

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
Revised 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.

12650
45-16431
Pit, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application

RECEIVED

FEB 03 2015

NMOCD
DISTRICT III

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

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

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

1.
Operator: BP America Production Company OGRID #: 778
Address: 200 Energy Court, Farmington, NM
Facility or well name: Mudge LS 7
API Number: 3004510431 OCD Permit Number:
U/L or Qtr/Qtr M Section 23 Township 31N Range 11W County: San Juan
Center of Proposed Design: Latitude 36.879090 Longitude -107.965958 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.
☒ Below-grade tank: Subsection I of 19.15.17.11 NMAC Tank B
Volume: 21.0 bbl Type of fluid: Produced water
Tank Construction material: Steel
☐ 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/Double bottomed
Liner type: Thickness mil ☐ HDPE ☐ PVC ☐ Other

* Additional C-141 Required under 19.15.29

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

5.

Fencing: Subsection D of 19.15.17.11 NMAC (*Applies to permanent pits, temporary pits, and below-grade tanks*)

- ☐ Chain link, six feet in height, two strands of barbed wire at top (*Required if located within 1000 feet of a permanent residence, school, hospital, institution or church*)
- ☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet
- ☐ Alternate. Please specify _____

6.

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

8.

Variances and Exceptions:

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

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

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

9.

Siting Criteria (regarding permitting): 19.15.17.10 NMAC

Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Siting criteria does not apply to drying pads or above-grade tanks.

General siting

Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank.

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

☐ Yes ☐ No
☐ NA

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

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

☐ Yes ☐ No
☐ NA

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

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

☐ Yes ☐ No

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

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

☐ Yes ☐ No

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

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

☐ Yes ☐ No

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

- FEMA map

☐ Yes ☐ No

Below Grade Tanks

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

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

☐ Yes ☐ No

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

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

☐ Yes ☐ No

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

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

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

☐ Yes ☐ No

- Within 300 feet from a occupied permanent residence, school, hospital, institution, or church in existence at the time of initial application.
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image ☐ Yes ☐ No
- Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 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
- 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 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

10.
Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

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

11.
Multi-Well Fluid Management Pit Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

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

12. **Permanent Pits Permit Application Checklist:** Subsection B of 19.15.17.9 NMAC

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

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

13. **Proposed Closure:** 19.15.17.13 NMAC

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

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

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

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

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

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

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

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

☐ Yes ☐ No

Within a 100-year floodplain.

- FEMA map

☐ Yes ☐ No

16.

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

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

17.

Operator Application Certification:

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

Name (Print): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

18.

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

OCD Representative Signature: Jonathan D. Kelly Approval Date: 2/12/2015

Title: Compliance Officer OCD Permit Number: _____

19.

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

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

☒ Closure Completion Date: 8/1/2014

20.

Closure Method:

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

21.

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

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

On-site Closure Location: Latitude 36.879090 Longitude -107.965958 NAD: ☐ 1927 ☒ 1983

Operator Closure Certification:

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

Name (Print): Jeff Peace Title: Field Environmental Coordinator

Signature:  Date: February 2, 2015

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

Mudge LS 7 BGT Tank B (21 bbl)

API No. 3004510431

Unit Letter M, Section 23, T31N, R11W

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 approved 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 21 bbl BGT, Tank B	Release Verification (mg/Kg)	Sample results
Benzene	US EPA Method SW-846 8021B or 8260B	0.2	ND
Total BTEX	US EPA Method SW-846 8021B or 8260B	50	113.2
TPH	US EPA Method SW-846 418.1	100	4,000
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 chloride levels were below the stated limits. TPH was 4,000 by Method 8015D and Total BTEX was 113.2 ppm by Method 8021B. 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 a release occurred. The release is being addressed through the spill and release guidelines.

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 within 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.

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 re-vegetation.

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

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

Form C-141
Revised August 8, 2011

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

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company: BP	Contact: Jeff Peace	
Address: 200 Energy Court, Farmington, NM 87401	Telephone No.: 505-326-9479	
Facility Name: Mudge LS 7	Facility Type: Natural gas well	
Surface Owner: Private	Mineral Owner: Private	API No. 3004510431

LOCATION OF RELEASE

Unit Letter M	Section 23	Township 31N	Range 11W	Feet from the 798	North/South Line South	Feet from the 980	East/West Line West	County: San Juan
------------------	---------------	-----------------	--------------	----------------------	---------------------------	----------------------	------------------------	------------------

Latitude 36.879090 Longitude 107.965958

NATURE OF RELEASE

Type of Release: none	Volume of Release: unknown	Volume Recovered: none
Source of Release: below grade tank – 21 bbl, Tank B	Date and Hour of Occurrence: unknown	Date and Hour of Discovery: June 23, 2014; 1:00 PM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	
If a Watercourse was Impacted, Describe Fully.*		
Describe Cause of Problem and Remedial Action Taken.* Sampling of the soil beneath the BGT was done during removal to ensure no soil impacts from the BGT. Soil analysis resulted in chlorides below standards. TPH was 4,000 ppm by Method 8015D and Total BTEX was 113.2 ppm by Method 8021B, indicating a release occurred. Analysis results are attached.		
Describe Area Affected and Cleanup Action Taken.* BGT was removed and the area underneath the BGT was sampled. Sampling data indicate a release occurred. Impacted soil was excavated to the extent practical due the proximity of two pipelines on the location and a soil vapor extraction systems has been installed to finish remediation. The excavated area 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.		
Signature: 	OIL CONSERVATION DIVISION	
Printed Name: Jeff Peace	Approved by Environmental Specialist:	
Title: Field Environmental Coordinator	Approval Date:	Expiration Date:
E-mail Address: peace.jeffrey@bp.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: February 2, 2015	Phone: 505-326-9479	

* Attach Additional Sheets If Necessary

CLIENT: BP	BLAGG ENGINEERING, INC. P.O. BOX 87, BLOOMFIELD, NM 87413 (505) 632-1199	API #: 3004510431 TANK ID (if applicable): A & B																									
FIELD REPORT: (circle one): <u>BGT CONFIRMATION</u> / RELEASE INVESTIGATION / OTHER:		PAGE #: 1 of 1																									
SITE INFORMATION: SITE NAME: MUDGE LS # 7 QUAD/UNIT: M SEC: 23 TWP: 31N RNG: 11W PM: NM CNTY: SJ ST: NM 1/4 - 1/4 FOOTAGE: 798'S / 980'W SW/SW LEASE TYPE: FEDERAL / STATE / FEE INDIAN LEASE #: - PROD. FORMATION: MV CONTRACTOR: MBF - D. FIELDSTED		DATE STARTED: 06/23/14 DATE FINISHED: _____ ENVIRONMENTAL SPECIALIST(S): NJV																									
REFERENCE POINT: WELL HEAD (W.H.) GPS COORD.: 36.87915 X 107.96619 GL ELEV.: 5,732' 1) 95 BGT (SW/DB) - A GPS COORD.: 36.878819 X 107.966227 DISTANCE/BEARING FROM W.H.: 117', S2W 2) 21 BGT (SW/DB) - B GPS COORD.: 36.879090 X 107.965958 DISTANCE/BEARING FROM W.H.: 79', S74.5E 3) _____ GPS COORD.: _____ DISTANCE/BEARING FROM W.H.: _____ 4) _____ GPS COORD.: _____ DISTANCE/BEARING FROM W.H.: _____																											
SAMPLING DATA: CHAIN OF CUSTODY RECORD(S) # OR LAB USED: HALL <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>SAMPLE ID</th> <th>SAMPLE DATE</th> <th>SAMPLE TIME</th> <th>LAB ANALYSIS</th> <th>OVM READING (ppm)</th> </tr> </thead> <tbody> <tr> <td>1) SAMPLE ID: ① @ 1' (21) - B</td> <td>06/23/14</td> <td>1413</td> <td>8015B/8021B/300.0 (CI)</td> <td>458</td> </tr> <tr> <td>2) SAMPLE ID: ① @ 12.5' (21) - B</td> <td>06/23/14</td> <td>1430</td> <td>8015B/8021B/300.0 (CI)</td> <td>11.3</td> </tr> <tr> <td>3) SAMPLE ID: 5 PC-TB @ 6.5' (95) - A</td> <td>06/23/14</td> <td>1452</td> <td>418.1/8015B/8021B/300.0 (CI)</td> <td>NA</td> </tr> <tr> <td>4) SAMPLE ID: _____</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> </tr> </tbody> </table>			SAMPLE ID	SAMPLE DATE	SAMPLE TIME	LAB ANALYSIS	OVM READING (ppm)	1) SAMPLE ID: ① @ 1' (21) - B	06/23/14	1413	8015B/8021B/300.0 (CI)	458	2) SAMPLE ID: ① @ 12.5' (21) - B	06/23/14	1430	8015B/8021B/300.0 (CI)	11.3	3) SAMPLE ID: 5 PC-TB @ 6.5' (95) - A	06/23/14	1452	418.1/8015B/8021B/300.0 (CI)	NA	4) SAMPLE ID: _____	_____	_____	_____	_____
SAMPLE ID	SAMPLE DATE	SAMPLE TIME	LAB ANALYSIS	OVM READING (ppm)																							
1) SAMPLE ID: ① @ 1' (21) - B	06/23/14	1413	8015B/8021B/300.0 (CI)	458																							
2) SAMPLE ID: ① @ 12.5' (21) - B	06/23/14	1430	8015B/8021B/300.0 (CI)	11.3																							
3) SAMPLE ID: 5 PC-TB @ 6.5' (95) - A	06/23/14	1452	418.1/8015B/8021B/300.0 (CI)	NA																							
4) SAMPLE ID: _____	_____	_____	_____	_____																							
SOIL DESCRIPTION: SOIL TYPE: <u>SAND / SILTY SAND / SILT / SILTY CLAY</u> CLAY / GRAVEL / OTHER _____ SOIL COLOR: GRAYISH ORANGE COHESION (ALL OTHERS): <u>NON COHESIVE</u> SLIGHTLY COHESIVE / COHESIVE / HIGHLY COHESIVE CONSISTENCY (NON COHESIVE SOILS): <u>LOOSE / FIRM</u> DENSE / VERY DENSE MOISTURE: DRY <u>SLIGHTLY MOIST</u> MOIST / WET / SATURATED / SUPER SATURATED SAMPLE TYPE: <u>GRAB / COMPOSITE</u> # OF PTS. 5 DISCOLORATION/STAINING OBSERVED: <u>YES</u> NO EXPLANATION - VARYING GRAY TO BLACK @ 21 BGT BETWEEN 6' - 11' BELOW GRADE. PLASTICITY (CLAYS): NON PLASTIC <u>SLIGHTLY PLASTIC / COHESIVE</u> MEDIUM PLASTIC / HIGHLY PLASTIC DENSITY (COHESIVE CLAYS & SILTS): SOFT <u>FIRM / STIFF</u> VERY STIFF / HARD HC ODOR DETECTED: <u>YES</u> NO EXPLANATION - DISCOLORED SOIL @ 21 BGT ONLY. ANY AREAS DISPLAYING WETNESS: YES <u>NO</u> EXPLANATION - _____																											
SITE OBSERVATIONS: LOST INTEGRITY OF EQUIPMENT: YES <u>NO</u> EXPLANATION - _____ APPARENT EVIDENCE OF A RELEASE OBSERVED AND/OR OCCURRED: <u>YES</u> NO EXPLANATION: @ 21 BGT ONLY. EQUIPMENT SET OVER RECLAIMED AREA: <u>YES</u> NO EXPLANATION - T-BLOCK LIFT TO PARTIALLY COVERING NE SIDE OF 95 BGT POSITION. OTHER: 21 BGT IMPACTS: VERTICAL EXTENT APPEARS TO HAVE BEEN FOUND @ 12.5 FT. BELOW GRADE, LATERAL EXTENT NEEDS TO BE INVESTIGATED.																											
SOIL IMPACT DIMENSION ESTIMATION: NA ft. X NA ft. X NA ft. EXCAVATION ESTIMATION (Cubic Yards): NA DEPTH TO GROUNDWATER: <50' NEAREST WATER SOURCE: <1,000' NEAREST SURFACE WATER: <1,000' NMOCD TPH CLOSURE STD: 100 ppm																											
SITE SKETCH BGT Located: off <u>on</u> site PLOT PLAN circle: <u>attached</u> <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;"> <p>PROD. TANK</p> </div> <div style="text-align: center;"> <p>WOODEN R.W.</p> <p>DEHYDRATOR</p> <p>SEPARATOR</p> <p>PERMETER SECURITY FENCE</p> </div> </div>																											
NOTES: BGT = BELOW-GRADE TANK; E.D. = EXCAVATION DEPRESSION; B.G. = BELOW GRADE; B = BELOW; T.H. = TEST HOLE; ~ = APPROX.; W.H. = WELL HEAD; T.B. = TANK BOTTOM; PBGTL = PREVIOUS BELOW-GRADE TANK LOCATION; SPD = SAMPLE POINT DESIGNATION; R.W. = RETAINING WALL; NA = NOT APPLICABLE OR NOT AVAILABLE; SW - SINGLE WALL; DW - DOUBLE WALL; SB - SINGLE BOTTOM; DB - DOUBLE BOTTOM.		MISCELL. NOTES WO: N15446129 PO #: _____ PK: ZEVH01BGT2 PJ #: Z2-006Q0 Permit date(s): 06/14/10 OCD Appr. date(s): 04/23/14 Tank ID: OVM = Organic Vapor Meter ppm = parts per million <u>A</u> BGT Sidewalls Visible: <u>Y</u> / <u>N</u> <u>B</u> BGT Sidewalls Visible: <u>Y</u> / <u>N</u> BGT Sidewalls Visible: <u>Y</u> / <u>N</u> Magnetic declination: 10° E																									
NOTES: GOOGLE EARTH IMAGERY DATE: 11/17/13. ONSITE: 06/23/14																											

Analytical Report

Lab Order 1406A62

Date Reported: 6/27/2014

Hall Environmental Analysis Laboratory, Inc.

CLIENT: Blagg Engineering

Client Sample ID: 1 @ 7' (21)-B

Project: Mudge LS #7

Collection Date: 6/23/2014 2:13:00 PM

Lab ID: 1406A62-002

Matrix: MEOH (SOIL)

Received Date: 6/24/2014 7:46:00 AM

Analyses	Result	RL	Qual	Units	DF	Date Analyzed	Batch
EPA METHOD 8015D: DIESEL RANGE ORGANICS							Analyst: BCN
Diesel Range Organics (DRO)	3000	100		mg/Kg	10	6/24/2014 12:17:32 PM	13859
Surr: DNQP	0	57.9-140	S	%REC	10	6/24/2014 12:17:32 PM	13859
EPA METHOD 8015D: GASOLINE RANGE							Analyst: NSB
Gasoline Range Organics (GRO)	1000	180		mg/Kg	50	6/24/2014 11:33:32 AM	R19462
Surr: BFB	168	80-120	S	%REC	50	6/24/2014 11:33:32 AM	R19462
EPA METHOD 8021B: VOLATILES							Analyst: NSB
Benzene	ND	0.92		mg/Kg	50	6/24/2014 11:33:32 AM	R19462
Toluene	5.7	1.8		mg/Kg	50	6/24/2014 11:33:32 AM	R19462
Ethylbenzene	7.5	1.8		mg/Kg	50	6/24/2014 11:33:32 AM	R19462
Xylenes, Total	100	3.7		mg/Kg	50	6/24/2014 11:33:32 AM	R19462
Surr: 4-Bromofluorobenzene	123	80-120	S	%REC	50	6/24/2014 11:33:32 AM	R19462
EPA METHOD 300.0: ANIONS							Analyst: JRR
Chloride	ND	30		mg/Kg	20	6/24/2014 11:33:54 AM	13861

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

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

Analytical Report

Lab Order 1406A62

Date Reported: 6/27/2014

Hall Environmental Analysis Laboratory, Inc.**CLIENT:** Blagg Engineering**Client Sample ID:** 1 @ 12.5' (21)-B**Project:** Mudge LS #7**Collection Date:** 6/23/2014 2:30:00 PM**Lab ID:** 1406A62-003**Matrix:** MEOH (SOIL)**Received Date:** 6/24/2014 7:46:00 AM

Analyses	Result	RL	Qual	Units	DF	Date Analyzed	Batch
EPA METHOD 8015D: DIESEL RANGE ORGANICS							Analyst: BCN
Diesel Range Organics (DRO)	ND	9.9		mg/Kg	1	6/24/2014 1:01:12 PM	13859
Surr: DNOP	88.5	57.9-140		%REC	1	6/24/2014 1:01:12 PM	13859
EPA METHOD 8015D: GASOLINE RANGE							Analyst: NSB
Gasoline Range Organics (GRO)	ND	4.0		mg/Kg	1	6/24/2014 12:02:08 PM	R19462
Surr: BFB	103	80-120		%REC	1	6/24/2014 12:02:08 PM	R19462
EPA METHOD 8021B: VOLATILES							Analyst: NSB
Benzene	ND	0.040		mg/Kg	1	6/24/2014 12:02:08 PM	R19462
Toluene	ND	0.040		mg/Kg	1	6/24/2014 12:02:08 PM	R19462
Ethylbenzene	ND	0.040		mg/Kg	1	6/24/2014 12:02:08 PM	R19462
Xylenes, Total	ND	0.080		mg/Kg	1	6/24/2014 12:02:08 PM	R19462
Surr: 4-Bromofluorobenzene	109	80-120		%REC	1	6/24/2014 12:02:08 PM	R19462
EPA METHOD 300.0: ANIONS							Analyst: JRR
Chloride	ND	30		mg/Kg	20	6/24/2014 11:46:18 AM	13861

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

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

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1406A62

27-Jun-14

Client: Blagg Engineering

Project: Mudge LS #7

Sample ID	MB-13861	SampType:	MBLK	TestCode:	EPA Method 300.0: Anions					
Client ID:	PBS	Batch ID:	13861	RunNo:	19494					
Prep Date:	6/24/2014	Analysis Date:	6/24/2014	SeqNo:	564121	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	ND	1.5								

Sample ID	LCS-13861	SampType:	LCS	TestCode:	EPA Method 300.0: Anions					
Client ID:	LCSS	Batch ID:	13861	RunNo:	19494					
Prep Date:	6/24/2014	Analysis Date:	6/24/2014	SeqNo:	564122	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	14	1.5	15.00	0	95.1	90	110			

Qualifiers:

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

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1406A62

27-Jun-14

Client: Blagg Engineering

Project: Mudge LS #7

Sample ID	MB-13860	SampType:	MBLK	TestCode:	EPA Method 418.1: TPH					
Client ID:	PBS	Batch ID:	13860	RunNo:	19467					
Prep Date:	6/24/2014	Analysis Date:	6/24/2014	SeqNo:	563367	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Petroleum Hydrocarbons, TR	ND	20								

Sample ID	LCS-13860	SampType:	LCS	TestCode:	EPA Method 418.1: TPH					
Client ID:	LCSS	Batch ID:	13860	RunNo:	19467					
Prep Date:	6/24/2014	Analysis Date:	6/24/2014	SeqNo:	563368	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Petroleum Hydrocarbons, TR	100	20	100.0	0	102	80	120			

Sample ID	LCSD-13860	SampType:	LCSD	TestCode:	EPA Method 418.1: TPH					
Client ID:	LCSS02	Batch ID:	13860	RunNo:	19467					
Prep Date:	6/24/2014	Analysis Date:	6/24/2014	SeqNo:	563369	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Petroleum Hydrocarbons, TR	100	20	100.0	0	100	80	120	1.37	20	

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

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1406A62

27-Jun-14

Client: Blagg Engineering

Project: Mudge LS #7

Sample ID	MB-13859	SampType:	MBLK	TestCode:	EPA Method 8015D: Diesel Range Organics					
Client ID:	PBS	Batch ID:	13859	RunNo:	19466					
Prep Date:	6/24/2014	Analysis Date:	6/24/2014	SeqNo:	563203	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Diesel Range Organics (DRO)	ND	10								
Surr: DNOP	9.6		10.00		96.4	57.9	140			

Sample ID	LCS-13859	SampType:	LCS	TestCode:	EPA Method 8015D: Diesel Range Organics					
Client ID:	LCSS	Batch ID:	13859	RunNo:	19466					
Prep Date:	6/24/2014	Analysis Date:	6/24/2014	SeqNo:	563204	Units:	mg/Kg			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Diesel Range Organics (DRO)	50	10	50.00	0	99.6	68.6	130			
Surr: DNOP	4.7		5.000		94.6	57.9	140			

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

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1406A62

27-Jun-14

Client: Blagg Engineering

Project: Mudge LS #7

Sample ID	5ML RB	SampType:	MBLK	TestCode:	EPA Method 8015D: Gasoline Range						
Client ID:	PBS	Batch ID:	R19462	RunNo:	19462						
Prep Date:		Analysis Date:	6/24/2014	SeqNo:	563599	Units:	mg/Kg				
Analyte:		Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)		ND	5.0								
Surr: BFB		980		1000		98.3	80	120			

Sample ID	2.5UG GRO LCS	SampType: LCS			TestCode: EPA Method 8015D: Gasoline Range						
Client ID:	LCSS	Batch ID: R19462			RunNo: 19462						
Prep Date:		Analysis Date: 6/24/2014			SeqNo: 563600		Units: mg/Kg				
Analyte		Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)		26	5.0	25.00	0	106	71.7	134			
Surr: BFB		1100		1000		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

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 1406A62

27-Jun-14

Client: Blagg Engineering

Project: Mudge LS #7

Sample ID	5ML RB	SampType:	MBLK	TestCode:	EPA Method 8021B: Volatiles
Client ID:	PBS	Batch ID:	R19462	RunNo:	19462
Prep Date:		Analysis Date:	6/24/2014	SeqNo:	563614
				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	1.1		1.000		110	80	120			

Sample ID	100NG BTEX LCS	SampType:	LCS	TestCode:	EPA Method 8021B: Volatiles
Client ID:	LCSS	Batch ID:	R19462	RunNo:	19462
Prep Date:		Analysis Date:	6/24/2014	SeqNo:	563615
				Units:	mg/Kg

Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Benzene	1.1	0.050	1.000	0	107	80	120			
Toluene	1.0	0.050	1.000	0	105	80	120			
Ethylbenzene	1.1	0.050	1.000	0	105	80	120			
Xylenes, Total	3.1	0.10	3.000	0	105	80	120			
Surr: 4-Bromofluorobenzene	1.2		1.000		117	80	120			

Sample ID	1406A62-001AMS	SampType:	MS	TestCode:	EPA Method 8021B: Volatiles
Client ID:	5PC-TB@6.5'(95)-A	Batch ID:	R19462	RunNo:	19462
Prep Date:		Analysis Date:	6/24/2014	SeqNo:	563618
				Units:	mg/Kg

Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Benzene	0.62	0.037	0.7396	0	83.3	77.4	142			
Toluene	0.61	0.037	0.7396	0	81.9	77	132			
Ethylbenzene	0.61	0.037	0.7396	0	82.8	77.6	134			
Xylenes, Total	1.8	0.074	2.219	0	82.6	77.4	132			
Surr: 4-Bromofluorobenzene	0.86		0.7396		116	80	120			

Sample ID	1406A62-001AMSD	SampType:	MSD	TestCode:	EPA Method 8021B: Volatiles
Client ID:	5PC-TB@6.5'(95)-A	Batch ID:	R19462	RunNo:	19462
Prep Date:		Analysis Date:	6/24/2014	SeqNo:	563619
				Units:	mg/Kg

Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Benzene	0.63	0.037	0.7396	0	85.5	77.4	142	2.57	20	
Toluene	0.61	0.037	0.7396	0	82.6	77	132	0.782	20	
Ethylbenzene	0.62	0.037	0.7396	0	83.6	77.6	134	0.852	20	
Xylenes, Total	1.9	0.074	2.219	0	84.3	77.4	132	2.02	20	
Surr: 4-Bromofluorobenzene	0.88		0.7396		119	80	120	0	0	

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

Sample Log-In Check List

Client Name: BLAGG

Work Order Number: 1406A62

RcptNo: 1

Received by/date:

Logged By: Ashley Gallegos

6/24/2014 7:46:00 AM

Completed By: Ashley Gallegos

6/24/2014 8:03:43 AM

Reviewed By:

CS

06/24/14

Chain of Custody

1. Custody seals intact on sample bottles? Yes ☐ No ☐ Not Present ☒
2. Is Chain of Custody complete? Yes ☒ No ☐ Not Present ☐
3. How was the sample delivered? Courier

Log In

4. Was an attempt made to cool the samples? Yes ☒ No ☐ NA
5. Were all samples received at a temperature of $>0^{\circ}\text{C}$ to 6.0°C ? Yes ☒ No ☐ NA
6. Sample(s) in proper container(s)? Yes ☒ No ☐
7. Sufficient sample volume for indicated test(s)? Yes ☒ No ☐
8. Are samples (except VOA and ONG) properly preserved? Yes ☒ No ☐
9. Was preservative added to bottles? Yes ☐ No ☒ NA
10. VOA vials have zero headspace? Yes ☐ No ☐ No VOA Vials ☒
11. Were any sample containers received broken? Yes ☐ No ☒
12. Does paperwork match bottle labels?
(Note discrepancies on chain of custody) Yes ☒ No ☐ # of preserved bottles checked for pH: (<2 or >12 unless noted)
13. Are matrices correctly identified on Chain of Custody? Yes ☒ No ☐ Adjusted?
14. Is it clear what analyses were requested? Yes ☒ No ☐
15. Were all holding times able to be met?
(If no, notify customer for authorization.) Yes ☒ No ☐ Checked by:

Special Handling (if applicable)

16. Was client notified of all discrepancies with this order? Yes ☐ No ☐ NA ☒

Person Notified:

Date:

By Whom:

Via: ☐ eMail ☐ Phone ☐ Fax ☐ In Person

Regarding:

Client Instructions:

17. Additional remarks:

18. Cooler Information

Cooler No	Temp $^{\circ}\text{C}$	Condition	Seal Intact	Seal No	Seal Date	Signed By
1	1.3	Good	Yes			

Client: **BLAGG ENGR. / BP AMERICA**

Mailing Address: **P.O. BOX 87**
BLOOMFIELD, NM 87413

Phone #: **(505) 632-1199**
email or Fax#:

QA/QC Package:
☒ Standard ☐ Level 4 (Full Validation)

Accreditation:
☐ NELAP ☐ Other _____

☐ EDD (Type) _____

Turn-Around Time. ☐ Standard ☒ Rush **SAME DAY**

www.hallenvironmental.com

4901 Hawkins NE - Albuquerque, NM 87109

Tel. 505-345-3975 Fax 505-345-4107

Analysis Request

Project Name:	
MUDGE LS # 7	
Project #:	
Project Manager:	
NELSON VELEZ	
Sampler: NELSON VELEZ	
On Ice:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Sample Temperature:	3

Container Type and #	Preservative Type	HEAL No. 1406766
-------------------------	----------------------	---------------------

[illegible]

Date:	Time:	Relinquished by:	Received by:	Date	Time
5/23/14	1610	<i>[Signature]</i>	<i>[Signature]</i>	5/23/14	1610
Date:	Time:	Relinquished by:	Received by:	Date	Time
5/23/14	1700	<i>[Signature]</i>	<i>[Signature]</i>	5/24/14	0741

Remarks:

BILL DIRECTLY TO BP:
Jeff Peace, 200 Energy Court, Farmington, NM 87401

Work Order: N15446129 Paykey: ZEVH01BGT2

If necessary, samples submitted to Hall Environmental may be subcontracted to other accredited laboratories. This serves as notice of this possibility. Any sub-contracted data will be clearly notated on the analytical report.



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

May 5, 2014

Leon and Sue Ann Knowlton
445 Road 2900
Aztec, NM 87410

VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Re: Notification of plans to close/remove a below grade tank
Well Name: MUDGE LS 007

Dear Mr. and Mrs. Knowlton,

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 May 30, 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
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

May 7, 2014

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

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

MUDGE LS 007
API 30-045-10431
(G) Section 23 – T31N – R11W
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 21 bbl BGT and 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

