<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 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 June 6, 2013

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, o	Pit,	Below	-Grade	Tank,	or
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Proposed Alternative Method Permit or Closure Plan Application Oll CONS. DIV DIST. 3
Type of action: 45-06966 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: P.D. America Production Company. OCDUD #. 779
Operator: BP America Production Company OGRID #:778
Address:200 Energy Court, Farmington, NM 87401
Facility or well name:Gallegos Canyon Unit 177
API Number:3004506966OCD Permit Number:
U/L or Qtr/QtrP Section31 Township28N Range12W County:San Juan
Center of Proposed Design: Latitude36.61332 Longitude108.14708 NAD: □1927 ⋈ 1983
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.
Volume:95.0bbl Type of fluid:Produced water
Tank Construction material:Steel
Tank Construction material:Steel Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ 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 walled/single bottomed; side walls not visible

Page 1 of 6

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	hospital,				
☐ Alternate. Please specify					
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)					
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					
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.					
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 acceptant are provided below. Siting criteria does not apply to drying pads or above-grade tanks.	ptable source				
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				
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				
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					
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					
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
visual hispection (certification) of the proposed site, Aeriai photo, Satellite image	
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 300feet 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	☐ Yes ☐ No
Temporary Pit Non-low chloride drilling fluid	
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	☐ Yes ☐ No
	L res L 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 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	☐ Yes ☐ No
Within 300 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Permanent Pit or Multi-Well Fluid Management Pit	
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 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	☐ Yes ☐ No
Within 500 harizontal fact of a garing as a feed water well used for demostic or stock watering numbers, in evictores at the time of	
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	☐ 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
Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 Natructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the docattached. 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. and 19.15.17.13 NMAC Previously Approved Design (attach copy of design) API Number: or Permit Number:	NMAC 15.17.9 NMAC
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 docattached. 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 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:	

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 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	documents are
 □ 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 Multi-well Flank 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	luid Management Pit
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be 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	
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 require justifications and/or demonstrations of equivalency. F 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	☐ Yes ☐ No ☐ 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	Yes No
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 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	☐ 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 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	☐ Yes ☐ No
Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; 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 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 Within a 100-year floodplain.	☐ Yes ☐ No
- 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 plan 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. 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 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 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	11 NMAC 15.17.11 NMAC
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 beli	ef.
Name (Print): Title:	
Signature: Date:	
e-mail address: Telephone:	
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)	
OCD Representative Signature: Approval Date:	12015
Title: Componie Color OCD Permit Number:	
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 is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not section of the form until an approved closure plan has been obtained and the closure activities have been completed.	
☐ Closure Completion Date:91/12/2014_	
20. Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method Waste Removal (Closed-lo If different from approved plan, please explain.	op systems only)

Form C-144

22. Operator Closure Certification:	
I hereby certify that the information and attachments submitted with this closure rebelief. I also certify that the closure complies with all applicable closure requirements.	
Name (Print):Jeff Peace	Title: Field Environmental Coordinator
Name (Print):Jeff Peace Signature:	Date:December 23, 2014
e-mail address:peace.jeffrey@bp.com	Telephone:(505) 326-9479

BP AMERICA PRODUCTION COMPANY

SAN JUAN BASIN, NORTHWEST NEW MEXICO

BELOW-GRADE TANK CLOSURE PLAN

Gallegos Canyon Unit 177 API No. 3004506966 Unit Letter P, Section 31, T28N, R12W

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

- 1. 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.
- 2. 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.

- 3. 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:
 - a. BP Crouch Mesa Landfarm, Permit NM-02-003 (Solids)
 - b. JFJ Landfarm, Permit NM-01-010(B) (Solids and Sludge)
 - c. Basin Disposal, Permit NM-01-0005 (Liquids)
 - d. Envirotech Inc Soil Remediation Facility, Permit NM-01-0011 (Solids and Sludge)
 - e. BP Operated E.E. Elliott SWD #1, API 30-045-27799 (Liquids)

- 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 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 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 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 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 as part of final reclamation.

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.

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

Revised August 8, 2011 Submit 1 Copy to appropriate District Office in

Form C-141

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

accordance with 19.15.29 NMAC.

Release Notification and Corrective Action **OPERATOR** Initial Report Final Report Contact: Jeff Peace Name of Company: BP Address: 200 Energy Court, Farmington, NM 87401 Telephone No.: 505-326-9479 Facility Name: Gallegos Canvon Unit 177 Facility Type: Natural gas well Surface Owner: Tribal Mineral Owner: Tribal API No. 3004506966 LOCATION OF RELEASE Unit Letter Section Township Feet from the North/South Line Feet from the East/West Line County: San Juan Range P 31 28N 12W 790 South 890 East **Latitude** 36.61332 **Longitude** 108.14708 NATURE OF RELEASE Type of Release: none Volume of Release: N/A Volume Recovered: N/A Source of Release: below grade tank - 95 bbl Date and Hour of Occurrence: Date and Hour of Discovery: N/A N/A Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☐ No ☒ Not Required By Whom? Date and Hour Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☒ No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* Sampling of the soil beneath the BGT was done during removal to ensure no soil impacts from the BGT. Soil analysis resulted in TPH, BTEX and chlorides below standards. Analysis results are attached. Describe Area Affected and Cleanup Action Taken.* BGT was removed and the area underneath the BGT was sampled. The area under the BGT was backfilled and compacted and is still within the active well area. I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations. OIL CONSERVATION DIVISION Signature: Approved by Environmental Specialist: Printed Name: Jeff Peace Title: Field Environmental Coordinator Approval Date: Expiration Date: E-mail Address: peace.jeffrey@bp.com Conditions of Approval: Attached Date: December 23, 2014 Phone: 505-326-9479

^{*} Attach Additional Sheets If Necessary

CLIENT: BP	BLAGG E P.O. BOX 87, B	API #: 3004522222 TANK ID (if applicble): A			
	(50	05) 632-1199		(if applicble):	4
FIELD REPORT:	(circle one): BGT CONFIRMATION	/ RELEASE INVESTIGATION / OTHER:		PAGE #:1_	of
SITE INFORMATION	I: SITE NAME: GCU #	177		DATE STARTED: 11	/10/14
QUAD/UNIT: P SEC: 31 TWP:	28N RNG: 12W PM:	NM CNTY: SJ ST:	NM	DATE FINISHED:	
1/4-1/4/FOOTAGE: 790'S / 890'	E SE/SE LEASE	TYPE: FEDERAL / STATE / FEE	NDIAN	ENVIRONMENTAL	
LEASE #: I-149-IND-8478	PROD. FORMATION: DK C	STRIKE ONTRACTOR: MBF - D. HAGA		SPECIALIST(S):	NJV
REFERENCE POINT	: WELL HEAD (W.H.) GPS	36.61361 X 10	8.14706	GL ELEV.:	5.702'
1) 95 BGT (SW/SB)		6.61332 X 108.14708			
2)					
3)	GPS COORD.:		DISTANCE/BEA	RING FROM W.H.:	
4)	GPS COORD.:		DISTANCE/BEA	RING FROM W.H.:	
SAMPLING DATA:					OVM READING
1) SAMPLE ID: 95 BGT 5-pt.	@ 7' SAMPLE DATE:	/14 SAMPLE TIME: 0835 LAB ANALYS	is: 418	3.1/8021B/300.0 (CI)	(ppm) 0.0
2) SAMPLE ID:	SAMPLE DATE:	SAMPLE TIME: LAB ANALYS	ils:		
3) SAMPLE ID:	SAMPLE DATE:	SAMPLE TIME: LAB ANALYS	IS:		
4) SAMPLE ID:	SAMPLE DATE:	SAMPLE TIME: LAB ANALYS	IS:		
SOIL DESCRIPTION	SOIL TYPE: SAND SILTY SAND	SILT / SILTY CLAY / CLAY / GRAVEL / OTHE	R		
SOIL COLOR: DARK YELLOW		PLASTICITY (CLAYS): NON PLASTIC / SLIGHTI		OHESIVE / MEDIUM PLASTIC / HI	GHLY PLASTIC
COHESION (ALL OTHERS): NON COHESIVE SLIGHTL		DENSITY (COHESIVE CLAYS & SILTS): S	OFT / FIRM /	STIFF / VERY STIFF / HARD	
CONSISTENCY (NON COHESIVE SOILS): LC MOISTURE: DRY SLIGHTLY MOIST MOIST / W		HC ODOR DETECTED: YES NO EXPLANA	TION -		
SAMPLE TYPE: GRAB COMPOSITE - #		ANY AREAS DISPLAYING WETNESS: YES	NO EXPLAN	NATION -	
DISCOLORATION/STAINING OBSERVED: YES		744774 ESTO DIGI ENTINO VETTESS. TEST	HO DI DI	-	
SITE OBSERVATION	S: LOST INTEGRITY OF EQUIPMENT	YES NO EXPLANATION -			
APPARENT EVIDENCE OF A RELEASE OBSERVE	ED AND/OR OCCURRED : YES NO EXPL	ANATION:			
EQUIPMENT SET OVER RECLAIMED AREA: OTHER: BGT CONSTRUCTION ACTUAL					
SOIL IMPACT DIMENSION ESTIMATION: DEPTH TO GROUNDWATER: >100'				TIMATION (Cubic Yards) :	NA_
DEPTH TO GROUNDWATER: >100' N	IEAREST WATER SOURCE: >1,000				,000 ppm
SHESKEICH	BGT Located: off on sit	PLOT PLAN circle: atta		· · · · · · · · · · · · · · · · · · ·	ppm RF =0.52
	⊕ W.H.				ppm
	¥ 4.1 1.		TIME		11/10/14
	PBGTL		.	MISCELL. NO	TES
	T.B. ~ 7'		W	O: N15489941	
	B.G.			0#:	
				K: ZEVH01BGT	2
	$ \int \left(\begin{array}{c} x \\ x \\ x \end{array} \right) $			J#: Z2-006Q0 ermit date(s): 06/1	0/10
	BERM				18/14
		7 , , , , , , , , , , , , , , , , , , ,	Tar	nk OVM = Organic Vapor I	Meter
SEPARATOR>		PROD. TANK	A	DOTO: I I VE III V	
22		/ X - S		BGT Sidewalls Visible: Y	/ N
NOTES: BGT = BELOW-GRADE TANK; E.D. = EXCAVATION		ELOW; T.H. = TEST HOLE; ~ = APPROX.; W.H. = WELI	HEAD;	BGT Sidewalls Visible: Y	
T.B. = TANK BOTTOM; PBGTL = PREVIOUS BEL APPLICABLE OR NOT AVAILABLE; SW - SINGLI		POINT DESIGNATION; R.W. = RETAINING WALL; NA- TOM; DB - DOUBLE BOTTOM.	NOT NOT NOT	lagnetic declination: 1	10°E
NOTES: GOOGLE EARTH IMAGE		ONSITE: 11/10/14			



PO Box 22024

Tulsa OK, 74121-2024

Project Name:

GCU 177

Project Number: Project Manager: 03143-0424 Peace Jeffrey

Reported:

12-Nov-14 13:06

Analyical Report for Samples

Client Sample ID	Lab Sample ID	Matrix	Sampled	Received	Container
95 BGT 5-pt @ 7'	P411026-01A	Soil	11/10/14	11/10/14	Glass Jar, 4 oz.



Tulsa OK, 74121-2024

Project Name:

GCU 177

PO Box 22024

Project Number: Project Manager: 03143-0424 Peace Jeffrey **Reported:** 12-Nov-14 13:06

95 BGT 5-pt @ 7' P411026-01 (Solid)

Author	Dli	Reporting	77.	D1	P !				
Analyte	Result	Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Volatile Organics by EPA 8021									
Benzene	ND	0.10	mg/kg	1.	1446003	11/10/14	11/10/14	EPA 8021B	
Toluene	ND	0.10	mg/kg	1	1446003	11/10/14	11/10/14	EPA 8021B	
Ethylbenzene	ND	0.10	mg/kg	1	1446003	11/10/14	11/10/14	EPA 8021B	
p,m-Xylene	ND	0.20	mg/kg	1	1446003	11/10/14	11/10/14	EPA 8021B	
o-Xylene	ND	0.10	mg/kg	1	1446003	11/10/14	11/10/14	EPA 8021B	
Total Xylenes	ND	0.10	mg/kg	1	1446003	11/10/14	11/10/14	EPA 8021B	
Total BTEX	ND	0.10	mg/kg	1	1446003	11/10/14	11/10/14	EPA 8021B	
Surrogate: 4-Bromochlorobenzene-PID		93.3 %	50-	150	1446003	11/10/14	11/10/14	EPA 8021B	
Total Petroleum Hydrocarbons by 418.1									
Total Petroleum Hydrocarbons	ND	34.9	mg/kg	1	1446007	11/10/14	11/10/14	EPA 418.1	
Cation/Anion Analysis									
Chloride	ND	9.90	mg/kg	1	1446005	11/10/14	11/11/14	EPA 300.0	



Project Name:

GCU 177

PO Box 22024

Tulsa OK, 74121-2024

Project Number: Project Manager: 03143-0424

Peace Jeffrey

Reported: 12-Nov-14 13:06

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
Batch 1446003 - Purge and Trap EPA 5030A	100000000000000000000000000000000000000						10000000000000000000000000000000000000	(1) (1) (1) (1) (1) (1) (1) (1) (1) (1)		
Blank (1446003-BLK1)				Prenared:	10-Nov-14	Analyzed:	11-Nov-14			
Benzene	ND	0.10	mg/kg	r repared.	10-1101-14	Allary Zed.	11-1404-14			
Toluene	ND	0.10	mg/kg							
Ethylbenzene	ND	0.10	11							
p,m-Xylene	ND	0.20	n							
p-Xylene	ND	0.10	11							
Total Xylenes	ND	0.10	11							
Total BTEX	ND	0.10	11							
urrogate: 4-Bromochlorobenzene-PID	0.350		"	0.399		87.6	50-150			
LCS (1446003-BS1)				Prepared:	10-Nov-14	Analyzed:	11-Nov-14			
Benzene	19.5	0.10	mg/kg	20.0		97.7	75-125			
Coluene	19.5	0.10	11	20.0		97.4	70-125			
Ethylbenzene	19.8	0.10	**	20.0		99.3	75-125			
,m-Xylene	41.2	0.20	11	40.0		103	80-125			
-Xylene	19.8	0.10	11	20.0		98.9	75-125			
urrogate: 4-Bromochlorobenzene-PID	0.355		"	0.400		88.9	50-150			
Matrix Spike (1446003-MS1)	Sou	rce: P411026-	01	Prepared:	10-Nov-14	Analyzed:	11-Nov-14			
Benzene	21.0	0.10	mg/kg	20.0	ND	105	75-125			
oluene	20.7	0.10	**	20.0	ND	104	70-125			
Ethylbenzene	21.0	0.10	11	20.0	ND	105	75-125			
,m-Xylene	42.7	0.20	"	39.9	ND	107	80-125			
-Xylene	21.0	0.10	"	20.0	ND	105	75-125			
urrogate: 4-Bromochlorobenzene-PID	0.383		"	0.399		95.9	50-150			
Aatrix Spike Dup (1446003-MSD1)	Sou	rce: P411026-	01	Prepared:	10-Nov-14	Analyzed:	11-Nov-14			
Benzene	20.4	0.10	mg/kg	20.0	ND	102	75-125	2.79	15	
oluene	20.4	0.10	11	20.0	ND	102	70-125	1.59	15	
thylbenzene	20.7	0.10	11	20.0	ND	104	75-125	1.63	15	
,m-Xylene	42.5	0.20	"	39.9	ND	107	80-125	0.331	15	
-Xylene	20.8	0.10	11	20.0	ND	104	75-125	0.718	15	
urrogate: 4-Bromochlorobenzene-PID	0.384		"	0.399		96.1	50-150			

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5796 US Highway 64, Farmington, NM 87401

Ph (505) 632-0615 Fx (505) 632-1865

envirotech-inc.com



Project Name:

GCU 177

PO Box 22024

Project Number: Project Manager: 03143-0424

Tulsa OK, 74121-2024

Peace Jeffrey

Reported: 12-Nov-14 13:06

Total Petroleum Hydrocarbons by 418.1 - Quality Control

Envirotech Analytical Laboratory

		Reporting		Spike	Source		%REC		RPD	
Analyte	Result	Limit	Units	Level	Result	%REC	Limits	RPD	Limit	Notes
Batch 1446007 - 418 Freon Extraction										
Blank (1446007-BLK1)				Prepared &	Analyzed:	10-Nov-14				
Total Petroleum Hydrocarbons	ND	35.0	mg/kg							
Duplicate (1446007-DUP1)	Sour	Prepared &	Analyzed:	10-Nov-14						
Total Petroleum Hydrocarbons	ND	35.0	mg/kg		ND				30	
Matrix Spike (1446007-MS1)	Sour	Prepared &	: Analyzed:	10-Nov-14						
Total Petroleum Hydrocarbons	1870	35.0	mg/kg	2020	ND	92.9	80-120			



PO Box 22024

Tulsa OK, 74121-2024

Project Name:

GCU 177

Project Number: Project Manager: 03143-0424

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Peace Jeffrey

Reported:

12-Nov-14 13:06

Cation/Anion Analysis - Quality Control

Envirotech Analytical Laboratory

		Reporting		Spike	Source		%REC		RPD	
Analyte	Result	Limit	Units	Level	Result	%REC	Limits	RPD	Limit	Notes
Batch 1446005 - Anion Extraction EPA 300.0										
Blank (1446005-BLK1)				Prepared:	10-Nov-14	Analyzed:	11-Nov-14			
Chloride	ND	9.85	mg/kg							
LCS (1446005-BS1)				Prepared:	10-Nov-14	Analyzed:	11-Nov-14			
Chloride	489	10.0	mg/kg	501		97.7	90-110			
Matrix Spike (1446005-MS1)	Sour	rce: P411015-	01	Prepared:	10-Nov-14					
Chloride	657	10.0	mg/kg	501	149	101	80-120			
Matrix Spike Dup (1446005-MSD1)	Sour	Source: P411015-01			10-Nov-14	Analyzed:	11-Nov-14			
Chloride	660	10.0	mg/kg	501	149	102	80-120	0.555	20	

CHAIN OF CUSTODY RECORD

17979

Client: BP AMERICA			Project Name / Location:							ANALYSIS / PARAMETERS																												
TEFF BLAGG NELSON VELEZ JEFF BLAGG									8015)	BTEX (Method 8021)	VOC (Method 8260)	als	_		/P	0-1							#															
Client Phone No.: 505 - 320 -				Client No.: 03143 - 0424						TPH (Method 8015)	(Metho	(Metho	RCRA 8 Metals	Cation / Anion	/ Anio	/ Anio	/ Anio	/ Anior	/ Anio	/ Anio	/ Anio	/ Anio	/ Anio	/ Anio	/ Anio					TCLP with H/P	CO Table 910-1	TPH (418.1)	CHLORIDE				le Cool	Sample Intact
Sample No./ Identification	Sample Date	Samp Time	- 1	Lab No.	No./Volume of Containers		Preservative		/e	TPH (BTEX	VOC	RCR/	Cation	RCI	TCLP	CO Te	TPH (CHLC				Sample	Samp														
95 BGT 5-pt 0,7	11/10/14	083	5	P411024-01	24-01 1 × 40						×							X	×			1	Y	y														
							3														-																	
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Relinquished by: (Signature)					Date	Time	Rece	ived by	v: (Sig	mati	ıre)				٠.							Date	Т	me														
Left Blogy				Date 10/2014	ocus	•				5	1			, 1	1						n)/14																	
Relinduished by: (Signature)							Rece	ived by	y: (Sig	jnatu	ure)																											
Sample Matrix Soil X Solid Sludge Aqueous Other																																						
Sample(s) dropped off after Parker: ZEVHO: WO: N15489	r hours to se LBGTZ 941	cure dro	op off	f area.		en v Ana						uran	73	ZU.	B	P			virote	ech-ind	c.con	n	1															

bp



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

November 5, 2014

Evelyn P Gonzalez 9012 Ladron Drive NW Albuquerque, NM 87114-5935

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

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

Well Name: GALLEGOS CANYON UNIT 177

API#: 300456966

Dear Mrs. Gonzalez,

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 November 10, 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

92. Vesp

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: CORY.SMITH@STATE.NM.US

November 5, 2014

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

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

GALLEGOS CANYON UNIT 177 API 30-045-06966 (P) Section 31 – T28N – R12W San Juan County, New Mexico

Dear Mr. Cory Smith:

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. We anticipate this work to start on or around November 10, 2014.

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



