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 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 nvironment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances. |
|--|
| 1. Operator: Hilcorp Energy Company OGRID #: 372171 |
| Address: 382 Road 3100 Aztec, NM 87410 |
| Facility or well name: Arizona Jicarilla 3 |
| API Number: 30-039-05716 OCD Permit Number: |
| U/L or Qtr/Qtr I Section 35 Township 25N Range 4W County: Rio Arriba |
| Center of Proposed Design: Latitude 36.35356 Longitude -107.21581 NAD27 |
| 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: Thicknessmil □ 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: 120 bbl Type of fluid: Produced Water Tank Construction material: Metal 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 mil HDPE PVC Other Unspecified |
| 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. |
| 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 |

| 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. 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. | |
| | |
| 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 acceptance of the compliance of the complianc | ntable source |
| material are provided below. Siting criteria does not apply to drying pads or above-grade tanks. | state som ce |
| | 1 |
| 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 |
| | ☐ Yes ☐ No |
| 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 | ⊠ 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) | ☐ Yes ☐ No |
| - Written confirmation or verification from the municipality; Written approval obtained from the municipality | |
| 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 | ☐ Yes ☐ No |
| Society; Topographic map | ☐ Yes ☐ No |
| Within a 100-year floodplain. (Does not apply to below grade tanks) - FEMA map | |
| • | |
| Below Grade Tanks | |
| Within 100 feet of a continuously flowing watercourse, significant watercourse, lake bed, sinkhole, wetland or playa lake (measured | ☐ Yes ⊠ No |
| from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site | |
| - Topographic map, visual hispection (certification) of the proposed site | |
| Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption; | ☐ Yes ⊠ No |
| - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site | |
| 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.) | ☐ Yes ☐ No |
| - Topographic map; Visual inspection (certification) of the proposed site | |
| Within 300 feet from a occupied permanent residence, school, hospital, institution, or church in existence at the time of initial | ☐ Yes ☐ No |
| application. | |
| - 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 | □ V ₂₀ □ N |
| 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 | | | |
| 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: or Pe | | | | |
| 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 dot 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: | | | | |

| 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 ☐ 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 ₂ 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 | |
| Closure Train - based upon the appropriate requirements of Subsection C of 19.13.17.3 (WIAC and 19.13.17.13 (WIAC | |
| 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 | wid Managamant Dit |
| Type: Drilling workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Multi-well Fit Alternative | uid Management Pit |
| 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 a | ittached 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 | |
| ☐ Committation Sampling Frair (if applicable) - based upon the appropriate requirements of Subsection C of 15.15.17.13 NWAC ☐ 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 | ce material are |
| 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. | Yes No |
| - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | □ NA |
| Ground water is between 25-50 feet below the bottom of the buried waste | ☐ Yes ☐ No |
| - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | □ 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 | │ |
| | |
| Within 100 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, lakebed, sinkhole, or playa | ☐ Yes ☐ No |
| lake (measured from the ordinary high-water mark). | |
| - Topographic map; Visual inspection (certification) of the proposed site | |
| Within 300 feet from a 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 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence | ☐ Yes ☐ No |
| | |
| at the time of initial application. | |
| - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site | |
| - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site | |
| - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site Written confirmation or verification from the municipality; Written approval obtained from the municipality | Yes No |
| - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site Written confirmation or verification from the municipality; Written approval obtained from the municipality Within 300 feet of a wetland. | |
| - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site Written confirmation or verification from the municipality; Written approval obtained from the municipality | |

| 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 play a check mark in the box, that the documents are attached. | an. Please indicate, |
| 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 | 13.17.11 NWAC |
| 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 cannon ☐ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC | ot be achieved) |
| 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 | |
| | |
| 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. Report OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment) | |
| OCD Representative Signature: Jaclyn Burdine Approval Date: 01/26/ | 2023 |
| 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 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. | complete this |
| ☐ Closure Completion Date: 12/13/22 | |
| | |
| 20. Closure Method: | |
| Closure Method: | oop systems only) |
| Closure Method: ☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-logical of the control of the | |
| Closure Method: ☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-logical of the different from approved plan, please explain. | |
| Closure Method: ☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-logical of the following items must be attached to the closure report. Please in mark in the box, that the documents are attached. ☐ Proof of Closure Notice (surface owner and division) | |
| Closure Method: ☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-logical of the 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 in 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) | |
| Closure Method: ☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-logical of the 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 in 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) | |
| Closure Method: ☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-logo ☐ If different from approved plan, please explain. ☐ Closure Report Attachment Checklist: _Instructions: Each of the following items must be attached to the closure report. Please in 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) | |
| Closure Method: ☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-logical of the 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 in 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 | |

| 22. Operator Closus | re Certification: | | | | |
|------------------------|--|---------|----------------|-------------|-------------------|
| I hereby certify the | nat the information and attachments submitted with this closurify that the closure complies with all applicable closure requir | | | | |
| Name (Print): | Kandis Roland | _ Title | Operation | s/Regulator | y Technician – Sr |
| Signature: | _Kandís Roland | | | _ Date: | 1/26/23 |
| e-mail address: | kroland@hilcorp.com Telepl | none: | (713) 757-5246 | | |

Form C-144 Released to Imaging: 1/26/2023 3:09:29 PM

Hilcorp Energy Company San Juan Basin Below Grade Tank Closure Report

Lease Name: Arizona Jicarilla 3

API No.: 30-039-05716

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.

1/26/2023

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)

Kandis Roland

From: Kandis Roland

Sent: Monday, November 28, 2022 10:57 AM

To: Burdine, Jaclyn, EMNRD; Emmanuel Adeloye (BLM BGT Closure) (aadeloye@blm.gov);

Alfred Vigil; Orson Harrison

Cc: Travis Munkres; Mandi Walker; Kandis Roland; Lisa Jones; Ramon Hancock; Samantha

Grabert; Brandon Sinclair; Terry Nelson

Subject: 72 Hour Notice - Arizona Jicarilla 3 (30-039-05716) **Attachments:** Arizona Jicarilla 3 BGT Permit Approved.pdf

Subject: 72 Hour BGT Closure Notification

Anticipated Start Date: Thursday, December 1, 2022 at approximately 10:00 AM

The subject well has a below-grade tank that will be permanently removed. The BGT permit is attached. Please contact me at any time if you have any questions or concerns.

Well Name: ARIZONA JICARILLA 3

API#: 3003905716

Location: Unit I, Section 35, T025N, R004W

Footages: 1640' FSL & 1045' FEL

Operator: Hilcorp Energy Surface Owner: Jicarilla

Reason: Well is to be P&A'd

Please forward to anyone that I may have missed.

Thanks,

Kandis Roland
HILCORP ENERGY
San Juan East/South Regulatory
713.757.5246
kroland@hilcorp.com

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

State of New Mexico Energy Minerals and Natural Resources Department

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

| Incident ID | |
|----------------|--|
| District RP | |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

| (- | | | | | | |
|--|--------------|---------------------------|--|--------------------------|--|--|
| Responsible Party Hilcorp Energy Company | | | pany | OGRID | 372171 | |
| Contact Name Kandis Roland | | | | Contact T | Telephone (713) 757-5246 | |
| Contact ema | il krolan | d@hilcorp.com | | Incident # | # (assigned by OCD) | |
| Contact mail | ing address | 382 Road 3100 | Aztec NM 874 | 10 | | |
| | | | Location | of Release S | Source | |
| Latitude | 36.353 | 56 | Longitu | | -107.21581 | |
| | | | (NAD 27 in dec | cimal degrees to 5 deci | imal places) | |
| Site Name A | rizona Jicar | illa 3 | | Site Type | e Gas Well | |
| Date Release | Discovered | N/A | | API# (if app | pplicable) 30-039-05716 | |
| TT '. T | g .: | m 1: | D | | | |
| Unit Letter I | Section 35 | Township 25N | Range 4W | Cour Rio A | <u> </u> | |
| 1 | 33 | 231 | 4 ** | KIO A | unoa | |
| Surface Owne | r: State | ☐ Federal ⊠ Tr | ibal | Vame: |) | |
| | | | | | | |
| | | | Nature and | l Volume of | Release | |
| | Materia | ıl(s) Released (Select al | I that apply and attach | calculations or specific | ic justification for the volumes provided below) | |
| Crude Oi | 1 | Volume Release | d (bbls) | • | Volume Recovered (bbls) | |
| Produced | Water | Volume Release | d (bbls) | | Volume Recovered (bbls) | |
| Is the concentration of dissolved chloride | | hloride in the | ☐ Yes ☐ No | | | |
| produced water >10,000 mg/l? Condensate Volume Released (bbls) | | | Volume Recovered (bbls) | | | |
| Natural Gas Volume Released (Mcf) | | | Volume Recovered (Mcf) | | | |
| Other (describe) Volume/Weight Released (provide units) | | - unite) | Volume/Weight Recovered (provide units) | | | |
| volume/ weight Released (provide units | | z umrs) | volume/ weight recovered (provide units) | | | |
| Cause of Rel | ease | | | | | |
| | | | | | | |
| No release wa | s encountere | ed during the BGT | Closure. | | | |
| | | | | | | |
| i e | | | | | | |

Received by OCD: 1/26/2023 9:47:48 AM Form C-141 State of New Mexico Page 2 Oil Conservation Division

| 73 | 10 | 100 |
|-------|-------|------|
| Page | 1 / n | T ノベ |
| 1 466 | 1 2 U | 1 40 |
| | | |

| Incident ID | |
|----------------|--|
| District RP | |
| Facility ID | |
| Application ID | |

| Was this a major release as defined by 19.15.29.7(A) NMAC? | If YES, for what reason(s) does the | responsible party consider this a | major release? |
|--|---|--|---|
| ☐ Yes ⊠ No | N/A | | |
| | | | |
| If YES, was immediate no | otice given to the OCD? By whom? | To whom? When and by what n | neans (phone, email, etc)? |
| Not Required | | | |
| | Initia | al Response | |
| The responsible | party must undertake the following actions imm | nediately unless they could create a safet | y 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 healt | h and the environment. | |
| Released materials ha | ave been contained via the use of berm | ns or dikes, absorbent pads, or ot | her containment devices. |
| ☐ All free liquids and re | ecoverable materials have been remov | ed and managed appropriately. | |
| If all the actions described | d above have <u>not</u> been undertaken, exp | plain why: | |
| | | | |
| | | | |
| | | | |
| | | | |
| Per 19.15.29.8 B. (4) NM | AC the responsible party may comme | ence remediation immediately af | ter discovery of a release. If remediation |
| U 1 | a narrative of actions to date. If rem at area (see 19.15.29.11(A)(5)(a) NMA | | ully completed or if the release occurred |
| | | | |
| regulations all operators are | | se notifications and perform correcti | ve actions for releases which may endanger |
| | nent. The acceptance of a C-141 report by ate and remediate contamination that pose | | ator of liability should their operations have ter, human health or the environment. In |
| | | | with any other federal, state, or local laws |
| , and the second | D 1 1 | Ti'd o d D | T. 1.1.1.0 |
| | Roland | | |
| Signature:Kand | lís Roland | Date: | 1/26/2023 |
| email: | kroland@hilcorp.com | Telephone: | (713) 757-5246 |
| | | | |
| OCD Only | | | |
| Received by: | | Date: | |



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

December 09, 2022

Samantha Grabert HILCORP ENERGY PO Box 4700 Farmington, NM 87499

TEL: (505) 564-0733

FAX:

RE: Arizona Jicarilla 3 OrderNo.: 2212103

Dear Samantha Grabert:

Hall Environmental Analysis Laboratory received 1 sample(s) on 12/2/2022 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

andyl

4901 Hawkins NE

Albuquerque, NM 87109

Analytical Report

Lab Order 2212103

Hall Environmental Analysis Laboratory, Inc. Date Reported: 12/9/2022

CLIENT: HILCORP ENERGY Client Sample ID: Bottom Comp

 Project:
 Arizona Jicarilla 3
 Collection Date: 12/1/2022 10:10:00 AM

 Lab ID:
 2212103-001
 Matrix: SOIL
 Received Date: 12/2/2022 7:30:00 AM

| Analyses | Result | RL Qu | al Units | DF | Date Analyzed |
|------------------------------------|---------|----------|----------|----|-----------------------|
| EPA METHOD 8015M/D: DIESEL RANGE O | RGANICS | | | | Analyst: DGH |
| Diesel Range Organics (DRO) | ND | 14 | mg/Kg | 1 | 12/6/2022 12:48:55 PM |
| Motor Oil Range Organics (MRO) | ND | 48 | mg/Kg | 1 | 12/6/2022 12:48:55 PM |
| Surr: DNOP | 96.2 | 21-129 | %Rec | 1 | 12/6/2022 12:48:55 PM |
| EPA METHOD 8015D: GASOLINE RANGE | | | | | Analyst: NSB |
| Gasoline Range Organics (GRO) | ND | 4.9 | mg/Kg | 1 | 12/6/2022 9:01:12 AM |
| Surr: BFB | 89.8 | 37.7-212 | %Rec | 1 | 12/6/2022 9:01:12 AM |
| EPA METHOD 8021B: VOLATILES | | | | | Analyst: NSB |
| Benzene | ND | 0.025 | mg/Kg | 1 | 12/6/2022 9:01:12 AM |
| Toluene | ND | 0.049 | mg/Kg | 1 | 12/6/2022 9:01:12 AM |
| Ethylbenzene | ND | 0.049 | mg/Kg | 1 | 12/6/2022 9:01:12 AM |
| Xylenes, Total | ND | 0.098 | mg/Kg | 1 | 12/6/2022 9:01:12 AM |
| Surr: 4-Bromofluorobenzene | 90.7 | 70-130 | %Rec | 1 | 12/6/2022 9:01:12 AM |
| EPA METHOD 300.0: ANIONS | | | | | Analyst: JTT |
| Chloride | ND | 60 | mg/Kg | 20 | 12/6/2022 5:44:46 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 Not Detected at the Reporting Limit
- PQL Practical Quanitative Limit
- S % Recovery outside of standard limits. If undiluted results may be estimated.
- B Analyte detected in the associated Method Blank
- E Above Quantitation Range/Estimated Value
- J Analyte detected below quantitation limits
- P Sample pH Not In Range
- RL Reporting Limit

rting Limit Page 1 of 5

Hall Environmental Analysis Laboratory, Inc.

WO#: **2212103 09-Dec-22**

Client: HILCORP ENERGY
Project: Arizona Jicarilla 3

Sample ID: MB-71876 SampType: MBLK TestCode: EPA Method 300.0: Anions

Client ID: PBS Batch ID: 71876 RunNo: 93070

Prep Date: 12/6/2022 Analysis Date: 12/6/2022 SeqNo: 3351894 Units: mg/Kg

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

Chloride ND 1.5

Sample ID: LCS-71876 SampType: LCS TestCode: EPA Method 300.0: Anions

Client ID: LCSS Batch ID: 71876 RunNo: 93070

Prep Date: 12/6/2022 Analysis Date: 12/6/2022 SeqNo: 3351895 Units: mg/Kg

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

Chloride 14 1.5 15.00 0 93.7 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 Quantitative Limit

S % Recovery outside of standard limits. If undiluted results may be estimated.

B Analyte detected in the associated Method Blank

E Above Quantitation Range/Estimated Value

J Analyte detected below quantitation limits

P Sample pH Not In Range

RL Reporting Limit

Page 2 of 5

Hall Environmental Analysis Laboratory, Inc.

2212103 09-Dec-22

WO#:

Client: HILCORP ENERGY
Project: Arizona Jicarilla 3

| Sample ID: MB-71857 | Samp | уре: МЕ | BLK | Tes | tCode: EF | PA Method | 8015M/D: Die | sel Range | Organics | |
|--------------------------------|------------|-------------------|-----------|-------------|------------------|-----------|--------------|-----------|----------|------|
| Client ID: PBS | Batcl | n ID: 71 8 | 357 | F | RunNo: 9: | 3056 | | | | |
| Prep Date: 12/5/2022 | Analysis [| Date: 12 | /6/2022 | 9 | SeqNo: 3 | 351406 | Units: mg/K | g | | |
| Analyte | Result | PQL | SPK value | SPK Ref Val | %REC | LowLimit | HighLimit | %RPD | RPDLimit | Qual |
| Diesel Range Organics (DRO) | ND | 15 | | | | | | | | |
| Motor Oil Range Organics (MRO) | ND | 50 | | | | | | | | |
| Surr: DNOP | 9.8 | | 10.00 | | 97.7 | 21 | 129 | | | |
| Sample ID: 1 CS-71857 | Samp | vpe: I C | S | Tes | tCode: FF | PA Method | 8015M/D: Die | sel Range | Organics | |

| Sample ID: LCS-71857 | Samp1 | ype: LC | s | Tes | tCode: EF | PA Method | 8015M/D: Die | sel Range | Organics | |
|---|--------|------------------|-----------|-------------|-----------|-----------|--------------|-----------|----------|------|
| Client ID: LCSS | Batcl | n ID: 718 | 357 | F | RunNo: 93 | 3056 | | | | |
| Prep Date: 12/5/2022 Analysis Date: 12/6/2022 SeqNo: 3351407 Units: mg/Kg | | | | | | | | | | |
| Analyte | Result | PQL | SPK value | SPK Ref Val | %REC | LowLimit | HighLimit | %RPD | RPDLimit | Qual |
| Diesel Range Organics (DRO) | 50 | 15 | 50.00 | 0 | 99.6 | 64.4 | 127 | | | |
| Surr: DNOP | 5.0 | | 5.000 | | 99.4 | 21 | 129 | | | |

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
- B Analyte detected in the associated Method Blank
- E Above Quantitation Range/Estimated Value
- J Analyte detected below quantitation limits
- P Sample pH Not In Range
- RL Reporting Limit

Page 3 of 5

Hall Environmental Analysis Laboratory, Inc.

PQL

Result

2100

31

WO#: 2212103

09-Dec-22

Client: HILCORP ENERGY **Project:** Arizona Jicarilla 3

| Sample ID: mb-71848 | SampT | уре: МВ | LK | Tes | tCode: EF | PA Method | 8015D: Gasol | ine Range | | |
|---|----------------------|----------------|--------------------|-------------|------------------|---------------------------|--------------|-----------|----------|------|
| Client ID: PBS | Batch | ID: 718 | 348 | F | RunNo: 93 | 3052 | | | | |
| Prep Date: 12/5/2022 | Analysis Da | ate: 12 | /6/2022 | 5 | SeqNo: 33 | 351277 | Units: mg/K | g | | |
| Analyte | Result | PQL | SPK value | SPK Ref Val | %REC | LowLimit | HighLimit | %RPD | RPDLimit | Qual |
| Gasoline Range Organics (GRO) | ND | 5.0 | | | | | | | | |
| Surr: BFB | 900 | | 1000 | | 90.5 | 37.7 | 212 | | | |
| Sample ID: Ics-71848 | SampT | ype: LC | s | Tes | tCode: EF | PA Method | 8015D: Gasol | ine Range | | |
| Client ID: LCSS | Batch | ID: 718 | 348 | F | RunNo: 93 | 3052 | | | | |
| Prep Date: 12/5/2022 | Analysis Da | ate: 12 | /6/2022 | 5 | SeqNo: 33 | 351278 | Units: mg/K | g | | |
| | | | | | | | | | | |
| Analyte | Result | PQL | SPK value | SPK Ref Val | %REC | LowLimit | HighLimit | %RPD | RPDLimit | Qual |
| Analyte Gasoline Range Organics (GRO) | Result 26 | PQL 5.0 | SPK value 25.00 | SPK Ref Val | %REC 103 | LowLimit 72.3 | HighLimit | %RPD | RPDLimit | Qual |
| | | | | | | | | %RPD | RPDLimit | Qual |
| Gasoline Range Organics (GRO) | 26 1900 | | 25.00 1000 | 0 | 103 192 | 72.3 37.7 | 137 | | | Qual |
| Gasoline Range Organics (GRO) Surr: BFB | 26 1900 SampTy | 5.0 | 25.00 1000 | 0 Tes | 103 192 | 72.3 37.7 PA Method | 137 212 | | | Qual |

| Sample ID: 2212103-001amsd | SampT | ype: MS | D | Tes | tCode: EF | PA Method | 8015D: Gaso | line Range | • | |
|-------------------------------|------------|------------------|-----------|-------------|-----------|-----------|-------------|------------|----------|------|
| Client ID: Bottom Comp | Batch | n ID: 718 | 348 | F | RunNo: 9: | 3052 | | | | |
| Prep Date: 12/5/2022 | Analysis D | Date: 12 | /6/2022 | 5 | SeqNo: 3 | 351281 | Units: mg/K | (g | | |
| Analyte | Result | PQL | SPK value | SPK Ref Val | %REC | LowLimit | HighLimit | %RPD | RPDLimit | Qual |
| Gasoline Range Organics (GRO) | 30 | 4.9 | 24.34 | 0 | 121 | 70 | 130 | 4.35 | 20 | |
| Surr: BFB | 2100 | | 973.7 | | 214 | 37.7 | 212 | 0 | 0 | S |

0

LowLimit

70

37.7

127

217

HighLimit

130

212

SPK value SPK Ref Val %REC

24.30

971.8

Qualifiers:

Analyte

Surr: BFB

Gasoline Range Organics (GRO)

- Value exceeds Maximum Contaminant Level.
- D Sample Diluted Due to Matrix
- Н Holding times for preparation or analysis exceeded
- Not Detected at the Reporting Limit
- PQL Practical Quanitative Limit
- % Recovery outside of standard limits. If undiluted results may be estimated.
- Analyte detected in the associated Method Blank
- Above Quantitation Range/Estimated Value
- Analyte detected below quantitation limits
- Sample pH Not In Range
- RL Reporting Limit

Page 4 of 5

%RPD

RPDLimit

Qual

S

Hall Environmental Analysis Laboratory, Inc.

WO#: **2212103**

09-Dec-22

Client: HILCORP ENERGY
Project: Arizona Jicarilla 3

| Sample ID: mb-71848 | Samp | Гуре: МЕ | BLK | Tes | tCode: EF | PA Method | 8021B: Volati | les | | |
|----------------------------|------------|------------------|-----------|-------------|-----------|-----------|---------------|------|----------|------|
| Client ID: PBS | Batcl | h ID: 718 | 348 | F | RunNo: 93 | 3052 | | | | |
| Prep Date: 12/5/2022 | Analysis [| Date: 12 | /6/2022 | 5 | SeqNo: 3 | 351305 | 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 | 0.91 | | 1.000 | | 91.3 | 70 | 130 | | | |

| Sample ID: LCS-71848 | SampT | ype: LC | S | Tes | tCode: EF | PA Method | 8021B: Volati | les | | |
|----------------------------|------------|------------------|-----------|-------------|-----------|-----------|---------------|------|----------|------|
| Client ID: LCSS | Batcl | n ID: 718 | 348 | F | RunNo: 93 | 3052 | | | | |
| Prep Date: 12/5/2022 | Analysis D | Date: 12 | /6/2022 | 9 | SeqNo: 33 | 351306 | Units: mg/K | g | | |
| Analyte | Result | PQL | SPK value | SPK Ref Val | %REC | LowLimit | HighLimit | %RPD | RPDLimit | Qual |
| Benzene | 0.89 | 0.025 | 1.000 | 0 | 88.7 | 80 | 120 | | | |
| Toluene | 0.91 | 0.050 | 1.000 | 0 | 91.5 | 80 | 120 | | | |
| Ethylbenzene | 0.91 | 0.050 | 1.000 | 0 | 90.8 | 80 | 120 | | | |
| Xylenes, Total | 2.7 | 0.10 | 3.000 | 0 | 91.4 | 80 | 120 | | | |
| Surr: 4-Bromofluorobenzene | 0.94 | | 1.000 | | 93.7 | 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 standard limits. If undiluted results may be estimated.
- B Analyte detected in the associated Method Blank
- E Above Quantitation Range/Estimated Value
- 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: www.hallenvironmental.com

Sample Log-In Check List

| Client Name: | HILCORP ENERGY | Work Order Nu | mber: 2212103 | | RcptNo | : 1 |
|--------------------------------|--|--|---------------|---------------|-----------------|-------------------|
| Received By: | Juan Rojas | 12/2/2022 7:30:00 | O AM | Honey | | |
| Completed By: | Sean Livingston | 12/2/2022 8:00:34 | 4 AM | Gunzag S-L | , | |
| Reviewed By: | \$ 12.2-22 | | | SL1 | John John | |
| / CVICHEU By: | <i>y</i> . | | | | | |
| Chain of Cus | tody | | | | | |
| 1. Is Chain of Cu | ustody complete? | | Yes 🗹 | No 🗌 | Not Present | |
| 2. How was the | sample delivered? | | Courier | | | |
| Log In | | | | | | |
| Was an attem | pt made to cool the sample | s? | Yes 🗹 | No 🗌 | na 🗌 | |
| 4. Were all samp | ples received at a temperatu | re of >0° C to 6.0°C | Yes 🗹 | No 🗌 | na 🗌 | |
| 5 Comple/e) in a | oroper container(s)? | | Yes 🗹 | No 🗌 | | |
| o. Sample(s) in p | proper container(s)? | | Yes 💌 | NO L | | |
| 3. Sufficient sam | ple volume for indicated tes | t(s)? | Yes 🗹 | No 🗌 | | |
| 7. Are samples (| except VOA and ONG) prop | erly preserved? | Yes 🗹 | No 📙 | | |
| 3. Was preservat | tive added to bottles? | | Yes 🗌 | No 🗹 | NA 🗆 | |
| 9. Received at le | ast 1 vial with headspace < | 1/4" for AQ VOA? | Yes 🗌 | No 🗌 | NA 🗹 | |
| 0. Were any sam | nple containers received bro | ken? | Yes | No 🗹 | # of preserved | |
| | | | | | bottles checked | |
| | rk match bottle labels? incies on chain of custody) | | Yes 🗹 | No ∐ | for pH: | >12 unless noted) |
| | correctly identified on Chain | of Cuetody? | Yes 🔽 | No □ | Adjusted? | -12 unless pateu) |
| | analyses were requested? | or ouslody: | Yes ⊻ | No 🗆 | | 1 1 |
| | ng times able to be met? | | Yes ☑ | No 🗆 | Checked by: | Jn 12/2/2 |
| | istomer for authorization.) | | 103 | 1 | | |
| pecial Handli | ing (if applicable) | | | | | |
| 5. Was client not | tified of all discrepancies wi | th this order? | Yes 🗌 | No 🗌 | NA 🗹 | _ |
| Person i | Notified: | Date | e: | | | |
| By Who | | Via: | eMail F | Phone Fax | ☐ In Person | |
| Regardi | - | Toronto Mala Santi II. Cara Daniera de Cara De | | | | |
| Client In | structions: | _ | | | | |
| 16. Additional ren | marks: | | | | | |
| 7. Cooler Inform | | | \$ | | | |
| Cooler No | Temp °C Condition 2.0 Good | Seal Intact Seal No | Seal Date | Signed By | | |
| 1 | 2.0 Good | | | | | |

Received by OCD: 1/26/2023 9:47:48 AM

| V |
|------------|
| |
| 90 |
| 4 |
| 1 |
| ĸ. |
| |
| 1 |
| - 2. |
| 6 |
| ~ |
| |
| S |
| (Vi |
| |
| - |
| C |
| V. |
| 0 |
| ~ |
| 5.1 |
| _ |
| - |
| |
| • • |
| |
| - |
| () |
| |
| |
| 0 |
| 0 |
| _ |
| - 2 |
| - 2 |
| by |
| d by |
| d by |
| ed by |
| ved by |
| ved by |
| eived by |
| ceived by |
| eceived by |
| eceived by |
| eceived by |
| ceived by |

| 5 | lain | | Istoay | Chain-or-Custody Record | | <u>.</u> | | | | | | | í | | (| | į | | |
|------------------------|----------------|------------------|-------------------|-----------------------------|----------------------------|----------------------|--|-------------------------|--------------|----------------------------|-------------|--------|--------------------|----------|------------------|-------------------------|-----|-----|----------|
| Client: | H: ICarry | Ç | | | Standard | Rush | | | | 7 [| | HALL | | 7 | 2 | ENVIKONMENTA | | ز ب | |
| | | - | | | Project Name: | | | T | | | { | ן ק | 2 | 2 | MALISTS LAD | www.hollondromontol.com | 2 | 2 | |
| Mailing Address: | ddres | .: | | | Arizon | 5 | Carilla #3 | | 490 | www.ii. 4901 Hawkins NE | ww vkins | N. I | Albu | anera | le. N | Albuquerque, NM 87109 | | | |
| | | | | | Project #: | | | | – H | Tel. 505-345-3975 | 345- | | | × 50 | Fax 505-345-4107 | 4107 | | | |
| Phone #: | | | | | | | | | | | | 4 | nalys | is Re | Analysis Request | | | | |
| email or Fax#: prondon | -ax#: | Trondon | . Sinclair | robbilearo.com | Project Manager: | ger: | | (+ | | ┢ | _ | | [⊅] O | - | (tn | | - | | Г |
| QA/QC Package: | ıckage: | | |) | | | | 208 | | s,g | SN | | S 't | | pse | | | | |
| □ Standard | ard | | □ Level 4 | □ Level 4 (Full Validation) | Samant | the G | rahert |) s¦ | | ьс | IIS0 | | | | Α⁄tr | | | | |
| Accreditation: | tion: | | ☐ Az Compliance | | Sampler: Branden | ander & | inclair | ±WE | | | | | ^{'Z} ON | | | | | | |
| I NELAC | <u>آ</u> ار | Other | | | On Ice: | T ⊁es | ON 🗆 | <i>+</i> = Π | | | | | ٠٤(| AO | | | | | |
| | ype) | | | | # of Coolers: | | | I B . | | | | | _ | | | | | | |
| | | | | | Cooler Temp(Including CF): | Ca | 20-0-2.00 | ပါ ပါ | | | | | | | | | | | |
| | | : | | | | Preservative | HEAL No. | X∃T | 08:Hc | 9 180 | A) 8C | AAC |) ' ' (| v) 098 | O leto | | _ | | |
| Date | Time | Matrix | Sample Name | Vame | Type and # | Type | 2017172 | B. | _ | | | | | | | | - 6 | | |
| 12-1 16 | 1010 | 1:05 | Bottom | Como | 402:00 | (00) | 8 | | > | | | | | | 1 | | | | |
| | | | | | | | | | | | - | | | | 2 | | Į. | | <u> </u> |
| | | | | | | | | | | | | | | - | | | | | Т |
| | | | | | | | | | | | | | | | | | | = | |
| | | | | 4 | | | | | | | | | | | = | | | | Τ |
| | | | | | | | 100 | | | | | 1 | | 1 | | | | | T |
| | | | | | | | | \vdash | | | - | | + | - | | | E | | T |
| | | | | | | | | | | | | | \vdash | - | | | | | Т |
| | | | | | | | | | | | | | | | | | 1 | | Τ |
| | | | | | | | | | | | _ | | | - | | | | | Т |
| | | | | 1 | | | | | | | | | | | | | | | Ι |
| | | | | | | | | | | | | | | | 14 | | 11 | | Π |
| | Time: | Relinquished by: | ed by: | n. | Received by: | Via: | Date Time (ソフトン 子) | <u>%</u> | Remarks: | ļ | | | 1 | | | | - | | |
| Date: Til | Time: | Relinquished by: | ed by: | | Received by: | Via: | Date Time | | | | | | | | | | | | |
| | ecessary | ; samples sub | mitted to Hall En | vironmental may be subo | ontracted to other ac | credited laboratorie | If necessary, samples submitted to Hall Environmental may be subcontracted to other accredited laboratories. This serves as notice of this | f this poss | A vilility A | Any sub- | Sontract | رعامه | | Or Alaco | to both | looibyloud od | t | | |

Released to Imaging: 1/26/2023 3:09:29 PM

Arizona Jicarilla 3 3003905716 BGT Closure Photos









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 179870

CONDITIONS

| Operator: | OGRID: |
|---|--|
| HILCORP ENERGY COMPANY | 372171 |
| 1111 Travis Street Houston, TX 77002 | Action Number: 179870 |
| | Action Type: [C-144] Below Grade Tank Plan (C-144B) |

CONDITIONS

| Created By | / Condition | Condition Date |
|------------|-------------|-------------------|
| jburdine | None | 1/26/2023 |