

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

AUG 03 2018

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2

5. Lease Serial No. 751081035
6. If Indian, Allottee or Tribe Name UTE MOUNTAIN UTE
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. HSGU 202
9. API Well No. 30-045-10128-00-S1
10. Field and Pool or Exploratory Area HORSESHOE GALLUP
11. County or Parish, State SAN JUAN COUNTY, NM

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator BIYA OPERATORS INC Contact: JUBAL S TERRY E-Mail: Jterry@diversifiedresourcesinc.com	
3a. Address 801 W. MINERAL AVE. STE 202 LITTLETON, CO 80120	3b. Phone No. (include area code) Ph: 303-797-5417 Ext: 232 Fx: 303-797-5418
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 34 T31N R16W NESW 1900FSL 1980FWL	

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input checked="" type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Pursuant to the Notice of Incidents of Noncompliance #18RJ008 BIYA Operators, Inc. respectfully submits the 202 line leak work plan.

SEE ATTACHED
CONDITIONS OF APPROVAL

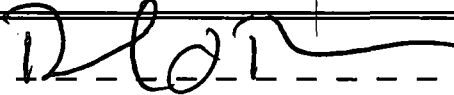
NMOCD

OCT 04 2018

DISTRICT III

14. I hereby certify that the foregoing is true and correct. Electronic Submission #429916 verified by the BLM Well Information System For BIYA OPERATORS INC, sent to the Durango Committed to AFMSS for processing by BARBARA TELECKY on 08/03/2018 (18BDT0093SE)	
Name (Printed/Typed) JUBAL S TERRY	Title V.P. EXPLORATION
Signature (Electronic Submission)	Date 08/03/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By 	Title <i>msc</i>	Date <i>10/2/2018</i>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

NMOCD

Revisions to Operator-Submitted EC Data for Sundry Notice #429916

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	RECL NOI	RECL NOI
Lease:	751081035	751081035
Agreement:		
Operator:	BIYA OPERATORS, INC. 801 W. MINERAL AVE. SUITE 202 LITTLETON, CO 80120 Ph: 303-797-5417	BIYA OPERATORS INC 801 W. MINERAL AVE. STE 202 LITTLETON, CO 80120 Ph: 303.797.5417 Fx: 303-797-5418
Admin Contact:	JUBAL S TERRY V.P. EXPLORATION E-Mail: Jterry@diversifiedresourcesinc.com Ph: 303-797-5417 Ext: 232 Fx: 303-797-5418	JUBAL S TERRY V.P. EXPLORATION E-Mail: Jterry@diversifiedresourcesinc.com Ph: 303-797-5417 Ext: 232 Fx: 303-797-5418
Tech Contact:	JUBAL S TERRY V.P. EXPLORATION E-Mail: Jterry@diversifiedresourcesinc.com Ph: 303-797-5417 Ext: 232 Fx: 303-797-5418	JUBAL S TERRY V.P. EXPLORATION E-Mail: Jterry@diversifiedresourcesinc.com Ph: 303-797-5417 Ext: 232 Fx: 303-797-5418
Location:		
State:	NM	NM
County:	SAN JUAN	SAN JUAN
Field/Pool:	HORSESHOE GALLUP	HORSESHOE GALLUP
Well/Facility:	HGU 202 Sec 34 T31N R16W Mer NMP NESW 1900FSL 1980FWL 36.855547 N Lat, 108.514604 W Lon	HSGU 202 Sec 34 T31N R16W NESW 1900FSL 1980FWL



August 3, 2018

SMA #5127323

BLM Tres Rios Field Office
29211 Highway 187
Dolores, CO 81323
Attn: Mr. Ryan Joyner

RE: 202 LINE LEAK WORK PLAN

Dear Mr. Joyner:

On behalf of BIYA Operators, Inc. (BIYA), Souder, Miller & Associates (SMA) is pleased to submit this work plan for sample collection and remedial activities at the BIYA Operators, Inc., 202 Line Leak release site. The site is located in Unit K, Section 34, Township 31 North, Range 16 West; GPS: 36.856977, -108.515973, in San Juan County, New Mexico on Ute Mountain Ute Tribal lands within the jurisdiction of the Bureau of Land Management (BLM).

1.0 BACKGROUND

On February 12, 2018, BIYA discovered a three (3) barrel oil spill associated with the 202 pipeline. The cause of the release was due the pipeline freezing. BIYA began excavation activities to remove hydrocarbon impacted soil. During excavation activities, historical hydrocarbon impacts were discovered. The exposed pipeline within the excavation has been removed and capped. BIYA submitted a preconstruction notification to the Army Corps of Engineers (ACOE) for Nationwide Permit #38. A letter dated July 23, 2018, was received from the ACOE requesting additional information. A copy of this letter has been attached to this work plan.

On July 25, 2018, an SMA representative conducted a site visit with Mr. Ryan Laird of BIYA. Photo documentation and GPS measurements were taken while on site. SMA observed that the pipelines had been cut and capped. SMA observed staining on the southwest base of the excavation. Figure 2 demonstrates the extent of the excavation.

Additional background information provided by BIYA is included as an attachment to this work plan.

2.0 STORMWATER BEST MANAGEMENT PRACTICES

BIYA will install silt fencing, per the *Surface Operating Standards and Guidelines for Oil and Gas Exploration and Development: The Gold Book*, along the south, east, and west

boundaries of the excavation. Figure 2 demonstrates the approximate location of silt fencing.

Regular, weekly, field inspections for integrity of the silt fences will be conducted and document. Documentation will include the date of inspection, the name of the inspector, as well as photographs taken at the time of inspection. Any necessary maintenance and repair of all installed control measures will occur within 48 hours of discovery. In the event of a significant storm event (>0.25 inch), additional inspections will occur within 24 hours of the storm event. Significant storm water events will be documented to include the date of inspection, the name of the inspector, as well as photographs taken at the time of inspection.

3.0 EXCAVATION

SMA recommends sloping the excavation along the east and west walls as means of egress into the current excavation allowing for safe entry for field screening. Figure 2 demonstrates the proposed areas of sloping.

Upon completion of sloping, SMA proposes conducting field screening with a calibrated MiniRAE 3000 photoionization detector (PID) and a Dextsil PetroFLAG TPH Analyzer. Results of the field screening will determine if the site can proceed with closure sampling or further excavation will be required.

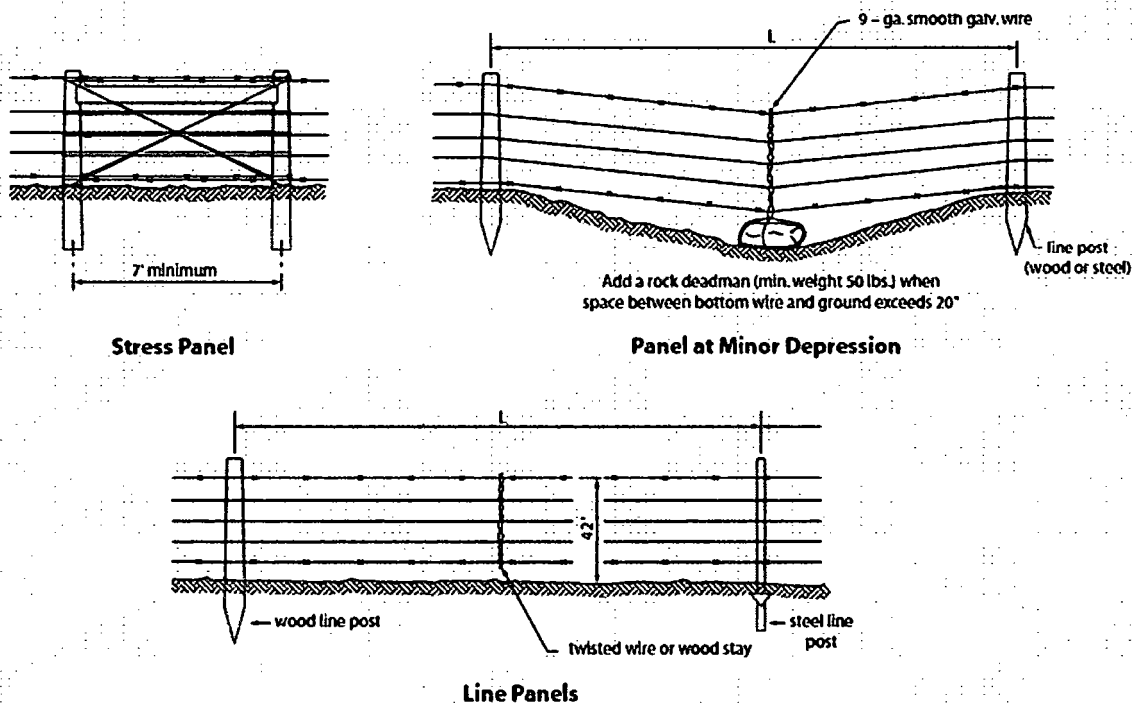
Written notification will be made to the UMUT, BLM, and BIA regarding field screening determinations. Written request for continued excavation based on field screenings or request to conduct closure sampling will be made to the UMUT, BLM, and BIA.

4.0 WINTER CLOSURE

In the event that the excavation remains open on October 31, 2018, fencing will be installed to prevent the access by persons, wildlife, or livestock. Work will immediately continue when winter closure is lifted.

Stormwater best management practices as listed in Section 2.0 will remain and continue during this time.

Fencing will be installed as shown in the diagram below:



5.0 SAMPLING

SMA will collect four (4) discrete samples from the base and south wall of the excavation (two samples from the base and two from the south wall). A background sample will be collected near the location in an undisturbed area.

The laboratory samples will be sent under chain-of-custody protocols for analysis for total petroleum hydrocarbons, cation, anion, EC and SAR.

Upon receipt, sample results will be made available to the UMUT, BLM, and BIA. Results will be analyzed for compliance with pollutant concentrations in soil found in the *Standards for Spill Clean-up and Reclamation Ute Mountain Ute Tribe 2018*.

6.0 RECLAMATION AND RESEEDING

Upon acceptance and approved closure, BIYA will reclaim and reseed the impacted area. Reclamation will involve compacting the backfill, regrading cut-and-fill slopes to restore the original contour, replacing topsoil, installing temporary erosion controls, and revegetating in accordance with the BIYA MDA. Seeded area shall be mulched with crimped straw at an application rate sufficient for seed and moisture protection. Hydroseeding may be approved upon written request.

7.0 CLOSURE AND LIMITATIONS

The scope of our services consisted of the performance of a preliminary release assessment, regulatory liaison, oversight and control of delineation activities, project management, and preparation of this work plan. All work has been performed in accordance with generally accepted professional environmental consulting practices.

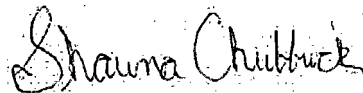
If there are any questions regarding this report, please contact either myself or Shawna Chubbuck at 505-325-7535.

Sincerely,

Souder, Miller & Associates



Ashley Maxwell
Staff Scientist



Shawna Chubbuck
Senior Scientist

Figures:

Figure 1: Vicinity Map

Figure 2: Site Map

Attachments:

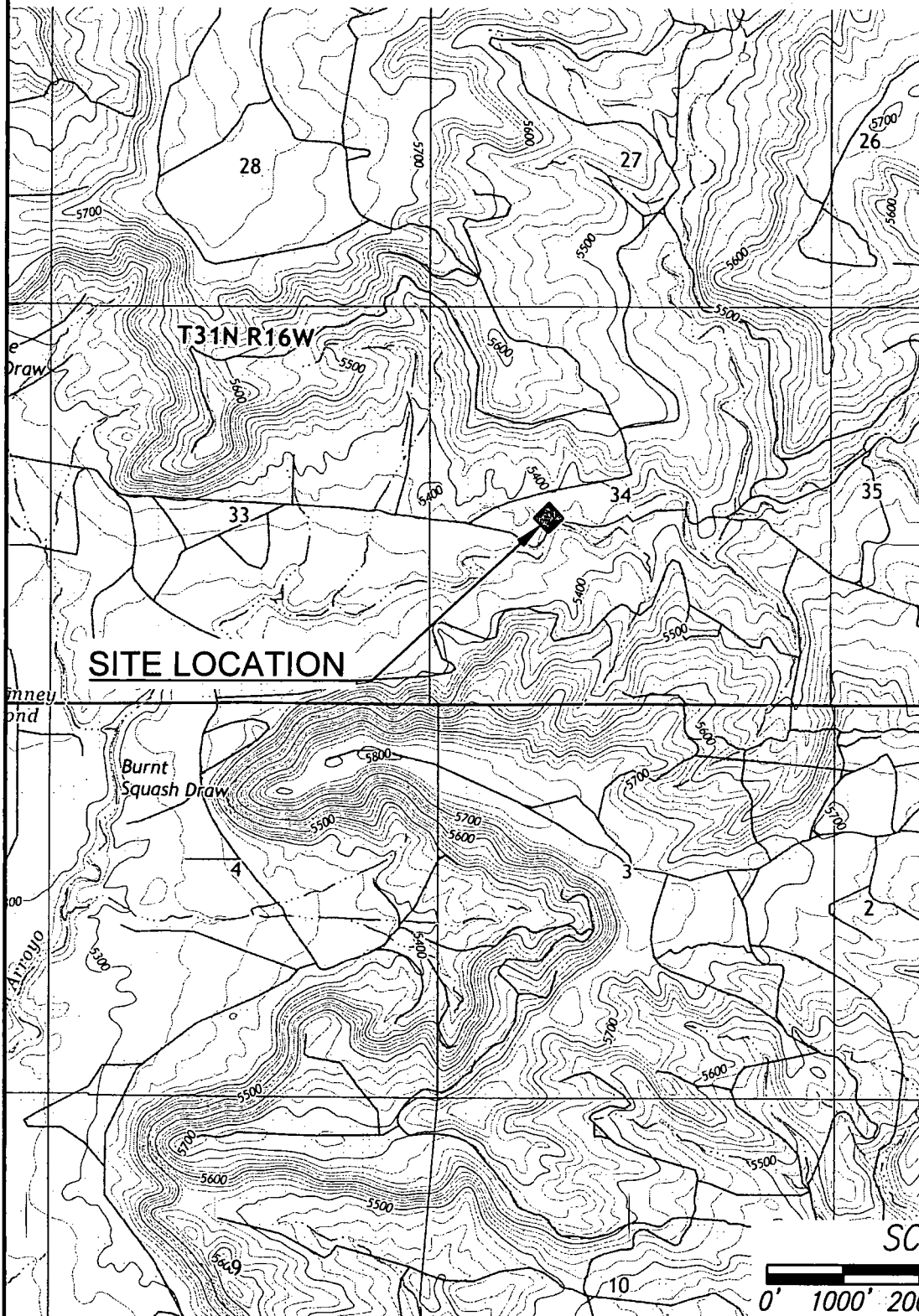
Army Corps of Engineers Response Letter

Standards for Spill Clean-up and Reclamation Ute Mountain Ute Tribe 2018

BIYA Timeline

FIGURES

**CHIMNEY ROCK QUADRANGLE
NEW MEXICO-SAN JUAN CO.
7.5-MINUTE SERIES**



SOUDER, MILLER & ASSOCIATES

 401 West Broadway Avenue
 Farmington, NM 87401-5907
 Phone (505) 325-7535 Toll-Free (800) 519-0098 Fax (505) 326-0045
 Serving the Southwest & Rocky Mountains
www.soudermiller.com

UMUT	WATERFLOW, NEW MEXICO		
Designed AM	Drawn DJB	Checked RSA	
Date: August 2018			
Scale: Horiz 1"=100'			
Vert. NA			
Project No: 5127323			
FIGURE 1			

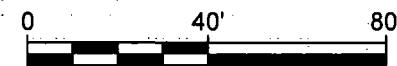
**VICINITY MAP
LOCATION #202
SECTION 34, T31N, R16W**

SAN JUAN COUNTY



LEGEND

- EXCAVATION BOUNDARY
- SILT FENCE
- CAPPED PIPELINE
- PROPOSED SLOPING



SCALE: 1" = 40'

FIGURE 2

Project No. 5127323
Date: 2-Aug-18
Scale: Horiz. 1"=40'
Vert. 1"=40'

THIS DRAWING IS INCOMPLETE AND NOT TO BE USED FOR CONSTRUCTION UNLESS IT IS STAMPED, SIGNED AND DATED

Designed AM
Drawn DJB
Checked RSA



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UMUT

WATERFLOW, NEW MEXICO

SITE MAP
LOCATION #202
SECTION 34, T31N, R16W

ATTACHMENTS



DEPARTMENT OF THE ARMY
ALBUQUERQUE DISTRICT, CORPS OF ENGINEERS
#PM_FIELD_OFFICE_ADDRESS#

REPLY TO
ATTENTION OF

July 23, 2018

Regulatory Division

SUBJECT: Action No. SPA-2018-00151; Eagles Nest Arroyo, HGU 202

BIYA Operators, Inc.
ATTN: Jubal Terry
801 West Mineral, Suite 202
Littleton, Colorado 80210

Mr. Terry:

The U.S. Army Corps of Engineers (Corps) is in receipt of your letter dated May 22, 2018 concerning removal of contaminated soil along Eagles Nest Arroyo. The activity involves excavation and removal of the soil and transporting it to a landfarm for disposal or onsite soil treatment. We have assigned Action No. SPA-2018-00151 to this activity. To avoid delay, please include this number in all future correspondence concerning this project.

After furthering reviewing your submittal additional information is required. Please provide us with the following information for further review:

1. A detailed plan view showing soil excavation and amount of cubic yards to be removed.
2. A detailed cross section view showing soil excavation and amount of cubic yards to be removed.
3. Identify location where soil will be transported and information on whether or not it's an upland location.
4. A delineation of the ordinary high water mark or any wetlands that might be impacted during the soil removal. Please refer to our website regarding delineation information: https://www.usace.army.mil/Missions/Civil-Works/Regulatory-Program-and-Permits/reg_supp/
5. Information on the type of best management practices to be used during removal.
6. Information on any staging areas around the site that will be used for equipment.
7. Information on whether coordination with the certifying water quality agency has been initiated and if their conditions have been met or resolved.

Please refer to our website: <http://www.spa.usace.army.mil/Missions/Regulatory-Program-and-Permits/>, regarding guidance for Department of the Army submittals for

additional details about what you should submit for this and future projects.

We encourage you to avoid and minimize adverse impacts to streams, wetlands, and other waters of the U.S. in planning this project. Please note that it is unlawful to start work without a Department of the Army permit when one is required.

If you have any questions concerning our regulatory program, please contact me at 970-259-1947 or by e-mail at christpher.r.wrbas@usace.army.mil.

Sincerely,

WRBAS.CHRISTOPHER.
R.1258613054

Digitally signed by WRBAS.CHRISTOPHER.A.1258613054
DN: c=US, ou=U.S. Government, ou=USACE, ou=USACE
mail=WRBAS.CHRISTOPHER.A.1258613054@usace.army.mil, o=USACE
Date: 2010.07.23 12:24:30 -0700

Chris Wrbas
Project Manager

Standards for Spill Clean-up and Reclamation
Ute Mountain Ute Tribe
2018

Note: Samples must be collected by a qualified professional and samples analyzed by a qualified laboratory (EPA certification recommended). At a minimum sufficient quality assurance/quality control data should be provided with analyses. These should be sent to Scott Clow, Environmental Programs Director, PO Box 448, Towaoc, CO 81334, or delivered to 520 Sunset Blvd. Towaoc, CO during regular business hours of 8 am to 4:30 pm, Monday through Friday. Other contact information: (970) 564-5432; FAX (970) 565-2651; cellular phone (970) 570-3546.

The Ute Mountain Ute Environmental Programs Department can do sampling on behalf of the Operator/Leasee with the understanding that analytical costs will be reimbursed to the Tribe.

Pollutant Concentrations in Soil and Water

CONCENTRATION LEVELS Contaminant of Concern	Concentrations
Organic Compounds in Soil	
TPH (total volatile and extractable petroleum hydrocarbons)	500 mg/kg
Benzene	0.17 mg/kg ²
Toluene	85 mg/kg ²
Ethylbenzene	100 mg/kg ²
Xylenes (total	175 mg/kg ²
Acenaphthene	1,000 mg/kg ²
Anthracene	1,000 mg/kg ²
Benzo(A)anthracene	0.22 mg/kg ²
Benzo(B)fluoranthene	0.22 mg/kg ²
Benzo(K)fluoranthene	2.2 mg/kg ²
Benzo(A)pyrene	0.022 mg/kg ²
Chrysene	22 mg/kg ²
Dibenzo(A,H)anthracene	0.022 mg/kg ²
Fluoranthene	1,000 mg/kg ²
Fluorene	1,000 mg/kg ²
Indeno(1,2,3,C,D)pyrene	0.22 mg/kg ²
Napthalene	23 mg/kg ²

Pyrene	1,000 mg/kg ₂
Organic Compounds in Ground Water	
Benzene	<5 µg/l ₃
Toluene	<560 µg/l ₃
Ethylbenzene	<700 µg/l ₃
Xylenes (Total)	<1,400 µg/l _{3,4}
Inorganics in Soils	
Electrical Conductivity (EC)	< 1.1x background
Sodium Adsorption Ratio (SAR)	<12 ₅
pH	6-9
Inorganics in Ground Water	
Total Dissolved Solids (TDS)	<1.25 x background ₃
Chlorides	<1.25 x background ₃
Sulfates	<1.25 x background ₃
Metals in Soils	
Arsenic	0.39 mg/kg ₂
Barium (LDNR True Total Barium)	15,000 mg/kg ₂
Boron (Hot Water Soluble)	2 mg/l ₃
Cadmium	70 mg/kg _{3,6}
Chromium (III)	120,000 mg/kg ₂
Chromium (VI)	23 mg/kg _{2,6}
Copper	3,100 mg/kg ₂
Lead (inorganic)	400 mg/kg ₂
Mercury	23 mg/kg ₂
Nickel (soluble salts)	1,600 mg/kg _{2,6}
Selenium	390 mg/kg _{2,6}
Silver	390 mg/kg ₂
Zinc	23,000 mg/kg _{2,6}
Liquid Hydrocarbons in Soils and Ground Water	
Liquid hydrocarbons including condensate and oil	Below detection level

202 Flowline Historical Release

1. The HGU 202 line release occurred when BIYA was pumping oil through the 202 flow line. Part of the line froze overnight causing pressure to build and eventually break. The release occurred along flow line in between the Header and the well head on 2/12/2018.
2. Pumper noticed a drop in production so shut in well and continuously walked line until seeing the leak. Shut off well. Cleaned up spill. Roustabout crew took test tank to location and produced well into test tank.
3. 3/8/2018 found historical leak close to where spill was located and began cleaned up. Historical leak can be first observed on google earth back to 1991. Removed soil and took to the landfarm.
4. 3/13/2018 Installed barbed wire fence around excavated site.
5. 5/11/2018 capped poly line inside excavated site
6. 5/23/2018 capped steel lines inside excavated site
7. Waiting for work plan from Souder Miller.

Department Of Interior- Bureau of Land Management – Tres Rios Field Office – COAs

Well Name/Number: HSGU #202

Operator: BIYA Surface/Mineral Ownership: IND/IND

Leases: 751081035

Location: (STR, QQ) S34,T31N, R16W

API:3004510128

PAD(X), ACCESS (), PIPELINE ()

REQUIREMENTS AT ALL SITES:

Soil/Excavation: (These are comments to clarify the requirements based on the implementation of the plan and the IMDA criteria)

1. Operator must replace all contaminated material with clean, in-kind soil of a quality as good as or better than what is found on pg 7, Exhibit B, of the IMDA.
2. Operator will excavate soils per the guidelines found on pg 13, Exhibit B, of the IMDA.
3. Operator will remove soils to an approved facility pursuant to pg 14, Exhibit B, of the IMDA.

Sampling: (These are comments to clarify the requirements based on the implementation of the plan and the IMDA criteria)

4. Exhibit B of the IMDA ranks this site over 20 points per NMOCD soil contamination standards. Operator will sample for the full table of NMOCD soil contaminants found on pg 7, Exhibit B of the HSGU IMDA:
 - a. Benzene- 10 ppm limit
 - b. BTEX- 50 ppm limit
 - c. TPH (DRO + GRO + MRO)- 100 ppm limit
5. Samples must follow EPA Method 602/8020 for Benzene and BTEX totals. (See IMDA, Exhibit B, Page 10)
6. Samples must follow EPA Method 418.1 or EPA Method Modified 8015 for TPH. (See IMDA, Exhibit B, Page 10)

Monitoring: (These are comments to clarify the requirements based on the implementation of the plan and the IMDA criteria)

7. Operator must submit plans to include 3-4 monitoring wells, to be installed down gradient of contamination for the entire HSGU field. Plans submitted must be pursuant to pages 10-11 of Exhibit B of the approved IMDA.
8. Operator will include proposed dates for the start of construction, implementation of monitoring, as well as timeline of deliverables along with the plan for monitoring wells, submitted for approval to the Tres Rios Field Office, pursuant to all applicable sections of the IMDA.

Completed Reclamation of Spill: (These are comments to clarify the requirements based on the implementation of the plan and the IMDA criteria)

9. Operator will submit closure and final reports via Sundry Notice pursuant to pg 16, Exhibit B, of the IMDA.

At this site specifically:

Background: (These are comments to clarify the requirements based on the implementation of the plan and the IMDA criteria)

10. (COA) Operator must show evidence of properly capped pipelines. (See IMDA, Exhibit B, Page 3)

Soils/Erosion: (These are comments to clarify the requirements based on the implementation of the plan and the IMDA criteria)

- 11. (Comment) Operator will change all "Stormwater" subsections to "soils" or "erosion".
- 12. (COA) Operator must submit documentation of weekly field inspections for integrity of the silt fences to the BLM, UMU tribe, and BIA UMU agency. (Proposed Action Plan, Page 2)
- 13. (Comment) Operator may not stock pile material in or adjacent to Eagle's Nest Arroyo. All material excavated for remedial activities will be contained in a steel container or equivalent device, capable of containing all liquid and solid materials.

Sampling: (These are comments to clarify the requirements based on the implementation of the plan and the IMDA criteria)

- 14. (COA) Operator will submit a minimum of 5 discrete samples, for each wall, base, or side excavation.
- 15. (COA) Operator must submit plans to include 3-4 monitoring wells, to be installed down gradient of contamination for the entire HSGU field. Plans submitted must be pursuant to pages 10-11 of Exhibit B of the approved IMDA.

Winter Closure:

- 16. (Comment) Operator will remove the winter closer section of the approved work plan.

Completed Reclamation of Spill: (These are comments to clarify the requirements based on the implementation of the plan and the IMDA criteria)

- 17. (Comment) Operator will amend reclamation standards to be appropriate for reclamation within an intermittent or ephemeral stream. Normal seeding, mulching and reclamation practices will need to be amended to be both site appropriate, as well as compliant to the standards found in the approved IMDA.

Timeframe:

- 18. (COA) Operator will have all work completed by December 17th, 2018.