

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED  
ELECTRONIC REPORT

AUG 15 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**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. 751081035
2. Name of Operator BIYA OPERATORS INC Contact: JUBAL S TERRY E-Mail: Jterry@diversifiedresourcesinc.com		6. If Indian, Allottee or Tribe Name UTE MOUNTAIN UTE
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	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 33 T31N R16W NENE 990FNL 330FEL		8. Well Name and No. HSGU 179
		9. API Well No. 30-045-10220-00-S1
		10. Field and Pool or Exploratory Area HORSESHOE GALLUP
		11. County or Parish, State SAN JUAN COUNTY, NM

**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 recompleat 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 recompleat 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.

BIYA Operators, Inc. Respectfully submits a new work plan for HGU 179 line release.

SEE ATTACHED  
CONDITIONS OF APPROVAL

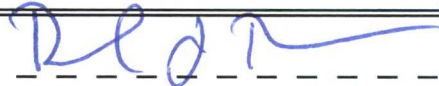

NMOCD

OCT 04 2018

DISTRICT III

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #431377 verified by the BLM Well Information System For BIYA OPERATORS INC, sent to the Durango Committed to AFMSS for processing by ASHLEY HITCHELL on 08/15/2018 (18ACH0359SE)</b>	
Name (Printed/Typed) JUBAL S TERRY	Title V.P. EXPLORATION
Signature (Electronic Submission)	Date 08/15/2018

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By 	Title 	Date 10/2/2018
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

13

## Revisions to Operator-Submitted EC Data for Sundry Notice #431377

	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 179 Sec 33 T31N R16W Mer NMP NENE 990FNL 330FEL 36.886199 N Lat, 108.521930 W Lon	HSGU 179 Sec 33 T31N R16W NENE 990FNL 330FEL



August 15, 2018

SMA #5127323

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

**RE: 179 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 release remediation activities at the BIYA Operators, Inc., 179 Line Leak release associated with the Horseshoe Gallup Unit 179 (30-045-10220). The line leak is located in Unit H, Section 33, Township 31 North, Range 16 West; GPS: 36.859523, -108.521633, 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 June 19, 2018, BIYA discovered a release of oil associated with the 179 pipeline. The cause of the release was due to an impaired flowline discovered while flushing the line. BIYA has begun excavation activities to remove hydrocarbon impacted soil, but an open excavation remains. Each of the four pipelines within the excavation have been flushed and capped. Two intact pipelines remain exposed on the north side of the excavation.

On July 25, 2018, an SMA representative conducted a site visit with Mr. Ryan Laird of BIYA. Photo documentation and GPS measurements of the fencing surrounding the excavation were taken while on site. SMA observed that four pipelines had been cut and capped. SMA observed staining near the central base of the excavation. Access to the excavation was limited due to the depth of the excavation (estimated to be greater than twenty (20) feet) and the surrounding soil type. Figure 2 demonstrates the current fenced area of the excavation.

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

**2.0 EXCAVATION**

Additional excavation is necessary to remove the remaining hydrocarbon impacted soil observed at the central base of the excavation; however, the excavation does not meet



OSHA safety standards and requires modification prior to any further excavation. SMA proposes stabilizing the current excavation per OSHA requirements in *29 CFR 1926 Subpart P App B-Sloping and Benching*, as the excavation appears to be greater than 20 feet deep. Sloping or benching greater than 20 feet deep shall be designed by a registered professional engineer as referenced in *29 CFR 1926 Subpart P App B-Sloping and Benching Footnote (3) under Table B-1 Maximum Allowable Slopes*.

BIYA will submit details of the proposed excavation design for approval to the UMUT, BLM, and BIA for approval. Upon approval, SMA will review the design for the National Environmental Policy Act (NEPA) applicability. SMA will provide a report to BIYA of findings.

Upon completion of the approved engineered sloping/benching for the excavation, SMA proposes using a trackhoe to access the walls and base of the excavation to conduct 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 if 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.

Hydrocarbon impacted soil is to be transported off site to the approved land farm as listed in the BIYA MDA, BIA Contract No. 7000001035.

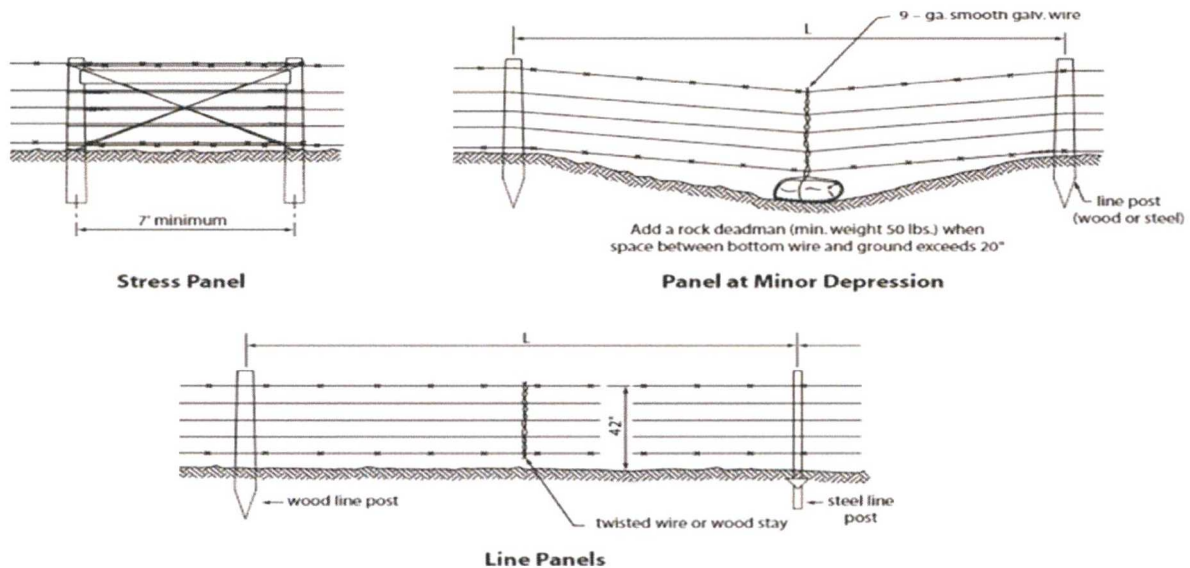
Clean soil removed during excavation activities may be stock-piled as long as third-party laboratory analysis is conducted for Benzene and Total BTEX using EPA Method 8021B; DRO, GRO, MRO by EPA Method 8015D; and total Chlorides using EPA Method 300.0. The stock-piled soil must be contained in a compacted earthen berm or sediment fencing.

### **3.0 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.

Fencing will be installed as shown in the diagram below:





#### 4.0 SAMPLING

SMA proposes to collect ten (10) discrete samples from the base and walls of the excavation (two samples from the base and two samples from each of the walls) referencing the leak location and previously observed soil staining.

The laboratory samples will be sent under chain-of-custody protocols for analysis for Benzene and Total BTEX using EPA Method 8021B; DRO, GRO, MRO by EPA Method 8015D; and total Chlorides using EPA Method 300.0.

Upon receipt, sample results will be made available to the UMUT, BLM, and BIA.

#### 5.0 RECLAMATION AND RESEEDING

Upon acceptance and approval of 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.

#### 6.0 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.

August 15, 2018

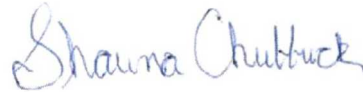
If there are any questions regarding this report, please contact either myself or Shawna Chubbuck at 505-325-7535.

Sincerely,

Souder, Miller & Associates



Ashley Maxwell  
Staff Scientist



Shawna Chubbuck  
Senior Scientist

**Figures:**

Figure 1: Vicinity Map

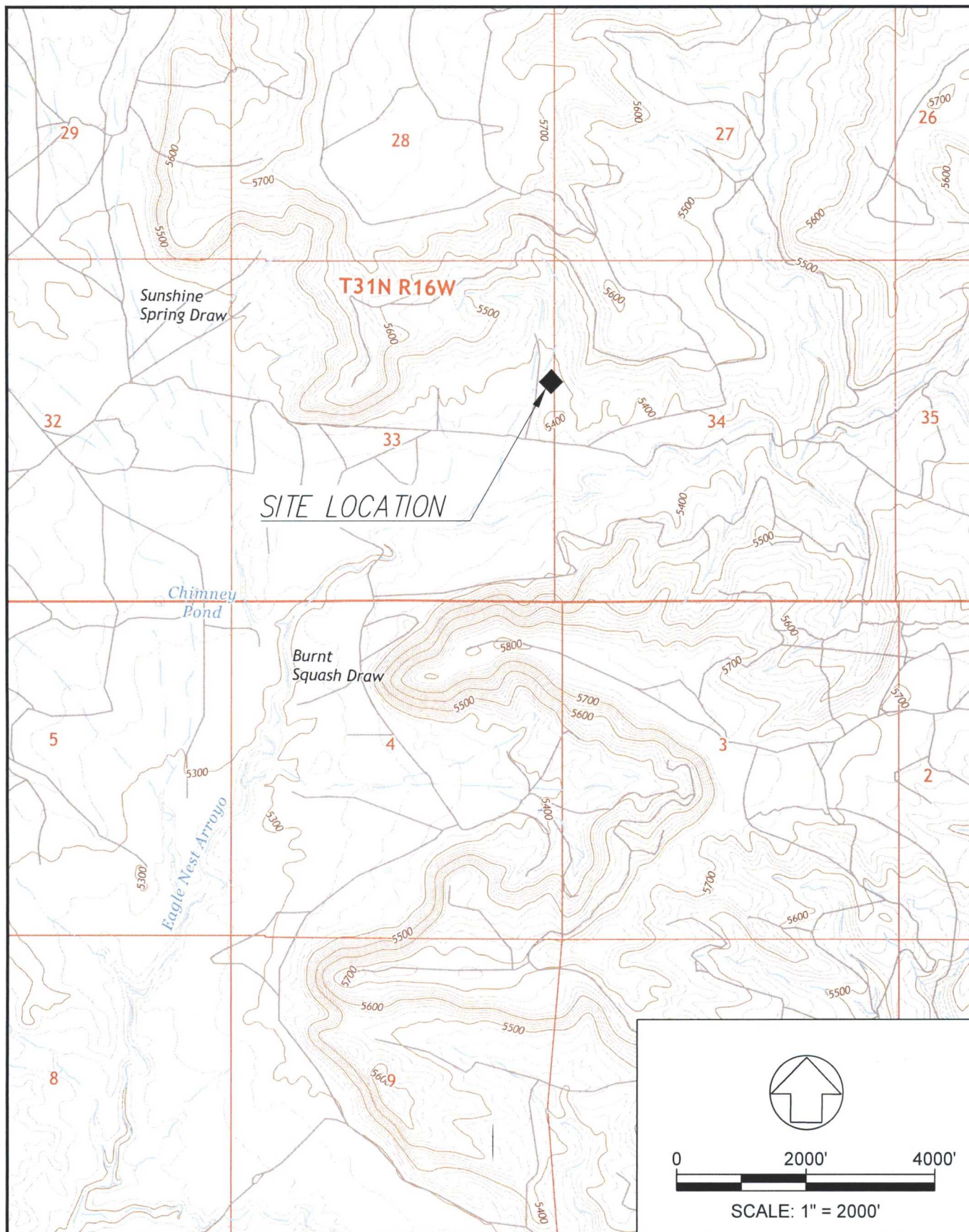
Figure 2: Site Map

**Attachments:**

BIYA Timeline

## FIGURES



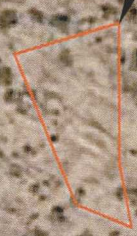


**SOUDER, MILLER & ASSOCIATES**  
 401 West Broadway Avenue  
 Farmington, NM 87401-5907  
 Phone (505) 325-7535 Toll-Free (800) 519-0098 Fax (505) 326-0045  
 Serving the Southwest & Rocky Mountains  
[www.soudermiller.com](http://www.soudermiller.com)

BIYA	WATERFLOW, NEW MEXICO		Designed AM	Drawn DJB	Checked RA
VICINITY MAP 179 LINE LEAK SECTION 33, T31N, R16W			Date: August 2018		
			Scale: Horiz. 1" = 2000'		
			Vert. NA		
			Project No: 5127323		
			FIGURE 1		



EXCAVATION  
FENCE BOUNDARY



SCALE



**SOUDER, MILLER & ASSOCIATES**  
401 W. BROADWAY  
FARMINGTON, NM 87401

Phone (505) 325-7535 Toll-Free (800) 519-0098 Fax (505) 325-0045  
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BIYA

**SITE MAP**  
**179 LINE LEAK**  
**SECTION 33, T31N, R16W**

WATERFLOW, NEW MEXICO

SAN JUAN COUNTY, NEW MEXICO

Designed AM	Drawn DJB	Checked RSA
Date: August 2018		
Scale: Horiz 1"=50'		
Vert N/A		
Project No: 5127323		
Figure 2		

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

## 179 Flowline Historical Release

1. The HGU 179 line release was a result of a break in an old eroding pipeline. The release occurred along flow line in between the Header and the well head on 6/19/2018. Previous observations on Google Earth show historical spill in the same location back to 1991.
2. 6/19/2018 177 (not producing at the time) and 179 (not producing at the time) oil lines were flushed and all wells crossing through the area where the spill occurred was shut off.
3. 6/20/2018 flushed line from the top of the hill to the header. Removed standing oil with vac truck.
4. 6/21/2018 contacted Souder Miller to begin developing a remediation work plan. Contacted Knockout Roustabouts to begin clean up (Informed us they would be out after their current job finished up)
5. 6/22/2018-6/28/2018 Continued to monitor spill to make sure no oil was seeping to the surface in preparation to begin excavation.



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

**Well Name/Number:** HSGU#179

**Operator:** BIYA

**Surface/Mineral Ownership:** IND/IND

**Leases:** 751081035

**Location: (STR, QQ)** S33,T31N, R16W

**API:**3004510220

**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. (COA) Operator must store any stockpiled contaminated materials in a lined and bermed location, or in a steal bin.

14. (COA) Operator must install a continuous string of wattles at the base of any stockpile of material to prevent erosion and movement of soil.

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

15. (COA) Operator will submit a minimum of 5 discrete samples (more samples will be expected if walls exceed a 20'x20' area), for each wall, base, or side excavation.

**Winter Closure:**

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

**Timeframe:**

17. (COA) Operator will have all work completed by December 17<sup>th</sup>, 2018.

---

Ryan N.Joyner  
Natural Resource Specialist  
BLM-Minerals Division

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Date