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

Form C-144 Revised April 3, 2017

For temporary pits, below-grade tanks, and multi-well fluid management pits, submit to the appropriate NMOCD District Office.

For permanent pits submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Proposed Alternative Method Permit or Closure Plan Application Type of action: Below grade tank registration Permit of a pit or proposed alternative method Modification to an existing permit/or registration Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank, or proposed alternative method Instructions: Please submit one application (Form C-144) per individual pit, below-grade tank or alternative request Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the nvironment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations, or ordinance. Operator: M&G Drilling CO INC OGRID #: 141852
Proposed Alternative Method Permit or Closure Plan Application Type of action: Below grade tank registration Permit of a pit or proposed alternative method Closure of a pit, below-grade tank, or proposed alternative method Modification to an existing permit/or registration Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank, or proposed alternative method Instructions: Please submit one application (Form C-144) per individual pit, below-grade tank or alternative request Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the nvironment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations, or ordinance. Operator:M&G Drilling CO INC
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1. Operator:M&G Drilling CO INC OGRID #:141852
Address:P.O. Box 5940 Farmington, NM 87499
Facility or well name:Hammond #005
API Number:30-045-22677OCD Permit Number:
U/L or Qtr/Qtr F Section 35 Township 27N Range 08W County: San Juan
Center of Proposed Design: Latitude36.5321007
Surface Owner: X Federal X State Private Tribal Trust or Indian Allotment
□ Lined □ Unlined Liner type: Thicknessmil □ LLDPE □ HDPE □ PVC □ Other □ String-Reinforced Liner Seams: □ Welded □ Factory □ Other v D Volume: bbl Dimensions: L x W x D
3. M. Palana and Anala. Calanatin L. (10.15.17.11.) Press.
Below-grade tank: Subsection I of 19.15.17.11 NMAC
Volume:100bbl Type of fluid:Produced Water
Tank Construction material:Steel
Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other
Liner type: Thicknessmil
Alternative Method:
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.
5.
Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)
Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church)
☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet
Alternate. Please specify Four Foot height with mesh T-Post
Form C. 144

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of				
Page 2	Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen □ Netting □ Other			
	Monthly inspections (If netting or screening is not physically feasible) 7. Signs: Subsection C of 19.15.17.11 NMAC 12"x 24" 2" lettering providing Operator's name site be estimated by the section and th			
	☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers ☐ Signed in compliance with 19.15.16.8 NMAC			
]	8.			
	Variances and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance. Please check a box if one or more of the following is requested, if not leave blank: □ Variance(s): Requests must be submitted to the appropriate division district for consideration of approval. □ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.			
	Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable sou material are provided below. Siting criteria does not apply to drying pads or above-grade tanks.			
	General siting			
	Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank. - □ NM Office of the State Engineer - iWATERS database search; □ USGS; □ Data obtained from nearby wells	☐ Yes ☑ No ☐ NA		
	Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit. NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA		
	Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. (Does not apply to below grade tanks) - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No		
	Within the area overlying a subsurface mine. (Does not apply to below grade tanks) - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☐ No		
	 Within an unstable area. (Does not apply to below grade tanks) Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map 	☐ Yes ☐ No		
	Within a 100-year floodplain. (Does not apply to below grade tanks) - FEMA map	☐ Yes ☐ No		
	Below Grade Tanks			
	Within 100 feet of a continuously flowing watercourse, significant watercourse, lake bed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No		
M	Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption; NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☒ No		
:541	Temporary Pit using Low Chloride Drilling Fluid (maximum chloride content 15,000 mg/liter)			
1/28/2021 4:23	Within 100 feet of a continuously flowing watercourse, or any other significant watercourse or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.) - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No		
T	Within 300 feet from a occupied permanent residence, school, hospital, institution, or church in existence at the time of initial application.	☐ Yes ☐ No		
OCD O	- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image			
ceived by	Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 300feet of any other fresh water well or spring, in existence at the time of the initial application. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☐ No		
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Oil Conservation Division

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Form C-144

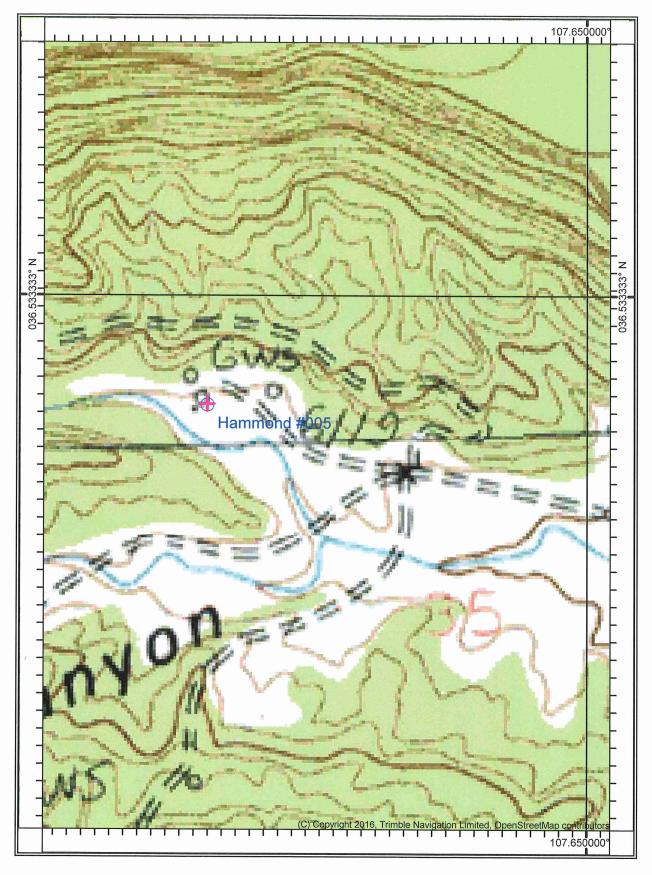
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the	documents are		
 attached. Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Climatological Factors Assessment 			
 □ Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC □ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC □ Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC □ Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC □ Quality Control/Quality Assurance Construction and Installation Plan □ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC □ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC □ Nuisance or Hazardous Odors, including H₂S, Prevention Plan □ Emergency Response Plan □ Oil Field Waste Stream Characterization 			
 ☐ Monitoring and Inspection Plan ☐ Erosion Control Plan ☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC 			
13. Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.			
Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Multi-well Fluid Management Pit Alternative			
Proposed Closure Method: Waste Excavation and Removal Unside Removal (Closed-loop systems only) On-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial □ On-site Trench Burial Alternative Closure Method			
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. □ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC □ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.13 NMAC □ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings) □ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC □ Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC □ Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC			
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. Please refer to 19.15.17.10 NMAC for guidance.			
Ground water is less than 25 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA		
Ground water is between 25-50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA		
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA		
Within 100 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No		
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No		
Within 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	Yes No		
Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No		
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No		
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance			
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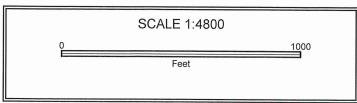
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adopted pursuant to NMSA 1978, Section 3-27-3, as am	ended.		
- Written confirmation or verification from the m	inicipality; Written approval obtained fr	om the municipality	☐ Yes ☐ No
Within the area overlying a subsurface mine.			
- Written confirmation or verification or map from	a the NM EMNRD-Mining and Mineral	Division	☐ Yes ☐ No
Within an unstable area.			
 Engineering measures incorporated into the desi Society; Topographic map 	gn; NM Bureau of Geology & Mineral I	Resources; USGS; NM Geological	
			☐ Yes ☐ No
Within a 100-year floodplain. - FEMA map			☐ Yes ☐ No
- 1 Divi/ map			
On-Site Closure Plan Checklist: (19.15.17.13 NMAC by a check mark in the box, that the documents are atte Siting Criteria Compliance Demonstrations - base Proof of Surface Owner Notice - based upon the a Construction/Design Plan of Burial Trench (if ap Construction/Design Plan of Temporary Pit (for in Protocols and Procedures - based upon the approp Confirmation Sampling Plan (if applicable) - base Waste Material Sampling Plan - based upon the ap Disposal Facility Name and Permit Number (for I	nched. Ed upon the appropriate requirements of appropriate requirements of Subsection I plicable) based upon the appropriate requirements of a drying pad) - based upor tate requirements of 19.15.17.13 NMA and upon the appropriate requirements of ppropriate requirements of 19.15.17.13 liquids, drilling fluids and drill cuttings of	19.15.17.10 NMAC E of 19.15.17.13 NMAC quirements of Subsection K of 19.15.17 pon the appropriate requirements of 19.15 C 19.15.17.13 NMAC NMAC or in case on-site closure standards can	7.11 NMAC).15.17.11 NMAC
Re-vegetation Plan - based upon the appropriate r	quirements of Subsection H of 19.15.17	7.13 NMAC	
Site Reclamation Plan - based upon the appropria	te requirements of Subsection H of 19.1	5.17.13 NMAC	
7. Operator Application Certification:			
I hereby certify that the information submitted with this	application is true, accurate and comple	ete to the best of my knowledge and be	lief
Name (Print): Vanessa Fields	Title:Regulatory	Compliance ManagerAgent/Repre	sentative
Signature:	Date	e: 1/26/2021	
	_		
e-mail address:vanessa@walsheng.net	l elepho	one:505-787-9100	
OCD Approval: Permit Application (including close	sure plan) 🔀 Closure Plan (only) 🔲	OCD Conditions (see attachment)	
OCD Representative Signature:	hond	Approval Date: Jul	v 19, 2021
The presentative signature.	·······	reproved Bate.	y 10, 2021
Гitle:Environmental Specialist	OCD Permit	t Number:BGT 1	
19. Closure Report (required within 60 days of closure co Instructions: Operators are required to obtain an appr The closure report is required to be submitted to the div section of the form until an approved closure plan has	oved closure plan prior to implementin vision within 60 days of the completion been obtained and the closure activities	of the closure activities. Please do no s have been completed.	g the closure report. ot complete this
	☐ Closure Col	mpletion Date:	
eo. Closure Method: Waste Excavation and Removal ☐ On-Site Closu☐ If different from approved plan, please explain.	re Method	1ethod ☐ Waste Removal (Closed-	loop systems only)
Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached. Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure for private land only) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if applicable) Waste Material Sampling Analytical Results (required for on-site closure) Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique Site Reclamation (Photo Documentation) On-site Closure Location: Latitude Longitude NAD: 1927 1983			
Site Reclamation (Photo Documentation) On-site Closure Location: Latitude	Longitude	NAD: □1927 □ 1983	
-			
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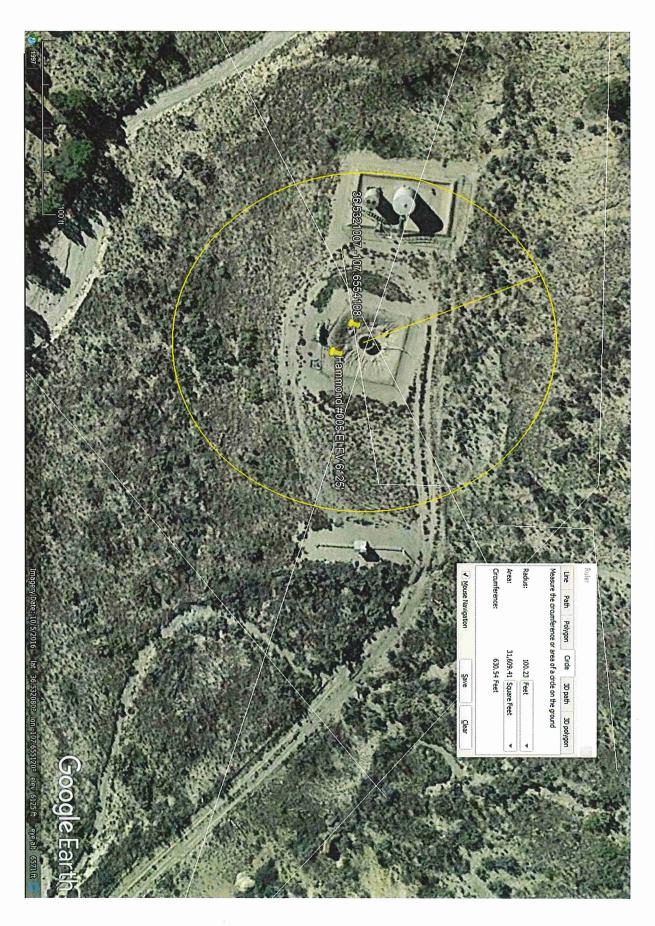
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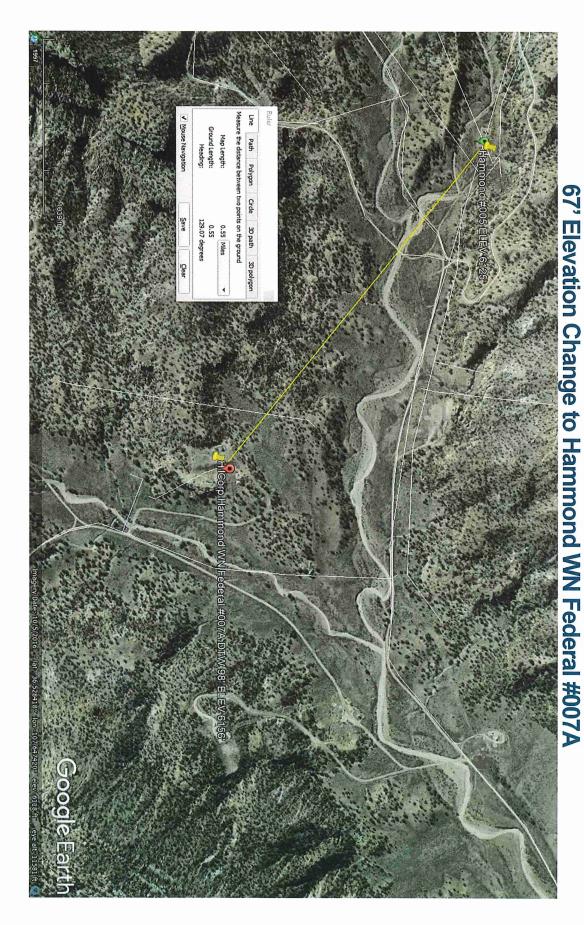




HAMMOND #005 Sitting Criteria



HAMMOND #005 Depth to Groundwater



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26N

26N

Rng Sec q q q

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08W 01

08W 01

08W 01

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New Mexico Office of the State Engineer POD Reports and Downloads

Township: 26N Range: 08W Sections:	
NAD27 X: Y: Zone: Search	ch Radius:
County: Basin: Number:	Suffix:
Owner Name: (First) (Last) C Non-D	Domestic O Domestic O All
POD / Surface Data Report Avg Depth to Water Report	Water Column Report
Clear Form iWATERS Menu Help	
WATER COLUMN REPORT 08/20/20	08
(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest)	Depth Depth Water (in

Zone

Well

6000

2200

180

Water

100

Column

80

Record Count: 3

POD Number

SJ 02405

SJ 02411

SJ 02407



Water Column/Average Depth to Water New Mexico Office of the State Engineer

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest) (NAD83 UTM in meters)

No records found

PLSS Search:

Section(s): 35

Township: 27N

27N

Range: 08W

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

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WATER COLUMN/ AVERAGE DEPTH TO WATER



Water Column/Average Depth to Water New Mexico Office of the State Engineer

(quarters are smallest to largest) (quarters are 1=NW 2=NE 3=SW 4=SE) (NAD83 UTM in meters)

No records found.

PLSS Search:

Section(s): 34

Township: 27N

Range: 08W

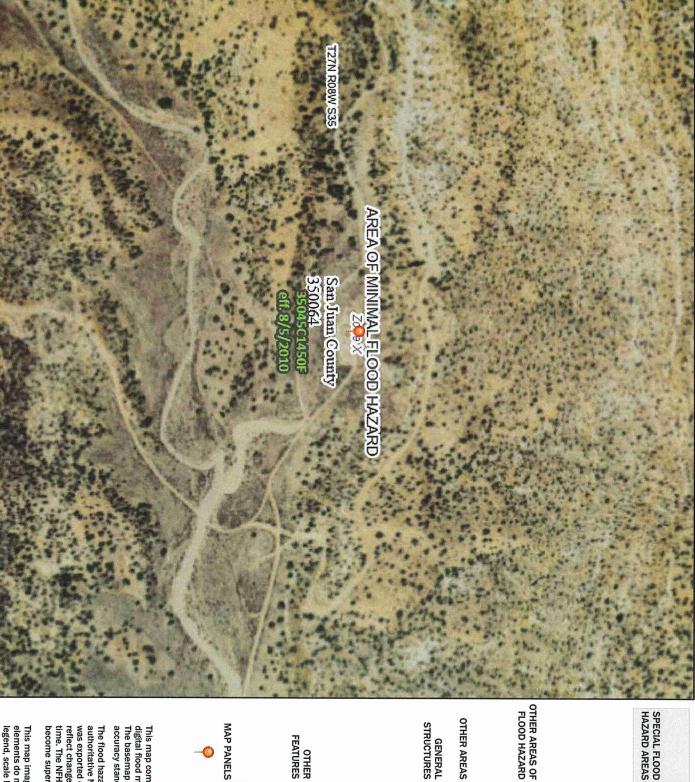
The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

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DEPTH TO WATER WATER COLUMN/ AVERAGE

National Flood Hazard Layer FIRMette





Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT





Regulatory Floodway With BFE or Depth Zone AE, AO, AH, VE, AR Without Base Flood Elevation (BFE) Zone A, V, A99



0.2% Annual Chance Flood Hazard, Area of 1% annual chance flood with average



areas of less than one square mile Zone depth less than one foot or with drainag



Chance Flood Hazard Zone X **Future Conditions 1% Annual**



Area with Flood Risk due to Levee Zone D Levee. See Notes. Zone X Area with Reduced Flood Risk due to

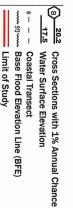


NO SCREEN Area of Minimal Flood Hazard Zone X Effective LOMRs

GENERAL Channel, Culvert, or Storm Sewer STRUCTURES 1111111 Levee, Dike, or Floodwall

Area of Undetermined Flood Hazard Zone





Coastal Transect Baseline

Jurisdiction Boundary

Hydrographic Feature Profile Baseline





Digital Data Available No Digital Data Available

Unmapped



an authoritative property location. The pin displayed on the map is an approximate point selected by the user and does not represe

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. accuracy standards The basemap shown complies with FEMA's basemap

become superseded by new data over time. The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 1/26/2021 at 12:03 PM and does not time. The NFHL and effective information may change or reflect changes or amendments subsequent to this date and

elements do not appear: basemap imagery, flood zone labels, This map image is void if the one or more of the following map egend, scale bar, map creation date, community identifiers, Received by OCD: 1/28/2021 4:23sassduRdMotelnBa

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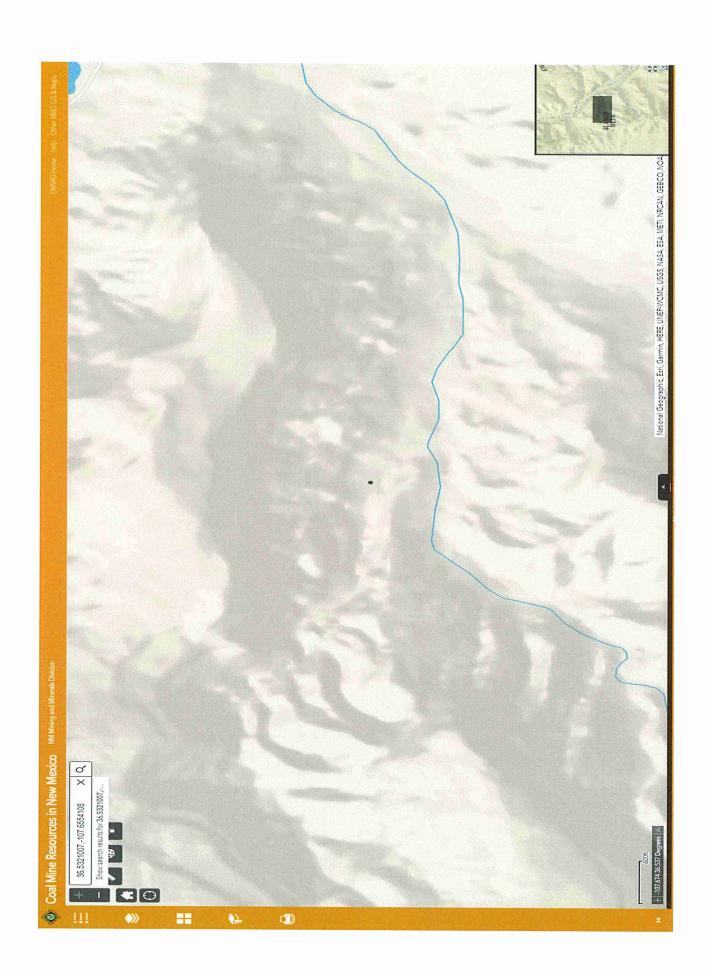
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M&G Drilling CO INC San Juan Basin Below Grade Tank Closure Plan

Lease Name: Hammond #005 API No.: 30-045-22677

Description: Unit F, Section 35, Township 27N, Range 08W, San Juan County

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure requirements of below-grade tanks on M&G Drilling CO INC locations. This is M&G Drilling CO INC standard procedure for all below-grade tanks. A separate plan will be submitted for any below-grade tank which does not conform to this plan.

General Plan

- 1. M&G DRILLING CO INC will obtain approval of this closure plan prior to commencing closure of the below grade tank at this location pursuant to 19.15.17.13.C (1) NMAC
- 2. M&G DRILLING CO INC will notify the surface owner by certified mail, return receipt requested, that the M&G Drilling CO INC plans closure operations at least 72 hours, but no more than one week, prior to any closure operation. Notice will include:
 - a. Well Name
 - b. API#
 - c. Well Location
- 3. M&G DRILLING CO INC will notify the NMOCD Aztec Office by email that the M&G

Within 60 days of cessation of operations, M&G DRILLING CO INC will remove liquids and sludge from below-grade tanks prior to implementing a closure method and will dispose of the liquids and sludge in a division-approved facility. Approved facilities and waste streams include:

- a. Soils, tank bottoms, produced sand, pit sludge and other exempt wastes impacted by petroleum hydrocarbons will be disposed of at:

 Envirotech: Permit #NM01-0011 and IEI: Permit # NM01-0010B
- b. Produced Water will be disposed of at:

 Basin Disposal: Permit # NM01-005 and M&G DRILLING CO INC owned saltwater

 Disposal Facilities

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- 4. Within six (6) months of cessation of operations, M&G DRILLING CO INC will remove the below-grade tank and dispose of it in a division-approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves. If there is any equipment associated with a below-grade tank, then the M&G Drilling CO INC shall remove the equipment, unless the equipment is required for some other purpose.
- 5. M&G DRILLING CO INC will collect a closure sample of the soil beneath the location of the below grade tank that is being closed. The closure sample will consist of a five-point composite sample to include any obvious stained or wet soils, or other evidence of contamination. The closure sample will be analyzed for all constituents listed in Table I below, including DRO+GRO, Chlorides, TPH, benzene and BTEX.

		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

- 6. If any contaminant concentration is higher than the parameters listed in Table I of 19.15.17.13 NMAC, the division may require additional delineation upon review of the results and the M&G Drilling CO INC must receive approval before proceeding with closure. If all contaminant concentrations are less than or equal to the parameters listed in Table I of 19.15.17.13 NMAC, then the M&G Drilling CO INC can proceed to backfill the pit, pad, or excavation with non-waste containing, uncontaminated, earthen material.
- 7. After closure has occurred, M&G DRILLING CO INC will reclaim the former BGT area, if it is no longer being used for extraction of oil and gas, by substantially restoring the impacted surface area to the condition that existed prior to oil and gas operations. M&G DRILLING CO INC will construct the soil cover to the site's existing grade and prevent ponding of water and erosion of the cover materials. The soil cover shall consist of the background thickness of topsoil, or one foot of suitable materials to establish vegetation at the site, whichever is greater. All areas will be reclaimed as early as practicable, and as close to their original condition or land use as possible. They shall be maintained in a way as to control dust and minimize erosion.
- 8. M&G DRILLING CO INC will complete reclamation of all disturbed areas no longer in use when the ground disturbance activities at the site have been completed. The reseeding shall take place during the first favorable growing season after closure. Reclamation activities will be considered completed when a uniform vegetative cover has been established that reflects a life-form ratio of plus or minus fifty percent (50%) of predisturbance levels, and a total percent plant cover of at least seventy percent (70%) of pre-disturbance levels, excluding noxious weeds.
 - *Re-vegetation and reclamation obligations imposed by other applicable federal, state or tribal agencies on lands managed by those agencies shall supersede the above requirements, provided they provide equal or better protection of fresh water, human health and the environment.
- 9. M&G DRILLING CO INC will notify the Aztec Office of the NMOCD by email when reclamation and closure activities are completed.
- 10. Within 60 days of closure, M&G DRILLING CO INC will submit a closure report to the Aztec office of the NMOCD, filed on Form C-144. The report will include the following:
 - a. Proof of closure notice to NMOCD and surface owner
 - b. Confirmation sampling analytical results
 - c. Soil backfill and cover installation information
 - d. Photo documentation of site reclamation

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

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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 16123

CONDITIONS

Operator:	OGRID:
M & G DRLG CO INC	141852
P.O. Box 5940	Action Number:
Farmington, NM 87499	16123
	Action Type:
	[C-144] Below Grade Tank Plan (C-144B)

CONDITIONS

Created By	Condition	Condition
		Date
cwhitehead	Map showing location of Hammond 007A well (30-045-23216) DTW does not include documentation of DTW measurement; conversely, DTW data provided for SJ 02405 does not show	7/19/2021
	location in relation to subject well. Please provide both mapping and DTW documentation for all points used to justify DTW of subject well.	