

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

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

Form C-141
Revised August 24, 2018
Submit to appropriate OCD District office

Incident ID	nAPP2227023993
District RP	
Facility ID	
Application ID	

Release Notification

Remediation plan approved with conditions -
see Remediation Plan page 5

Responsible Party

Responsible Party: SIMCOE, LLC	OGRID: 329736
Contact Name: Sabre Beebe	Contact Telephone (970) 852-5172
Contact email: sabre.beebe@ikavenergy.com	Incident # (assigned by OCD) nAPP2227023993
Contact mailing address: 1199 Main Ste., Suite 101, Durango, CO 81301	

Location of Release Source

Latitude 36.730380 Longitude -108.160973
(NAD 83 in decimal degrees to 5 decimal places)

Site Name: Gallegos Canyon Unit 500	Site Type: Active Well
Date Release Discovered: 09/12/2022	API# (if applicable) 30-045-28414

Unit Letter	Section	Township	Range	County
C	13	29N	13W	San Juan County

Surface Owner: ☐ State ☐ Federal ☐ Tribal ☒ Private (Name: Dugan Production Corp. _____)

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

<input type="checkbox"/> Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
<input checked="" type="checkbox"/> Produced Water	Volume Released (bbls) Approx. 8 bbl	Volume Recovered (bbls) Approx. 0 bbl
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Condensate	Volume Released (bbls)	Volume Recovered (bbls)
<input type="checkbox"/> Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
<input type="checkbox"/> Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release: On September 12, 2022 during site visit IKAV personnel found that the well head had leaked ~8 bbls of produced water to the ground. The produced water had traveled ~42 feet across the well pad. There was no liquids to be recovered. Calculation utilized to determine amount of release is Horizontal Square Footage x Vertical Depth in Feet x Liquid Capacity of Soil Factor = Volume Released

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Was this a major release as defined by 19.15.29.7(A) NMAC? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release? Volume of release is greater than 25 bbls.
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Notice provided by calling District III main office (505) 334-6178 and speaking with John Garcia 01/31/2022 @ 2:53 PM. Return call from Nelson Velez at 3:02 PM. Informed Mr. Velez of all information known about release as reported by Field Personnel at that time.	

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

<input checked="" type="checkbox"/> The source of the release has been stopped. <input checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input checked="" type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately.	
If all the actions described above have <u>not</u> been undertaken, explain why: Soil sampling performed by Contract Vendor and attached are the analytics of the soils samples. Sampling map attached.	
Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.	
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.	
Printed Name: <u>Sabre Beebe</u>	Title: Environmental Coordinator
Signature: _____	Date: November 14, 2022
email: <u>sabre.beebe@ikavenergy.com</u>	Telephone: <u>970-852-8172</u>
<u>OCD Only</u>	
Received by: <u>Jocelyn Harimon</u>	Date: <u>11/14/2022</u>

Incident ID	
District RP	
Facility ID	
Application ID	

Site Assessment/Characterization

This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release?	<u>30</u> (ft bgs)
Did this release impact groundwater or surface water?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a wetland?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying a subsurface mine?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying an unstable area such as karst geology?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within a 100-year floodplain?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Did the release impact areas not on an exploration, development, production, or storage site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Attach a comprehensive report (electronic submittals in .pdf format are preferred) demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined. Refer to 19.15.29.11 NMAC for specifics.

Characterization Report Checklist: *Each of the following items must be included in the report.*

- ☒ Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells.
- ☒ Field data
- ☒ Data table of soil contaminant concentration data
- ☒ Depth to water determination
- ☒ Determination of water sources and significant watercourses within ½-mile of the lateral extents of the release
- ☐ Boring or excavation logs
- ☒ Photographs including date and GIS information
- ☒ Topographic/Aerial maps
- ☒ Laboratory data including chain of custody

If the site characterization report does not include completed efforts at remediation of the release, the report must include a proposed remediation plan. That plan must include the estimated volume of material to be remediated, the proposed remediation technique, proposed sampling plan and methods, anticipated timelines for beginning and completing the remediation. The closure criteria for a release are contained in Table 1 of 19.15.29.12 NMAC, however, use of the table is modified by site- and release-specific parameters.

State of New Mexico
Oil Conservation Division

Page 4

Incident ID	
District RP	
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Printed Name: _____ Title: _____

Signature: _____ Date: _____

email: _____ Telephone: _____

OCD Only

Received by: _____ Date: _____

Incident ID	NAPP2227023993
District RP	
Facility ID	
Application ID	

Remediation Plan

Remediation Plan Checklist: *Each of the following items must be included in the plan.*

- ☒ Detailed description of proposed remediation technique
- ☒ Scaled sitemap with GPS coordinates showing delineation points
- ☒ Estimated volume of material to be remediated
- ☐ Closure criteria is to Table 1 specifications subject to 19.15.29.12(C)(4) NMAC
- ☒ Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is required)

Deferral Requests Only: *Each of the following items must be confirmed as part of any request for deferral of remediation.*

- ☐ Contamination must be in areas immediately under or around production equipment where remediation could cause a major facility deconstruction.
- ☐ Extents of contamination must be fully delineated.
- ☐ Contamination does not cause an imminent risk to human health, the environment, or groundwater.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Printed Name: Sabre BeebeTitle: Environmental Coordinator

Signature: _____

Date: November 14, 2022

email: sabre.beebe@ikavenergy.com

Telephone: 970-852-5172

OCD OnlyReceived by: Jocelyn Harimon Date: 11/14/2022

☐ Approved ☐ Approved with Attached Conditions of Approval ☐ Denied ☐ Deferral Approved
[See text box below](#)

Signature: Nelson Velez Date: 11/21/2022**Remediation plan approved with the addition of the following conditions:**

1. Delineate horizontal perimeter of impacted area with sampling points having ten (10) feet spacing
2. Delineate vertical extent within impacted perimeter with a minimum of two (2) grab samples (e.g. - near well head & terminal end)
3. Provide sampling depths in lab sample IDs

Final closure report required to include the following:

1. Provide supporting documentation for those items on page 3 of C-141
2. Provide separate scaled site map showing vertical and horizontal delineation points
3. Provide proof of impacted volume removed
4. Closure report deadline is February 21, 2023.



11/4/2022

RE: **Release#** nAPP2227023993 Gallegos Canyon Unit 500 **release. API# 05-045-28414 UL C Sec. 13, TWP 29N, R13W latitude 36.730380, Longitude -108.160973**

BACKGROUND:

This event was discovered on September 12, 2022, during routine site visit by IKAV personnel. Upon arrival on location personnel discovered the wellhead had flowed produced water into a wet area on the well pad. All fluids were contained on the well pad surface. The Technician shut in the location and isolated the equipment. The release was estimated at 8 bbls of fluid outside of process equipment. There was no free-standing fluids to recover. Fluids had no odor and did not demonstrate any sheen.

REMEDIATION:

Stained soils:

There were no hydrocarbons released therefore no stained soils.

Produced water impacts:

Initial response included mapping, measurement for estimated volume and initial soil sampling. The remediation plan is to remove impacted soils and dispose of them properly. Removed soils will be transported to an approved disposal facility. Confirmation sampling will be conducted with 3-pt composite sample every 200 square feet. Initial sample results are elevated above the Table 1 standard for < 50 feet ground water.

SAMPLING:

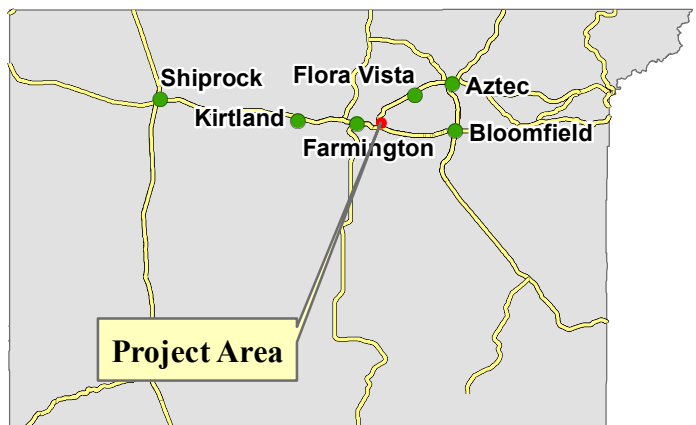
Confirmation sampling will be conducted within the area, preserved on ice and transported to an accredited lab where sample(s) will be processed for constituents of concern which would be Chlorides as the initial samples demonstrate no hydrocarbon presence. Sampling will consist of a 3-point composite sample taken at the base of the excavation every 200 square feet. These samples unless denied by NMOCD will be processed by Chlorides only.

**SUMMARY:**

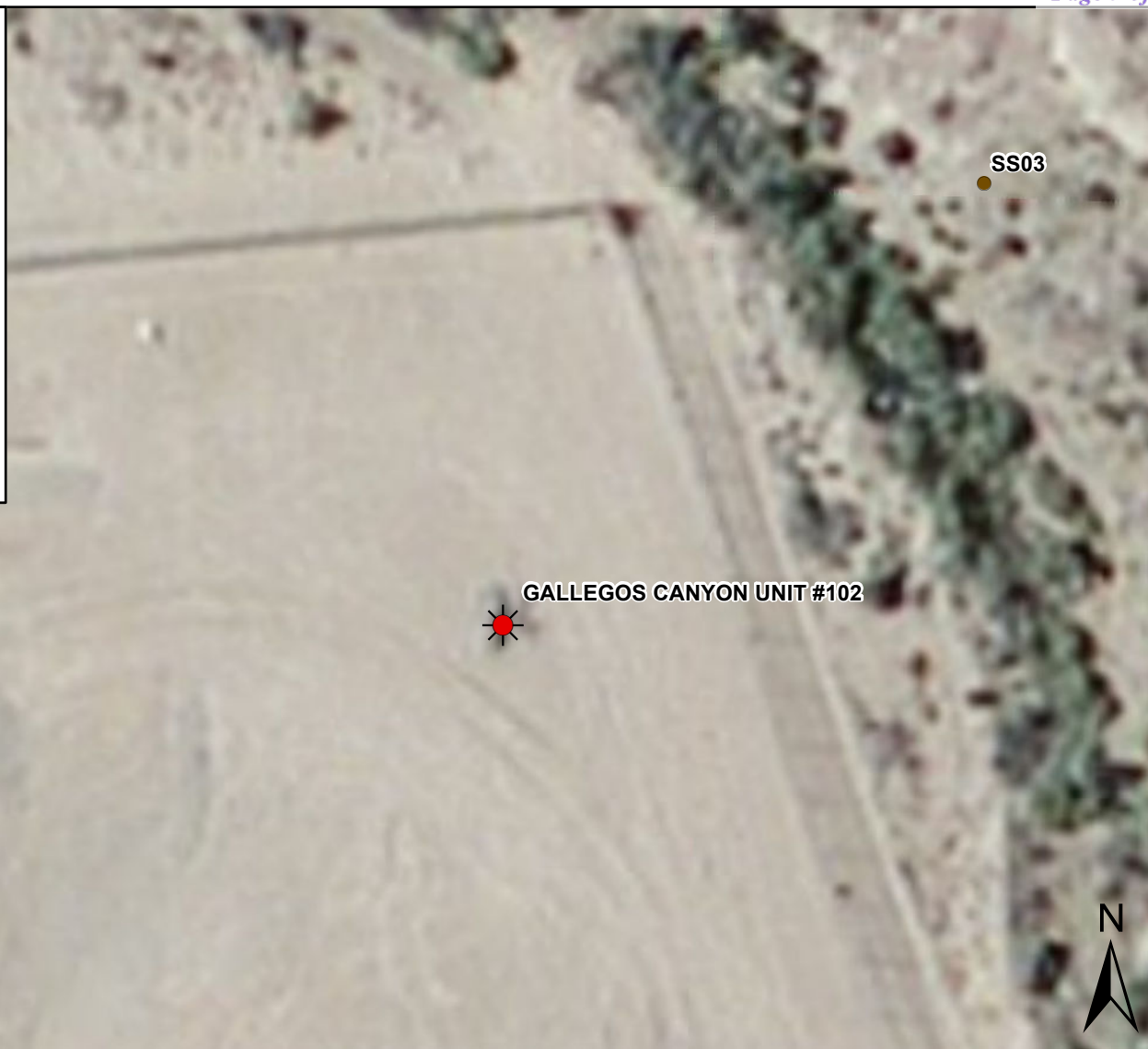
Simcoe, LLC has selected manual removal and hauling remediation for this location. Material removal will be performed to the extent practical and safe while maintaining the integrity of equipment and production pipelines. Composite samples will be taken at the base of the excavation area as depicted and processed by an accredited lab for the Table 1 constituent of concern which is identified as Chlorides. If at any time during this work the situation becomes unsafe and/or the equipment or piping integrity becomes a concern the work will be stopped, and the situation re-evaluated.



Should there be any questions or concerns to address prior to approval of this plan please do not hesitate to contact IKAV (970) 769-9523 or sabre.beebe@ikavenergy.com



San Juan County, New Mexico



GALLEGOS CANYON UNIT #500

Point of Release

SS01





SS02

GALLEGOS CANYON UNIT #102

0 50 100 Feet

Notes: All samples collected 9/12/2022. SS01 collected as a 5-point composite sample. SS03 collected as a background sample.

Legend

-  Oil & Gas Wells
-  Point of Release
-  Soil Sample
-  Wet Area (9/12/2022)

Cottonwood
CONSULTING

Mapping by: E. Millar, 9/19/2022
Coordinate System:
NAD 1983 UTM Zone 13 N

Location: Sec 13 T29N R13W NMPM

GCU #500
Project Map
Simcoe LLC



Soil Sampling Results
Gallegos Canyon Unit #500
Simcoe LLC

Parameter	SS01	SS02	SS03	Units
	9/12/2022	9/12/2022	9/12/2022	
	Wet area	Wet area	Background	
Depth	0-4	4-10	0-16	inches bgs
Field, PID	0.1	0.1	0.4	ppm
Chloride	5,400	2,110	<10.1	mg/kg
Benzene	<0.050	<0.050	-	mg/kg
Toluene	<0.050	<0.050	-	mg/kg
Ethylbenzene	<0.050	<0.050	-	mg/kg
Total Xylenes	<0.150	<0.150	-	mg/kg
Total BTEX	<0.300	<0.300	-	mg/kg
TPH (GRO)	<10.0	<10.0	-	mg/kg
TPH (DRO)	<10.0	<10.0	-	mg/kg
TPH (EXT DRO)	<10.0	<10.0	-	mg/kg

Notes: SS01 collected as a 5-point composite sample.

PID - Photoionization Detector

BTEX - Benzene, Toluene, Ethylbenzene, & Total Xylenes

TPH - Total Petroleum Hydrocarbons

GRO - Gasoline Range Organics

DRO - Diesel Range Organics

EXT - Extended

ppm - parts per million

bgs - below ground surface

mg/kg - milligrams per kilogram



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26 September 2022

Kyle Siesser
Cottonwood Consulting
PO Box 1653
Durango, CO 81302
RE: BTEX/TPH, CI

Enclosed are the results of analyses for samples received by the laboratory on 09/12/22 16:25. The data to follow was performed, in whole or in part, by Green Analytical Laboratories. Any data that was performed by a subcontract laboratory is included within the GAL report, or with an additional report attached.

If you need any further assistance, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink, reading 'Jeremy D. Allen', is written in a cursive style.

Jeremy D Allen
Laboratory Director

All accredited analytes contained in this report are denoted by an asterisk (*). For a complete list of accredited analytes please do not hesitate to contact us via any of the contact information contained in this report. All of our certifications can be viewed at <http://greenanalytical.com/certifications/>

Green Analytical Laboratories is NELAP accredited through the Texas Commission on Environmental Quality. Accreditation applies to drinking water and non-potable water matrices for trace metals and a variety of inorganic parameters. Green Analytical Laboratories is also accredited through the Colorado Department of Public Health and Environment and EPA region 8 for trace metals, Cyanide, Fluoride, Nitrate, and Nitrite in drinking water. TNI Certificate Number: T104704514-22-15

Our affiliate laboratory, Cardinal Laboratories, is also NELAP accredited through the Texas Commission on Environmental Quality for a variety of organic constituents in drinking water, non-potable water and solid matrices. Cardinal is also accredited for regulated VOCs, TTHM, and HAA-5 in drinking water through the Colorado Department of Public Health and Environment and EPA region 8. TNI Certificate Number: T104704398-22-15



jeremy.allen@greenanalytical.com p: 970.247.4220 f: 970.247.4227 75 Suttle Street Durango, CO 81303

www.GreenAnalytical.com

Cottonwood Consulting
PO Box 1653
Durango CO, 81302

Project: BTEX/TPH, CI
Project Name / Number: GCU 500
Project Manager: Kyle Siesser

Reported:
09/26/22 13:32

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received	Notes
SS01	2209135-01	Solid	09/12/22 13:10	09/12/22 16:25	
SS02	2209135-02	Solid	09/12/22 13:30	09/12/22 16:25	
SS03	2209135-03	Solid	09/12/22 13:00	09/12/22 16:25	

Green Analytical Laboratories

A handwritten signature in blue ink that reads 'Jeremy D. Allen'.

Jeremy D Allen, Laboratory Director

The results in this report apply to the samples analyzed in accordance with the chain of custody document. This analytical report must be reproduced in its entirety. In no event shall Green Analytical Laboratories be liable for incidental or consequential damages. GALs liability, and clients exclusive remedy for any claim arising, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever, shall be deemed waived unless made in writing and received within thirty days after completion of the applicable service.

Page 2 of 9 2209135 GAL FINAL 09 26 22 1332 09/26/22 13:32:50



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Cottonwood Consulting
PO Box 1653
Durango CO, 81302

Project: BTEX/TPH, CI
Project Name / Number: GCU 500
Project Manager: Kyle Siesser

Reported:
09/26/22 13:32

SS01

2209135-01 (Soil)

Analyte	Result	RL	MDL	Units	Dilution	Analyzed	Method	Notes	Analyst
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General Chemistry

% Dry Solids	89.5			%	1	09/19/22 16:45	EPA160.3/1684		JDA
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Soluble (DI Water Extraction)

Chloride	5400	223	12.4	mg/kg dry	200	09/23/22 23:33	EPA300.0		AES
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Subcontracted -- Cardinal Laboratories 101 East Marland Hobbs, NM 88240

Volatile Organic Compounds by EPA Method 8021

Benzene*	<0.050	0.050	0.004	mg/kg	50	09/17/22 03:43	8021B		JH/
Toluene*	<0.050	0.050	0.006	mg/kg	50	09/17/22 03:43	8021B		JH/
Ethylbenzene*	<0.050	0.050	0.006	mg/kg	50	09/17/22 03:43	8021B		JH/
Total Xylenes*	<0.150	0.150	0.014	mg/kg	50	09/17/22 03:43	8021B		JH/
Total BTEX	<0.300	0.300	0.030	mg/kg	50	09/17/22 03:43	8021B		JH/

Surrogate: 4-Bromofluorobenzene (PID)	106 %	69.9-140				09/17/22 03:43	8021B		JH/
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Petroleum Hydrocarbons by GC FID

GRO C6-C10*	<10.0	10.0	6.25	mg/kg	1	09/15/22 22:48	8015B		CK
DRO >C10-C28*	<10.0	10.0	4.26	mg/kg	1	09/15/22 22:48	8015B		CK
EXT DRO >C28-C36	<10.0	10.0	4.26	mg/kg	1	09/15/22 22:48	8015B		CK

Surrogate: 1-Chlorooctane	96.8 %	45.3-161				09/15/22 22:48	8015B		CK
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Surrogate: 1-Chlorooctadecane	115 %	46.3-178				09/15/22 22:48	8015B		CK
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Green Analytical Laboratories

Jeremy D Allen, Laboratory Director

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Cottonwood Consulting
PO Box 1653
Durango CO, 81302

Project: BTEX/TPH, CI
Project Name / Number: GCU 500
Project Manager: Kyle Siesser

Reported:
09/26/22 13:32

SS02

2209135-02 (Soil)

Analyte	Result	RL	MDL	Units	Dilution	Analyzed	Method	Notes	Analyst
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General Chemistry

% Dry Solids	92.1			%	1	09/19/22 16:45	EPA160.3/1684		JDA
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Soluble (DI Water Extraction)

Chloride	2110	10.9	0.603	mg/kg dry	10	09/23/22 16:55	EPA300.0		AES
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Subcontracted -- Cardinal Laboratories 101 East Marland Hobbs, NM 88240

Volatile Organic Compounds by EPA Method 8021

Benzene*	<0.050	0.050	0.004	mg/kg	50	09/17/22 03:59	8021B		JH/
Toluene*	<0.050	0.050	0.006	mg/kg	50	09/17/22 03:59	8021B		JH/
Ethylbenzene*	<0.050	0.050	0.006	mg/kg	50	09/17/22 03:59	8021B		JH/
Total Xylenes*	<0.150	0.150	0.014	mg/kg	50	09/17/22 03:59	8021B		JH/
Total BTEX	<0.300	0.300	0.030	mg/kg	50	09/17/22 03:59	8021B		JH/

Surrogate: 4-Bromofluorobenzene (PID)	107 %	69.9-140				09/17/22 03:59	8021B		JH/
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Petroleum Hydrocarbons by GC FID

GRO C6-C10*	<10.0	10.0	6.25	mg/kg	1	09/15/22 23:10	8015B		CK
DRO >C10-C28*	<10.0	10.0	4.26	mg/kg	1	09/15/22 23:10	8015B		CK
EXT DRO >C28-C36	<10.0	10.0	4.26	mg/kg	1	09/15/22 23:10	8015B		CK

Surrogate: 1-Chlorooctane	90.7 %	45.3-161				09/15/22 23:10	8015B		CK
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Surrogate: 1-Chlorooctadecane	108 %	46.3-178				09/15/22 23:10	8015B		CK
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Jeremy D Allen, Laboratory Director

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Cottonwood Consulting
PO Box 1653
Durango CO, 81302

Project: BTEX/TPH, CI
Project Name / Number: GCU 500
Project Manager: Kyle Siesser

Reported:
09/26/22 13:32

SS03**2209135-03 (Soil)**

Analyte	Result	RL	MDL	Units	Dilution	Analyzed	Method	Notes	Analyst
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General Chemistry

% Dry Solids	98.9			%	1	09/19/22 16:45	EPA160.3/1684		JDA
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Soluble (DI Water Extraction)

Chloride	<10.1	10.1	0.562	mg/kg dry	10	09/23/22 17:16	EPA300.0		AES
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A handwritten signature in blue ink that reads 'Jeremy D. Allen'.

Jeremy D Allen, Laboratory Director

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Project: BTEX/TPH, Cl
Project Name / Number: GCU 500
Project Manager: Kyle Siesser

Reported:
09/26/22 13:32

Soluble (DI Water Extraction) - Quality Control

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch B222605 - IC- Ion Chromatograph

Blank (B222605-BLK1)

Prepared: 09/21/22 Analyzed: 09/23/22

Chloride	ND	10.0	mg/kg wet							
----------	----	------	-----------	--	--	--	--	--	--	--

LCS (B222605-BS1)

Prepared: 09/21/22 Analyzed: 09/23/22

Chloride	255	10.0	mg/kg wet	250		102	85-115			
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LCS Dup (B222605-BSD1)

Prepared: 09/21/22 Analyzed: 09/23/22

Chloride	255	10.0	mg/kg wet	250		102	85-115	0.0627	20	
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Volatile Organic Compounds by EPA Method 8021 - Quality Control

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch 2091532 - Volatiles

Blank (2091532-BLK1)

Prepared: 09/15/22 Analyzed: 09/17/22

Surrogate: 4-Bromofluorobenzene (PID)	0.0539		mg/kg	0.0500		108	69.9-140			
Benzene	ND	0.050	mg/kg							
Ethylbenzene	ND	0.050	mg/kg							
Toluene	ND	0.050	mg/kg							
Total BTEX	ND	0.300	mg/kg							
Total Xylenes	ND	0.150	mg/kg							

LCS (2091532-BS1)

Prepared: 09/15/22 Analyzed: 09/17/22

Surrogate: 4-Bromofluorobenzene (PID)	0.0527		mg/kg	0.0500		105	69.9-140			
Benzene	1.81	0.050	mg/kg	2.00		90.5	83.4-122			
Ethylbenzene	1.83	0.050	mg/kg	2.00		91.6	84.2-121			
m,p-Xylene	3.82	0.100	mg/kg	4.00		95.6	89.9-126			
o-Xylene	1.91	0.050	mg/kg	2.00		95.5	84.3-123			
Toluene	1.88	0.050	mg/kg	2.00		94.0	84.2-126			
Total Xylenes	5.73	0.150	mg/kg	6.00		95.5	89.1-124			

LCS Dup (2091532-BSD1)

Prepared: 09/15/22 Analyzed: 09/17/22

Surrogate: 4-Bromofluorobenzene (PID)	0.0523		mg/kg	0.0500		105	69.9-140			
Benzene	1.92	0.050	mg/kg	2.00		95.9	83.4-122	5.78	12.6	
Ethylbenzene	1.94	0.050	mg/kg	2.00		96.8	84.2-121	5.57	13.9	
m,p-Xylene	4.03	0.100	mg/kg	4.00		101	89.9-126	5.28	13.6	

Green Analytical Laboratories

Jeremy D Allen, Laboratory Director

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Cottonwood Consulting
PO Box 1653
Durango CO, 81302

Project: BTEX/TPH, CI
Project Name / Number: GCU 500
Project Manager: Kyle Siesser

Reported:
09/26/22 13:32

Volatile Organic Compounds by EPA Method 8021 - Quality Control (Continued)

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch 2091532 - Volatiles (Continued)

LCS Dup (2091532-BSD1) (Continued)

Prepared: 09/15/22 Analyzed: 09/17/22

o-Xylene	1.99	0.050	mg/kg	2.00		99.6	84.3-123	4.24	14.1	
Toluene	1.99	0.050	mg/kg	2.00		99.7	84.2-126	5.80	13.3	
Total Xylenes	6.02	0.150	mg/kg	6.00		100	89.1-124	4.94	13.4	

Petroleum Hydrocarbons by GC FID - Quality Control

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch 2091526 - General Prep - Organics

Blank (2091526-BLK1)

Prepared & Analyzed: 09/15/22

Surrogate: 1-Chlorooctadecane	58.9		mg/kg	50.0		118	46.3-178			
Surrogate: 1-Chlorooctane	50.8		mg/kg	50.0		102	45.3-161			
DRO >C10-C28	ND	10.0	mg/kg							
EXT DRO >C28-C36	ND	10.0	mg/kg							
GRO C6-C10	ND	10.0	mg/kg							

LCS (2091526-BS1)

Prepared & Analyzed: 09/15/22

Surrogate: 1-Chlorooctadecane	67.6		mg/kg	50.0		135	46.3-178			
Surrogate: 1-Chlorooctane	53.8		mg/kg	50.0		108	45.3-161			
DRO >C10-C28	209	10.0	mg/kg	200		105	74.9-127			
GRO C6-C10	200	10.0	mg/kg	200		99.9	76.8-124			
Total TPH C6-C28	409	10.0	mg/kg	400		102	77.5-124			

LCS Dup (2091526-BSD1)

Prepared & Analyzed: 09/15/22

Surrogate: 1-Chlorooctadecane	69.0		mg/kg	50.0		138	46.3-178			
Surrogate: 1-Chlorooctane	54.9		mg/kg	50.0		110	45.3-161			
DRO >C10-C28	201	10.0	mg/kg	200		100	74.9-127	4.18	18.6	
GRO C6-C10	194	10.0	mg/kg	200		97.2	76.8-124	2.78	17.2	
Total TPH C6-C28	395	10.0	mg/kg	400		98.8	77.5-124	3.50	17.6	

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Jeremy D Allen, Laboratory Director

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Cottonwood Consulting
PO Box 1653
Durango CO, 81302

Project: BTEX/TPH, Cl
Project Name / Number: GCU 500
Project Manager: Kyle Siesser

Reported:
09/26/22 13:32

Notes and Definitions

DET Analyte DETECTED
ND Analyte NOT DETECTED at or above the reporting limit
NR Not Reported
dry Sample results reported on a dry weight basis
*Results reported on as received basis unless designated as dry.
RPD Relative Percent Difference
LCS Laboratory Control Sample (Blank Spike)
RL Report Limit
MDL Method Detection Limit

Green Analytical Laboratories

A handwritten signature in blue ink that reads 'Jeremy D. Allen'.

Jeremy D Allen, Laboratory Director

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CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

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75 Suttle St Durango, CO 81303

Company Name: Cottonwood Consulting LLC				Bill to (if different):				ANALYSIS REQUEST															
Project Manager: Kyle Siesser				P.O. #:																			
Address: PO Box 1653				Company:																			
City: Durango State: CO Zip: 81302				Attn:																			
Phone #: (970) 764-7356 Email: ksiesser@cottonwoodconsulting.com				Address:																			
Additional Report To:				City:																			
Project Name: GCU 500				State: Zip:																			
Project Number:				Phone #:																			
Sampler Name (Print): Emma Millar / Kelsey O'Brien				Fax or Email:																			
FOR LAB USE ONLY				Collected		Matrix (check one)		# of containers															
Lab I.D.	Sample Name or Location	Date	Time	GROUNDWATER	SURFACEWATER	WASTEWATER	PRODUCEDWATER	SOIL	OTHER:	No preservation (general)	HNO ₃	HCl	H ₂ SO ₄	Other:	Other:								
2209-135																							
-01	SS01	9/12/22	1310					X		3						BTEX	TPH	Chloride					
-02	SS02	↓	1330					X		3						X	X	X					
-03	SS03	↓	1300					X		1								X					

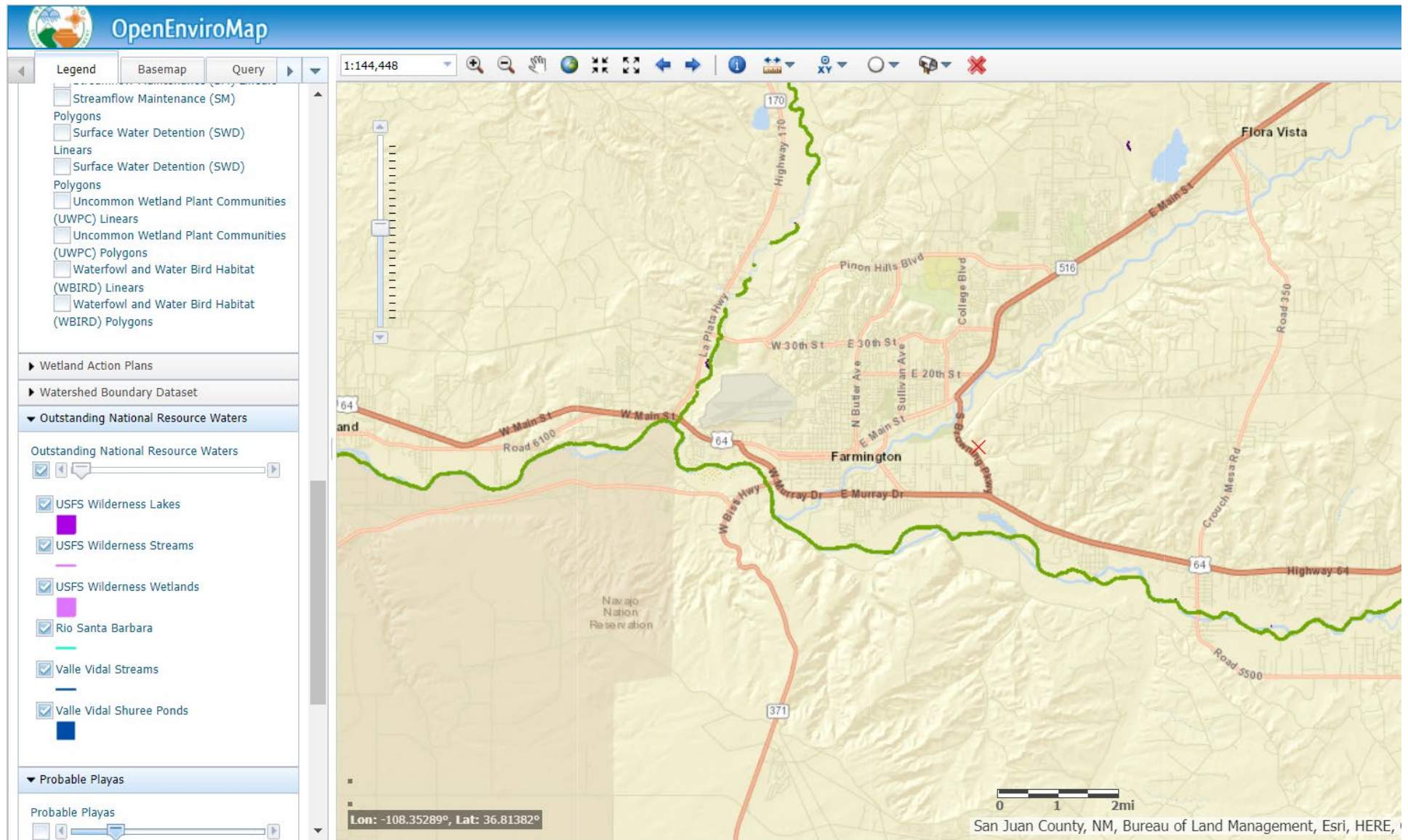
PLEASE NOTE: GAL's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by GAL within 30 days after completion. In no event shall GAL be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by GAL, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

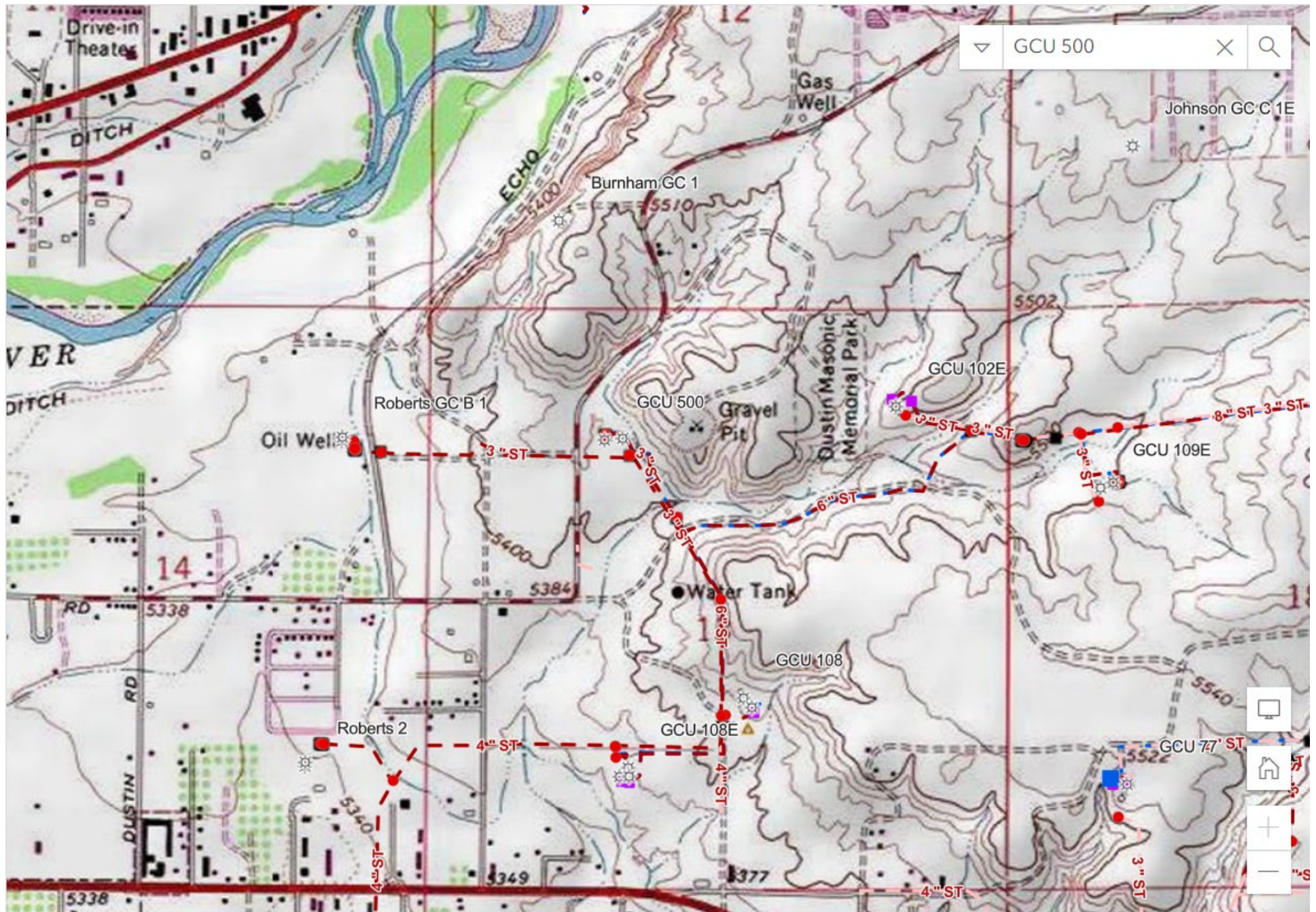
Relinquished By:	Date: 9/12/22	Received By:	ADDITIONAL REMARKS: Report to State? (Circle) Yes <input type="radio"/> No <input checked="" type="radio"/>
Kyle O'Brien	Time: 1625	[Signature]	
Relinquished By:	Date:	Received By:	
	Time:		
Relinquished By:	Date:	Received By:	
	Time:		
Delivered By: (Circle One)		Temperature at receipt:	CHECKED BY:
Sampler UPS - FedEx - Kangaroo - Other:		21.2°C	NSW

† GAL cannot always accept verbal changes. Please fax or email written change requests.
* Chain of Custody must be signed in "Relinquished By:" as an acceptance of services and all applicable charges.









SITING AND HYDRO-GEOLOGICAL REPORT FOR GALLEGOS CANYON UNIT 102

Siting Criteria 19.15.17.10 NMAC

Depth to groundwater at the site is estimated to be greater than 100 feet. This estimation is based on data from Stone and others (1983), and depth to groundwater data obtained from water wells permitted by the New Mexico State Engineer's Office (OSE, Figure 1). Local topography and proximity to adjacent water features are also considered. A topographic map of the site is provided as Figure 2 and demonstrates that the below grade tank (BGT) is not within 300 feet of any continuously flowing watercourse or within 200 feet of any other significant watercourse, lakebed, sinkhole or playa lake as measured from the ordinary high water mark. Figure 3 demonstrates that the BGT is not within 300 feet of a permanent residence, school, hospital, institution or church. Figure 4 demonstrates, based on a search of the OSE database and USGS topographic maps, that there are no freshwater wells or springs within 1000 feet of the BGT. Figure 5 demonstrates, based on a search of the OSE database and USGS topographic maps, that the BGT is within a municipal boundary or a defined municipal freshwater well field. Figure 6 demonstrates that the BGT is not within 500 feet of a wetland. Figure 7 demonstrates that the BGT is not in an area overlying a subsurface mine. The BGT is not located in an unstable area. Figure 8 demonstrates that the BGT is not within the mapped FEMA 100-year floodplain.

Local Geology and Hydrology

This particular site is located on Ojo Alamo Sandstone west of Crouch Mesa between the Animas and San Juan rivers. The site is located on a sandstone outcrop approximately 3294 feet from the Animas River and 100 feet higher in elevation. Although the BGT site is within municipal boundaries it is located within an isolated area, hundreds of feet from any structure or well therefore creating no imminent threat to local groundwater, human safety, and welfare.

Regional Geology and Hydrology

The San Juan Basin is situated in the Navajo section of the Colorado Plateau and is characterized by broad open valleys, mesas, buttes and hogbacks. Away from major valleys and canyons topographic relief is generally low. Native vegetation is sparse and shrubby. Drainage is mainly by the San Juan River, the only permanent stream in the Navajo Section of the Colorado Plateau. The San Juan River is a tributary of the Colorado River. Major tributaries include the Animas, Chaco and La Plata Rivers. Flow of the San Juan River across the basin is regulated by the Navajo Dam, located about 30 miles northeast of Farmington, New Mexico. The climate is arid to semiarid with an average annual precipitation of 8 to 10 inches. Soils within the basin consist of weathered parent rock derived from predominantly physical means mostly from eolian depositional system with fluvial having a lesser impact.

Cretaceous and Tertiary sandstones, as well as Quaternary Alluvial deposits, serve as the primary aquifers in the San Juan Basin (Stone et al., 1983). In most of the proposed area, the Nacimiento Formation lies at the surface and grades into the Animas Formation/Ojo Alamo Sandstone to the west. The Ojo Alamo Sandstone consists of sandstone and conglomeritic sandstone and overlies the Kirtland Shale. The thickness of the Ojo Alamo ranges from 72 to 313 feet (Stone et al.,

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1983). The predominant aquifer within the Ojo Alamo Sandstone occurs from near the surface to over 200 feet in depth. The aquifer is widely used as a domestic and stock water source.

References

Circular 154—Guidebook to coal geology of northwest New Mexico By E. C. Beaumont, J. W. Shomaker, W. J. Stone, and others, 1976

Stone, et al., 1983, Hydrogeology and Water Resources of the San Juan Basin, New Mexico, Socorro, New Mexico Bureau of Mines and Mineral Resources Hydrologic Report 6, 70 p

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Table I Closure Criteria for Soils Impacted by a Release			
Minimum depth below any point within the horizontal boundary of the release to ground water less than 10,000 mg/l TDS	Constituent	Method*	Limit**
≤ 50 feet	Chloride***	EPA 300.0 or SM4500 Cl B	600 mg/kg
	TPH (GRO+DRO+MRO)	EPA SW-846 Method 8015M	100 mg/kg
	BTEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg
	Benzene	EPA SW-846 Method 8021B or 8260B	10 mg/kg
51 feet-100 feet	Chloride***	EPA 300.0 or SM4500 Cl B	10,000 mg/kg
	TPH (GRO+DRO+MRO)	EPA SW-846 Method 8015M	2,500 mg/kg
	GRO+DRO	EPA SW-846 Method 8015M	1,000 mg/kg
	BTEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg
	Benzene	EPA SW-846 Method 8021B or 8260B	10 mg/kg
>100 feet	Chloride***	EPA 300.0 or SM4500 Cl B	20,000 mg/kg
	TPH (GRO+DRO+MRO)	EPA SW-846 Method 8015M	2,500 mg/kg
	GRO+DRO	EPA SW-846 Method 8015M	1,000 mg/kg
	BTEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg
	Benzene	EPA SW-846 Method 8021B or 8260B	10 mg/kg

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District IV

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

CONDITIONS

Action 158336

CONDITIONS

Operator: SIMCOE LLC 1199 Main Ave., Suite 101 Durango, CO 81301	OGRID: 329736
	Action Number: 158336
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
nvez	Remediation plan approved with the addition of the following conditions: 1. Delineate horizontal perimeter of impacted area with sampling points having ten (10) feet spacing 2. Delineate vertical extent within impacted perimeter with a minimum of two (2) grab samples (e.g. - near well head & terminal end) 3. Provide sampling depths in lab sample IDs Final closure report required to include the following; 1. Provide supporting documentation for those items on page 3 of C-141 2. Provide separate scaled site map showing vertical and horizontal delineation points 3. Provide proof of impacted volume removed 4. Closure report deadline is February 21, 2023.	11/21/2022