



11490 Westheimer Road, Suite 950, Houston, Texas 77077 • Phone 832-672-4700 • Fax 832-672-4609

October 27, 2021

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

RE:

Closure Addendum
Incident ID: NRM2011358419
AEP #: 02062020-0923-prodops
Location: Dagger State #3

NMOCD:

In response to NMOCD's denial dated June 18, 2020; Advance Energy Partners (AEP) submits this addendum to the Characterization and Closure Report dated April 10, 2020. This addendum includes the depth-to-water determination referenced in the denial. Per 19.15.29.12.C.(2) NMAC & Table 1 of 19.15.29 NMAC; with the exception of the Cellar (Base) sample, discussed below, soil sample concentrations exhibited chloride and hydrocarbon concentration below Closure Criteria as reproduced below for areas in-use for oil & gas operations on an active production site:

- Chloride < 20,000 mg/kg
- TPH (GRO + DRO + MRO) < 2,500 mg/kg
- TPH (GRO + DRO) < 1,000 mg/kg
- BTEX < 50 mg/kg
- Benzene < 10 mg/kg

The sample is identified as Cellar (Base) at 4.2-feet below ground surface and exhibits a TPH (GRO+DRO) concentration of 1,134 mg/kg. As presented in the June 18th report, this sample is located around a wellhead. Per 19.15.29.12.C.(2) NMAC,

If contamination is located in areas immediately under or around production equipment such as production tanks, wellheads and pipelines where remediation could cause a major facility deconstruction, the remediation, restoration and reclamation may be deferred with division written approval until the equipment is removed during other operations, or when the well or facility is plugged or abandoned, whichever comes first.

Therefore, we respectfully ask NMOCD to defer the impacted area around the wellhead and close the regulatory file.

Incident ID: nCH1903862333
AEP #: 02062020-0923-prodops

Depth to Water Determination

In September/October 2021, Advance Energy initiated a depth-to-water boring program to determine whether depth-to-water is present in the upper 100-feet of the surface soil profile. Nine (9) boreholes were advanced to 105-feet below ground surface, rested for at least 72-hours, and gauged for the presence of groundwater. The nearest boring to the subject release is located 195-feet southwest. No groundwater was detected within the upper 100-feet. Plate 5 (revised) is an updated depth-to water map. The borehole is identified as MISC-402 and is logged as CP-1883 in the OSE database. The driller log is attached.

When the production site is no longer in-use for oil and gas operations, the surface will be remediated, restored, and reclaimed per 19.15.29.13.D.

Please contact me with any questions at 970-570-9535.

Sincerely,
Advance Energy Partners Hat Mesa, LLC



Andrew Parker
Env. Scientist

Copy: Randy Black; Advance Energy Partners Hat Mesa, LLC
New Mexico State Land Office

10/27/2021

Incident ID	NRM2011358419
District RP	
Facility ID	
Application ID	

Remediation Plan

Remediation Plan Checklist: *Each of the following items must be included in the plan.*

- ☒ Detailed description of proposed remediation technique
- ☒ Scaled sitemap with GPS coordinates showing delineation points
- ☒ Estimated volume of material to be remediated
- ☒ Closure criteria is to Table 1 specifications subject to 19.15.29.12(C)(4) NMAC
- ☒ Proposed schedule for remediation (note if remediation plan timeline is more than 90 days OCD approval is required)

Deferral Requests Only: *Each of the following items must be confirmed as part of any request for deferral of remediation.*

- ☒ Contamination must be in areas immediately under or around production equipment where remediation could cause a major facility deconstruction.
- ☒ Extents of contamination must be fully delineated.
- ☒ Contamination does not cause an imminent risk to human health, the environment, or groundwater.

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: Andrew Parker Title: Sr. Env. Specialist

Signature:  Date: November 3, 2021

email: aparker@advanceenergypartners.com Telephone: 970-570-9535

OCD Only

Received by: Chad Hensley Date: 12/06/2021

☒ Approved ☐ Approved with Attached Conditions of Approval ☐ Denied ☐ Deferral Approved

Signature:  Date: 12/06/2021

Incident ID	NRM2011358419
District RP	
Facility ID	
Application ID	

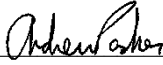
Closure

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: Andrew Parker Title: Sr. Env. Specialist
Signature:  Date: November 3, 2021
email: aparker@advanceenergypartners.com Telephone: 970-570-9535

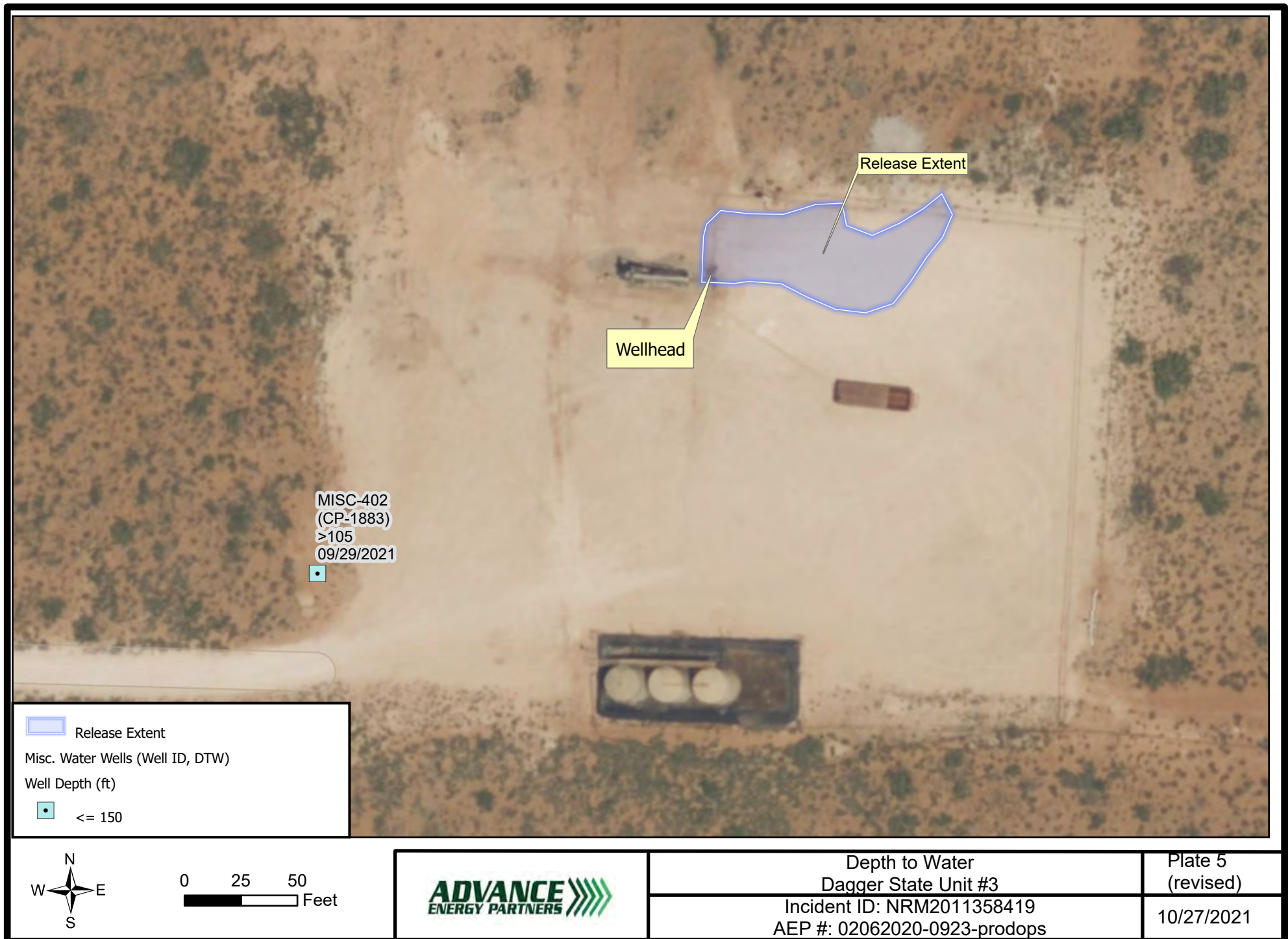
OCD Only

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: N/A Deferred Date: _____

Printed Name: _____ Title: _____





2904 W 2nd St.
Roswell, NM 88201
voice: 575.624.2420
fax: 575.624.2421
www.atkinseng.com

10/22/2021

DII-NMOSE
1900 W 2nd Street
Roswell, NM 88201

Hand Delivered to the DII Office of the State Engineer

Re: Well Record CP-1883 Pod1

To whom it may concern:

Attached please find a well log & record and a plugging record, in duplicate, for a one (1) soil borings, CP-1883 Pod1.

If you have any questions, please contact me at 575.499.9244 or lucas@atkinseng.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Lucas Middleton".

Lucas Middleton

Enclosures: as noted above

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PLUGGING RECORD



NOTE: A Well Plugging Plan of Operations shall be approved by the State Engineer prior to plugging - 19.27.4 NMAC

I. GENERAL / WELL OWNERSHIP:

State Engineer Well Number: CP-1883-POD1

Well owner: Advanced Energy Partners

Phone No.: 832.672.4700

Mailing address: 11490 Westheimer Rd. Suite 950

City: Houston

State: Texas

Zip code: 77077

II. WELL PLUGGING INFORMATION:

1) Name of well drilling company that plugged well: Jackie D. Atkins (Atkins Engineering Associates Inc.)

2) New Mexico Well Driller License No.: 1249 Expiration Date: 04/30/23

3) Well plugging activities were supervised by the following well driller(s)/rig supervisor(s):
Shane Eldridge, Carmelo Trevino, Cameron Pruitt

4) Date well plugging began: 10/4/2021 Date well plugging concluded: 10/4/2021

5) GPS Well Location: Latitude: 32 deg, 27 min, 43.30 sec
Longitude: 103 deg, 36 min, 57.12 sec, WGS 84

6) Depth of well confirmed at initiation of plugging as: _____ ft below ground level (bgl),
by the following manner: weighted tape

7) Static water level measured at initiation of plugging: n/a ft bgl

8) Date well plugging plan of operations was approved by the State Engineer: 07/08/201

9) Were all plugging activities consistent with an approved plugging plan? Yes If not, please describe differences between the approved plugging plan and the well as it was plugged (attach additional pages as needed):

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- 10) Log of Plugging Activities - Label vertical scale with depths, and indicate separate plugging intervals with horizontal lines as necessary to illustrate material or methodology changes. Attach additional pages if necessary.

For each interval plugged, describe within the following columns:

<u>Depth</u> (ft bgl)	<u>Plugging Material Used</u> (include any additives used)	<u>Volume of Material Placed</u> (gallons)	<u>Theoretical Volume of Borehole/ Casing</u> (gallons)	<u>Placement Method</u> (tremie pipe, other)	<u>Comments</u> ("casing perforated first", "open annular space also plugged", etc.)
0-10'	Hydrated Bentonite	gallons	15 gallons	Augers	
10'-110'	Drill Cuttings	Approx. 294 gallons	294 gallons	Boring	
		1.59 gal per foot			
		5.2 gallons per sack			

MULTIPLY	BY	AND OBTAIN
cubic feet x 7.4805	=	gallons
cubic yards x 201.97	=	gallons

III. SIGNATURE:

I, Jackie D. Atkins, say that I am familiar with the rules of the Office of the State Engineer pertaining to the plugging of wells and that each and all of the statements in this Plugging Record and attachments are true to the best of my knowledge and belief.

Jack Atkins

Signature of Well Driller

10/22/2021

Date






2021-10-22_CP-1883_WD-11 Plugging Record-forsign

Final Audit Report

2021-10-22

Created:	2021-10-22
By:	Lucas Middleton (lucas@atkinseng.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAZ0_QMuVnn8CKSO6enePcP4foeNse7kSc

"2021-10-22_CP-1883_WD-11 Plugging Record-forsign" History

-  Document created by Lucas Middleton (lucas@atkinseng.com)
2021-10-22 - 4:07:53 PM GMT- IP address: 69.21.248.123
-  Document emailed to Jack Atkins (jack@atkinseng.com) for signature
2021-10-22 - 4:08:47 PM GMT
-  Email viewed by Jack Atkins (jack@atkinseng.com)
2021-10-22 - 6:02:54 PM GMT- IP address: 64.90.153.232
-  Document e-signed by Jack Atkins (jack@atkinseng.com)
Signature Date: 2021-10-22 - 6:03:19 PM GMT - Time Source: server- IP address: 64.90.153.232
-  Agreement completed.
2021-10-22 - 6:03:19 PM GMT

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WELL RECORD & LOG

OFFICE OF THE STATE ENGINEER

www.ose.state.nm.us

1. GENERAL AND WELL LOCATION	OSE POD NO. (WELL NO.) POD1 (TW-1)		WELL TAG ID NO. n/a		OSE FILE NO(S). CP-1883			
	WELL OWNER NAME(S) Advanced Energy Partners				PHONE (OPTIONAL) 832.672.4700			
	WELL OWNER MAILING ADDRESS 11490 Westheimer Rd. Suite 950				CITY Houston	STATE TX	ZIP 77077	
	WELL LOCATION (FROM GPS)	DEGREES 32	MINUTES 27	SECONDS 4.30	N	* ACCURACY REQUIRED: ONE TENTH OF A SECOND		
		LONGITUDE 103	36	57.12	W	* DATUM REQUIRED: WGS 84		
DESCRIPTION RELATING WELL LOCATION TO STREET ADDRESS AND COMMON LANDMARKS - PLSS (SECTION, TOWNSHIP, RANGE) WHERE AVAILABLE SE NE NW Sec. 19 T21S R33E								
2. DRILLING & CASING INFORMATION	LICENSE NO. 1249		NAME OF LICENSED DRILLER Jackie D. Atkins			NAME OF WELL DRILLING COMPANY Atkins Engineering Associates, Inc.		
	DRILLING STARTED 09/29/2021		DRILLING ENDED 09/29/2021		DEPTH OF COMPLETED WELL (FT) temporary well material	BORE HOLE DEPTH (FT) 105	DEPTH WATER FIRST ENCOUNTERED (FT) n/a	
	COMPLETED WELL IS: <input type="checkbox"/> ARTESIAN <input checked="" type="checkbox"/> DRY HOLE <input type="checkbox"/> SHALLOW (UNCONFINED)						STATIC WATER LEVEL IN COMPLETED WELL (FT) n/a	
	DRILLING FLUID: <input type="checkbox"/> AIR <input type="checkbox"/> MUD ADDITIVES - SPECIFY:							
	DRILLING METHOD: <input type="checkbox"/> ROTARY <input type="checkbox"/> HAMMER <input type="checkbox"/> CABLE TOOL <input checked="" type="checkbox"/> OTHER - SPECIFY: Hollow Stem Auger							
	DEPTH (feet bgl)		BORE HOLE DIAM. (inches)	CASING MATERIAL AND/OR GRADE (include each casing string, and note sections of screen)	CASING CONNECTION TYPE (add coupling diameter)	CASING INSIDE DIAM. (inches)	CASING WALL THICKNESS (inches)	SLOT SIZE (inches)
	FROM	TO						
	0	105	±6.5	Boring- HSA	--	--	--	--
3. ANNULAR MATERIAL	DEPTH (feet bgl)		BORE HOLE DIAM. (inches)	LIST ANNULAR SEAL MATERIAL AND GRAVEL PACK SIZE-RANGE BY INTERVAL	AMOUNT (cubic feet)	METHOD OF PLACEMENT		
	FROM	TO						

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FOR OSE INTERNAL USE

WR-20 WELL RECORD & LOG (Version 06/30/17)

FILE NO.	POD NO.	TRN NO.
LOCATION	WELL TAG ID NO.	PAGE 1 OF 2

4. HYDROGEOLOGIC LOG OF WELL	DEPTH (feet bgl)		THICKNESS (feet)	COLOR AND TYPE OF MATERIAL ENCOUNTERED - INCLUDE WATER-BEARING CAVITIES OR FRACTURE ZONES (attach supplemental sheets to fully describe all units)	WATER BEARING? (YES / NO)	ESTIMATED YIELD FOR WATER- BEARING ZONES (gpm)
	FROM	TO				
	0	14	14	Caliche, with fine-grained sand, white/tan	Y ✓ N	
	14	24	10	Sand, Fine-grained, poorly graded, Reddish Brown	Y ✓ N	
	24	44	20	Sand, Fine-grained, poorly graded, Brown	Y ✓ N	
	44	79	35	Sand, Fine-grained, poorly graded, with clay, Brown	Y ✓ N	
	79	105	26	Clay, Stiff, Brownish Red, (Red Bed)	Y ✓ N	
					Y N	
					Y N	
					Y N	
					Y N	
					Y N	
					Y N	
					Y N	
					Y N	
					Y N	
					Y N	
					Y N	
					Y N	
					Y N	
					Y N	
					Y N	
					Y N	
					Y N	
METHOD USED TO ESTIMATE YIELD OF WATER-BEARING STRATA: <input type="checkbox"/> PUMP <input type="checkbox"/> AIR LIFT <input type="checkbox"/> BAILER <input type="checkbox"/> OTHER - SPECIFY:					TOTAL ESTIMATED WELL YIELD (gpm): 0.00	

5. TEST; RIG SUPERVISION	WELL TEST	
	TEST RESULTS - ATTACH A COPY OF DATA COLLECTED DURING WELL TESTING, INCLUDING DISCHARGE METHOD, START TIME, END TIME, AND A TABLE SHOWING DISCHARGE AND DRAWDOWN OVER THE TESTING PERIOD.	
MISCELLANEOUS INFORMATION: Temporary well materials removed and the soil boring backfilled using drill cuttings from total depth to ten feet below ground surface, then hydrated bentonite chips from ten feet below ground surface to surface. Logs adapted from WSP on-site geologist.		
PRINT NAME(S) OF DRILL RIG SUPERVISOR(S) THAT PROVIDED ONSITE SUPERVISION OF WELL CONSTRUCTION OTHER THAN LICENSEE: Shane Eldridge, Carmelo Trevino, Cameron Pruitt		

6. SIGNATURE
THE UNDERSIGNED HEREBY CERTIFIES THAT, TO THE BEST OF HIS OR HER KNOWLEDGE AND BELIEF, THE FOREGOING IS A TRUE AND CORRECT RECORD OF THE ABOVE DESCRIBED HOLE AND THAT HE OR SHE WILL FILE THIS WELL RECORD WITH THE STATE ENGINEER AND THE PERMIT HOLDER WITHIN 30 DAYS AFTER COMPLETION OF WELL DRILLING: <div style="display: flex; justify-content: space-between;"> <div>  Jackie D. Atkins </div> <div> 10/22/2021 </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>SIGNATURE OF DRILLER / PRINT SIGNEE NAME</div> <div>DATE</div> </div>

FOR OSE INTERNAL USE		WR-20 WELL RECORD & LOG (Version 06/30/2017)	
FILE NO.	POD NO.	TRN NO.	
LOCATION	WELL TAG ID NO		PAGE 2 OF 2






2021-10-22_CP-1883_OSE_Well Record and Log_-forsign

Final Audit Report

2021-10-22

Created:	2021-10-22
By:	Lucas Middleton (lucas@atkinseng.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAA4bB4BLbYrREEDYQMg5aLZcSt2fSDD0ua

"2021-10-22_CP-1883_OSE_Well Record and Log_-forsign" History

-  Document created by Lucas Middleton (lucas@atkinseng.com)
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-  Document emailed to Jack Atkins (jack@atkinseng.com) for signature
2021-10-22 - 4:08:38 PM GMT
-  Email viewed by Jack Atkins (jack@atkinseng.com)
2021-10-22 - 6:02:04 PM GMT- IP address: 64.90.153.232
-  Document e-signed by Jack Atkins (jack@atkinseng.com)
Signature Date: 2021-10-22 - 6:02:46 PM GMT - Time Source: server- IP address: 64.90.153.232
-  Agreement completed.
2021-10-22 - 6:02:46 PM GMT

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District I

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

District II

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

District III

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

District IV

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

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

CONDITIONS

Action 60054

CONDITIONS

Operator: ADVANCE ENERGY PARTNERS HAT MESA, LLC 11490 Westheimer Rd., Ste 950 Houston, TX 77077	OGRID: 372417
	Action Number: 60054
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
chensley	Advance Energy Partners' deferral requests to complete final remediation during any future major construction/alteration or final plugging and abandonment, whichever occurs first is approved. The deferred C-141 will be accepted for record and marked accordingly. The release will remain open in OCD database files and reflect an open environmental issue.	12/6/2021