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

☐ Pe. BGT1 ☐ Clo	elow grade tank registration rmit of a pit or proposed altern osure of a pit, below-grade tanl odification to an existing permi osure plan only submitted for a	k, or proposed alto it/or registration		d pit, below-grade tank,
or proposed alternative i	method			
	nit one application (Form C-144)	= :	=	-
Please be advised that approval of this request doe nvironment. Nor does approval relieve the operation				
1.	ttor or its responsibility to compry w	tur any other applica		ority's rules, regulations of ordinances.
Operator: Hilcorp Energy Company	<u>V</u>	OGRID) #: <u> </u>	372171
Address: 382 Road 3100 Aztec	e, NM 87410			
Facility or well name: Federal 29 33				
API Number: <u>30-045-24792</u>	OCD Per	mit Number:		
U/L or Qtr/Qtr J Section 29	Township 27N	Range 11W	_ County: San Juan	
Center of Proposed Design: Latitude36.	54388	Longitude	-108.02366	NAD83
Surface Owner: ☐ Federal ☐ State ☐ Priva	ate 🗌 Tribal Trust or Indian Allot	<mark>ment</mark>		
□ Pit: Subsection F, G or J of 19.15.17.11 Temporary: □ Drilling □ Workover □ Permanent □ Emergency □ Cavitation □ Lined □ Unlined Liner type: Thicknee □ String-Reinforced Liner Seams: □ Welded □ Factory □ Ot 3. □ Below-grade tank: Subsection I of 19.1 Volume: 120 bbl Type Tank Construction material: Meta □ Secondary containment with leak detection □ Visible sidewalls and liner □ Visible s Liner type: Thickness 4.	P&A Multi-Well Fluid M ess mil LLDPE ther 15.17.11 NMAC e of fluid: Produced Wall on Visible sidewalls, liner, 6- sidewalls only Other	HDPE PVC Volume: ater inch lift and automa	Otherbbl Dimensions: I	L x W x D
☐ <u>Alternative Method</u> : Submittal of an exception request is required.	. Exceptions must be submitted to	the Santa Fe Envir	ronmental Bureau offic	ce for consideration of approval.
5. Fencing: Subsection D of 19.15.17.11 NMA ☐ Chain link, six feet in height, two strands institution or church) ☐ Four foot height, four strands of barbed w ☐ Alternate. Please specify	of barbed wire at top (Required if	located within 1000		residence, school, hospital,

Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other	
☐ Monthly inspections (If netting or screening is not physically feasible)	
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.	
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 accept material are provided below. Siting criteria does not apply to drying pads or above-grade tanks.	ptable source
General siting	
Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit. NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☑ NA
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. (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.	☐ Yes ☐ No
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	
Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 300feet of any other fresh water well or spring, in existence at the time of the initial application. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☐ No

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 Naturations: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the docattached. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19. and 19.15.17.13 NMAC Previously Approved Design (attach copy of design) API Number: or Permit Number: or Permit Number:	NMAC 15.17.9 NMAC
11.	
Multi-Well Fluid Management Pit Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the docattached. 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	

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 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	
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 F	luid 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	
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be 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	
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable sour provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. F 19.15.17.10 NMAC for guidance.	
Ground water is less than 25 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ 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	☐ Yes ☐ No ☐ NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ 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	☐ Yes ☐ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No
Within 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	

adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☐ No
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 by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection E of 19.15.17.13 NMAC Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Subsection K of 19.15.17. Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19. Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of 19.15.17.13 NMAC Waste Material Sampling Plan - based upon the appropriate requirements of 19.15.17.13 NMAC Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cann Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC	.11 NMAC 15.17.11 NMAC
Operator Application Certification:	
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and beli	ef.
Name (Print): Title:	
Signature: Date:	
e-mail address: Telephone:	
18. Report OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)	
OCD Representative Signature: Jaclyn Burdine Approval Date: 03/02/	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. Closure Completion Date: 12/22/2022	
20. Closure Method: Waste Excavation and Removal □ On-Site Closure Method □ Alternative Closure Method □ Waste Removal (Closed-lo □ If different from approved plan, please explain.	oop systems only)
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)	dicate, by a check

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.

fame (Print): Amanda Walker Title: Operations/Regulatory Technician – Sr

Signature: _______ Date: <u>3/2/2023</u>

e-mail address: mwalker@hilcop.com Telephone: (346) 237-2177

Hilcorp Energy Company San Juan Basin Below Grade Tank Closure Report

Lease Name: Federal 29 33 API No.: 30-045-24792

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.

3/2/2023

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)

Mandi Walker

From: Mandi Walker

Sent: Thursday, December 15, 2022 8:54 AM

To: Abiodun Adeloye; Brandon Sinclair; Burdine, Jaclyn, EMNRD; Clara Cardoza; Eufracio

Trujillo; Kandis Roland; Kate Kaufman; Keri Hutchins; I1thomas@blm.gov; Mandi

Walker

Subject: 72hr BGT Closure Notice - Federal 29 33 (3004524792) Area 6 Attachments: 30045247920000_Federal 29 33_BGT Permit_OCD Appvd.pdf

Follow Up Flag: Follow up

Due By: Monday, March 13, 2023 3:00 PM

Flag Status: Completed

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: Federal 29 33

API#: 3004524792 Location: J-29-27N-11W

Footages: 1825 FSL 1630 FEL

Operator: HEC Surface Owner: BLM

Reason for Removal: Well P&A'd

Scheduled Date & Time of Start: December 22nd @ 11:30 am

Well site placard

Photos of the BGT prior to closure

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

Final state of the area after closure.

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

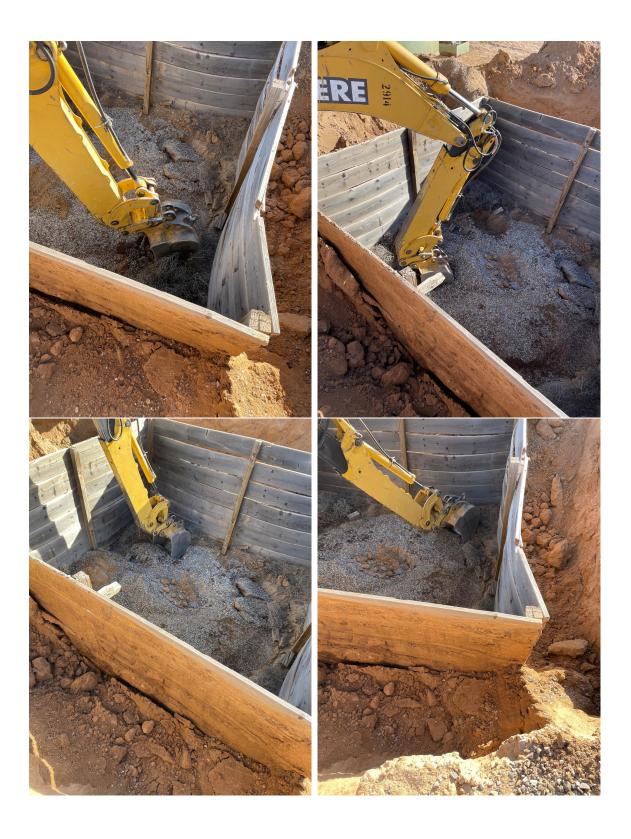
Mandi Walker

San Juan North/South (6,7) Regulatory Technician Hilcorp Energy 346.237.2177 mwalker@hilcorp.com

^{**}Please Note Required Photos for Closure**

Pre Closure Photos







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

State of New Mexico Energy Minerals and Natural Resources Department

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

Incident ID	
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

			-		•		
Responsible Party Hilcorp Energy Company			pany	OGRID	OGRID 372171		
Contact Name Amanda Walker				Contact T	Contact Telephone (346) 237-2177		
Contact emai	il mwall	ker@hilcorp.com		Incident #	(assigned by OCD)		
Contact mails	ing address	382 Road 3100	Aztec NM 87410)			
			Location o	of Release S	ource		
Latitude 36.:	54388		Longitude (NAD 83 in decir	-108.023 mal degrees to 5 deci			
Site Name Fe	ederal 29 33	3		Site Type	Gas Well		
Date Release	Discovered	N/A		API# (if ap)	plicable) 30-045-24792		
Unit Letter	Section	Township	Range	Cour	nty		
J	29	27N	11W	San J	uan		
					e justification for the volumes provided below)		
Crude Oil		Volume Release	d (bbls)		Volume Recovered (bbls)		
Produced	Water	Volume Release	d (bbls)		Volume Recovered (bbls)		
	Is the concentration of dissolved chloride i produced water >10,000 mg/l?		loride in the	☐ Yes ☐ No			
Condensa	te	Volume Released (bbls)			Volume Recovered (bbls)		
☐ Natural G	las	Volume Released (Mcf)			Volume Recovered (Mcf)		
Other (des	Other (describe) Volume/Weight Released (provide units)		units)	Volume/Weight Recovered (provide units)			
Cause of Rele	ease	I					
No release was	s encountere	ed during the BGT	Closure.				

Received by OCD: 3/2/2023	9:13:30 AM
Form C-141	State of New Mexico
Page 2	Oil Conservation Division

Page	<i>15</i>	of	2.
			1

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 response	ible party consider this a major release?
☐ Yes ⊠ No	N/A	
If YES, was immediate no	otice given to the OCD? By whom? To who	m? When and by what means (phone, email, etc)?
Not Required		
	Initial Res	sponse
The responsible p	party must undertake the following actions immediately v	unless they could create a safety hazard that would result in injury
☐ The source of the rele	ease has been stopped.	
	s been secured to protect human health and the	
<u></u>		kes, absorbent pads, or other containment devices.
	ecoverable materials have been removed and a d above have not been undertaken, explain wh	
has begun, please attach	a narrative of actions to date. If remedial ef	mediation immediately after discovery of a release. If remediation forts have been successfully completed or if the release occurred ease attach all information needed for closure evaluation.
regulations all operators are public health or the environr failed to adequately investig	required to report and/or file certain release notificement. The acceptance of a C-141 report by the OC ate and remediate contamination that pose a threat	est of my knowledge and understand that pursuant to OCD rules and cations and perform corrective actions for releases which may endanger CD does not relieve the operator of liability should their operations have to groundwater, surface water, human health or the environment. In esponsibility for compliance with any other federal, state, or local laws
Printed Name: Amand		: Operations/Regulatory Technician – Sr.
Signature:	Outeter	Date: 3/2/2023
email:	mwalker@hilcorp.com	Telephone: (346) 237-2177
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 30, 2022

Fasho Trujillo HILCORP ENERGY PO Box 4700 Farmington, NM 87499 TEL: (505) 564-0733

FAX

RE: BGT Federal 29 33 OrderNo.: 2212D45

Dear Fasho Trujillo:

Hall Environmental Analysis Laboratory received 1 sample(s) on 12/23/2022 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

Indes

4901 Hawkins NE

Albuquerque, NM 87109

Analytical Report Lab Order 2212D45

Date Reported: 12/30/2022

Hall Environmental Analysis Laboratory, Inc.

CLIENT: HILCORP ENERGY Client Sample ID: 5 Point Composite

 Project:
 BGT Federal 29 33
 Collection Date: 12/22/2022 11:00:00 AM

 Lab ID:
 2212D45-001
 Matrix: MEOH (SOIL)
 Received Date: 12/23/2022 8:00:00 AM

Analyses	Result	RL Qu	al Units	DF	Date Analyzed
EPA METHOD 8015M/D: DIESEL RANGE O	RGANICS				Analyst: SB
Diesel Range Organics (DRO)	ND	14	mg/Kg	1	12/28/2022 4:49:19 PM
Motor Oil Range Organics (MRO)	ND	48	mg/Kg	1	12/28/2022 4:49:19 PM
Surr: DNOP	100	21-129	%Rec	1	12/28/2022 4:49:19 PM
EPA METHOD 8015D: GASOLINE RANGE					Analyst: NSB
Gasoline Range Organics (GRO)	ND	3.2	mg/Kg	1	12/23/2022 11:26:22 PM
Surr: BFB	86.0	37.7-212	%Rec	1	12/23/2022 11:26:22 PM
EPA METHOD 8021B: VOLATILES					Analyst: NSB
Benzene	ND	0.016	mg/Kg	1	12/23/2022 11:26:22 PM
Toluene	ND	0.032	mg/Kg	1	12/23/2022 11:26:22 PM
Ethylbenzene	ND	0.032	mg/Kg	1	12/23/2022 11:26:22 PM
Xylenes, Total	ND	0.064	mg/Kg	1	12/23/2022 11:26:22 PM
Surr: 4-Bromofluorobenzene	82.2	70-130	%Rec	1	12/23/2022 11:26:22 PM
EPA METHOD 300.0: ANIONS					Analyst: NAI
Chloride	ND	60	mg/Kg	20	12/28/2022 5:06:29 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

ple pH Not In Range Page 1 of 5

Hall Environmental Analysis Laboratory, Inc.

WO#: **2212D45**

30-Dec-22

Client: HILCORP ENERGY
Project: BGT Federal 29 33

Sample ID: MB-72355 SampType: mblk TestCode: EPA Method 300.0: Anions

Client ID: PBS Batch ID: 72355 RunNo: 93596

Prep Date: 12/28/2022 Analysis Date: 12/28/2022 SeqNo: 3378040 Units: mg/Kg

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

Chloride ND 1.5

Sample ID: LCS-72355 SampType: Ics TestCode: EPA Method 300.0: Anions

Client ID: LCSS Batch ID: 72355 RunNo: 93596

Prep Date: 12/28/2022 Analysis Date: 12/28/2022 SeqNo: 3378041 Units: mg/Kg

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

Chloride 14 1.5 15.00 0 92.8 90 110

Qualifiers:

Value exceeds Maximum Contaminant Level

D Sample Diluted Due to Matrix

H Holding times for preparation or analysis exceeded

ND Not Detected at the Reporting Limit

PQL Practical Quanitative Limit

S % Recovery outside of 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.

WO#: **2212D45 30-Dec-22**

Client: HILCORP ENERGY
Project: BGT Federal 29 33

Sample ID: LCS-72349 SampType: LCS TestCode: EPA Method 8015M/D: Diesel Range Organics

Client ID: LCSS Batch ID: 72349 RunNo: 93577

Prep Date: 12/28/2022 Analysis Date: 12/28/2022 SeqNo: 3377115 Units: mg/Kg

PQL SPK value SPK Ref Val %REC LowLimit HighLimit %RPD **RPDLimit** Analyte Result Qual Diesel Range Organics (DRO) 15 0 44 50.00 87.8 64.4 127 Surr: DNOP 3.2 5.000 64.0 21 129

Sample ID: MB-72349 SampType: MBLK TestCode: EPA Method 8015M/D: Diesel Range Organics

Client ID: PBS Batch ID: 72349 RunNo: 93577

Prep Date: 12/28/2022 Analysis Date: 12/28/2022 SeqNo: 3377116 Units: mg/Kg

Analyte Result PQL SPK value SPK Ref Val %REC LowLimit HighLimit %RPD RPDLimit Qual
Diesel Range Organics (DRO) ND 15

Diesel Range Organics (DRO) ND 15

Motor Oil Range Organics (MRO) ND 50

Surr: DNOP 7.8 10.00 78.3 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
- 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 3 of 5

Hall Environmental Analysis Laboratory, Inc.

2212D45 30-Dec-22

WO#:

Client: HILCORP ENERGY
Project: BGT Federal 29 33

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

Client ID: PBS Batch ID: R93539 RunNo: 93539

Prep Date: Analysis Date: 12/23/2022 SeqNo: 3374535 Units: mg/Kg

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

Gasoline Range Organics (GRO) ND 5.0

Surr: BFB 860 1000 86.2 37.7 212

Sample ID: 2.5ug gro Ics SampType: LCS TestCode: EPA Method 8015D: Gasoline Range

Client ID: LCSS Batch ID: R93539 RunNo: 93539

1800

Prep Date: Analysis Date: 12/23/2022 SeqNo: 3374536 Units: mg/Kg

1000

Qual Analyte Result PQL SPK value SPK Ref Val %REC LowLimit HighLimit %RPD **RPDLimit** Gasoline Range Organics (GRO) 72.3 25 5.0 25.00 0 101 137

181

37.7

212

Qualifiers:

Surr: BFB

- 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 4 of 5

Hall Environmental Analysis Laboratory, Inc.

WO#: **2212D45**

30-Dec-22

Client: HILCORP ENERGY
Project: BGT Federal 29 33

Sample ID: mb	Sampl	уре: МЕ	BLK	TestCode: EPA Method 8021B: Volatiles									
Client ID: PBS	Batcl	h ID: R9	3539	F	RunNo: 9	3539							
Prep Date:	Analysis [Date: 12	2/23/2022	8	SeqNo: 3	Units: mg/Kg							
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	0.88		1.000		87.5	70	130						

Sample ID: 100ng btex lcs	Samp	Гуре: LC	S	TestCode: EPA Method 8021B: Volatiles										
Client ID: LCSS														
Prep Date:														
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual				
Benzene	0.92	0.025	1.000	0	91.6	80	120							
Toluene	0.94	0.050	1.000	0	93.5	80	120							
Ethylbenzene	0.93	0.050	1.000	0	93.1	80	120							
Xylenes, Total	2.8	0.10	3.000	0	92.5	80	120							
Surr: 4-Bromofluorobenzene	0.87		1.000		87.3	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.
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- 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

Released to Imaging: 3/2/2023 2:17:21 PM

Client Name:	HILCORP	ENERGY	Work	Order Num	nber: 221	2D45		RcptNo	: 1
Received By:	Cheyenne	e Cason	12/23/2	022 8:00:0	0 AM		Chul		
Completed By:	Cheyenne	Cason	12/23/2	022 8:41:5	8 AM		Cherl		
Reviewed By:	TWC		12/2	3/22					
Chain of Cus	tody								
1. Is Chain of Cu	ustody comp	lete?			Yes	~	No 🗌	Not Present	
2. How was the	sample deliv	ered?			<u>Cou</u>	<u>rier</u>			
Log In 3. Was an attem	pt made to o	cool the samp	les?		Yes	Y	No 🗌	NA 🗆	
4. Were all samp	les received	at a tempera	ture of >0° C	to 6.0°C	Yes	~	No 🗌	na 🗆	
5. Sample(s) in բ	oroper conta	iner(s)?			Yes	V	No 🗌		
6. Sufficient sam	ple volume f	or indicated te	est(s)?		Yes	✓	No 🗌		
7. Are samples (except VOA	and ONG) pro	perly preserve	ed?	Yes	✓	No 🗌		
8. Was preservat	tive added to	bottles?			Yes		No 🗹	NA 🗆	
9. Received at lea	ast 1 vial wit	h headspace	<1/4" for AQ \	OA?	Yes		No 🗌	NA 🗹	
0. Were any sam	nple containe	ers received b	roken?		Yes		No 🗹	# of preserved	
11.Does paperwo (Note discrepa)		Yes	V	No 🗌		⇒12 unless noted)
2. Are matrices c	orrectly iden	tified on Chair	n of Custody?		Yes	Y	No 🗌	Adjusted?	
3. Is it clear what	analyses we	ere requested	?		Yes	V	No 🗌		100
4. Were all holdir (If no, notify cu					Yes	V	No 🗌	Checked by:	14 12 23
Special Handli	ing (if app	olicable)							
15. Was client not	tified of all di	iscrepancies v	vith this order?	•	Yes		No 🗆	NA 🗹	-
Person	Notified:			Date					
By Who			***************************************	Via:	☐ eMa	ail 🔲	Phone Fax	☐ In Person	
Regardi	-								
	structions:								
16. Additional ren	narks:								
17. Cooler Inform	- Particular and the second	I and the second	1	Luciona					
Cooler No	Temp °C	Condition	Seal Intact	Seal No	Seal D	ate	Signed By	ALL	
1	0.6	Good	Yes					- Constitution of the Cons	

HALL ENVIRONMENTAL	ANALYSIS LABORATORY	www.hallenvironmental.com	4901 Hawkins NE - Albuquerque, NM 87109	Tel. 505-345-3975 Fax 505-345-4107	nalysis	† О\$	S'#C)d '	(1.4 (1.4) 728 (0N (0)	°; si so (0	cide 310 hi-V	estice M 8 M 8 7,15 MOA	5081 Pa 5081 Pa 708 S 70 F 51 F, E 52 F, E	3 3 1 1 1 3							rks:			
2			4										X3TEX /								Remarks:			
	2 Day	7								<u></u>		0-0-0-0	HEAL No.	CWO (177)							Date Time	12/2/2 1459	Date Time	01/28/14. 6×00
: E	Rush	-	al 29 33			ger:	Frujillo		rujillo	☑ Yes	1	(including CF)	Preservative Type	ploo							Va:	Was	Via:	
I urn-Around I	□ Standard	Project Name:	BGI Federal 29	Project #:		Project Manag	Fasho Trujillo		Sampler: F T	On Ice:	# of Coolers: /	Cooler Temp(including CF)	Container	4oz glass/1							Received by:	3	Received by:	
Recen Challitiof Custody Record	13		3R 3100	Aztec NM 87410	100	kkaufman@hilcorp.com	etrujillo@hilcorp.com	☐ Level 4 (Full Validation)	mpliance					5 Point Composite							hed by;	in the Kin	hed by:	110/03
ITT-OF-CE	Hilcorp Energy			Aztec	505.599.3400		-:-			□ Other	(ec			11:08 AM Soil							e: Relinquished by;	t 65H	e: Relinquished by:	
Kecen C MA	Client: Hilk		Mailing Address:		Phone #	[a]	QA/QC Package:	□ Standard	Accreditation:	□ NELAC	☐ EDD (Type)			12/22/22 1:							Date: Time:	4		1/20/11

Post Closure Photo





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 192325

CONDITIONS

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	192325
	Action Type:
	[C-144] Below Grade Tank Plan (C-144B)

CONDITIONS

Created By		Condition Date
jburdine	None	3/2/2023