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

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

Form C-144 Revised April 3, 2017

For temporary pits, below-grade tanks, and multi-well fluid management pits, submit to the appropriate NMOCD District Office.

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

# Proposed Alternative Method Permit or Closure Plan Application

	Type of action:  Below grade tank registration  Permit of a pit or proposed alternative method  Closure of a pit, below-grade tank, or proposed alternative method  Modification to an existing permit/or registration  BGT 1  Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank, or proposed alternative method  Instructions: Please submit one application (Form C-144) per individual pit, below-grade tank or alternative request							
			==	· <del>-</del>	=	_	te tank or alternative relation of surface water, g	=
								regulations or ordinances.
ı. Operator:	Hilcorp Ene	ergy Company			OGF	RID #:	372171	
_	_	3100 Aztec, N						
		O Pipkin 1G						
API Number:	300453377	7		OCD Perm	it Number:			
U/L or Qtr/Qtr _	J S	Section 08	_ Township	27N 1	Range 10V	W County:	San Juan	
Center of Propose	ed Design: La	atitude <u>36.588</u>	1667	]	Congitude	-107.9141	17 NAD83	3
Surface Owner: 2	✓ Federal	State Private	Tribal Trust or	<mark>r Indian Allotm</mark>	<mark>ent</mark>			
Temporary:   Permanent   Lined  Un  String-Reinfor  Liner Seams:   3.  Below-grade  Volume:   Tank Construction  Secondary co  Visible sidew	Drilling  W   Emergency	☐ Cavitation ☐ type: Thickness _	P&A  Multi-\ mil   7.11 NMAC fluid:   Visible sidew walls only  O	Produced Water walls, liner, 6-in	HDPE PV	Other _bbl Dir	ow shut-off	
Alternative M Submittal of an ex		est is required. E	xceptions must be	e submitted to t	he Santa Fe Er	nvironmental I	Bureau office for consider	deration of approval.
Chain link, six institution or chui	x feet in height rch) ght, four strand	ds of barbed wire	parbed wire at top	(Required if lo	cated within 10	_	anks) ermanent residence, sc	shool, hospital,

Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)	
☐ Screen ☐ Netting ☐ Other	
☐ Monthly inspections (If netting or screening is not physically feasible)	
7.	
Signs: Subsection C of 19.15.17.11 NMAC	
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers	
☐ Signed in compliance with 19.15.16.8 NMAC	
Variances and Exceptions:  Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.  Please check a box if one or more of the following is requested, if not leave blank:  Variance(s): Requests must be submitted to the appropriate division district for consideration of approval.	
☐ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	
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 acceptance are provided below. Siting criteria does not apply to drying pads or above-grade tanks.	ptable source
General siting	
Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank.  - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☑ NA
Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit. NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☑ NA
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. ( <b>Does not apply to below grade tanks</b> )  - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No
Within the area overlying a subsurface mine. ( <b>Does not apply to below grade tanks</b> ) - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☐ No
<ul> <li>Within an unstable area. (Does not apply to below grade tanks)</li> <li>Engineering measures incorporated into the design; NM Bureau of Geology &amp; Mineral Resources; USGS; NM Geological Society; Topographic map</li> </ul>	☐ Yes ☐ No
Within a 100-year floodplain. ( <b>Does not apply to below grade tanks</b> ) - FEMA map	☐ Yes ☐ No
Below Grade Tanks	
Within 100 feet of a continuously flowing watercourse, significant watercourse, lake bed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark).	☐ Yes ⊠ No
- Topographic map; Visual inspection (certification) of the proposed site	
Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption;.  - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No
Temporary Pit using Low Chloride Drilling Fluid (maximum chloride content 15,000 mg/liter)	
Within 100 feet of a continuously flowing watercourse, or any other significant watercourse or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.)  - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 300 feet from a occupied permanent residence, school, hospital, institution, or church in existence at the time of initial application.	☐ Yes ☐ No
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	
Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 300feet of any other fresh water well or spring, in existence at the time of the initial application.  NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☐ No

<ul> <li>Within 100 feet of a wetland.</li> <li>US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</li> </ul>	☐ Yes ☐ No
Temporary Pit Non-low chloride drilling fluid	
Within 300 feet of a continuously flowing watercourse, or any other significant watercourse, or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).  - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.  - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No
Within 500 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 1000 feet of any other fresh water well or spring, in the existence at the time of the initial application;  - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 300 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Permanent Pit or Multi-Well Fluid Management Pit	
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, or lakebed, sinkhole, or playa	
lake (measured from the ordinary high-water mark).  - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.  - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No
Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of initial application.	
- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 500 feet of a wetland.  - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 Naturations: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the do 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 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 and 19.15.17.13 NMAC Previously Approved Design (attach copy of design) API Number: or Permit Number:	O NMAC  15.17.9 NMAC
11.	
Multi-Well Fluid Management Pit Checklist: Subsection B of 19.15.17.9 NMAC  Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the do attached.  Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC  Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC  A List of wells with approved application for permit to drill associated with the pit.  Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19 and 19.15.17.13 NMAC  Hydrogeologic Data - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC  Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC  Previously Approved Design (attach copy of design)  API Number:  or Permit Number:	
The viously Approved Design (attach copy of design) API Number: Or Permit Number:	

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 description is the subsection of the following items must be attached to the application.	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	
<ul> <li>□ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC</li> <li>□ Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC</li> <li>□ Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC</li> <li>□ Quality Control/Quality Assurance Construction and Installation Plan</li> <li>□ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC</li> </ul>	
<ul> <li>□ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC</li> <li>□ Nuisance or Hazardous Odors, including H<sub>2</sub>S, Prevention Plan</li> <li>□ Emergency Response Plan</li> <li>□ Oil Field Waste Stream Characterization</li> <li>□ Monitoring and Inspection Plan</li> </ul>	
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 Multi-well Fl Alternative Proposed Closure Method: Waste Excavation and Removal	uid Management Pit
<ul> <li>□ Waste Removal (Closed-loop systems only)</li> <li>□ On-site Closure Method (Only for temporary pits and closed-loop systems)</li> <li>□ In-place Burial □ On-site Trench Burial</li> <li>□ Alternative Closure Method</li> </ul>	
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be a closure plan. Please indicate, by a check mark in the box, that the documents are attached.  □ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC  □ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.13 NMAC  □ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)  □ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC  □ Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC  □ Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC	
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable sour provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. P 19.15.17.10 NMAC for guidance.	
Ground water is less than 25 feet below the bottom of the buried waste.  - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes No
Ground water is between 25-50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Ground water is more than 100 feet below the bottom of the buried waste.  - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes No
Within 100 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).  - Topographic map; Visual inspection (certification) of the proposed site	Yes No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.  - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No
Within 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence at the time of initial application.  - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	

adopted pursuant to NMSA 1978, Section 3-27-3, as amended.  - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No			
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☐ No			
<ul> <li>Within an unstable area.</li> <li>Engineering measures incorporated into the design; NM Bureau of Geology &amp; Mineral Resources; USGS; NM Geological Society; Topographic map</li> </ul>				
Within a 100-year floodplain.	Yes No			
- FEMA map	☐ Yes ☐ No			
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan by a check mark in the box, that the documents are attached.  Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC  Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection E of 19.15.17.13 NMAC  Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Subsection K of 19.15.17.  Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.  Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC  Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of 19.15.17.13 NMAC  Waste Material Sampling Plan - based upon the appropriate requirements of 19.15.17.13 NMAC  Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cann Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC  Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC	11 NMAC 15.17.11 NMAC			
Operator Application Certification:				
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and beli	ef.			
Name (Print): Title:				
Signature: Date:				
e-mail address: Telephone:				
18.  OCD Approval: ☐ Permit Application (including closure plan) ☐ Closure Plan (only) ☐ OCD Conditions (see attachment)				
OCD Representative Signature: CRWhitehead Approval Date: Decem	ber 6, 2021			
Title: Environmental Specialist OCD Permit Number: BGT 1				
Closure Report (required within 60 days of closure completion): 19.15.17.13 NMAC Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not section of the form until an approved closure plan has been obtained and the closure activities have been completed.				
☐ Closure Completion Date: 12/1/2021				
20.  Closure Method:  Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-logo If different from approved plan, please explain.	oop systems only)			

22.

#### **Operator Closure Certification:**

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

Jame (Print): \_\_\_\_\_ Amanda Walker \_\_\_\_\_ Title: \_\_\_\_ Operations/Regulatory Technician – Sr

Signature: \_\_\_\_\_\_\_\_ Date: <u>12/3/2021</u>

e-mail address: <u>mwalker@hilcorp.com</u> <u>Telephone: (346) 237-2177</u>

#### Hilcorp Energy Company San Juan Basin Below Grade Tank Closure Report

Lease Name: P O Pipkin 1G API No.: 3004533777

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

#### General Plan:

1. HILCORP shall close a below-grade tank within 60 days of cessation of operations per Subsection G.4 of 19.15.17.13 NMAC. This will include a) below-grade tanks that do not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or is not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC within five years, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC; b) an earlier date that the division requires because of imminent danger to fresh water, public health or the environment. For any closure, HILCORP will file the C144 Closure Report as required.

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

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

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

3. HILCORP will receive prior approval to remove the below-grade tank and dispose of it in a division-approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves.

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

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

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

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

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

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

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

A release was not determined for the above referenced well.

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

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

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

Notification is attached.

- 9. The surface owner shall be notified of HILCORP's closing of the below-grade tank 72 hours, but not more than one week, prior to closure as per the approved closure plan via certified mail, return receipt requested.
  - The closure process notification to the landowner was sent via email. (See Attached) (Well located on Federal Land, certified mail is not required for Federal Land per BLM/OCD MOU.)
- 10. Re-contouring of location will match fit, shape, line, form and texture of the surrounding. Re-shaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be place in areas where needed to prevent erosion on a large scale. Final re-contour shall have a uniform appearance with smooth surface, fitting the natural landscape.

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

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

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

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

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

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

#### Mandi Walker

From: Mandi Walker

Sent: Monday, October 18, 2021 11:54 AM

To: Brandon Powell; Chris.Whitehead@state.nm.us; Clara Cardoza; Eufracio Trujillo; Kandis

Roland; Kate Kaufman; Keri Hutchins; Kurt Hoekstra; I1thomas@blm.gov; Mandi

Walker; Ryan Joyner

Cc: Kelly Davidson; Shad Brown

Subject: P O Pipkin 1G - 72 hr Closure Notice

Attachments: 30045337770000\_P O Pipkin 1G\_BGT Permit\_OCD APPVD.pdf

The subject well has a below-grade tank that will begin the closure process between 72 hours and one week from this notification. Please contact me at any time if you have any questions or concerns.

Well Name: P O Pipkin 1G

API#: 3004533777

Location: UL: J, 08, 27N, 10W Footages: 2070' FNL & 1435' FWL Operator: HEC (Pemit filed by XTO)

Surface Owner: Federal

Scheduled Date & Time of Start: October 25th @ 8am.

\*\*Please Note Required Photos for Closure\*\*

Well site placard

Photos of the BGT prior to closure

The sample location or, more preferred, photos of actual sample collection

Final state of the area after closure.

Photos will require captioning including direction of photo, date and time of photo and a description of the image contents.

### Mandi Walker

San Juan North/South (6,7) Regulatory Technician Hilcorp Energy 346.237.2177 mwalker@hilcorp.com District I
1625 N. French Dr., Hobbs, NM 88240
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811 S. First St., Artesia, NM 88210
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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources Department

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-141 Revised August 24, 2018 Submit to appropriate OCD District office

Incident ID	
District RP	
Facility ID	
Application ID	

# **Release Notification**

#### **Responsible Party**

Responsible Party Hilcorp Energy Company				OGRID	RID 372171			
Contact Name Amanda Walker				Contact Te	Contact Telephone (346) 237-2177			
Contact emai	il mwalk	er@hilcorp.com		Incident #	Incident # (assigned by OCD)			
Contact mail	ing address	382 Road 3100	Aztec NM 874	10				
			Location	of Release So	ource			
Latitude 36	5.5881667		(NAD 83 in dec	Longitude _cimal degrees to 5 decim	-107.91417 mal places)			
Site Name P	O Pipkin 10	3		Site Type	Gas Well			
Date Release	Discovered	N/A		API# (if app	plicable) 3004533777			
Unit Letter	Section	Township	Range	Coun	nty			
J	08	27N	10W	San Ju	uan			
Surface Owner			Nature and	l Volume of I	Release c justification for the volumes provided below)			
Crude Oil		Volume Release		· · · · · · · · · · · · · · · · · · ·	Volume Recovered (bbls)			
Produced	Water	Volume Release	d (bbls)		Volume Recovered (bbls)			
		Is the concentrat	ion of dissolved c >10,000 mg/l?	hloride in the	☐ Yes ☐ No			
Condensa	ite	Volume Release	d (bbls)		Volume Recovered (bbls)			
☐ Natural G	las	Volume Release	d (Mcf)		Volume Recovered (Mcf)			
Other (describe) Volume/Weight Released (provide un			Released (provide	e units)	Volume/Weight Recovered (provide units)			
Cause of Rele No release wa		d during the BGT (	Closure.					

Received by OCD: 12/3/2021 7:14:05 AM Form C-141 State of New Mexico Page 2 Oil Conservation Division

73	4.0		
Page	17	n t	•
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Incident ID	
District RP	
Facility ID	
Application ID	

Was this a major release as defined by	If YES, for what reason(s) does the r	esponsible part	y consider this a i	major release?		
19.15.29.7(A) NMAC?						
☐ Yes ⊠ No	N/A					
If YES, was immediate no	otice given to the OCD? By whom? T	Γo whom? Whe	en and by what m	eans (phone, email, etc)?		
Not Required						
	Initia	ıl Response	5			
The responsible p	party must undertake the following actions imme	ediately unless they	could create a safety	hazard that would result in injury		
☐ The source of the rele	ease has been stopped.					
☐ The impacted area ha	s been secured to protect human health	h and the enviro	onment.			
Released materials ha	we been contained via the use of berma	s or dikes, abso	rbent pads, or oth	ner containment devices.		
All free liquids and re	ecoverable materials have been remove	ed and managed	l appropriately.			
If all the actions described	d above have <u>not</u> been undertaken, exp	olain why:				
Per 19.15.29.8 B. (4) NM	AC the responsible party may comme	ence remediation	 n immediately aft	er discovery of a release. If remediation		
has begun, please attach	a narrative of actions to date. If reme	edial efforts hav	ve been successfu	ally completed or if the release occurred		
	at area (see 19.15.29.11(A)(5)(a) NMA					
	rmation given above is true and complete to required to report and/or file certain release			lerstand that pursuant to OCD rules and we actions for releases which may endanger		
public health or the environr		the OCD does no	ot relieve the opera	tor of liability should their operations have		
addition, OCD acceptance of	f a C-141 report does not relieve the operat					
and/or regulations.						
Printed Name: Amanda Walker Title: Operations/Regulatory Technician – Sr.						
Signature:	Outler	Date: _	12/3/2021			
email:	mwalker@hilcorp.com		_Telephone:	(346) 237-2177		
OCD Only						
Received by:		Date:	<del></del>			



Hall Environmental Analysis Laboratory
4901 Hawkins NE
Albuquerque, NM 87109
TEL: 505-345-3975 FAX: 505-345-4107
Website: clients.hallenvironmental.com

November 08, 2021

Kate Kaufman HILCORP ENERGY PO Box 4700 Farmington, NM 87499

TEL: (505) 564-0733 FAX:

RE: PO Pipkin 1G OrderNo.: 2110B81

#### Dear Kate Kaufman:

Hall Environmental Analysis Laboratory received 1 sample(s) on 10/26/2021 for the analyses presented in the following report.

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

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

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

Sincerely,

Andy Freeman

Laboratory Manager

anded

4901 Hawkins NE

Albuquerque, NM 87109

**Analytical Report**Lab Order **2110B81** 

Date Reported: 11/8/2021

### Hall Environmental Analysis Laboratory, Inc.

CLIENT: HILCORP ENERGY Client Sample ID: BGT Closure

 Project:
 PO Pipkin 1G
 Collection Date: 10/25/2021 2:05:00 PM

 Lab ID:
 2110B81-001
 Matrix: SOIL
 Received Date: 10/26/2021 7:15:00 AM

Analyses	Result	RL Qu	al Units	DF	Date Analyzed
EPA METHOD 8015M/D: DIESEL RANGE OR	GANICS				Analyst: <b>SB</b>
Diesel Range Organics (DRO)	ND	8.5	mg/Kg	1	11/1/2021 1:11:08 PM
Motor Oil Range Organics (MRO)	ND	42	mg/Kg	1	11/1/2021 1:11:08 PM
Surr: DNOP	96.4	70-130	%Rec	1	11/1/2021 1:11:08 PM
EPA METHOD 8015D: GASOLINE RANGE					Analyst: CCM
Gasoline Range Organics (GRO)	ND	4.7	mg/Kg	1	10/29/2021 3:02:00 PM
Surr: BFB	95.0	70-130	%Rec	1	10/29/2021 3:02:00 PM
EPA METHOD 8021B: VOLATILES					Analyst: CCM
Benzene	ND	0.023	mg/Kg	1	10/29/2021 3:02:00 PM
Toluene	ND	0.047	mg/Kg	1	10/29/2021 3:02:00 PM
Ethylbenzene	ND	0.047	mg/Kg	1	10/29/2021 3:02:00 PM
Xylenes, Total	ND	0.094	mg/Kg	1	10/29/2021 3:02:00 PM
Surr: 4-Bromofluorobenzene	97.6	70-130	%Rec	1	10/29/2021 3:02:00 PM
EPA METHOD 300.0: ANIONS					Analyst: CAS
Chloride	ND	60	mg/Kg	20	11/1/2021 2:51:15 PM

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

Qualifiers:

- Value exceeds Maximum Contaminant Level.
- D Sample Diluted Due to Matrix
- H Holding times for preparation or analysis exceeded
- $ND \qquad Not \ Detected \ at \ the \ Reporting \ Limit$
- PQL Practical Quanitative Limit
- S % Recovery outside of range due to dilution or matrix interference
- B Analyte detected in the associated Method Blank
- E Value above quantitation range
- J Analyte detected below quantitation limits
- P Sample pH Not In Range
- RL Reporting Limit

Page 1 of 5

### Hall Environmental Analysis Laboratory, Inc.

WO#: **2110B81** 

08-Nov-21

**Client:** HILCORP ENERGY

**Project:** PO Pipkin 1G

Sample ID: MB-63678 SampType: mblk TestCode: EPA Method 300.0: Anions

Client ID: PBS Batch ID: 63678 RunNo: 82512

Prep Date: 11/1/2021 Analysis Date: 11/1/2021 SeqNo: 2928305 Units: mg/Kg

Analyte Result PQL SPK value SPK Ref Val %REC LowLimit HighLimit %RPD RPDLimit Qual

Chloride ND 1.5

Sample ID: LCS-63678 SampType: Ics TestCode: EPA Method 300.0: Anions

Client ID: LCSS Batch ID: 63678 RunNo: 82512

Prep Date: 11/1/2021 Analysis Date: 11/1/2021 SeqNo: 2928306 Units: mg/Kg

Analyte Result PQL SPK value SPK Ref Val %REC LowLimit HighLimit %RPD RPDLimit Qual

Chloride 14 1.5 15.00 0 93.3 90 110

#### Qualifiers:

Value exceeds Maximum Contaminant Level.

D Sample Diluted Due to Matrix

H Holding times for preparation or analysis exceeded

ND Not Detected at the Reporting Limit

PQL Practical Quanitative Limit

S % Recovery outside of range due to dilution or matrix interference

B Analyte detected in the associated Method Blank

E Value above quantitation range

J Analyte detected below quantitation limits

P Sample pH Not In Range

RL Reporting Limit

Page 2 of 5

### Hall Environmental Analysis Laboratory, Inc.

WO#: **2110B81** 

08-Nov-21

Client: HILCORP ENERGY

**Project:** PO Pipkin 1G

Sample ID: LCS-63654 SampType: LCS TestCode: EPA Method 8015M/D: Diesel Range Organics

Client ID: LCSS Batch ID: 63654 RunNo: 82477

Prep Date: 10/29/2021 Analysis Date: 11/1/2021 SeqNo: 2926672 Units: mg/Kg

PQL SPK value SPK Ref Val %REC HighLimit %RPD **RPDLimit** Analyte Result LowLimit Qual Diesel Range Organics (DRO) 10 0 47 50.00 93.8 68.9 135

Surr: DNOP 4.4 5.000 88.8 70 130

Sample ID: MB-63654 SampType: MBLK TestCode: EPA Method 8015M/D: Diesel Range Organics

Client ID: PBS Batch ID: 63654 RunNo: 82477

Prep Date: 10/29/2021 Analysis Date: 11/1/2021 SeqNo: 2926675 Units: mg/Kg

Analyte Result PQL SPK value SPK Ref Val %REC LowLimit HighLimit %RPD RPDLimit Qual
Diesel Range Organics (DRO) ND 10

Diesel Range Organics (DRO) ND 10

Motor Oil Range Organics (MRO) ND 50

Surr: DNOP 9.1 10.00 90.9 70 130

#### Qualifiers:

- Value exceeds Maximum Contaminant Level
- D Sample Diluted Due to Matrix
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- PQL Practical Quanitative Limit
- S % Recovery outside of range due to dilution or matrix interference
- B Analyte detected in the associated Method Blank
- E Value above quantitation range
- J Analyte detected below quantitation limits
- P Sample pH Not In Range
- RL Reporting Limit

Page 3 of 5

#### Hall Environmental Analysis Laboratory, Inc.

WO#: **2110B81** 

08-Nov-21

Client: HILCORP ENERGY

**Project:** PO Pipkin 1G

Sample ID: Ics-63603 SampType: LCS TestCode: EPA Method 8015D: Gasoline Range

Client ID: LCSS Batch ID: 63603 RunNo: 82466

Prep Date: 10/27/2021 Analysis Date: 10/29/2021 SeqNo: 2926053 Units: mg/Kg

Analyte Result PQL SPK value SPK Ref Val %REC LowLimit HighLimit %RPD RPDLimit Qual

 Gasoline Range Organics (GRO)
 27
 5.0
 25.00
 0
 109
 78.6
 131

 Surr: BFB
 1100
 1000
 108
 70
 130

Sample ID: mb-63603 SampType: MBLK TestCode: EPA Method 8015D: Gasoline Range

Client ID: PBS Batch ID: 63603 RunNo: 82466

Prep Date: 10/27/2021 Analysis Date: 10/29/2021 SeqNo: 2926054 Units: mg/Kg

Analyte Result PQL SPK value SPK Ref Val %REC LowLimit HighLimit %RPD RPDLimit Qual

Gasoline Range Organics (GRO) ND 5.0

Surr: BFB 950 1000 95.0 70 130

#### Qualifiers:

- Value exceeds Maximum Contaminant Level
- D Sample Diluted Due to Matrix
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- PQL Practical Quanitative Limit
- S % Recovery outside of range due to dilution or matrix interference
- B Analyte detected in the associated Method Blank
- E Value above quantitation range
- J Analyte detected below quantitation limits
- P Sample pH Not In Range
- RL Reporting Limit

Page 4 of 5

### Hall Environmental Analysis Laboratory, Inc.

WO#: **2110B81** 

08-Nov-21

Client: HILCORP ENERGY

**Project:** PO Pipkin 1G

Sample ID: Ics-63603	SampT	ype: <b>LC</b>	S	Tes	tCode: El					
Client ID: LCSS	Batch	n ID: <b>63</b> 6	603	R	RunNo: 8	2466				
Prep Date: 10/27/2021	Analysis D	ate: 10	/29/2021	S	SeqNo: 29	926074	Units: mg/K			
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Benzene	0.98	0.025	1.000	0	97.8	80	120			
Toluene	0.96	0.050	1.000	0	96.5	80	120			
Ethylbenzene	0.97	0.050	1.000	0	97.3	80	120			
Xylenes, Total	3.0	0.10	3.000	0	98.7	80	120			
Surr: 4-Bromofluorobenzene	1.0		1.000		104	70	130			

Sample ID: mb-63603	SampT	ype: <b>M</b>	BLK	Tes	tCode: El					
Client ID: PBS	Batcl	n ID: <b>63</b>	603	RunNo: <b>82466</b>						
Prep Date: 10/27/2021	Analysis D	Date: 10	0/29/2021	S	SeqNo: 2	926075	Units: mg/k	(g		
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Benzene	ND	0.025								
Toluene	ND	0.050								
Ethylbenzene	ND	0.050								
Xylenes, Total	ND	0.10								
Surr: 4-Bromofluorobenzene	1.0		1.000		101	70	130			

#### Qualifiers:

- Value exceeds Maximum Contaminant Level.
- D Sample Diluted Due to Matrix
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- PQL Practical Quanitative Limit
- S % Recovery outside of range due to dilution or matrix interference
- B Analyte detected in the associated Method Blank
- E Value above quantitation range
- J Analyte detected below quantitation limits
- P Sample pH Not In Range
- RL Reporting Limit

Page 5 of 5



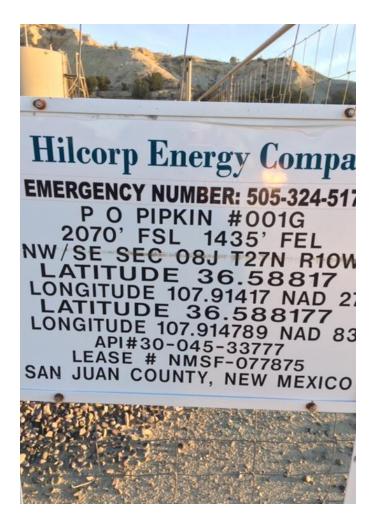
Hall Environmental Analysis Laboratory 4901 Hawkins NE Albuquerque, NM 87109

TEL: 505-345-3975 FAX: 505-345-4107 Website: clients.hallenvironmental.com

# Sample Log-In Check List

Client Name:	HILCORP	ENERGY	Work	Order Num	nber: 211	0B81			RcptNo: 1	
Received By:	Cheyenne	e Cason	10/26/2	021 7:15:0	0 AM		Chem	1	, crot	
Completed By:	Sean Livi	ngston	10/26/2	021 9:12:2	1 AM		<	/	, ,	
Reviewed By:	1289	10/2	12/21				ر	ш <i>.</i>	731-	
Chain of Cu	stody									
1. Is Chain of	Custody comp	olete?			Yes	<b>V</b>	No		Not Present	
2. How was the	e sample deliv	vered?			Cou	ırier				
Log In										
3. Was an atte	mpt made to	cool the samp	es?		Yes	V	No		NA 🗆	
4. Were all san	nples received	d at a tempera	ture of >0° C	to 6.0°C	Yes	<b>✓</b>	No		NA 🗆	
5. Sample(s) in	proper conta	iner(s)?			Yes	<b>V</b>	No			
6. Sufficient sar	mple volume f	or indicated te	st(s)?		Yes	<b>V</b>	No			
7. Are samples	(except VOA	and ONG) pro	perly preserve	ed?	Yes	<b>V</b>	No			
8. Was preserv	ative added to	bottles?			Yes		No	<b>✓</b>	NA 🗆	
9. Received at l	east 1 vial wit	h headspace	<1/4" for AQ \	OA?	Yes		No		NA 🗹	
10. Were any sa	mple containe	ers received b	roken?		Yes		No	<b>V</b>	# of preserved	/
11. Does paperw	ork match ho	ttle lebele?			Yes		Na		bottles checked	
		ain of custody)			Yes	•	No		for pH: (<2 or >1	2 unless noted)
12. Are matrices		A 1000 1000 1000 1000 1000 1000 1000 10			Yes	<b>V</b>	No		Adjusted?	
3. Is it clear wha					Yes	<b>V</b>	No			
14. Were all hold		e to be met? authorization.)			Yes	$\checkmark$	No		Checked by:	e 10/26/21
Special Hand										
15. Was client n			vith this order?		Yes		No		NA 🗹	
Persor	Notified:		Name and Address of the Owner, where	Date				mountains.		
By Wh	om:			Via:	eM	ail 🗆	Phone	Fax	☐ In Person	
Regard	ding:			Andreas Anna Anna Anna Anna Anna Anna Anna An	THE PERSONAL PROPERTY OF					
Client	Instructions:		AND THE PARTY OF T	W CHAIL PROPERTY AND ADDRESS OF THE PARTY AND	A CONTRACTOR OF THE SEC	AND DESCRIPTION OF THE PARTY OF				
16. Additional re	emarks:						4			
17. <u>Cooler Info</u>	rmation									
Cooler No		Condition	Seal Intact	Seal No	Seal D	ate	Signed	Ву		
1	2.9	Good								

Received by OCD: 12/3/202	21 7	:14:05 AM							- J					Page 20	0 of 2
HALL ENVIRONMENTAL ANALYSIS LABORATOR www.hallenvironmental.com kins NE - Albuquerque, NM 87109 345-3975 Fax 505-345-4107	est	(fresent/Absent)	1) u	Lara Collina	>								-		on the analytical report.
TR L nenta rrque,	<b>Analysis Request</b>			-imə2) 0728		+	+		+	-	+	-			notated
SIS vironn buque	sis l			(AOV) 09S8			1		+	2	+		1		clearly r
allen Alk	Analy	NO <sub>2</sub> , PO₄, SO₄	' <sup>E</sup> O	Cl, F, Br, N											vill be
HALL ENVIRON ANALYSIS LABC www.hallenvironmental.com 4901 Hawkins NE - Albuquerque, NM 8 Tel. 505-345-3975 Fax 505-345-41	1	SMIS0728 1		PAHs by 83		-	-								ed data v
M w wkin 5-345	7			EDB (Wetho		+	$\vdash$	-	+	-	-		-		ontract
1 Hg		\8082 PCB's				+	-	-	-		-				y sub-c
Te 490		O V DRO V MRO)	ЭЭ	)D2108:H9T	X	1			+	-			arks:		ity. An
		(1208) s'BMT	/∃€	HM-\X3T8	X				$\top$	1			Remarks		idissoc
Turn-Around Time:		Project Manager:  KATE KAWFWAN Sampler: KWET		Cooler Temp(including cF): 2.4 -0.22.4 (°C)  Container  Type and # Type  Type and # Type	1) Loz Jap 100								Received by: Via: Date Time	ed by: Via: Date T	tracted to other accredited laboratories. This serves as notice of this
Client: H. Congress:	2002	email or Fax#: Kay two or Phylograp Cown Cown Cown Cown Cown Cown Cown Cown		Date Time Matrix Sample Name	10-25 2:05 55 BGT CLOSURE								Se de la companya della companya della companya de la companya della companya del	Date: Time: Refinquished by:	, samples submitted to Hall En

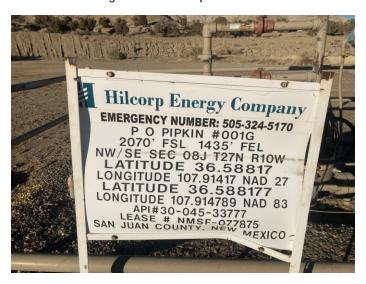


Released to Imaging: 12/6/2021 10:21:11 AM





#### 12/3/2021 Facing North @3:40 pm







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

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 64865

#### **CONDITIONS**

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	64865
	Action Type:
	[C-144] Below Grade Tank Plan (C-144B)

#### CONDITIONS

Created By	Condition	Condition Date				
cwhitehead	None	12/6/2021				