manager</u> Signature:  Date: <u>11/01/2019</u> email: <u>vanessa@walsheng.net</u> Telephone: <u>505-787-9100</u>
<u>OCD Only</u> Received by: _____ Date: _____

Form C-141

State of New Mexico
Oil Conservation Division

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District RP	
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Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: *Each of the following items must be included in the closure report.*

- ☐ A scaled site and sampling diagram as described in 19.15.29.11 NMAC
- ☐ Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)
- ☐ Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)
- ☐ Description of remediation activities

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

Printed Name: Vanessa Fields Title: Regulatory Compliance ManagerSignature:  Date: 11/1/2019email: vanessa@walsheng.net Telephone: 505-787-9100**OCD Only**

Received by: _____ Date: _____

Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.

Closure Approved by: _____ Date: _____

Printed Name: _____ Title: _____



Analytical Report

Report Summary

Client: Epic Energy

Samples Received: 8/23/2019

Job Number: 18012-0006

Work Order: P908073

Project Name/Location: Below Grade Pits

Report Reviewed By:

A handwritten signature in black ink, appearing to read 'Walter Hinchman', is written over a horizontal line.

Date: 8/30/19

Walter Hinchman, Laboratory Director



Envirotech Inc. certifies the test results meet all requirements of TNI unless footnoted otherwise.
Statement of Data Authenticity: Envirotech, Inc. attests the data reported has not been altered in any way.
Partial or incomplete reproduction of this report is prohibited, unless approved by Envirotech, Inc.
Envirotech, Inc. holds the Utah TNI certification NM009792018-1 for the data reported.
Envirotech, Inc. holds the Texas TNI certification T104704557-19-2 for the data reported.



Epic Energy
7420 Main Street
Farmington NM, 87402

Project Name: Below Grade Pits
Project Number: 18012-0006
Project Manager: Michael Dean

Reported:
08/30/19 14:05

Analytical Report for Samples

Client Sample ID	Lab Sample ID	Matrix	Sampled	Received	Container
Marcus #2	P908073-01A	Soil	08/23/19	08/23/19	Glass Jar, 4 oz.
Grace Federal 6-1R	P908073-02A	Soil	08/23/19	08/23/19	Glass Jar, 4 oz.

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Epic Energy	Project Name:	Below Grade Pits	Reported:
7420 Main Street	Project Number:	18012-0006	08/30/19 14:05
Farmington NM, 87402	Project Manager:	Michael Dean	

Marcus #2
P908073-01 (Solid)

Reporting									
Analyte	Result	Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Volatiles Organics by EPA 8021									
Benzene	ND	0.0250	mg/kg	1	1935010	08/26/19	08/28/19	EPA 8021B	
Toluene	ND	0.0250	mg/kg	1	1935010	08/26/19	08/28/19	EPA 8021B	
Ethylbenzene	ND	0.0250	mg/kg	1	1935010	08/26/19	08/28/19	EPA 8021B	
p,m-Xylene	ND	0.0500	mg/kg	1	1935010	08/26/19	08/28/19	EPA 8021B	
o-Xylene	ND	0.0250	mg/kg	1	1935010	08/26/19	08/28/19	EPA 8021B	
Total Xylenes	ND	0.0250	mg/kg	1	1935010	08/26/19	08/28/19	EPA 8021B	
Surrogate: 4-Bromochlorobenzene-PID		114 %		50-150	1935010	08/26/19	08/28/19	EPA 8021B	
Nonhalogenated Organics by 8015 - DRO/ORO									
Diesel Range Organics (C10-C28)	ND	25.0	mg/kg	1	1935001	08/26/19	08/28/19	EPA 8015D	
Oil Range Organics (C28-C40)	ND	50.0	mg/kg	1	1935001	08/26/19	08/28/19	EPA 8015D	
Surrogate: n-Nonane		90.2 %		50-200	1935001	08/26/19	08/28/19	EPA 8015D	
Nonhalogenated Organics by 8015 - GRO									
Gasoline Range Organics (C6-C10)	ND	20.0	mg/kg	1	1935010	08/26/19	08/28/19	EPA 8015D	
Surrogate: 1-Chloro-4-fluorobenzene-FID		96.4 %		50-150	1935010	08/26/19	08/28/19	EPA 8015D	
Anions by 300.0/9056A									
Chloride	368	20.0	mg/kg	1	1935017	08/27/19	08/28/19	EPA 300.0/9056A	

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Epic Energy	Project Name:	Below Grade Pits	Reported:
7420 Main Street	Project Number:	18012-0006	08/30/19 14:05
Farmington NM, 87402	Project Manager:	Michael Dean	

**Grace Federal 6-1R
P908073-02 (Solid)**

Reporting									
Analyte	Result	Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Volatiles Organics by EPA 8021									
Benzene	ND	0.0250	mg/kg	1	1935010	08/26/19	08/28/19	EPA 8021B	
Toluene	ND	0.0250	mg/kg	1	1935010	08/26/19	08/28/19	EPA 8021B	
Ethylbenzene	ND	0.0250	mg/kg	1	1935010	08/26/19	08/28/19	EPA 8021B	
p,m-Xylene	ND	0.0500	mg/kg	1	1935010	08/26/19	08/28/19	EPA 8021B	
o-Xylene	ND	0.0250	mg/kg	1	1935010	08/26/19	08/28/19	EPA 8021B	
Total Xylenes	ND	0.0250	mg/kg	1	1935010	08/26/19	08/28/19	EPA 8021B	
Surrogate: 4-Bromochlorobenzene-PID		111 %		50-150	1935010	08/26/19	08/28/19	EPA 8021B	
Nonhalogenated Organics by 8015 - DRO/ORO									
Diesel Range Organics (C10-C28)	ND	25.0	mg/kg	1	1935001	08/26/19	08/28/19	EPA 8015D	
Oil Range Organics (C28-C40)	ND	50.0	mg/kg	1	1935001	08/26/19	08/28/19	EPA 8015D	
Surrogate: n-Nonane		88.5 %		50-200	1935001	08/26/19	08/28/19	EPA 8015D	
Nonhalogenated Organics by 8015 - GRO									
Gasoline Range Organics (C6-C10)	ND	20.0	mg/kg	1	1935010	08/26/19	08/28/19	EPA 8015D	
Surrogate: 1-Chloro-4-fluorobenzene-FID		95.4 %		50-150	1935010	08/26/19	08/28/19	EPA 8015D	
Anions by 300.0/9056A									
Chloride	ND	20.0	mg/kg	1	1935017	08/27/19	08/28/19	EPA 300.0/9056A	

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Epic Energy	Project Name:	Below Grade Pits	Reported:
7420 Main Street	Project Number:	18012-0006	08/30/19 14:05
Farmington NM, 87402	Project Manager:	Michael Dean	

Volatile Organics by EPA 8021 - Quality Control

Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch 1935010 - Purge and Trap EPA 5030A

Blank (1935010-BLK1)

Prepared: 08/26/19 | Analyzed: 08/27/19 |

Benzene	ND	0.0250	mg/kg							
Toluene	ND	0.0250	"							
Ethylbenzene	ND	0.0250	"							
p,m-Xylene	ND	0.0500	"							
o-Xylene	ND	0.0250	"							
Total Xylenes	ND	0.0250	"							
Surrogate: 4-Bromochlorobenzene-PID	8.64		"	8.00		108	50-150			

LCS (1935010-BS1)

Prepared: 08/26/19 | Analyzed: 08/28/19 |

Benzene	4.99	0.0250	mg/kg	5.00		99.7	70-130			
Toluene	4.70	0.0250	"	5.00		94.1	70-130			
Ethylbenzene	4.67	0.0250	"	5.00		93.3	70-130			
p,m-Xylene	9.20	0.0500	"	10.0		92.0	70-130			
o-Xylene	4.48	0.0250	"	5.00		89.6	70-130			
Total Xylenes	13.7	0.0250	"	15.0		91.2	70-130			
Surrogate: 4-Bromochlorobenzene-PID	8.27		"	8.00		103	50-150			

Matrix Spike (1935010-MS1)

Source: P908073-01

Prepared: 08/26/19 | Analyzed: 08/28/19 |

Benzene	4.59	0.0250	mg/kg	5.00	ND	91.9	54.3-133			
Toluene	4.61	0.0250	"	5.00	ND	92.2	61.4-130			
Ethylbenzene	4.62	0.0250	"	5.00	ND	92.4	61.4-133			
p,m-Xylene	9.38	0.0500	"	10.0	ND	93.8	63.3-131			
o-Xylene	4.63	0.0250	"	5.00	ND	92.6	63.3-131			
Total Xylenes	14.0	0.0250	"	15.0	ND	93.4	63.3-131			
Surrogate: 4-Bromochlorobenzene-PID	9.12		"	8.00		114	50-150			

Matrix Spike Dup (1935010-MSD1)

Source: P908073-01

Prepared: 08/26/19 | Analyzed: 08/28/19 |

Benzene	4.64	0.0250	mg/kg	5.00	ND	92.9	54.3-133	1.09	20	
Toluene	4.65	0.0250	"	5.00	ND	92.9	61.4-130	0.808	20	
Ethylbenzene	4.68	0.0250	"	5.00	ND	93.5	61.4-133	1.20	20	
p,m-Xylene	9.50	0.0500	"	10.0	ND	95.0	63.3-131	1.19	20	
o-Xylene	4.69	0.0250	"	5.00	ND	93.8	63.3-131	1.31	20	
Total Xylenes	14.2	0.0250	"	15.0	ND	94.6	63.3-131	1.23	20	
Surrogate: 4-Bromochlorobenzene-PID	9.07		"	8.00		113	50-150			

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Epic Energy	Project Name:	Below Grade Pits	Reported:
7420 Main Street	Project Number:	18012-0006	08/30/19 14:05
Farmington NM, 87402	Project Manager:	Michael Dean	

Nonhalogenated Organics by 8015 - DRO/ORO - Quality Control

Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC %REC	Limits	RPD	RPD Limit	Notes
---------	--------	-----------------	-------	-------------	---------------	-----------	--------	-----	-----------	-------

Batch 1935001 - DRO Extraction EPA 3570

Blank (1935001-BLK1)

Prepared: 08/26/19 0 Analyzed: 08/27/19 1

Diesel Range Organics (C10-C28)	ND	25.0	mg/kg							
Oil Range Organics (C28-C40)	ND	50.0	"							
Surrogate: n-Nonane	27.3		"	50.0		55.0	50-200			

LCS (1935001-BS1)

Prepared: 08/26/19 0 Analyzed: 08/27/19 1

Diesel Range Organics (C10-C28)	483	25.0	mg/kg	500		96.6	38-132			
Surrogate: n-Nonane	37.0		"	50.0		74.0	50-200			

Matrix Spike (1935001-MS1)

Source: P908071-01

Prepared: 08/26/19 0 Analyzed: 08/27/19 1

Diesel Range Organics (C10-C28)	519	25.0	mg/kg	500	ND	104	38-132			
Surrogate: n-Nonane	39.6		"	50.0		79.1	50-200			

Matrix Spike Dup (1935001-MSD1)

Source: P908071-01

Prepared: 08/26/19 0 Analyzed: 08/27/19 1

Diesel Range Organics (C10-C28)	532	25.0	mg/kg	500	ND	106	38-132	2.50	20	
Surrogate: n-Nonane	36.2		"	50.0		72.3	50-200			

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Epic Energy	Project Name:	Below Grade Pits	Reported:
7420 Main Street	Project Number:	18012-0006	08/30/19 14:05
Farmington NM, 87402	Project Manager:	Michael Dean	

Nonhalogenated Organics by 8015 - GRO - Quality Control

Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 1935010 - Purge and Trap EPA 5030A										
Blank (1935010-BLK1)										
					Prepared: 08/26/19 Analyzed: 08/27/19					
Gasoline Range Organics (C6-C10)	ND	20.0	mg/kg							
Surrogate: 1-Chloro-4-fluorobenzene-FID	7.75		"	8.00		96.9	50-150			
LCS (1935010-BS2)										
					Prepared: 08/26/19 Analyzed: 08/28/19					
Gasoline Range Organics (C6-C10)	49.6	20.0	mg/kg	50.0		99.1	70-130			
Surrogate: 1-Chloro-4-fluorobenzene-FID	7.84		"	8.00		98.0	50-150			
Matrix Spike (1935010-MS2)										
					Source: P908073-01		Prepared: 08/26/19 Analyzed: 08/28/19			
Gasoline Range Organics (C6-C10)	51.1	20.0	mg/kg	50.0	ND	102	70-130			
Surrogate: 1-Chloro-4-fluorobenzene-FID	7.71		"	8.00		96.4	50-150			
Matrix Spike Dup (1935010-MSD2)										
					Source: P908073-01		Prepared: 08/26/19 Analyzed: 08/28/19			
Gasoline Range Organics (C6-C10)	48.5	20.0	mg/kg	50.0	ND	97.0	70-130	5.20	20	
Surrogate: 1-Chloro-4-fluorobenzene-FID	7.71		"	8.00		96.4	50-150			

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Epic Energy	Project Name:	Below Grade Pits	Reported:
7420 Main Street	Project Number:	18012-0006	08/30/19 14:05
Farmington NM, 87402	Project Manager:	Michael Dean	

Anions by 300.0/9056A - Quality Control

Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 1935017 - Anion Extraction EPA 300.0/9056A										
Blank (1935017-BLK1)				Prepared: 08/27/19 0 Analyzed: 08/27/19 2						
Chloride	ND	20.0	mg/kg							
LCS (1935017-BS1)				Prepared: 08/27/19 0 Analyzed: 08/27/19 2						
Chloride	253	20.0	mg/kg	250		101	90-110			
Matrix Spike (1935017-MS1)				Source: P908069-01 Prepared: 08/27/19 0 Analyzed: 08/27/19 2						
Chloride	250	20.0	mg/kg	250	ND	100	80-120			
Matrix Spike Dup (1935017-MSD1)				Source: P908069-01 Prepared: 08/27/19 0 Analyzed: 08/27/19 2						
Chloride	248	20.0	mg/kg	250	ND	99.1	80-120	0.928	20	

QC Summary Report

Comment:

Calculations are based off of the raw (non-rounded) data. However, for reporting purposes all QC data is rounded to three significant figures. Therefore, hand calculated values may differ slightly.

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Epic Energy
7420 Main Street
Farmington NM, 87402

Project Name: Below Grade Pits
Project Number: 18012-0006
Project Manager: Michael Dean

Reported:
08/30/19 14:05

Notes and Definitions

ND Analyte NOT DETECTED at or above the reporting limit

NR Not Reported

RPD Relative Percent Difference

** Methods marked with ** are non-accredited methods.

Soil data is reported on an "as received" weight basis, unless reported otherwise.

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Project Information

Chain of Custody

Page 7 of 7[illegible]

envirotech
Analytical Laboratory

5796 US Highway 64, Farmington, NM 87401

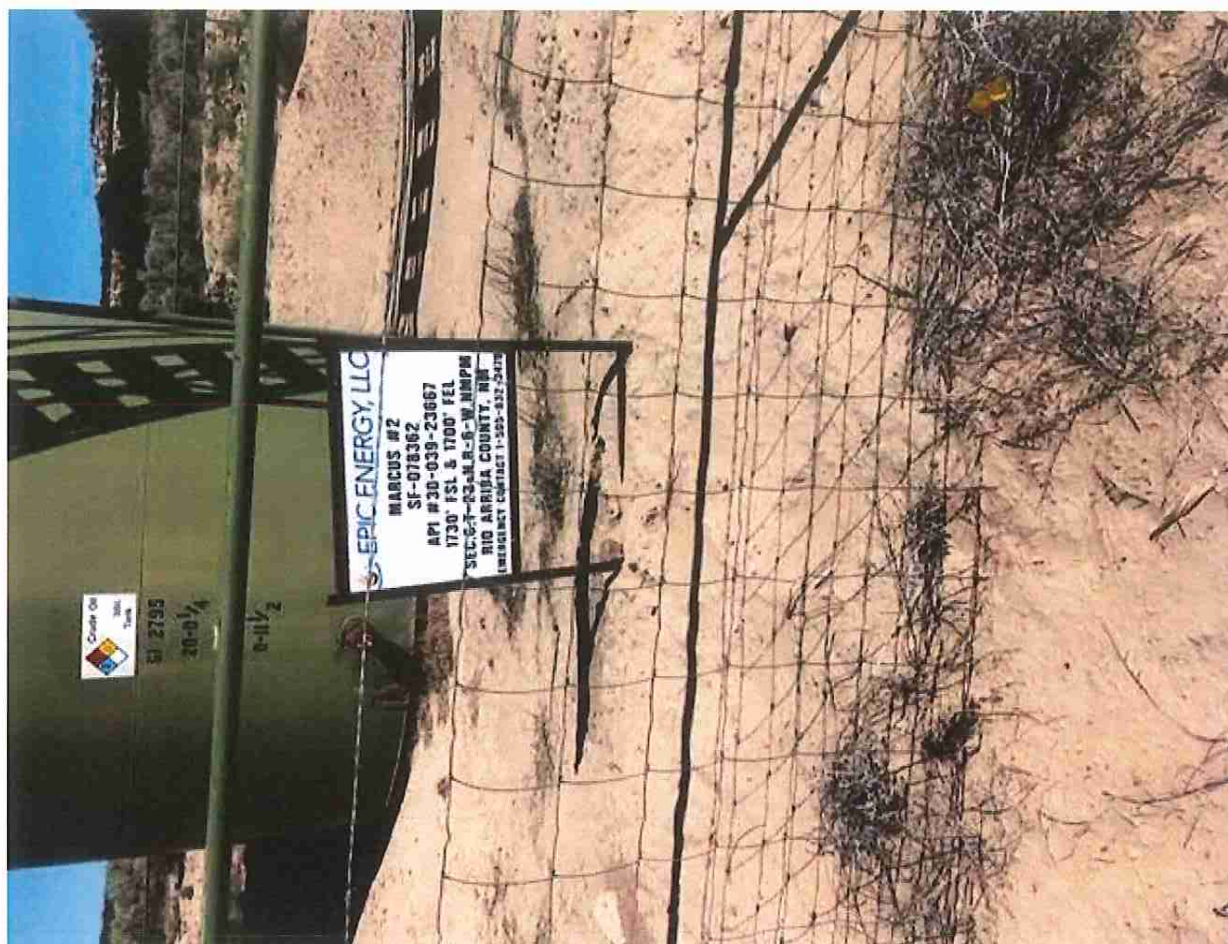
Ph (505) 632-1881 Fax (505) 632-1855

enivndlech-inc.com

abadminterprises.com

Vanessa Fields

From: Vanessa Fields <vanessa@walsheng.net>
Sent: Monday, October 28, 2019 4:30 PM
To: Vanessa Fields
Subject: IMG_1195.jpeg



Vanessa Fields
Walsh Engineering & Production
Sent from my iPhone

Vanessa Fields

From: Vanessa Fields <vanessa@walsheng.net>
Sent: Monday, October 28, 2019 4:31 PM
To: Vanessa Fields
Subject: IMG_1196.jpeg



Vanessa Fields
Walsh Engineering & Production
Sent from my iPhone

Vanessa

From: Vanessa <vanessa@walsheng.net>
Sent: Monday, August 19, 2019 4:30 PM
To: 'Smith, Cory, EMNRD'; 'Adeloye, Abiodun'
Cc: 'Powell, Brandon, EMNRD'; 'Durham, John, EMNRD'; 'Vern Andrews'; 'Michael Dean'; 'John Jr.'
Subject: RE: Marcus 2 API# 30-039-23667 OCD Inspection 7/29/19

Good afternoon,

Walsh Engineering on behalf of EPIC Energy request the scheduling of the removal of the BGT on the Marcus #002 for Friday August 23, 2019 at 9:00am.

30-039-23667 MARCUS #002 [325443]

General Well Information

Operator:	[372834] EPIC ENERGY, L.L.C.
Status:	Active
Well Type:	Oil
Work Type:	New
Surface Location:	J-06-23N-06W 1730 FSL 1700 FEL
Lat/Long:	36.251194,-107.5071945 NAD83
GL Elevation:	6862
KB Elevation:	
DF Elevation:	

Thank you,
Vanessa Fields
Regulatory Compliance Manager
Walsh Engineering /Epic Energy LLC.
O: 505-327-4892
C: 505-787-9100
vanessa@walsheng.net

From: Vanessa <vanessa@walsheng.net>
Sent: Wednesday, July 31, 2019 1:30 PM
To: 'Smith, Cory, EMNRD' <Cory.Smith@state.nm.us>; 'vern@walsheng.net' <vern@walsheng.net>; 'Mike Coley'

<mcoley@walsheng.net>; 'Jimmie McKinney' <jimmie@walsheng.net>; 'John Hampton Jr' <jdhampton@walsheng.net>
Cc: 'Powell, Brandon, EMNRD' <Brandon.Powell@state.nm.us>; 'Durham, John, EMNRD' <John.Durham@state.nm.us>
Subject: RE: Marcus 2 API# 30-039-23667 OCD Inspection 7/29/19

Good afternoon Cory,

Epic Energy will address the compliance issue and provide 72 hour notification prior to removing.

Thank you,

Vanessa Fields

Regulatory Compliance Manager
Walsh Engineering /Epic Energy LLC.
O: 505-327-4892
C: 505-787-9100
vanessa@walsheng.net

From: Smith, Cory, EMNRD <Cory.Smith@state.nm.us>
Sent: Tuesday, July 30, 2019 3:00 PM
To: vern@walsheng.net; Vanessa <vanessa@walsheng.net>; 'Mike Coley' <mcoley@walsheng.net>; 'Jimmie McKinney' <jimmie@walsheng.net>; 'John Hampton Jr' <jdhampton@walsheng.net>
Cc: Powell, Brandon, EMNRD <Brandon.Powell@state.nm.us>; Durham, John, EMNRD <John.Durham@state.nm.us>
Subject: Marcus 2 API# 30-039-23667 OCD Inspection 7/29/19

All,

OCD performed an inspection on the Marcus 2 API# 30-039-23667. The following compliance issue were noted

- Below Grade Tank does not meet the design requirements of 19.15.17.11 NMAC.

The operator of a single walled below-grade tank constructed and installed prior to June 16, 2008 and where any portion of the tank sidewall is below the ground surface and not visible shall equip or retrofit the below-grade tank to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC, or close it, by June 16, 2013. Fiberglass tanks do not meet the design requirements of 19.15.17.11.I(1).

Epic is required to close this Below Grade tank per the approved closure plan no later than October 31, 2019. If there are scheduling issues Epic may request to meet and discuss such issues with the OCD District Office. If you have any additional question please give me a call.

Cory Smith
Environmental Specialist
Oil Conservation Division
Energy, Minerals, & Natural Resources
1000 Rio Brazos, Aztec, NM 87410
(505)334-6178 ext 115
cory.smith@state.nm.us

EPIC Energy, L.L.C

Below Grade Tank Closure Plan

Marcus #002

U/L: J, Section 06, TWN: 23N. RNG: 06W

Rio Arriba County, New Mexico

As stipulated in Rule 19.15.17.13 NMAC, the following information adheres to the requirements established in closing below-grade tanks (BGTs) on EPIC Energy, L.L.C well sites. This plan will address the standard protocols and procedures for closure of BGTs.

EPIC Energy, L.L.C proposes to close its existing BGTs that do not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or are not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC in accordance with this closure plan and the transitional provisions of Subsection E of 19.15.17.17 NMAC, or within five (5) years after the effective date (June 16, 2008) of 19.15.17 NMAC.

The following outline addresses all requirements for closure of EPIC Energy, L.L.C BGTs:

1. Prior notification of EPIC Energy, L.L.C intent to close the BGT will follow 19.15.17.13J (I) and (2).

a. EPIC Energy, L.L.C will notify the surface owner by certified mail, return receipt requested, of closure plans. Evidence of mailing of the notice to the address of the surface owner shown in the county tax records is enough to demonstrate compliance with this requirement.

b. Notification will also be given to the division District III office verbally or by other means at least 72 hours, but not more than one (1) week, prior to any closure operation. The notice will include the operator's name and the well's name, number, and API number, in addition to the well's legal description, including the unit letter, section, township, and range.

Notice was provided to the NMOCD District III office and the Farmington NM BLM Office. Attached is a copy of the notification.

2. EPIC ENERGY, L.L.C will remove liquids and sludge from the BGT prior to implementing a closure method and dispose of the liquids and sludge in a NMOCD's division-approved facility. A list of EPIC Energy, L.L.C approved disposal facilities is below:

Fluid disposal:

Agua Moss

Sunco well #1

U/L=E, SWNW, Section 2, T29N-R12W San Juan, New Mexico

Permit #NM-01-0009

Basin Disposal Inc.

Basin Disposal well # 1

U/L=F, SWNW, Section 3, T29N-R1 1 W San Juan, New Mexico

Permit #NM-01-0005

Solid disposal: **Envirotech Land Farm**

Disposal Facility

Section 6, T26N-R10W, County Road #7175 San Juan, New Mexico

Permit #NM-01-0011

All liquids that were in the BGT were removed and sent to one of their referenced Division approved facilities.

3. EPIC ENERGY, L.L.C will remove the BGT from the pit and place it at ground level adjacent to the original BGT site and dispose of it in a NMOCD approved facility or recycle, reuse, or reclaim it in a manner that the NMOCD approved. If a liner is present and must be disposed of it will be cleaned and disposed at a permitted solid waste facility, pursuant to Subparagraph (m) of Paragraph (1) of Subsection C of 19.15.35.8 NMAC.

The BGT was transported for recycling.

4. EPIC Energy, L.L.C will hook up necessary equipment and piping for temporary tank use. At this time, any on-site equipment not necessary to the operation of the tank will be removed from the site.

All equipment associated with the BGT removal has been removed.

5. EPIC Energy, L.L.C will test the soils beneath the original BGT location to determine whether a release has occurred. At a minimum, a five (5) point composite sample will be collected in addition to individual grab samples from areas that are wet, discolored, or showing other evidence of a release. The samples will be analyzed for BTEX, TPH, and chlorides to demonstrate that they do not exceed certain concentrations. The testing methods and closure standards for those constituents are as follows:

Analytical results came back non-detect for hydrocarbons. Chloride results were 368 mg/kg. The results were below the regulatory standard of 600 mg/kg. An OCD nor BLM representative was not onsite to witness the removal of the BGT and sampling.

Constituents	Testing Method	Closure Standards (mg/Kg)
Benzene	US EPA SW-846 methods 8021B or 8260B	0.2
total BTEX	US EPA SW-846 methods 8021B or 8260B	50
TPH	US EPA method 418.1	100
Chlorides	US EPA method 300.1	250 or background

Notes: mg/Kg= milligram per kilogram; BTEX = benzene, toluene, ethylbenzene, and total xylenes; TPH = total petroleum hydrocarbons. Other EPA methods that the division approves may be applied to all constituents listed. The Chlorides closure standards will be determined by whichever concentration level is greatest.

6. EPIC Energy, L.L.C will notify the division District III office of the soil test results on Form C-14 I. It is understood that the NMOCD may require additional delineation upon review of the results.

A C-141 is attached for Closure demonstrating the analytical results were below regulatory standards.

7. If it is determined that a release has occurred, then EPIC Energy, L.L.C will comply with 19.15.3.116 NMAC and 19.15.1.19 NMAC, as appropriate.

A C-141 is attached for Closure demonstrating the analytical results were below regulatory standards.

8. If the confirmation sampling demonstrates that a release has not occurred or that any release does not exceed the concentrations specified above, then EPIC Energy, L.L.C will backfill the excavation with compacted, non-waste containing, earthen material; construct a division prescribed soil cover; re-contour the site; and move the fiberglass tank onto the newly backfilled and compacted site. The division-prescribed soil cover, re-contouring, and re-vegetation requirements shall comply with Subsections G, H, and I of 19.15.17.13

NMAC.

The area has been backfilled and will be reclaimed once the well has been plugged and abandoned.

9.Reclamation will follow 19.15.17.130 (1) and (2).

a. The BGT location and all areas associated with the BGT, including associated access roads, if applicable, will be reclaimed to a safe and stable condition that blends with the surrounding undisturbed area. It is understood that EPIC Energy, L.L.C shall substantially restore the impacted surface area to the condition that existed prior to oil and gas operations by placement of the soil cover as provided in Subsection H of 19 .15 .1 7 .13 NMA C and re-contour the location and associated areas to a contour that approximates the original contour and blends with the surrounding topography.

b. Re-vegetation will not be completed at the time the BGT pit is reclaimed but will instead be applied for as part of the P&A process when the well is plugged and abandoned.

10.Soil cover will follow 19.15.17.13H (1) and (3).

a. The soil cover for closures where the BGT has been removed or contaminated soil has been remediated to the NMOCD's satisfaction will consist of the background thickness of topsoil or one (1) foot of suitable material to establish vegetation at the site, whichever is greater.

b. The soil cover will be constructed to the site's existing grade, and all possible efforts will be conducted to prevent ponding of water and erosion of the cover material.

The area has been backfilled and will be reclaimed once the well has been plugged and abandoned.

11.Within 60 days of closure completion, EPIC Energy, L.L.C will submit a closure report on NMOCD's Form C-144, with necessary attachments to document all closure activities, including sampling results; information required by 19.15.17 NMAC; and details on backfilling, capping, and covering, where applicable. EPIC Energy, L.L.C will certify that all information in the report and attachments is correct and that EPIC Energy, L.L.C has complied with all applicable closure requirements and conditions specified in the approved closure plan.