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

State of New Mexico
Energy Minerals and Natural Resources Department

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

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

Incident ID	nCS1917854937
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party EPIC Energy L.L.C	OGRID 320949
Contact Name Vanessa Fields	Contact Telephone 505-787-9100
Contact email vanessa@walsheng.net	Incident # *(assigned by OCD) N/A*
Contact mailing address 7415 East Main Street Farmington, NM 87402	

Location of Release Source

Latitude 36.9098244 Longitude -108.0269318
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Horton #001D	Site Type Gas
Date Release Discovered N/A	API# *(if applicable) 30-045-33065*

Unit Letter	Section	Township	Range	County
I	07	31N	11W	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: 1 (5) point composite sample collected from the removal of the BGT. Sample was analyzed and came back at 759 ppm GRO/DRO. Closure sample criteria is 1000 ppm. A release occurred however was under the regulatory standard. No further action required.

State of New Mexico
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? ☐ Yes ☒ No	If YES, for what reason(s) does the responsible party consider this a major release?
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?	

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: Vanessa Fields Title: Regulatory Specialist

Signature: Date: 6/19/2019

email: vanessa@walsheng.net Telephone: 505-787-9100

OCD Only

Received by: Date:

State of New Mexico
Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: ***Each of the following items must be included in the closure report.***

☐ A scaled site and sampling diagram as described in 19.15.29.11 NMAC

☐ Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)

☐ Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)

☐ Description of remediation activities

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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

Printed Name: Vanessa Fields Title: Regulatory Specialist

Signature: Date: 6/19/2019

email: vanessa@walsheng.net Telephone: 787-9100

OCD Only

Received by: Date:

Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.

Closure Approved by: Date:

Printed Name: Title:

envirotech
Analytical Laboratory

Analytical Report

Report Summary

Client: Hallador

Chain Of Custody Number:

Samples Received: 7/6/2018 4:30:00PM

Job Number: 18010-0004

Work Order: P807010

Project Name/Location: Below Grade Pits

Report Reviewed By: _____ Date: 7/13/18

Walter Hinchman, Laboratory Director

_____ Date: 7/13/18

Tim Cain, Project Manager

Supplement to analytical report generated on: 7/11/18 11:04 am

NELAP ACCREDITED LABORATORY

Envirotech Inc. certifies the test results meet all requirements of TNI unless footnoted otherwise.
Statement of Data Authenticity: Envirotech, Inc, attests the data reported has not been altered in any way.
Partial or incomplete reproduction of this report is prohibited, unless approved by Envirotech, Inc.
Envirotech, Inc, currently holds the appropriate and available Utah TNI certification NM009792018-1 for the data reported.

envirotech
Analytical Laboratory

Hallador	Project Name:	Below Grade Pits	
1660 Lincoln St Suite 2700	Project Number:	18010-0004	**Reported:**
Denver CO, 80264	Project Manager:	Vern Andrews	13-Jul-18 09:33

Analyical Report for Samples

Client Sample ID	Lab Sample ID	Matrix	Sampled	Received	Container
Horton 1C	P807010-01A	Soil	07/06/18	07/06/18	Glass Jar, 4 oz.
Horton 1D	P807010-02A	Soil	07/06/18	07/06/18	Glass Jar, 4 oz.
Horton 1B	P807010-03A	Soil	07/06/18	07/06/18	Glass Jar, 4 oz.
Horton 5	P807010-04A	Soil	07/06/18	07/06/18	Glass Jar, 4 oz.

Envirotech
Analytical Laboratory

Hallador	Project Name:	Below Grade Pits	
1660 Lincoln St Suite 2700	Project Number:	18010-0004	**Reported:**
Denver CO, 80264	Project Manager:	Vern Andrews	13-Jul-18 09:33

Horton 1C
P807010-01 (Solid)

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Volatile Organics by EPA 8021									
Benzene	ND	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Toluene	ND	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Ethylbenzene	ND	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
p,m-Xylene	ND	200	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
o-Xylene	ND	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Total Xylenes	ND	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Total BTEX	ND	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Surrogate: 4-Bromochlorobenzene-PID		*99.1 %*	*50-150*		*1828003*	*07/09/18*	*07/10/18*	*EPA 8021B*	
Nonhalogenated Organics by 8015									
Gasoline Range Organics (C6-C10)	ND	20.0	mg/kg	1	1828003	07/09/18	07/10/18	EPA 8015D	
Diesel Range Organics (C10-C28)	ND	25.0	mg/kg	1	1828004	07/09/18	07/10/18	EPA 8015D	
Oil Range Organics (C28-C40+)	ND	50.0	mg/kg	1	1828004	07/09/18	07/10/18	EPA 8015D	
Surrogate: 1-Chloro-4-fluorobenzene-FID		*99.1 %*	*50-150*		*1828003*	*07/09/18*	*07/10/18*	*EPA 8015D*	
Surrogate: n-Nonane		*87.5 %*	*50-200*		*1828004*	*07/09/18*	*07/10/18*	*EPA 8015D*	
Anions by 300.0/9056A									
Chloride	ND	20.0	mg/kg	1	1828001	07/09/18	07/09/18	EPA 300.0/9056A	

Hallador	Project Name:	Below Grade Pits	
1660 Lincoln St Suite 2700	Project Number:	18010-0004	**Reported:**
Denver CO, 80264	Project Manager:	Vern Andrews	13-Jul-18 09:33

Horton 1D

P807010-02 (Solid)

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Volatile Organics by EPA 8021									
Benzene	ND	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Toluene	**262**	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Ethylbenzene	**1210**	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
p,m-Xylene	**7380**	200	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
o-Xylene	**447**	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Total Xylenes	**7830**	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Total BTEX	**9300**	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Surrogate: 4-Bromochlorobenzene-PID		*106 %*		*50-150*	*1828003*	*07/09/18*	*07/10/18*	*EPA 8021B*	
Nonhalogenated Organics by 8015									
Gasoline Range Organics (C6-C10)	**128**	20.0	mg/kg	1	1828003	07/09/18	07/10/18	EPA 8015D	
Diesel Range Organics (C10-C28)	**630**	50.0	mg/kg	2	1828004	07/09/18	07/10/18	EPA 8015D	
Oil Range Organics (C28-C40+)	ND	100	mg/kg	2	1828004	07/09/18	07/10/18	EPA 8015D	
Surrogate: 1-Chloro-4-fluorobenzene-FID		*104 %*		*50-150*	*1828003*	*07/09/18*	*07/10/18*	*EPA 8015D*	
Surrogate: n-Nonane		*100 %*		*50-200*	*1828004*	*07/09/18*	*07/10/18*	*EPA 8015D*	
Anions by 300.0/9056A									
Chloride	ND	20.0	mg/kg	1	1828001	07/09/18	07/09/18	EPA 300.0/9056A	

Hallador	Project Name:	Below Grade Pits	
1660 Lincoln St Suite 2700	Project Number:	18010-0004	**Reported:**
Denver CO, 80264	Project Manager:	Vern Andrews	13-Jul-18 09:33

Horton 1B
P807010-03 (Solid)

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Volatile Organics by EPA 8021									
Benzene	ND	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Toluene	**360**	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Ethylbenzene	**1440**	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
p,m-Xylene	**4960**	200	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
o-Xylene	**976**	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Total Xylenes	**5930**	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Total BTEX	**7740**	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Surrogate: 4-Bromochlorobenzene-PID		*122 %*		*50-150*	*1828003*	*07/09/18*	*07/10/18*	*EPA 8021B*	
Nonhalogenated Organics by 8015									
Gasoline Range Organics (C6-C10)	**224**	20.0	mg/kg	1	1828003	07/09/18	07/10/18	EPA 8015D	
Diesel Range Organics (C10-C28)	**6260**	250	mg/kg	10	1828004	07/09/18	07/10/18	EPA 8015D	
Oil Range Organics (C28-C40+)	**3380**	500	mg/kg	10	1828004	07/09/18	07/10/18	EPA 8015D	
Surrogate: 1-Chloro-4-fluorobenzene-FID		*115 %*		*50-150*	*1828003*	*07/09/18*	*07/10/18*	*EPA 8015D*	
Surrogate: n-Nonane		*119 %*		*50-200*	*1828004*	*07/09/18*	*07/10/18*	*EPA 8015D*	
Anions by 300.0/9056A									
Chloride	ND	20.0	mg/kg	1	1828001	07/09/18	07/09/18	EPA 300.0/9056A	

Hallador	Project Name:	Below Grade Pits	
1660 Lincoln St Suite 2700	Project Number:	18010-0004	**Reported:**
Denver CO, 80264	Project Manager:	Vern Andrews	13-Jul-18 09:33

Horton 5
P807010-04 (Solid)

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Volatile Organics by EPA 8021									
Benzene	ND	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Toluene	ND	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Ethylbenzene	ND	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
p,m-Xylene	ND	200	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
o-Xylene	ND	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Total Xylenes	ND	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Total BTEX	ND	100	ug/kg	1	1828003	07/09/18	07/10/18	EPA 8021B	
Surrogate: 4-Bromochlorobenzene-PID		*98.2 %*		*50-150*	*1828003*	*07/09/18*	*07/10/18*	*EPA 8021B*	
Nonhalogenated Organics by 8015									
Gasoline Range Organics (C6-C10)	ND	20.0	mg/kg	1	1828003	07/09/18	07/10/18	EPA 8015D	
Diesel Range Organics (C10-C28)	ND	25.0	mg/kg	1	1828004	07/09/18	07/10/18	EPA 8015D	
Oil Range Organics (C28-C40+)	ND	50.0	mg/kg	1	1828004	07/09/18	07/10/18	EPA 8015D	
Surrogate: 1-Chloro-4-fluorobenzene-FID		*98.6 %*		*50-150*	*1828003*	*07/09/18*	*07/10/18*	*EPA 8015D*	
Surrogate: n-Nonane		*97.0 %*		*50-200*	*1828004*	*07/09/18*	*07/10/18*	*EPA 8015D*	
Anions by 300.0/9056A									
Chloride	ND	20.0	mg/kg	1	1828001	07/09/18	07/09/18	EPA 300.0/9056A	

Hallador	Project Name:	Below Grade Pits	
1660 Lincoln St Suite 2700	Project Number:	18010-0004	**Reported:**
Denver CO, 80264	Project Manager:	Vern Andrews	13-Jul-18 09:33

Volatile Organics by EPA 8021 - Quality Control

Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 1828003 - Purge and Trap EPA 5030A										
Blank (1828003-BLK1)				Prepared & Analyzed: 09-Jul-18						
Benzene	ND	100	ug/kg							
Toluene	ND	100	"							
Ethylbenzene	ND	100	"							
p,m-Xylene	ND	200	"							
o-Xylene	ND	100	"							
Total Xylenes	ND	100	"							
Total BTEX	ND	100	"							
Surrogate: 4-Bromochlorobenzene-PID	*7830*		"	*8000*		*97.8*	*50-150*			
LCS (1828003-BS1)				Prepared & Analyzed: 09-Jul-18						
Benzene	4440	100	ug/kg	5000		88.9	70-130			
Toluene	4520	100	"	5000		90.5	70-130			
Ethylbenzene	4590	100	"	5000		91.8	70-130			
p,m-Xylene	8920	200	"	10000		89.2	70-130			
o-Xylene	4620	100	"	5000		92.4	70-130			
Total Xylenes	13500	100	"	15000		90.3	70-130			
Surrogate: 4-Bromochlorobenzene-PID	*7880*		"	*8000*		*98.5*	*50-150*			
Matrix Spike (1828003-MS1)	**Source: P807007-01**			Prepared & Analyzed: 09-Jul-18						
Benzene	4240	100	ug/kg	5000	ND	84.8	54.3-133			
Toluene	4300	100	"	5000	ND	86.0	61.4-130			
Ethylbenzene	4350	100	"	5000	ND	87.0	61.4-133			
p,m-Xylene	8450	200	"	10000	ND	84.6	63.3-131			
o-Xylene	4310	100	"	5000	ND	86.2	63.3-131			
Total Xylenes	12800	100	"	15000	ND	85.1	63.3-131			
Surrogate: 4-Bromochlorobenzene-PID	*7870*		"	*8000*		*98.3*	*50-150*			
Matrix Spike Dup (1828003-MSD1)	**Source: P807007-01**			Prepared & Analyzed: 09-Jul-18						
Benzene	5600	100	ug/kg	5000	ND	112	54.3-133	27.6	20	D1
Toluene	5670	100	"	5000	ND	114	61.4-130	27.5	20	D1
Ethylbenzene	5740	100	"	5000	ND	115	61.4-133	27.6	20	D1
p,m-Xylene	11100	200	"	10000	ND	111	63.3-131	26.8	20	D1
o-Xylene	5700	100	"	5000	ND	114	63.3-131	27.8	20	D1
Total Xylenes	16800	100	"	15000	ND	112	63.3-131	27.2	20	D1
Surrogate: 4-Bromochlorobenzene-PID	*7870*		"	*8000*		*98.3*	*50-150*			

Halladør	Project Name:	Below Grade Pits	
1660 Lincoln St Suite 2700	Project Number:	18010-0004	**Reported:**
Denver CO, 80264	Project Manager:	Vern Andrews	13-Jul-18 09:33

Nonhalogenated Organics by 8015 - Quality Control

Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 1828003 - Purge and Trap EPA 5030A										
Blank (1828003-BLK1)				Prepared & Analyzed: 09-Jul-18						
Gasoline Range Organics (C6-C10)	ND	20.0	mg/kg							
Surrogate: 1-Chloro-4-fluorobenzene-FID	*7.99*		"	*8.00*		*99.9*	*50-150*			
LCS (1828003-BS2)				Prepared & Analyzed: 09-Jul-18						
Gasoline Range Organics (C6-C10)	49.3	20.0	mg/kg	50.0		98.6	70-130			
Surrogate: 1-Chloro-4-fluorobenzene-FID	*8.07*		"	*8.00*		*101*	*50-150*			
Matrix Spike (1828003-MS2)	**Source: P807007-01**			Prepared & Analyzed: 09-Jul-18						
Gasoline Range Organics (C6-C10)	51.3	20.0	mg/kg	50.0	ND	103	70-130			
Surrogate: 1-Chloro-4-fluorobenzene-FID	*8.13*		"	*8.00*		*102*	*50-150*			
Matrix Spike Dup (1828003-MSD2)	**Source: P807007-01**			Prepared & Analyzed: 09-Jul-18						
Gasoline Range Organics (C6-C10)	50.1	20.0	mg/kg	50.0	ND	100	70-130	2.22	20	
Surrogate: 1-Chloro-4-fluorobenzene-FID	*7.97*		"	*8.00*		*99.6*	*50-150*			

Hallador	Project Name:	Below Grade Pits	
1660 Lincoln St Suite 2700	Project Number:	18010-0004	**Reported:**
Denver CO, 80264	Project Manager:	Vern Andrews	13-Jul-18 09:33

Nonhalogenated Organics by 8015 - Quality Control

Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 1828004 - DRO Extraction EPA 3570										
Blank (1828004-BLK1)				Prepared: 09-Jul-18 Analyzed: 10-Jul-18						
Diesel Range Organics (C10-C28)	ND	25.0	mg/kg							
Oil Range Organics (C28-C40+)	ND	50.0	"							
Surrogate: n-Nonane	*44.6*		"	*50.0*		*89.2*	*50-200*			
LCS (1828004-BS1)				Prepared: 09-Jul-18 Analyzed: 10-Jul-18						
Diesel Range Organics (C10-C28)	486	25.0	mg/kg	500		97.1	38-132			
Surrogate: n-Nonane	*48.3*		"	*50.0*		*96.6*	*50-200*			
Matrix Spike (1828004-MS1)	**Source: P807007-01**			Prepared: 09-Jul-18 Analyzed: 10-Jul-18						
Diesel Range Organics (C10-C28)	928	25.0	mg/kg	500	366	112	38-132			
Surrogate: n-Nonane	*62.9*		"	*50.0*		*126*	*50-200*			
Matrix Spike Dup (1828004-MSD1)	**Source: P807007-01**			Prepared: 09-Jul-18 Analyzed: 10-Jul-18						
Diesel Range Organics (C10-C28)	918	25.0	mg/kg	500	366	110	38-132	1.05	20	
Surrogate: n-Nonane	*63.7*		"	*50.0*		*127*	*50-200*			

Hallador	Project Name:	Below Grade Pits	
1660 Lincoln St Suite 2700	Project Number:	18010-0004	**Reported:**
Denver CO, 80264	Project Manager:	Vern Andrews	13-Jul-18 09:33

Anions by 300.0/9056A - Quality Control

Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 1828001 - Anion Extraction EPA 300.0/9056A										
Blank (1828001-BLK1)				Prepared & Analyzed: 09-Jul-18						
Chloride	ND	20.0	mg/kg							
LCS (1828001-BS1)				Prepared & Analyzed: 09-Jul-18						
Chloride	255	20.0	mg/kg	250		102	90-110			
Matrix Spike (1828001-MS1)	Source: P807010-01			Prepared & Analyzed: 09-Jul-18						
Chloride	270	20.0	mg/kg	250	ND	108	80-120			
Matrix Spike Dup (1828001-MSD1)	Source: P807010-01			Prepared & Analyzed: 09-Jul-18						
Chloride	270	20.0	mg/kg	250	ND	108	80-120	0.0556	20	

Hallador	Project Name:	Below Grade Pits	
1660 Lincoln St Suite 2700	Project Number:	18010-0004	**Reported:**
Denver CO, 80264	Project Manager:	Vern Andrews	13-Jul-18 09:33

Notes and Definitions

D1	Duplicates or Matrix Spike Duplicates or Laboratory Control Sample Duplicates Relative Percent Difference is outside of control limits.
DET	Analyte DETECTED
ND	Analyte NOT DETECTED at or above the reporting limit
NR	Not Reported
RPD	Relative Percent Difference
**	Methods marked with ** are non-accredited methods.

Project Information | Chain of Custody | Page of

Client:	WALSH
Project:	BELOW GRADE PITS
Project Manager:	JOHN HAMPTON JR
Address:	7415 EAST MAIN
City, State, Zip	FARMINGTON NM 87402
Phone:	505-320-1763
Email:	VERN@WALSHENG.NET

Report Attention

Report due by:	7-11-18
Attention:	VERN ANDREWS
Address:	7415 EAST MAIN
City, State, Zip	FARMINGTON N.M. 87402
Phone:	505-320-1763
Email:	VERN@WALSHENG.NET

Lab Use Only

Lab WO#	Job Number
P807010	07173-0001

TAT

1D	3D
	X

EPA Program

RCRA	CWA	SDWA
X		

State

NM	CO	UT	AZ
X			

Time Sampled	Date Sampled	Matrix	No Containers	Sample ID	Lab Number	DRO/ORO by 8015	GRO/DRO by 8015	BTEX by 8021	VOC by 8260	Metals 6010	Chloride 300.0	TPH 418.1	Remarks
11:31	7-6-18	SOLID	1	HORTON 1C		X	X				X		
10:33	7-6-18		1	HORTON 1D									
10:11	7-6-18		1	HORTON 1B									
10:53	7-6-18		1	HORTON 5									

Additional Instructions: VIA ice in cooler

I, (field sampler), attest to the validity and authenticity of this sample. I am aware that tampering with or intentionally mislabelling the sample location, date or time of collection is considered fraud and may be grounds for legal action. Sampled by: John Hampton Jr.

Samples requiring thermal preservation must be received on ice the day they are sampled or received packed in ice at an avg temp above 0 but less than 6°C on subsequent days.

Relinquished by: (Signature)	Date	Time	Received by: (Signature)	Date	Time
[signature]	7-6-18	4:30pm	[signature]	7/6/18	1630
Relinquished by: (Signature)	Date	Time	Received by: (Signature)	Date	Time

Lab Use Only
Received on ice: (Y) N
T1 T2 T3
AVG Temp °C 4.0

Sample Matrix: S - Soil, Sd - Solid, Sg - Sludge, A - Aqueous, O - Other

Container Type: g - glass, p - poly/plastic, ag - amber glass, v - VOA

Note: Samples are discarded 30 days after results are reported unless other arrangements are made. Hazardous samples will be returned to client or disposed of at the client expense. The report for the analysis of the above boratory with this COC. The liability of the laboratory is limited to the amount paid for on the report.

envirotech Analytical Laboratory
5796 US Highway 64, Farmington, NM 87401 Ph (505) 632-0615 Fx (505) 632-1865
Three Springs - 65 Mercado Street, Suite 115, Durango, CO 81301 Ph (970) 259-0615 Fx (800) 362-1879
envirotech-inc.com laboratory@envirotech-inc.com

EPIC Energy L.L.C

Below Grade Tank Closure Plan

Horton #001D

U/L: A, Section 07, TWN: 31N. RNG: 11W

San Juan County, New Mexico

30-045-33065

As stipulated in Rule 19 .15 .17 .13 NMAC, the following information adheres to the requirements established in closing below-grade tanks (BGTs) on EPIC Energy L.L.C well sites. This plan will address the standard protocols and procedures for closure of BGTs.

EPIC Energy L.L.C proposes to close its existing BGTs that do not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or are not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC in accordance with this closure plan and the transitional provisions of Subsection E of 19.15.17.17 NMAC, or within five (5) years after the effective date (June 16, 2008) of 19.15.17 NMAC.

The following outline addresses all requirements for closure of EPIC Energy L.L.C BGTs:

1.Prior notification of EPIC Energy L.L.C intent to close the BGT will follow 19.15.17.13J (I) and (2).

a. EPIC Energy L.L.C will notify the surface owner by certified mail, return receipt requested, of closure plans. Evidence of mailing of the notice to the address of the surface owner shown in the county tax records is enough to demonstrate compliance with this requirement.

b. notification will also be given to the division District III office verbally or by other means at least 72 hours, but not more than one (1) week, prior to any closure operation. The notice will include the operator's name and the well's name, number, and API number, in addition to the well's legal description, including the unit letter, section, township, and range.

Notification was provided to the NMOCD District III office and the Farmington NM BLM Field Office. Notification was made to the surface owner BLM and the NMOCD District III Office However, the email notification copy was unable to be identified.

2.EPIC Energy L.L.C will remove liquids and sludge from the BGT prior to implementing a closure method and dispose of the liquids and sludge in a NMOCD's division-approved facility. A list of EPIC Energy L.L.C approved disposal facilities is below:

Fluid disposal:

Agua Moss

Sunco well #1

U/L=E, SWNW, Section 2, T29N-RI2W San Juan, New Mexico

Permit #NM-01-0009

Basin Disposal Inc.

Basin Disposal well # 1

U/L=F, SWNW, Section 3, T29N-RI 1 W San Juan, New Mexico

Permit #NM-01-0005

Solid disposal:

Envirotech Land Farm

Disposal Facility

Section 6, T26N-R10W, County Road #7175 San Juan, New Mexico

Permit #NM-01-0011

3.EPIC Energy L.L.C will remove the BGT from the pit and place it at ground level adjacent to the original BGT site.

The Below Grade tank was transported for recycling

4.EPIC Energy L.L.C will hook up necessary equipment and piping for temporary tank use. At this time, any on-site equipment not necessary to the operation of the tank will be removed from the site.

All Equipment associated with the below Grade Tank removal was removed. A new 95 BBL above ground tank low profile was installed where the previous BGT tank was removed

5.EPIC Energy L.L.C will test the soils beneath the original BGT location to determine whether a release has occurred. At a minimum, a five (5) point composite sample will be collected in addition to individual grab samples from areas that are wet, discolored, or showing other evidence of a release. The samples will be analyzed for BTEX, TPH, and chlorides to demonstrate that they do not exceed certain concentrations. The testing methods and closure standards for those constituents are as follows:

1 (5) point composite sample collected from the removal of the BGT. Sample was analyzed and came back at 759 ppm GRO/DRO. Closure sample criteria is 1000 ppm. A release occurred however was under the regulatory standard. No further action required.

TABLE I

Depth Below bottom of pit to groundwater less than 10,000 mg/l TDS	**Constituent**	**Method**	**Limit**
≤ 50 Feet	Chloride	EPA 300.0	600 mg/kg
	TPH	Method 418.1	100 mg/kg
	BTEX	Method 8021B or 8260B	50 mg/kg
	Benzene	Method 8021B or 8260B	10 mg/kg
51 feet - 100 feet	Chloride	EPA 300.0	10,000 mg/kg
	TPH	Method 418.1	2,500 mg/kg
	GRO + DRO	Method 8015	1,000 mg/kg
	BTEX	Method 8021B or 8260B	50 mg/kg
	Benzene	Method 8021B or 8260B	10 mg/kg
> 100 feet	Chloride	EPA 300.0	20,000 mg/kg
	TPH	EPA 418.1	2,500 mg/kg
	GRO + DRO	Method 8015	1,000 mg/kg
	BTEX	Method 8021B or 8260B	50 mg/kg
	Benzene	Method 8021B or 8260B	10 mg/kg

Notes: mg/Kg= milligram per kilogram; BTEX = benzene, toluene, ethylbenzene, and total xylenes; TPH = total petroleum hydrocarbons. Other EPA methods that the division approves may be applied to all constituents listed. The Chlorides closure standards will be determined by whichever concentration level is greatest.

6. EPIC Energy L.L.C will notify the division District III office of the soil test results on Form C-14 I. It is understood that the NMOCD may require additional delineation upon review of the results.

1 (5) point composite sample collected from the removal of the BGT. Sample was analyzed and came back at 759 ppm GRO/DRO. Closure sample criteria is 1000 ppm. A release occurred however was under the regulatory standard. No further action required.

7. If it is determined that a release has occurred, then EPIC Energy L.L.C will comply with 19.15.3.116 NMAC and 19.15.1.19 NMAC, as appropriate.

. A release occurred however was under the regulatory standard. No further action required.

8. I f the confirmation sampling demonstrates that a release has not occurred or that any release does not exceed the concentrations specified above, then EPIC Energy L.L.C will backfill the · excavation with compacted, non-waste containing, earthen material; construct a division prescribed soil cover; re-contour the site; and move the fiberglass tank onto the newly backfilled and compacted site. The division-prescribed soil cover, re-contouring, and re-vegetation requirements shall comply with Subsections G, H, and I of 19.15.17.13

NMAC.

The area has been backfilled and will be reclaimed once the well has been plugged and abandoned.

9.Reclamation will follow 19.15.17.130 (1) and (2).

a. The BGT location and all areas associated with the BGT, including associated access roads, if applicable, will be reclaimed to a safe and stable condition that blends with the surrounding undisturbed area. It is understood that EPIC Energy L.L.C shall substantially restore the impacted surface area to the condition that existed prior to oil and gas operations by placement of the soil cover as provided in Subsection H of 19 .15 .1 7 .13 NMA C and re-contour the location and associated areas to a contour that approximates the original contour and blends with the surrounding topography.

b. Re-vegetation will not be completed at the time the BGT pit is reclaimed but will instead be applied for as part of the P&A process when the well is plugged and abandoned.

10.Soil cover will follow 19.15.17.13H (1) and (3).

a. The soil cover for closures where the BGT has been removed or contaminated soil has been remediated to the NMOCD's satisfaction will consist of the background thickness of topsoil or one (1) foot of suitable material to establish vegetation at the site, whichever is greater.

b. The soil cover will be constructed to the site's existing grade, and all possible efforts will be conducted to prevent ponding of water and erosion of the cover material.

The area has been backfilled and will be reclaimed once the well has been plugged and abandoned.

11.Within 60 days of closure completion, EPIC Energy L.L.C will submit a closure report on NMOCD's Form C-144, with necessary attachments to document all closure activities, including sampling results; information required by 19.15.17 NMAC; and details on backfilling, capping, and covering, where applicable. EPIC Energy L.L.C will certify that all information in the report and attachments is correct and that EPIC Energy L.L.C has complied with all applicable closure requirements and conditions specified in the approved closure plan.


EPIC ENERGY LLC
NORTON # 1-D
NMSF-078095A
NE 1/4, SE 1/4
SEC.7,T-31-N,R-11-W,NMPM
SAN JUAN COUNTY, NM