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.

<u>Pit, Below-Grade Tank, or</u> Proposed Alternative Method Permit or Closure Plan Application

BGT	or proposed alte Instructions: Ple	☐ Permi ☐ Closu ☐ Modif ☐ Closu ernative met	it of a pit or pare of a pit, be fication to an are plan only shod	roposed alter clow-grade ta existing perr submitted for	nk, or propo mit/or regist an existing	osed all ration permi	below-grade tai	od rmitted pit, below-g nk or alternative requals n of surface water, ground	uest
								tal authority's rules, reg	
Operator:	Hilcorp Energy	Company				OGRI	D #:	372171	
Address:									
Facility or well nar	me: Hugh	es #9							
API Number:	30-039-06282			OCD P	ermit Numbe	r:			
U/L or Qtr/Qtr	N Section	on30	_ Township	26N	Range	7W	County:	Rio Arriba	
Center of Proposed	l Design: Latitud	le <u>36.4</u>	153397°		Longitude	e	107.620270°	NAD27	
Surface Owner: 🗵	Federal State	e 🗌 Private [Tribal Trust	or Indian All	otment				
☐ String-Reinford	Emergency Cined Liner type: ced Welded Factor ank: Subsection 120 material: ntainment with lea	Cavitation : Thickness _ Thickness _ OTY : Other OTHER	7.11 NMAC fluid: Visible sid walls only	Produced V	HDPE Volume:] PVC	Otherbbl Dimens		
Alternative M Submittal of an exc		required. E	xceptions must	t be submitted	to the Santa	Fe Env	ironmental Bure	eau office for consider	ation of approval.
5. Fencing: Subsection Chain link, six institution or churce Four foot height Alternate. Plea	feet in height, two	o strands of b	parbed wire at to	top (Required)			_	s) anent residence, scho	ol, hospital,

Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other Monthly inspections (If netting or screening is not physically feasible)	
7. Signs: Subsection C of 19.15.17.11 NMAC ☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers ☐ Signed in compliance with 19.15.16.8 NMAC	
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. <u>Siting Criteria (regarding permitting)</u> : 19.15.17.10 NMAC <i>Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptate are provided below.</i> 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. - 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
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:	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	
Previously Approved Design (attach copy of design) API Number: or Permit Number:	

Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC	1	
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the 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	documents are	
 □ 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 H₂S, 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 Flandstruce 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	uid Management Pit	
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be a closure plan. Please indicate, by a check mark in the box, that the documents are attached. □ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC □ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.13 NMAC □ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings) □ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC □ Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC □ Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC		
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable sour provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. P 19.15.17.10 NMAC for guidance.		
Ground water is less than 25 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ 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 Yes NA NA NA NA NA NA NA N		
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 approx Within the area overlying a subsurface mine.		
Within the area overlying a subsurface mine	val obtained from the municipality	☐ Yes ☐ No
Written confirmation or verification or map from the NM EMNRD-Mining	g and Mineral Division	☐ Yes ☐ No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geolog Society; Topographic map	y & Mineral Resources; USGS; NM Geological	
Within a 100-year floodplain.		Yes No
- FEMA map		Yes No
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the by a check mark in the box, that the documents are attached. □ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of Construction/Design Plan of Burial Trench (if applicable) based upon the a Construction/Design Plan of Temporary Pit (for in-place burial of a drying □ Protocols and Procedures - based upon the appropriate requirements of 19.1 □ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Disposal Facility Name and Permit Number (for liquids, drilling fluids and □ Soil Cover Design - based upon the appropriate requirements of Subsection □ Re-vegetation Plan - based upon the appropriate requirements of Subsection □ Site Reclamation Plan - based upon the appropriate requirements of Subsection	quirements of 19.15.17.10 NMAC f Subsection E of 19.15.17.13 NMAC ppropriate requirements of Subsection K of 19.15.17 pad) - based upon the appropriate requirements of 19.5.17.13 NMAC quirements of 19.15.17.13 NMAC 19.15.17.13 NMAC drill cuttings or in case on-site closure standards canr H of 19.15.17.13 NMAC H of 19.15.17.13 NMAC	.11 NMAC .15.17.11 NMAC
17. Operator Application Certification:		
I hereby certify that the information submitted with this application is true, accura		
Name (Print):	Title:	
Signature:	Date:	
e-mail address:	Telephone:	
e-mail address: 18. OCD Approval: Permit Application (including closure plan) Closure Cl	-	
18. OCD Approval: Permit Application (including closure plan)	-	
18. OCD Approval: ☐ Permit Application (including closure plan) 🛣 Closure 🎶	加加州 □ OCD Conditions (see attachment)	
18. OCD Approval: ☐ Permit Application (including closure plan)	Approval Date: 10/3 OCD Permit Number: BGT1 NMAC implementing any closure activities and submitting the completion of the closure activities. Please do not	1/2023 g the closure report.
18. OCD Approval: Permit Application (including closure plan) Closure Management Provided Pr	Approval Date: 10/3 OCD Permit Number: BGT1 NMAC implementing any closure activities and submitting the completion of the closure activities. Please do not sure activities have been completed.	the closure report.

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): Cherylene Weston Title: Operations/Regulatory Technician – Sr.

Signature: Cherylene Weston Date: 10/11/2023

e-mail address: cweston@hilcorp.com Telephone: (713) 289-2615

Form C-144
Released to Imaging: 10/31/2023 1:58:30 PM

Hilcorp Energy Company San Juan Basin Below Grade Tank Closure Report

Lease Name: Hughes 9 API No.: 30-039-06282

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, certified mail. (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.

10/13/2023

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)

Cheryl Weston

From: Cheryl Weston

Sent: Friday, June 23, 2023 9:45 AM

To: Abiodun Adeloye; Brandon Sinclair; Clara Cardoza; Dale Crawford; Eufracio Trujillo;

Keri Hutchins; I1thomas@blm.gov

Cc: Mike Murphy; William Shuss; Mandi Walker

Subject: 72 hour BGT Closure Notice - Hughes 9 (API# 30-045-06282)
Attachments: 30039062820000_Hughes 9 BGT Permit OCD Approved.pdf

Follow Up Flag: Follow up Flag Status: Flagged

Subject: 72 Hour BGT Closure Notification

Anticipated Start Date: Thursday 6/29/2023 at 1:30 PM

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

Well Name: Hughes 9

API#: 30-045-06282

Location: Unit N (SESW), Section 30, T26N, R07W

Footages: 920' FSL & 1810' FWL

Operator: Hilcorp Energy Surface Owner: BLM

Reason: Well will be P&A'd.

Please Note Required Photos for Closure

- Well site placard
- Photos of the BGT prior to closure
- The sample location or, more preferred, photos of actual sample collection
- Final state of the area after closure.
- Photos will require captioning including direction of photo, date and time of photo and a description of the image contents.

Thanks,



Cheryl L. Weston San Juan South (8-10)/East Regulatory 1111 Travis Street Houston, TX 77002

Ofc: 713-289-2615 cweston@hilcorp.com



Hilcorp Energy Company

HUGHES 9 LATITUDE 360 27' 11" LONGITUDE 1070 37' 13" SE/SW, 920' FSL & 1810' FWL SEC.30 TO26N ROO7W NMPM NMSF-078048 API NO. 30-039-06282 RIO ARRIBA COUNTY, NM ELEV 6314 EMERGENCY NUMBER (505) 324-5170 NO SMOKING NO TRESPASSING



DIRECTION 339 deg(T)

36.45341°N 107.62022°W



ACCURACY 5 m DATUM WGS84

Cualquier operacion de negligencia o mal uso de es producto como exponerlo a fuego abierto, demas presion, subirse sin el cinturon de protección, o ualquier otro acto de mal cuidado puede resultar el elesion grave o muerte.





District I
1625 N. French Dr., Hobbs, NM 88240
District II
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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

			-100 P	01101	ore r arej		
Responsible	Party Hil	corp Energy Com	pany		OGRID	372171	
Contact Name Cherylene Weston C				Contact Telephone 713-289-2615			
Contact emai	il cwesto	on@hilcorp.com			Incident #	(assigned by OCD)	
Contact mail	ing address	382 Road 3100	Aztec NM 8741	10			
			Location	of R	elease So	ource	
Latitude	36.45339	7	(NAD 83 in deci			-107.620270 nal places)	
Site Name	Hughes 9				Site Type	Gas Well	
Date Release	Discovered	N/A			API# (if app	licable) 30-039-0	06282
Unit Letter	Section	Township	Range		Coun	ty	
N	30	26N	07W		San J	uan	
Surface Owner			ribal Private (N Nature and	l Vol	ume of F	Release	
Crude Oil		Volume Release		calculati	ons or specific	Volume Reco	volumes provided below) vered (bbls)
Produced	Water	Volume Release	ed (bbls)		Volume Recovered (bbls)		
		Is the concentrate produced water	tion of dissolved ch >10,000 mg/l?	hloride	oride in the Yes No		
Condensa	te	Volume Release	ed (bbls)		Volume Recovered (bbls)		
☐ Natural G	as	Volume Release	ed (Mcf)		Volume Recovered (Mcf)		
Other (describe) Volume/Weight Released (provide uni			units)	nits) Volume/Weight Recovered (provide units)			
Cause of Rele No release wa		d during the BGT	Closure.				

Received by OCD: 10/23/2023 3:21:41 PM Form C-141 State of New Mexico Page 2 Oil Conservation Division

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Page	16	n_1	'''
1 466	10	v_I	

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 responsib	ole party conside	er this a major release?
☐ Yes ⊠ No	N/A		
If YES, was immediate no	otice given to the OCD? By whom? To whom	i? When and by	what means (phone, email, etc)?
Not Required			
	Initial Resp	onse	
The responsible p	party must undertake the following actions immediately un	less they could cred	nte a safety hazard that would result in injury
☐ The source of the rele	ease has been stopped.		
☐ The impacted area ha	s been secured to protect human health and the	environment.	
	ave been contained via the use of berms or dike	-	
	ecoverable materials have been removed and med above have not been undertaken, explain why		iately.
Per 10 15 20 8 R (4) NM	[ΔC the responsible party may commence rem	ediation immed	iately after discovery of a release. If remediation
has begun, please attach		orts have been s	successfully completed or if the release occurred
regulations all operators are public health or the environr failed to adequately investig		tions and perform does not relieve groundwater, su	a corrective actions for releases which may endanger the operator of liability should their operations have arface water, human health or the environment. In
Printed Name: Cheryle	ene Weston	Title:	Operations/Regulatory Technician – Sr.
Signature: Chery	lene Weston	Date:	10/11/2023
email:cwesto	on@hilcorp.com	Telephone:	(713) 289-2615
OCD Only			
Received by:	D	ate:	



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

July 07, 2023

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

FAX

RE: Hughes 9 OrderNo.: 2306G08

Dear Kate Kaufman:

Hall Environmental Analysis Laboratory received 1 sample(s) on 6/30/2023 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 2306G08

Date Reported: 7/7/2023

Hall Environmental Analysis Laboratory, Inc.

CLIENT: HILCORP ENERGY Client Sample ID: Bottom Comp

Project: Hughes 9 Collection Date: 6/29/2023 3:10:00 PM 2306G08-001 Lab ID: Matrix: SOIL Received Date: 6/30/2023 6:25:00 AM

Analyses	Result	RL Qu	al Units	DF	Date Analyzed
EPA METHOD 8015M/D: DIESEL RANGE ORG				Analyst: DGH	
Diesel Range Organics (DRO)	ND	9.7	mg/Kg	1	7/5/2023 2:21:39 PM
Motor Oil Range Organics (MRO)	ND	49	mg/Kg	1	7/5/2023 2:21:39 PM
Surr: DNOP	95.9	69-147	%Rec	1	7/5/2023 2:21:39 PM
EPA METHOD 8015D: GASOLINE RANGE					Analyst: KMN
Gasoline Range Organics (GRO)	ND	4.9	mg/Kg	1	7/5/2023 7:32:00 PM
Surr: BFB	102	15-244	%Rec	1	7/5/2023 7:32:00 PM
EPA METHOD 8021B: VOLATILES					Analyst: KMN
Benzene	ND	0.024	mg/Kg	1	7/5/2023 7:32:00 PM
Toluene	ND	0.049	mg/Kg	1	7/5/2023 7:32:00 PM
Ethylbenzene	ND	0.049	mg/Kg	1	7/5/2023 7:32:00 PM
Xylenes, Total	ND	0.098	mg/Kg	1	7/5/2023 7:32:00 PM
Surr: 4-Bromofluorobenzene	94.8	39.1-146	%Rec	1	7/5/2023 7:32:00 PM
EPA METHOD 300.0: ANIONS					Analyst: RBC
Chloride	ND	60	mg/Kg	20	7/6/2023 12:34:44 AM

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
- Н Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- Practical Quanitative Limit
- % Recovery outside of standard limits. If undiluted results may be estimated.
- Analyte detected in the associated Method Blank
- Above Quantitation Range/Estimated Value Ε
- J Analyte detected below quantitation limits
- Sample pH Not In Range

RL Reporting Limit Page 1 of 5

Hall Environmental Analysis Laboratory, Inc.

2306G08 07-Jul-23

WO#:

Client: HILCORP ENERGY

Project: Hughes 9

Sample ID: MB-75999 SampType: MBLK TestCode: EPA Method 300.0: Anions

Client ID: PBS Batch ID: 75999 RunNo: 97962

Prep Date: 7/5/2023 Analysis Date: 7/5/2023 SeqNo: 3565068 Units: mg/Kg

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

Chloride ND 1.5

Sample ID: LCS-75999 SampType: LCS TestCode: EPA Method 300.0: Anions

Client ID: LCSS Batch ID: 75999 RunNo: 97962

Prep Date: 7/5/2023 Analysis Date: 7/5/2023 SeqNo: 3565069 Units: mg/Kg

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

Chloride 14 1.5 15.00 0 92.4 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.

2306G08 07-Jul-23

WO#:

Client: HILCORP ENERGY

Project: Hughes 9

Sample ID: LCS-75974 SampType: LCS TestCode: EPA Method 8015M/D: Diesel Range Organics

Client ID: LCSS Batch ID: 75974 RunNo: 97944

Prep Date: 7/3/2023 Analysis Date: 7/5/2023 SeqNo: 3563566 Units: mg/Kg

PQL SPK value SPK Ref Val %REC LowLimit HighLimit %RPD **RPDLimit** Analyte Result Qual Diesel Range Organics (DRO) 10 0 47 50.00 93.2 61.9 130

Surr: DNOP 4.8 5.000 95.0 69 147

Sample ID: MB-75974 SampType: MBLK TestCode: EPA Method 8015M/D: Diesel Range Organics

Client ID: PBS Batch ID: 75974 RunNo: 97944

Prep Date: 7/3/2023 Analysis Date: 7/5/2023 SeqNo: 3563568 Units: mg/Kg

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

Diesel Range Organics (DRO) ND 10

Motor Oil Range Organics (MRO) ND 50

Surr: DNOP 9.2 10.00 91.6 69 147

Qualifiers:

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

Page 3 of 5

Hall Environmental Analysis Laboratory, Inc.

WO#: **2306G08**

07-Jul-23

Client: HILCORP ENERGY

Project: Hughes 9

Surr: BFB

Sample ID: mb-75968 SampType: MBLK TestCode: EPA Method 8015D: Gasoline Range

Client ID: PBS Batch ID: 75968 RunNo: 97913

Prep Date: 7/3/2023 Analysis Date: 7/5/2023 SeqNo: 3563344 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 980 1000 98.2 15 244

Sample ID: Ics-75968 SampType: LCS TestCode: EPA Method 8015D: Gasoline Range

Client ID: LCSS Batch ID: 75968 RunNo: 97913

2000

Prep Date: **7/3/2023** Analysis Date: **7/5/2023** SeqNo: **3563500** Units: **mg/Kg**

1000

Qual Analyte Result PQL SPK value SPK Ref Val %REC LowLimit HighLimit %RPD **RPDLimit** Gasoline Range Organics (GRO) 21 5.0 25.00 0 85.4 70 130

202

15

244

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 4 of 5

Hall Environmental Analysis Laboratory, Inc.

WO#: 2306G08

07-Jul-23

Client: HILCORP ENERGY

Project: Hughes 9

Sample ID: mb-75968 SampType: MBLK TestCode: EPA Method 8021B: Volatiles Client ID: PBS Batch ID: 75968 RunNo: 97913 Prep Date: 7/3/2023 Analysis Date: 7/5/2023 SeqNo: 3563412 Units: mg/Kg PQL SPK value SPK Ref Val %REC LowLimit HighLimit %RPD **RPDLimit** Qual Analyte Result Benzene ND 0.025 Toluene ND 0.050 Ethylbenzene ND 0.050

Xylenes, Total ND 0.10 0.93 Surr: 4-Bromofluorobenzene

1.000 92.8 146 39.1

Sample ID: Ics-75968	SampT	Гуре: LC	s	Tes	tCode: El	PA Method	8021B: Volat	iles		
Client ID: LCSS	Batcl	h ID: 75 9	968	F	RunNo: 9	7913				
Prep Date: 7/3/2023	Analysis D	Date: 7/	5/2023	SeqNo: 3563501			Units: mg/K	(g		
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Benzene	0.84	0.025	1.000	0	84.2	70	130			
Toluene	0.86	0.050	1.000	0	86.0	70	130			
Ethylbenzene	0.87	0.050	1.000	0	87.2	70	130			
Xylenes, Total	2.6	0.10	3.000	0	86.9	70	130			
Surr: 4-Bromofluorobenzene	0.95		1.000		94.5	39.1	146			

Qualifiers:

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

Page 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: 10/31/2023 1:58:30 PM

Client Name: HILCORP ENERGY Wo	rk Order Number: 2306G08		RcptNo: 1
Received By: Tracy Casarrubias 6/30/2	2023 6:25:00 AM		
Completed By: Tracy Casarrubias 6/30/2	2023 7:12:43 AM		
Reviewed By: -WB U/30/23			
Chain of Custody		_	_
1. Is Chain of Custody complete?	Yes 🗌	No 🗹	Not Present 🔲
2. How was the sample delivered?	Courier		
Log In 3. Was an attempt made to cool the samples?	Yes 🗸	No 🗌	NA 🗆
4. Were all samples received at a temperature of >0°	C to 6.0°C Yes ✓	No 🗌	na 🗆
5. Sample(s) in proper container(s)?	Yes 🗸	No 🗌	
6. Sufficient sample volume for indicated test(s)?	Yes 🗹	No 🗌	
7. Are samples (except VOA and ONG) properly prese	rved? Yes 🗸	No 🗌	
8. Was preservative added to bottles?	Yes	No 🗹	NA 🗆
9. Received at least 1 vial with headspace <1/4" for AC	Q VOA? Yes □	No 🗌	NA 🗹
10. Were any sample containers received broken?	Yes		of preserved
11. Does paperwork match bottle labels? (Note discrepancies on chain of custody)	Yes 🗹	_	ottles checked or pH: (<2 or >12 unless noted)
12. Are matrices correctly identified on Chain of Custody	/? Yes ✓	No 🗌	Adjusted?
13. Is it clear what analyses were requested?	Yes 🗹	No 🗌	7.1100127
14. Were all holding times able to be met? (If no, notify customer for authorization.)	Yes 🗹	No 🗆	Checked by: 746 30 (23
Special Handling (if applicable)			
15. Was client notified of all discrepancies with this order	er? Yes	No 🗌	NA 🗹
Person Notified:	Date:		
By Whom:	Via: ☐ eMail ☐ F	Phone 🗌 Fax 📗] In Person
Regarding:			
Client Instructions: Mailing address and pho	ne number are missing on COC-	- TMC 6/30/23	
16. Additional remarks:			
17. Cooler Information Cooler No Temp °C Condition Seal Intact 1 5.4 Good Yes	ct Seal No Seal Date	Signed By	

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Chain-of-Custody Record							_		-			Č			3		
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Date Time Matrix Sample Name	Typ	#	Type	7306608	Ţ <i>8</i> j							ΙΟΤ					
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If necessary samples submitted to Hall Environmental may be subcontracted to other accredited laboratories	may be subconfrac	ted to other ac	credited laboratori	So/23 List serves as notice of this possibility	disson si		on-duis	ntracted	data wii	Any sub-contracted data will be clearly notated	rly notat	ad on the	vlene ed	ical reor	 -		\neg

Released to Imaging: 10/31/2023 1:58:30 PM



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 278553

CONDITIONS

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	278553
	Action Type:
	[C-144] Below Grade Tank Plan (C-144B)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	None	10/31/2023