

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-144
Revised April 3, 2017

For temporary pits, below-grade tanks, and multi-well fluid management pits, submit to the appropriate NMOC District Office.
For permanent pits submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOC District Office.

Pit, Below-Grade Tank, or
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

BGT1

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 environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1.
Operator: Simcoe, LLC OGRID #: 329736
Address: 1199 Main Ave., Suite 101, Durango, CO 81301
Facility or well name: HUGHES LS #017
API Number: 30-045-21152 OCD Permit Number: _____
U/L or Qtr/Qtr H Section 19 Township 29N Range 8W County: San Juan
Center of Proposed Design: Latitude 36.71352967 Longitude -107.7110454 NAD83
Surface Owner: ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2.
☐ **Pit:** Subsection F, G or J of 19.15.17.11 NMAC
Temporary: ☐ Drilling ☐ Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A ☐ Multi-Well Fluid Management Low Chloride Drilling Fluid ☐ yes ☐ no
☐ Lined ☐ Unlined Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
☐ String-Reinforced
Liner Seams: ☐ Welded ☐ Factory ☐ Other _____ Volume: _____ bbl Dimensions: L _____ x W _____ x D _____

3.
☒ **Below-grade tank:** Subsection I of 19.15.17.11 NMAC Tank ID: A
Volume: 45 bbl 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 single-walled double-bottomed
Liner type: Thickness _____ mil ☐ HDPE ☐ PVC ☐ Other _____

4.
☐ **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 _____

6.

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 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.

9.

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 source 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

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

Temporary Pit using Low Chloride Drilling Fluid (maximum chloride content 15,000 mg/liter)

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

Within 300 feet from a occupied 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 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

Within 100 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Temporary Pit Non-low chloride drilling fluid

Within 300 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).

- 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 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, or 1000 feet of any other fresh water well or spring, in the 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

Within 300 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Permanent Pit or Multi-Well Fluid Management Pit

Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within 1000 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 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of initial application.

- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within 500 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

10.

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment 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 (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
- ☐ Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC
- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

☐ Previously Approved Design (attach copy of design) API Number: _____ or Permit Number: _____

11.

Multi-Well Fluid Management Pit 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.

- ☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ A List of wells with approved application for permit to drill associated with the pit.
- ☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
- ☐ Hydrogeologic Data - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC

☐ Previously Approved Design (attach copy of design) API Number: _____ or Permit Number: _____

12. **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
☐ Waste 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

14. **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

15. **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	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No
Written confirmation or verification from the municipality; Written approval obtained from the municipality	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
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.

- Written confirmation or verification from the municipality; Written approval obtained from the municipality

☐ Yes ☐ No

Within the area overlying a subsurface mine.

- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division

☐ Yes ☐ No

Within an unstable area.

- 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.

- FEMA map

☐ Yes ☐ No

16.

On-Site 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.*

- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☐ Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection E of 19.15.17.13 NMAC
- ☐ Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Subsection K of 19.15.17.11 NMAC
- ☐ Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ 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 19.15.17.13 NMAC
- ☐ Waste Material Sampling Plan - based upon the appropriate requirements of 19.15.17.13 NMAC
- ☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)
- ☐ Soil Cover Design - 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

17.

Operator Application Certification:

I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

18.

OCD Approval: ☐ Permit Application (including closure plan) ☒ Closure Plan (only) ☐ OCD Conditions (see attachment)
Report

OCD Representative Signature: Victoria Venegas **Approval Date:** 03/14/2022

Title: Environmental Specialist **OCD Permit Number:** BGT1

19.

Closure Report (required within 60 days of closure completion): 19.15.17.13 NMAC

Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☒ **Closure Completion Date:** 2/3/2022

20.

Closure Method:

- ☒ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-loop systems only)
- ☐ If different from approved plan, please explain.

21.

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 36.71352967 Longitude -107.7110454 NAD: ☐ 1927 ☒ 1983

22.

Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): Sabre Beebe Title: Field Environmental Coordinator

Signature: Sabre Beebe Date: 2/17/2022

e-mail address: sabre.beebe@ikavenergy.com Telephone: (970) 852-5172

SIMCOE, LLC
SAN JUAN BASIN, NORTHWEST NEW MEXICO

Well Name: Hughes LS #017
Well API# 30-045-21152
Unit Letter H, Section 19, T29N, R8W

BELOW-GRADE TANK CLOSURE PLAN

This plan will address the standard protocols and procedures for closure of below-grade tanks (BGTs) on this SIMCOE, LLC well sites. As stipulated in Paragraph A of 19.15.17.13 NMAC, SIMCOE, LLC shall close a BGT within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the New Mexico Oil Conservation Division (NMOCD) requires because of imminent danger to fresh water, public health, safety, or the environment. If deviations from this plan are necessary, any specific changes will be included on form C-144 and approved by the NMOCD. SIMCOE, LLC shall close an existing BGT that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or is not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC within five years after June 16, 2008, if not retrofit with a BGT that complies with the SIMCOE, LLC NMOCD approved BGT design attached to the SIMCOE, LLC Design and Construction Plan. SIMCOE, LLC shall close an existing BGT that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC, if not previously retrofitted to comply with the SIMCOE, LLC NMOCD approved BGT Design attached to the SIMCOE, LLC Design and Construction Plan, prior to any sale or change in operator pursuant to 19.15.9.9 NMAC. SIMCOE, LLC shall close the permitted BGT within 60 days of cessation of the BGTs operation or as required by the transitional provisions of Subsection B, D, or E of 19.15.17.17 NMAC.

General Closure Plan

1. SIMCOE, LLC shall notify the surface owner by certified mail that it plans to close a BGT. Evidence of mailing of the notice to the address of the surface owner shown in the county tax records demonstrates compliance with this requirement.

Notice was provided and is attached.

2. SIMCOE, LLC shall notify the division District III office verbally or by other means at least 72 hours, but not more than one (1) week, prior to any closure operation. The notice shall include the operator's name, and the location to be closed by unit letter, section, township, and range. If the BGT closure is associated with a particular well, then the notice shall also include the well's name, number, and API number.

Notice was provided and is attached.

3. SIMCOE, LLC shall remove liquids and sludge from the BGT prior to implementing a closure method and dispose of the liquids and sludge in a NMOCD's division-approved facility. The facilities to be utilized are:

- a. JFJ Land farm, Permit NM-01-010(B) (Solids and Sludge)
- b. Basin Disposal, Permit NM-01-0005 (Liquids)
- c. Envirotech Inc Soil Remediation Facility, Permit NM-01-0011 (Solids and Sludge)
- d. Simcoe, LLC Operated 13 GCU SWD # 1, API 30-045-28601 (Liquids)
- e. Simcoe, LLC Operated GCU 259 SWD, API 30-045-20006 (Liquids)
- f. Simcoe, LLC Operated GCU 306 SWD, API30-045-24286 (Liquids)
- g. Simcoe, LLC Operated GCU 307 SWD, API30-045-24248 (Liquids)
- h. Simcoe, LLC Operated GCU 328 SWD, API 30-045-24735 (Liquids)
- i. Simcoe, LLC Operated Pritchard SWD #1, API 30-045-28351 (Liquids)

All liquids and/or sludge within the BGT were removed and sent to one of the above NMOCD approved facilities for disposal.

4. Simcoe, LLC shall remove the BGT and dispose of it in a NMOCD approved facility or recycle, reuse, or reclaim it in a manner that the NMOCD approves. If a liner is present and must be disposed of it will be cleaned by scraping any soils or other attached materials on the liner to a de minimus amount and disposed at a permitted solid waste facility, pursuant to Subparagraph (m) of Paragraph (1) of Subsection C of 19.15.35.8 NMAC. Documentation as to the final disposition of the removed BGT will be provided in the final closure report.

The BGT will be inspected and may be recycled, reused, or reclaimed.

5. Simcoe, LLC shall remove any on-site equipment associated with a BGT unless the equipment is required for well production.

All equipment associated with the BGT has been removed.

6. Simcoe, LLC shall sample the soils beneath the BGT to determine whether a release has occurred. Simcoe, LLC shall collect at a minimum: a five (5) point composite sample and individual grab samples from any area that is wet, discolored or showing other evidence of a release and analyze for BTEX, TPH, and chlorides. The testing methods for those constituents are as follows.

Constituents	Testing Method	Closure Criteria (mg/kg)	5PC-TB@5'(45) Results (mg/kg)
Chloride	US EPA Method 300.0	20,000	ND
TPH	US EPA Method SW-846 418.1	2,500	13.1
GRO + DRO	US EPA Method SW-846 8015M	1,000	ND
Total BTEX	US EPA Method SW-846 8021B or 8260B	50	ND
Benzene	US EPA Method SW-846 8021B or 8260B	10	ND

Notes: mg/kg- milligram per kilogram; GRO- gasoline range organics; DRO- diesel range organics; TPH- total petroleum hydrocarbons; BTEX- benzene, toluene, ethylbenzene, and total xylenes; ND- analyte not detected. Other EPA methods that the division approves may be applied to all constituents listed. Chloride closure standards will be determined by whichever concentration level is greatest.

Soils beneath the BGT were sampled for TPH, BTEX, and chloride per the above requirements. BTEX, and chloride were all non-detect based on laboratory analytical results. TPH was detected above the laboratory detection limit but below the NMOCD standard.

7. Simcoe, LLC shall notify the division District III office of its results on form C-141.

Form C-141 is attached.

8. If it is found that a release has occurred, then Simcoe, LLC will comply with 19.15.30 NMAC and 19.15.29 NMAC, as appropriate.

Sampling results and field observations reveal no evidence of a release had occurred.

9. If the sampling demonstrates that a release has not occurred or that any release does not exceed the concentrations specified above, then Simcoe, LLC shall backfill the excavation, with compacted, non-waste containing, earthen material; construct a division-prescribed soil cover, re-contour and re-vegetate the location. The location will be reclaimed if it is not with in the active process area.

No evidence of a release. Area backfilled / regraded.

10. Simcoe, LLC shall reclaim the BGT location, and all areas associated with the BGT including associated access roads to a safe and stable condition that blends with the surrounding undisturbed area. Simcoe, LLC shall substantially restore the impacted surface area to the condition that existed prior to oil and gas operations by placement of the soil cover as provided in Subsection H of 19.15.17.13 NMAC, re-contour the location and associated areas to a contour that approximates the original contour and blends

with the surrounding topography and re-vegetate according to Subsection I of 19.15.17.13 NMAC. 11. The soil cover for closures where the BGT has been removed or remediated to the NMOCD's satisfaction shall consist of the background thickness of topsoil or one foot of suitable material to establish vegetation at the site, whichever is greater.

Area backfilled / regraded. No reclamation to be done at this time as former BGT location is located on well pad within area needed for production operations or subsequent drilling.

12. Simcoe, LLC shall seed the disturbed area the first growing season after closure of the BGT. Seeding will be conducted by drilling on the contour whenever practical or by other division- approved methods. Vegetative cover will be, at a minimum, 70% of the native perennial vegetative cover (un-affected by overgrazing, fire or other intrusion damaging to native vegetation), consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintenance of that cover through two successive growing seasons. During the two growing seasons that prove viability, there shall be no artificial irrigation of the vegetation.

Area backfilled / regraded. No reclamation to be done at this time as former BGT location is located on well pad within area needed for production operations or subsequent drilling.

13. Simcoe, LLC shall seed, plant and re-seed pursuant to Paragraph (3) of Subsection I of 19.15.17.13 NMAC, until the location successfully achieves the required vegetative cover.

Area backfilled / regraded. No reclamation to be done at this time as former BGT location is located on well pad within area needed for production operations or subsequent drilling.

14. Pursuant to Paragraph (5) of Subsection I of 19.15.17.13 NMAC, Simcoe, LLC shall notify the NMOCD when it has seeded or planted and when it successfully achieves revegetation.

Area backfilled / regraded. No reclamation to be done at this time as former BGT location is located on well pad within area needed for production operations or subsequent drilling.

15. Within 60 days of closure completion, Simcoe, LLC shall submit a closure report on NMOCD's form C-144, and will include the following:

- a. proof of closure notification (surface owner and NMOCD),
- b. sampling analytical reports: information required by 19.15.17 NMAC,
- c. disposal facility name and permit number,
- d. details on back-filling, capping, covering; and, where applicable, re-vegetation application rates and seeding techniques; and,
- e. site reclamation, photo documentation, disposal facility name, and permit number

Closure report on Form C-144 is included and contains a photo of the location.

16. Simcoe, LLC shall certify that all information in the report and attachments is accurate, truthful, and compliant with all applicable closure requirements and conditions specified in the approved closure plan.

Certification section of Form C-144 has been completed.

Well Name: HUGHES LS	Well Location: T29N / R8W / SEC 19 / SENE / 36.713318 / -107.710495	County or Parish/State: SAN JUAN / NM
Well Number: 17	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF078046	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004521152	Well Status: Producing Gas Well	Operator: SIMCOE LLC

Notice of Intent

Sundry ID: 2654394

Type of Submission: Notice of Intent

Type of Action: Other

Date Sundry Submitted:

Time Sundry Submitted:

Date proposed operation will begin:

Procedure Description:

Surface Disturbance

Is any additional surface disturbance proposed?: No

Emma Millar

From: Sabre Beebe <sabre.beebe@ikavenergy.com>
Sent: January 27, 2022 11:15 AM
To: Christopher Whitehead (chris.whitehead@state.nm.us); ocd.enviro@state.nm.us
Cc: Don Buller; Jonathan Divine; Julie Best
Subject: SIMCOE, LLC Hughes LS 017 Below Grade Tank (BGT) Closure

SENT VIA E-MAIL

January 27, 2022

New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

RE: Notice of Proposed Below-Grade Tank (BGT) Closure

Well Name: Hughes LS 017
API# - 30-045-21152
H-19-29N-8W
San Juan County, NM

To Whom It May Concern:

With regards to the captioned subject well and requirements of the NMOCD Pit Rule 19.15.17.13, this letter is notification that SIMCOE LLC is planning to close a 45 bbl BGT that will no longer be operational at the above well site. We anticipate this work to start on or around February 2, 2022 at 9:00 AM.

Should you have any questions, please feel free to contact SIMCOE LLC.

Sincerely,

Sabre Beebe



IKAV Energy Inc.
Sabre Beebe
Field Environmental Coordinator
Office: (970) 852-5172
Mobile: (970)-769-9523
E-Mail: sabre.beebe@ikavenergy.com

Confidentiality notice:

This e-mail communication (and any attachment/s) are confidential and are intended only for the individual(s) or entity named above and to others who have been specifically authorized to receive it. Any information in this email and attachments may be legally privileged. If you are not the intended recipient, any disclosure, copying, reading, distribution, or any action taken or omitted in reliance on it, is prohibited and may be unlawful. Any opinions or advice

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	
District RP	
Facility ID	
Application ID	

Release Notification

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)
Contact mailing address 1199 Main Ave., Suite 101 Durango, CO 81301	

Location of Release Source

Latitude 36.71352967 Longitude -107.7110454
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Hughes LS #017	Site Type Natural Gas Well
Date Release Discovered NA	API# (if applicable) 30-045-21152

Unit Letter	Section	Township	Range	County
H	19	29N	8W	San Juan

Surface Owner: ☐ State ☒ Federal ☐ Tribal ☐ Private (Name: _____)

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 type="checkbox"/> Produced Water	Volume Released (bbls)	Volume Recovered (bbls)
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input type="checkbox"/> Yes <input 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 BTEX & chloride all non-detect based on laboratory analytical results. TPH was detected above the laboratory detection limit but below the NMOCD standard.
No evidence of a release had occurred.

Incident ID	
District RP	
Facility ID	
Application ID	

<p>Was this a major release as defined by 19.15.29.7(A) NMAC?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>If YES, for what reason(s) does the responsible party consider this a major release?</p>
<p>If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?</p> <p>Not required.</p>	

Initial Response

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

<input type="checkbox"/> The source of the release has been stopped. <input type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input 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:	
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> Signature: <u><i>Sabre Beebe</i></u> email: <u>sabre.beebe@ikavenergy.com</u>	Title: <u>Field Environmental Coordinator</u> Date: <u>2/3/2022</u> Telephone: <u>(970) 852-5172</u>
<u>OCD Only</u> Received by: _____ Date: _____	

CLIENT: <u>Simcoe LLC</u>	COTTONWOOD CONSULTING LLC P.O. BOX 1653, DURANGO, COLO. 81302 (970) 764-7356	API #: <u>3004521152</u> TANK ID (if applicable): <u>A</u>
---------------------------	---	---

FIELD REPORT:	(circle one): <u>BGT CONFIRMATION</u> / RELEASE INVESTIGATION / OTHER:	PAGE #: <u>1</u> of <u>1</u>
----------------------	--	------------------------------

SITE INFORMATION:	SITE NAME: <u>Hughes LS #017</u> QUAD/UNIT: <u>H</u> SEC: <u>19</u> TWP: <u>29N</u> RNG: <u>8W</u> PM: <u>6</u> NM CNTY: <u>San Juan</u> ST: <u>NM</u> 1/4 - 1/4 FOOTAGE: <u>1640 FNL 990 FEL</u> LEASE TYPE: <u>FEDERAL</u> / STATE / FEE / INDIAN LEASE #: <u>NMSF078046</u> PROD. FORMATION: <u>PC</u> CONTACT: <u>Kelly Oilfield</u>	DATE STARTED: <u>2/3/22</u> DATE FINISHED: <u>2/3/22</u> ENVIRONMENTAL SPECIALIST(S): <u>KS</u>
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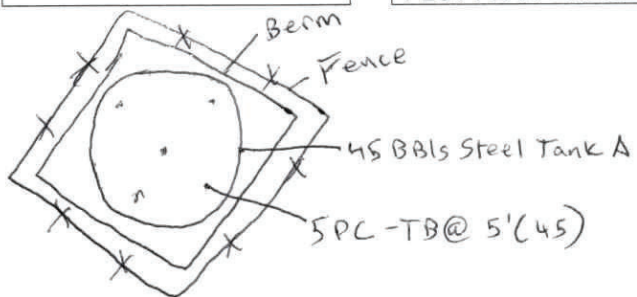
REFERENCE POINT:	WELL HEAD (W.H.) GPS COORD.: <u>36.713466, -107.7110392</u> GL ELEV.: <u>6478</u> 1) <u>45 BBLs steel tank A</u> GPS COORD.: <u>36.713530, -107.711045</u> DISTANCE/BEARING FROM P&A: _____ 2) _____ GPS COORD.: _____ DISTANCE/BEARING FROM P&A: _____ 3) _____ GPS COORD.: _____ DISTANCE/BEARING FROM P&A: _____ 4) _____ GPS COORD.: _____ DISTANCE/BEARING FROM P&A: _____
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SAMPLING DATA:	CHAIN OF CUSTODY RECORD(S) # OR LAB USED: <u>GAL</u> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;">1) SAMPLE ID: <u>SPC-TB@5' (45)</u></td> <td style="width:25%;">SAMPLE DATE: <u>2/3/22</u></td> <td style="width:25%;">SAMPLE TIME: <u>0910</u></td> <td style="width:25%;">LAB ANALYSIS: <u>B015B/B021B/300.0(CI)</u></td> <td style="width:10%; text-align: center;">OVM READING (ppm)</td> </tr> <tr> <td>2) SAMPLE ID: _____</td> <td>SAMPLE DATE: _____</td> <td>SAMPLE TIME: _____</td> <td>LAB ANALYSIS: _____</td> <td></td> </tr> <tr> <td>3) SAMPLE ID: _____</td> <td>SAMPLE DATE: _____</td> <td>SAMPLE TIME: _____</td> <td>LAB ANALYSIS: _____</td> <td></td> </tr> <tr> <td>4) SAMPLE ID: _____</td> <td>SAMPLE DATE: _____</td> <td>SAMPLE TIME: _____</td> <td>LAB ANALYSIS: _____</td> <td></td> </tr> <tr> <td>5) SAMPLE ID: _____</td> <td>SAMPLE DATE: _____</td> <td>SAMPLE TIME: _____</td> <td>LAB ANALYSIS: _____</td> <td></td> </tr> </table>	1) SAMPLE ID: <u>SPC-TB@5' (45)</u>	SAMPLE DATE: <u>2/3/22</u>	SAMPLE TIME: <u>0910</u>	LAB ANALYSIS: <u>B015B/B021B/300.0(CI)</u>	OVM READING (ppm)	2) SAMPLE ID: _____	SAMPLE DATE: _____	SAMPLE TIME: _____	LAB ANALYSIS: _____		3) SAMPLE ID: _____	SAMPLE DATE: _____	SAMPLE TIME: _____	LAB ANALYSIS: _____		4) SAMPLE ID: _____	SAMPLE DATE: _____	SAMPLE TIME: _____	LAB ANALYSIS: _____		5) SAMPLE ID: _____	SAMPLE DATE: _____	SAMPLE TIME: _____	LAB ANALYSIS: _____	
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3) SAMPLE ID: _____	SAMPLE DATE: _____	SAMPLE TIME: _____	LAB ANALYSIS: _____																							
4) SAMPLE ID: _____	SAMPLE DATE: _____	SAMPLE TIME: _____	LAB ANALYSIS: _____																							
5) SAMPLE ID: _____	SAMPLE DATE: _____	SAMPLE TIME: _____	LAB ANALYSIS: _____																							

SOIL DESCRIPTION:	SOIL TYPE: <u>SAND</u> / SILTY SAND / SILT / SILTY CLAY / CLAY / GRAVEL / OTHER _____ SOIL COLOR: <u>Brown</u> COHESION (ALL OTHERS): <u>NON COHESIVE</u> / SLIGHTLY COHESIVE / COHESIVE / HIGHLY COHESIVE CONSISTENCY (NON COHESIVE SOILS): <u>LOOSE</u> / FIRM / DENSE / VERY DENSE MOISTURE: DRY / SLIGHTLY MOIST / <u>MOIST</u> / WET / SATURATED / SUPER SATURATED SAMPLE TYPE: GRAB / <u>COMPOSITE</u> - # OF PTS. <u>5</u> DISCOLORATION/STAINING OBSERVED: YES / <u>NO</u> EXPLANATION: _____ PLASTICITY (CLAYS): NON PLASTIC / SLIGHTLY PLASTIC / COHESIVE / MEDIUM PLASTIC / HIGHLY PLASTIC DENSITY (COHESIVE CLAYS & SILTS): SOFT / FIRM / STIFF / VERY STIFF / HARD HC ODOR DETECTED: YES / <u>NO</u> EXPLANATION: _____ ANY AREAS DISPLAYING WETNESS: YES / <u>NO</u> EXPLANATION: _____
--------------------------	---

SITE OBSERVATIONS:	LOST INTEGRITY OF EQUIPMENT: YES / <u>NO</u> EXPLANATION: _____ APPARENT EVIDENCE OF A RELEASE OBSERVED AND/OR OCCURRED: YES / <u>NO</u> EXPLANATION: _____ EQUIPMENT SET OVER RECLAIMED AREA: YES / <u>NO</u> EXPLANATION: _____ OTHER: _____
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EXCAVATION DIMENSION ESTIMATION: <u>NA</u> ft. X <u>NA</u> ft. X <u>NA</u> ft. DEPTH TO GROUNDWATER: <u>>100ft</u> NEAREST WATER SOURCE: <u>>100ft</u> NEAREST SURFACE WATER: <u>>100ft</u>	EXCAVATION ESTIMATION (Cubic Yards): <u>NA</u> NMOCD TPH CLOSURE STD: <u>2,500</u> ppm
---	---

SITE SKETCH	BGT Located: off / on site <u>off</u> PLOT PLAN circle: <u>attached</u> 
--------------------	---

MISCELL. NOTES Permit date(s): _____ OCD Appr. date(s): _____ <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;">Tank ID</td> <td style="width:80%;">OVM = Organic Vapor Meter ppm = parts per million</td> <td style="width:10%;">RF=1.00</td> </tr> <tr> <td><u>A</u></td> <td>BGT Sidewalls Visible: <u>Y</u> / N</td> <td></td> </tr> <tr> <td></td> <td>BGT Sidewalls Visible: Y / N</td> <td></td> </tr> <tr> <td></td> <td>BGT Sidewalls Visible: Y / N</td> <td></td> </tr> </table> Magnetic declination: _____	Tank ID	OVM = Organic Vapor Meter ppm = parts per million	RF=1.00	<u>A</u>	BGT Sidewalls Visible: <u>Y</u> / N			BGT Sidewalls Visible: Y / N			BGT Sidewalls Visible: Y / N		OVM CALIB. READ. = <u>100</u> ppm OVM CALIB. GAS = <u>100</u> ppm TIME: <u>0850</u> am/pm DATE: <u>2/3/22</u>
Tank ID	OVM = Organic Vapor Meter ppm = parts per million	RF=1.00											
<u>A</u>	BGT Sidewalls Visible: <u>Y</u> / N												
	BGT Sidewalls Visible: Y / N												
	BGT Sidewalls Visible: Y / N												

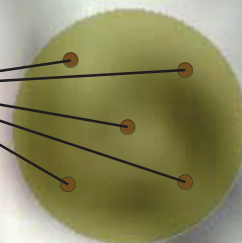
NOTES: BGT = BELOW GRADE TANK; ED = EXCAVATION DEPRESSION; BG = BELOW GRADE; B = BELOW; T.H. = TEST HOLE; ~ = APPROX.; W.H. = WELL HEAD; T.B. = TANK BOTTOM; PBGTL = PREVIOUS BELOW-GRADE TANK LOCATION; SPD = SAMPLE POINT DESIGNATION; R.W. = RETAINING WALL; NA = NOT APPLICABLE OR NOT AVAILABLE; SW = SINGLE WALL; DW = DOUBLE WALL; SB = SINGLE BOTTOM; DB = DOUBLE BOTTOM. NOTES: _____	ONSITE: <u>2/3/22</u>
---	-----------------------



San Juan County, New Mexico

SENE Section 19 29N 8W

5PC-TB@5'(45)



HUGHES LS #017



0 10 20 Feet



Notes: Sample collected 2/3/2022. Sample 5PC-TB@5'(45) is a five-point composite sample.

Legend

- Soil Sample
- Approximate Former BGT Location
- Oil & Gas Wells



Mapping by: E. Millar, 2/3/2022
Coordinate System:
NAD 1983 UTM Zone 13 N

Location: SENE Sec 19 T29N R8W NMPM

**Hughes LS #017
Project Map
Simcoe LLC**



75 Suttle Street
Durango, CO 81303
970.247.4220 Phone
970.247.4227 Fax
www.greenanalytical.com

11 February 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 02/03/22 11:37. 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 black ink that reads 'Debbie Zufelt'. The signature is written in a cursive, flowing style.

Debbie Zufelt
Reports Manager

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: T104704514-22-13

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: T104704398-21-14



dzufelt@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, Cl
Project Name / Number: Hughes LS 017
Project Manager: Kyle Siesser

Reported:
02/11/22 15:04

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received	Notes
5PC-TB@5'(45)	2202049-01	Solid	02/03/22 09:10	02/03/22 11:37	

Green Analytical Laboratories

A handwritten signature in black ink that reads 'Debbie Zufelt'.

Debbie Zufelt, Reports Manager

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.



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Cottonwood Consulting
PO Box 1653
Durango CO, 81302

Project: BTEX/TPH, CI
Project Name / Number: Hughes LS 017
Project Manager: Kyle Siesser

Reported:
02/11/22 15:04

5PC-TB@5'(45)**2202049-01 (Soil)**

Analyte	Result	RL	MDL	Units	Dilution	Analyzed	Method	Notes	Analyst
---------	--------	----	-----	-------	----------	----------	--------	-------	---------

General Chemistry

% Dry Solids	86.4			%	1	02/09/22 16:05	EPA160.3/1684		VJW
--------------	------	--	--	---	---	----------------	---------------	--	-----

Soluble (DI Water Extraction)

Chloride	<11.6	11.6	0.352	mg/kg dry	10	02/05/22 21:02	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	02/10/22 08:18	8021B		MS/
Toluene*	<0.050	0.050	0.006	mg/kg	50	02/10/22 08:18	8021B		MS/
Ethylbenzene*	<0.050	0.050	0.006	mg/kg	50	02/10/22 08:18	8021B		MS/
Total Xylenes*	<0.150	0.150	0.014	mg/kg	50	02/10/22 08:18	8021B		MS/
Total BTEX	<0.300	0.300	0.030	mg/kg	50	02/10/22 08:18	8021B		MS/

Surrogate: 4-Bromofluorobenzene (PID)	103 %	69.9-140				02/10/22 08:18	8021B		MS/
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Petroleum Hydrocarbons by GC FID

GRO C6-C10*	<10.0	10.0	6.25	mg/kg	1	02/10/22 22:10	8015B		CK
DRO >C10-C28*	<10.0	10.0	4.26	mg/kg	1	02/10/22 22:10	8015B		CK
EXT DRO >C28-C36	13.1	10.0	4.26	mg/kg	1	02/10/22 22:10	8015B		CK

Surrogate: 1-Chlorooctane	89.6 %	66.9-136				02/10/22 22:10	8015B		CK
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Surrogate: 1-Chlorooctadecane	104 %	59.5-142				02/10/22 22:10	8015B		CK
-------------------------------	-------	----------	--	--	--	----------------	-------	--	----

Green Analytical Laboratories

Debbie Zufelt, Reports Manager

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.



dzufelt@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, Cl
Project Name / Number: Hughes LS 017
Project Manager: Kyle Siesser

Reported:
02/11/22 15:04

General Chemistry - Quality Control

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

Batch B220360 - General Prep - Wet Chem

Duplicate (B220360-DUP1)

Source: 2202049-01 Prepared: 02/08/22 Analyzed: 02/09/22

% Dry Solids	86.2		%		86.4			0.154	20	
--------------	------	--	---	--	------	--	--	-------	----	--

Soluble (DI Water Extraction) - Quality Control

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

Batch B220337 - IC- Ion Chromatograph

Blank (B220337-BLK1)

Prepared: 02/04/22 Analyzed: 02/05/22

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

LCS (B220337-BS1)

Prepared: 02/04/22 Analyzed: 02/05/22

Chloride	252	10.0	mg/kg wet	250		101	85-115			
----------	-----	------	-----------	-----	--	-----	--------	--	--	--

LCS Dup (B220337-BSD1)

Prepared: 02/04/22 Analyzed: 02/05/22

Chloride	260	10.0	mg/kg wet	250		104	85-115	3.34	20	
----------	-----	------	-----------	-----	--	-----	--------	------	----	--

Green Analytical Laboratories

Debbie Zufelt, Reports Manager

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.



dzufelt@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: Hughes LS 017
Project Manager: Kyle Siesser

Reported:
02/11/22 15:04

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
---------	--------	-----------------	-------	-------------	---------------	------	-------------	-----	-----------	-------

Batch 2020905 - Volatiles

Blank (2020905-BLK1)

Prepared & Analyzed: 02/09/22

Surrogate: 4-Bromofluorobenzene (PID)	0.0510		mg/kg	0.0500		102	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 (2020905-BS1)

Prepared & Analyzed: 02/09/22

Surrogate: 4-Bromofluorobenzene (PID)	0.0492		mg/kg	0.0500		98.4	69.9-140			
Benzene	1.95	0.050	mg/kg	2.00		97.5	85.1-114			
Ethylbenzene	1.86	0.050	mg/kg	2.00		92.9	84.4-115			
m,p-Xylene	3.89	0.100	mg/kg	4.00		97.3	85.5-116			
o-Xylene	1.88	0.050	mg/kg	2.00		94.2	85.2-111			
Toluene	1.94	0.050	mg/kg	2.00		96.9	88.6-116			
Total Xylenes	5.78	0.150	mg/kg	6.00		96.3	86.2-113			

LCS Dup (2020905-BSD1)

Prepared & Analyzed: 02/09/22

Surrogate: 4-Bromofluorobenzene (PID)	0.0499		mg/kg	0.0500		99.7	69.9-140			
Benzene	2.07	0.050	mg/kg	2.00		103	85.1-114	5.81	12.6	
Ethylbenzene	1.99	0.050	mg/kg	2.00		99.5	84.4-115	6.86	13.9	
m,p-Xylene	4.16	0.100	mg/kg	4.00		104	85.5-116	6.72	13.6	
o-Xylene	2.00	0.050	mg/kg	2.00		100	85.2-111	6.06	14.1	
Toluene	2.05	0.050	mg/kg	2.00		103	88.6-116	5.80	13.3	
Total Xylenes	6.16	0.150	mg/kg	6.00		103	86.2-113	6.50	13.4	

Green Analytical Laboratories

Debbie Zufelt, Reports Manager

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Cottonwood Consulting
PO Box 1653
Durango CO, 81302

Project: BTEX/TPH, CI
Project Name / Number: Hughes LS 017
Project Manager: Kyle Siesser

Reported:
02/11/22 15:04

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 2020909 - General Prep - Organics

Blank (2020909-BLK1)

Prepared: 02/09/22 Analyzed: 02/10/22

Surrogate: 1-Chlorooctadecane	52.2		mg/kg	50.0		104	59.5-142			
Surrogate: 1-Chlorooctane	46.1		mg/kg	50.0		92.1	66.9-136			
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 (2020909-BS1)

Prepared: 02/09/22 Analyzed: 02/10/22

Surrogate: 1-Chlorooctadecane	54.5		mg/kg	50.0		109	59.5-142			
Surrogate: 1-Chlorooctane	49.2		mg/kg	50.0		98.5	66.9-136			
DRO >C10-C28	218	10.0	mg/kg	200		109	83-129			
GRO C6-C10	190	10.0	mg/kg	200		95.2	81.6-129			
Total TPH C6-C28	408	10.0	mg/kg	400		102	84.5-127			

LCS Dup (2020909-BSD1)

Prepared: 02/09/22 Analyzed: 02/10/22

Surrogate: 1-Chlorooctadecane	56.7		mg/kg	50.0		113	59.5-142			
Surrogate: 1-Chlorooctane	51.0		mg/kg	50.0		102	66.9-136			
DRO >C10-C28	244	10.0	mg/kg	200		122	83-129	11.4	17.9	
GRO C6-C10	225	10.0	mg/kg	200		113	81.6-129	16.8	21.4	
Total TPH C6-C28	469	10.0	mg/kg	400		117	84.5-127	13.9	17.6	

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

Debbie Zufelt, Reports Manager

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CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

[illegible]



**Hughes LS #017
Photographic Log
Simcoe, LLC**



Photo 1: Hughes LS #017 well sign, 2/3/2022.



Photo 2: 45 bbls steel tank "A" prior to removal, 2/3/2022.



Hughes LS #017
Photographic Log
Simcoe, LLC



Photo 3: Former location of 45 bbls steel tank “A” following removal, 2/3/2022.

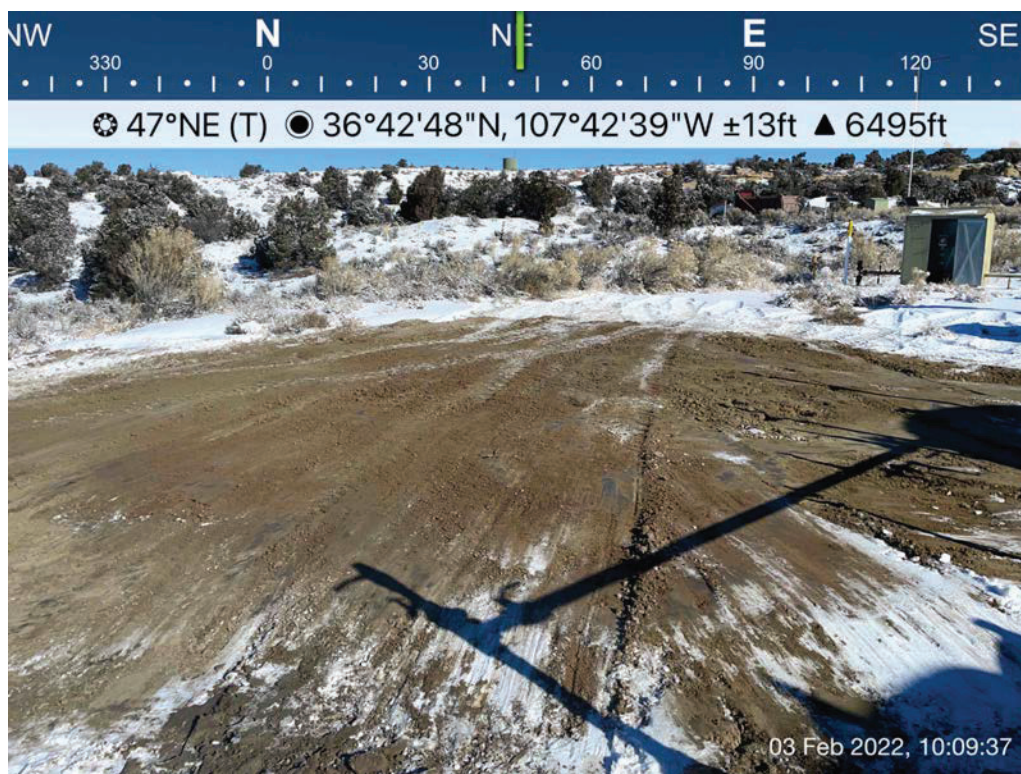


Photo 4: Former location of 45 bbls steel tank “A” following removal and re-grading, 2/3/2022.

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
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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 84201

CONDITIONS

Operator: SIMCOE LLC 1199 Main Ave., Suite 101 Durango, CO 81301	OGRID: 329736
	Action Number: 84201
	Action Type: [C-144] Below Grade Tank Plan (C-144B)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	None	3/14/2022