NM2 - ____4

OCD CLOSURE NOTICE RESPONSE

April 29, 2024

From:	Jones, Brad, EMNRD
To:	Angela Todd; bmg@bmgdrilling.com
Cc:	Zach Stradling - Benson Montin Greer (zstradling@bmgdrilling.com); Barr, Leigh, EMNRD
Subject:	OCD's Response to Closure Notice
Date:	Monday, April 29, 2024 8:38:00 AM
Attachments:	2024 0429 NM2-4 Benson-Montin-Greer Drilling Corp - OCD"s response to closure notice.pdf
Importance:	High

Matt, Zach, and Angela,

Please see the attached. It is OCD's response to the April 23, 2024, closure notice email below. If you have any questions, Please contact me.

Sincerely,

Brad Jones

Brad A. Jones Environmental Scientist Specialist - Advanced Environmental Bureau EMNRD - Oil Conservation Division 1220 S. Saint Francis Drive | Santa Fe, New Mexico 87505 (505) 469-7486 | <u>brad.a.jones@emnrd.nm.gov</u> www.emnrd.nm.gov

From: Angela Todd <atodd@animasenvironmental.com>
Sent: Tuesday, April 23, 2024 4:10 PM
To: Jones, Brad, EMNRD <brad.a.Jones@emnrd.nm.gov>
Cc: Zach Stradling - Benson Montin Greer (zstradling@bmgdrilling.com)
<zstradling@bmgdrilling.com>
Subject: [EXTERNAL] BMG Landfarm: Post-Closure field activity notification.

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Good afternoon Brad:

In accordance with the January 2024 Closure/Post-Closure Plan, BMG plans to begin reclamation of landfarm cells 1 through 4 on Tuesday, April 30, 2024.

If you have any questions, please let me know.

Thank you,

Angela Todd Senior Project Manager Animas Environmental Services, LLC animasenvironmental.com atodd@animasenvironmental.com 720-537-6650 mobile

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State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Dylan M. Fuge Deputy Secretary Dylan Fuge, Division Director (Acting) Oil Conservation Division



By Electronic Mail Only

Mr. Matt Dimond Benson-Montin-Greer Drilling Corp. 4900 College Boulevard Farmington, New Mexico 87402 bmg@bmgdrilling.com

RE: OCD's Response to Closure Notice Benson-Montin-Greer Drilling Corp. (OGRID 2096), Permit NM2-004

Dear Mr. Dimond:

On April 23, 2023, the Oil Conservation Division (OCD) received a closure notice for Permit NM2-004 via email from Animas Environmental Services, LLC (AES). This notice informed the OCD of the following: "In accordance with the January 2024 Closure/Post-Closure Plan, BMG plans to begin reclamation of landfarm cells 1 through 4 on Tuesday, April 30, 2024."

The OCD is informing Benson-Montin-Greer Drilling Corp (BMG) that closure activities cannot be conducted on April 30, 2024. This proposed date does not meet regulatory guidelines. 19.15.36.18.A(1) NMAC states, "The operator shall notify the division's environmental bureau at least 60 days prior to cessation of operations at the surface waste management facility and provide a proposed schedule for closure. Upon receipt of such notice and proposed schedule, the division shall review the current closure and post closure plan (post closure is not required for oil treating plants) for adequacy and inspect the surface waste management facility."

In Section 1 of the January 2024 Closure/Post-Closure Plan, BMG provides the following response: "Submittal of this Closure Plan and Landfarm Exception Request is also intended to serve as notification to NMOCD that BMG intends to close the landfarm cells on March 25, 2024, which is in accordance with the closure notification requirement in New Mexico Administrative Code (NMAC) 19.15.36.18.A.1."

Pursuant to 19.15.36.18.A(2) NMAC, "The division shall notify the operator within 60 days after the <u>date of cessation of operations specified in the operator's closure notice</u> of modifications of

Benson-Montin-Greer Drilling Corp. NM2-004 Page 2 of 2

the closure and post closure plan and proposed schedule or additional requirements that it determines are necessary for the protection of fresh water, public health or the environment." Based upon BMG's response to 19.15.36.18.A(1) NMAC, OCD's 60-day review period began on March 25, 2024, which means OCD has until May 24, 2024, to complete the review.

Upon OCD's initial review of the January 2024 Closure/Post-Closure Plan, the OCD identified multiple exception requests that were not formally requested in the proposed plan. For example, some of the exception requests identified that were not specifically requested by BMG are as follows:

- BMG proposes to use historical sampling data rather than performing the treatment zone closure sampling as required by 19.15.36.15.F NMAC and 19.15.36.18.C(4)(a-d) NMAC; and
- BMG proposed to use Form C-137 EZ which is only applicable for an OCD small registered landfarm pursuant to 19.15.36.16 NMAC.

For good cause, 19.15.36.18.A(3) NMAC allows the director to extend OCD's review of the current closure and post closure plan for an additional period not to exceed 60-days. Due to multiple exception requests identified in the January 2024 Closure/Post-Closure Plan, I hereby approve an additional 60 days to complete OCD's review and as such the OCD has until July 23, 2024, to complete their review of the January 2024 Closure/Post-Closure Plan.

Should you have any questions regarding this matter, please contact Brad Jones of my staff at (505) 469-7486 or <u>brad.a.jones@emnrd.nm.gov</u>.

Respectfully,

DYLAN M. FUGE Director (Acting) 4/29/24 DATE

cc: Zach Stradling, BMG, <u>zstradling@bmgdrilling.com</u> Angela Todd, AES, <u>atodd@animasenvironmental.com</u>

State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Dylan M. Fuge Deputy Secretary Dylan Fuge, Division Director (Acting) Oil Conservation Division



By Electronic Mail Only

Mr. Matt Dimond Benson-Montin-Greer Drilling Corp. 4900 College Boulevard Farmington, New Mexico 87402 bmg@bmgdrilling.com

RE: OCD's Response to Closure Notice Benson-Montin-Greer Drilling Corp. (OGRID 2096), Permit NM2-004

Dear Mr. Dimond:

On April 23, 2023, the Oil Conservation Division (OCD) received a closure notice for Permit NM2-004 via email from Animas Environmental Services, LLC (AES). This notice informed the OCD of the following: "In accordance with the January 2024 Closure/Post-Closure Plan, BMG plans to begin reclamation of landfarm cells 1 through 4 on Tuesday, April 30, 2024."

The OCD is informing Benson-Montin-Greer Drilling Corp (BMG) that closure activities cannot be conducted on April 30, 2024. This proposed date does not meet regulatory guidelines. 19.15.36.18.A(1) NMAC states, "The operator shall notify the division's environmental bureau at least 60 days prior to cessation of operations at the surface waste management facility and provide a proposed schedule for closure. Upon receipt of such notice and proposed schedule, the division shall review the current closure and post closure plan (post closure is not required for oil treating plants) for adequacy and inspect the surface waste management facility."

In Section 1 of the January 2024 Closure/Post-Closure Plan, BMG provides the following response: "Submittal of this Closure Plan and Landfarm Exception Request is also intended to serve as notification to NMOCD that BMG intends to close the landfarm cells on March 25, 2024, which is in accordance with the closure notification requirement in New Mexico Administrative Code (NMAC) 19.15.36.18.A.1."

Pursuant to 19.15.36.18.A(2) NMAC, "The division shall notify the operator within 60 days after the date of cessation of operations specified in the operator's closure notice of modifications of

Benson-Montin-Greer Drilling Corp. NM2-004 Page 2 of 2

the closure and post closure plan and proposed schedule or additional requirements that it determines are necessary for the protection of fresh water, public health or the environment." Based upon BMG's response to 19.15.36.18.A(1) NMAC, OCD's 60-day review period began on March 25, 2024, which means OCD has until May 24, 2024, to complete the review.

Upon OCD's initial review of the January 2024 Closure/Post-Closure Plan, the OCD identified multiple exception requests that were not formally requested in the proposed plan. For example, some of the exception requests identified that were not specifically requested by BMG are as follows:

- BMG proposes to use historical sampling data rather than performing the treatment zone closure sampling as required by 19.15.36.15.F NMAC and 19.15.36.18.C(4)(a-d) NMAC; and
- BMG proposed to use Form C-137 EZ which is only applicable for an OCD small registered landfarm pursuant to 19.15.36.16 NMAC.

For good cause, 19.15.36.18.A(3) NMAC allows the director to extend OCD's review of the current closure and post closure plan for an additional period not to exceed 60-days. Due to multiple exception requests identified in the January 2024 Closure/Post-Closure Plan, I hereby approve an additional 60 days to complete OCD's review and as such the OCD has until July 23, 2024, to complete their review of the January 2024 Closure/Post-Closure Plan.

Should you have any questions regarding this matter, please contact Brad Jones of my staff at (505) 469-7486 or <u>brad.a.jones@emnrd.nm.gov</u>.

Respectfully,

DYLAN M. FUGE Director (Acting) 4/29/24 DATE

cc: Zach Stradling, BMG, <u>zstradling@bmgdrilling.com</u> Angela Todd, AES, <u>atodd@animasenvironmental.com</u>

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From:	Angela Todd
То:	Jones, Brad, EMNRD
Subject:	[EXTERNAL] Read: OCD's Response to Closure Notice
Date:	Monday, April 29, 2024 8:39:15 AM
Attachments:	EXTERNAL Read OCDs Response to Closure Notice.msg
Importance:	High

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From:	postmaster@animasenvironmental.com
To:	Jones, Brad, EMNRD
Subject:	[EXTERNAL] Delivered: OCD's Response to Closure Notice
Date:	Monday, April 29, 2024 8:38:35 AM
Attachments:	EXTERNAL Delivered OCDs Response to Closure Notice.msg

From:	Microsoft Outlook
То:	bmg@bmgdrilling.com; Zach Stradling - Benson Montin Greer (zstradling@bmgdrilling.com)
Subject:	Relayed: OCD's Response to Closure Notice
Date:	Monday, April 29, 2024 8:38:28 AM
Attachments:	OCDs Response to Closure Notice.msg

Delivery to these recipients or groups is complete, but no delivery notification was sent by the destination server: bmg@bmgdrilling.com (bmg@bmgdrilling.com) <mailto:bmg@bmgdrilling.com> Zach Stradling - Benson Montin Greer (zstradling@bmgdrilling.com) (zstradling@bmgdrilling.com) <mailto:zstradling@bmgdrilling.com> Subject: OCD's Response to Closure Notice

From:	postmaster@animasenvironmental.com
To:	Jones, Brad, EMNRD
Subject:	[EXTERNAL] Delivered: OCD's Response to Closure Notice
Date:	Monday, April 29, 2024 8:38:35 AM
Attachments:	EXTERNAL Delivered OCDs Response to Closure Notice.msg

From:BMG InfoTo:Jones, Brad, EMNRDSubject:[EXTERNAL] Read: OCD's Response to Closure NoticeDate:Monday, April 29, 2024 8:45:32 AMImportance:High

From:Microsoft OutlookTo:Barr, Leigh, EMNRDSubject:Delivered: OCD's Response to Closure NoticeDate:Monday, April 29, 2024 8:38:26 AMAttachments:OCDs Response to Closure Notice.msg

Your message has been delivered to the following recipients: Barr, Leigh, EMNRD (leighp.barr@emnrd.nm.gov) <mailto:leighp.barr@emnrd.nm.gov> Subject: OCD's Response to Closure Notice

From:	Barr, Leigh, EMNRD	
То:	Jones, Brad, EMNRD	
Subject:	Read: OCD's Response to Closure Notice	
Date:	Monday, April 29, 2024 8:48:09 AM	
Importance:	High	

Your message To: Barr, Leigh, EMNRD Subject: OCD's Response to Closure Notice Sent: Monday, April 29, 2024 8:38:22 AM (UTC-07:00) Mountain Time (US & Canada) was read on Monday, April 29, 2024 8:47:25 AM (UTC-07:00) Mountain Time (US & Canada).

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 338414

CONDITIONS

Operator:	OGRID:
BENSON-MONTIN-GREER DRILLING CORP	2096
4900 College Blvd.	Action Number:
Farmington, NM 87402	338414
	Action Type:
	[C-137] Non-Fee SWMF Submittal (SWMF NON-FEE SUBMITTAL)

CONDITIONS

Created By	Condition	Condition Date
bjones	OCD emailed a response to Matt Dimond and Zach Stradling (BMG) and Angela Todd (AES) on April 29, 2024, to the closure notice OCD received on April 23, 2024, from Angela Todd. OCD informed BMG/AES of their misinterpretation of the closure notice requirements of 19.15.36.18.A(1 and 2) NMAC and was granted a 60-day extension to complete the review of the closure/post-closure plan by July 23, 2024. If you have any questions, please contact me.	4/29/2024