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 nergy 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, or	
12931 Proposed Alternat	tive Method Permit or Closure F	Plan Application
Type of action: 🗌 Below grad		OIL CONS. DIV DIST, 3
$\begin{array}{c} \square \text{ Permit of a} \\ \hline \square \text{ Closure of a} \\ \hline \square \text{ Modification} \end{array}$	pit or proposed alternative method a pit, below-grade tank, or proposed alternati n to an existing permit/or registration n only submitted for an existing permitted or	MAY 28 2015
or proposed alternative method		non pontine pri, coro il grade tanti,
Instructions: Please submit one app	plication (Form C-144) per individual pit, below-	grade tank or alternative request
Please be advised that approval of this request does not relie environment. Nor does approval relieve the operator of its r	ve the operator of liability should operations result i esponsibility to comply with any other applicable go	n pollution of surface water, ground water or the overnmental authority's rules, regulations or ordinances.
Operator: BP America Production Company	OGRID #: 7	778
Address:200 Energy Court, Farmington, NN		
Facility or well name:McEwen Gas Com 1		
API Number:3004510990		
U/L or Qtr/Qtr N Section 5 T		
Center of Proposed Design: Latitude36.92223		
Surface Owner: 🗌 Federal 🗌 State 🖾 Private 🗌 Trib		
2.		
<u>Pit</u> : Subsection F, G or J of 19.15.17.11 NMAC		
Temporary: Drilling Workover		
Permanent Emergency Cavitation P&A		
Lined Unlined Liner type: Thickness	mil LLDPE HDPE PVC Ot	her
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 N		
Volume:95.0bbl Type of fl		
Tank Construction material:Steel		
Secondary containment with leak detection Vi		
☐ Visible sidewalls and liner ⊠ Visible sidewalls o		
Liner type: Thicknessmil	HDPE PVC Other	
4. Alternative Method:		

19

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

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)

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 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							
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							
 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	Yes No
 application. Visual inspection (certification) of the proposed site; Aerial 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
 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.} <u>Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist</u> : Subsection B of 19.15.17.9 N <i>Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the doc attached.</i>	
 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:	
^{11.} <u>Multi-Well Fluid Management Pit Checklist</u> : Subsection B of 19.15.17.9 NMAC <i>Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the doc</i>	cuments 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. and 19.15.17.13 NMAC Hydrogeologic Data - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC 	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:	

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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 orattached. 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 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 19.15.17.9 NMAC and 19.15.17.13 NMAC 	documents are
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.	1 M
Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Multi-well Fl	uid Management Pit
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	
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be a 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	ittached to the
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 provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. Pl 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 ☐ NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ 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 	🗌 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	

	🗌 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 plane 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 19.15.17.13 NMAC Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - 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 canned Soil Cover Design - 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 	11 NMAC 15.17.11 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 belied Name (Print): Title:	
Signature: Date:	
e-mail address: Telephone:	
18. OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment) OCD Representative Signature: Image: Closure plan) Closure Plan (only) OCD Conditions (see attachment)	_
Title: Compliance Office OCD Permit Number:	2015
Title: OCD Permit Number: 19. Closure Report (required within 60 days of closure completion): 19.15.17.13 NMAC 19. 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.	complete this

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22. Operator Closure Certification:

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

Name (Print):Jeff Peace	Title: Field Environmental Coordinator
Signature: Off eace	Date:May 26, 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

<u>McEwen Gas Com 1</u> <u>API No. 3004510990</u> <u>Unit Letter N, Section 5, T31N, R10W</u>

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	79
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 were below the limits. Sampling data is attached.

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

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

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

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

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

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

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

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

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State of New Mexico Energy Minerals and Natural Resources

Form C-141 Revised August 8, 2011

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

1220 S. St. Frai	ncis Dr., Santa	a Fe, NM 87503	5	Sa	anta Fe	e, NM 875	505				
			Rele	ease Notific	catio	n and Co	orrective A	ction			
						OPERA	ГOR	🗌 Initia	al Report	\bowtie	Final Report
Name of Co	ompany: B	Р				Contact: Jef	f Peace		1		
Address: 20	0 Energy	Court, Farmi	ington, N	M 87401		Telephone 1	No.: 505-326-94	79			
Facility Name: McEwen Gas Com 1						Facility Typ	e: Natural gas v	well			
Surface Owner: Private Mineral Owner					Juner.	Private		API No	. 30045109	000	
Surface Ow	nei. i nvai	.0						ATTNO	. 50045105	90	
						N OF RE	-				
Unit Letter N	Section 5	Township 31N	Range 10W	Feet from the 890	North South	/South Line	Feet from the 1,720	East/West Line West	County: Sa	an Juan	1
		Latit	ude36	.922234		Longitud	e_107.908797				
				NAT	TURE	OF REL	EASE				
Type of Rele							Release: N/A		Recovered: N		
		v grade tank –	95 bbl				lour of Occurrence	be: Date and	Hour of Dis	covery	:
Was Immedi	ate Notice (Yes 🗌	No 🛛 Not R	equired	If YES, To					
By Whom?	D	1 10				Date and H		1 117 /			
Was a Water	course Read		Yes 🛛	No		If YES, Vo	olume Impacting t	the Watercourse.			
							the BGT was do s results are attac	ne during removal t hed.	to ensure no	soil in	pacts from
				ten.* BGT was re active well area.	moved a	and the area u	nderneath the BG	T was sampled. T	he excavated	l area v	vas
regulations a public health should their or the enviro	Il operators or the envir operations h nment. In a	are required t ronment. The ave failed to a	o report ar acceptanc adequately)CD accep	nd/or file certain r e of a C-141 repo investigate and r	elease n ort by th emediat	otifications a e NMOCD m e contaminati	nd perform correct arked as "Final R on that pose a thr	nderstand that purs tive actions for rele eport" does not reli eat to ground water responsibility for co	eases which eve the oper , surface wa	may en ator of ter, hui	ndanger Tiability man health
Signature: Off Peace					OIL CONSERVATION DIVISION						
Printed Nam	e: Jeff Peace	e				Approved by	Environmental S	pecialist:			
Title: Field E	Environment	al Coordinate	or			Approval Da	te:	Expiration	Date:		
E-mail Addr	ess: peace.je	effrey@bp.com	n			Conditions of	f Approval:		Attached		
Date: May 2	6, 2015		Phone: 50	5-326-9479							

* Attach Additional Sheets If Necessary

CLIENT: BP	BLAGG ENG P.O. BOX 87, BLC (505)	API #:		
FIELD REPORT:	(circle one): BGT CONFIRMATION / RE	LEASE INVESTIGATION /	OTHER:	PAGE #: 1 of 1
SITE INFORMATION	SITE NAME: MCEWEN	GC #1		DATE STARTED: 10/26/11
QUAD/UNIT: N SEC: 5 TWP:	31N RNG: 10W PM:	NM CNTY: SJ	ST: NM	DATE FINISHED:
1/4 -1/4/FOOTAGE: 890'S / 1,720 LEASE #: -				ENVIRONMENTAL SPECIALIST(S): JCB
2)	GPS COORD.: GPS COORD.:	2229 X 107.90780	1 DISTANCE	/BEARING FROM W.H.: 129', S77W
3)				
	GPS COORD.:		DISTANCE	/BEARING FROM W.H.:
of the Entro Bi th t.	CHAIN OF CUSTODY RECORD(S) # OR LA	114		READING (ppm)
1) SAMPLE ID: 95 BGT 5-pt. @				
2) SAMPLE ID:				
3) SAMPLE ID:				
4) SAMPLE ID:	SAMPLE DATE:	SAMPLE TIME:	LAB ANALYSIS:	
CONSISTENCY (NON COHESIVE SOILS): LC MOISTURE: DRY (SLIGHTLY MOIST) MOIST / W	ET / SATURATED / SUPER SATURATED	DENSITY (COHESIVE	CLAYS & SILTS): SC	IC / COHESINE / MEDIUM PLASTIC / HIGHLY PLASTIC DFT / FIRM / STIFF / VERY STIFF / HARD PLANATION -
CONSISTENCY (NON COHESIVE SOILS): [LC MOISTURE: DRY <u>{SLIGHTLY MOIST</u> } MOIST / M SAMPLE TYPE: GRAB <u>{COMPOSITE</u> } # OF PTS. DISCOLORATION/STAINING OBSERVED ANY AREAS DISPLAYING WETNESS: YES <u>{NO</u>	OSE FIRM DENSE / VERY DENSE ET / SATURATED / SUPER SATURATED 5 : YES NO EXPLANATION -	DENSITY (COHESIVE	CLAYS & SILTS): SC	DFT / FIRM / STIFF / VERY STIFF / HARD
CONSISTENCY (NON COHESIVE SOILS): [LC MOISTURE: DRY (SLIGHTLY MOIST) MOIST / W SAMPLE TYPE: GRAB (COMPOSITE] # OF PTS. DISCOLORATION/STAINING OBSERVED ANY AREAS DISPLAYING WETNESS: YES (NO ADDITIONAL COMMENTS: NO APPARE SOIL IMPACT DIMENSION ESTIMATION:	DOSE FIRM) DENSE / VERY DENSE ET / SATURATED / SUPER SATURATED 5	DENSITY (COHESIVE HC ODOR DETECT RVED FROM BGT. X ft. EAREST SURFACE WATER PLOT PLAN cit	EXCAVATION E EXCAVATION E EXCAVATION E Content of the second seco	DFT / FIRM / STIFF / VERY STIFF / HARD
CONSISTENCY (NON COHESIVE SOILS): LC MOISTURE: DRY <u>SLIGHTLY MOIST</u> MOIST / W SAMPLE TYPE: GRAB <u>COMPOSITE</u> # OF PTS. DISCOLORATION/STAINING OBSERVED ANY AREAS DISPLAYING WETNESS: YES <u>NO</u> ADDITIONAL COMMENTS: <u>NO APPARE</u> SOIL IMPACT DIMENSION ESTIMATION: DEPTH TO GROUNDWATER: <u><50'</u> N SITE SKETCH	DOSE FIRM) DENSE / VERY DENSE ET / SATURATED / SUPER SATURATED 5	DENSITY (COHESIVE HC ODOR DETECT RVED FROM BGT. X ft. EAREST SURFACE WATER PLOT PLAN circle	EXCAVATION E ED: YES NO EX EXCAVATION E CONTINUE E: <1,000' NM rcle: attached N MELL HEAD	DFT / FIRM / STIFF / VERY STIFF / HARD PLANATION - PLANATION (Cubic Yards) : NA NOCD TPH CLOSURE STD: 100 ppm DMCALIB. READ. = 51.9 ppm IME: 12:40 an(pm) DATE: 10/26/11 MISCELL. NOTES WO - N1482414 PO - 63547 PK - ZSCHWLLBGT PJ - Z2-00690-C Permit Date: 06/14/10 OCD Appr. Date: 10/27/10 Tank ID A BGT Sidewalls Visible: (Y) N / NA
CONSISTENCY (NON COHESIVE SOILS): LC MOISTURE: DRY <u>SLIGHTLYMOIST</u> MOIST / W SAMPLE TYPE: GRAB <u>COMPOSITE</u> # OF PTS. DISCOLORATION/STAINING OBSERVED ANY AREAS DISPLAYING WETNESS: YES <u>NO</u> ADDITIONAL COMMENTS: <u>NO APPARE</u> SOIL IMPACT DIMENSION ESTIMATION: DEPTH TO GROUNDWATER: <u><50'</u> N SITE SKETCH SITE SKETCH	XOSE FIRM DENSE / VERY DENSE ET / SATURATED / SUPER SATURATED 5 : YES (NO) EXPLANATION - EXPLANATION - Image: SEPARATOR	DENSITY (COHESIVE HC ODOR DETECT RVED FROM BGT. X ft. EAREST SURFACE WATER PLOT PLAN ciu PLOT PLAN ciu PLOT PLAN ciu	EXCAVATION E ED: YES NO EX ED: YES NO EX EXCAVATION E CONTROLOGY IN IN IN IN IN IN IN IN IN IN IN IN IN	DFT / FIRM / STIFF / VERY STIFF / HARD PLANATION - PLANATION (Cubic Yards) : NA MOCD TPH CLOSURE STD: 100 ppm MM CALIB. READ. = 51.9 ppm MM CALIB. GAS = 100 ppm PM CALIB. GAS = 100 ppm MISCELL. NOTES WO - N1482414 PO - 63547 PK - ZSCHWLLBGT PJ - Z2-00690-C Permit Date: 06/14/10 OCD Appr. Date: 10/27/10 Tank ID ID

CLIENT: Blagg Engineering Client Sample ID: 95 BGT 5-pt @-6' 1111112 Lab Order: Collection Date: 10/26/2011 12:25:00 PM 100 00. Th 1 1 11/1/0011

Qualifiers:

- * Value exceeds Maximum Contaminant Level
- Estimated value E
- Analyte detected below quantitation limits J
- NC Non-Chlorinated
- PQL Practical Quantitation Limit

- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded

MCL Maximum Contaminant Level

ND Not Detected at the Reporting Limit

S Spike recovery outside accepted recovery limits

Page 1 of 1

Hall Environmental Analysis Laboratory, Inc.

Date: 11-Nov-11 Analytical Report

Project:	McEwen GC 1			Dat	te Receive	d: 11/1/2011	
Lab ID:	1111112-01				Matri	x: SOIL	
Analyses		Result	PQL	Qual 1	Units	DF	Date Analyzed
EPA METHOD	8015B: DIESEL RANGE	ORGANICS					Analyst: SCC
Diesel Range C	Organics (DRO)	69	9.9	r	mg/Kg	1	11/4/2011 11:53:40 PM
Surr: DNOP		91.1	73.4-123	0	%REC	1	11/4/2011 11:53:40 PM
EPA METHOD	8015B: GASOLINE RAI	IGE					Analyst: RAA
Gasoline Range	e Organics (GRO)	ND	4.9	r	mg/Kg	1	11/3/2011 8:07:18 PM
Surr: BFB		96.7	75.2-136	0	%REC	1	11/3/2011 8:07:18 PM
EPA METHOD	8021B: VOLATILES						Analyst: RAA
Benzene		ND	0.049	r	mg/Kg	1	11/3/2011 8:07:18 PM
Toluene		ND	0.049	r	mg/Kg	1	11/3/2011 8:07:18 PM
Ethylbenzene		ND	0.049	r	mg/Kg	1	11/3/2011 8:07:18 PM
Xylenes, Total	÷	ND	0.098	r	mg/Kg	1	11/3/2011 8:07:18 PM
Surr: 4-Brom	ofluorobenzene	98.0	80-120	9	%REC	1	11/3/2011 8:07:18 PM
EPA METHOD	300.0: ANIONS						Analyst: BRM
Chloride		ND	7.5	п	ng/Kg	5	11/4/2011 2:10:44 PM
EPA METHOD	418.1: TPH						Analyst: JB
Petroleum Hydr	rocarbons, TR	79	20	n	ng/Kg	1	11/7/2011

QA/QC SUMMARY REPORT

Client:Blagg EnginProject:McEwen GC	-								Work	Order:	1111112
Analyte	Result	Units	PQL	SPK Va	SPK ref	%Rec L	owLimit Hig	ghLimit	%RPD	RPDLimit	Qual
Method: EPA Method 300.0: Ar	nions										
Sample ID: MB-29218		MBLK				Batch ID:	29218	Analysi	is Date:	11/4/2011 1	12:08:50 PM
Chloride	ND	mg/Kg	1.5								
Sample ID: LCS-29218		LCS				Batch ID:	29218	Analysi	s Date:	11/4/2011 1	12:26:15 PN
Chloride	14.41	mg/Kg	1.5	15	0	96.1	90	110			
Method: EPA Method 418.1: TP	РН										
Sample ID: MB-29238		MBLK				Batch ID:	29238	Analysi	s Date:		11/7/2011
Petroleum Hydrocarbons, TR	ND	mg/Kg	20								
Sample ID: LCS-29238		LCS				Batch ID:	29238	Analysi	s Date:		11/7/2011
Petroleum Hydrocarbons, TR	97.94	mg/Kg	20	100	0	97.9	87.8	115			
Sample ID: LCSD-29238	01101	LCSD	20	100	Ū	Batch ID:	29238	Analysi	s Date:		11/7/2011
Petroleum Hydrocarbons, TR	99.22	mg/Kg	20	100	0	99.2	87.8	115	1.30	8.04	
									а.		
Method: EPA Method 8015B: D Sample ID: MB-29201	lesel Range	organics MBLK				Batch ID:	29201	Analysi	e Dato	11/4/2011 1	0.06.18 AM
•	ND		10			baton ib.	25201	Analysi	S Date.	(1/4/2011)	0.00.10 AN
Diesel Range Organics (DRO)	ND	mg/Kg	10			Datab ID:	00004	Anahai	a Data	11/1/0011	0.44.49.48
Sample ID: LCS-29201		LCS				Batch ID:	29201	Analysi	s Date:	11/4/2011 (0:41:13 AN
Diesel Range Organics (DRO)	41.76	mg/Kg	10	50	3.707	76.1	66.7	119			
Method: EPA Method 8015B: G	asoline Ra	nge									
Sample ID: MB-29187		MBLK				Batch ID:	29187	Analysi	s Date:	11/4/2011	1:36:22 AN
Gasoline Range Organics (GRO)	ND	mg/Kg	5.0								
Sample ID: LCS-29187		LCS				Batch ID:	29187	Analysi	s Date:	11/3/2011 1	2:07:26 PN
Gasoline Range Organics (GRO)	29.36	mg/Kg	5.0	25	0	117	86.4	132			
Method: EPA Method 8021B: V	olatiles										
Sample ID: MB-29187		MBLK				Batch ID:	29187	Analysi	s Date:	11/4/2011	1:36:22 AM
Benzene	ND	mg/Kg	0.050								
Toluene	ND	mg/Kg	0.050								
Ethylbenzene	ND	mg/Kg	0.050								
Xylenes, Total	ND	mg/Kg	0.10								
Sample ID: LCS-29187		LCS				Batch ID:	29187	Analysi	s Date:	11/3/2011 1	2:37:30 PN
Benzene	1.028	mg/Kg	0.050	1	0.0226	101	83.3	107			
Toluene	0.9742	mg/Kg	0.050	1	0	97.4	74.3	115			
Toluene Ethylbenzene		mg/Kg mg/Kg	0.050 0.050		0 0.0051	97.4 107	74.3 80.9	115 122			

- Qualifiers:
- E Estimated value
- J Analyte detected below quantitation limits

ND Not Detected at the Reporting Limit

H Holding times for preparation or analysis exceeded

NC Non-Chlorinated

R RPD outside accepted recovery limits

Hall Environmental Analysis Laboratory, Inc.

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	Sample	Receipt Ch	ecklist		
Client Name BLAGG			Date Receive	ed:	11/1/2011
Work Order Number 1111112			Received by	: MMG	47
Checklist completed by: Multer	<u>_p:</u>		Sample ID I	abels checked by:	Initials
Matrix:	Carrier name:	FedEx			
Shipping container/cooler in good condition?		Yes 🖌	No 🗌	Not Present	
Custody seals intact on shipping container/cooler	?	Yes 🖌	No 🗌	Not Present	Not Shipped
Custody seals intact on sample bottles?		Yes	No	N/A	
Chain of custody present?		Yes 🖌	No 🗌		
Chain of custody signed when relinquished and re	eceived?	Yes 🖌	No 🗌		
Chain of custody agrees with sample labels?		Yes 🖌	No 🗌		
Samples in proper container/bottle?		Yes 🗹	No 🗌		
Sample containers intact?		Yes 🖌	No 🗌		
Sufficient sample volume for indicated test?		Yes 🖌	No 🗌		
All samples received within holding time?		Yes 🖌	No		Number of preserved
Water - VOA vials have zero headspace?	No VOA vials subm	itted 🗹	Yes	No 🗌	bottles checked for pH:
Water - Preservation labels on bottle and cap ma	tch?	Yes	No	N/A 🔽	
Water - pH acceptable upon receipt?		Yes	No	N/A 🔽	<2 >12 unless noted below.
Container/Temp Blank temperature?		1.8°	<6° C Acceptab		Delow.
COMMENTS:			If given sufficient	t time to cool.	
				π _	
Client contacted	Date contacted:	-	Pers	on contacted	
Contacted by:	Regarding:	24			
Comments:			,		

Corrective Action

Chain-of-Custody Record				Turn-Around Time:										-			0					
Chain-of-Custody Record Client: BLACG Exconfigende Juc. BP America Mailing Address: Po. Eox 87 Mailing Address: Po. Eox 87 ISconfigende America Mailing Address: Po. Eox 87 Isconfigende MM 87403 Phone #: SOS - 632 - 1199 email or Fax#: QA/QC Package: Standard Level 4 (Full Validation) Accreditation Date Date Time Matrix Sample Request ID 1972/2011 L225 Soic 95 BGH 5-pt C-6'			Standard					ANALYSIS LABORATORY														
Client: BLAKE EXEMPTENDE INC. BP AMERICA Mailing Address: PO. Box 87 Imailing Address: PO. Box 87 Imail or Fax#: Imail Level 4 (Full Validation Accreditation Imail NELAP Imail Other Imail Date Time Matrix Imail Date Time Matrix Imail Date Time Matrix			Project Name:				www.hallenvironmental.com															
Mailing	Address	- Do	P. 07	MCEWEN GC 1				4901 Hawkins NE - Albuquerque, NM 87109														
				Project #:																		
<u>k</u>	Scorre	rees, 1	VM 87415					2.204	le	el. 50	15-34	15-3		and the second	10.00			4107				
								-					A	nary	sis	Req	ues					
				Project Manager:				$\widehat{\Xi}$	only	(Gas/Diesel)					SO4	_w						
-				J. BLACO				(80	as	s/Di					04,5	PCB's						
							Sin	0	Gat					2,P(32 P				1			
				Sampler: J. BLACL On Ice: Pres				耳	+ TPH (Gas only)	5B (418.1)	4.1)	Ŧ		NO NO	808						Î
			Sample Temperature:						801	41	1 50	L PA	als	0N	es		VOA				Y or	
Date	Time				Preservative Type		all the second second second	BTEX + MTBE + 1MB' s (8021)	BTEX + MTBE	TPH Method 801	TPH (Method	EDB (Method 504.1)	8310 (PNA or PAH)	RCRA 8 Metals	Anions (F,CI,NO ₃ ,NO ₂ ,PO ₄ ,SO ₄)	8081 Pesticides / 8082	8260B (VOA)	8270 (Semi-VOA)	CHLORIDE	E		Air Bubbles (Y or N)
10/26/2011	1275	Soil	95 BGt 5-04 B-6	402 ×1	COOL		-1	X		×	×								X			
	0005	50.0	5-2-0-0	102 1																-	+	-
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Date:	Time:	Relinquished by: All Bugg		Received by: Date Time			Remarks: GRU + DRO ON 9015 N 1482414															
10/28/11	1406			Christie Walter 10/28/11 1406																		
Date: Time: Relinquished by:		ed by:	Received by: Date Time						WU													
1/31/11 1502 Christ Walts		Muhille Corriso, 11/1/11 9:00					F1=	PEA	eE	-												

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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



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

October 18, 2011

Ronald Osborn 7697 El Paso Street San Diego, CA 91942

VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Re: Notification of plans to close/remove a below grade tank Well Name: MCEWEN GAS COM 001-MV

Dear Ronald Osborn,

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 October 21, 2011. 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,

(Du

Jerry Van Riper Surface Coordinator/Business Security Representative 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

September 29, 2011

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

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

MCEWEN GAS COM 001 API 30-045-10990 (M) Section 5 – T31N – R10W San Juan County, New Mexico

Dear Mr. Brandon Powell:

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

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

Sincerely,

Buddy Shaw BP Environmental Advisor

(505) 320-0401



