

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 October 11, 2022

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

Type of action: ☒ Below grade tank registration  
☐ Permit of a pit or proposed alternative method  
☐ 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

**BGT1**

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

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

1.  
Operator: Simcoe LLC OGRID #: 329736  
Address: 1199 Main Ave., Suite 101 Durango, CO 81301  
Facility or well name: GALLEGOS CANYON UNIT 275  
API Number: 3004522251 OCD Permit Number: \_\_\_\_\_  
U/L or Qtr/Qtr D Section 13 Township 28N Range 13W County: San Juan County  
Center of Proposed Design: Latitude 36.6673 Longitude -108.1755 NAD83  
Surface Owner: ☐ Federal ☐ State ☒ Private ☐ Tribal Trust or Indian Allotment

2.  
☐ **Pit:** Subsection F, G or J of 19.15.17.11 NMAC  
Temporary: ☐ Drilling ☐ Workover  
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A ☐ Multi-Well Fluid Management Low Chloride Drilling Fluid ☐ yes ☐ no  
☐ Lined ☐ Unlined Liner type: Thickness \_\_\_\_\_ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other \_\_\_\_\_  
☐ String-Reinforced  
Liner Seams: ☐ Welded ☐ Factory ☐ Other \_\_\_\_\_ Volume: \_\_\_\_\_ bbl Dimensions: L \_\_\_\_\_ x W \_\_\_\_\_ x D \_\_\_\_\_

3.  
☒ **Below-grade tank:** Subsection I of 19.15.17.11 NMAC Tank ID: A  
Volume: 95 bbl Type of fluid: Produced Water  
Tank Construction material: Steel  
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off  
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☒ Other DOUBLE-WALLED DOUBLE-BOTTOMED  
Liner type: Thickness \_\_\_\_\_ mil ☐ HDPE ☐ PVC ☐ Other \_\_\_\_\_

4.  
☐ **Alternative Method:**  
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

5.  
**Fencing:** Subsection D of 19.15.17.11 NMAC (*Applies to permanent pits, temporary pits, and below-grade tanks*)  
☐ Chain link, six feet in height, two strands of barbed wire at top (*Required if located within 1000 feet of a permanent residence, school, hospital, institution or church*)  
☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet  
☒ Alternate. Please specify 4' Hogwire with single barbed wire

6.

**Netting:** Subsection E of 19.15.17.11 NMAC (*Applies to permanent pits and permanent open top tanks*)

- ☐ Screen ☐ Netting ☐ Other \_\_\_\_\_
- ☐ Monthly inspections (If netting or screening is not physically feasible)

7.

**Signs:** Subsection C of 19.15.17.11 NMAC

- ☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
- ☒ Signed in compliance with 19.15.16.8 NMAC

8.

**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 acceptable source material are provided below. Siting criteria does not apply to drying pads or above-grade tanks.*****General siting****Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank.**

- ☐ NM Office of the State Engineer - iWATERS database search; ☐ USGS; ☐ Data obtained from nearby wells

☐ Yes ☒ No

☐ NA

**Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit .**

NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

☐ Yes ☐ No

☐ NA

Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. **(Does not apply to below grade tanks)**

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

☐ Yes ☐ No

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

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

☐ Yes ☐ No

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

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

☐ Yes ☐ No

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

- FEMA map

☐ Yes ☐ No

**Below Grade Tanks**

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

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

☐ Yes ☒ No

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

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

☐ Yes ☒ No

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

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

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

☐ Yes ☐ No

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

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

☐ Yes ☐ No

Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 300feet of any other fresh water well or spring, in existence at the time of the initial application.

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

☐ Yes ☐ No

Within 100 feet of a wetland.

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

☐ Yes ☐ No

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

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

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

☐ Yes ☐ No

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

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

☐ Yes ☐ No

Within 500 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 1000 feet of any other fresh water well or spring, in the existence at the time of the initial application;

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

☐ Yes ☐ No

Within 300 feet of a wetland.

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

☐ Yes ☐ No

### **Permanent Pit or Multi-Well Fluid Management Pit**

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

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

☐ Yes ☐ No

Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.

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

☐ Yes ☐ No

Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of initial application.

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

☐ Yes ☐ No

Within 500 feet of a wetland.

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

☐ Yes ☐ No

10.

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

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

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

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

11.

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

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

- ☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ A List of wells with approved application for permit to drill associated with the pit.
- ☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
- ☐ Hydrogeologic Data - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC

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

12.

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

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

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

13.

**Proposed Closure:** 19.15.17.13 NMAC

**Instructions:** Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.

- Type: ☐ Drilling ☐ Workover ☐ Emergency ☐ Cavitation ☐ P&A ☐ Permanent Pit ☒ Below-grade Tank ☐ Multi-well Fluid Management Pit  
☐ Alternative
- Proposed Closure Method: ☒ Waste Excavation and Removal  
☐ Waste Removal (Closed-loop systems only)  
☐ On-site Closure Method (Only for temporary pits and closed-loop systems)  
☐ In-place Burial ☐ On-site Trench Burial  
☐ Alternative Closure Method

14.

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

- ☒ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC  
☒ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.13 NMAC  
☒ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)  
☒ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC  
☒ Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC  
☒ Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

15.

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

**Instructions:** Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. Please refer to 19.15.17.10 NMAC for guidance.

Ground water is less than 25 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Ground water is between 25-50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Within 100 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Written confirmation or verification from the municipality; Written approval obtained from the municipality	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	

adopted pursuant to NMSA 1978, Section 3-27-3, as amended.

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

☐ Yes ☐ No

Within the area overlying a subsurface mine.

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

☐ Yes ☐ No

Within an unstable area.

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

☐ Yes ☐ No

Within a 100-year floodplain.

- FEMA map

☐ Yes ☐ No

16.

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

- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC  
☐ Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection E of 19.15.17.13 NMAC  
☐ Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Subsection K of 19.15.17.11 NMAC  
☐ Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC  
☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC  
☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of 19.15.17.13 NMAC  
☐ Waste Material Sampling Plan - based upon the appropriate requirements of 19.15.17.13 NMAC  
☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)  
☐ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC  
☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC  
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

17.

**Operator Application Certification:**

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

Name (Print): Kyle Siesser

Title: Consultant

Signature: Kyle G. Siesser

Date: 8/24/2023

e-mail address: ksiesser@cottonwoodconsulting.com

Telephone: 970-764-7356

18.

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

OCD Representative Signature: Victoria Venegas

Approval Date: 08/30/2023

Title: Environmental Specialist

OCD Permit Number: BGT1

19.

**Closure Report (required within 60 days of closure completion):** 19.15.17.13 NMAC

*Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.*

☐ Closure Completion Date: \_\_\_\_\_

20.

**Closure Method:**

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

21.

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

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

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

22.

**Operator Closure Certification:**

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

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

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

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



## **SITING AND HYDRO-GEOLOGICAL REPORT FOR GALLEGOS CANYON UNIT 275**

### **SITING CRITERIA 19.15.17.10 NMAC**

Depth to groundwater at the site is estimated to be greater than 100 feet. This estimation is based on data from Stone et al (1983), and depth to groundwater data obtained from water wells permitted by the New Mexico State Engineer's Office (OSE; Figure 1). Local topography and proximity to adjacent water features are also considered. A topographic map of the site is provided as Figure 2 and demonstrates that the below grade tank (BGT) is not within 100 feet of any continuously flowing watercourse or within 200 feet of any other significant watercourse, lakebed, sinkhole or playa lake as measured from the ordinary high water mark. Figure 3 demonstrates that the BGT is not within 300 feet of a permanent residence, school, hospital, institution or church. Figure 4 demonstrates, based on a search of the OSE database and USGS topographic maps, that there are no freshwater wells or springs within 1,000 feet of the BGT. Figure 5 demonstrates that the BGT is not within a municipal boundary or a defined municipal freshwater well field. Figure 6 demonstrates that the BGT is not within 500 feet of a wetland. Figure 7 demonstrates that the BGT is not in an area overlying a subsurface mine. The BGT is not located in an unstable area. Figure 8 demonstrates that the BGT is not within the mapped FEMA 100-year floodplain.

### **Local Geology and Hydrology**

This particular site is located on a slope west of Gallegos Canyon. Broad shaley hills are interspersed with occasional sandstone outcrops, and systems of dry washes and their tributaries are common. The predominant geologic formation is the Nacimiento Formation of Tertiary age, which underlies surface soils and is often exposed. Deposits of Quaternary alluvial and eolian sands occur prominently near the surface of the area, especially near washes.

### **Regional Geology and Hydrology**

The San Juan Basin is situated in the Navajo section of the Colorado Plateau and is characterized by broad open valleys, mesas, buttes and hogbacks. Away from major valleys and canyons topographic relief is generally low. Native vegetation is sparse and shrubby. Drainage is mainly by the San Juan River, the only permanent stream in the Navajo Section of the Colorado Plateau. The San Juan River is a tributary of the Colorado River. Major tributaries include the Animas, Chaco and La Plata Rivers. Flow of the San Juan River across the basin is regulated by the Navajo Dam, located about 30 miles northeast of Farmington, New Mexico. The climate is arid to semiarid with an average annual precipitation of 8 to 10 inches. Soils within the basin consist of weathered parent rock derived from predominantly physical means mostly from eolian depositional system with fluvial having a lesser impact (Beaumont et al., 1976).

Cretaceous and Tertiary sandstones, as well as Quaternary Alluvial deposits, serve as the primary aquifers in the San Juan Basin (Stone et al., 1983). In most of the proposed area, the Nacimiento Formation lies at the surface and grades into the Animas Formation to the west. The lower part of the Nacimiento Formation is composed of interbedded black, carbonaceous mudstones and white coarse-grained sandstones. The upper part is comprised of mudstone and sandstone. It is generally slope-forming, even within the sandstone units. Thickness of the Nacimiento ranges from 418 to 2,232 feet (Stone et al., 1983). Aquifers within the coarser and continuous sandstone bodies of the Nacimiento Formation are between 0 and 1,000 feet deep in this section of the basin. Wells within

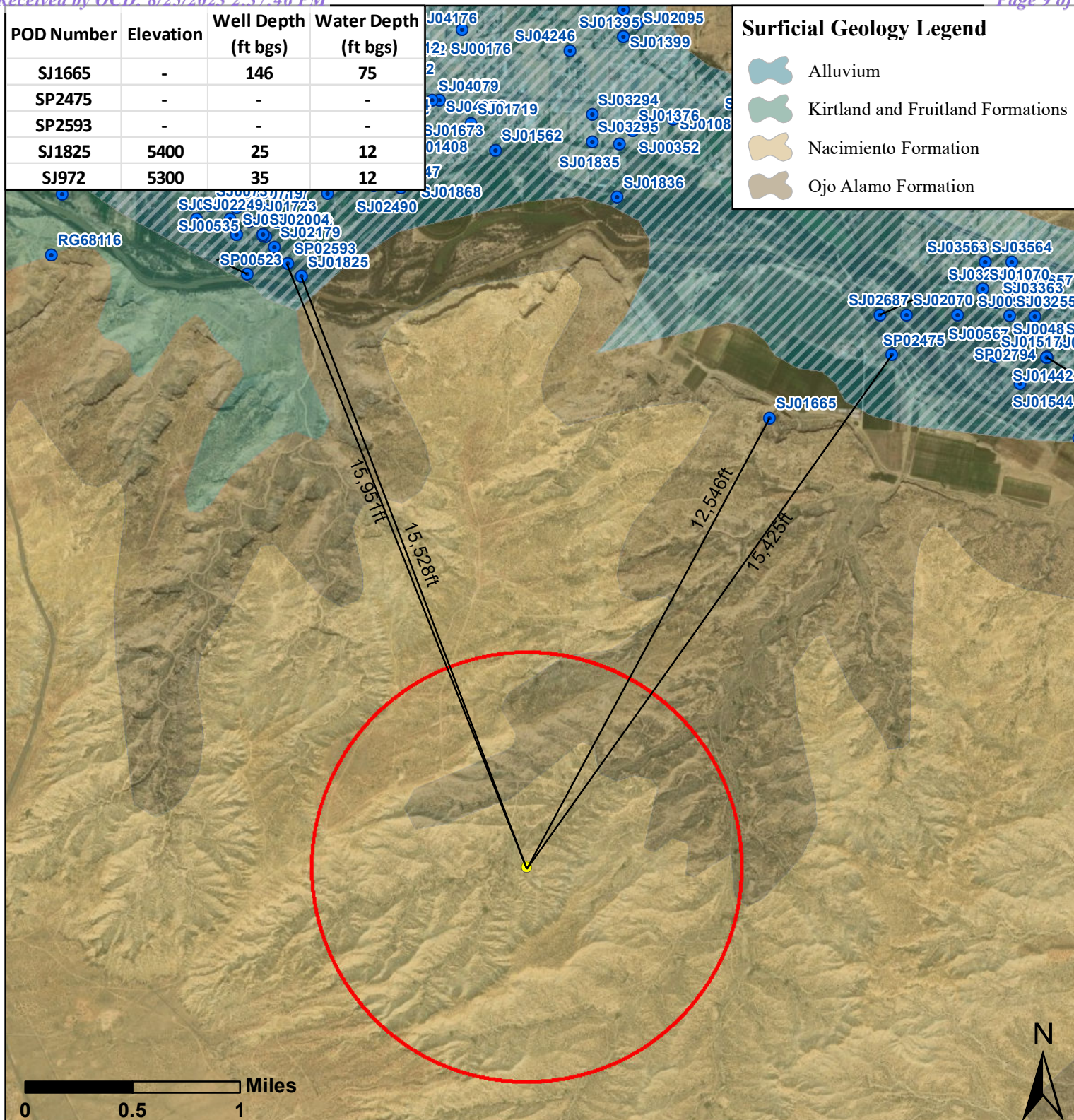
these bodies flow from 16 to 100 gallons per minute (gpm), and transmissivities are expected to be 100 ft<sup>2</sup>/d (Stone et al, 1983). Groundwater within these aquifers flows toward the San Juan River.

## References

Beaumont, et al., 1976. Circular 154 – Guidebook to coal geology of Northwest New Mexico. New Mexico Bureau of Mines and Mineral Resources.

Stone, et al., 1983, Hydrogeology and Water Resources of San Juan Basin, New Mexico, Socorro, New Mexico Bureau of Mines and Mineral Resources Hydrologic Report 6, 70 p





Notes: BGT elevation is 5,622 ft. BGT - below grade tank. Water well data from the New Mexico Office of the State Engineer. Surficial geology data from the 1997 USGS Geologic Map of New Mexico. ESRI Aerial Imagery date 8/31/2022.

### Legend

- GCU #275 BGT
- Water Well
- 1 Mile Buffer
- Groundwater Likely <50ft bgs (Alluvial Geology)

**Cottonwood**  
CONSULTING

Mapping by: E. Millar, 8/25/2023  
Coordinate System:  
NAD 1983 UTM Zone 13 N

Location: Section 13 T28N R13W NMPM




**Figure 1**  
**Depth to Groundwater Map**  
**Gallegos Canyon Unit #275**  
**Simcoe LLC**





Notes: BGT elevation is 5,622 ft. BGT - below grade tank. Basemap is the USGS topographic map.

#### Legend

-  GCU #275 BGT
-  100ft Buffer
-  200ft Buffer

**Cottonwood**  
CONSULTING

Mapping by: E. Millar, 8/25/2023  
Coordinate System:  
NAD 1983 UTM Zone 13 N

Location: Section 13 T28N R13W NMPM

**Figure 2**  
**Proximity to Watercourses Map**  
**Gallegos Canyon Unit #275**  
**Simcoe LLC**





Notes: BGT elevation is 5,622 ft. BGT - below grade tank. ESRI Aerial Imagery date 8/31/2022.

#### Legend

- GCU #275 BGT
- 300ft Buffer

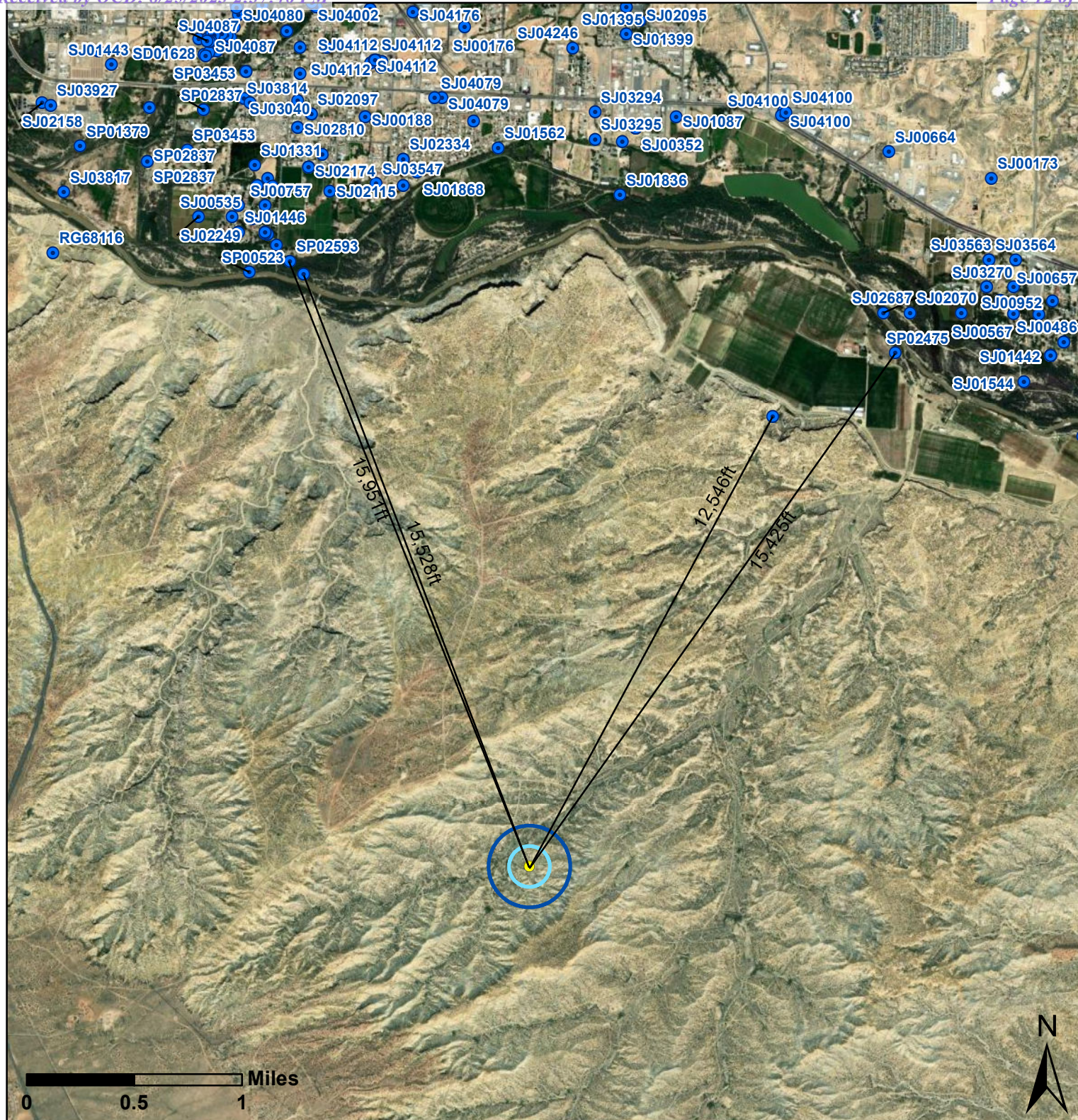
**Cottonwood**  
CONSULTING

Mapping by: E. Millar, 8/24/2023  
Coordinate System:  
NAD 1983 UTM Zone 13 N

Location: Section 13 T28N R13W NMPM

**Figure 3**  
**Proximity to Permanent**  
**Structures Map**  
**Gallegos Canyon Unit #275**  
**Simcoe LLC**





Notes: BGT elevation is 5,622 ft. BGT - below grade tank. Water well data from the New Mexico Office of the State Engineer. ESRI Aerial Imagery date 8/31/2022.

### Legend

- GCU #275 BGT
- Water Well
- 1,000ft Buffer
- 500ft Buffer

**Cottonwood**  
CONSULTING

Mapping by: E. Millar, 8/24/2023  
Coordinate System:  
NAD 1983 UTM Zone 13 N

Location: Section 13 T28N R13W NMPM

**Figure 4**  
**Proximity to Water Wells Map**  
**Gallegos Canyon Unit #275**  
**Simcoe LLC**





Notes: BGT elevation is 5,622 ft. BGT - below grade tank. Municipal limits data from the San Juan County Assessor. ESRI Aerial Imagery date 8/31/2022.

#### Legend

- GCU #275 BGT
- Farmington City Limits

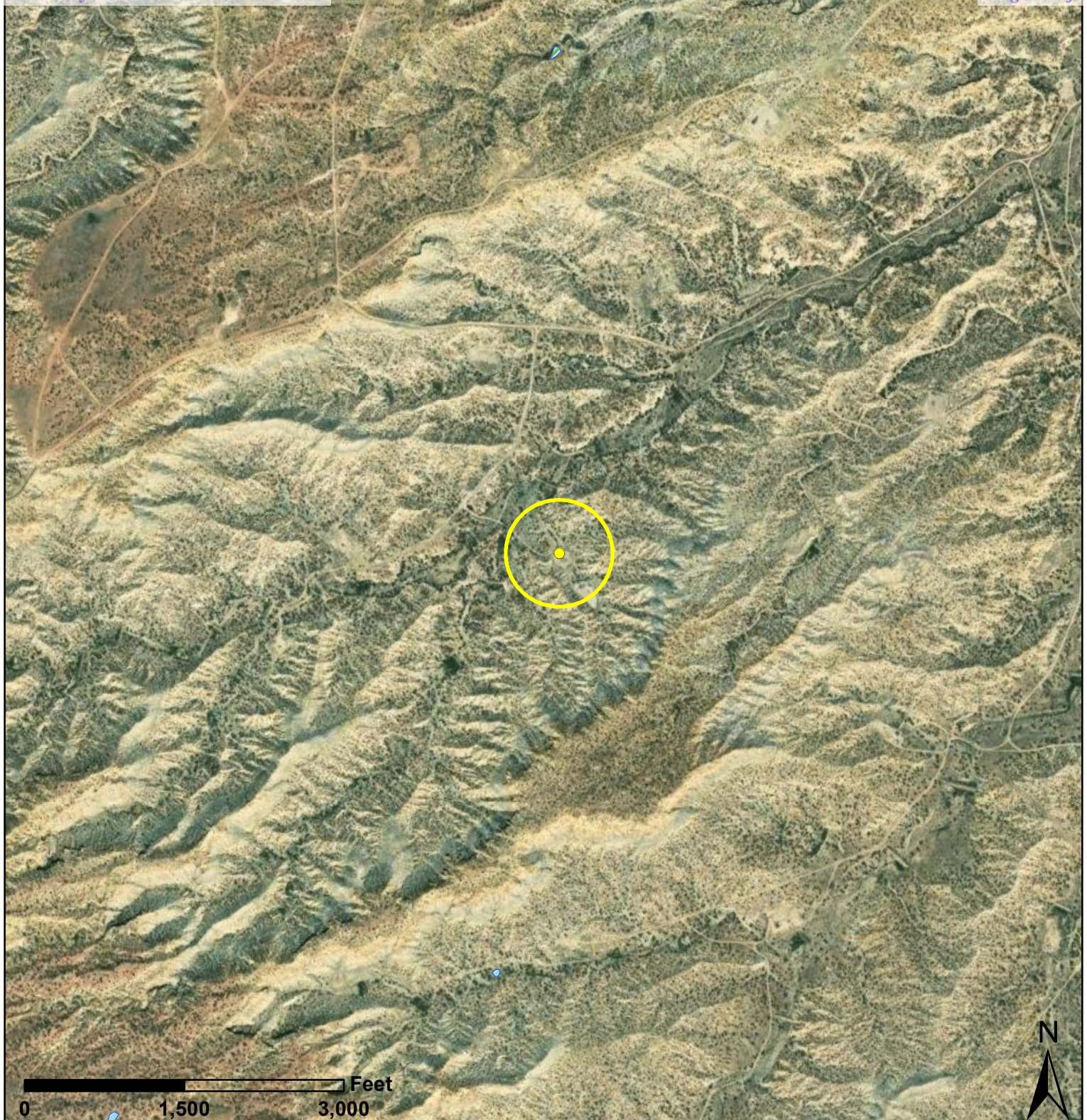
**Cottonwood**  
CONSULTING

Mapping by: E. Millar, 8/24/2023  
Coordinate System:  
NAD 1983 UTM Zone 13 N

Location: Section 13 T28N R13W NMPM



**Figure 5**  
**Proximity to Municipal**  
**Boundaries Map**  
**Gallegos Canyon Unit #275**  
**Simcoe LLC**





Notes: BGT elevation is 5,622 ft. BGT - below grade tank. Wetland data from the National Hydrography Dataset. ESRI Aerial Imagery date 8/31/2022.

#### Legend

-  GCU #275 BGT
-  500ft Buffer
-  Wetland

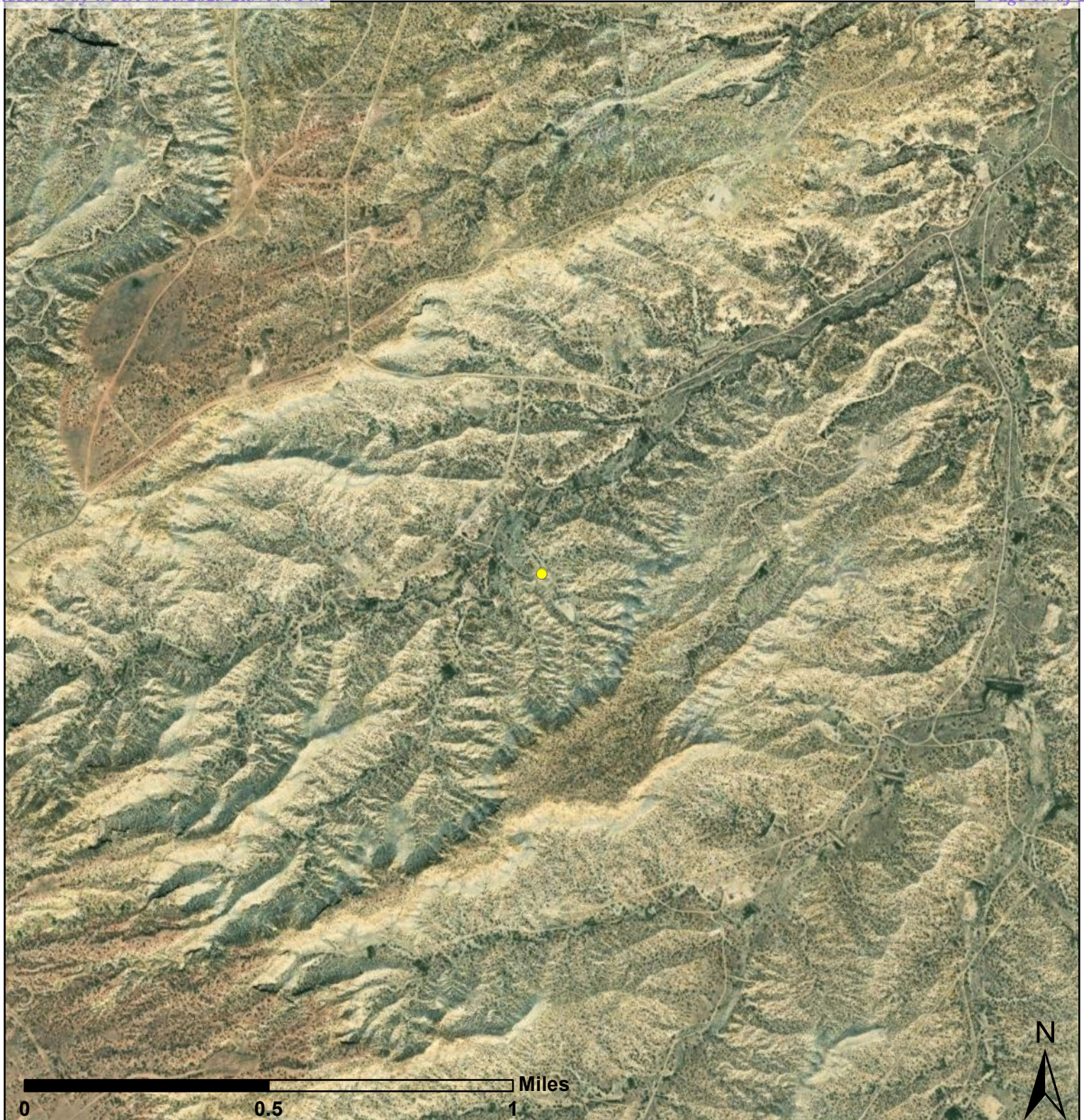
**Cottonwood**  
CONSULTING

Mapping by: E. Millar, 8/25/2023  
Coordinate System:  
NAD 1983 UTM Zone 13 N

Location: Section 13 T28N R13W NMPM

**Figure 6**  
**Proximity to Wetlands Map**  
**Gallegos Canyon Unit #275**  
**Simcoe LLC**





Notes: BGT elevation is 5,622 ft. BGT - below grade tank. Mine data from the New Mexico Mining and Minerals Division. ESRI Aerial Imagery date 8/31/2022.

#### Legend

- GCU #275 BGT
- Mine

**Cottonwood**  
CONSULTING

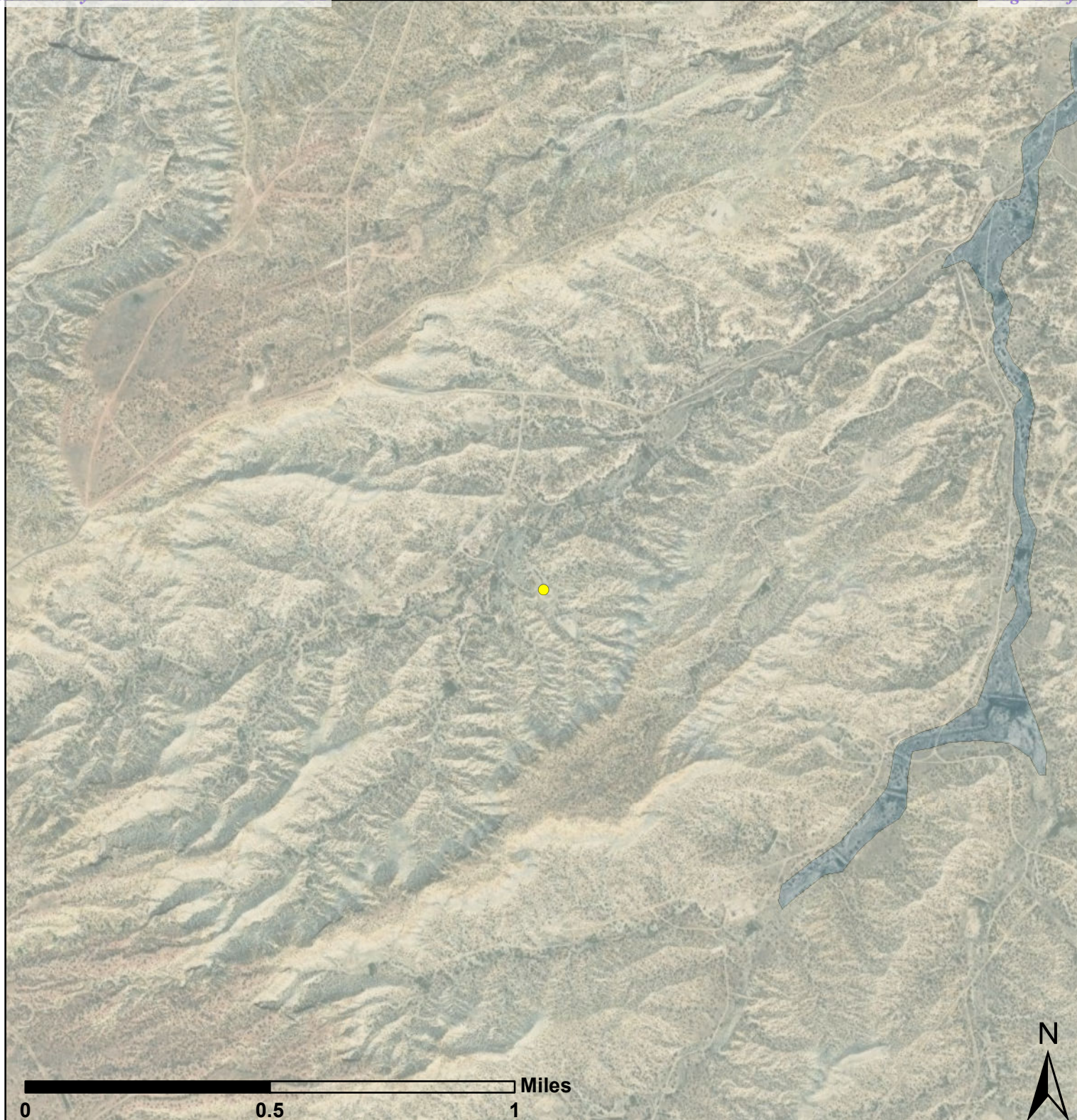


Mapping by: E. Millar, 8/24/2023  
Coordinate System:  
NAD 1983 UTM Zone 13 N

Location: Section 13 T28N R13W NMPM

**Figure 7**  
**Proximity to Mines Map**  
**Gallegos Canyon Unit #275**  
**Simcoe LLC**





Notes: BGT elevation is 5,622 ft. BGT - below grade tank; Floodplain data from the Federal Emergency Management Agency. ESRI Aerial Imagery date 8/31/2022.

#### Legend

● GCU #275 BGT

#### Flood Zone

● A; Area w/ 1% Chance of Flooding

● X; Area of Minimal Flood Hazard

**Cottonwood**  
CONSULTING

Mapping by: E. Millar, 8/25/2023

Coordinate System:

NAD 1983 UTM Zone 13 N

Location: Section 13 T28N R13W NMPM

**Figure 8**  
**Proximity to Floodplains Map**  
**Gallegos Canyon Unit #275**  
**Simcoe LLC**

**SIMCOE LLC**  
**San Juan Basin in Northwest New Mexico**  
**Below-Grade Tank Design and Construction Plan**

Pursuant to Rule 19.15.17.11 NMAC, Simcoe LLC (Simcoe) shall construct a below-grade tank (BGT) or modify an existing permitted BGT according to the following plan. Any deviations from this plan will be addressed on the New Mexico Oil Conservation Division's (NMCOD) form C-144 at the time of submittal.

**Design and Construction Plan**

1. SIMCOE will design and construct a BGT which will be constructed to contain liquids and prevent contamination of fresh water and protect public health and the environment.
2. SIMCOE is the well operator and shall install and maintain a well sign that is in compliance with 19.15.16.8 NMAC. The sign will be posted at the well site to address, at a minimum;
  - a. Well Number
  - b. Property name
  - c. Operators name
  - d. Location by footage, quarter-quarter section, township and range (or unit letter)
  - e. API number
  - f. Emergency contact information
3. SIMCOE will fence or enclose its BGTs in a manner that prevents unauthorized access and shall maintain its fence in good repair.
4. SIMCOE will fence or enclose a BGT located within 1,000 feet of a permanent residence, school, hospital, institution or church with, at a minimum a chain link security fence at least six (6) feet in height with at least two (2) strands of barbed wire at the top. SIMCOE will ensure that all gates associated with the fence are closed and locked when responsible personnel are not onsite.
5. SIMCOE is requesting NMOCD's approval for an alternative fence design that provides, at a minimum, equivalent protection to the design specified in Paragraph 3 of Subsection D of 19.15.17.11 NMAC for BGTs beyond the stated distance in paragraph 4 of this document. SIMCOE's proposed design for its BGTs will utilize 48" steel mesh field-fence (hogwire) with a metal or steel top rail. Perimeter T-post will be installed roughly every 10 feet.
6. SIMCOE will construct an expanded metal covering that completely covers the top of the BGT. The covering will be constructed such that it will prevent hazardous conditions to wildlife, including migratory birds
7. SIMCOE shall construct the BGT of materials that are resistant to produced water, any contained liquids, and damage from sunlight. SIMCOE's BGTs will be constructed of carbon steel that meets the requirements of ASTM A36.



8. SIMCOE's BGTs shall have a properly constructed earthen foundation consisting of a level base free of rocks, debris, sharp edges, or irregularities as to prevent punctures, cracks or indentations to the tank bottom as demonstrated on the design drawing.

9. SIMCOE will construct and operate the BGT to prevent surface water run-on by using both earthen berms and leaving a portion of the BGT above the original grade as demonstrated on the design drawing.

10. SIMCOE will construct and operate the BGT to prevent overflow and overfilling of the BGT. Overflow will be prevented by use of an electronic high fluid level detector that will automatically engage an electronic shut-off valve when a 1 foot freeboard is reached. The Hi-level automatic alarm notifies well optimizers when liquid level has reached within a preset distance to the top of the BGT. The Hi Hi alarm will trigger the Hi-level automatic shutdown valve which will close in the well until the liquid level can be lowered.

11. SIMCOE will construct and install a double-walled tank design per SuSimcoearagraph (b) of Paragraph (4) of Subsection I of 19.15.17.11 NM AC with a two (2) inch diameter leak detection port. The floor supports located in the annular space of the tank bottom will be channeled to allow outward movement of liquid between the walls. Leak detection will be monitored per SIMCOE's Operating and Maintenance Plan. The walls of the BGT will be constructed of carbon steel that meets the ASTM A36 standard. SIMCOE's BGT design will insure containment of tank contents and protect underlying groundwater. The production equipment line drain is an automated drain that allows water level in production equipment (generally the separator) to be maintained within the equipment's operating parameters. The environmental drain is a manually operated drain that is used to drain liquids off of equipment. The tank drain is a manually operated drain, typically in the closed position that is used to rid the condensate tank of any water accumulation. The vent drain is a manually operated drain off the discharge of production equipment (usually the separator) and is used to blowdown the wellsite. The swab drain line is a manually operated drain originating between the wellhead and separator and is used during well workovers when large amounts of liquid are removed from the well and sent straight to the BGT.

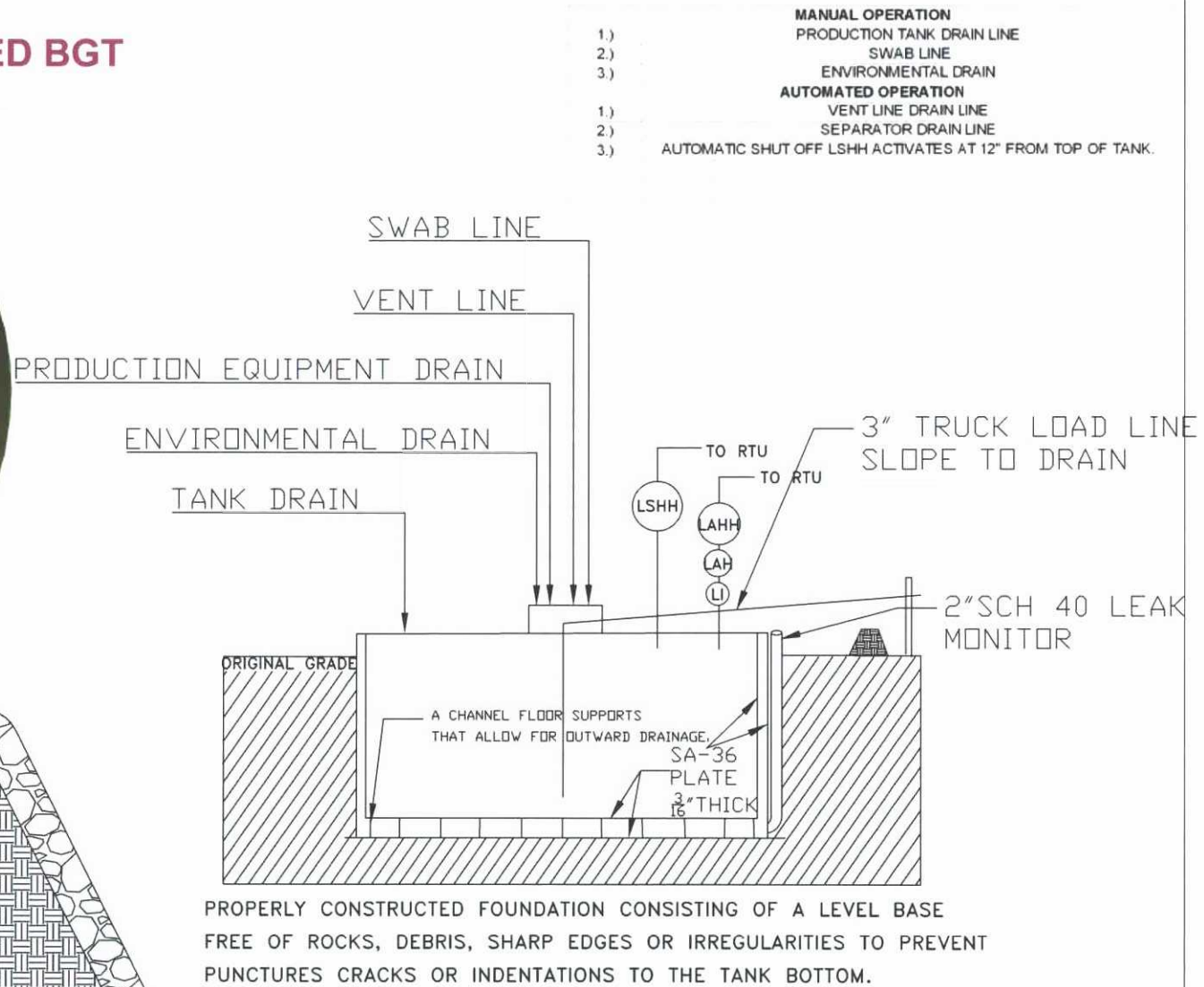
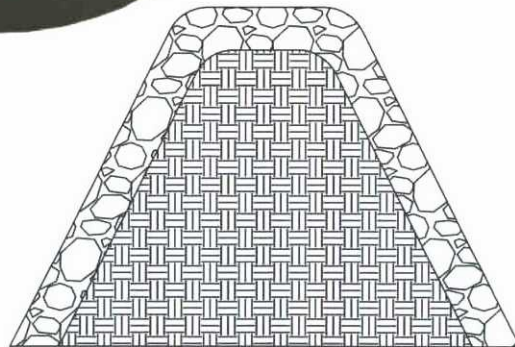
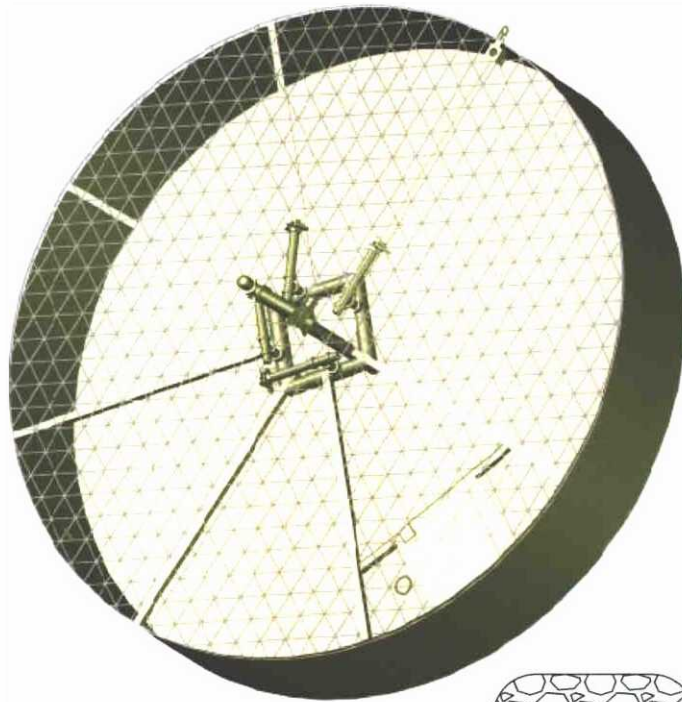
12. SIMCOE owned and operated BGTs that were constructed and installed prior to June 16,2008 that do not meet all the requirements of Paragraphs (1) through (4) of Subsection 1 of 19.15.17.11 NMAC and are not included in Paragraph (6) of Subsection 1 of 19.15.17.11 NMAC are not required to equip or be retrofit to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC so long as the BGT demonstrates integrity. If the existing SIMCOE BGT does not demonstrate integrity, SIMCOE shall promptly remove the BGT and install a BGT that complies with the SIMCOE NMOC approved BGT design attached to the Design and Construction Plan. SIMCOE shall comply with the operational requirements of 19.15.17.12 NMAC.

13. SIMCOE owned and operated BGTs that were constructed and installed prior to June 16,2008 that are single walled and where any portion of the tank side wall is below ground surface and not visible shall be retrofit or replaced to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or shall be closed within 5 years of June 16,2008. If the existing SIMCOE

owned and operated BGT does not demonstrate integrity, SIMCOE shall promptly remove the BGT and install a BGT that complies with the SIMCOE NMOCD approved BGT design attached to the Design and Construction Plan. SIMCOE shall comply with the operational requirements of 19.15.17.12 NMAC.

14. The general specifications for the design and construction of the BGT have been provided in the attached SIMCOE design and construction schematic.

## DOUBLE WALLED BGT



Rev	By	Date	Revision	BP Process	BP Approved	Date
1	A.S.	8/25				

This drawing is the property of and contains confidential information of BP America Production Company. This drawing and the information herein shall not be reproduced or disclosed to any other party or used for any purpose other than for the benefit of and as authorized by BP America Production Company.

SAN JUAN OPERATIONS CENTER FARMINGTON, NEW MEXICO BP AMERICA PRODUCTION COMPANY					
FACILITIES LAYOUT <b>DOUBLE WALLED BELOW GRADE TANK</b>					
Scale	Drawn By	Date	Checked By	Rev No.	Control Date
				1	
Filename: P17-08888_CD-P17-01-03.dwg					



**SIMCOE LLC**  
**San Juan Basin in Northwest New Mexico**  
**Below-Grade Tank Operating and Maintenance Plan**

Pursuant to Rule 19.15.17.12 NMAC, Simcoe LLC (Simcoe) shall maintain and operate a below-grade tank (BGT) with the following requirements. Deviations from this plan will be addressed with a submittal to the New Mexico Oil Conservation Division s (NMOCD) using form C-144 at the time of the BGT permit or modification to an existing permitted BGT application.

**Operating and Maintenance Plan**

1. SIMCOE's BGTs will be operated and maintained to contain liquids and solids and promptly identify a release or potential release. SIMCOE's BGTs will be operated and maintained to prevent contamination to freshwater and protect public health and the environment. SIMCOE will use automated high fluid level alarms and automated shut-off valves to ensure that liquids are contained within the vessel and that the vessel does not overflow. These alarms and shut-off valves will be consistent with those demonstrated in the design plan. SIMCOE will perform and document inspections of the BGTs on a monthly basis to confirm the integrity of the vessel.
2. SIMCOE will not knowingly discharge or store any hazardous waste into a BGT.
3. If a BGT develops a leak, or a release occurs due to mechanical failure or vandalism, or if a penetration of the BGT occurs below the liquid's surface, SIMCOE shall: 1) evacuate liquids from the BGT to a level below the damage or leak line within 48 hours; and 2) notify the NMOCD's District 111 office within 48 hours of the discovery. SIMCOE will review #4 of the SIMCOE Operating and Maintenance plan prior to any repair or replacement to determine if the BGT and location will require closure. If appropriate SIMCOE shall repair or replace the BGT with the SIMCOE NMOCD approved design. If a release from the BGT occurs SIMCOE shall follow the release reporting procedures of 19.15.29 NMAC. If closure of the BGT is required, SIMCOE shall implement the approved closure plan for the BGT.
4. If a SIMCOE operated BGT that was constructed and installed prior to June 16,2008 that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC does not demonstrate integrity or if the BGT develops any of the conditions identified in Paragraph (5) of Subsection A of 19.15.17.12 NMAC, SIMCOE shall close the existing BGT pursuant to the closure requirements of 19.15.17.13 NMAC and will install a BGT that complies with SIMCOE NMOCD approved BGT design attached to the Design and Construction Plan.
5. If a SIMCOE operated BGT that was constructed and installed prior to June 16,2008 that does not comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC is equipped or retrofit to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC, SIMCOE shall visually inspect the area beneath the BGT during the retrofit and shall document any areas that are wet, discolored or showing other evidence of a release on Form C-141. SIMCOE shall demonstrate to the division whether evidence of contamination indicates that an imminent threat to fresh water, public health, safety or the environment exists.

6. SIMCOE will install and construct the BGT following the SIMCOE NMOCD approved Design and Construction Plan, and will control surface water run on by the use of a berm or leaving a portion of the tank wall exposed. SIMCOE will use high level shot-off devices to insure that the BGT does not overflow.

7. The following requirements adhere to Subsection D of 19.15.17.12 NMAC.

a. SIMCOE will remove any visible or measurable layer of oil from the fluid surface of the BGT.

b. SIMCOE will inspect the BGT monthly. The monthly inspection will consist of the following:

i. Personnel will conduct a walk-around of the BGT to observe any abnormalities or signs of corrosion on the vessel. Personnel will inspect the surface run-on berm. Where applicable, inspection of the BGT's double wall - double bottom inspection port, tank flanges and valves for signs of leakage or spills will be conducted. Personnel will record any BGT deficiencies, repair as necessary and report to SIMCOE Dispatch Office immediately if an imminent danger to fresh water, public health, or to the environment is observed. SIMCOE will maintain a written record of the monthly inspections on the SIMCOE inspection form referred to as the San Juan Lease Inspection Form.

SIMCOE will maintain these written records for at least five (5) years. A copy of the San Juan Lease Inspection Form is attached.

8. SIMCOE will maintain sufficient freeboard of one foot in the BGT to prevent overtopping.

Managed Form NOP-5878 Revision 1			San Juan Lease Inspection		Custodian: Field Environmental Coordinator
Date:	Run:		Location:	Name of Inspector:	
Yes	Action	N/A	<b>Required Signs</b>		
			Does location have Well Sign and emergency phone number?		
			Do compressor engines have Hearing Protection signs?		
			Hydrogen Sulfide Signs (where applicable)		
			Chemical containers and tanks have proper Hazcom label or BP Multi-Product Hazcom numbers?		
Yes	Action	N/A	<b>Location- General</b>		
			<b>Housekeeping satisfactory?</b>		
			Tripping or falling hazards are absent? <b>If NO, identify and report to FSC.</b>		
			Rig anchors/Deadmen adequately marked and visible if they present a hazard to drivers?		
			Driving hazards such as risers are marked or flagged?		
			Painting meets safety standards?		
			Cattleguards/gates properly maintained?		
			Tarps in good repair?		
			Seeps, drips, or leaks are absent?		
			Is weed control adequate?		
			Stains on ground are absent? <b>If NO, remediate immediately, identify and report to FEC.</b>		
			Are there any open ended valves that are not plugged?		
Yes	Action	N/A	<b>Vessel/Tank</b>		
			Adequate fencing around below grade tank?		
			Are the dike/berm walkover in place, used and stable?		
			Are dikes/berms in good condition?		
			Is there adequate and safe access to pit for gauging?		
			Does the pit have a high level alarm?		
			Are stairways and catwalks properly maintained and in good condition?		
			Toprail, midrail and toeboard in place?		
			Are thief hatches in good condition, seal properly, and in the closed position?		
			Is tank vent line equipped with a PV valve? (Enardo)		
			Does the tank have a high level alarm?		
			Are open ended load lines and pipes capped?		
			Is soil around load lines clean of oil stains?		
			Is tank area free of any evidence of seeps or leaks (including manway cover)?		
			Are there proper seals on sales and drain valves?		
			Are all suspected dump lines well supported?		
			Are above ground dump lines marked with t-posts and plastic covers?		
			Have all fiberglass drip pits been removed?		
Yes	Action	N/A	<b>Treaters/Separators/Compressors/Pump Jacks</b>		
			If there is a block valve upstream of the relief valve, is the block valve secured in the open position?		
			Are relief valve discharge and blow downs piped to a safe area and secured against movement?		
			Has flame arrestor been inspected within the last 5 years?		
			Is flame port closed?		
			Do all lines pass through a super muffler or swirl pot to the pit/tank? If not, are all lines secured?		
			Is starting gas vented to a safe area, at least 10' vertically?		
			No excessive vibration, knocking or unusual noises anywhere on unit or piping?		
			Are site glasses in operating condition?		
			Are environmental rails piped to a pit in a dedicated line?		
			Do all blow downs, relief valve discharges, and risers have rain caps?		
			Stuffing box leaks are absent?		
			Are the weight guards and belt guard in place?		
			Are skids in good condition?		
			Are concrete bases / foundations in good condition?		
			Are concrete bases free from erosion or settlement problems?		
			Is secondary containment in place for day tanks?		

Comments:

Signature of Inspector:

My signature assures that this location is SAFE, is in compliance with the LAW, and exhibits high standards of Pride, Ownership and Excellence.

**SIMCOE, LLC**  
**SAN JUAN BASIN, NORTHWEST NEW MEXICO**

**BELOW-GRADE TANK CLOSURE PLAN**

This plan will address the standard protocols and procedures for closure of below-grade tanks (BGTs) on this SIMCOE, LLC well sites. As stipulated in Paragraph A of 19.15.17.13 NMAC, SIMCOE, LLC shall close a BGT within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the New Mexico Oil Conservation Division (NMOCD) requires because of imminent danger to fresh water, public health, safety, or the environment. If deviations from this plan are necessary, any specific changes will be included on form C-144 and approved by the NMOCD. SIMCOE, LLC shall close an existing BGT that does 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 after June 16, 2008, if not retrofit with a BGT that complies with the SIMCOE, LLC NMOCD approved BGT design attached to the SIMCOE, LLC Design and Construction Plan. SIMCOE, LLC shall close an existing BGT that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC, if not previously retrofitted to comply with the SIMCOE, LLC NMOCD approve BGT Design attached to the SIMCOE, LLC Design and Construction Plan, prior to any sale or change in operator pursuant to 19.15.9.9 NMAC. SIMCOE, LLC shall close the permitted BGT within 60 days of cessation of the BGTs operation or as required by the transitional provisions of Subsection B, D, or E of 19.15.17.17 NMAC.

**General Closure Plan**

1. SIMCOE, LLC shall notify the surface owner by certified mail that it plans to close a BGT. Evidence of mailing of the notice to the address of the surface owner shown in the county tax records demonstrates compliance with this requirement.
2. SIMCOE, LLC shall notify the division District III office verbally or by other means at least 72 hours, but not more than one (1) week, prior to any closure operation. The notice shall include the operator's name, and the location to be closed by unit letter, section, township, and range. If the BGT closure is associated with a particular well, then the notice shall also include the well's name, number, and API number.
3. SIMCOE, LLC shall remove liquids and sludge from the BGT prior to implementing a closure method and dispose of the liquids and sludge in an NMOCD division-approved facility. The facilities to be utilized are:
  - a. JFJ Land farm, Permit NM-01-010(B) (Solids and Sludge)
  - b. Basin Disposal, Permit NM-01-0005 (Liquids)
  - c. Envirotech Inc Soil Remediation Facility, Permit NM-01-0011 (Solids and Sludge)
  - d. Simcoe, LLC Operated 13 GCU SWD # 1, API 30-045-28601 (Liquids)
  - e. Simcoe, LLC Operated GCU 259 SWD, API 30-045-20006 (Liquids)
  - f. Simcoe, LLC Operated GCU 306 SWD, API 30-045-24286 (Liquids)
  - g. Simcoe, LLC Operated GCU 307 SWD, API 30-045-24248 (Liquids)
  - h. Simcoe, LLC Operated GCU 328 SWD, API 30-045-24735 (Liquids)
  - i. Simcoe, LLC Operated Pritchard SWD #1, API 30-045-28351 (Liquids)
4. Simcoe, LLC shall remove the BGT and dispose of it in a NMOCD approved facility or recycle, reuse, or reclaim it in a manner that the NMOCD approves. If a liner is present and must be disposed of it will be cleaned by scraping any soils or other attached materials on the liner to a de minimus amount and disposed at a permitted solid waste facility, pursuant to Subparagraph (m) of Paragraph (1) of Subsection C of 19.15.35.8 NMAC. Documentation as to the final disposition of the removed BGT will be provided in the final closure report.



5. Simcoe, LLC shall remove any on-site equipment associated with a BGT unless the equipment is required for well production.

6. Simcoe, LLC shall sample the soils beneath the BGT to determine whether a release has occurred. Simcoe, LLC shall collect at a minimum: a five (5) point composite sample and analyze for BTEX, TPH, and chlorides. The testing methods for those constituents are as follows.

<b>Table 1</b> <b>Closure Criteria for Soils Beneath Below-Grade Tank</b>			
Depth below bottom of pit to groundwater less than 10,000 mg/l TDS	Constituent	Method	Limit
≤ 50 feet	Chloride	EPA 300.0	600 mg/kg
	TPH	EPA SW-846 Method 418.1	100 mg/kg
	BTEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg
	Benzene	EPA SW-846 Method 8021B or 8015M	10 mg/kg
51 - 100 feet	Chloride	EPA 300.0	10,000 mg/kg
	TPH	EPA SW-846 Method 418.1	2,500 mg/kg
	GRO + DRO	EPS SW-846 Method 8015M	1,000 mg/kg
	BTEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg
	Benzene	EPA SW-846 Method 8021B or 8015M	10 mg/kg
> 100 feet	Chloride	EPA 300.0	20,000 mg/kg
	TPH	EPA SW-846 Method 418.1	2,500 mg/kg
	GRO + DRO	EPS SW-846 Method 8015M	1,000 mg/kg
	BTEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg
	Benzene	EPA SW-846 Method 8021B or 8015M	10 mg/kg

**Notes:** mg/kg- milligram per kilogram; GRO- gasoline range organics; DRO- diesel range organics; TPH- total petroleum hydrocarbons; BTEX- benzene, toluene, ethylbenzene, and total xylenes; ND- analyte not detected; BG - background. Other EPA methods that the division approves may be applied to all constituents listed. Chloride closure standards will be determined by whichever concentration level is greatest. Applicable standards are highlighted.

7. Simcoe, LLC shall notify the division District III office of its results on form C-141.

8. If it is found that a release has occurred then Simcoe, LLC will comply with 19.15.30 NMAC and 19.15.29 NMAC, as appropriate.

9. If the sampling demonstrates that a release has not occurred or that any release does not exceed the concentrations specified above, then Simcoe, LLC shall backfill the excavation, with compacted, non-

waste containing, earthen material; construct a division-prescribed soil cover, re-contour and re-vegetate the location. The location will be reclaimed if it is not with in the active process area.

10. Simcoe, LLC shall reclaim the BGT location, and all areas associated with the BGT including associated access roads to a safe and stable condition that blends with the surrounding undisturbed area. Simcoe, LLC shall substantially restore the impacted surface area to the condition that existed prior to oil and gas operations by placement of the soil cover as provided in Subsection H of 19.15.17.13 NMAC, re-contour the location and associated areas to a contour that approximates the original contour and blends with the surrounding topography and re-vegetate according to Subsection I of 19.15.17.13 NMAC.

11. The soil cover for closures where the BGT has been removed or remediated to the NMOCD's satisfaction shall consist of the background thickness of topsoil or one foot of suitable material to establish vegetation at the site, whichever is greater.

12. Simcoe, LLC shall seed the disturbed area the first growing season after closure of the BGT. Seeding will be conducted by drilling on the contour whenever practical or by other division- approved methods. Vegetative cover will be, at a minimum, 70% of the native perennial vegetative cover (un-affected by overgrazing, fire or other intrusion damaging to native vegetation), consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintenance of that cover through two successive growing seasons. During the two growing seasons that prove viability, there shall be no artificial irrigation of the vegetation.

13. Simcoe, LLC shall seed, plant and re-seed pursuant to Paragraph (3) of Subsection I of 19.15.17.13 NMAC, until the location successfully achieves the required vegetative cover.

14. Pursuant to Paragraph (5) of Subsection I of 19.15.17.13 NMAC, Simcoe, LLC shall notify the NMOCD when it has seeded or planted and when it successfully achieves revegetation.

15. Within 60 days of closure completion, Simcoe, LLC shall submit a closure report on NMOCD's form C-144, and will include the following:

- a. proof of closure notification (surface owner and NMOCD),
- b. sampling analytical reports: information required by 19.15.17 NMAC,
- c. disposal facility name and permit number,
- d. details on back-filling, capping, covering; and, where applicable, re-vegetation application rates and seeding techniques; and,
- e. site reclamation, photo documentation, disposal facility name, and permit number

16. Simcoe, LLC shall certify that all information in the report and attachments is accurate, truthful, and compliant with all applicable closure requirements and conditions specified in the approved closure plan.



**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS  
  
Action 257810

CONDITIONS

Operator:  SIMCOE LLC 1199 Main Ave., Suite 101 Durango, CO 81301	OGRID:  329736
	Action Number:  257810
	Action Type:  [C-144] Below Grade Tank Plan (C-144B)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	None	8/30/2023