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

<u>Pit, Below-Grade Tank, or</u> Proposed Alternative Method Permit or Closure Plan Application				
Proposed Alternative Method Permit or Closure Plan Application Type of action: Below grade tank registration Permit of a pit or proposed alternative method Other proposed alternative method BGT1 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 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:				
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: Thicknessmil LLDPE HDPE PVC Other String-Reinforced Liner Seams: Welded Factory Other Volume:bbl Dimensions: L x W x D				
3.				
 <u>Alternative Method</u>: 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				

Netting:	Subsection E	of 19.15.17.11	I NMAC (Annlie	s to permanent pits and	d permanent open top tanks)

Screen Netting Other

Monthly inspections (If netting or screening is not physically feasible)

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

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.} <u>Siting Criteria (regarding permitting)</u>: 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. <u>General siting</u>

Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank.					
- INM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	\square NA \square Yes \square No				
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					
 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 hours and fast of a grained on a grivestal demostic fresh water well used by loss then five households for demostic or stack					

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

Received by OCD: 12/7/2023 1:09:31 PM	Page 3 of 2				
 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 					
 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 					
 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					
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					
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 19.15.17.10 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.					
Previously Approved Design (attach copy of design) API Number: or Permit Number:					

12. <u>Permanent Pits Permit Application Checklist</u> : Subsection B of 19.15.17.9 NMAC <i>Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the of</i>	locuments 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 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 Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Errosion Control Plan Closure Plan - based upon the appropriate requirements of 19.15.17.9 NMAC and 19.15.17.13 NMAC		
Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan. Type: \Box Drilling \Box Workeyer \Box Emergency \Box Cavitation \Box B&A \Box Bermanent Bit \Box Below grade Tank \Box Multi-well E	uid Managamant Dit	
Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Multi-well Fl 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	uid Management Pit	
 14. Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be a 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 Site Reclamation 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 Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC	attached to the	
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 sour provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. P 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		
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		
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		
 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		
	6.6	

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 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 plane 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 19.15.17.13 Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - 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 canned Soil Cover Design - 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 	11 NMAC 15.17.11 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 believed and believed at the second	
Name (Print): Title:	
Signature: Date:	
e-mail address: Telephone:	
e-mail address: Telephone:	
e-mail address: Telephone: <u>OCD Approva</u> l: Permit Application (including closure plan) X Closure Plah/(drdb/) OCD Conditions (see attachment)	
e-mail address: Telephone:	3/2023
e-mail address:	3/2023

Operator Closu	re 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):	Tammy Jones	Title:	Operations/Regulatory Technician - Sr		
Signature:	Tammy Jones		Date: <u>12/7/2023</u>		
e-mail address:	tajones@hilcorp.com	Telephone:	(505) 324-5185		

Hilcorp Energy Company San Juan Basin Below Grade Tank Closure Report

Lease Name: JC Gordon B 1 API No.: 30-045-06426

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure of the below-grade tank referenced above. All proper documentation regarding closure activities is being included with the C-144.

General Plan:

 HILCORP shall close a below-grade tank within 60 days of cessation of operations per Subsection G.4 of 19.15.17.13 NMAC. This will include a) below-grade tanks that do 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, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC; b) an earlier date that the division requires because of imminent danger to fresh water, public health or the environment. For any closure, HILCORP will file the C144 Closure Report as required.

The below-grade tank referenced above was permitted and closed within 60 days of cessation of the below-grade tanks operation.

 HILCORP shall remove liquids and sludge from a below-grade tank prior to implementing a closure method and shall dispose of the liquids and sludge in a division-approved facility. The facilities to be used will be Basin Disposal (Permit #NM-01-005), JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B) and Envirotech Land Farm (Permit #NM-01-011). The liner after being cleaned well (Subsection D, Paragraph 1, Subparagraph (m) of 19.15.9.712 NMAC) will be disposed of at the San Juan County Regional Landfill located on CR 3100.

All recovered liquids were disposed of at Basin Disposal (Permit #NM-01-005) and any sludge or soil required to be removed to facilitate closure was hauled to Envirotech Land Farm (Permit #NM-01-011) and JFJ Landfarm % IEI (Permit #NM-01-0010B). The liner was cleaned per Subsection D, Paragraph 1, Subparagraph (m) of 19.15.9.712 NMAC was disposed of at the San Juan County Regional Landfill located on CR 3100.

3. HILCORP will receive prior approval to 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.

The below-grade tank was disposed of in a division-approved manner.

4. If there is any on-site equipment associated with a below-grade tank, then HILCORP shall remove the equipment, unless the equipment is required for some other purpose.

All on-site equipment associated with the below-grade tank was removed.

5. HILCORP will test the soils beneath the below-grade tank to determine whether a release has occurred. HILCORP shall collect, at a minimum, a five point, composite sample; collect individual grab samples from any area that is wet, discolored or showing other evidence of a release; and analyzed for the constituents listed in Table I of 19.15.17.13 NMAC. Hilcorp shall notify the division of its results on form C-141.

A five point composite sample was taken of the below-grade tank using sampling tools and all samples tested per Subsection B of 19.15.17.1 3(B)(1)(b). (Sample results attached). Form C-141 is attached.

Components	Tests Method	Limit (mg/kg)
Benzene	EPA SW-846 8021B or 8260B	0.2
BTEX	EPA SW-846 8021B or 8260B	50
ТРН	EPA SW-846 418.1	100
Chlorides	EPA 300.0	250

6. If HILCORP or the division determines that a release has occurred, then HILCORP shall comply with 19.15.3.116 NMAC and 19.15.1.19 NMAC, as appropriate.

A release was not determined for the above referenced well.

7. If the sampling program demonstrates that a release has not occurred or that any release does not exceed the concentrations specified in Table I of 19.15.17.13 NMAC, then HILCORP shall backfill the excavation with compacted, non-waste containing, earthen material; construct a division-prescribed soil cover; recontour and revegetate the site.

The below-grade tank area passed all requirements of Paragraph (4) of Subsection E of 19.15.17.13 NMAC and was backfilled with compacted, non-waste containing, earthen material.

- 8. Notice of Closure will be given prior to closure to the Aztec Division office between 72 hours and one week via email or verbally. The notification of closure will include the following:
 - i. Operator's name
 - ii. Location by Unit Letter, Section, Township, and Range. Well name and API number.

Notification is attached.

9. The surface owner shall be notified of HILCORP's closing of the below-grade tank 72 hours, but not more than one week, prior to closure as per the approved closure plan via certified mail, return receipt requested.

The closure process notification to the landowner was sent via email, certified mail. (See Attached) (Well located on Federal Land, certified mail is not required for Federal Land per BLM/OCD MOU.)

10. Re-contouring of location will match fit, shape, line, form and texture of the surrounding. Re-shaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be place in areas where needed to prevent erosion on a large scale. Final re-contour shall have a uniform appearance with smooth surface, fitting the natural landscape.

The below-grade tank area was re-contoured to match fit, shape, line, form and texture of the surrounding area. Re-shaping including drainage control, to prevent ponding and erosion. Natural drainages were unimpeded and water bars and/or silt traps were placed in areas where needed to prevent erosion on a large scale. Final recontour has a uniform appearance with smooth surface, fitting the natural landscape.

11. HILCORP shall seed the disturbed areas the first favorable growing season following closure of a below-grade tank. Seeding will be accomplished via drilling on the contour whenever practical or by other division-approved methods. BLM stipulated seed mixes will be used on federally regulated lands and division-approved seed mixtures (administratively approved if required) will be utilized on all State or private lands. A uniform vegetative cover has been established that reflects a life-form ratio of plus or minus fifty percent (50%) of pre- disturbance levels and a total percent plant cover of at least seventy percent (70%) of pre-disturbance levels, excluding noxious weeds. If alternate seed mix is required by the state, private owner or tribe, it will be implemented with administrative approval if needed. Hilcorp will repeat seeding or planting will be continued until successful vegetative growth occurs.

Provision 13 was accomplished through complying with BLM seeding requirements as allowed by the BLM/OCD MOU.

12. A minimum of four feet of cover shall be achieved and the cover shall include one foot of suitable material, with chloride concentrations less than 600 mg/kg as analyzed by EPA Method 300.0, to establish vegetation at the site, or the background thickness of topsoil, whichever is greater.

The below-grade tank area was backfilled and more than four feet of cover was achieved and the cover included one foot of suitable material to establish vegetation at the site.

- 13. All closure activities will include proper documentation and be available for review upon request and will be submitted to OCD within 60 days of closure of the below-grade tank. Closure report will be filed on C-144 and incorporate the following:
 - Soil Backfilling and Cover Installation (See Report)
 - Re-vegetation application rates and seeding techniques (See Report)
 - Photo documentation of the site reclamation (Included as an attachment)
 - Confirmation Sampling Results (Included as an attachment)
 - Proof of closure notice (Included as an attachment)

Tammy Jones

From:	Tammy Jones
Sent:	Thursday, October 5, 2023 7:59 AM
То:	Abiodun Adeloye; Brandon Sinclair; Clara Cardoza; Dale Crawford; Eufracio Trujillo; Kate Kaufman; Ben Mitchell; Ramon Hancock; Lisa Jones; Victoria Venegas (Victoria.Venegas@emnrd.nm.gov); Mike Murphy; Farmington Regulatory Techs
Subject:	72 hour BGT Closure Notice - JC GORDON B 1 (API# 30-045-06426)
Attachments:	JC GORDON B 1_30045064260000_BGT permit.pdf

Subject: 72 Hour BGT Closure Notification

Anticipated Start Date: Tuesday, 10/10/2023 at 9:00 AM

The subject well has a below-grade tank that will be permanently removed. The BGT permit is attached. Please contact me if you have any questions or concerns.

Reason:	Well will be P&A'd.		
Operator:	Hilcorp Energy Surface Owner: FEDERA		
Footages:	990' FNL & 1650' FWL		
Location:	Unit C (NENW), Section 24, T27N, R10W		
API#:	30-045-06426		
Well Name:	J C GORDON B 1		

Please Note Required Photos for Closure

- Well site placard
- Photos of the BGT prior to closure
- The sample location or, more preferred, photos of actual sample collection
- Final state of the area after closure.
- Photos will require captioning including direction of photo, date and time of photo and a description of the image contents.

Thanks,

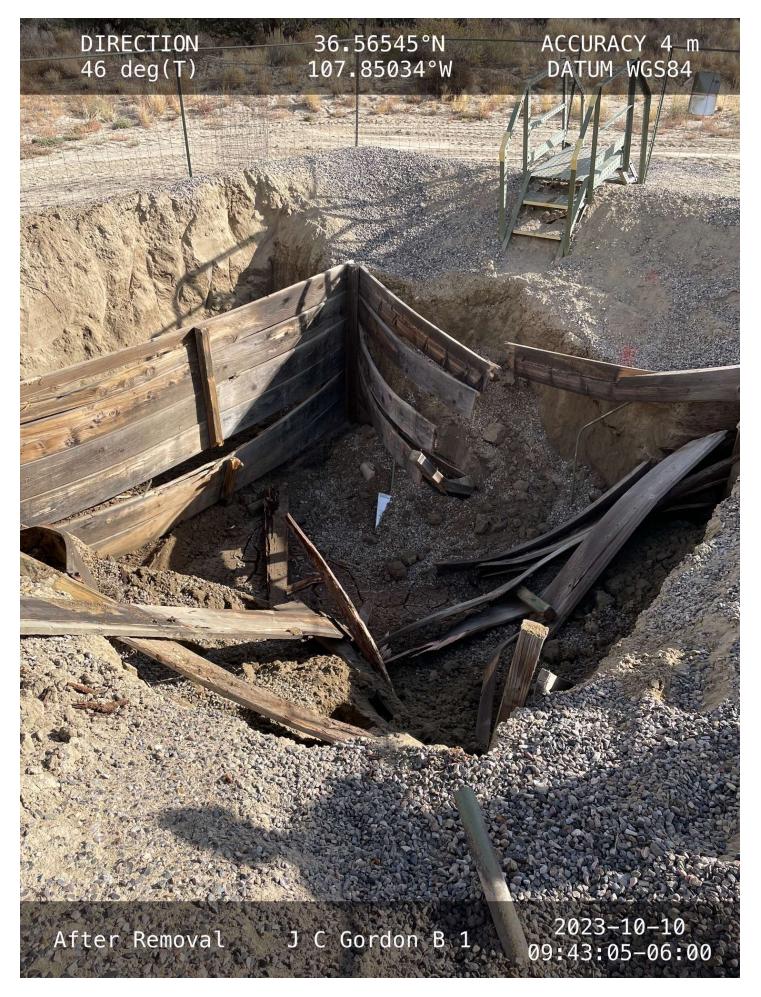
Tammy Jones | HILCORP ENERGY COMPANY | San Juan Regulatory | 505.324.5185 | tajones@hilcorp.com

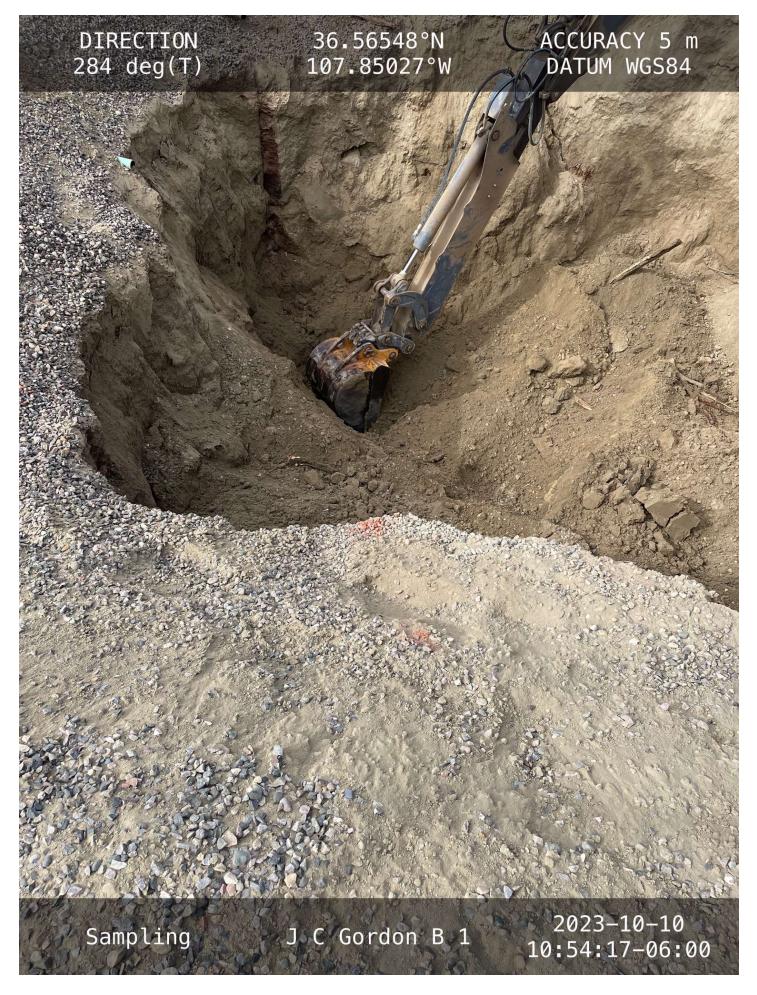


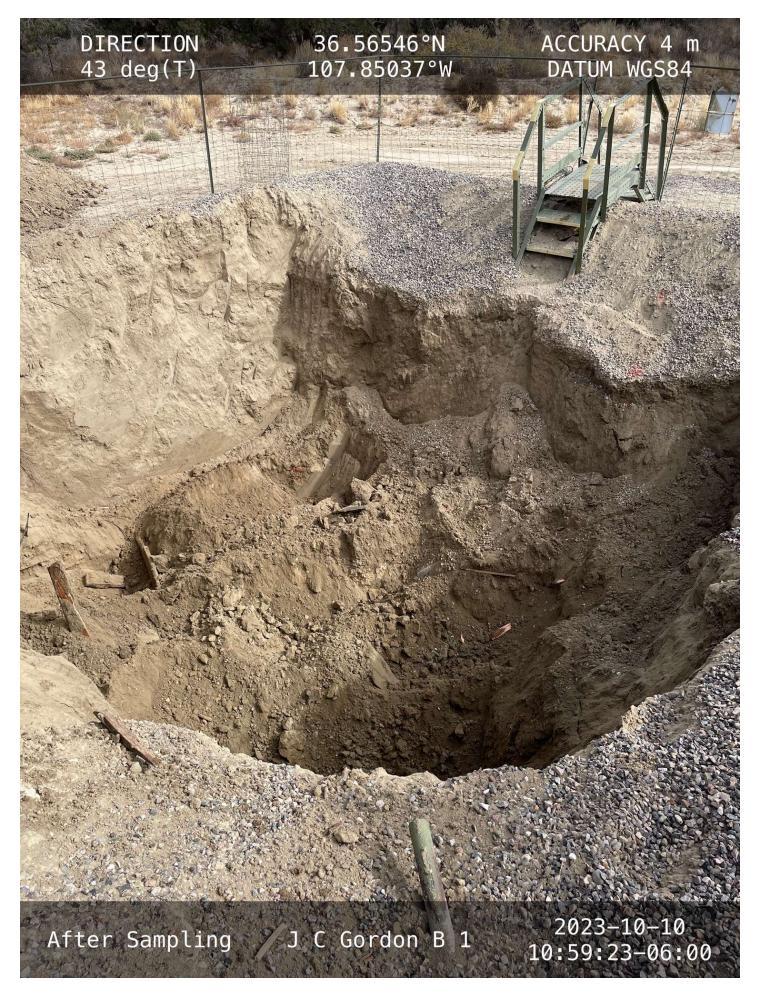


DIRECTION 16 deg(T)	36.56544°N 107.85039°W	ACCURACY 5 m DATUM WGS84
-		
	J.C. M. C. M.	
	ХТ709 120	6 – 9 9
	3/16	NA
	EXP	3/16
		2023-10-10
Tank Information	J C Gordon B 1	09:40:14-06:00

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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

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Revised August 24, 2018 Submit to appropriate OCD District office

)

Incident ID	
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party Hilcorp Energy Company	OGRID 372171
Contact Name Tammy Jones	Contact Telephone (505) 324-5185
Contact email tajones@hilcorp.com	Incident # (assigned by OCD)
Contact mailing address 382 Road 3100 Aztec NM 87410	

Location of Release Source

36.565240 Latitude

-107.850370 Longitude (NAD 83 in decimal degrees to 5 decimal places)

Site Name JC Gordon B 1	Site Type Gas Well
Date Release Discovered N/A	API# (if applicable) 30-045-06426

Unit Letter	Section	Township	Range	County
С	24	27N	10W	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)

Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
Produced Water	Volume Released (bbls)	Volume Recovered (bbls)
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	Yes No
Condensate	Volume Released (bbls)	Volume Recovered (bbls)
Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)
Cause of Release	,	

No release was encountered during the BGT Closure.

Page	2
I age	4

Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

Was this a major release as defined by 19.15.29.7(A) NMAC?	If YES, for what reason(s) does the responsible party consider this a major release?
🗌 Yes 🖾 No	N/A
If YES, was immediate no	otice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?
Not Required	

Initial Response

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

The source of the release has been stopped.

The impacted area has been secured to protect human health and the environment.

Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.

All free liquids and recoverable materials have been removed and managed appropriately.

If all the actions described above have not 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:	Tammy Jones	Title: Operations/Regulatory Technician – Sr.
Signature:	Tammy Jones	Date: <u>12/7/2023</u>
email:	tajones@hilcorp.com	Telephone:(505)324-5185
OCD Only		
Received by:		Date:



October 24, 2023

Kate Kaufman HILCORP ENERGY PO Box 4700 Farmington, NM 87499 TEL: (505) 564-0733 FAX: Hall Environmental Analysis Laboratory 4901 Hawkins NE Albuquerque, NM 87109 TEL: 505-345-3975 FAX: 505-345-4107 Website: www.hallenvironmental.com

RE: JC Gordon B1

OrderNo.: 2310591

Dear Kate Kaufman:

Hall Environmental Analysis Laboratory received 1 sample(s) on 10/12/2023 for the analyses presented in the following report.

These were analyzed according to EPA procedures or equivalent. To access our accredited tests please go to www.hallenvironmental.com or the state specific web sites. In order to properly interpret your results, it is imperative that you review this report in its entirety. See the sample checklist and/or the Chain of Custody for information regarding the sample receipt temperature and preservation. Data qualifiers or a narrative will be provided if the sample analysis or analytical quality control parameters require a flag. When necessary, data qualifiers are provided on both the sample analysis report and the QC summary report, both sections should be reviewed. All samples are reported, as received, unless otherwise indicated. Lab measurement of analytes considered field parameters that require analysis within 15 minutes of sampling such as pH and residual chlorine are qualified as being analyzed outside of the recommended holding time.

Please don't hesitate to contact HEAL for any additional information or clarifications.

ADHS Cert #AZ0682 -- NMED-DWB Cert #NM9425 -- NMED-Micro Cert #NM0901

Sincerely,

Ander

Andy Freeman Laboratory Manager 4901 Hawkins NE Albuquerque, NM 87109

Project:

Lab ID:

CLIENT: HILCORP ENERGY

JC Gordon B1

2310591-001

Analytical Report Lab Order 2310591

Date Reported: 10/24/2023

Hall Environmental Analysis Laboratory, Inc.

Client Sample ID: Bottom Comp 7' Collection Date: 10/10/2023 11:00:00 AM Received Date: 10/12/2023 6:30:00 AM

		t	al Units	DF	Date Analyzed
EPA METHOD 8015M/D: DIESEL RANGE OF	GANICS				Analyst: DGH
Diesel Range Organics (DRO)	ND	8.8	mg/Kg	1	10/19/2023 1:49:57 AM
Motor Oil Range Organics (MRO)	ND	44	mg/Kg	1	10/19/2023 1:49:57 AM
Surr: DNOP	95.7	69-147	%Rec	1	10/19/2023 1:49:57 AM
EPA METHOD 8015D: GASOLINE RANGE					Analyst: JJP
Gasoline Range Organics (GRO)	ND	4.9	mg/Kg	1	10/17/2023 8:04:25 PM
Surr: BFB	89.2	15-244	%Rec	1	10/17/2023 8:04:25 PM
EPA METHOD 8021B: VOLATILES					Analyst: JJP
Benzene	ND	0.025	mg/Kg	1	10/17/2023 8:04:25 PM
Toluene	ND	0.049	mg/Kg	1	10/17/2023 8:04:25 PM
Ethylbenzene	ND	0.049	mg/Kg	1	10/17/2023 8:04:25 PM
Xylenes, Total	ND	0.099	mg/Kg	1	10/17/2023 8:04:25 PM
Surr: 4-Bromofluorobenzene	98.4	39.1-146	%Rec	1	10/17/2023 8:04:25 PM
EPA METHOD 300.0: ANIONS					Analyst: JMT
Chloride	ND	60	mg/Kg	20	10/18/2023 1:17:14 PM

Matrix: SOIL

Refer to the QC Summary report and sample login checklist for flagged QC data and preservation information.

Qualifiers:

- * Value exceeds Maximum Contaminant Level. D Sample Diluted Due to Matrix
- Н Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- PQL Practical Quanitative Limit
- % Recovery outside of standard limits. If undiluted results may be estimated. S
- в Analyte detected in the associated Method Blank
- Е Above Quantitation Range/Estimated Value
- J Analyte detected below quantitation limits Sample pH Not In Range
- Р
- RL Reporting Limit

Client: Project:		ORP ENERGY rdon B1								
Sample ID:	MB-78217	SampType: mt Batch ID: 78		TestCode: EPA Method 300.0: Anions						
Client ID:	PBS	F	RunNo: 10	0554						
Prep Date:	10/18/2023	Analysis Date: 10	/18/2023	S	SeqNo: 36	86720	Units: mg/K	g		
Analyte		Result PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride		ND 1.5								
Sample ID:	LCS-78217	SampType: Ics		Tes	tCode: EP	A Method	300.0: Anions	5		
Client ID:	LCSS	Batch ID: 78	217	F	RunNo: 10	0554				
Prep Date:	10/18/2023	Analysis Date: 10	/18/2023	S	SeqNo: 36	86721	Units: mg/K	g		
Analyte		Result PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride		14 1.5	15.00	0	91.7	90	110			

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- D Sample Diluted Due to Matrix
- Н Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- PQL Practical Quanitative Limit
- % Recovery outside of standard limits. If undiluted results may be estimated. S
- В Analyte detected in the associated Method Blank Е
- Above Quantitation Range/Estimated Value
- J Analyte detected below quantitation limits Sample pH Not In Range
- Р RL Reporting Limit

2310591

24-Oct-23

WO#:

QC SUMMARY REPORT Hall Environmental Analysis Laboratory, Inc.

Client: HILCOR Project: JC Gorde	P ENERGY	Y								
Sample ID: LCS-78196 SampType: LCS TestCode: EPA Method 8015M/D: Diesel Range Organics										
Client ID: LCSS	Batch	ID: 781	196	F	RunNo: 100548					
Prep Date: 10/17/2023	Analysis D	ate: 10	/18/2023	S	SeqNo: 36	86083	Units: mg/K	g		
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Diesel Range Organics (DRO)	52	10	50.00	0	104	61.9	130			
Surr: DNOP	5.1		5.000		101	69	147			
Sample ID: MB-78196	SampT	уре: МЕ	BLK	Tes	tCode: EF	A Method	8015M/D: Die	sel Range	Organics	
Client ID: PBS	Batch	ID: 781	196	F	RunNo: 10	0548				
Prep Date: 10/17/2023	Analysis D	ate: 10	/18/2023	S	SeqNo: 36	86086	Units: mg/K	g		
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Diesel Range Organics (DRO)	ND	10								
Motor Oil Range Organics (MRO)	ND	50								
Surr: DNOP	9.6		10.00		95.9	69	147			

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- D Sample Diluted Due to Matrix
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- PQL Practical Quanitative Limit
- S % Recovery outside of standard limits. If undiluted results may be estimated.
- B Analyte detected in the associated Method Blank
- E Above Quantitation Range/Estimated Value
- J Analyte detected below quantitation limits
- P Sample pH Not In Range
- RL Reporting Limit
- Released to Imaging: 12/8/2023 11:02:13 AM

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2310591

24-Oct-23

WO#:

QC SUMMARY REPORT Hall Environmental Analysis Laboratory, Inc.

Client: HILCOR Project: JC Gord	AP ENERGY on B1	ľ								
Sample ID: Ics-78185	SampT	ype: LC	S	Tes	tCode: EF	A Method	8015D: Gaso	line Range		
Client ID: LCSS	Batch	ID: 781	185	F	RunNo: 10	00510				
Prep Date: 10/16/2023	Analysis D	ate: 10	/17/2023	S	SeqNo: 36	83923	Units: mg/K	g		
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)	24	5.0	25.00	0	95.8	70	130			
Surr: BFB	2000		1000		195	15	244			
Sample ID: mb-78185	SampT	ype: MB	BLK	Tes	tCode: EF	PA Method	8015D: Gaso	line Range		
Client ID: PBS	Batch	ID: 781	185	F	RunNo: 1(00510				
Prep Date: 10/16/2023	Analysis D	ate: 10	/17/2023	S	SeqNo: 36	683924	Units: mg/K	g		
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)	ND	5.0								
Surr: BFB	920		1000		92.1	15	244			

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
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- Н Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- PQL Practical Quanitative Limit
- % Recovery outside of standard limits. If undiluted results may be estimated. S
- В Analyte detected in the associated Method Blank
- Е Above Quantitation Range/Estimated Value
- J Analyte detected below quantitation limits Sample pH Not In Range
- Р RL Reporting Limit

2310591

24-Oct-23

WO#:

Client:

Project:

QC SUMMARY REPORT Hall Environmental Analysis Laboratory, Inc.

HILCORP ENERGY

JC Gordon B1

Released to Imaging:	12/8/2023	11:02:13 AM

Sample ID: LCS-78185	SampType: LCS TestCode: EPA Method 8				8021B: Volati	les				
Client ID: LCSS	Batch ID: 78185 RunNo: 100510									
Prep Date: 10/16/2023	Analysis Date: 10/17/2023		SeqNo: 3683957			Units: mg/Kg				
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Benzene	0.97	0.025	1.000	0	97.2	70	130			
Toluene	0.99	0.050	1.000	0	98.6	70	130			
Ethylbenzene	1.0	0.050	1.000	0	100	70	130			
Xylenes, Total	3.0	0.10	3.000	0	100	70	130			
Surr: 4-Bromofluorobenzene	1.0		1.000		104	39.1	146			
Sample ID: mb-78185	Samp	Гуре: МВ	LK	Tes	tCode: EF	PA Method	8021B: Volati	les		
Sample ID: mb-78185 Client ID: PBS	•	Гуре: МВ h ID: 781			tCode: EF RunNo: 10		8021B: Volati	les		
	•	h ID: 781	85	F		00510	8021B: Volati Units: mg/K			
Client ID: PBS	Batc	h ID: 781	85	F	RunNo: 1(00510			RPDLimit	Qual
Client ID: PBS Prep Date: 10/16/2023	Batc Analysis [h ID: 78 1 Date: 10	85 /17/2023	F	RunNo: 1(SeqNo: 36	00510 683958	Units: mg/K	g	RPDLimit	Qual
Client ID: PBS Prep Date: 10/16/2023 Analyte	Batc Analysis I Result	h ID: 781 Date: 10 PQL	85 /17/2023	F	RunNo: 1(SeqNo: 36	00510 683958	Units: mg/K	g	RPDLimit	Qual
Client ID: PBS Prep Date: 10/16/2023 Analyte Benzene	Batc Analysis [Result ND	h ID: 781 Date: 10 PQL 0.025	85 /17/2023	F	RunNo: 1(SeqNo: 36	00510 683958	Units: mg/K	g	RPDLimit	Qual
Client ID: PBS Prep Date: 10/16/2023 Analyte Benzene Toluene	Analysis I Result ND ND	h ID: 781 Date: 10 PQL 0.025 0.050	85 /17/2023	F	RunNo: 1(SeqNo: 36	00510 683958	Units: mg/K	g	RPDLimit	Qual

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- D Sample Diluted Due to Matrix
- Н Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
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- % Recovery outside of standard limits. If undiluted results may be estimated. S
- В Analyte detected in the associated Method Blank Е
- Analyte detected below quantitation limits
- J

Above Quantitation Range/Estimated Value

- Р Sample pH Not In Range
- RL Reporting Limit

Page 24 of 28

WO#:	2310591
	24-Oct-23

HALL ENVIRONMENTAL ANALYSIS LABORATORY	A TEL: 505-345-39	tal Analysis Laborat 4901 Hawkins Ibuquerque, NM 87 75 FAX: 505-345-4 hallenvironmental.e	109 Sam 107	ple Log-In C	heck List
Client Name: HILCORP ENERGY	Work Order Numb	er: 2310591		RcptNo:	1
Received By: Tracy Casarrubias Completed By: Tracy Casarrubias Reviewed By: SCM 10/19/93	10/12/2023 6:30:00 10/12/2023 7:13:22				
Chain of Custody					
-1. Is Chain of Custody complete?		Yes	No 🔽	Not Present	
2. How was the sample delivered?		Courier			
Log In 3. Was an attempt made to cool the samples	?	Yes 🔽	No 🗌	NA 🗌	
4. Were all samples received at a temperature	e of >0° C to 6.0°C	Yes 🔽	No 🗌	NA 🗌	
5. Sample(s) in proper container(s)?		Yes 🗹	No 🗌		
6. Sufficient sample volume for indicated test(s)2	Yes 🔽	No 🗌		
7. Are samples (except VOA and ONG) prope		Yes 🗹			
8. Was preservative added to bottles?		Yes	No 🗹	NA 🗌	
9. Received at least 1 vial with headspace <1/	4" for AO VOA2	Yes	No 🗔	NA 🔽	
10. Were any sample containers received brok		Yes	No 🗹		
11. Does paperwork match bottle labels? (Note discrepancies on chain of custody)		Yes 🗹	No 🗌	# of preserved bottles checked for pH: (<2 or	>12 unless noted)
12. Are matrices correctly identified on Chain of	Custody?	Yes 🔽	No 🗌	Adjusted?	
13. Is it clear what analyses were requested?		Yes 🔽	No 🗌		1-107
14. Were all holding times able to be met? (If no, notify customer for authorization.)		Yes 🗹	No 🗌	Checked by:	7~10/12/23
Special Handling (if applicable)					
15. Was client notified of all discrepancies with	this order?	Yes	No 🗌	NA 🗹	
Person Notified:	Date:				
By Whom:	Via:	🗌 eMail 🔄 Pł	none 🗌 Fax	In Person	
Regarding:		5	n in a set i al ferra a s		
Client Instructions: Mailing address	and phone number are	missing on COC-	TMC 10/12/23		
16. Additional remarks:					
17. <u>Cooler Information</u> Cooler No Temp °C Condition S 1 2.6 Good Ye	Seal Intact Seal No es Yogi	Seal Date	Signed By		

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	hain	Chain-of-Custody Record	Turn-Around Time:		
Client:			Standard 🛛 Rush		.>
	1	110		www.hallenvironmental.com	
Mailing	Mailing Address:		IT C Gordan B 1	4901 Hawkins NE - Albuquerque, NM 87109	
			Project #:	Tel. 505-345-3975 Fax 505-345-4107	
Phone #:	#:			Analysis Request	
email c	or Fax#:/	email or Fax#: brander . Sincle intoh i loor	Project Manager:	*OS	
QA/QC □ Stai	QA/QC Package:	: C ひょ C レート C レート	Kate Kautwar	- LO^{*+} 02IW2	
Accrec	Accreditation:	□ Az Compliance □ Other	Sampler: Brandon Sinclair On Ice: NYes DNO IM	20 / DF 8/808/2 5/604.1) 01 827 5 5 5 7 20 7 5 5 7 0 7 2 0 7 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	
			olers:	:ide: 9 bo 10 5 10 3 10 3 10 3 10 3 10 3 10 3 10 3 10 3	
			Cooler Temp(Induding cr): 7. 6 - 6 - 2.6	03159 (estic Metho 8 yc 8 M6 7 , 1 1	
				2270 (5 260 (1 260 (1 2	
Date	Time	-	1d # I ype		
10-10	1100	Soil Bottom Comp 7	402 jar COO/ 001		\top
					\square
Date: 10-1/	 Щ	Relinquished by	Via:culliner	Kemarks:	
Date:	Time:	Relinquished by:	Received by Via: Date Time		
Release	If necessar d to Imag	X samples submitted to Hall Environmental may be subtime: 12/8/2023 11:02:13 AM	contracted to other accredited laboratories. This serves as not	If necessary, samples submitted to Hall Environmental may be subcontracted to other accredited laboratories. This serves as notice of this possibility. Any sub-contracted data will be clearly notated on the analytical report.] .



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

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

District III

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

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

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

CONDITIONS

Operator:	OGRID:	
HILCORP ENERGY COMPANY	372171	
1111 Travis Street	Action Number:	
Houston, TX 77002	292382	
	Action Type:	
	[C-144] Below Grade Tank Plan (C-144B)	

CONDITIONS

Created By		Condition Date
vvenegas	None	12/8/2023

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Action 292382