<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 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

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.

Pit, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application			
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			
BGT1 Modification to an existing permit/or registration Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank, or proposed alternative method			
Instructions: Please submit one application (Form C-144) per individual pit, below-grade tank or alternative request			
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.			
1. Operator: Hilcorp Energy Company OGRID #: 372171			
Address: 382 Road 3100 Aztec, NM 87410			
Facility or well name: <u>McClanahan #8</u>			
API Number: 30-045-07279 OCD Permit Number:			
U/L or Qtr/Qtr <u>P</u> Section <u>24</u> Township <u>28N</u> Range <u>10W</u> County: <u>San Juan</u>			
Center of Proposed Design: Latitude 36.643055° Longitude -107.841575° NAD27			
Surface Owner: 🛛 Federal 🗌 State 🗍 Private 🗌 Tribal Trust or Indian Allotment			
 2. Pit: Subsection F, G or J of 19.15.17.11 NMAC Temporary: Drilling Workover Permanent Emergency Cavitation P&A Multi-Well Fluid Management Low Chloride Drilling Fluid yes no Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other String-Reinforced Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x D 			
Below-grade tank: Subsection I of 19.15.17.11 NMAC			
Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: 120 bbl Type of fluid: Produced Water			
Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: 120 bbl Type of fluid: Produced Water Tank Construction material: Metal			
Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: 120 bbl Type of fluid: Produced Water Tank Construction material: Metal Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off			
Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: 120 bbl Type of fluid: Produced Water Tank Construction material: Metal			
Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: 120 bbl Type of fluid: Produced Water Tank Construction material: Metal Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off Visible sidewalls and liner Visible sidewalls only Other			

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

Screen Netting Other_

Monthly inspections (If netting or screening is not physically feasible)

Signs: Subsection C of 19.15.17.11 NMAC

12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers

Signed in compliance with 19.15.16.8 NMAC

Variances and Exceptions:

7.

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 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.

<u>General siting</u>	
Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank	☐ Yes ☐ No ⊠ NA
Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit. NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ⊠ NA
 Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. (Does not apply to below grade tanks) Written confirmation or verification from the municipality; Written approval obtained from the municipality 	🗌 Yes 🗌 No
 Within the area overlying a subsurface mine. (Does not apply to below grade tanks) Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division 	🗌 Yes 🗌 No
 Within an unstable area. (Does not apply to below grade tanks) Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map 	□ Yes □ No
 Within a 100-year floodplain. (Does not apply to below grade tanks) FEMA map 	☐ Yes ☐ No
Below Grade Tanks	
 Within 100 feet of a continuously flowing watercourse, significant watercourse, lake bed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark). Topographic map; Visual inspection (certification) of the proposed site 	🗌 Yes 🛛 No
 Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption;. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site 	🗌 Yes 🛛 No
Temporary Pit using Low Chloride Drilling Fluid (maximum chloride content 15,000 mg/liter)	
 Within 100 feet of a continuously flowing watercourse, or any other significant watercourse or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.) Topographic map; Visual inspection (certification) of the proposed site 	🗌 Yes 🗌 No
Within 300 feet from a occupied permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes No
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	
Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 300feet of any other fresh water well or spring, in existence at the time of the initial application. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	🗌 Yes 🗌 No

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 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 19.15.17.12 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 19.15.17.9 NMAC Previously Approved Design (attach copy of design) API Number: or Permit Number: 		
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 19.15.17.10 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:		

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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 orattached. 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 Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Nuisance or Hazardous Odors, including H ₂ S, Prevention Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Errosion Control Plan Closure Plan - based upon the appropriate requirements of 19.15.17.9 NMAC and 19.15.17.13 NMAC	documents are		
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 FI Alternative Alternative Proposed Closure Method: Waste Excavation and Removal On-site Closure Method (Closed-loop systems only) In-place Burial On-site Trench Burial Alternative Closure Method	luid Management Pit		
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.			
^{15.} <u>Siting Criteria (regarding on-site closure methods only)</u> : 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	☐ 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		
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	 □ Yes □ No □ NA		
 Within 100 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). Topographic map; Visual inspection (certification) of the proposed site 	Yes No		
 Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. Visual inspection (certification) of the proposed site; Aerial photo; Satellite image 	🗌 Yes 🗌 No		
 Within 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence at the time of initial application. NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site 	🗌 Yes 🗌 No		
Written confirmation or verification from the municipality; Written approval obtained from the municipality	🗌 Yes 🗌 No		
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site			
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance			
Form $C_{-1}44$ Oil Conservation Division Page 4 o	f 6		

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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 Within a 100-year floodplain. FEMA map 	□ Yes □ No □ 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 plane by a check mark in the box, that the documents are attached.	n. Please indicate, 1 NMAC 5.17.11 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 belied Name (Print):			
Signature: Date:Date:			
e-mail address: Telephone:			
18. OCD Approval: Permit Application (including closure plan) Image: Closure Plank / bh/// Image: OCD Conditions (see attachment) OCD Representative Signature: Victoria Venegas Approval Date: 10/31 Title: Environmental Specialist OCD Permit Number: BGT1	/2023		
 19. <u>Closure Report (required within 60 days of closure completion)</u>: 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. <u>Closure Completion Date:</u> 4/19/2023 			
20. Closure Method: □ Waste Excavation and Removal □ On-Site Closure Method □ Waste Removal (Closed-log □ If different from approved plan, please explain.	op systems only)		
21. Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indemark 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)	licate, by a check		

Form C-144 Released to Imaging: 10/31/2023 9:09:41 AM

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 cweston@hilcorp.com	Date: _Telephone:	10/20/2023 (713) 289-2615

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Hilcorp Energy Company San Juan Basin Below Grade Tank Closure Report

Lease Name: McClanahan 8 API No.: 30-045-07279

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:

 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.

Provision 13 was accomplished through complying with BLM seeding requirements as allowed by the BLM/OCD MOU.

12. A minimum of four feet of cover shall be achieved and the cover shall include one foot of suitable material, with chloride concentrations less than 600 mg/kg as analyzed by EPA Method 300.0, to establish vegetation at the site, or the background thickness of topsoil, whichever is greater.

The below-grade tank area was backfilled and more than four feet of cover was achieved and the cover included one foot of suitable material to establish vegetation at the site.

- 13. All closure activities will include proper documentation and be available for review upon request and will be submitted to OCD within 60 days of closure of the below-grade tank. Closure report will be filed on C-144 and incorporate the following:
 - Soil Backfilling and Cover Installation (See Report)
 - Re-vegetation application rates and seeding techniques (See Report)
 - Photo documentation of the site reclamation (Included as an attachment)
 - Confirmation Sampling Results (Included as an attachment)
 - Proof of closure notice (Included as an attachment)

Kandis Roland

From:	Kandis Roland
Sent:	Thursday, April 13, 2023 2:53 PM
То:	Emmanuel Adeloye (BLM BGT Closure) (aadeloye@blm.gov); Romero, Rosa, EMNRD;
	Wells, Shelly, EMNRD
Cc:	Dale Crawford; Ramon Hancock; Lisa Jones; Brandon Sinclair; Kate Kaufman; Kandis
	Roland; Mandi Walker
Subject:	72 Hour Notice - McClanahan 8 (30-045-07279)
Attachments:	30045072790000_McClanahan 8 BGT Permit OCD Approved.pdf

Subject: 72 Hour BGT Closure Notification

Anticipated Start Date: Wednesday, April 19, 2023 at approximately 10:00 AM

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

Well Name:	MCCLANAHAN 8		
API#:	3004507279		
Location:	Unit P, Section 24, T028N, R010W		
Footages:	990' FSL & 990' FEL		
Operator:	Hilcorp Energy	Surface Owner:	BLM
Reason:	Well is to be P&A'd		
Please forward to anyone that I may have missed.			

Thanks,

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

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McClanahan 8 30-045-07279 BGT Closure Pictures





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

State of New Mexico Energy Minerals and Natural Resources Department

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

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Incident ID	
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party Hilcorp Energy Company	OGRID 372171
Contact Name Cherylene Weston	Contact Telephone 713-289-2615
Contact email cweston@hilcorp.com	Incident # (assigned by OCD)
Contact mailing address 382 Road 3100 Aztec NM 87410	

Location of Release Source

Latitude

36.643055

 Longitude
 -107.841575

 (NAD 83 in decimal degrees to 5 decimal places)

Site Name McClanahan 8	Site Type Gas Well
Date Release Discovered N/A	API# (if applicable) 30-045-07279

Unit Letter	Section	Township	Range	County
Р	24	28N	10W	San Juan

Surface Owner: State Federal Tribal Private (Name: _____)

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

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

No release was encountered during the BGT Closure.

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Was this a major release as defined by 19.15.29.7(A) NMAC?	If YES, for what reason(s) does the responsible party consider this a major release?
🗌 Yes 🖾 No	N/A
If YES, was immediate no	otice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?
Not Required	

Initial Response

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

The source of the release has been stopped.

The impacted area has been secured to protect human health and the environment.

Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.

All free liquids and recoverable materials have been removed and managed appropriately.

If all the actions described above have not been undertaken, explain why:

Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Printed Name:	Cherylene Weston	Title:	Operations/Regulatory Technician – Sr.
Signature:	Cherylene Weston	Date:	10/16/2023
email:	cweston@hilcorp.com	Telephone:	(713) 289-2615
OCD Only			
Received by:		Date:	



April 28, 2023

Kate Kaufman HILCORP ENERGY PO Box 4700 Farmington, NM 87499 TEL: (505) 564-0733 FAX Hall Environmental Analysis Laboratory 4901 Hawkins NE Albuquerque, NM 87109 TEL: 505-345-3975 FAX: 505-345-4107 Website: www.hallenvironmental.com

RE: McClanahan 8

OrderNo.: 2304852

Dear Kate Kaufman:

Hall Environmental Analysis Laboratory received 1 sample(s) on 4/20/2023 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

Andy Freeman Laboratory Manager 4901 Hawkins NE Albuquerque, NM 87109

Project:

Lab ID:

Analyses

Analytical Report Lab Order 2304852

Hall Environmental Analysis Laboratory, Inc.

Date Reported: 4/28/2023 **CLIENT: HILCORP ENERGY** Client Sample ID: Bottom Comp McClanahan 8 Collection Date: 4/19/2023 10:10:00 AM 2304852-001 Matrix: SOIL Received Date: 4/20/2023 6:30:00 AM Result **RL** Qual Units DF **Date Analyzed EPA METHOD 8015M/D: DIESEL RANGE ORGANICS** Analyst: PRD **Diesel Range Organics (DRO)** ND 9.5 mg/Kg 1 4/25/2023 6:05:55 PM ND Motor Oil Range Organics (MRO) 48 mg/Kg 1 4/25/2023 6:05:55 PM 00 F 00 4 47 0/ 🗖 = = 1 1/25/2022 6:05-55 DM

Surr: DNOP	86.5	69-147	%Rec	1	4/25/2023 6:05:55 PM
EPA METHOD 8015D: GASOLINE RANGE					Analyst: JJP
Gasoline Range Organics (GRO)	ND	4.8	mg/Kg	1	4/27/2023 4:16:53 PM
Surr: BFB	106	37.7-212	%Rec	1	4/27/2023 4:16:53 PM
EPA METHOD 8021B: VOLATILES					Analyst: JJP
Benzene	ND	0.024	mg/Kg	1	4/27/2023 4:16:53 PM
Toluene	ND	0.048	mg/Kg	1	4/27/2023 4:16:53 PM
Ethylbenzene	ND	0.048	mg/Kg	1	4/27/2023 4:16:53 PM
Xylenes, Total	ND	0.096	mg/Kg	1	4/27/2023 4:16:53 PM
Surr: 4-Bromofluorobenzene	97.0	70-130	%Rec	1	4/27/2023 4:16:53 PM
EPA METHOD 300.0: ANIONS					Analyst: JMT
Chloride	ND	60	mg/Kg	20	4/26/2023 11:22:32 PM

Refer to the QC Summary report and sample login checklist for flagged QC data and preservation information.

Qualifiers:

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

Page 1 of 5

	CORP ENERGY Clanahan 8
Sample ID: MB-74576	SampType: mblk TestCode: EPA Method 300.0: Anions
Client ID: PBS	Batch ID: 74576 RunNo: 96339
Prep Date: 4/26/202	Analysis Date: 4/26/2023 SeqNo: 3489056 Units: mg/Kg
Analyte	Result PQL SPK value SPK Ref Val %REC LowLimit HighLimit %RPD RPDLimit Qual
Chloride	ND 1.5
Sample ID: LCS-7457	SampType: Ics TestCode: EPA Method 300.0: Anions
Client ID: LCSS	Batch ID: 74576 RunNo: 96339
Prep Date: 4/26/202	Analysis Date: 4/26/2023 SeqNo: 3489057 Units: mg/Kg
Analyte	Result PQL SPK value SPK Ref Val %REC LowLimit HighLimit %RPD RPDLimit Qual
Chloride	14 1.5 15.00 0 92.6 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

28-Apr-23

2304852

WO#:

QC SUMMARY REPORT Hall Environmental Analysis Laboratory, Inc.

Client: HILCOR Project: McClana	RP ENERGY ahan 8							
Sample ID: LCS-74548	SampType: LCS	TestCode: EPA Method	l 8015M/D: Diesel Range Or	rganics				
Client ID: LCSS	Batch ID: 74548	RunNo: 96314						
Prep Date: 4/25/2023	Analysis Date: 4/25/2023	SeqNo: 3488048	Units: mg/Kg					
Analyte	Result PQL SPK val	e SPK Ref Val %REC LowLimit	HighLimit %RPD R	PDLimit Qual				
Diesel Range Organics (DRO)	47 10 50.0		130					
Surr: DNOP	4.5 5.00	0 90.6 69	147					
Sample ID: LCS-74554	SampType: LCS TestCode: EPA Method 8015M/D: Diesel Range Organics							
Client ID: LCSS	Batch ID: 74554	RunNo: 96314						
Prep Date: 4/25/2023	Analysis Date: 4/25/2023	SeqNo: 3488049	Units: %Rec					
Analyte	Result PQL SPK val	e SPK Ref Val %REC LowLimit	HighLimit %RPD R	PDLimit Qual				
Surr: DNOP	4.6 5.00	0 91.1 69	147					
Sample ID: MB-74548	SampType: MBLK	TestCode: EPA Method	l 8015M/D: Diesel Range Or	rganics				
Client ID: PBS	Batch ID: 74548	RunNo: 96314						
Prep Date: 4/25/2023	Analysis Date: 4/25/2023	SeqNo: 3488050	Units: mg/Kg					
Analyte	Result PQL SPK val	e SPK Ref Val %REC LowLimit	HighLimit %RPD R	PDLimit Qual				
Diesel Range Organics (DRO)	ND 10							
Motor Oil Range Organics (MRO)	ND 50							
Surr: DNOP	9.1 10.0	0 91.0 69	147					
Sample ID: MB-74554	SampType: MBLK	TestCode: EPA Method	l 8015M/D: Diesel Range Or	rganics				
Client ID: PBS	Batch ID: 74554	RunNo: 96314						
Prep Date: 4/25/2023	Analysis Date: 4/25/2023	SeqNo: 3488051	Units: %Rec					
Analyte	Result PQL SPK val	e SPK Ref Val %REC LowLimit	HighLimit %RPD R	PDLimit Qual				
Surr: DNOP	9.3 10.0	0 93.1 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 Quanitative Limit
- S % Recovery outside of standard limits. If undiluted results may be estimated.
- B Analyte detected in the associated Method Blank
- E Above Quantitation Range/Estimated Value
- J Analyte detected below quantitation limits
- P Sample pH Not In Range
- RL Reporting Limit

Page 3 of 5

2304852

28-Apr-23

WO#:

QC SUMMARY REPORT Hall Environmental Analysis Laboratory, Inc.

Client: HILCO Project: McClan	RP ENERG ahan 8	Y								
Sample ID: Ics-74524	SampType: LCS TestCode: EPA Method 8015D: Gasoline Range									
Client ID: LCSS	Batch	n ID: 74	524	RunNo: 96350						
Prep Date: 4/24/2023	Analysis D	ate: 4/	27/2023	S	eqNo: 34	489752	Units: mg/#	g		
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)	22	5.0	25.00	0	87.2	70	130			
Surr: BFB	5000		1000		503	37.7	212			S
Sample ID: mb-74524	SampT	ype: ME	BLK	Tes	tCode: El	PA Method	8015D: Gasc	line Rang	e	
Client ID: PBS	Batch	n ID: 74	524	F	unNo: 9	6350				
Prep Date: 4/24/2023	Analysis D	ate: 4/	27/2023	SeqNo: 3489753			Units: mg/#	g		
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)	ND	5.0								
Surr: BFB	1100		1000		105	37.7	212			

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

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WO#: 2304852 28-Apr-23 **Client:**

QC SUMMARY REPORT Hall Environmental Analysis Laboratory, Inc.

HILCORP ENERGY

Project: McCl	lanahan 8									
Sample ID: LCS-74524	SampT	ype: LC	S	Tes	tCode: El	PA Method	8021B: Vola	tiles		
Client ID: LCSS	Batcl	h ID: 74	524	F	RunNo: 9	6350				
Prep Date: 4/24/2023	Analysis D	Date: 4/	27/2023	S	SeqNo: 3	489755	Units: mg/H	٢g		
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Benzene	0.92	0.025	1.000	0	92.3	80	120			
Toluene	0.94	0.050	1.000	0	94.0	80	120			
Ethylbenzene	0.95	0.050	1.000	0	95.2	80	120			
Xylenes, Total	2.9	0.10	3.000	0	95.5	80	120			
Surr: 4-Bromofluorobenzene	0.98		1.000		98.4	70	130			
Sample ID: mb-74524	SampT	Гуре: МЕ	BLK	Tes	tCode: El	PA Method	8021B: Vola	tiles		
Client ID: PBS	Batcl	h ID: 74	524	F	RunNo: 9	6350				
Prep Date: 4/24/2023	Analysis D	Date: 4/	27/2023	S	SeqNo: 3	489757	Units: mg/H	٢g		
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Benzene	ND	0.025								
Toluene	ND	0.050								
Ethylbenzene	ND	0.050								
Xylenes, Total	ND	0.10								

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

2304852

28-Apr-23

WO#:

HALL ENVIRONMENTA ANALYSIS LABORATORY	Hall Environmental Albi TEL: 505-345-3975 Website: www.ha	490 querq FAX:)1 Hawkins NE jue, NM 87109 505-345-4107	Sample Log-In Check List				
Client Name: HILCORP E	NERGY	Work Order Number:	2304	4852			RcptNo	: 1
Received By: Tracy Case Completed By: Tracy Case Reviewed By: <i>WH</i>		/20/2023 6:30:00 AM /20/2023 7:41:29 AM						
Chain of Custody				_				
1. Is Chain of Custody complete	ete?		Yes		No	\checkmark	Not Present	
2. How was the sample delive	ered?		<u>Cou</u>	rier				
Log In 3. Was an attempt made to co	ool 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 contain	ner(s)?		Yes		No			
6. Sufficient sample volume for	or indicated test(s)?		Yes		No			
7. Are samples (except VOA a	and ONG) properly p	reserved?	Yes		No			
8. Was preservative added to	bottles?		Yes		No		NA 🗌	
9. Received at least 1 vial with	headspace <1/4" fo	or AQ VOA?	Yes		No		NA 🗹	
10. Were any sample containe	rs received broken?		Yes		No		# of preserved bottles checked	
11. Does paperwork match bott (Note discrepancies on cha			Yes		No		for pH:	r >12 unless noted)
12. Are matrices correctly ident	ified on Chain of Cu	stody?	Yes		No		Adjusted?	
13. Is it clear what analyses we	re requested?		Yes		No			
14. Were all holding times able (If no, notify customer for a			Yes		No		Checked by:	Jun 20/23
Special Handling (if app	licable)							
15. Was client notified of all dis		order?	Yes		No		NA 🗹	
Person Notified: By Whom: Regarding: Client Instructions:	Mailinq address and	Date: Via:] eMa				In Person	
16. Additional remarks:								
17. <u>Cooler Information</u> Cooler No Temp °C 1 4.4	Condition Seal Good Yes	Intact Seal No S Morty	eal D	ate Sigi	ned E	Зу		

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Received by OCD: 10/20/2023 12:39:37 PM	
eceived by OCD: 10/20/2023 12:39:33	
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eceived by OCD: 10	20/202
eceived by OCD.	10/
eceived b	
eceivea	2
	eceivea

sceived by OCD: 10/20/2023 12:39:37 PM		Page 22 of 23
Chain-of-Custody Record	Turn-Around Time:	
Client: Hilcorn	Standard C Rush	ANALYSIS LABORATORY
	Project Name:	www.hallenvironmental.com
Mailing Address:	McClanahan #8	4901 Hawkins NE - Albuquerque, NM 87109
	Project #:	Tel. 505-345-3975 Fax 505-345-4107
Phone #:		Analysis kequ
email or Fax#: brondon. Sincloir Obiliarp.	Project Manager:	ہ (0ک
QA/QC Package:		ʻtr SMI 3,80
Standard Level 4 (Full Validation)	Kate Kaytman	ра ^с IS04 Да 7
Accreditation:	Sampler: Brandon Sinclair	/ DF 827 827
	On Ice: Ves DNo Morty	09 8/26 200 100 100 100 100 100 100 100 100 100
EDD (Type)	olers: 1	(Ccl cidé 31(C 31(C 6 4 31(C 1 - V 0 0 4 2 1 (C 1 - V 0 (C 1 - (C 1 - (C - (C - (C - (C - (C)) (C))
	Cooler Temp(Including oF): 44 - 6 : 4.4 (°C)	ot 55 Meth Br, AOV AOV AOV
		08:1 P P P P P P P P P P P P P P P P P P P
Date Time Matrix Sample Name	Type and # Type 2304052	825 826 60 808 808
1 SOS ON B	(00)	
Date: Time: Relinquished by:	Received by: Via: Date Time	Remarks:
С	Received by: Via:COUNS Date Time	
4/19/23 18W / UMah Wat	4/20/2	
transfer and a submitted to Hall Environmental may the suit	redited laboratories. This serves	IS DOSSIDIITY. Any sub-contrigcted data will be deany increased on the miniprovi representation

Released to Imaging: 10/81/2023 9:09:41 AM

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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

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	277750
	Action Type:
	[C-144] Below Grade Tank Plan (C-144B)
CONDITIONS	

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

Page 23 of 23 CONDITIONS

Action 277750