District 1
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 Department Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.

For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

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Pit, Closed-Loop System, Below-Grade Tank, or oposed Alternative Method Permit or Closure Plan Application

| Proposed Alternative Method Permit or Closure Plan Application |
|---|
| Type of action: Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method |
| Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, 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 nvironment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances. |
| Operator: BP AMERICA PRODUCTION COMPANY OGRID #: 778 |
| Address: 200 Energy Court, Farmington, NM 87401 |
| Facility or well name: NYE GAS COM B 001 |
| API Number: 3004508567 OCD Permit Number: |
| U/L or Qtr/Qtr H Section 7.0 Township 29.0N Range 09W County: San Juan County |
| Center of Proposed Design: Latitude <u>36.74226</u> Longitude <u>-107.81445</u> NAD: ☐1927 × 1983 |
| Surface Owner: ☐ Federal ☐ State ▼ Private ☐ Tribal Trust or Indian Allotment |
| 2. |
| Pit: Subsection F or G of 19.15.17.11 NMAC |
| Temporary: Drilling Workover OIL CONS. DIV DIST. 3 |
| Permanent Emergency Cavitation P&A |
| Permanent Emergency Cavitation P&A |
| Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other APR 3 0 2014 |
| Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other APR 3 0 2014 String-Reinforced |
| Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other APR 3 0 2014 |
| Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other APR 3 0 2014 String-Reinforced Liner Seams: Welded Factory Other Volume:bbl Dimensions: Lx Wx D 3. Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) |
| Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other APR 3 0 2014 String-Reinforced |
| Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other APR 3 0 2014 String-Reinforced Liner Seams: Welded Factory Other |
| Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other APR 3 0 2014 String-Reinforced |
| Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other APR 3 0 2014 String-Reinforced Liner Seams: Welded Factory Other |
| Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other APR 3 0 2014 String-Reinforced Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x D 3. Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) Drying Pad Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other Liner Seams: Welded Factory Other 4. |
| Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other APR 3 0 2014 String-Reinforced Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x D 3. Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) Drying Pad Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other Liner Seams: Welded Factory Other 4. Below-grade tank: Subsection I of 19.15.17.11 NMAC Tank ID: A |
| Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other APR 3 0 2014 String-Reinforced Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x D |
| Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other APR 3 0 2014 String-Reinforced Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x D 3. Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) Drying Pad Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other Liner Seams: Welded Factory Other 4. Below-grade tank: Subsection I of 19.15.17.11 NMAC Tank ID: A Volume: 95.0 bbl Type of fluid: Produced Water Tank Construction material: Steel |
| Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other APR 3 0 2014 String-Reinforced Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x D 3. Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) Drying Pad Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other Liner Seams: Welded Factory Other 4. May be a subsection of 19.15.17.11 NMAC Tank Tan |

Form C-144

Alternative Method:

Oil Conservation Division

Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

Page 1 of 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, institution or church) Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate. Please specify 4' Hogwire with single barbed wire | hospital, |
|---|------------------------------|
| Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other Monthly inspections (If netting or screening is not physically feasible) | |
| §igns: 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 | |
| Administrative Approvals 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: Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. | office for |
| 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 accematerial are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the approoffice or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to dry above-grade tanks associated with a closed-loop system. | ppriate district pproval. |
| Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | ▼ Yes □ No |
| 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 | ☐ Yes 🗷 No |
| Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image | Yes No |
| Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) | Yes No |
| Visual inspection (certification) of the proposed site; Aerial photo; Satellite image Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site | ☐ Yes 🗷 No |
| 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. - Written confirmation or verification from the municipality; Written approval obtained from the municipality | ☐ Yes 🗷 No |
| Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | ☐ Yes 🗷 No |
| Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division | ☐ Yes 🗷 No |
| Within an unstable area. - 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 FEMA map | ☐ Yes 🗷 No |

| 11. 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 Sitting 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: |
| 12. Closed-loop Systems 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. |
| Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (only for on-site closure) - 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: |
| Previously Approved Operating and Maintenance Plan API Number:(Applies only to closed-loop system that use |
| above ground steel tanks or haul-off bins and propose to implement waste removal for closure) |
| 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 |
| 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 Closed-loop System 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 (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration) |
| 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 F 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 G of 19.15.17.13 NMAC |

| Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.1 | |
|--|-----------------------|
| Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if facilities are required. | more than two |
| Disposal Facility Name: Disposal Facility Permit Number: | |
| Disposal Facility Name: Disposal Facility Permit Number: | |
| Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future ser Yes (If yes, please provide the information below) No | vice and operations? |
| Required for impacted areas which will not be used for future service and operations: Soil Backfill and Cover Design Specifications based upon the appropriate requirements of Subsection H of 19.15.17.13 NMA Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC | С . |
| 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 sour provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate dist considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justi demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance. | rict office or may be |
| Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | Yes No |
| Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | ☐ Yes ☐ No ☐ 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 | Yes No |
| 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 | ☐ Yes ☐ 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 | ☐ Yes ☐ No |
| Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site | Yes No |
| 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. - Written confirmation or verification from the municipality; Written approval obtained from the municipality | Yes No |
| Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | ☐ Yes ☐ No |
| Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division | ☐ Yes ☐ No |
| Within an unstable area. - 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 FEMA map | ☐ Yes ☐ No |
| On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure pl 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 F of 19.15.17.13 NMAC Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements 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. 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 F of 19.15.17.13 NMAC Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC 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 I of 19.15.17.13 NMAC | 15.17.11 NMAC |

| Operator Application Certification: | |
|---|--|
| I hereby certify that the information submitted with this application is true, Name (Print) Jeffrey Peace | Title: Field Environmental Advisor |
| of Dear H. Rome D. | |
| Signature: | Date: 6/14/2010 |
| e-mail address: Peace.Jefffey@bp.com | Telephone: _505-326-9479 |
| OCD Approval: Permit Application (including closure plan Clos | oure Dian (only) |
| OCD Representative Signature: | = Joseph Jaly 4/2/12 |
| Title: Invionmental France | - Complance Office |
| 21. | OCD Permit Number: |
| Closure Report (required within 60 days of closure completion): Subse | ection K of 19.15.17.13 NMAC prior to implementing any closure activities and submitting the closure report. |
| The closure report is required to be submitted to the division within 60 day | vs 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 | Closure Completion Date: 3-19-2014 |
| 22. | |
| Closure Method: ■ Waste Excavation and Removal □ On-Site Closure Method □ A □ If different from approved plan, please explain. | alternative Closure Method |
| 23. Closure Report Regarding Waste Removal Closure For Closed-loop Sys | stems That Utilize Above Ground Steel Tanks or Haul off Rins Only |
| Instructions: Please indentify the facility or facilities for where the liquids two facilities were utilized. | s, drilling fluids and drill cuttings were disposed. Use attachment if more than |
| Disposal Facility Name: | Disposal Facility Permit Number: |
| Disposal Facility Name: | Disposal Facility Permit Number: |
| Were the closed-loop system operations and associated activities performed Yes (If yes, please demonstrate compliance to the items below) | |
| Required for impacted areas which will not be used for future service and of Site Reclamation (Photo Documentation) | perations: |
| Soil Backfilling and Cover Installation | |
| Re-vegetation Application Rates and Seeding Technique | |
| | ing 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) | |
| ☐ Plot Plan (for on-site closures and temporary pits) ☑ Confirmation Sampling Analytical Results (if applicable) | |
| ☐ Waste Material Sampling Analytical Results (required for on-site clos | sure) |
| Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation | |
| Re-vegetation Application Rates and Seeding Technique | |
| Site Reclamation (Photo Documentation) | ongitude <u>-107.81445</u> NAD: □1927 🔀 1983 |
| | ongitude <u>-/67.81445</u> NAD: □1927 🗷 1983 |
| 25. Operator Closure Certification: | |
| I hereby certify that the information and attachments submitted with this clobelief. I also certify that the closure complies with all applicable closure req | |
| Name (Print): Jeff Leace | Title: Area Gnustronmental Advisor |
| Signature: Off Peace | Date: April 29, 2014 |
| e-mail address: Peace. Jeffrey @ bp. com | Telephone: (505) 32-6-9479 |

BP AMERICA PRODUCTION COMPANY

SAN JUAN BASIN, NORTHWEST NEW MEXICO

BELOW-GRADE TANK CLOSURE PLAN

Nye Gas Com B 1 API No. 3004508567 Unit Letter H. Section 7, T29N, R9W

This plan will address the standard protocols and procedures for closure of below-grade tanks (BGTs) on BP America Production Company (BP) well sites. As stipulated in Paragraph A of 19.15.17.13 NMAC, BP shall close a BGT within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the New Mexico Oil Conservation Division (NMOCD) requires because of imminent danger to fresh water, public health, safety or the environment. If deviations from this plan are necessary, any specific changes will be included on form C-144 and approved by the NMOCD. BP shall close an existing BGT that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or is not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC within five years after June 16, 2008, if not retrofit with a BGT that complies with the BP NMOCD approved BGT design attached to the BP Design and Construction Plan. BP shall close an existing BGT that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC, if not previously retrofitted to comply with the BP NMOCD approve BGT Design attached to the BP Design and Construction Plan, prior to any sale or change in operator pursuant to 19.15.9.9 NMAC. BP shall close the permitted BGT within 60 days of cessation of the BGTs operation or as required by the transitional provisions of Subsection B, D, or E of 19.15.17.17 NMAC.

General Closure Plan

- BP shall notify the surface owner by certified mail that it plans to close a BGT. Evidence of mailing of the notice to the address of the surface owner shown in the county tax records demonstrates compliance with this requirement.
 - Notice is attached.
- BP shall notify 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 shall include the operator's name, and the location to be closed by unit letter, section, township and range. If the BGT closure is associated with a particular well, then the notice shall also include the well's name, number and API number.

Notice is attached.

- BP shall 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. The facilities to be used are:
 - BP Crouch Mesa Landfarm, Permit NM-02-003 (Solids) a.
 - JFJ Landfarm, Permit NM-01-010(B) (Solids and Sludge) b.
 - Basin Disposal, Permit NM-01-0005 (Liquids) C.
 - Envirotech Inc Soil Remediation Facility, Permit NM-01-0011 (Solids and d. Sludge)
 - BP Operated E.E. Elliott SWD #1, API 30-045-27799 (Liquids) e.

- f. BP Operated 13 GCU SWD #1, API 30-045-28601 (Liquids)
- g. BP Operated GCU 259 SWD, API 30-045-20006 (Liquids)
- h. BP Operated GCU 306 SWD, API 30-045-24286 (Liquids)
- i. BP Operated GCU 307 SWD, API 30-045-24248 (Liquids)
- j. BP Operated GCU 328 SWD, API 30-045-24735 (Liquids)
- k. BP Operated Pritchard SWD #1, API 30-045-28351 (Liquids)

All liquids and sludge in the BGT were removed and sent to one of the above NMOCD approved facilities for disposal.

4. BP shall remove the BGT and dispose of it in a NMOCD approved facility or recycle, reuse, or reclaim it in a manner that the NMOCD approves. If a liner is present and must be disposed of it will be cleaned by scraping any soils or other attached materials on the liner to a de minimus amount and disposed at a permitted solid waste facility, pursuant to Subparagraph (m) of Paragraph (1) of Subsection C of 19.15.35.8 NMAC. Documentation as to the final disposition of the removed BGT will be provided in the final closure report.

The BGT was transported to a storage area for sale and re-use.

5. BP shall remove any on-site equipment associated with a BGT unless the equipment is required for well production.

All equipment associated with the BGT has been removed.

6. BP shall test the soils beneath the BGT to determine whether a release has occurred. BP shall collect at a minimum: a five (5) point composite sample and individual grab samples from any area that is wet, discolored or showing other evidence of a release and analyze for BTEX, TPH and chlorides. The testing methods for those constituents are as follows;

| Constituents | Testing Method | Release Verification | Sample |
|--------------|-------------------------------------|----------------------|---------|
| | 95 bbl BGT | (mg/Kg) | results |
| Benzene | US EPA Method SW-846 8021B or 8260B | 0.2 | ND |
| Total BTEX | US EPA Method SW-846 8021B or 8260B | 50 | ND |
| TPH | US EPA Method SW-846 418.1 | 100 | ND |
| Chlorides | US EPA Method 300.0 or 4500B | 250 or background | ND |

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. Chloride closure standards will be determined by which ever concentration level is greatest.

Soil under the BGT was sampled and TPH, BTEX and chloride levels were below the stated limits. Sampling data is attached.

7. BP shall notify the division District III office of its results on form C-141. **C-141** is attached.

8. If it is determined that a release has occurred, then BP will comply with 19.15.30 NMAC and 19.15.29 NMAC, as appropriate.

Sampling results indicate no release occurred.

9. If the sampling demonstrates that a release has not occurred or that any release does not exceed the concentrations specified above, then BP shall backfill the excavation, with compacted, non-waste containing, earthen material; construct a division-prescribed soil cover, re-contour and re-vegetate the location. The location will be reclaimed if it is not with in the active process area

The area under the BGT was backfilled with clean soil. The area over the BGT is covered by the LPT and is still within the active well area.

10. BP shall reclaim the BGT location and all areas associated with the BGT including associated access roads to a safe and stable condition that blends with the surrounding undisturbed area. BP 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 19.15.17.13 NMAC, re-contour the location and associated areas to a contour that approximates the original contour and blends with the surrounding topography and re-vegetate according to Subsection I of 19.15.17.13 NMAC.

The area over the BGT is covered by the LPT and is still within the active well area. This area will be reclaimed when the well is plugged and abandoned as part of final reclamation.

11. The soil cover for closures where the BGT has been removed or remediated to the NMOCD's satisfaction shall consist of the background thickness of topsoil or one foot of suitable material to establish vegetation at the site, whichever is greater. The soil cover will be constructed to the site's existing grade and all practicable efforts will be made to prevent ponding of water and erosion of the cover material.

The area over the BGT is covered by the LPT and is still within the active well area. This area will be reclaimed when the well is plugged and abandoned as part of final reclamation.

12. BP shall seed the disturbed area the first growing season after closure of the BGT. Seeding will be accomplished by drilling on the contour whenever practical or by other division-approved methods. Vegetative cover will be, at a minimum, 70% of the native perennial vegetative cover (un-impacted by overgrazing, fire or other intrusion damaging to native vegetation), consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintenance of that cover through two successive growing seasons. During the two growing seasons that prove viability, there shall be no artificial irrigation of the vegetation.

The area over the BGT is covered by the LPT and is still within the active well area. This area will be reclaimed when the well is plugged and abandoned as part of final reclamation.

13. BP shall seed, plant and re-seed pursuant to Paragraph (3) of Subsection I of 19.15.17.13 NMAC, until the location successfully achieves the required vegetative cover

BP will seed the area when the well is plugged and abandoned.

14. Pursuant to Paragraph (5) of Subsection I of 19.15.17.13 NMAC, BP shall notify the NMOCD when it has seeded or planted and when it successfully achieves revegetation.

BP will notify NMOCD when re-vegetation is successful.

- 15. Within 60 days of closure completion, BP shall submit a closure report on NMOCD's form C-144, and will include the following;
 - a. proof of closure notification (surface owner and NMOCD)
 - b. sampling analytical reports; information required by 19.15.17 NMAC;
 - c. disposal facility name and permit number
 - d. details on back-filling, capping, covering, and where applicable re-vegetation application rates and seeding techniques and
 - e. site reclamation, photo documentation.

 Closure report on C-144 form is included.
- 16. BP shall certify that all information in the report and attachments is accurate, truthful, and compliant with all applicable closure requirements and conditions specified in the approved closure plan.

Certification section of C-144 has been completed.

<u>District I</u> 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 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Form C-141 Revised August 8, 2011

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

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

| | | | Rele | ease Notific | cation | and Co | orrective A | ction | | | ·· <u>·</u> | | |
|---|---|---|--|---|-------------------------------------|--|--|---|------------------------------------|--|-------------------------------|-----------------------------------|--|
| | | | | | | OPERA | ГOR | | Initia | al Report | \boxtimes | Final Repor | |
| Name of Co | ompany: BI |) | | | | Contact: Jef | f Peace | | | | | | |
| | | Court, Farmi | ngton, N | M 87401 | | Telephone 1 | No.: 505-326-94 | 79 | | | | | |
| Facility Na | me: Nye Ga | as Com B 1 | | | | Facility Type: Natural gas well | | | | | | | |
| Surface Ow | ner: Private | e | | Mineral C |)wner: | Private | | | API No | . 30045085 | 567 | | |
| | | | | LOCA | ATIO | TION OF RELEASE | | | | | | | |
| Unit Letter H | Section 7 | Township 29N | Range 9W | Feet from the 1,500 | | South Line | Feet from the 800 | East/Wes East | t Line | County: S | an Juan | | |
| | | Lati | tude3 | 5.74226 | | _ Longitud | e107.81445 | | | | | | |
| | | | | NAT | URE | OF RELI | EASE | | | | | | |
| Type of Rele | | | | | | | Release: N/A | | olume R | Recovered: N | I/A | | |
| Source of Re | lease: below | grade tank – | 95 bbl, | | | Date and I- N/A | lour of Occurrenc | e: Da | ate and | Hour of Dis | covery: | N/A | |
| Was Immedia | ate Notice G | | | N | . , | If YES, To | Whom? | | | | | | |
| | | | Yes | No 🛛 Not Re | equired | | | | | | | | |
| By Whom? | | 10 | | | | | Date and Hour | | | | | | |
| Was a Watercourse Reached? | | | | | | | | | | | | | |
| If a Watercou | • | | | | | | | | | | | | |
| | | | | | | | the BGT was dor is results are attac | | emoval t | o ensure no | soil im | pacts from | |
| | | | | | | | | | | | | | |
| | | | | en.* BGT was rei ctive well area. | moved a | nd the area u | nderneath the BG | T was samp | oled. Th | ne excavated | area w | 'as | |
| regulations al public health should their o | I operators a or the environment of the environment of the environment. In ad | are required to conment. The live failed to a Idition, NMO | report an acceptanc dequately CD accep | d/or file certain re e of a C-141 repo investigate and re | elease no ort by the emediate | otifications ar NMOCD ma contamination | knowledge and und perform correctarked as "Final Roon that pose a threet the operator of r | tive actions eport" does eat to groun | for rele not relied d water, | ases which eve the oper surface wa | may en ator of ter, hur | danger liability nan health | |
| Signature: | off P | goel | | | | Approved by | OIL CONS Environmental Sp | · | <u> </u> | <u>DIVISIO</u> | <u>N</u> | | |
| Printed Name | : Jeff Peace | | | | | | | , | | | | | |
| Title: Area Er | nvironmenta | l Advisor | | | 1 | Approval Dat | e: | Exp | iration [| Date: | | | |
| E-mail Addre | ss: peace.jef | frey@bp.con | า | | (| Conditions of | Approval: | | | Attached | | | |

Phone: 505-326-9479

Date: April 29, 2014 * Attach Additional Sheets If Necessary

| CLIENT: BP | P.O. BOX 87, B | NGINEERING, INC. BLOOMFIELD, NM 874 05) 632-1199 | 13 | API #: 30045085 TANK ID (if applicble): A | 67 |
|--|--|--|---------------------|--|----------------|
| PIPI D BERART | | / RELEASE INVESTIGATION / OTHER: | | | |
| FIELD REPORT: | Circle one). [DOT COM INMATION] | TREEEASE INVESTIGATION TOTTLEN. | | PAGE#: 1 of | 1_ |
| SITE INFORMATION | I: SITE NAME: NYE GO | CB#1 | | DATE STARTED: 03/10 | /14 |
| QUAD/UNIT: H SEC: 7 TWP: | 29N RNG: 9W PM | : NM CNTY: SJ ST: | NM | DATE FINISHED: | |
| 1/4-1/4/FOOTAGE: 1,500'N / 800 | | TYPE: FEDERAL/STATE/FEE/I | | ENVIRONMENTAL SPECIALIST(S): JCE | 5 |
| | | ONTRACTOR: MBF - S. GENTR | | | |
| REFERENCE POINT 1) 95 BGT (DW/DB) | WELL HEAD (W.H.) GPS | S COORD.: <u>36.74268 X 10</u> 86.74226 X 107.81445 |)7.81429 | GL ELEV.: 5,5 RING FROM W.H.: 175', S2 | 77' 26W |
| 2) | | | | | |
| 3) | | | | | |
| | | | | | |
| SAMPLING DATA: | CHAIN OF CUSTODY RECORD(S) # 0 | OR LAB USED: HALL | · | F | OVM READING |
| 1) SAMPLE ID: 95 BGT 5pt. @ | 5' SAMPLE DATE: 03/1 (| 0/14 SAMPLETIME: 1100 LAB ANALYS | sis: <u>418.1/8</u> | 8015B/8021B/300.0(CI) | 0.0 |
| 2) SAMPLE ID: | | | | | |
| 3) SAMPLE ID: | SAMPLE DATE: | SAMPLE TIME: LAB ANALYS | SIS: | | |
| 4) SAMPLEID: | SAMPLE DATE: | SAMPLE TIME: LAB ANALYS | SIS: | <u> </u> | |
| SOIL DESCRIPTION | SOIL TYPE: SAND (SILTY SAND) | SILT / SILTY CLAY / CLAY / GRAVEL / OTHE | R | | |
| SOIL COLOR: DARK YELL | | PLASTICITY (CLAYS): NON PLASTIC / SLIGHT | | | PLASTIC |
| COHESION (ALL OTHERS): NON COHESIVE SLIGHTL CONSISTENCY (NON COHESIVE SOILS): LO | | DENSITY (COHESIVE CLAYS & SILTS): S HC ODOR DETECTED: YES NO EXPLANA | | | |
| MOISTURE: DRY SLIGHTLY MOIST MOIST / W | ET / SATURATED / SUPER SATURATED | | | | |
| SAMPLE TYPE: GRAB COMPOSITE # DISCOLORATION/STAINING OBSERVED: YES N | | ANY AREAS DISPLAYING WETNESS: YES | NO EXPLAN | IATION - | |
| SITE OBSERVATION | | T YES NO EXPLANATION - | | | |
| APPARENT EVIDENCE OF A RELEASE OBSERVE | D AND/OR OCCURRED: YES NO EXP | LANATION: | | | |
| EQUIPMENT SET OVER RECLAIMED AREA: [OTHER: | YES NO EXPLANATION - LP | AGT TO BE SET ATOP BGT. | | · · · · · · · · · · · · · · · · · · · | |
| | | | | | |
| SOIL IMPACT DIMENSION ESTIMATION: DEPTH TO GROUNDWATER: <50' N | NA ft. XNA BEAREST WATER SOURCE: >1,000 | | | IMATION (Cubic Yards) : <u> </u> | <u> </u> |
| SITE SKETCH | BGT Located: off on sit | | | | ppm |
| OTTE ONE TOTT | DOT ECOALCO . OII A OIT SIL | PLOTPLAIN CITCLE. ALLA | | CALIB. READ. = <u>100.1</u> ppm F CALIB. GAS = <u>100</u> ppm | RF = 1.00 |
| | | | | | 0/14 |
| | | | 14 | MISCELL. NOTE | |
| | | | l w | o: N15380268 | |
| | PBGTL T.B. ~ 5' PROD | | 1 - | O#: | |
| | B.G. TANKS | 5 | Pł | K: ZEVH01BGT2 | |
| BERM | | STEEL | | J#: Z2-006Q0 | |
| SEPARATOR | | CONTAINMENT | | ermit date(s): 06/14/1 CD Appr. date(s): 04/02/1 | |
| UNITS | | | Tan | k OVM = Organic Vapor Meter | |
| | | | A | | |
| | | X - S.P.D | . | BGT Sidewalls Visible: Y / N | |
| NOTES: BGT = BELOW-GRADE TANK; E.D. = EXCAVATION | ON DEPRESSION; B.G. = BELOW GRADE; B = B | BELOW; T.H. = TEST HOLE; ~ = APPROX.; W.H. = WEL | LHEAD; | BGT Sidewalls Visible: Y / N | |
| T.B. = TANK BOTTOM; PBGTL = PREVIOUS BEL APPLICABLE OR NOT AVAILABLE; SW - SINGLI | owagrade Tank Location; SPD = SAMPLE I EWALL; DW - DOUBLE WALL; SB - SINGLE BOT | POINT DESIGNATION; R.W. = RETAINING WALL; NA- ITOM; DB - DOUBLE BOTTOM. | M ION | agnetic declination: 10° I | E |
| NOTES: | | ONSITE: 03/10/14 | | | |

Analytical Report

Lab Order 1403531

Date Reported: 3/19/2014

Hall Environmental Analysis Laboratory, Inc.

CLIENT: Blagg Engineering Client Sample ID: 95 BGT 5-pt @ 5'

Project: Nye GC B 1 **Collection Date:** 3/10/2014 11:00:00 AM

Lab ID: 1403531-001 **Matrix:** SOIL **Received Date:** 3/12/2014 10:00:00 AM

| Analyses | Result | RL Qu | al Units | DF | Date Analyzed | Batch |
|-------------------------------|-------------|----------|----------|----|----------------------|--------|
| EPA METHOD 8015D: DIESEL RAN | GE ORGANICS | | | | Analyst | :: BCN |
| Diesel Range Organics (DRO) | ND | 9.9 | mg/Kg | 1 | 3/14/2014 9:50:32 PM | 12165 |
| Surr: DNOP | 94.9 | 66-131 | %REC | 1 | 3/14/2014 9:50:32 PM | 12165 |
| EPA METHOD 8015D: GASOLINE R | ANGE | | | | Analyst | NSB |
| Gasoline Range Organics (GRO) | ND | 4.8 | mg/Kg | 1 | 3/17/2014 3:19:06 PM | 12163 |
| Surr: BFB | 90.9 | 74.5-129 | %REC | 1 | 3/17/2014 3:19:06 PM | 12163 |
| EPA METHOD 8021B: VOLATILES | | | | | Analyst | NSB |
| Benzene | ND | 0.048 | mg/Kg | 1 | 3/17/2014 3:19:06 PM | 12163 |
| Toluene | ND | 0.048 | mg/Kg | 1 | 3/17/2014 3:19:06 PM | 12163 |
| Ethylbenzene | ND | 0.048 | mg/Kg | 1 | 3/17/2014 3:19:06 PM | 12163 |
| Xylenes, Total | ND | 0.096 | mg/Kg | 1 | 3/17/2014 3:19:06 PM | 12163 |
| Surr: 4-Bromofluorobenzene | 99.9 | 80-120 | %REC | 1 | 3/17/2014 3:19:06 PM | 12163 |
| EPA METHOD 300.0: ANIONS | | | | | Analyst | JRR |
| Chloride | ND | 30 | mg/Kg | 20 | 3/17/2014 2:36:14 PM | 12201 |
| EPA METHOD 418.1: TPH | | | | | Analyst | BCN |
| Petroleum Hydrocarbons, TR | ND | 20 | mg/Kg | 1 | 3/17/2014 | 12172 |
| EPA METHOD 418.1: TPH | | | | | Analyst | : |

Refer to the QC Summary report and sample login checklist for flagged QC data and preservation information.

Qualifiers:

- Value exceeds Maximum Contaminant Level.
- E Value above quantitation range
- J Analyte detected below quantitation limits
- O RSD is greater than RSDlimit
- R RPD outside accepted recovery limits
- S Spike Recovery outside accepted recovery limits
- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit

Page 1 of 6

- P Sample pH greater than 2.
- RL Reporting Detection Limit

| Client: | Blagg Engir | neering, In | C. | Standard | | | | | | AI | AN | LYS | SIS | LA | BC | RA | TO | RY. |
|--------------|--|----------------|---------------------------------------|-----------------------|----------------------|-----------------------|---------------|---------------|-------------|-----------|---------|-----------|--------|---------|----------|---------|------------|----------------------|
| | BP America | 1 | | Project Name | €: | | | | <u> </u> | | ww | v.hai | lenvi | ironm | enta | l.com | I | |
| Mailing Add | ress: | P.O. Box | , 87 | 1 | Nye GC B 1 | | • | | 4901 | Hawk | | | | | | | 87109 | |
| | | | eld, NM 87413 | Project #: | | | | | | 505-3 | | | | ax 5 | - | | | |
| Phone #: | | (505)320 | | - | | | | and Alexander | | | | inaly | sis | Regu | est | | | in in antimortic |
| email or Fax | | (000)01 | | Project Mana | naer | | | | 5 | . ee. A. | | | | A | * 500 Y | 2,234.5 | | |
| | | | | Troject Mane | Jeff Blagg | | | | | | | | | | | - | | |
| QA/QC Pack | _ | | ☐ Level 4 (Full Validation |)) | sen blagg | | | | 16 | 5 | | | | | | 1 | | |
| Standard | | | _ | | leff Dieses | | | | 2 | 5 | | | | | | | | |
| □ Other | no) | | | Sampler: | Jeff Blagg | □ No | 215/8/17/45 | | c | 5 | | | | | | | | Į Ž |
| LI EDD (TY | pe) | | | | perature:): | | | | (OBU / OBU) | | | | | | | | |) } |
| Date | Time | Matrix | Sample Request ID | | Preservative Type | | | BTEX (8021) | TDH 8015B | TPH 418.1 | | | | | | | Chloride | Air Bubbles (Y or N) |
| 03/10/2014 | 11:00 | Soil | 95 BGT 5-pt @ 5' | 4oz x 1 | cool | -00 | | х | x | x | | | | | T | | х | |
| **** | | | | | | | | | | | | | | | 十 | | | |
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| | | | | | | | - | | | - | | | | | \top | | | |
| | | <u> </u> | , | | | | VW# | | _ | 1- | | | | | 十 | | | |
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| | | | | | | | | | | +- | - | | | | + | | | |
| Date: | Time: | Relinguist | led hv. | Received by: | | Date | Time | Rem | arks: | Rill B | | | | | | L | <u> </u> | |
| | 1407 | Jul | 4 Bless | | 1 > 1 | 311 | | | ey: Z | | | T2 | | | | | | |
| Date: | Time: | Refinquish | ned by: | Received by: | سلمككلع | | Time | , | ontac | | | | Ρ | lease | cop | y resu | ults to: | |
| 3/11/14 | 1744 | Ahri | 1 1 2 - 01 | | A |)_ uf | 000 | peac | e.jeffr | ey@b | p.co | m | | | | | | |
| if ne | cessary, samples | submitted to I | fall Environmental may be subcontract | ed to other accredite | d aboratories. This | s serves as notice of | f this possib | ility. Any | y sub-cor | tracted | data v | vill be c | learly | notated | on the | analyti | cal report | |

Hall Environmental Analysis Laboratory, Inc.

WO#: 1403531

19-Mar-14

Client:

Blagg Engineering

Project:

Nye GC B 1

Sample ID MB-12201

SampType: MBLK

TestCode: EPA Method 300.0: Anions

TestCode: EPA Method 300.0: Anions

LowLimit

Client ID: Prep Date:

PBS

Batch ID: 12201

RunNo: 17390

3/17/2014

Analysis Date: 3/17/2014

SeqNo: 500913

Units: mg/Kg

Qual

Analyte Chloride

Result

SPK value SPK Ref Val %REC LowLimit

HighLimit

%RPD **RPDLimit**

Client ID:

ND 1.5

SampType: LCS Batch ID: 12201

PQL

RunNo: 17390

Prep Date: 3/17/2014

LCSS

Sample ID LCS-12201

14

Analysis Date: 3/17/2014

SeqNo: 500914

Units: mg/Kg

RPDLimit

Qual

Analyte Chloride

PQL

15.00

%RPD

1.5

SPK value SPK Ref Val %REC

94.2

90

HighLimit 110

Qualifiers:

Value exceeds Maximum Contaminant Level.

Е Value above quantitation range

Analyte detected below quantitation limits J

RSD is greater than RSDlimit O

RPD outside accepted recovery limits R

Spike Recovery outside accepted recovery limits S

Analyte detected in the associated Method Blank

H Holding times for preparation or analysis exceeded

ND Not Detected at the Reporting Limit

P Sample pH greater than 2.

Reporting Detection Limit

Page 2 of 6

Hall Environmental Analysis Laboratory, Inc.

WO#: 1403531

19-Mar-14

Client:

Blagg Engineering

Project:

Nye GC B 1

Sample ID MB-12172

SampType: MBLK

TestCode: EPA Method 418.1: TPH

Client ID: PBS

Batch ID: 12172

RunNo: 17320

Units: mg/Kg

Prep Date:

3/13/2014

Analysis Date: 3/17/2014

PQL

20

SeqNo: 498786

HighLimit

RPDLimit

Qual

Analyte Petroleum Hydrocarbons, TR

ND

Result

100

Result

100

Sample ID LCS-12172

SampType: LCS

TestCode: EPA Method 418.1: TPH

%RPD

%RPD

Client ID: LCSS

Batch ID: 12172

RunNo: 17320

Prep Date: 3/13/2014

Analysis Date: 3/17/2014

SeqNo: 498795

Units: mg/Kg

Analyte

Result PQL

20

SPK value SPK Ref Val %REC

LowLimit HighLimit **RPDLimit** Qual

Petroleum Hydrocarbons, TR

0 104

SPK value SPK Ref Val %REC LowLimit

80 120

Client ID: LCSS02

SampType: LCSD Sample ID LCSD-12172 Batch ID: 12172

RunNo: 17320

120

Units: mg/Kg

Analyte

Prep Date: 3/13/2014

Analysis Date: 3/17/2014

SeqNo: 498802 SPK value SPK Ref Val %REC

LowLimit HighLimit %RPD

RPDLimit

20

Qual

Petroleum Hydrocarbons, TR

20

100.0

100.0

99.6

TestCode: EPA Method 418.1: TPH

80

4.19

Qualifiers:

0

- Value exceeds Maximum Contaminant Level.
- Value above quantitation range Ε
- Analyte detected below quantitation limits
- RSD is greater than RSDlimit RPD outside accepted recovery limits
- ND Not Detected at the Reporting Limit
 - Sample pH greater than 2.
- Spike Recovery outside accepted recovery limits
- Analyte detected in the associated Method Blank
- Н Holding times for preparation or analysis exceeded
- Reporting Detection Limit RL

Page 3 of 6

Hall Environmental Analysis Laboratory, Inc.

WO#: 1403531

19-Mar-14

Client:

Blagg Engineering

| | ve GC B 1 |
|---------------------------|---|
| Sample ID MB-12179 | SampType: MBLK TestCode: EPA Method 8015D: Diesel Range Organics |
| Client ID: PBS | Batch ID: 12179 RunNo: 17323 |
| Prep Date: 3/14/201 | Analysis Date: 3/14/2014 SeqNo: 499010 Units: %REC |
| Analyte | Result PQL SPK value SPK Ref Val %REC LowLimit HighLimit %RPD RPDLimit Qual |
| Surr: DNOP | 10 10.00 101 66 131 |
| Sample ID LCS-1217 | SampType: LCS TestCode: EPA Method 8015D: Diesel Range Organics |
| Client ID: LCSS | Batch ID: 12179 RunNo: 17323 |
| Prep Date: 3/14/201 | Analysis Date: 3/14/2014 SeqNo: 499012 Units: %REC |
| Analyte | Result PQL SPK value SPK Ref Val %REC LowLimit HighLimit %RPD RPDLimit Qual |
| Surr: DNOP | 4.9 5.000 98.5 66 131 |
| Sample ID MB-12165 | SampType: MBLK TestCode: EPA Method 8015D: Diesel Range Organics |
| Client ID: PBS | Batch ID: 12165 RunNo: 17309 |
| Prep Date: 3/13/201 | Analysis Date: 3/14/2014 SeqNo: 499648 Units: mg/Kg |
| Analyte | Result PQL SPK value SPK Ref Val %REC LowLimit HighLimit %RPD RPDLimit Qual |
| Diesel Range Organics (DR | |
| Surr: DNOP | 10 10.00 101 66 131 |
| Sample ID LCS-1216 | SampType: LCS TestCode: EPA Method 8015D: Diesel Range Organics |
| Client ID: LCSS | Batch ID: 12165 RunNo: 17357 |
| Prep Date: 3/13/201 | Analysis Date: 3/17/2014 SeqNo: 499909 Units: mg/Kg |
| Analyte | Result PQL SPK value SPK Ref Val %REC LowLimit HighLimit %RPD RPDLimit Qual |
| Diesel Range Organics (DR |) 55 10 50.00 0 109 60.8 145 |

5.000

Qualifiers:

Surr: DNOP

- * Value exceeds Maximum Contaminant Level.
- E Value above quantitation range
- J Analyte detected below quantitation limits
- O RSD is greater than RSDlimit
- R RPD outside accepted recovery limits
- S Spike Recovery outside accepted recovery limits
- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit

107

66

131

- P Sample pH greater than 2.
- RL Reporting Detection Limit

Page 4 of 6

Hall Environmental Analysis Laboratory, Inc.

Result

27

930

WO#:

1403531 19-Mar-14

Client:

Blagg Engineering

Project:

Analyte

Surr: BFB

Gasoline Range Organics (GRO)

Nye GC B 1

| Sample ID MB-12163 | mple ID MB-12163 SampType: MBLK | | TestCode: EPA Method 8015D: Gasoline Range | | | | | | |
|-------------------------------|---------------------------------|------------------------------|--|----------|------|--|--|--|--|
| Client ID: PBS | Batch ID: 12163 | RunNo: 17371 | | | | | | | |
| Prep Date: 3/13/2014 | Analysis Date: 3/17/2014 | SeqNo: 500261 | Units: mg/Kg | | | | | | |
| Analyte | Result PQL SPK va | ue SPK Ref Val %REC LowLimit | HighLimit %RPD | RPDLimit | Qual | | | | |
| Gasoline Range Organics (GRO) | ND 5.0 | | | | | | | | |
| Surr: BFB | 870 10 | 00 87.2 74.5 | 129 | | | | | | |
| Sample ID LCS-12163 | SampType: LCS | TestCode: EPA Method | l 8015D: Gasoline Rang | е | | | | | |
| Client ID: LCSS | Batch ID: 12163 | RunNo: 17371 | | | | | | | |
| Prep Date: 3/13/2014 | Analysis Date: 3/17/2014 | SegNo: 500262 | Units: mg/Kg | | | | | | |

%REC

108

92.7

LowLimit

71.7

74.5

HighLimit

134

129

%RPD

RPDLimit

SPK value SPK Ref Val

25.00

1000

Qualifiers:

* Value exceeds Maximum Contaminant Level.

E Value above quantitation range

J Analyte detected below quantitation limits

O RSD is greater than RSDlimit

R RPD outside accepted recovery limits

S Spike Recovery outside accepted recovery limits

B Analyte detected in the associated Method Blank

H Holding times for preparation or analysis exceeded

ND Not Detected at the Reporting Limit

P Sample pH greater than 2.

RL Reporting Detection Limit

Page 5 of 6

Hall Environmental Analysis Laboratory, Inc.

WO#:

1403531

19-Mar-14

Client:

Blagg Engineering

Project:

Nye GC B 1

| Sample ID MB-12163 SampType: MBLK Client ID: PBS Batch ID: 12163 | | | TestCode: EPA Method 8021B: Volatiles RunNo: 17371 | | | | | | | | |
|--|------------|----------|--|----------------------|-----------|-----------|--------------|-------|----------|------|--|
| Prep Date: 3/13/2014 | Analysis [| Date: 3/ | 17/2014 | SeqNo: 500288 | | | Units: mg/Kg | | | | |
| Analyte | Result | PQL | SPK value | SPK Ref Val | %REC | LowLimit | HighLimit | %RPD | RPDLimit | Qual | |
| Benzene | ND | 0.050 | | | | | | | | | |
| Toluene | ND | 0.050 | | | | | | | | | |
| Ethylbenzene | ND | 0.050 | | | | | | | | | |
| Xylenes, Total | ND | 0.10 | | | | | | | | | |
| Surr: 4-Bromofluorobenzene | 1.0 | | 1.000 | | 102 | 80 | 120 | | | | |
| Sample ID LCS-12163 | Samp | ype: LC | s | Tes | tCode: El | PA Method | 8021B: Vola | tiles | | | |
| Client ID: LCSS | Batcl | n ID: 12 | 163 | F | RunNo: 1 | 7371 | | | | | |

| Cample is EGG-12100 | Cump | ypc. Lu | | restoode. Li Ametriod 6021B. Volatiles | | | | | | |
|----------------------------|--|---------|-----------|--|------|----------|--------------|------|----------|------|
| Client ID: LCSS | Batch ID: 12163 Analysis Date: 3/17/2014 | | | RunNo: 17371 | | | | | | |
| Prep Date: 3/13/2014 | | | | SeqNo: 500289 | | | Units: mg/Kg | | | |
| Analyte | Result | PQL | SPK value | SPK Ref Val | %REC | LowLimit | HighLimit | %RPD | RPDLimit | Qual |
| Benzene | 0.97 | 0.050 | 1.000 | 0 | 97.4 | 80 | 120 | | | |
| Toluene | 0.96 | 0.050 | 1.000 | 0 | 96.5 | 80 | 120 | | | |
| Ethylbenzene | 0.97 | 0.050 | 1.000 | 0 | 97.5 | 80 | 120 | | | |
| Xylenes, Total | 3.0 | 0.10 | 3.000 | 0 | 98.5 | 80 | 120 | | | |
| Surr: 4-Bromofluorobenzene | 1.1 | | 1.000 | | 107 | 80 | 120 | | | |

Qualifiers:

- Value exceeds Maximum Contaminant Level.
- E Value above quantitation range
- J Analyte detected below quantitation limits
- O RSD is greater than RSDlimit
- R RPD outside accepted recovery limits
- S Spike Recovery outside accepted recovery limits
- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- P Sample pH greater than 2.
- RL Reporting Detection Limit

Page 6 of 6



Hall Environmental Analysis Laboratory
4901 Hawkins NE
Albuquerque, NM 87105
TEL: 505-345-3075 FAY: 505-345-4102

TEL: 505-345-3975 FAX: 505-345-4107 Website: www.hallenvironmental.com

Sample Log-In Check List

| Client Name: | BLAGG | Work Order N | 531 | RcptNo: 1 | | | | | | |
|--------------------|---|--------------------------------|------------|--------------|------------------------|-----------------|----------------------|--|--|--|
| Received by/dat | te: LM O. | 3/12/14 | | | | | | | | |
| Logged By: | d By: Michelle Garcia 3/12/2014 10:00:00 A | | | | Mitall G | ille Garcie | | | | |
| Completed By: | Michelle Garcia | | | | - Мінш Ср - Мінш Ср | Mue | | | | |
| Reviewed By: | A-03/15 | 3/14 | | | • , | | | | | |
| Chain of Cus | stody | ' | | | | | | | | |
| | als intact on sample | bottles? | Yes | | No 🗆 | Not Present | | | | |
| 2. Is Chain of 0 | Custody complete? | | Yes | V | No 🗌 | Not Present | | | | |
| 3. How was the | e sample delivered? | | <u>Cou</u> | <u>ier</u> | | | | | | |
| <u>Log In</u> | | | | | | | | | | |
| 4. Was an atte | empt made to cool ti | ne samples? | Yes | \checkmark | No 🗆 | na 🗆 | | | | |
| 5. Were all sar | mples received at a | temperature of >0° C to 6.0° | C Yes | V | No 🗆 | NA 🗆 | | | | |
| 6. Sample(s) i | n proper container(s |)? | Yes | V | No 🗌 | | | | | |
| 7. Sufficient sa | ample volume for ind | icated test(s)? | Yes | ✓ | No 🗌 | | | | | |
| 8. Are samples | e (except VOA and C | NG) properly preserved? | Yes | \checkmark | No 🗆 | | | | | |
| 9. Was presen | vative added to bottl | es? | Yes | | No 🗹 | NA 🗌 | | | | |
| 10.VOA vials h | ave zero headspace | ? | Yes | | No 🗌 | No VOA Vials 🗹 | | | | |
| 11. Were any s | ample containers re | ceived broken? | Yes | | No 🗹 | # of preserved | | | | |
| 40 - | | | | | — | bottles checked | | | | |
| | work match bottle la | | Yes | Y | No ∐ | for pH: (<2 | or >12 unless noted) | | | |
| - | • | on Chain of Custody? | Yes | V | No 🗆 | Adjusted? | • | | | |
| 14. Is it clear wh | nat analyses were re | quested? | Yes | \checkmark | No 🗌 | | | | | |
| | ding times able to be customer for author | | Yes | ✓ | No 🗌 | Checked by: | | | | |
| Special Hand | lling (if applical | ble) | | | | | | | | |
| | | ancies with this order? | Yes | | No 🗆 | NA 🗹 | | | | |
| Perso | n Notified: | | Date: | | | | 7 | | | |
| By Wi | р р — н - н - н - н - н - н - н - н - н - н | | /ia: ☐ eMa | ail 🗀 i | Phone | ☐ In Person | | | | |
| Regar | · · · · · · · · · · · · · · · · · · · | | | | | | | | | |
| Client | Instructions: | - constant | · | | | | | | | |
| 17. Additional r | remarks: | | | | , | | | | | |
| 18. Cooler Info | | ndition Seal Intact Seal I | No Seal D | ate | Signed By | - | | | | |

bp



BP America Production Company 200 Energy Court Farmington, NM 87401 Phone: (505) 326-9200

December 13, 2013

Paul Velasquez PO Box 356 Blanco, NM 87412

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Re: Notification of plans to close/remove a below grade tank

Well Name: NYE GAS COM B 001

Dear Mr. Velasquez,

As part of the NM "Pit Rule": 19.15.17.13 Closure Requirements, Paragraph J. BP America Production Company (BP) is required to notify the surface owner of BP's plans to close/remove a below grade tank. BP wishes to inform you of our plans to close/remove the below grade tank on its well pad located on your surface. BP plans to commence this work on or about January 22, 2014. If there aren't any unforeseen problems, the work should be completed within 10 working days.

As a point of clarification, BP will be closing the below grade tank and either operating without one or replacing it with an above ground tank, the well site will continue to operate.

Unless you have questions about this notice, there is no need to respond to this letter. If you do have any questions or concerns, please contact me at 505-326-9214

Sincerely,

Jerry Van Riper

90 VeRje

Surface Land Negotiator

BP America Production Company

BP America Production Company

200 Energy Court Farmington, NM 87401 Phone: (505) 326-9200

SENT VIA E-MAIL TO: BRANDON.POWELL@STATE.NM.US

December 13, 2013

New Mexico Oil Conservation Division 1000 Rio Brazos Road Aztec, New Mexico 87410

RE: Notice of Proposed Below-Grade Tank (BGT) Closure

NYE GAS COM B 001 API 30-045-08567 (G) Section 07 – T29N – R09W San Juan County, New Mexico

Dear Mr. Brandon Powell:

In regards to the captioned subject and requirements of the NMOCD pit rule, this letter is notification that BP is planning to close a 95 bbl BGT that will no longer be operational at this well site.

Should you have any questions, please feel free to contact BP at our Farmington office.

Sincerely,

Jeff Peace

BP Field Environmental Advisor

(505) 326-9479



