

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

Pit, Below-Grade Tank, or  
Proposed Alternative Method Permit or Closure Plan Application

Type of action: ☐ Below grade tank registration  
☐ Permit of a pit or proposed alternative method  
**BGT1** ☒ Closure of a pit, below-grade tank, or proposed alternative method  
☐ Modification to an existing permit/or registration  
☐ Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank, or proposed alternative method

**Instructions: Please submit one application (Form C-144) per individual pit, below-grade tank or alternative request**

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1.

Operator: Mustang Resources LLC OGRID #: 375495  
Address: 1660 Lincoln Street, Suite 1450 Denver, CO 80264  
Facility or well name: Flush #001  
API Number: 30-045-30271 OCD Permit Number: \_\_\_\_\_  
U/L or Qtr/Qtr F Section 02 Township 26N Range 13W County: San Juan  
Center of Proposed Design: Latitude 36.519202 Longitude -108.190926 NAD83  
Surface Owner: ☐ Federal ☐ State ☐ Private ☒ Tribal Trust or Indian Allotment

2.

☐ **Pit:** Subsection F, G or J of 19.15.17.11 NMAC  
Temporary: ☐ Drilling ☐ Workover  
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A ☐ Multi-Well Fluid Management Low Chloride Drilling Fluid ☐ yes ☐ no  
☐ Lined ☐ Unlined Liner type: Thickness \_\_\_\_\_ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other \_\_\_\_\_  
☐ String-Reinforced  
Liner Seams: ☐ Welded ☐ Factory ☐ Other \_\_\_\_\_ Volume: \_\_\_\_\_ bbl Dimensions: L \_\_\_\_\_ x W \_\_\_\_\_ x D \_\_\_\_\_

3.

☒ **Below-grade tank:** Subsection I of 19.15.17.11 NMAC  
Volume: 400 bbl Type of fluid: Produced Fluids  
Tank Construction material: Metal – Single Wall (correction from registration)  
☒ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off  
☒ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other \_\_\_\_\_  
Liner type: Thickness 40 mil ☒ HDPE ☐ PVC ☐ Other \_\_\_\_\_

4.

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

5.

**Fencing:** Subsection D of 19.15.17.11 NMAC (*Applies to permanent pits, temporary pits, and below-grade tanks*)  
☐ Chain link, six feet in height, two strands of barbed wire at top (*Required if located within 1000 feet of a permanent residence, school, hospital, institution or church*)  
☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet  
☐ Alternate. Please specify \_\_\_\_\_

6.

**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

8.

**Variations and Exceptions:**

Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.

***Please check a box if one or more of the following is requested, if not leave blank:***

- ☐ Variance(s): Requests must be submitted to the appropriate division district for consideration of approval.
- ☐ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

9.

**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 acceptable source material are provided below. Siting criteria does not apply to drying pads or above-grade tanks.*****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. **(Does not apply to below grade tanks)**

- Written confirmation or verification from the municipality; Written approval obtained from the municipality

☐ Yes ☐ No

Within the area overlying a subsurface mine. **(Does not apply to below grade tanks)**

- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division

☐ Yes ☐ No

Within an unstable area. **(Does not apply to below grade tanks)**

- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map

☐ Yes ☐ No

Within a 100-year floodplain. **(Does not apply to below grade tanks)**

- FEMA map

☐ Yes ☐ No

**Below Grade Tanks**

Within 100 feet of a continuously flowing watercourse, significant watercourse, lake bed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☒ No

Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption;.

- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

☐ Yes ☒ No

**Temporary Pit using Low Chloride Drilling Fluid** (maximum chloride content 15,000 mg/liter)

Within 100 feet of a continuously flowing watercourse, or any other significant watercourse or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.)

- Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within 300 feet from a occupied permanent residence, school, hospital, institution, or church in existence at the time of initial application.

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

☐ Yes ☐ No

Within 200 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

Within 100 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

### **Temporary Pit Non-low chloride drilling fluid**

Within 300 feet of a continuously flowing watercourse, or any other significant watercourse, or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

☐ 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

10.

#### **Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist:** Subsection B of 19.15.17.9 NMAC

**Instructions:** Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
- ☐ Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC
- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

☐ Previously Approved Design (attach copy of design) API Number: \_\_\_\_\_ or Permit Number: \_\_\_\_\_

11.

#### **Multi-Well Fluid Management Pit Checklist:** Subsection B of 19.15.17.9 NMAC

**Instructions:** Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ 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 19.15.17.9 NMAC 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: \_\_\_\_\_

12.

**Permanent Pits Permit Application Checklist:** Subsection B of 19.15.17.9 NMAC

**Instructions:** Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC  
☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC  
☐ Climatological Factors Assessment  
☐ Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC  
☐ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC  
☐ Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC  
☐ Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC  
☐ Quality Control/Quality Assurance Construction and Installation Plan  
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC  
☐ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC  
☐ Nuisance or Hazardous Odors, including H<sub>2</sub>S, Prevention Plan  
☐ Emergency Response Plan  
☐ Oil Field Waste Stream Characterization  
☐ Monitoring and Inspection Plan  
☐ Erosion Control Plan  
☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

13.

**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 Fluid Management Pit  
☐ Alternative
- Proposed Closure Method: ☐ Waste Excavation and Removal  
☐ Waste Removal (Closed-loop systems only)  
☐ On-site Closure Method (Only for temporary pits and closed-loop systems)  
☐ In-place Burial ☐ On-site Trench Burial  
☐ Alternative Closure Method

14.

**Waste Excavation and Removal Closure Plan Checklist:** (19.15.17.13 NMAC) **Instructions:** Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC  
☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection 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

15.

**Siting Criteria (regarding on-site closure methods only):** 19.15.17.10 NMAC

**Instructions:** Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. Please refer to 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	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Ground water is between 25-50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
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	<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No
Written confirmation or verification from the municipality; Written approval obtained from the municipality	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> 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

Within an unstable area.

- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map

☐ Yes ☐ No

Within a 100-year floodplain.

- FEMA map

☐ Yes ☐ No

16.

**On-Site Closure Plan Checklist:** (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, 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 19.15.17.11 NMAC
- ☐ Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ 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 cannot be achieved)
- ☐ 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
- ☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

17.

**Operator Application Certification:**

I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): \_\_\_\_\_ Title: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

e-mail address: \_\_\_\_\_ Telephone: \_\_\_\_\_

18.

**OCD Approval:** ☐ Permit Application (including closure plan) ☒ Closure Report (only) ☐ OCD Conditions (see attachment)

OCD Representative Signature: Jaclyn Burdine Approval Date: 09/22/2022

Title: Environmental Specialist-A OCD Permit Number: BGT1

19.

**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. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.*

☒ Closure Completion Date: 08/13/2022

20.

**Closure Method:**

- ☒ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-loop systems only)
- ☐ If different from approved plan, please explain.

21.

**Closure Report Attachment Checklist:** *Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.*

- ☒ Proof of Closure Notice (surface owner and division)
- ☐ Proof of Deed Notice (required for on-site closure for private land only)
- ☐ Plot Plan (for on-site closures and temporary pits)
- ☒ Confirmation Sampling Analytical Results (if applicable)
- ☐ Waste Material Sampling Analytical Results (required for on-site closure)
- ☐ Disposal Facility Name and Permit Number
- ☒ Soil Backfilling and Cover Installation
- ☒ Re-vegetation Application Rates and Seeding Technique
- ☒ Site Reclamation (Photo Documentation)

On-site Closure Location: Latitude \_\_\_\_\_ Longitude \_\_\_\_\_ NAD: ☐ 1927 ☐ 1983

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.

Name (Print): Deb Lemon Title: Regulatory Manager

Signature: Deborah Lemon Date: September 19, 2022

e-mail address: dlemon@mustangresourcesllc.com Telephone: 720-550-7507



## Flush #1 BGT Closure Requirements

1. The BGT of the Flush #1 meets the requirements of Paragraphs 1 through 4 of Subs. I of 19.15.17.11. In the event that the integrity fails on the following BGT, MOG will replace or repair to maintain compliance. The facility has not accepted fluids since the commencement of operations by Mustang.
2. All fluids will be removed at the start of the BGT closure process from the BGT and disposed of in a division approved facility or recycle, reuse or reclaim the liquids in a manner that the appropriate division district office approves. No fluids were present in the BGT at the commencement of closure activities. Fluids accumulated in the BGT had been disposed at a NMOCD approved facility in previous years.
3. All solids or sludge from the BGT will be removed and transported to either Envirotech or IEL. No solids were present in the BGT at the commencement of closure activities. Solids had been disposed of at a NMOCD approved facility in previous years.
4. MOG will remove the BGT and dispose of it in a division approved facility or recycle, reuse or reclaim it in a manner that the appropriate district office approves. The clean tank was removed from the location and donated to American Waste for reuse.
5. Any on-site equipment that is associated with the following BGT will be removed, unless the equipment is required for some other purposes. All on-site equipment has been removed.
6. MOG will not allow the BGT to overflow or allow surface water run-on to enter the BGT. N/A - The facility has not accepted fluids since the commencement of operations by Mustang.
7. MOG shall remove any visible or measurable layer of oil from the fluid surface of the BGT. N/A - The facility has not accepted fluids since the commencement of operations by Mustang.
8. MOG will inspect the BGT monthly and will maintain records of each inspection for 5 years. At the time Mustang Resources acquired the facility, the BGT was out of service, and it has remained out of service for the duration of Mustang's operatorship. Routine observations were ongoing and no indication of leaks were observed.
9. MOG shall maintain adequate freeboard to prevent overtopping of the BGT. N/A - The facility has not accepted fluids since the commencement of operations by Mustang.
10. A five point composite sample will be taken from the soils beneath the BGT pursuant to 19.15.17.13 (E)(4) in order to assure there has not been any type of contamination.

Components	Test 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
GRO/DRO	EPA SW-846 8015M	500
Chlorides	EPA 300.1	250 or background

A five point composite was taken from the soils beneath the BGT at the edges of the underlying concrete pad (see attached Below Grade Tank Closure Report). The form C-141 is attached.

11. The NMOCD shall be notified of testing results on form C-141. The form C-141 is attached. Testing results are provided in the attached Below Grade Tank Closure Report.
12. If it is determined that a release has occurred, rule 19.15.3.116 NMAC and 19.15.1.19 NMAC will be complied with as required. Based on laboratory analytical results, no release was determined to have occurred.

\*Due to a change in ownership and unforeseen production equipment left by the previous operator, the BGT was not closed in a timely manner per 19.15.17.13 NMAC closure requirements.

13. If the BGT has met all closure requirements as outlined in paragraph 4 of subs. E of 19.15.17.13 NMAC, then MOG shall backfill the excavated site with compacted, non-waste containing, earthen material; construct a division-prescribed soil cover; re-contour and re-vegetate the site as required by Subs G, H and I of 19.15.17.13 NMAC, and per BLM Conditions of approval. MOG shall see the disturbed areas the first growing season after the MOG closes the BGT. Seeding will be accomplished via drilling on the contour whenever practical or by other division approved methods. BLM or Forest Service stipulated seed mixes will be used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs.

Type	Variety or Cultivator	PLS/A
Western Wheatgrass	Arriba	3.0
Indian Ricegrass	Paloma or rimrock	3.0
Slender Wheatgrass	San Luis	2.0
Crested Wheatgrass	Hy-crest	3.0
Bottlebrush Squirreltail	Unknown	2.0
Four-wing Saltbrus	Delar	.25

*Species shall be planted in pounds of pure live seed per acre: Present Pure Live Seed (PLS)= Purity X Germination/100. Two lost of seed can be compared on the basis of PLS as follows:*

*Source No. One (poor quality)*

*Purity 50 percent*

*Germination 40 percent*

*Percent PLS 20 percent*

*5lb. bulk seed required to make*

*1lb. PLS*

*Source No. two (better quality)*

*Purity 80 percent*

*Germination 63 percent*

*Percent PLS 50 percent*

*2lb. bulk seed required to make*

*1lb. PLS*

After removal of the concrete pad from the base of the excavation, the excavation was backfilled with compacted, non-waste containing, earthen material and a division-prescribed soil cover re-contoured to match the surrounding area and to prevent ponding and erosion. Reseeding will take place in the Fall 2022 by drilling on the contour with the stipulated seed mix and application rate barring uncontrollable circumstances including weather and accessibility.

14. The NMOCD shall be notified within 60 days of closure of the BGT. The closure report will be filed on form C144 and will document all closure activities, sampling results, a plot plan, and details on backfilling and capping where applicable.

A copy of email correspondence is attached of the accepted notification.

15. The NMOCD will be notified once successful re-vegetation has occurred.

The NMOCD will be notified once successful re-vegetation has occurred.



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State of New Mexico  
Energy Minerals and Natural  
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Oil Conservation Division  
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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 Mustang Resources LLC	OGRID 375495
Contact Name Deb Lemon	Contact Telephone (720) 550-7507 ext 105
Contact email dlemon@mustangresourcesllc.com	Incident # (assigned by OCD)
Contact mailing address 1660 Lincoln Street, Suite 1450 Denver, Colorado 80264	

### Location of Release Source

Latitude 36.519202 Longitude -108.190926  
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Flush #1	Site Type SWD
Date Release Discovered N/A	API# (if applicable) 30-045-30271

Unit Letter	Section	Township	Range	County
F	2	26N	13W	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)

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

#### Cause of Release

No release was encountered during the BGT Closure.

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?  <input type="checkbox"/> Yes <input type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release?  N/A
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?  Not required.	

**Initial Response**

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

<input type="checkbox"/> The source of the release has been stopped.	
<input type="checkbox"/> The impacted area has been secured to protect human health and the environment.	
<input type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.	
<input type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately.	
If all the actions described above have <u>not</u> been undertaken, explain why:  N/A	
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: <u>Deb Lemon</u>	Title: <u>Regulatory Manager</u>
Signature: <u>Deborah Lemon</u>	Date: _____
email: <u>dlemon@mustangresourcesllc.com</u>	Telephone: <u>(720) 550-7507 ext 105</u>
<b><u>OCD Only</u></b>	
Received by: _____	Date: _____



Souder, Miller & Associates ♦ 401 West Broadway ♦ Farmington, NM 87401  
(505) 325-7535 ♦ fax (505) 326-0045

September 19, 2022

SMA Project 5131223

NMOCD District 3  
1000 Rio Brazos Road  
Aztec, New Mexico 88410

SUBJECT: Below Grade Tank Closure Report for the Flush #1 (30-045-30271), San Juan County, New Mexico

### **1.0 Introduction**

On behalf of Mustang Resources LLC (Mustang), Souder, Miller & Associates (SMA) has prepared this Below Grade Tank Closure Report for the Flush #1 (30-045-30271). The site is located in Unit F, Section 2, Township 26N, Range 13W, San Juan County, New Mexico, on Tribal land. Figure 1 illustrates the vicinity and site location on a United States Geological Survey (USGS) 7.5-minute quadrangle map and an aerial site map is included as Figure 2.

Table 1: Site Information			
Site Name	Flush #1	Company	Mustang Resources LLC
API Number	30-045-30271	Land Status	Tribal (Navajo Nation)
BGT Latitude/ Longitude	N36.519202, W108.190926		
Size of BGT	400 barrel (bbl)	Tank Type	Single Wall (Note: correction from registration)
SMA Response Date	July 12, 2022		

### **2.0 Closure Standards**

The permit application including the closure plan for the below grade tank (BGT) was submitted and approved prior to the 2013 rule revision to 19.15.17.13 New Mexico Administrative Code (NMAC), and as such utilizes the previously established closure standards for the as follows: 0.2 milligrams per kilogram (mg/kg) benzene; 50 mg/kg total benzene, toluene, ethylbenzene, and total xylenes (BTEX); 100 mg/kg total petroleum hydrocarbons (TPH); 500 mg/kg combined gasoline range organics (GRO) and diesel range organics (DRO); and 250 mg/kg chlorides.

### **3.0 Field Activities**

On July 12, 2022, following removal of the BGT, SMA personnel conducted a visual inspection for surface/subsurface indications of a release. No evidence of a release was observed. SMA personnel then collected five soil samples (S-1 through S-5) from 0.5 feet beneath the edges of the concrete slab at the base of the BGT excavation as illustrated on Figure 3.

### **4.0 Soil Sampling and Analytical Results**

The five soil samples (S-1 through S-5) collected from the BGT excavation were combined to create soil confirmation sample, Flush #1 BGT. The sample was placed into laboratory supplied glassware, labeled, and maintained on ice until delivery to Envirotech Laboratory in Farmington, New Mexico.

## Mustang Flush #1 BGT Closure Report September 19, 2022

Page 2 of 2

The sample was analyzed for BTEX per USEPA Method 8021B, TPH per USEPA Method 418.1 and 8015M/D, and chlorides per USEPA Method 300.0.

Laboratory analytical results for the composite sample reported benzene and total BTEX concentrations below the laboratory reporting limits of 0.0250 mg/kg and 0.100 mg/kg, respectively. Laboratory analytical results also reported TPH concentrations below the laboratory reporting limits of 20.0 mg/kg as GRO, 25.0 mg/kg DRO, and 50.0 mg/kg motor oil range organics (MRO). The chloride concentration for the sample was reported as 75.5 mg/kg. Field and laboratory results for the composite sample (Flush #1 BGT) are summarized in Table 2, and the analytical laboratory report is attached.

### **5.0 Analytical Results**

On July 12, 2022, BGT closure sampling activities were conducted at the Mustang Flush #1. Laboratory results for confirmation sample SC-1 were reported below the BGT closure standards for benzene, total BTEX, TPH, and chlorides as outlined in 19.15.17.13 NMAC (previous version). Based on laboratory analytical results, no release occurred from the BGT and no further work is recommended.

### **6.0 Scope and Limitations**

The scope of our services included: confirmation sampling; regulatory liaison; remediation guidance; and preparing this report. All work has been performed in accordance with generally accepted professional environmental consulting practices for oil and gas releases in the San Juan Basin in New Mexico.

If there are any questions regarding this report, please contact Heather Woods at (505) 716-2787.

Submitted by:  
SOUDER, MILLER & ASSOCIATES



Heather M. Woods, P.G.  
Project Geoscientist

Reviewed by:

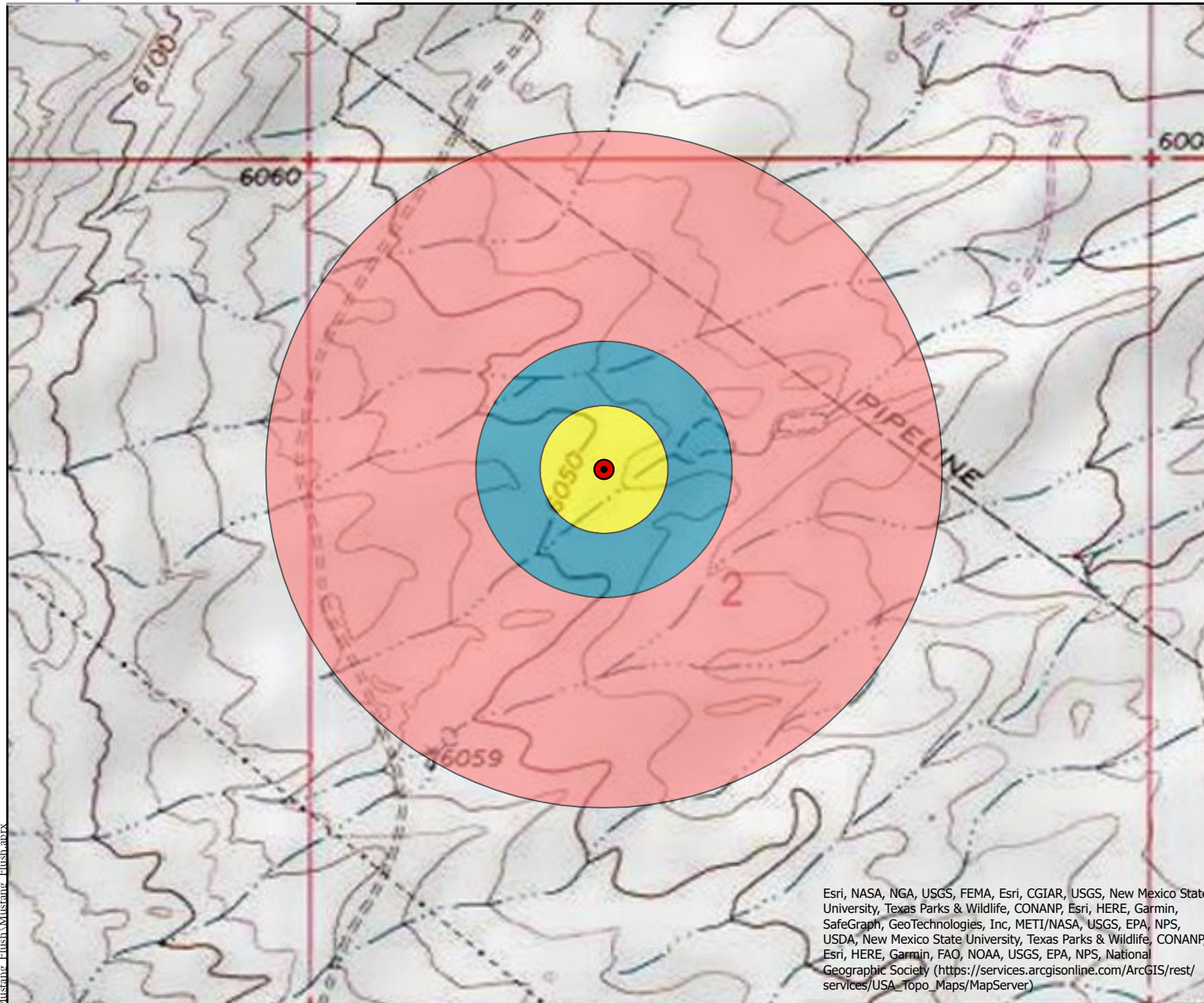


Reid S. Allan, P.G.  
Principal

### **ATTACHMENTS:**

Figure 1: Topographic Site Map  
Figure 2: Aerial Site Map  
Figure 3: Sample Location Map  
Table 2: Summary of Laboratory Analytical Results  
Laboratory Analytical Results (Envirotech E207049)





## Legend

● Point of Release

## Buffer Distance

500 feet

1000 feet

0.5 mile



0 500 1,000 2,000  
 Feet  
 Scale: 1:14,209

Coordinates:  
 -108.190926W 36.519202N

Figure 1

### Revisions

By: \_\_\_\_\_ Date: \_\_\_\_\_ Descr: \_\_\_\_\_  
 By: \_\_\_\_\_ Date: \_\_\_\_\_ Descr: \_\_\_\_\_

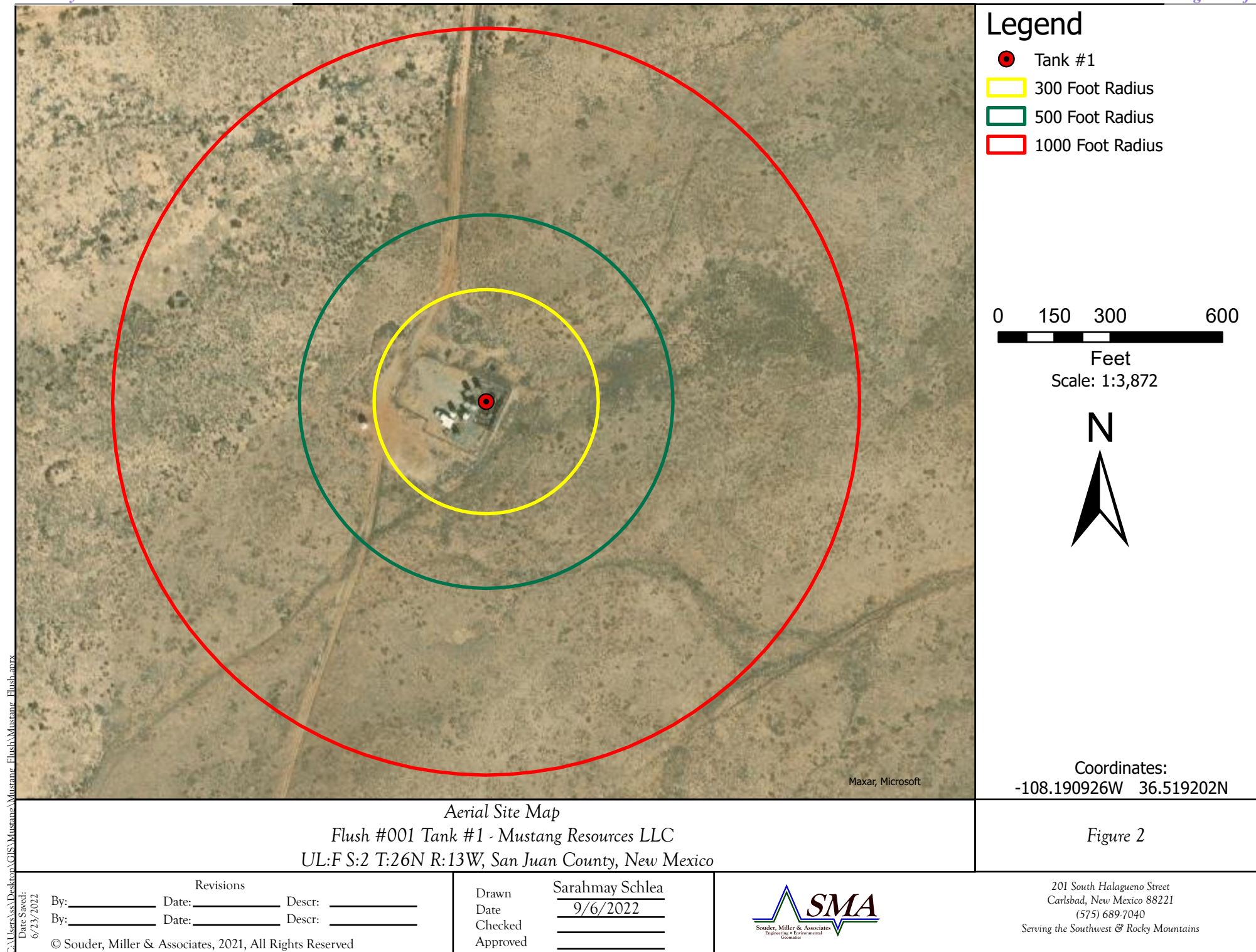
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Drawn Sarahmay Schlea  
 Date 6/8/2022  
 Checked \_\_\_\_\_  
 Approved \_\_\_\_\_



201 South Halaguena Street  
 Carlsbad, New Mexico 88221  
 (575) 689-7040  
 Serving the Southwest & Rocky Mountains









## Legend

- Composite Sample Locations
- Pit Area

0 10 20 40



Feet

Scale: 1:334



Coordinates:

-108.190926W 36.519202N

### Sample Location Map

Flush #001 Tank #1 - Mustang Resources LLC

UL:F S:2 T:26N R:13W, San Juan County, New Mexico

Figure 3

#### Revisions

By: \_\_\_\_\_ Date: \_\_\_\_\_ Descr: \_\_\_\_\_  
By: \_\_\_\_\_ Date: \_\_\_\_\_ Descr: \_\_\_\_\_

Drawn  
Date  
Checked  
Approved

Sarahmay Schlea

9/6/2022



201 South Halagueno Street  
Carlsbad, New Mexico 88221  
(575) 689-7040  
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Table 2:  
Summary of Laboratory Analytical Results

Mustang Resources LLC  
Flush #1 BGT Closure

Sample ID	Sample Date	Sample Type	Sample Depth (ft below BGT liner/concrete slab)	Method 8021B		Method 8015D					Method 300.0
				Benzene	Total BTEX	GRO	DRO	GRO + DRO	MRO	Total TPH	Chloride
				mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg
BGT Closure Standards*				0.2	50	--	--	100	--	500	250
Flush #1 BGT	7/12/2022	Composite	0.5	<0.0250	<0.100	<20.0	<25.0	<45.0	<50.0	<95.0	75.5

Notes: BTEX - total benzene, ethylbenzene, toluene, and xylenes

GRO - gasoline range organics

DRO - diesel range organics

MRO - motor oil range organics

TPH - total petroleum hydrocarbons

mg/kg - milligrams per kilogram

\*Per approved closure plan for the facility



Report to:  
Ashley Maxwell



# envirotech

*Practical Solutions for a Better Tomorrow*

## Analytical Report

Souder Miller & Associates

Project Name: Flush #1 BGT

Work Order: E207049

Job Number: 03117-0014

Received: 7/12/2022

Revision: 1

Report Reviewed By:

Walter Hinchman  
Laboratory Director  
7/19/22

5796 U.S. Hwy 64  
Farmington, NM 87401

Phone: (505) 632-1881  
Envirotech-inc.com



Envirotech Inc. certifies the test results meet all requirements of TNI unless noted 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. holds the Utah TNI certification NM00979 for data reported.  
Envirotech Inc. holds the Texas TNI certification T104704557 for data reported.  
Envirotech Inc. holds the NM SDWA certification for data reported. (Lab #NM00979)

Date Reported: 7/19/22

Ashley Maxwell  
401 W. Broadway  
Farmington, NM 87401



Project Name: Flush #1 BGT  
Workorder: E207049  
Date Received: 7/12/2022 12:32:00PM

Ashley Maxwell,

Thank you for choosing Envirotech, Inc. as your analytical testing laboratory for the sample(s) received on, 7/12/2022 12:32:00PM, under the Project Name: Flush #1 BGT.

The analytical test results summarized in this report with the Project Name: Flush #1 BGT apply to the individual samples collected, identified and submitted bearing the project name on the enclosed chain-of-custody. Subcontracted sample analyses not conducted by Envirotech, Inc., are attached in full as issued by the subcontract laboratory.

Please review the Chain-of-Custody (COC) and Sample Receipt Checklist (SRC) for any issues regarding sample receipt temperature, containers, preservation etc. To best understand your test results, review the entire report summarizing your sample data and the associated quality control batch data.

All reported data in this analytical report were analyzed according to the referenced method(s) and are in compliance with the latest NELAC/TNI standards, unless otherwise noted. Samples or analytical quality control parameters not meeting specific QC criteria are qualified with a data flag. Data flag definitions are located in the Notes and Definitions section of this analytical report.

If you have any questions concerning this report, please feel free to contact Envirotech, Inc.

Respectfully,

**Walter Hinchman**  
Laboratory Director  
Office: 505-632-1881  
Cell: 775-287-1762  
[whinchman@envirotech-inc.com](mailto:whinchman@envirotech-inc.com)

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Cell: 505-320-4759  
[ljjarboe@envirotech-inc.com](mailto:ljjarboe@envirotech-inc.com)

**West Texas Midland/Odessa Area**  
**Rayny Hagan**  
Technical Representative  
Office: 505-421-LABS(5227)

Envirotech Web Address: [www.envirotech-inc.com](http://www.envirotech-inc.com)

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Sample Summary

Souder Miller & Associates	Project Name:	Flush #1 BGT	Reported: 07/19/22 09:22
401 W. Broadway	Project Number:	03117-0014	
Farmington NM, 87401	Project Manager:	Ashley Maxwell	

Client Sample ID	Lab Sample ID	Matrix	Sampled	Received	Container
Flush #1 BGT	E207049-01A	Soil	07/12/22	07/12/22	Glass Jar, 4 oz.





## Sample Data

Souder Miller & Associates  
401 W. Broadway  
Farmington NM, 87401

Project Name: Flush #1 BGT  
Project Number: 03117-0014  
Project Manager: Ashley Maxwell

**Reported:**  
7/19/2022 9:22:53AM

## Flush #1 BGT

E207049-01

Analyte	Result	Reporting Limit	Dilution	Prepared	Analyzed	Notes
<b>Volatile Organics by EPA 8021B</b>						
	mg/kg	mg/kg		Analyst: RKS		Batch: 2229040
Benzene	ND	0.0250	1	07/12/22	07/14/22	
Ethylbenzene	ND	0.0250	1	07/12/22	07/14/22	
Toluene	ND	0.0250	1	07/12/22	07/14/22	
o-Xylene	ND	0.0250	1	07/12/22	07/14/22	
p,m-Xylene	ND	0.0500	1	07/12/22	07/14/22	
Total Xylenes	ND	0.0250	1	07/12/22	07/14/22	
Surrogate: 4-Bromochlorobenzene-PID		103 %	70-130	07/12/22	07/14/22	
<b>Nonhalogenated Organics by EPA 8015D - GRO</b>						
	mg/kg	mg/kg		Analyst: RKS		Batch: 2229040
Gasoline Range Organics (C6-C10)	ND	20.0	1	07/12/22	07/14/22	
Surrogate: 1-Chloro-4-fluorobenzene-FID		90.3 %	70-130	07/12/22	07/14/22	
<b>Nonhalogenated Organics by EPA 8015D - DRO/ORO</b>						
	mg/kg	mg/kg		Analyst: JL		Batch: 2229070
Diesel Range Organics (C10-C28)	ND	25.0	1	07/14/22	07/15/22	
Oil Range Organics (C28-C36)	ND	50.0	1	07/14/22	07/15/22	
Surrogate: n-Nonane		89.2 %	50-200	07/14/22	07/15/22	
<b>Anions by EPA 300.0/9056A</b>						
	mg/kg	mg/kg		Analyst: RAS		Batch: 2229049
Chloride	75.5	20.0	1	07/13/22	07/14/22	



## QC Summary Data

Souder Miller & Associates	Project Name:	Flush #1 BGT	<b>Reported:</b>
401 W. Broadway	Project Number:	03117-0014	
Farmington NM, 87401	Project Manager:	Ashley Maxwell	7/19/2022 9:22:53AM

## Volatile Organics by EPA 8021B

Analyst: RKS

Analyte	Result mg/kg	Reporting Limit mg/kg	Spike Level mg/kg	Source Result mg/kg	Rec %	Rec Limits %	RPD %	RPD Limit %	Notes
---------	-----------------	-----------------------------	-------------------------	---------------------------	----------	--------------------	----------	-------------------	-------

## Blank (2229040-BLK1)

Prepared: 07/12/22 Analyzed: 07/14/22

Benzene	ND	0.0250							
Ethylbenzene	ND	0.0250							
Toluene	ND	0.0250							
o-Xylene	ND	0.0250							
p,m-Xylene	ND	0.0500							
Total Xylenes	ND	0.0250							
Surrogate: 4-Bromochlorobenzene-PID	7.89		8.00		98.6	70-130			

## LCS (2229040-BS1)

Prepared: 07/12/22 Analyzed: 07/14/22

Benzene	4.34	0.0250	5.00		86.7	70-130			
Ethylbenzene	3.95	0.0250	5.00		79.1	70-130			
Toluene	4.21	0.0250	5.00		84.2	70-130			
o-Xylene	4.21	0.0250	5.00		84.2	70-130			
p,m-Xylene	8.19	0.0500	10.0		81.9	70-130			
Total Xylenes	12.4	0.0250	15.0		82.7	70-130			
Surrogate: 4-Bromochlorobenzene-PID	7.96		8.00		99.5	70-130			

## LCS Dup (2229040-BSD1)

Prepared: 07/12/22 Analyzed: 07/14/22

Benzene	4.40	0.0250	5.00		88.1	70-130	1.53	20	
Ethylbenzene	4.01	0.0250	5.00		80.2	70-130	1.45	20	
Toluene	4.28	0.0250	5.00		85.5	70-130	1.59	20	
o-Xylene	4.29	0.0250	5.00		85.7	70-130	1.76	20	
p,m-Xylene	8.31	0.0500	10.0		83.1	70-130	1.43	20	
Total Xylenes	12.6	0.0250	15.0		84.0	70-130	1.55	20	
Surrogate: 4-Bromochlorobenzene-PID	7.98		8.00		99.7	70-130			



## QC Summary Data

Souder Miller & Associates	Project Name:	Flush #1 BGT	<b>Reported:</b>
401 W. Broadway	Project Number:	03117-0014	
Farmington NM, 87401	Project Manager:	Ashley Maxwell	7/19/2022 9:22:53AM

## Nonhalogenated Organics by EPA 8015D - GRO

Analyst: RKS

Analyte	Result mg/kg	Reporting Limit mg/kg	Spike Level mg/kg	Source Result mg/kg	Rec %	Rec Limits %	RPD %	RPD Limit %	Notes
---------	-----------------	-----------------------------	-------------------------	---------------------------	----------	--------------------	----------	-------------------	-------

## Blank (2229040-BLK1)

Prepared: 07/12/22 Analyzed: 07/14/22

Gasoline Range Organics (C6-C10)	ND	20.0							
Surrogate: 1-Chloro-4-fluorobenzene-FID	7.40		8.00		92.5	70-130			

## LCS (2229040-BS2)

Prepared: 07/12/22 Analyzed: 07/14/22

Gasoline Range Organics (C6-C10)	40.7	20.0	50.0		81.4	70-130			
Surrogate: 1-Chloro-4-fluorobenzene-FID	7.55		8.00		94.4	70-130			

## LCS Dup (2229040-BSD2)

Prepared: 07/12/22 Analyzed: 07/14/22

Gasoline Range Organics (C6-C10)	43.1	20.0	50.0		86.1	70-130	5.64	20	
Surrogate: 1-Chloro-4-fluorobenzene-FID	7.41		8.00		92.6	70-130			



## QC Summary Data

Souder Miller & Associates	Project Name:	Flush #1 BGT	<b>Reported:</b>
401 W. Broadway	Project Number:	03117-0014	
Farmington NM, 87401	Project Manager:	Ashley Maxwell	7/19/2022 9:22:53AM

## Nonhalogenated Organics by EPA 8015D - DRO/ORO

Analyst: JL

Analyte	Result mg/kg	Reporting Limit mg/kg	Spike Level mg/kg	Source Result mg/kg	Rec %	Rec Limits %	RPD %	RPD Limit %	Notes
---------	-----------------	-----------------------------	-------------------------	---------------------------	----------	--------------------	----------	-------------------	-------

## Blank (2229070-BLK1)

Prepared: 07/14/22 Analyzed: 07/14/22

Diesel Range Organics (C10-C28)	ND	25.0							
Oil Range Organics (C28-C36)	ND	50.0							
Surrogate: <i>n</i> -Nonane	50.9		50.0		102	50-200			

## LCS (2229070-BS1)

Prepared: 07/14/22 Analyzed: 07/14/22

Diesel Range Organics (C10-C28)	478	25.0	500		95.6	38-132			
Surrogate: <i>n</i> -Nonane	51.6		50.0		103	50-200			

## Matrix Spike (2229070-MS1)

Source: E207068-04

Prepared: 07/14/22 Analyzed: 07/14/22

Diesel Range Organics (C10-C28)	498	25.0	500	48.5	89.9	38-132			
Surrogate: <i>n</i> -Nonane	49.2		50.0		98.4	50-200			

## Matrix Spike Dup (2229070-MSD1)

Source: E207068-04

Prepared: 07/14/22 Analyzed: 07/14/22

Diesel Range Organics (C10-C28)	497	25.0	500	48.5	89.6	38-132	0.260	20	
Surrogate: <i>n</i> -Nonane	49.9		50.0		99.7	50-200			



## QC Summary Data

Souder Miller & Associates 401 W. Broadway Farmington NM, 87401	Project Name: Flush #1 BGT Project Number: 03117-0014 Project Manager: Ashley Maxwell	<b>Reported:</b> 7/19/2022 9:22:53AM
---	---	---

## Anions by EPA 300.0/9056A

Analyst: RAS

Analyte	Result mg/kg	Reporting Limit mg/kg	Spike Level mg/kg	Source Result mg/kg	Rec %	Rec Limits %	RPD %	RPD Limit %	Notes
---------	-----------------	-----------------------------	-------------------------	---------------------------	----------	--------------------	----------	-------------------	-------

## Blank (2229049-BLK1)

Prepared: 07/13/22 Analyzed: 07/14/22

Chloride ND 20.0

## LCS (2229049-BS1)

Prepared: 07/13/22 Analyzed: 07/14/22

Chloride 244 20.0 250 97.8 90-110

## Matrix Spike (2229049-MS1)

Source: E207048-01

Prepared: 07/13/22 Analyzed: 07/14/22

Chloride 245 20.0 250 ND 98.0 80-120

## Matrix Spike Dup (2229049-MSD1)

Source: E207048-01

Prepared: 07/13/22 Analyzed: 07/14/22

Chloride 242 20.0 250 ND 97.0 80-120 1.01 20

## QC Summary Report Comment:

Calculations are based off of the raw (non-rounded) data. However, for reporting purposes all QC data is rounded to three significant figures. Therefore, hand calculated values may differ slightly.



Definitions and Notes

Souder Miller & Associates	Project Name:	Flush #1 BGT	
401 W. Broadway	Project Number:	03117-0014	Reported:
Farmington NM, 87401	Project Manager:	Ashley Maxwell	07/19/22 09:22

- ND Analyte NOT DETECTED at or above the reporting limit
- NR Not Reported
- RPD Relative Percent Difference
- DNI Did Not Ignite

Note (1): Methods marked with \*\* are non-accredited methods.

Note (2): Soil data is reported on an "as received" weight basis, unless reported otherwise.





## Envirotech Analytical Laboratory

Printed: 7/12/2022 1:28:56PM

## Sample Receipt Checklist (SRC)

Instructions: Please take note of any NO checkmarks.

If we receive no response concerning these items within 24 hours of the date of this notice, all the samples will be analyzed as requested.

Client:	Souder Miller & Associates	Date Received:	07/12/22 12:32	Work Order ID:	E207049
Phone:	(505) 325-7535	Date Logged In:	07/12/22 13:23	Logged In By:	Alexa Michaels
Email:	ashley.maxwell@soudermiller.com	Due Date:	07/19/22 17:00 (5 day TAT)		

**Chain of Custody (COC)**

1. Does the sample ID match the COC? Yes
2. Does the number of samples per sampling site location match the COC? Yes
3. Were samples dropped off by client or carrier? Yes
4. Was the COC complete, i.e., signatures, dates/times, requested analyses? Yes
5. Were all samples received within holding time? Yes

Note: Analysis, such as pH which should be conducted in the field, i.e., 15 minute hold time, are not included in this discussion.

Carrier: Ashey Maxwell**Comments/Resolution****Sample Turn Around Time (TAT)**

6. Did the COC indicate standard TAT, or Expedited TAT? Yes

**Sample Cooler**

7. Was a sample cooler received? Yes
8. If yes, was cooler received in good condition? Yes
9. Was the sample(s) received intact, i.e., not broken? Yes
10. Were custody/security seals present? No
11. If yes, were custody/security seals intact? NA
12. Was the sample received on ice? If yes, the recorded temp is 4°C, i.e., 6°±2°C? Yes

Note: Thermal preservation is not required, if samples are received w/i 15 minutes of sampling

13. If no visible ice, record the temperature. Actual sample temperature: 4°C

**Sample Container**

14. Are aqueous VOC samples present? No
15. Are VOC samples collected in VOA Vials? NA
16. Is the head space less than 6-8 mm (pea sized or less)? NA
17. Was a trip blank (TB) included for VOC analyses? NA
18. Are non-VOC samples collected in the correct containers? Yes
19. Is the appropriate volume/weight or number of sample containers collected? Yes

**Field Label**

20. Were field sample labels filled out with the minimum information:
  - Sample ID? Yes
  - Date/Time Collected? Yes
  - Collectors name? No

**Sample Preservation**

21. Does the COC or field labels indicate the samples were preserved? No
22. Are sample(s) correctly preserved? NA
24. Is lab filtration required and/or requested for dissolved metals? No

**Multiphase Sample Matrix**

26. Does the sample have more than one phase, i.e., multiphase? No
27. If yes, does the COC specify which phase(s) is to be analyzed? NA

**Subcontract Laboratory**

28. Are samples required to get sent to a subcontract laboratory? No
29. Was a subcontract laboratory specified by the client and if so who? NA Subcontract Lab: NA

**Client Instruction**

Signature of client authorizing changes to the COC or sample disposition.

Date



envirotech Inc.

# CORRESPONDENCE

**From:** [Burdine, Jaclyn, EMNRD](#)  
**To:** [Deb Lemon](#)  
**Subject:** RE: [EXTERNAL] Re: Mustang BGT removal - closure questions, Flush #1 (30-045-30271)  
**Date:** Monday, August 1, 2022 5:36:26 PM  
**Attachments:** [image001.png](#)

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Good Morning Deb,

The OCD will accept your request for an extension for the closure report. Your current due date is August 23, 2022, we will extend this to allow you 30 days to submit this closure report. The new due date then will be September 23, 2022. Please include in your closure report an acknowledgement statement showing that due to change in ownership that this BGT was not closed in a timely manner per the 19.15.17.13 NMAC closure requirements and due to the need to remove production equipment from the BGT site left by said previous owner that more time was needed to bring the closure of this BGT up to the 19.15.17.13 NMAC standards.

**Jaclyn Burdine** • Environmental Specialist-Advanced – Administrative Permitting Program  
EMNRD - Oil Conservation Division  
1220 S. St. Francis Drive | Santa Fe, NM 87505  
505.469.6769 [Jaclyn.Burdine1@state.nm.us](mailto:Jaclyn.Burdine1@state.nm.us)  
<http://www.emnrd.nm.gov/oecd>

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**From:** Deb Lemon <dlemon@mustangresourcesllc.com>  
**Sent:** Monday, August 1, 2022 7:00 AM  
**To:** Burdine, Jaclyn, EMNRD <Jaclyn.Burdine1@state.nm.us>  
**Subject:** RE: [EXTERNAL] Re: Mustang BGT removal - closure questions, Flush #1 (30-045-30271)

Good morning Jaclyn-

No problem, we didn't give you much time! I have instructed Don to go ahead with the removal of the concrete pad this morning. Based n an earlier email, you referred to the concrete as "production equipment" to be removed. So that is what we're doing. With this added work, we would still however like to request an extension. Please just let me know on that.

Thanks,  
Deb

Deb Lemon  
Mustang Resources, LLC  
1660 Lincoln Street, Suite 1450  
Denver, CO 80264  
720-550-7507 ext 105  
cell - 303-807-5112  
[dlemon@mustangresourcesllc.com](mailto:dlemon@mustangresourcesllc.com)



**From:** [Barr, Leigh P EMNRD](#)  
**To:** [Deb Lemon](#)  
**Cc:** [Burdine, Jaclyn, EMNRD](#)  
**Subject:** RE: [EXTERNAL] FW: Bellow Grad Tanks @ 30-045-30271 FLUSH #001  
**Date:** Friday, June 24, 2022 6:02:49 PM

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Deb,

I just sent you an email with some rule requirements along with the older version of the rule. Please follow those requirements and your submitted closure plan. A C-141 is needed as follows:

(4) The operator shall test the soils beneath the below-grade tank to determine whether a release has occurred. The operator 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 analyze for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 0.2 mg/kg; total BTEX concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 50 mg/kg; the TPH concentration, as determined by EPA method 418.1 or other EPA method that the division approves, does not exceed 100 mg/kg; and the chloride concentration, as determined by EPA method 300.1 or other EPA method that the division approves, does not exceed 250 mg/kg, or the background concentration, whichever is greater. The operator shall notify the division of its results on form C-141. The division may require additional delineation upon review of the results.

(5) If the operator or the division determines that a release has occurred, then the operator shall comply with 19.15.29 NMAC and 19.15.30 NMAC, as appropriate.

Please contact Jaclyn Burdine with any further questions related to this.

Take Care,  
Leigh Barr

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**From:** Deb Lemon <dlemon@mustangresourcesllc.com>  
**Sent:** Friday, June 24, 2022 9:49 AM  
**To:** Barr, Leigh P EMNRD <leighp.barr@state.nm.us>  
**Subject:** RE: [EXTERNAL] FW: Bellow Grad Tanks @ 30-045-30271 FLUSH #001

Leigh-

Thanks for your help in navigating OCD forms. Here is a summary of our call, please let me know ASAP if I misunderstood.

June 24, 2022 – Call with Leigh Barr-OCD

1. Mustang will use the closure plan in the permit (attached).
2. Mustang will follow old regs (below). We are not following current regulation.
3. Prior to P&A work at the location, Mustang conducted an onsite review with the surface owner (Navajo Nation), BIA, and NN EPA. NN EPA was onsite during P&A operations. This is

adequate contact with the surface owner.

4. Mustang will submit a C-144 for closure once work is complete. A C-141 is only required if we determine that there was a release.
5. If we determine we need to report a C-141 release, it would be submitted as part of the C-144 package.
6. We need to mention in the C-144 package that we followed the closure plan in the permit and that the tank is single wall and not double as stated in the permit.
7. Our call today is adequate notification to OCD that we are starting the work as soon as June 27,2022.

Thanks,  
Deb



**From:** [Deb Lemon](#)  
**To:** [Barr, Leigh P EMNRD](#); [Burdine, Jaclyn, EMNRD](#); [Jean S. Bia](#); [Jaquez, Laverna A](#); [Spencer, Bertha](#); [Whitney Majetich](#)  
**Subject:** NOTICE - BGT Closure Sampling July 12th - Mustang Resources, Flush #1  
**Date:** Friday, July 8, 2022 5:39:00 PM  
**Attachments:** [image001.png](#)

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All-

Mustang Resources will remove the BGT liner at the Flush #1 (30-045-30271) on Monday, July 11<sup>th</sup>.  
Five-point composite sampling for closure confirmation will begin Tuesday morning, July 12th.

Please let us know if you have any question. You can reach us at:

Don Johnson, 505-320-0819

Deb Lemon 303-807-5112

Ashley Maxwell (Souder Miller) 505-320-8975

Deb Lemon  
Regulatory Manager  
Mustang Resources, LLC  
720-550-7507 ext 105  
cell - 303-807-5112  
[dlemon@mustangresourcesllc.com](mailto:dlemon@mustangresourcesllc.com)



## Heather Woods

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**From:** Jaquez, Laverna A <laverna.jaquez@bia.gov>  
**Sent:** Tuesday, March 8, 2022 11:35 AM  
**To:** Don Johnson  
**Cc:** Deb Lemon; Joe, Maureen A; Spencer, Bertha; Jean S. Bia  
**Subject:** Flush 1- E9707  
**Attachments:** Flush 1 photos.docx

Good morning Don,

I am getting back with you regarding the pit liners found on the site for the Flush 1 Water Pit. It has been determined to remove the black liners from the water pit area and cover the pit with the topsoil leveling it out for proper seeding method. All equipment needs removal, in addition, to what was discussed on site for the soil, seeding, berms, and ripping the site for pre-Interim Reclamation plan.

Thank you,

*Laverna Jaquez*


Environmental Protection Specialist

Bureau of Indian Affairs- Federal Indian Minerals Office (FIMO)  
6251 College Blvd., Suite B  
Farmington, NM 87402  
laverna.jaquez@bia.gov  
Direct Line: (505)564-7636

# PHOTOLOG

**Photograph Log**  
**Flush #1 BGT**  
**Mustang Resources, LLC**



Photograph #1	<div>South West Elevation</div> <div>☉ 48°NE (T) • 36°31'8.8" N, 108°11'27.8" W ±3 m ▲ 1818 m</div> 
Client: Mustang Resources, LLC	
Site Name:  Flush #1 BGT	
Date Photo Taken: July 12, 2022	
Site Location: N36.519202, W108.190926  F-Sec 02-T26N-R13W San Juan County, New Mexico	
Photo Taken by: Ashley Maxwell	Description: Facing northeast, view of the BGT excavation on July 12, 2022.



**Photograph Log**  
**Flush #1 BGT**  
**Mustang Resources, LLC**



Photograph #2	<div> <div>West Elevation</div> <div> <span>☉ 104°E (T) • 36°31'8.8" N, 108°11'27.8" W ±3 m ▲ 1818 m</span> </div>  </div>
Client: Mustang Resources, LLC	
Site Name:  Flush #1 BGT	
Date Photo Taken: July 12, 2022	
Site Location: N36.519202, W108.190926  F-Sec 02-T26N-R13W San Juan County, New Mexico	
Photo Taken by: Ashley Maxwell	Description: Facing east, view of the BGT excavation on July 12, 2022.

**Photograph Log**  
**Flush #1 BGT**  
**Mustang Resources, LLC**



Photograph #3	 A photograph showing a large, rectangular concrete pad that has been broken into several pieces and is lying on a dirt and gravel surface. The pad appears to be a base for a BGT (Borehole Grout Treatment) excavation. In the background, there is a fence and a cloudy sky.
Client: Mustang Resources, LLC	
Site Name:  Flush #1 BGT	
Date Photo Taken: August 4, 2022	
Site Location: N36.519202, W108.190926  F-Sec 02-T26N-R13W San Juan County, New Mexico	
Photo Taken by: Don Johnson	Description: Concrete pad removed from base of BGT excavation on August 4, 2022.



**Photograph Log**  
**Flush #1 BGT**  
**Mustang Resources, LLC**



Photograph #4	 A photograph showing a large, deep excavation site with reddish-brown soil. The ground is uneven and shows signs of being worked on, with some tire tracks visible. In the background, a chain-link fence runs across the horizon under a blue sky with scattered white clouds.
Client: Mustang Resources, LLC	
Site Name:  Flush #1 BGT	
Date Photo Taken: August 4, 2022	
Site Location: N36.519202, W108.190926  F-Sec 02-T26N-R13W San Juan County, New Mexico	
Photo Taken by: Don Johnson	Description: Facing south, view of the BGT excavation with the concrete pad removed on August 4, 2022.

**Photograph Log**  
**Flush #1 BGT**  
**Mustang Resources, LLC**



Photograph #5	A photograph showing a large, flat, brown, sandy area that has been compacted and contoured. The surface is marked with numerous tire tracks, indicating heavy machinery use. In the background, there is a line of green vegetation and a blue sky with scattered white clouds.
Client: Mustang Resources, LLC	
Site Name:  Flush #1 BGT	
Date Photo Taken: August 16, 2022	
Site Location: N36.519202, W108.190926  F-Sec 02-T26N-R13W San Juan County, New Mexico	
Photo Taken by: Don Johnson	Description: Facing north-northeast, view of the compacted and contoured excavation area on August 16, 2022.



**Photograph Log**  
**Flush #1 BGT**  
**Mustang Resources, LLC**



Photograph #6	A photograph showing a wide, unpaved dirt road or track in a flat, grassy field. The road is light brown and shows deep tire tracks. The background is a vast, green field under a blue sky with scattered white clouds. The horizon is flat and distant.
Client: Mustang Resources, LLC	
Site Name:  Flush #1 BGT	
Date Photo Taken: August 16, 2022	
Site Location: N36.519202, W108.190926  F-Sec 02-T26N-R13W San Juan County, New Mexico	
Photo Taken by: Don Johnson	Description: Facing east-northeast, view of the compacted and contoured excavation area on August 16, 2022.

**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 145509

CONDITIONS

Operator: Mustang Resources LLC 1660 Lincoln Street Denver, CO 80264	OGRID: 373495
	Action Number: 145509
	Action Type: [C-144] Below Grade Tank Plan (C-144B)

CONDITIONS

Created By	Condition	Condition Date
jburdine	None	9/22/2022