District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec. NM 87505
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Department
District III
1000 Rio Brazos Road, Aztec. NM 87505

Told Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.

For permanent pits and exceptions submit to

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

### Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application

Type of action:	Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method
	Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method
	Modification to an existing permit
	Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system,
below-grade tank	k, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, 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: Four Star Oil & Gas Company OGRID #: 131944							
Address: P.O. Box 36366 Houston, TX 77236							
Facility or well name: CW Roberts 8A							
API Number: <u>30-039-25375</u> OCD Permit Number:							
U/L or Qtr/Qtr Otr/Qtr H Section 17 Township 25N Range 3W County: Rio Arriba							
Center of Proposed Design: Latitude 36 400553° Longitude 107 162656° NAD: 1927 1983							
Surface Owner:  Federal State Private Tribal Trust or Indian Allotment							
2.							
Pit: Subsection F or G of 19.15.17.11 NMAC							
Temporary: Drilling Workover							
Permanent Emergency Cavitation P&A							
☐ Lined ☐ Unlined Liner type: Thicknessmil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other							
☐ String-Reinforced							
Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x D							
Closed-loop System: Subsection H of 19.15.17.11 NMAC   Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)   Drying Pad Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other   Liner Seams: Welded Factory Other							
4.    Below-grade tank: Subsection 1 of 19.15.17.11 NMAC							
Volume: 95 bbl Type of fluid: Produced Water							
Tank Construction material: Fiberglass							
Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off							
☐ Visible sidewalls and liner ☒ Visible sidewalls only ☐ Other							
Liner type: Thicknessmil							
5.  Alternative Method:							

Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

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, institution or church)	hospital,						
Four foot height, four strands of barbed wire evenly spaced between one and four feet							
Alternate. Please specify Four foot, pipe frame with square wire mesh.							
7.							
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)							
8.							
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 19.15.3.103 NMAC							
9. Administrative Approvals 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:  Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau	office for						
consideration of approval.  Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.							
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the approoffice or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to dry above-grade tanks associated with a closed-loop system.	priate district pproval. ing pads or						
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.  - Please reference hydrogeologic report and printout from iWATERS database.	☐ Yes 🛛 No						
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).  - Please reference the attached topographic map with distance rings. In addition, a field visit was conducted by Envirotech in July 2008 certifying that, at the time, there were no watercourses within the distance specified above.	☐ Yes ☑ No						
<ul> <li>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.</li> <li>(Applies to temporary, emergency, or cavitation pits and below-grade tanks)</li> <li>Please reference the attached aerial photo. In addition, a field visit was conducted by Envirotech in July 2008 certifying that, at the time, there were no referenced buildings within the distance specified above.</li> </ul>	☐ Yes ☑ No ☐ NA						
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.  (Applies to permanent pits)  - Please reference the attached aerial photo. In addition, a field visit was conducted by Envirotech in July 2008 certifying that, at the time,	Yes No						
within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.  - Please reference the attached iWATERS printout. In addition, a field visit was conducted by Envirotech in July 2008 certifying that, at the time, there were no wells or springs within the distances specified above.	☐ Yes ☑ 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.  The site is not within any known incorporated municipal boundaries, please reference the attached topographic map.	☐ Yes ☒ No						
Within 500 feet of a wetland.  - Please reference the attached topographic map with distance rings. In addition, a field visit was conducted by Envirotech in July 2008 certifying that, at the time, there were no wetlands within the distance specified above	Yes ⊠ No  Yes ⊠ No						
Within the area overlying a subsurface mine.  - Please reference the attached topographic map	☐ Yes ⊠ No						
Within an unstable area.  - Please reference the attached topographic map which includes FEMA flood map data. The map indicates the well site is outside of any known 100 year floodplains.	Yes No						
Within a 100-year floodplain.							

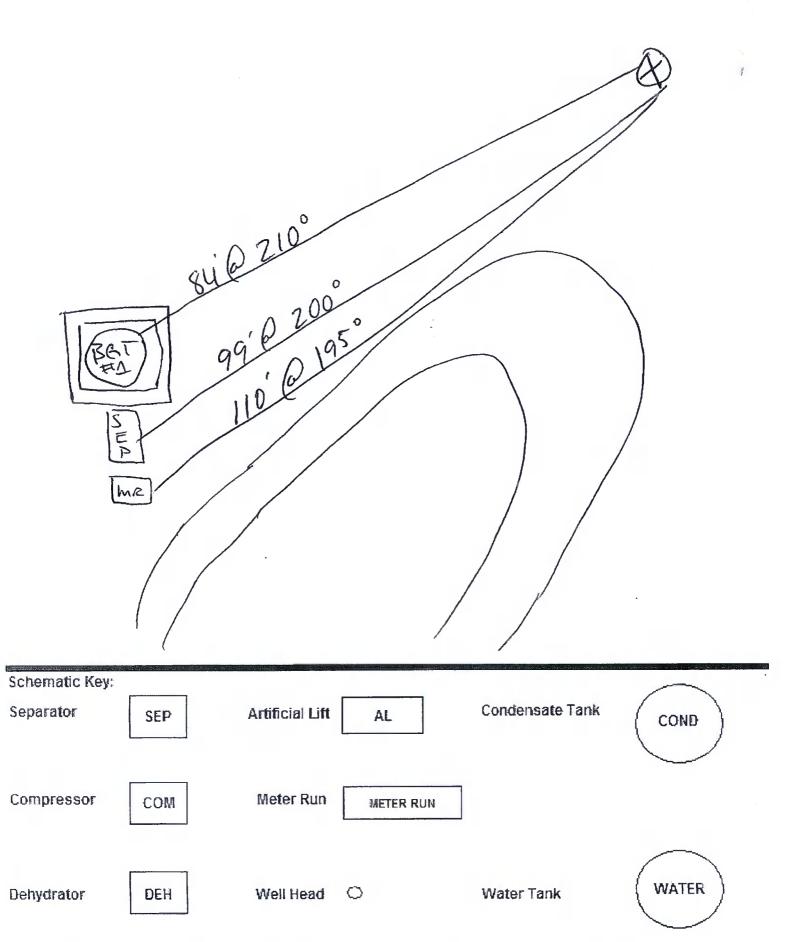
Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are
attached.  Hydrogeologic Report (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:
Closed-loop Systems 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.    Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9   Siting Criteria Compliance Demonstrations (only for on-site closure) - 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:   (Applies only to closed-loop system that use
above ground steel tanks or haul-off bins and propose to implement waste removal for closure)
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   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 H <sub>2</sub> S, 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
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 Closed-loop System 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 (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)
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 F 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 G of 19.15.17.13 NMAC

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground St Instructions: Please indentify the facility or facilities for the disposal of liquids, dr facilities are required.	eel Tanks or Haul-off Bins Only: (19.15.17.13.E illing fluids and drill cuttings. Use attachment if r	NMAC) nore than two					
	risposal Facility Permit Number:						
Disposal Facility Name:	risposal Facility Permit Number:						
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations?  Yes (If yes, please provide the information below)  No							
Required for impacted areas which will not be used for future service and operations  Soil Backfill and Cover Design Specifications based upon the appropriate representation Plan - based upon the appropriate requirements of Subsection  Site Reclamation Plan - based upon the appropriate requirements of Subsection	equirements of Subsection H of 19.15.17.13 NMAC of 19.15.17.13 NMAC	C					
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 deduced below. Requests regarding changes to certain siting criteria may require considered an exception which must be submitted to the Santa Fe Environmental Indemonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for	administrative approval from the appropriate dist Bureau office for consideration of approval.  Justi	rict office or may be					
Ground water is less than 50 feet below the bottom of the buried waste.  - NM Office of the State Engineer - iWATERS database search; USGS; Data of	obtained from nearby wells	Yes No					
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data of	obtained from nearby wells	Yes No					
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 of	obtained from nearby wells	Yes No					
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signilake (measured from the ordinary high-water mark).  - Topographic map; Visual inspection (certification) of the proposed site	ficant watercourse or lakebed, sinkhole, or playa	☐ Yes ☐ No					
Within 300 feet from a permanent residence, school, hospital, institution, or church in Visual inspection (certification) of the proposed site; Aerial photo; Satellite in		☐ Yes ☐ No					
Within 500 horizontal feet of a private, domestic fresh water well or spring that less to watering purposes, or within 1000 horizontal feet of any other fresh water well or spring - NM Office of the State Engineer - iWATERS database; Visual inspection (co	ing, in existence at the time of initial application.	☐ Yes ☐ No					
Within incorporated municipal boundaries or within a defined municipal fresh water adopted pursuant to NMSA 1978, Section 3-27-3, as amended.  - Written confirmation or verification from the municipality; Written approval		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					
Within the area overlying a subsurface mine.  - Written confirmation or verification or map from the NM EMNRD-Mining a	nd Mineral Division	Yes No					
Within an unstable area.  - Engineering measures incorporated into the design; NM Bureau of Geology Society; Topographic map	& Mineral Resources; USGS; NM Geological	Yes No					
Within a 100-year floodplain FEMA map		☐ Yes ☐ No					
Non-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the by a check mark in the box, that the documents are attached.  Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of Some Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Some Construction/Design Plan of Temporary Pit (for in-place burial of a drying pactory Protocols and Procedures - based upon the appropriate requirements of 19.15.  Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Some Disposal Facility Name and Permit Number (for liquids, drilling fluids and drime Soil Cover Design - based upon the appropriate requirements of Subsection Herevegetation Plan - based upon the appropriate requirements of Subsection I	rements of 19.15.17.10 NMAC Subsection F of 19.15.17.13 NMAC repriate requirements of 19.15.17.11 NMAC d) - based upon the appropriate requirements of 19. 17.13 NMAC rements of Subsection F of 19.15.17.13 NMAC subsection F of 19.15.17.13 NMAC ll cuttings or in case on-site closure standards cann of 19.15.17.13 NMAC	15.17.11 NMAC					

Operator Application Certification:  I hereby certify that the information submitted with this application is true, accura	ate and complete to the best of my knowledge and belief.
Name (Print): Rodney Bailey	Title: Waste & Water Group Lead
Signature: Today Bo, by	Date: March 1, 2010
e-mail address: Bailerg@chevron.com	Telephone: (432) 687 7123
OCD Approval: Permit Application (including closure plan) Closure Plan	an (only) OCD Conditions (see attachment)
OCD Representative Signature:	Approval Date:
Title:	OCD Permit Number:
Closure Report (required within 60 days of closure completion): Subsection I Instructions: Operators are required to obtain an approved closure plan prior to The closure report is required to be submitted to the division within 60 days of the section of the form until an approved closure plan has been obtained and the closure pl	o implementing any closure activities and submitting the closure report.  ne completion of the closure activities. Please do not complete this
22.  Closure Method:  Waste Excavation and Removal On-Site Closure Method Alternat	tive Closure Method  Waste Removal (Closed-loop systems only)
If different from approved plan, please explain.	
Closure Report Regarding Waste Removal Closure For Closed-loop Systems Instructions: Please indentify the facility or facilities for where the liquids, drill two facilities were utilized.	
Disposal Facility Name:	Disposal Facility Permit Number:
Disposal Facility Name:	Disposal Facility Permit Number:
Were the closed-loop system operations and associated activities performed on or  Yes (If yes, please demonstrate compliance to the items below) No	
Required for impacted areas which will not be used for future service and operation  Site Reclamation (Photo Documentation)  Soil Backfilling and Cover Installation  Re-vegetation Application Rates and Seeding Technique	ons:
	ms must be attached to the closure report. Please indicate, by a check
Operator Closure Certification:	
I hereby certify that the information and attachments submitted with this closure re- belief. I also certify that the closure complies with all applicable closure requirem	
Name (Print):	Title:
Signature:	Date:
e-mail address:	Telephone:

Well Name & Number: (W. Roberts # 8A DATE: 7-24-08 API#: 3003925375 Initials: SG • Lease #: SF079600 Quarter/Quarter: H Section: 17 Township: 25N Range: 3W Lat: 34.400553 Long: 107.142656° Pit Tank #1: Manufacturer: NA Serial #: NA DOM: NA Size NA bbl ○ If N/A – Dimensions: Diameter 13 ′ Height 3 Steel\_\_\_\_ Galvanized Material: Fiberglass Tank Configuration: Double Wall\_\_\_\_ Single Wall\_X\_(Buried\_\_\_ or Exposed X\_Walls) Contents: Produced Water X Condensate Recycled Oil Tank Top Covering: Solid/Cone-top\_\_\_\_ NettingX (Solid\_FiberX) Secondary Containment: Yes X No Fencing around berm: Yes X No o Fence Type: Cattle Panel\_\_\_\_ Field Fence X Barbwire\_ Pit Tank #2: Manufacturer: Serial #:\_\_\_\_\_ DOM:\_\_\_\_ ○ If N/A – Dimensions: Diameter\_\_\_\_\_ Height\_\_\_\_ Steel\_\_\_\_ Galvanized\_\_\_ Material: **Fiberglass** Tank Configuration: Double Wall\_\_\_\_ Single Wall\_\_\_ (Buried\_\_\_ or Exposed\_\_\_ Walls) Contents: Produced Water Condensate Recycled Oil Tank Top Covering: Solid/Cone-top\_\_\_\_ Netting\_\_\_ (Solid\_ Fiber\_) Secondary Containment: Yes\_\_\_\_ No\_\_\_ Fencing around berm: Yes\_\_\_\_ No\_\_\_ o Fence Type: Cattle Panel\_\_\_\_ Field Fence\_\_\_\_ Barbwire\_\_\_ Above-Ground Tank #1: Manufacturer: Serial #:\_\_\_\_\_ DOM:\_\_\_\_ Size bbl o If N/A – Dimensions: Diameter\_\_\_\_\_ Height\_\_\_\_ Material: Steel\_\_\_\_ Galvanized\_\_\_\_ Fiberglass\_\_\_\_ Contents: Produced Water\_\_\_\_ Condensate\_\_\_\_ (State #\_\_\_\_\_) Recycled Oil\_\_\_ Secondary Containment: Yes No Above-Ground Tank #2: Manufacturer:\_\_\_\_\_ DOM:\_\_\_\_\_bbl Serial #:\_\_\_\_ ○ If N/A – Dimensions: Diameter\_\_\_\_\_ Height\_\_\_\_ Material: Steel\_\_\_\_ Galvanized\_\_\_\_ Fiberglass\_\_\_\_ Contents: Produced Water\_\_\_\_ (State #\_\_\_\_\_) Recycled Oil Secondary Containment: Yes\_\_\_\_ No\_\_\_\_ Above-Ground Tank #3: Manufacturer:\_\_\_\_ Size\_\_\_\_bbl ○ If N/A – Dimensions: Diameter\_\_\_\_ Height\_\_\_\_ Material: Steel\_\_\_\_ Galvanized Fiberglass Contents: Produced Water\_\_\_\_ Condensate\_\_\_ (State #\_\_\_\_\_) Recycled Oil\_\_\_\_ Secondary Containment: Yes\_\_\_\_ No\_\_\_\_



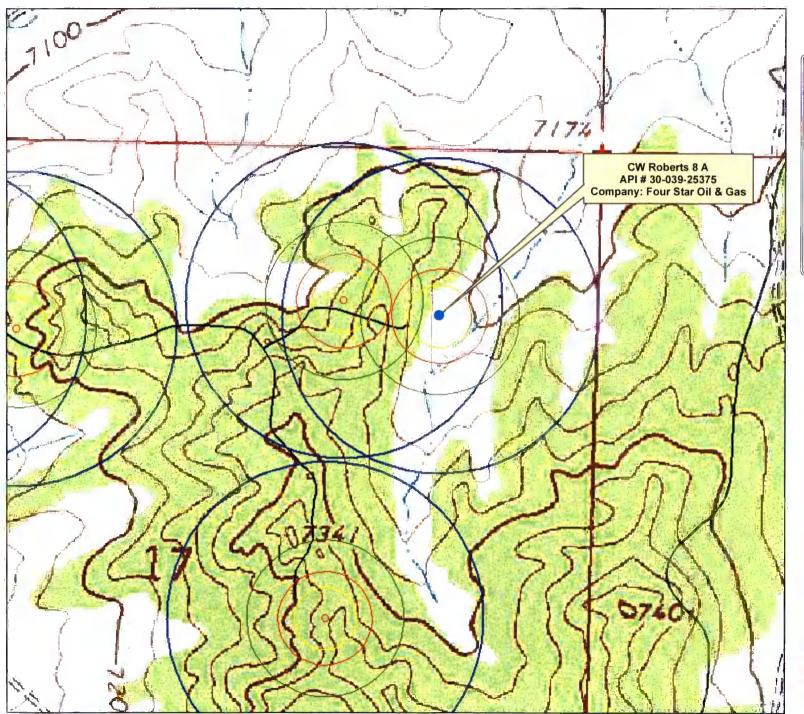


Measure any distance 1000ft or less of the following:

From wellhead to any continuous flowing or significant water course.

• From below-grade tanks to any permanent residence, school, church, hospital, etc. NA

### CW Roberts 8 A API # 30-039-25375





Disclamer, Data presented in the maps has been obtained or modified from data available from many different environmental programs, modified data available from many different environmental programs, modified data gathered from regional observations by Environdon, Inc. pursonmet. Outside data outcos include the MMU CSIS. When Database, USGS 7.5 Minute Quadrangia Maps... Chievron McContent I.P. and National Whiterads Inventory.

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ANY DATA OR INFORMATION PROVIDED BY THESE MAPS IS

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THE LIMPLED WARRANTES OF MERCHANTIBLITY AND

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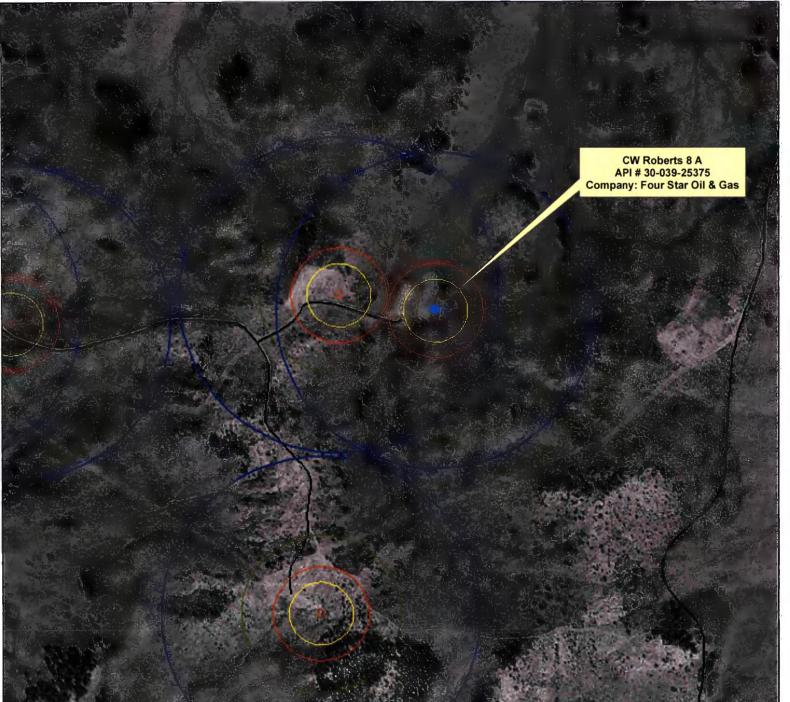
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Human Energy W



### CW Roberts 8 A API # 30-039-25375





Declared: Data presented in the regis his to en obtained or recided from data existible from resty different environmental programs, including data gathered from registral observations by Envirolets, incorporation (Joseph et al., 1997). Data of the source envisided environmental CGS, Welson Database, USGS 7.3 Minute Quadrangle Mates.

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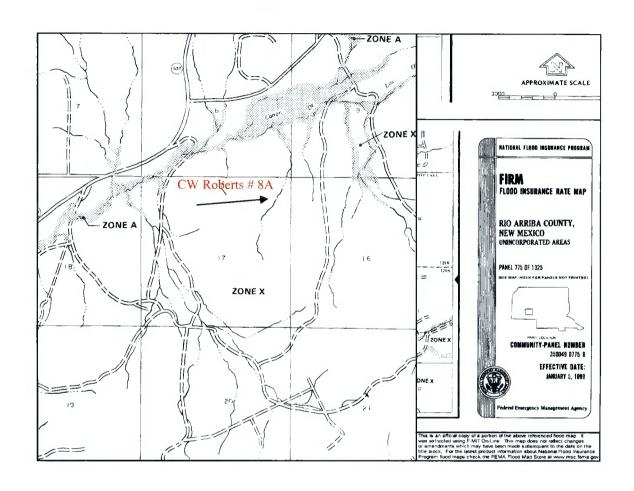
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provided by their maps shall be used and relied upon only at its
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Human Energy



### CW Roberts # 8A API # 30-039-25375 NE ¼ NE ¼ Sec. 17 T25N R3W

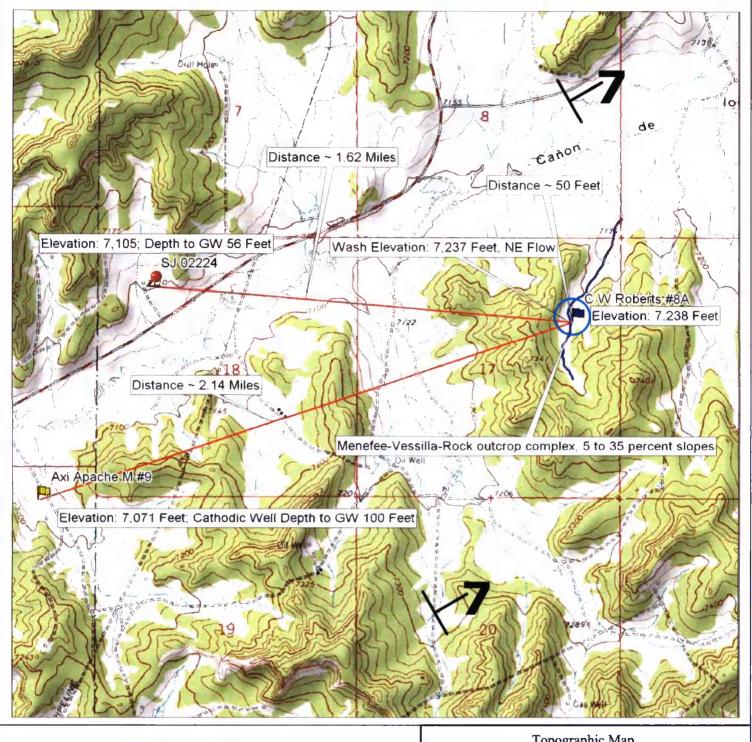


### C W Roberts #8A Groundwater Statement

The attached iWATERS database search and topographic map shows a water well approximately 1.62 miles to the north-west with a depth to groundwater of 56 feet. This water well is labeled on the topographic map with a red point. As evidenced on the attached topographic map, the water well is at an elevation approximately 133 feet lower than the C W Roberts #8A well site, which is represented by a blue flag on the topographic map. The attached cathodic well data sheet for a cathodic well drilled in 2003 for the Axi Apache M #9 well site, owned and operated by ConocoPhillips, indicates that groundwater was encountered at 100 feet. This cathodic well data sheet is stamped as being accepted by the OCD in February of 2004. The Axi Apache M #9 well site is located approximately 2.14 miles to the south-west of the C W Roberts #8A well site at an elevation approximately 167 feet lower than the C W Roberts #8A well site. The Axi Apache M #9 well site is represented on the map by a yellow flag. The soil type at the C W Roberts #8A well site is a Menefee-Vessilla-Rock outcrop complex, 5 to 35 percent slopes. This is a well drained soil, characterized by colluvium derived from shale over residuum weathered from sandstone and/or slope alluvium derived from sandstone, with a very low available water capacity. The nearest wash is approximately 50 feet to the west of the C W Roberts #8A well site at an elevation of 7,237 feet. This is a north-east flowing ephemeral wash that only exists during periods of heavy precipitation. This wash is a first order tributary of the Canon de los Ojitos Wash. The C W Roberts #8A well site lies in the San Jose Formation Aquifer which dips at 7 degrees to the north-east (Frenzel, 1983); see Topographic Map for aquifer dip direction. The San Jose Formation ranges from less than 200 feet in the west and south to nearly 2,700 feet in the basin center between Cuba and Gobernador (Frenzel, 1983). These findings give definitive proof that the depth to groundwater is greater than 50 feet from the bottom of the BGT at the C W Roberts #8A well site. All above information, excluding the aquifer dip, was confirmed by a visual inspection performed by Envirotech, Inc.

The San Jose Formation (Tsj) is the youngest Tertiary unit in the San Juan Basin and was named by Simpson (1948, p. 277-283). It is of early Eocene age and as early as 1875 was correlated with the Wasatch Formation in Wyoming. The San Jose is the surface formation in the eastern two-thirds of the San Juan Basin. Although largely exposed in New Mexico, the San Jose also straddles the New Mexico/Colorado State boundaries. It outcrops in its west, south and northeast boundaries in a broad, and in some places irregular, southeasterly trending band in the Blanco Canyon to Largo Canyon area. On the east side, it rises structurally and outcrops in a narrow band along the west face of the Nacimiento Uplift forming the eastern boundary of the San Juan Basin. There are several smaller, isolated remnants of the San Jose Formation west of the central exposure. The San Jose has eroded deeply in some areas and because of differential resistance to erosion of its various sandstone and shale units, produces a large thickness variance and in some places formation of very rugged topographic expression (Baltz, 1967, p. 45). In some places it erodes to horseshoe-shaped badlands and massive cliffs. The San Jose overlays the nonresistant slope-forming Nacimiento Formation (Tn). Thickness of the San Jose ranges from less than 200' at the outcrop on the west and south sides to almost 2700 feet in the the Basin center (Stone, etal, p. 25). The thickness is 1300' or less on the southern part of the Tapicitos Plateau where the San Jose structurally rises and its upper beds are eroded. In the Largo Plains area (Largo Canyon) which marks the western exposure of the preserved San Jose, more than half of the Formation was removed by erosion (Baltz, p. 46). The San Jose Formation contact is that of an angular unconformity surface with the underlying Paleocene-age Nacimiento Formation near the Nacimiento Uplift, but is slightly disconformable to conformable in the Basin center (Stone, etal, p. 25).

The San Jose Formation is comprised of four identifiable rock facies (in ascending order) called the Cuba Mesa, the Regina, the Llaves and the Tapicitos Members. These four members are only present in the far eastern part of the basin (Brimhall, 1973, p. 198). Within the preserved area, only the Cuba Mesa and Regina are widespread throughout the basin. The oldest Member of the San Jose is the Cuba Mesa (150-800 feet thick), which is largely a massive cliff-forming buff and yellow, rusty-weathering cross-bedded arkosic coarse-grained sandstone with lenticular reddish, green and gray shale beds (Baltz, p. 46). The Cuba Mesa is overlain in the southern two-thirds of the area by drab-colored variegated shale and interbedded soft to hard sandstones known as the Regina Member (100 to 1700 feet thick) and overlain in the northern one-third by a thick sequence of sandstone called the Llaves (50 to 1300 feet thick) which in turn intertongues and grades southward into the Regina. In the northeastern part of the area, the upper Llaves Member grades southward and westward into the red silty mudstones, siltstones and interbedded poorly consolidated sandstones of the Tapicitos Member (120-500 feet thick) (Stone, etal, p. 25).



## LEGEND

Topographic Map C W Roberts #8A Sec 17, Twp 25N, Rge 3W Rio Arriba County, New Mexico

7 Aquifer Strike & Dip

V Ephemeral Wash

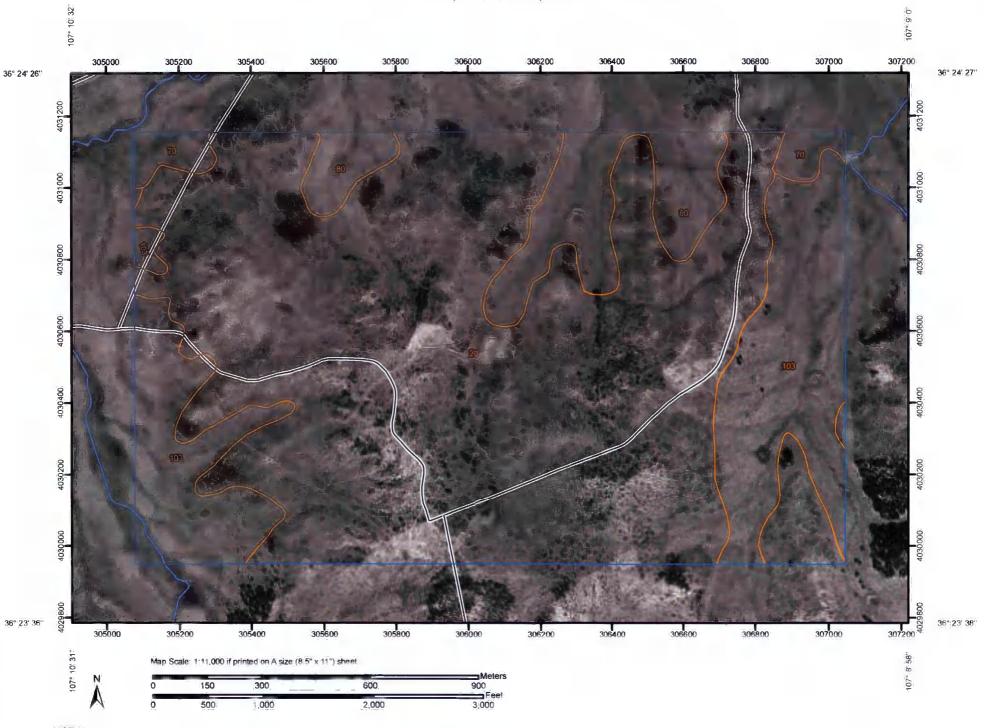
O Well Area Soil Type

Distance

SCAL	LE: M	rs		FIGURE	FIGURE NO. 1					
PROJECT NO92270-0342				TIGORE	NO.	1				
				REVISION	15					
NO.	DATE	BY			DESCRIPT	ION				
MAP	DRWN	JPM		DATE	6/29/09					



5796 U.S. HIGHWAY 64, FARMINGTON, NM 87401 505-632-0615



### MAP LEGEND

### Area of Interest (AOI)

Area of Interest (AOI)

### Soils

Soil Map Units

#### **Special Point Features**

Blowout (9)

Borrow Pit

Clay Spot Ж

Closed Depression

Gravel Pit ×

Gravelly Spot

Landfill

Lava Flow

Mine or Quarry 公

Miscellaneous Water

Marsh or swamp

Perennial Water

Rock Outcrop

Saline Spot

Sandy Spot

Severely Eroded Spot

Sinkhole

Slide or Slip

Sodic Spot

Spoil Area

Stony Spot

Wet Spot

Other

#### **Special Line Features**

Gully

Short Steep Slope

Very Stony Spot

Other

#### **Political Features**

### **Water Features**



Oceans

Rails

Cities

Streams and Canals

### Transportation

+++

Interstate Highways

**US Routes** 



Major Roads

Local Roads

### MAP INFORMATION

Map Scale: 1:11,000 if printed on A size (8.5" x 11") sheet.

The soil surveys that comprise your AOI were mapped at 1:24,000.

Please rely on the bar scale on each map sheet for accurate map measurements.

Source of Map: Natural Resources Conservation Service Web Soil Survey URL: http://websoilsurvey.nrcs.usda.gov Coordinate System: UTM Zone 13N NAD83

This product is generated from the USDA-NRCS certified data as of the version date(s) listed below.

Soil Survey Area: Rio Arriba Area, New Mexico, Parts of Rio Arriba and Sandoval Counties

Survey Area Data: Version 10, Dec 19, 2008

Date(s) aerial images were photographed: 10/4/1997

The orthophoto or other base map on which the soil lines were compiled and digitized probably differs from the background imagery displayed on these maps. As a result, some minor shifting of map unit boundaries may be evident.

### **Map Unit Legend**

Rio Arriba Area, New Mexico, Parts of Rio Arriba and Sandoval Countles (NM650)									
Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI						
20	Menefee-Vessilla-Rock outcrop complex, 5 to 35 percent slopes	412.8	70.5%						
70	Sparham clay loam, saline, sodic, 0 to 3 percent slopes	10.8	1.8%						
80	Orlie-Nalivag loams, 2 to 8 percent slopes	49.7	8.5%						
103	Orlie fine sandy loam, 1 to 8 percent slopes	112.5	19.2%						
Totals for Area of Interes	t	585.8	100.0%						

## Rio Arriba Area, New Mexico, Parts of Rio Arriba and Sandoval Counties

## 20—Menefee-Vessilla-Rock outcrop complex, 5 to 35 percent slopes

### **Map Unit Setting**

Elevation: 6,900 to 7,600 feet

Mean annual precipitation: 13 to 16 inches Mean annual air temperature: 45 to 49 degrees F

Frost-free period: 100 to 130 days

### **Map Unit Composition**

Menefee and similar soils: 35 percent Vessilla and similar soils: 30 percent

Rock outcrop: 15 percent

### **Description of Menefee**

### Setting

Landform: Hills

Landform position (two-dimensional): Backslope, footslope,

shoulder, toeslope

Landform position (three-dimensional): Crest, nose slope, side slope,

head slope

Down-slope shape: Convex Across-slope shape: Convex

Parent material: Colluvium derived from shale over residuum

### Properties and qualities

Slope: 5 to 35 percent

Depth to restrictive feature: 10 to 20 inches to paralithic bedrock

Drainage class: Well drained

Capacity of the most limiting layer to transmit water (Ksat): Very low

to moderately high (0.00 to 0.20 in/hr)

Depth to water table: More than 80 inches

Frequency of flooding: None Frequency of ponding: None

Calcium carbonate, maximum content: 10 percent Maximum salinity: Nonsaline (0.0 to 2.0 mmhos/cm)

Sodium adsorption ratio, maximum: 5.0

Available water capacity: Very low (about 1.9 inches)

### Interpretive groups

Land capability (nonirrigated): 7e

Ecological site: Pinus edulis-Juniperus monosperma/Quercus gambelii/Bouteloua gracilis (F035XG134NM)

### **Typical profile**

0 to 3 inches: Loam 3 to 10 inches: Clay loam 10 to 60 inches: Bedrock



### **Description of Vessilla**

### Setting

Landform: Mesas, hills

Landform position (two-dimensional): Summit, toeslope, backslope,

footslope, shoulder

Landform position (three-dimensional): Side slope, head slope, crest,

nose slope

Down-slope shape: Linear, convex Across-slope shape: Linear, convex

Parent material: Residuum weathered from sandstone and/or slope

alluvium derived from sandstone

### Properties and qualities

Slope: 5 to 35 percent

Depth to restrictive feature: 10 to 20 inches to lithic bedrock

Drainage class: Well drained

Capacity of the most limiting layer to transmit water (Ksat): Moderately high to high (0.20 to 1.98 in/hr)

Depth to water table: More than 80 inches

Frequency of flooding: None Frequency of ponding: None

Calcium carbonate, maximum content: 10 percent Maximum salinity: Nonsaline (0.0 to 2.0 mmhos/cm) Available water capacity: Very low (about 1.3 inches)

### Interpretive groups

Land capability (nonirrigated): 7s

Ecological site: Pinus edulis-Juniperus monosperma/Quercus

gambelii/Bouteloua gracilis (F035XG134NM)

### Typical profile

0 to 2 inches: Sandy loam 2 to 10 inches: Sandy loam 10 to 60 inches: Bedrock

### **Description of Rock Outcrop**

### Properties and qualities

Depth to restrictive feature: 0 inches to lithic bedrock Capacity of the most limiting layer to transmit water (Ksat): Very low (0.00 in/hr)

### Typical profile

0 to 60 inches: Bedrock

### **Data Source Information**

Soil Survey Area: Rio Arriba Area, New Mexico, Parts of Rio Arriba and Sandoval

Counties

Survey Area Data: Version 10, Dec 19, 2008



### OCD CATHODIC PROTECTION DEEPWELL GROUNDBED REPORT DATA SHEET: NORTHWESTERN NEW MEXICO

OPERATOR: ConocoPhillips CO.

ડો	JBI	TIN	2	COPIES	TO	0.0	C.D.	AZT	EC	OFF	ICE

FARMINGTON, NM 87401 PHONE: 500.3400

LOCATION INFORMAT					
TUCK HUR HALUNIAIN	TION			API Number	30-039-27285
WELL NAME OR PIPELINE SERVI	AXI APAC	HE M9	LEGAL LOCATION	A 24 25 4	INSTALLATION DATE 9/25/200
PPGO. RESTURIER NO.:	ADDITION	IAL WELLS:	NA		
TYPE OF LEASE:	EDERAL	LEASE NUM	ER: CONT	RACT 124	
GROUND BED INFORM	IATION				
		0.101			
TOTAL DEPTH: 400	CASING DIAMETER:		E OF CASING: PV	C CASING DEPTH	20 CASING GENERITED:
TOP ANOUE DEPTH: 295	BOTTOM ARODE				_
ANODE DEPTHS:	295,305,3	315,325,335,345	,355,365,375,385		
AMOUNT OF COKE 2300	LBS				
GAS DEPTH: C	WATER DEPTH EMENT PLUGS:	-			
OTHER INFORMATION					
TOP OF VENT PERFORATIONS: REMARKS:	275 <b>VENT</b>	PIPE DEPTIL 4	00		56789707

IF ANY OF THE ABOVE DATA IS UNAVAILABLE, PLEASE INDICATE SO, COPIES OF ALL LOGS, INCLUDING DRILLERS LOGS, WATER ANALYSIS, AND WELL BORE SCHEMATICS SHOULD BE SUBMITTED WHEN AVAILABLE. UNPLUGGED UNABANDONED WELLS ARE TO BE INCLUDED.

\*- LAND TYPE MAY BE SHOWN: F-FEDERAL; I-INDIAN; S-STATE; P-FEE IF FEDERAL OR INDIAN, ADD LEASE NUMBER.



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

(quarters are 1=NW 2=NE 3=SW 4=SE)

		(quarter						(NAD83 UTN	/I in meters)		(In fee	et)
POD Number	Sub basin Use	County		Q (		c Tws	Rng	X	Y			Water Column
RG 45161	DOM	RA	1	4	3 3	3 25N	03W	306737	4024915*	640	165	475
RG 49658	STK	RA	4	4	1 3	6 25N	03W	311780	4025413*	160	18	142
RG 79470	DOM	RA	4	4	4 2	4 25N	03W	312637	4027808*	504	125	379
SJ 01305	STK	RA	3	1	3 0	8 25N	03W	304876	4031601*	750	265	485
SJ 01453	STK	RA		2	2 3	6 25N	03W	312494	4025899*	132	70	62
SJ 02076	DOM	RA	2	4	4 3	6 25N	03W	312567	4024791*	295	75	220
SJ 02203	DOM	RA		4	2 0	1 25N	03W	312659	4033544*	665	245	420
SJ 02224	SAN	RA	4	1	1 1	8 25N	03W	303470	4030829*	325	56	269
SJ 02414	STK	RA	2	1 :	2 2	5 25N	03W	312226	4027615*	250	130	120
SJ 02415	DOM	RA	2	4	2 3	5 25N	03W	310976	4025630*	50	30	20
SJ 02416	STK	RA	4	4	1 2	6 25N	03W	310206	4027056*	150	110	40
SJ 02517	STK	RA	2	3	1 3	2 25N	03W	304944	4025765*	250	100	150
SJ 02519	STK	RA	3	1	2 2	7 25N	03W	308808	4027484*	1215	650	565
SJ 02520	STK	RA	3	2	2 2	2 25N	03W	309245	4029084*	1000	850	150
SJ 02695	STK	RA	3	2	1 1:	3 25N	03W	311693	4030643*	510	225	285
SJ 02949	DOM	RA	4	1	4 2	3 25N	03W	310634	4028254*	260	75	185
SJ 03228	STK	SJ	1	2	2 2	5 25N	03W	312428	4027606*	550	160	390
SJ 03231	DOM	RA	4	2	3 2	5 25N	03W	311806	4026619*	335	90	245

Average Depth to Water: 191 feet

Minimum Depth: 18 feet

Maximum Depth: 850 feet

Record Count: 18

**PLSS Search:** 

Township: 25N Range: 03W

## BELOW GRADE TANK (BGT) DESIGN AND CONSTRUCTION PLAN

### SUBMITTED TO:

### ENVIRONMENTAL BUREAU,

### NEW MEXICO OIL CONSERVATION DIVISION

### ON BEHALF OF:

CHEVRON USA INC., CHEVRON MIDCONTINENT, L.P., AND FOUR STAR OIL & GAS

COMPANY
P.O. Box 730

AZTEC, NEW MEXICO 87410

(505) 333-1901

### Chevron

### San Juan Basin

### Below Grade Tank Design and Construction Plan

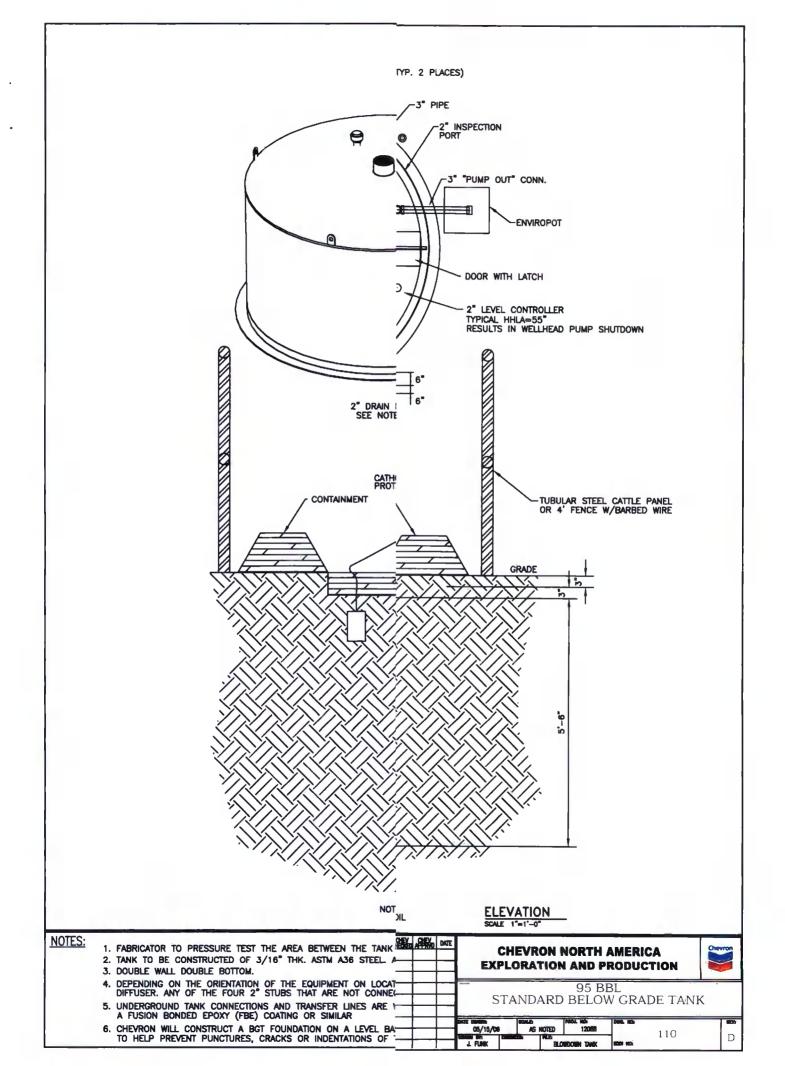
### INTRODUCTION

In accordance with NMAC §§ 19.15.17.9(B)(4) and 19.15.17.11 Chevron (representing Chevron USA Inc, Chevron Midcontinent, L.P., and Four Star Oil & Gas Company) submits this Design and Construction Plan for below grade tanks (BGTs) in New Mexico. This Plan contains standard conditions that attach to multiple BGTs.

- 1. Chevron will design and construct a BGT to contain liquids and solids, prevent contamination of fresh water, and protect public health and the environment. NMAC § 19.15.17.11(A).
- 2. Chevron will post an upright sign not less than 12 inches by 24 inches with lettering not less than two inches in height in a conspicuous place on the fence surrounding the BGT, unless the BGT is located on a site where there is an existing well, signed in compliance with NMAC § 19.15.16.8, that is operated by Chevron. Chevron will post the sign in a manner and location such that a person can easily read the legend. The sign will provide the following information: Chevron's name; the location of the site by quarter-quarter or unit letter, section, township and range; and emergency telephone numbers. NMAC § 19.15.17.11(C).
- 3. Chevron will fence or enclose a BGT in a manner that prevents unauthorized access and will maintain the fences in good repair. Fences are not required if there is an adequate surrounding perimeter fence that prevents unauthorized access to the well site or facility, including the BGT. NMAC § 19.15.17.11(D)(1).
- 4. Chevron will fence or enclose a BGT located within 1000 feet of a permanent residence, school, hospital, institution or church with a chain link security fence, at least six feet in height with at least two strands of barbed wire at the top. Chevron will close and lock all gates associated with the fence when responsible personnel are not on-site. NMAC § 19.15.17.11(D)(2).
- 5. Chevron will fence BGTs to exclude livestock with a four foot fence that has at least four strands of barbed wire evenly spaced in the interval between one foot and four feet above ground level. NMAC § 19.15.17.11(D)(3). Chevron may install tubular steel cattle panels, as it determines appropriate (photo of cattle

- panel fence submitted to NMOCD, 24 June 2009). As illustrated on the attach photo.
- 6. Chevron will screen the permanent opening on the tank top with expanding steel mesh in order to render it non-hazardous to wildlife, including migratory birds. NMAC § 19.15.17.11(E).
- 7. Chevron's BGTs will be constructed with the design features illustrated on the attached drawing.
- 8. Only double-walled, double-bottomed BGTs will be installed.
- 9. Chevron will use 3/16" carbon steel which is resistant to the anticipated contents and resistant to damage from sunlight. NMAC § 19.15.17.11(I)(1).
- 10. Chevron will construct a BGT foundation on a level base free of rocks, debris, sharp edges or irregularities to help prevent punctures, cracks or indentations of the liner or tank bottom. NMAC § 19.15.17.11(I)(2).
- 11. Chevron will construct a BGT to prevent overflow and the collection of surface water run-on. NMAC § 19.15.17.11(I)(3). Chevron, or a contractor representing Chevron, will install a level control device to help prevent overflow from the BGT and will use berms and/or a diversion ditch to prevent surface run on from entering the BGT. NMAC §§ 19.15.17.11(I)(3), 19.15.17.12(A)(7), and 19.15.17.12(D)(1).
- 12. All BGTs, in which the side walls are not open for visible inspection for leaks, will be double walled with leak detection capability. NMAC § 19.15.17.11(I)(4)(b).
- 13. Chevron, as the operator of a below-grade tank constructed and installed prior to June 16, 2008 that does not meet all the requirements in Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC and is not included in Paragraph (6) of Subsection I of 19.15.17.11 NMAC, is not required to equip or retrofit the below-grade tank to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC so long as it demonstrates integrity. If the existing below-grade tank does not demonstrate integrity, the operator shall promptly remove that below-grade tank and install a below-grade tank that complies with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC, as illustrated in the approved drawing. Chevron shall comply with the operational requirements of 19.15.17.12 NMAC.

14. Chevron, as the operator of a below-grade tank constructed and installed prior to June 16, 2008 that is single walled and where any portion of the tank sidewall is below the ground surface and not visible, shall equip or retrofit the below-grade tank to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC, or close it, within five years after June 16, 2008. If the existing below-grade tank does not demonstrate integrity, Chevron shall promptly remove that below-grade tank and install a below-grade tank that complies with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC, as illustrated in the approved drawing. Chevron shall comply with the operational requirements of 19.15.17.12 NMAC.



## BELOW GRADE TANK (BGT) OPERATING AND MAINTENANCE PLAN

### SUBMITTED TO:

### ENVIRONMENTAL BUREAU,

### NEW MEXICO OIL CONSERVATION DIVISION

### ON BEHALF OF:

CHEVRON USA INC., CHEVRON MIDCONTINENT, L.P., AND FOUR STAR OIL & GAS COMPANY

P.O. Box 730

AZTEC, NEW MEXICO 87410

(505) 333-1901

### Chevron

### San Juan Basin

### Below Grade Tank Operating and Maintenance Plan

### INTRODUCTION

In accordance with NMAC §§ 19.15.17.9(B)(4) and 19.15.17.12 Chevron (representing Chevron USA Inc, Chevron Midcontinent, L.P., and Four Star Oil & Gas Company) submits this Operating and Maintenance Plan (O&M Plan) for below grade tanks (BGTs) in New Mexico. This O&M Plan contains standard conditions that attach to multiple BGTs. If needed for a particular BGT, a modified O&M Plan will be submitted to the New Mexico Oil Conservation Division (NMOCD or the division) for approval prior to implementation.

### **GENERAL PLAN:**

- 1. Chevron, or a contractor representing Chevron, will operate and maintain a BGT to contain liquids and solids to prevent contamination of fresh water and to protect public health and environment. NMAC § 19.15.17.12(A)(1).
- 2. Chevron will not discharge into or store any hazardous waste in a BGT. NMAC § 19.15.17.12(A)(3).
- 3. If a BGT develops a leak or is penetrated below the liquid surface, Chevron will remove liquid above the damage within 48 hours, notify the appropriate division district office within 48 hours of discovery and will promptly repair the BGT. If a BGT develops a leak Chevron will remove liquid above the damage within 48 hours, notify the appropriate division district office within 48 hours of discovery and will promptly repair or replace the BGT. If replacement is required, the BGT will meet all specification included in the attached approved design drawing and comply with 19.15.17.11(I)(1-4).
- 4. If Chevron as an operator of a below-grade tank that was constructed and installed prior to June 16, 2008 that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC and discovers that the below-grade tank does not demonstrate integrity or that the below-grade tank develops any of the conditions identified in Paragraph (5) of Subsection A of 19.15.17.12 NMAC, then Chevron or their representative shall close the existing below-grade tank pursuant to the closure requirements of 19.15.17.13 NMAC and install a below-grade tank that complies with the requirements of Paragraphs

- (1) through (4) of Subsection I of 19.15.17.11 NMAC. NMAC § 19.15.17.12(D)(5). If replacement is required, the BGT will meet all specification included in the attached approved design drawing.
- 5. If Chevron as the operator of the below-grade tank that was constructed and installed prior to June 16, 2008 that does not comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC and equips or retrofits the existing tank to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC, then Chevron or their representative shall visually inspect the area beneath the below-grade tank during the retrofit and document any areas that are wet, discolored or showing other evidence of a release on form C-141. Chevron shall demonstrate to the division whether the evidence of contamination indicates that an imminent threat to fresh water, public health, safety or the environment exists. If the division determines that the contamination does not pose an imminent threat to fresh water, public health, safety or the environment, the operator shall complete the retrofit or the replacement of the below-grade tank. If Chevron or division determines that the contamination poses an imminent threat to fresh water, public health, safety or the environment, then Chevron shall close the existing below-grade tank pursuant to the closure requirements of 19.15.17.13 NMAC prior to initiating the retrofit or replacement. NMAC § 19.15.17.12(D)(6). If replacement is required, the BGT will meet all specification included in the attached approved design drawing.
- 6. Chevron, or a contractor representing Chevron, will use berms and/or diversion ditches to prevent surface run-on from entering the BGT by diverting surface water run-on away from the bermed area. NMAC §§ 19.15.17.12(A)(7) and 19.15.17.12(D)(1).
- 7. Chevron, or a contractor representing Chevron, will not allow a BGT to overflow and will maintain adequate freeboard on existing BGTs by routine inspections utilizing pumper trucks whose routes are timed based on known production rates. Fluid is pumped out on this schedule. For newly constructed BGTs Chevron, or a contractor representing Chevron, will maintain adequate freeboard by installing level control devices that automatically shut off inflow to alleviate potential overtopping. NMAC § 19.15.17.12(D)(1) and 19.15.17.12(D)(4).
- **8.** Chevron, or a contractor representing Chevron, will remove a visible or measurable layer of oil from the fluid surface of a BGT. NMAC § 19.15.17.12(D)(2).
  - **9.** Chevron, or a contractor representing Chevron, will inspect the BGT to assess compliance with NMAC § 19.15.17.12, Operational Requirements, at least once monthly and maintain a written record of each inspection for at least five (5) years. The approved inspection form is attached.

# Chevron: New Mexico Inspection Form for Below Grade Tanks

Inspection	Date:	

Below Grade Tank (BGT) Location:		
Does the BGT have adequate freeboard to prevent overflow;	yes	no
Does the tank have visible leaks or sign of corrosion;	yes	no
Do tank valves, flanges and hatches have visible leaks;	yes	no
Is there evidence of significant spillage of produced liquids;	yes	no
Is this a single of double wall tank;		
Are berms and/or diversion ditches in place to prevent surface		
run-on from entering the BGT;	yes	no
Have visible or measurable layers of oil been removed from		
liquid surface fluid;	ves	no

### BELOW GRADE TANK (BGT) CLOSURE PLAN

### SUBMITTED TO:

### Environmental Bureau,

### NEW MEXICO OIL CONSERVATION DIVISION

### ON BEHALF OF:

CHEVRON USA INC., CHEVRON MIDCONTINENT, L.P., AND FOUR STAR OIL & GAS

COMPANY
P.O. Box 730

AZTEC, NEW MEXICO 87410

(505) 333-1901

## Chevron San Juan Basin Below Grade Tank Closure Plan

### INTRODUCTION

In accordance with NMAC §§ 19.15.17.9(B)(4) and 19.15.17.13, Chevron (representing Chevron USA Inc, Chevron Midcontinent, L.P., and Four Star Oil & Gas Company) submits this Closure Plan for below grade tanks (BGTs) in New Mexico. This Closure Plan contains standard conditions that attach to multiple BGTs. If needed for a particular BGT, a modified Closure Plan for a proposed alternative closure will be submitted to the New Mexico Oil Conservation Division (NMOCD or the division) for approval prior to closure.

### CLOSURE PLAN PROCEDURES AND PROTOCOLS (NMAC §§ 19.15.17.9(C) and 19.15.17.13).

- 1) Chevron, or a contractor acting on behalf of Chevron, will close a BGT within the time periods provided in NMAC § 19.15.17.13(A), or by an earlier date required by NMOCD to prevent an imminent danger to fresh water, public health, or the environment. NMAC § 19.15.17.13(A).
- 2) Chevron, or a contractor acting on behalf of Chevron, will close an existing BGT that does not meet the requirements of NMAC § 19.15.17.11(I)(1 through 4) or is not included in NMAC § 19.15.17.11(I)(5) within five years after June 16, 2008, if not retrofitted to comply with § 19.15.17.11(I)(1 through 4). NMAC § 19.15.17.13(A)(4).
- 3) Chevron shall close an existing below-grade tank that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC, if not retrofitted to comply with Paragraphs 1) through (4) of Subsection I of 19.15.17.11 NMAC, prior to any sale or change of operator pursuant to 19.15.9.9 NMAC.
- 4) Chevron, or a contractor acting on behalf of Chevron, will close a permitted BGT within 60 days of cessation of the BGT's operation or as required by the transitional provisions of NMAC § 19.15.17.17(B) in accordance with a closure plan that the appropriate division district office approves. NMAC §§ 19.15.17.13(A)(9) and 19.15.17.9(C).
- 5) In accordance with NMAC § 19.15.17.13(J)(1), Chevron will notify the surface owner by certified mail, return receipt requested, of its plans to close a BGT prior to beginning closure activities. Evidence of mailing of the notice to the address of the surface owner shown in the county tax records is sufficient to demonstrate compliance. Chevron will also notify the appropriate division district office verbally or by other means at least 72 hours, but not more than one 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 closure is associated with a particular well, then the notice shall also include the well's name, number and API number. NMAC § 19.15.17.13(J)(2).

- 6) Chevron, or a contractor acting on behalf of Chevron, will remove liquids and sludge from a BGT prior to implementing a closure method and will dispose of the liquids and sludge in a division approved facility. NMAC § 19.15.17.13(E)(1). A list of Chevron currently approved disposal facilities is included at the end of this document.
- 7) The proposed method of closure for this Closure Plan is waste excavation and removal. NMAC §§ 19.15.17.13 (E)(1).
- 8) Chevron, or a contractor acting on behalf of Chevron, shall 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. When required, prior approval for disposal will be obtained. NMAC § 19.15.17.13(E)(2). Documentation regarding disposal of the BGT and its associated liner, if any, will be included in the closure report.
- 9) Waste generated during closure will be handled and disposed of in accordance with applicable laws. NMAC § 19.15.35.8(C)(1)(m) provides that plastic pit liners may be disposed at a solid waste facility without testing before disposal, provided they are cleaned well.
- 10) Chevron, or a contractor acting on behalf of Chevron, will remove on-site equipment associated with a BGT unless the equipment is required for some other purpose. NMAC § 19.15.17.13(E)(3).
- 11) Chevron, or a contractor acting on behalf of Chevron, will test the soils beneath the BGT to determine whether a release has occurred. At a minimum, 5 point composite samples will be collected along with individual grab samples from any area that is wet, discolored, or showing other evidence of a release. Samples will be analyzed for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 8021B or 8260B or EPA method that the division approves, does not exceed 0.2mg/kg; total BTEX concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 50mg/kg; the TPH concentration, as determined by EPA method 418.1 or other EPA method that the division approves, does not exceed 100mg/kg; and the chloride concentration, as determined by EPA method 300.1 or other EPA method that the division approves, does not exceed 250mg/kg; or the background concentration, whichever is greater. Chevron, or a contractor acting on behalf of Chevron, will notify the NMOCD Division District office of its results on form C-141. NMAC § 19.15.17.13(E)(4).
- 12) If Chevron or the division determines that a release has occurred, Chevron will comply with NMAC §§ 19.15.29 and 19.15.30, as appropriate. NMAC § 19.15.17.13(E)(5).
- 13) If the sampling program demonstrates that a release has not occurred or that any release does not exceed the concentrations specified in NMAC § 19.15.17.13(E)(4), Chevron will backfill the excavation with compacted, non-waste containing, earthen materials; construct a division prescribed soil cover; re-contour and re-vegetate the site. The division-prescribed soil cover, recontouring and re-vegetation requirements shall comply with NMAC § 19.15.17.13)(G, H and I). NMAC § 19.15.17.13(E)(6).

- 14) As per NMAC § 19.15.17.13(G)(1), once Chevron has closed a BGT or is no longer using the BGT or an area associated with the BGT, Chevron will reclaim the BGT location and all areas associated with it including associated access roads not needed by the surface estate owner to a safe and stable condition that blends with the surrounding undisturbed area. Chevron will substantially restore impacted surface area to the condition that existed prior to its oil and gas operations by placement of soil cover as provided in NMAC § 19.15.17.13(H) (see below), recontour the location and associated areas to a contour that approximates the original contour and blends with the surrounding topography, and re-vegetate according to NMAC § 19.15.17.13(I). NMAC § 19.15.17.13(G)(1).
- 15) Chevron may propose an alternative to the re-vegetation requirement of NMAC § 19.15.17.13(G)(1) if it demonstrates that the proposed alternative effectively prevents erosion, and protects fresh water, human health and the environment. The proposed alternative must be agreed upon in writing by the surface owner. Chevron will submit the proposed alternative, with written documentation that the surface owner agrees to the alternative, to the division for approval. NMAC § 19.15.17.13(G)(2).
- 16) Soil cover for closures where Chevron has removed the pit contents or remediated the contaminated soil to the division's satisfaction will consist of the background thickness of topsoil or one foot of suitable material to establish vegetation at the site, whichever is greater. NMAC § 19.15.17.13(H)(1).
- 17) Chevron will construct the soil cover to the site's existing grade and prevent ponding of water and erosion of the cover material. NMAC § 19.15.17.13(H)(3).
- 18) As per NMAC § 19.15.17.13(I)(1) and 19.15.17.13(G)(2), Chevron will seed or plant disturbed areas during the first growing season after it is no longer using a BGT or an area associated with the BGT including access roads unless needed by the surface estate owner as evidenced by a written agreement with the surface estate owner, if any and written approval by NMOCD.
- 19) Seeding will be accomplished by drilling on the contour whenever practical or by other division approved methods. Chevron will obtain vegetative cover that equals 70% of the native perennial vegetative cover (un-impacted 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 maintain that cover through two successive growing seasons. During the two growing seasons that prove viability, Chevron will not artificially irrigate the vegetation. NMAC § 19.15.17.13(I)(2).
- 20) Chevron will notify the division when it has seeded or planted and when it successfully achieves re-vegetation. NMAC § 19.15.17.13(I)(5).
- 21) Seeding or planting will be repeated until Chevron successfully achieves the required vegetative cover. NMAC § 19.15.17.13(I)(3).

- 22) When conditions are not favorable for the establishment of vegetation, such as periods of drought, the division may allow Chevron to delay seeding or planting until soil moisture conditions become favorable or may require Chevron to use additional cultural techniques such as mulching, fertilizing, irrigating, fencing or other practices. NMAC § 19.15.17.13(I)(4).
- 23) As per NMAC § 19.15.17.13(K), within 60 days of closure completion, Chevron will submit a closure report containing the elements required by NMAC § 19.15.17.13(K) including:
  - i) Confirmation sampling results,
  - ii) A plot plan,
  - iii) Details on back-filling, capping and covering, where applicable, including revegetation application rates and seeding technique,
  - iv) Proof of closure notice to the surface owner, if any, and the division,
  - v) Name and permit number of disposal facility, and
  - vi) Photo documentation.
- 24) The closure report will be filed on NMOCD Form C-144. Chevron will certify that all information in the closure report and attachments is correct and that it has complied with all applicable closure requirements and conditions specified in the approved closure plan. NMAC § 19.15.17.13(K).
- 25) As requested, the following are the current Chevron approved Waste Disposal Sites for the identified waste streams:

### Soils and Sludges

i) Envirotech Inc. Soil Remediation Facility, Permit No. NM-01-0011

### Solids

ii) San Juan County Regional Land Fill (NMAC § 19.15.35.8 items only, with prior NMOCD approval when required)

### **Liquids**

- i) Key Energy Disposal Facility, Permit No. NM-01-0009
- ii) Basin Disposals Facility, Permit No. NM-01-005.
- 26) These waste disposal sites are subject to change if their certification is lost or they are closed or other more appropriate, equally protective sites become available. Chevron will provide notice if such a change is affected.