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.

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
BGT1 ☒ Closure of a pit, below-grade tank, or proposed alternative method
☐ Modification to an existing permit/or registration
☐ Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank, or proposed alternative method

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

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the 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: McDaniel B 1E
API Number: 30-045-24435 OCD Permit Number
U/L or Qtr/Qtr D Section 17 Township 29N Range 11W County: San Juan
Center of Proposed Design: Latitude 36.730088 °N Longitude -108.019825 °W 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
Volume: 120 bbl Type of fluid: Produced Water
Tank Construction material: Metal
☐ Secondary containment with leak detection ☒ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other _____
Liner type: Thickness _____mil ☐ HDPE ☐ PVC ☒ Other Unspecified

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

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_____

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_2S, 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	☐ Yes ☐ No ☐ NA
Ground water is between 25-50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Within 100 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No
Within 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	

adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☐ No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ☐ No
Within a 100-year floodplain. - FEMA map	☐ Yes ☐ No

16.
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) ***Instructions: Each of the following items must be attached to the closure plan. 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): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

18.
OCD Approval: ☐ Permit Application (including closure plan) ☐ Closure Plan (only) ☐ OCD Conditions (see attachment)

OCD Representative Signature: Joel Stone **Approval Date:** 05/06/2024

Title: Environmental Scientist & Specialist-A **OCD Permit Number:** BGT1

19.
Closure Report (required within 60 days of closure completion): 19.15.17.13 NMAC

Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. 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:** 4/3/2024

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): Priscilla Shorty Title: Operations/Regulatory Technician – Sr

Signature: Priscilla Shorty Date: 5/2/2024

e-mail address: pshorty@hilcorp.com Telephone: (505) 324-5188

Hilcorp Energy Company
San Juan Basin: New Mexico Assets
Below Grade Tank Closure Report

Lease Name: McDaniel B 1E
API No.: 30-045-24435

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 Requirements:

1. Prior to initiating any BGT closure, except in the case of an emergency, HILCORP will notify the surface owner of the intent to close the BGT by certified mail no later than 72 hours or one week before closure and a copy of this notification will be included in the closure report. In the case of an emergency, the surface owner will be notified as soon as practical.

   The surface owner was notified by email of the closure process and the notification is attached.

2. Notice of closure will be given to the District Division office between 72 hours and one week of the scheduled closure via email or phone. The notification of closure will include the following:
   a. Operators Name
   b. Well Name and API Number
   c. Location

   Notification is attached.

3. All liquids will be removed from the BGT following cessation of operation. Produced water will be disposed of at one of HILCORP's approved Salt Water Disposal facilities or at a District Division approved facility.

   All recovered liquids were disposed of at an approved SWD facility or an approved District Division facility within 60 days of cessation of operation.

4. Solids and sludge's will be shoveled and/or vacuumed out for disposal at one of the District Division approved facilities, depending on the proximity of the BGT site: Envirotech Land Farm (Permit #NM-01-011), JFJ Land Farm % Industrial Ecosystems Inc. (Permit #NM-01-0010B), and Basin Disposal (Permit #NM-01-005).

   Any sludge or soil required to be removed to facilitate closure was transported to Envirotech Land Farm (Permit # NM-01-011) and/or JFJ Landfarm % IEI (Permit# NM-01-0010B).

5. HILCORP will obtain prior approval from District Division to dispose, recycle, reuse, or reclaim the BGT and provide documentation of the disposition of the BGT in the closure report. Steel materials will be recycled or reused as approved by the District Division. Fiberglass tanks will be empty, cut up or shredded, and EPA cleaned for disposal as solid waste. Liner materials will be cleaned without soils or contaminated material for disposal as solid waste. Fiberglass tanks and liner materials will meet the conditions of 19.15.35 NMAC. Disposal will be at a licensed disposal facility, presently San Juan County Landfill operated by Waste Management under NMED Permit SWM-052426.

   The below-grade tank was disposed of in a division-approved manner. The liner was cleaned per 19.15.35.8.C(1)(m) NMAC and disposed of at the San Juan County Regional Landfill located on CR 3100.

6. Any equipment associated with the BGT that is no longer required for some other purpose, following the closure, will be removed.

   All on-site equipment associated with the below-grade tank was removed.

7. Following removal of the tank and any liner material, HILCORP will test the soils beneath the BGT as follows:
   a. At a minimum, a five-point composite sample will be taken to include any obvious stained or wet soils or any other evidence of contamination.
   b. The laboratory sample shall be analyzed for the constituents listed in Table I of 19.15.17.13.

   A five point composite sample was taken of the below-grade tank using sampling tools and all samples tested per Table I of 19.15.17.13 and the results are attached.

8. If the District Division and/or HILCORP determine there is a release, HILCORP will comply with 19.15.17.13.C.3b.

   A release was not determined for the above referenced well.

9. Upon completion of the tank removal, pursuant to 19.15.17.13.C.3c, if all contaminant concentrations are less than or equal to the parameters listed in Table I of 19.15.17.13 NMAC, the excavation will be backfilled with non-waste earthen material compacted and covered with a minimum of one foot top soil or background thickness whichever is greater and to existing grade. The surface will be re-contoured to match the native grade and to prevent ponding.

   The tank removal area passed all requirements of Table I of 19.15.17.13 NMAC and was backfilled with compacted, non-waste containing, earthen material which included at least one foot of suitable material to establish vegetation at the site.

10. For those portions of the former BGT area no longer required for production activities, HILCORP will seed the disturbed area the first favorable growing season after the BGT is covered. Seeding will be accomplished via drilling on the contour whenever practical, or by other District Division-approved methods. HILCORP will notify the District Division when reclamation and re-vegetation is complete.

    Reclamation of the BGT shall be considered complete when:
    - Vegetative cover reflects a life form ratio of +/- 50% of pre disturbance levels.
    - Total percent plant cover of at least 70% of pre-disturbance levels (Excluding noxious weeds) OR
    - Pursuant to 19.15.17.13.H.5d HILCORP will comply with obligations imposed by other applicable federal or tribal agencies in which there re-vegetation and reclamation requirements provide equal or better protection of fresh water, human health and the environment.

    Provision 10 will be accomplished pursuant to 19.15.17.H.5d and notification will be submitted upon completion.

11. For those portions of the former BGT area required for production activities, reseeding will be done at well abandonment, and following the procedure noted above.

    The former BGT area is required for production activities and reseeding will be completed upon plug and abandonment, per the procedure noted above.

Closure Report:
All closure activities will include proper documentation and will be submitted to OCD within 60 days of the BGT closure on a Closure Report using District Division Form C-144. The Report will include the following:

- Proof of Closure Notice (surface owner and District Division) **(Attached)**
- Backfilling & cover installation **(See Report)**
- Confirmation Sampling Analytical Results **(Attached)**
- Application Rate & Seeding techniques **(See Report)**
- Photo Documentation of Reclamation **(Attached)**

Priscilla Shorty

From: Priscilla Shorty
Sent: Thursday, March 28, 2024 1:57 PM
To: Abiodun Adeloye; Brandon Sinclair; Clara Cardoza; Chad Perkins; Mitch Killough; Ben Mitchell; Ramon Hancock; Lisa Jones; Wells, Shelly, EMNRD; Victoria Venegas (Victoria.Venegas@emnrd.nm.gov); John LaMond; Farmington Regulatory Techs; Kelley Stewart; Roman Lucero
Subject: 72 Hour BGT Closure Notification - MCDANIEL B 1E (30.045.24435)
Attachments: McDaniel B 1E BGT Permit Approved.pdf

Subject: 72 Hour BGT Closure Notification

Anticipated Start Date: **Wednesday, 04/03/2024 at 11:00 AM**

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

Well Name: MCDANIEL B 1E
API#: 30.045.24435

Location: Unit D, Section 17, T29N, R11W

Footages: 1190' FNL & 1190' FWL

Operator: Hilcorp Energy **Surface Owner:** ~~FEDERAL~~ PRIVATE

Reason: **Well has been 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,

Priscilla Shorty
Operations Regulatory Technician
Hilcorp Energy Company
505-324-5188
pshorty@hilcorp.com

Hilcorp

May 2, 2024

Transmitted Via
Certified Mail 7022 2410 0003

To: Issac Padilla
5885 Pennyland
Flora Vista, NM 87415

Re: **MCDANIEL B 1E**
API: 30-045-24435
Unit D (NW/NW) Section 17, T29N, R11W
San Juan County, New Mexico

Dear Landowner:

Pursuant to New Mexico Administrative Code § 19.15.17.13 (E) (1) operator shall provide the surface owner of the operator's proposal to close a below- grade tank.

In compliance with this requirement, please consider this letter as notification that Hilcorp San Juan, L.P. has closed a below-grade tank on the subject well pad. The closure was for the BGT only.

Sincerely,

Ramon Hancock

San Ju

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE
CERTIFIED MAIL®

7022 2410 0003 1570 3403

7022 2410 0003 1570 3403

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee
$

Extra Services & Fees (check box, add fee as appropriate)
- Return Receipt (hardcopy) $
- Return Receipt (electronic) $
- Certified Mail Restricted Delivery $
- Adult Signature Required $
- Adult Signature Restricted Delivery $

Postage
$

Total Postage and Fees
$

R.H.

Postmark Here

BGT
McDaniel B1E

Sent To
Issac Padilla
Street and Apt. No., or PO Box No.
5885 Pennyland
City, State, ZIP+4®
Flora Vista, NM 87415

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Issac Padilla
5885 Pennyland
Flora Vista, NM 87415

9590 9402 7573 2098 4594 47

2. Article Number (Transfer from service label)

7022 2410 0003 1570 3403

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X
☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☐ Certified Mail®
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- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

BGT-McDaniel B1E - R.H. 4/8/24

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

State of New Mexico
Energy Minerals and Natural Resources Department

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised August 24, 2018
Submit to appropriate OCD District office

Incident ID	
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party Hilcorp Energy Company	OGRID 372171
Contact Name Priscilla Shorty	Contact Telephone: (505) 324-5188
Contact email pshorty@hilcorp.com	Incident # *(assigned by OCD)*
Contact mailing address 382 Road 3100 Aztec NM 87410	

Location of Release Source

Latitude 36.73008 N Longitude -108.019825 W
(NAD 83 in decimal degrees to 5 decimal places)

Site Name McDaniel B 1E	Site Type Gas Well
Date Release Discovered **N/A**	API# *(if applicable)* 30-045-24435

Unit Letter	Section	Township	Range	County
D	17	29N	11W	San Juan

Surface Owner: ☐ State ☐ Federal ☐ Tribal ☒ Private (*Name:* Isaac Padilla)

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.

State of New Mexico
Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

Was this a major release as defined by 19.15.29.7(A) NMAC? ☐ Yes ☒ No	If YES, for what reason(s) does the responsible party consider this a major release? **N/A**

If YES, was immediate notice 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: Priscilla Shorty Title: Operations/Regulatory Technician – Sr.

Signature: Priscilla Shorty Date: 5/2/2024

email: pshorty@hilcorp.com Telephone: (505)324-5188

OCD Only

Received by: Date:

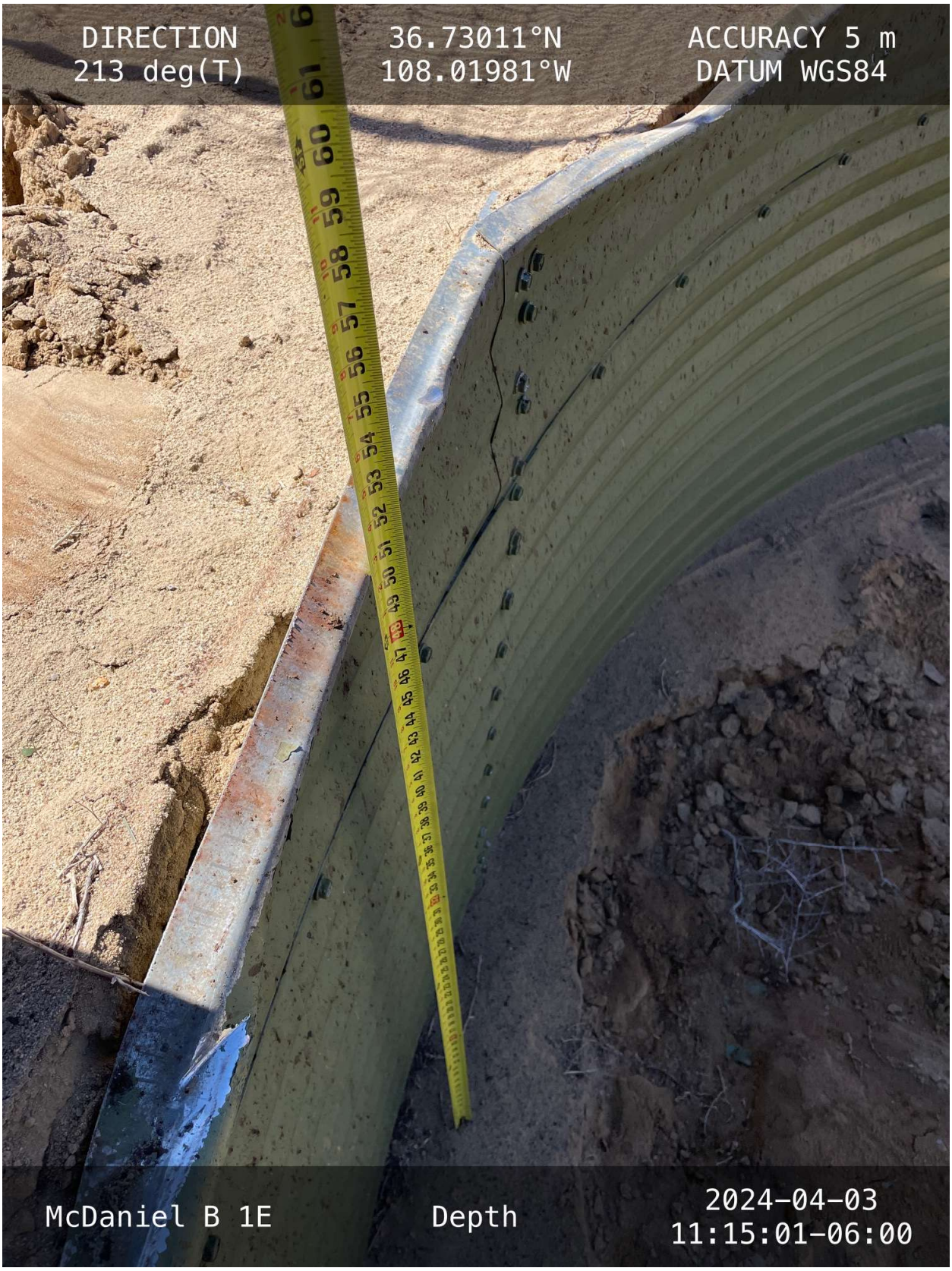

DIRECTION
122 deg(T)
36.72982°N
108.01982°W
ACCURACY 5 m
DATUM WGS84
HICORP ENERGY CO. McDaniel B1E
McDaniel B 1E
Dry Hole Marker
2024-04-03
10:47:02-06:00


DIRECTION
31 deg(T)
36.73011°N
108.01988°W
ACCURACY 5 m
DATUM WGS84
McDaniel B 1E
Before Removal
2024-04-03
10:48:24-06:00


DIRECTION
178 deg(T)
36.73011°N
108.01983°W
ACCURACY 5 m
DATUM WGS84
20071197A
AUG 2007
BBL 120
5200
1/4
3/16
4FT
15FT
COALTAR EPOXY
McDaniel B 1E
Tank Information
2024-04-03
10:48:36-06:00


DIRECTION
69 deg(T)
36.73014°N
108.01986°W
ACCURACY 5 m
DATUM WGS84
McDaniel B 1E
After Removal
2024-04-03
11:05:49-06:00


DIRECTION
19 deg(T)
36.73011°N
108.01985°W
ACCURACY 4 m
DATUM WGS84
McDaniel B 1E
Sampling
2024-04-03
11:08:14-06:00


DIRECTION
213 deg(T)
36.73011°N
108.01981°W
ACCURACY 5 m
DATUM WGS84
McDaniel B 1E
Depth
2024-04-03
11:15:01-06:00

eurofins | Environment Testing

ANALYTICAL REPORT

PREPARED FOR

Attn: Mitch Killough
Hilcorp Energy
PO BOX 4700
Farmington, New Mexico 87499

Generated 4/10/2024 5:16:38 PM

JOB DESCRIPTION

McDaniel B 1E

JOB NUMBER

885-2314-1

Eurofins Albuquerque
4901 Hawkins NE
Albuquerque NM 87109

See page two for job notes and contact information.

Eurofins Albuquerque

Job Notes

The test results in this report relate only to the samples as received by the laboratory and will meet all requirements of the methodology, with any exceptions noted. This report shall not be reproduced except in full, without the express written approval of the laboratory. All questions should be directed to the Eurofins Environment Testing South Central, LLC Project Manager.

Authorization

Generated
4/10/2024 5:16:38 PM

Authorized for release by
Andy Freeman, Business Unit Manager
andy.freeman@et.eurofinsus.com
(505)345-3975

Client: Hilcorp Energy
Project/Site: McDaniel B 1E

Laboratory Job ID: 885-2314-1

Table of Contents

Definitions/Glossary

Client: Hilcorp Energy
Project/Site: McDaniel B 1E

Job ID: 885-2314-1

Glossary

Abbreviation	These commonly used abbreviations may or may not be present in this report.
¤	Listed under the "D" column to designate that the result is reported on a dry weight basis
%R	Percent Recovery
CFL	Contains Free Liquid
CFU	Colony Forming Unit
CNF	Contains No Free Liquid
DER	Duplicate Error Ratio (normalized absolute difference)
Dil Fac	Dilution Factor
DL	Detection Limit (DoD/DOE)
DL, RA, RE, IN	Indicates a Dilution, Re-analysis, Re-extraction, or additional Initial metals/anion analysis of the sample
DLC	Decision Level Concentration (Radiochemistry)
EDL	Estimated Detection Limit (Dioxin)
LOD	Limit of Detection (DoD/DOE)
LOQ	Limit of Quantitation (DoD/DOE)
MCL	EPA recommended "Maximum Contaminant Level"
MDA	Minimum Detectable Activity (Radiochemistry)
MDC	Minimum Detectable Concentration (Radiochemistry)
MDL	Method Detection Limit
ML	Minimum Level (Dioxin)
MPN	Most Probable Number
MQL	Method Quantitation Limit
NC	Not Calculated
ND	Not Detected at the reporting limit (or MDL or EDL if shown)
NEG	Negative / Absent
POS	Positive / Present
PQL	Practical Quantitation Limit
PRES	Presumptive
QC	Quality Control
RER	Relative Error Ratio (Radiochemistry)
RL	Reporting Limit or Requested Limit (Radiochemistry)
RPD	Relative Percent Difference, a measure of the relative difference between two points
TEF	Toxicity Equivalent Factor (Dioxin)
TEQ	Toxicity Equivalent Quotient (Dioxin)
TNTC	Too Numerous To Count

Case Narrative

Client: Hilcorp Energy
Project: McDaniel B 1E

Job ID: 885-2314-1

Job ID: 885-2314-1 Eurofins Albuquerque

Job Narrative
885-2314-1

Analytical test results meet all requirements of the associated regulatory program listed on the Accreditation/Certification Summary Page unless otherwise noted under the individual analysis. Data qualifiers are applied to indicate exceptions. Noncompliant quality control (QC) is further explained in narrative comments.

- Matrix QC may not be reported if insufficient sample or site-specific QC samples were not submitted. In these situations, to demonstrate precision and accuracy at a batch level, a LCS/LCSD may be performed, unless otherwise specified in the method.
- Surrogate and/or isotope dilution analyte recoveries (if applicable) which are outside of the QC window are confirmed unless attributed to a dilution or otherwise noted in the narrative.

Regulated compliance samples (e.g. SDWA, NPDES) must comply with the associated agency requirements/permits.

Receipt
The sample was received on 4/4/2024 7:40 AM. Unless otherwise noted below, the sample arrived in good condition, and, where required, properly preserved and on ice. The temperature of the cooler at receipt time was -1.7°C.

Gasoline Range Organics
No additional analytical or quality issues were noted, other than those described above or in the Definitions/ Glossary page.

GC VOA
No additional analytical or quality issues were noted, other than those described above or in the Definitions/ Glossary page.

Diesel Range Organics
No additional analytical or quality issues were noted, other than those described above or in the Definitions/ Glossary page.

HPLC/IC
No additional analytical or quality issues were noted, other than those described above or in the Definitions/ Glossary page.

Client Sample Results

Client: Hilcorp Energy
Project/Site: McDaniel B 1E

Job ID: 885-2314-1

Client Sample ID: Bottom Comp 4'

Date Collected: 04/03/24 11:10
Date Received: 04/04/24 07:40

Lab Sample ID: 885-2314-1

Matrix: Solid

Method: SW846 8015D - Gasoline Range Organics (GRO) (GC)

Analyte	Result	Qualifier	RL		Unit	D	Prepared	Analyzed	Dil Fac
Gasoline Range Organics [C6 - C10]	ND		4.9		mg/Kg		04/04/24 14:53	04/05/24 22:12	1

Surrogate	*%Recovery*	*Qualifier*	*Limits*	*Prepared*	*Analyzed*	*Dil Fac*
4-Bromofluorobenzene (Surr)	*102*		*15 - 244*	*04/04/24 14:53*	*04/05/24 22:12*	*1*

Method: SW846 8021B - Volatile Organic Compounds (GC)

Analyte	Result	Qualifier	RL		Unit	D	Prepared	Analyzed	Dil Fac
Benzene	ND		0.025		mg/Kg		04/04/24 14:53	04/05/24 22:12	1
Ethylbenzene	ND		0.049		mg/Kg		04/04/24 14:53	04/05/24 22:12	1
Toluene	ND		0.049		mg/Kg		04/04/24 14:53	04/05/24 22:12	1
Xylenes, Total	ND		0.099		mg/Kg		04/04/24 14:53	04/05/24 22:12	1

Surrogate	*%Recovery*	*Qualifier*	*Limits*	*Prepared*	*Analyzed*	*Dil Fac*
4-Bromofluorobenzene (Surr)	*85*		*39 - 146*	*04/04/24 14:53*	*04/05/24 22:12*	*1*

Method: SW846 8015D - Diesel Range Organics (DRO) (GC)

Analyte	Result	Qualifier	RL		Unit	D	Prepared	Analyzed	Dil Fac
Diesel Range Organics [C10-C28]	ND		9.3		mg/Kg		04/04/24 16:06	04/08/24 19:37	1
Motor Oil Range Organics [C28-C40]	ND		47		mg/Kg		04/04/24 16:06	04/08/24 19:37	1

Surrogate	*%Recovery*	*Qualifier*	*Limits*	*Prepared*	*Analyzed*	*Dil Fac*
Di-n-octyl phthalate (Surr)	*93*		*62 - 134*	*04/04/24 16:06*	*04/08/24 19:37*	*1*

Method: EPA 300.0 - Anions, Ion Chromatography - Soluble

Analyte	Result	Qualifier	RL		Unit	D	Prepared	Analyzed	Dil Fac
Chloride	ND		5.0		mg/Kg			04/09/24 15:39	1

QC Sample Results

Client: Hilcorp Energy
Project/Site: McDaniel B 1E

Job ID: 885-2314-1

Method: 8015D - Gasoline Range Organics (GRO) (GC)

Lab Sample ID: MB 885-2793/1-A
Matrix: Solid
Analysis Batch: 2904

Client Sample ID: Method Blank
Prep Type: Total/NA
Prep Batch: 2793

Analyte	MB Result	MB Qualifier	RL		Unit	D	Prepared	Analyzed	Dil Fac
Gasoline Range Organics [C6 - C10]	ND		5.0		mg/Kg		04/04/24 14:53	04/05/24 21:49	1

Surrogate	*MB %Recovery*	*MB Qualifier*	*Limits*	*Prepared*	*Analyzed*	*Dil Fac*
4-Bromofluorobenzene (Surr)	*102*		*15 - 244*	*04/04/24 14:53*	*04/05/24 21:49*	*1*

Lab Sample ID: LCS 885-2793/2-A
Matrix: Solid
Analysis Batch: 2904

Client Sample ID: Lab Control Sample
Prep Type: Total/NA
Prep Batch: 2793

Analyte			Spike Added	LCS Result	LCS Qualifier	Unit	D	%Rec	%Rec Limits		
Gasoline Range Organics [C6 - C10]			25.0	26.2		mg/Kg		105	70 - 130		

Surrogate	*LCS %Recovery*	*LCS Qualifier*	*Limits*
4-Bromofluorobenzene (Surr)	*215*		*15 - 244*

Lab Sample ID: 885-2314-1 MS
Matrix: Solid
Analysis Batch: 2904

Client Sample ID: Bottom Comp 4'
Prep Type: Total/NA
Prep Batch: 2793

Analyte	Sample Result	Sample Qualifier	Spike Added	MS Result	MS Qualifier	Unit	D	%Rec	%Rec Limits		
Gasoline Range Organics [C6 - C10]	ND		24.6	28.1		mg/Kg		115	70 - 130		

Surrogate	*MS %Recovery*	*MS Qualifier*	*Limits*
4-Bromofluorobenzene (Surr)	*227*		*15 - 244*

Lab Sample ID: 885-2314-1 MSD
Matrix: Solid
Analysis Batch: 2904

Client Sample ID: Bottom Comp 4'
Prep Type: Total/NA
Prep Batch: 2793

Analyte	Sample Result	Sample Qualifier	Spike Added	MSD Result	MSD Qualifier	Unit	D	%Rec	%Rec Limits	RPD	RPD Limit
Gasoline Range Organics [C6 - C10]	ND		24.7	28.0		mg/Kg		113	70 - 130	0	20

Surrogate	*MSD %Recovery*	*MSD Qualifier*	*Limits*
4-Bromofluorobenzene (Surr)	*227*		*15 - 244*

Method: 8021B - Volatile Organic Compounds (GC)

Lab Sample ID: MB 885-2793/1-A
Matrix: Solid
Analysis Batch: 2905

Client Sample ID: Method Blank
Prep Type: Total/NA
Prep Batch: 2793

Analyte	MB Result	MB Qualifier	RL		Unit	D	Prepared	Analyzed	Dil Fac
Benzene	ND		0.025		mg/Kg		04/04/24 14:53	04/05/24 21:49	1
Ethylbenzene	ND		0.050		mg/Kg		04/04/24 14:53	04/05/24 21:49	1
Toluene	ND		0.050		mg/Kg		04/04/24 14:53	04/05/24 21:49	1

QC Sample Results

Client: Hilcorp Energy
Project/Site: McDaniel B 1E

Job ID: 885-2314-1

Method: 8021B - Volatile Organic Compounds (GC) (Continued)

Lab Sample ID: MB 885-2793/1-A
Matrix: Solid
Analysis Batch: 2905

Client Sample ID: Method Blank
Prep Type: Total/NA
Prep Batch: 2793

Analyte	MB Result	MB Qualifier	RL		Unit	D	Prepared	Analyzed	Dil Fac
Xylenes, Total	ND		0.10		mg/Kg		04/04/24 14:53	04/05/24 21:49	1

Surrogate	*MB %Recovery*	*MB Qualifier*	*Limits*	*Prepared*	*Analyzed*	*Dil Fac*
4-Bromofluorobenzene (Surr)	*86*		*39 - 146*	*04/04/24 14:53*	*04/05/24 21:49*	*1*

Lab Sample ID: LCS 885-2793/3-A
Matrix: Solid
Analysis Batch: 2905

Client Sample ID: Lab Control Sample
Prep Type: Total/NA
Prep Batch: 2793

Analyte			Spike Added	LCS Result	LCS Qualifier	Unit	D	%Rec	%Rec Limits		
Benzene			1.00	0.808		mg/Kg		81	70 - 130		
Ethylbenzene			1.00	0.830		mg/Kg		83	70 - 130		
Toluene			1.00	0.827		mg/Kg		83	70 - 130		
Xylenes, Total			3.00	2.51		mg/Kg		84	70 - 130		

Surrogate	*LCS %Recovery*	*LCS Qualifier*	*Limits*
4-Bromofluorobenzene (Surr)	*88*		*39 - 146*

Method: 8015D - Diesel Range Organics (DRO) (GC)

Lab Sample ID: MB 885-2788/1-A
Matrix: Solid
Analysis Batch: 2941

Client Sample ID: Method Blank
Prep Type: Total/NA
Prep Batch: 2788

Analyte	MB Result	MB Qualifier	RL		Unit	D	Prepared	Analyzed	Dil Fac
Diesel Range Organics [C10-C28]	ND		10		mg/Kg		04/04/24 13:30	04/08/24 16:34	1
Motor Oil Range Organics [C28-C40]	ND		50		mg/Kg		04/04/24 13:30	04/08/24 16:34	1

Surrogate	*MB %Recovery*	*MB Qualifier*	*Limits*	*Prepared*	*Analyzed*	*Dil Fac*
Di-n-octyl phthalate (Surr)	*97*		*62 - 134*	*04/04/24 13:30*	*04/08/24 16:34*	*1*

Lab Sample ID: LCS 885-2788/2-A
Matrix: Solid
Analysis Batch: 2941

Client Sample ID: Lab Control Sample
Prep Type: Total/NA
Prep Batch: 2788

Analyte			Spike Added	LCS Result	LCS Qualifier	Unit	D	%Rec	%Rec Limits		
Diesel Range Organics [C10-C28]			50.0	44.6		mg/Kg		89	60 - 135		

Surrogate	*LCS %Recovery*	*LCS Qualifier*	*Limits*
Di-n-octyl phthalate (Surr)	*95*		*62 - 134*

QC Sample Results

Client: Hilcorp Energy
Project/Site: McDaniel B 1E

Job ID: 885-2314-1

Method: 300.0 - Anions, Ion Chromatography

Lab Sample ID: MB 880-77656/1-A
Matrix: Solid
Analysis Batch: 77714

Client Sample ID: Method Blank
Prep Type: Soluble

Analyte	MB Result	MB Qualifier	RL		Unit	D	Prepared	Analyzed	Dil Fac
Chloride	ND		5.0		mg/Kg			04/09/24 13:49	1

Lab Sample ID: LCS 880-77656/2-A
Matrix: Solid
Analysis Batch: 77714

Client Sample ID: Lab Control Sample
Prep Type: Soluble

Analyte			Spike Added	LCS Result	LCS Qualifier	Unit	D	%Rec	%Rec Limits		
Chloride			250	248		mg/Kg		99	90 - 110		

Lab Sample ID: LCSD 880-77656/3-A
Matrix: Solid
Analysis Batch: 77714

Client Sample ID: Lab Control Sample Dup
Prep Type: Soluble

Analyte			Spike Added	LCSD Result	LCSD Qualifier	Unit	D	%Rec	%Rec Limits	RPD	RPD Limit
Chloride			250	246		mg/Kg		99	90 - 110	1	20

QC Association Summary

Client: Hilcorp Energy
Project/Site: McDaniel B 1E

Job ID: 885-2314-1

GC VOA

Prep Batch: 2793

Lab Sample ID	Client Sample ID	Prep Type	Matrix	Method	Prep Batch
885-2314-1	Bottom Comp 4'	Total/NA	Solid	5030C	
MB 885-2793/1-A	Method Blank	Total/NA	Solid	5030C	
LCS 885-2793/2-A	Lab Control Sample	Total/NA	Solid	5030C	
LCS 885-2793/3-A	Lab Control Sample	Total/NA	Solid	5030C	
885-2314-1 MS	Bottom Comp 4'	Total/NA	Solid	5030C	
885-2314-1 MSD	Bottom Comp 4'	Total/NA	Solid	5030C	

Analysis Batch: 2904

Lab Sample ID	Client Sample ID	Prep Type	Matrix	Method	Prep Batch
885-2314-1	Bottom Comp 4'	Total/NA	Solid	8015D	2793
MB 885-2793/1-A	Method Blank	Total/NA	Solid	8015D	2793
LCS 885-2793/2-A	Lab Control Sample	Total/NA	Solid	8015D	2793
885-2314-1 MS	Bottom Comp 4'	Total/NA	Solid	8015D	2793
885-2314-1 MSD	Bottom Comp 4'	Total/NA	Solid	8015D	2793

Analysis Batch: 2905

Lab Sample ID	Client Sample ID	Prep Type	Matrix	Method	Prep Batch
885-2314-1	Bottom Comp 4'	Total/NA	Solid	8021B	2793
MB 885-2793/1-A	Method Blank	Total/NA	Solid	8021B	2793
LCS 885-2793/3-A	Lab Control Sample	Total/NA	Solid	8021B	2793

GC Semi VOA

Prep Batch: 2788

Lab Sample ID	Client Sample ID	Prep Type	Matrix	Method	Prep Batch
885-2314-1	Bottom Comp 4'	Total/NA	Solid	SHAKE	
MB 885-2788/1-A	Method Blank	Total/NA	Solid	SHAKE	
LCS 885-2788/2-A	Lab Control Sample	Total/NA	Solid	SHAKE	

Analysis Batch: 2941

Lab Sample ID	Client Sample ID	Prep Type	Matrix	Method	Prep Batch
885-2314-1	Bottom Comp 4'	Total/NA	Solid	8015D	2788
MB 885-2788/1-A	Method Blank	Total/NA	Solid	8015D	2788
LCS 885-2788/2-A	Lab Control Sample	Total/NA	Solid	8015D	2788

HPLC/IC

Leach Batch: 77656

Lab Sample ID	Client Sample ID	Prep Type	Matrix	Method	Prep Batch
885-2314-1	Bottom Comp 4'	Soluble	Solid	DI Leach	
MB 880-77656/1-A	Method Blank	Soluble	Solid	DI Leach	
LCS 880-77656/2-A	Lab Control Sample	Soluble	Solid	DI Leach	
LCSD 880-77656/3-A	Lab Control Sample Dup	Soluble	Solid	DI Leach	

Analysis Batch: 77714

Lab Sample ID	Client Sample ID	Prep Type	Matrix	Method	Prep Batch
885-2314-1	Bottom Comp 4'	Soluble	Solid	300.0	77656
MB 880-77656/1-A	Method Blank	Soluble	Solid	300.0	77656
LCS 880-77656/2-A	Lab Control Sample	Soluble	Solid	300.0	77656
LCSD 880-77656/3-A	Lab Control Sample Dup	Soluble	Solid	300.0	77656

Lab Chronicle

Client: Hilcorp Energy
Project/Site: McDaniel B 1E

Job ID: 885-2314-1

Client Sample ID: Bottom Comp 4'

Date Collected: 04/03/24 11:10
Date Received: 04/04/24 07:40

Lab Sample ID: 885-2314-1

Matrix: Solid

Prep Type	Batch Type	Batch Method	Run	Dilution Factor	Batch Number	Analyst	Lab	Prepared or Analyzed
Total/NA	Prep	5030C			2793	JP	EET ALB	04/04/24 14:53
Total/NA	Analysis	8015D		1	2904	JP	EET ALB	04/05/24 22:12
Total/NA	Prep	5030C			2793	JP	EET ALB	04/04/24 14:53
Total/NA	Analysis	8021B		1	2905	JP	EET ALB	04/05/24 22:12
Total/NA	Prep	SHAKE			2788	JU	EET ALB	04/04/24 16:06
Total/NA	Analysis	8015D		1	2941	PD	EET ALB	04/08/24 19:37
Soluble	Leach	DI Leach			77656	SA	EET MID	04/08/24 16:35
Soluble	Analysis	300.0		1	77714	SMC	EET MID	04/09/24 15:39

Laboratory References:

EET ALB = Eurofins Albuquerque, 4901 Hawkins NE, Albuquerque, NM 87109, TEL (505)345-3975
EET MID = Eurofins Midland, 1211 W. Florida Ave, Midland, TX 79701, TEL (432)704-5440

Accreditation/Certification Summary

Client: Hilcorp Energy
Project/Site: McDaniel B 1E

Job ID: 885-2314-1

Laboratory: Eurofins Albuquerque

Unless otherwise noted, all analytes for this laboratory were covered under each accreditation/certification below.

Authority	Program	Identification Number	Expiration Date
New Mexico	State	NM9425, NM0901	02-26-25

The following analytes are included in this report, but the laboratory is not certified by the governing authority. This list may include analytes for which the agency does not offer certification.

Analysis Method	Prep Method	Matrix	Analyte
8015D	5030C	Solid	Gasoline Range Organics [C6 - C10]
8015D	SHAKE	Solid	Diesel Range Organics [C10-C28]
8015D	SHAKE	Solid	Motor Oil Range Organics [C28-C40]
8021B	5030C	Solid	Benzene
8021B	5030C	Solid	Ethylbenzene
8021B	5030C	Solid	Toluene
8021B	5030C	Solid	Xylenes, Total

Oregon	NELAP	NM100001	02-26-25

The following analytes are included in this report, but the laboratory is not certified by the governing authority. This list may include analytes for which the agency does not offer certification.

Analysis Method	Prep Method	Matrix	Analyte
8015D	5030C	Solid	Gasoline Range Organics [C6 - C10]
8015D	SHAKE	Solid	Diesel Range Organics [C10-C28]
8015D	SHAKE	Solid	Motor Oil Range Organics [C28-C40]
8021B	5030C	Solid	Benzene
8021B	5030C	Solid	Ethylbenzene
8021B	5030C	Solid	Toluene
8021B	5030C	Solid	Xylenes, Total

Laboratory: Eurofins Midland

All accreditations/certifications held by this laboratory are listed. Not all accreditations/certifications are applicable to this report.

Authority	Program	Identification Number	Expiration Date
Texas	NELAP	T104704400-23-26	06-30-24

Chain-of-Custody Record

HALL ENVIRONMENTAL ANALYSIS LABORATORY
www.hallenvironmental.com
4901 Hawkins NE - Albuquerque, NM 87109
Tel. 505-345-3975 Fax 505-345-4107
885-2314 COC

Client: Hilcorp

Mailing Address:

Phone #:

email or Fax#: brandon.Sinclair@hilcorp.com

QA/QC Package:
☐ Standard ☐ Level 4 (Full Validation)

Accreditation: ☐ Az Compliance
☐ NELAC ☐ Other
☐ EDD (Type)

Turn-Around Time: 5day
☑ Standard ☐ Rush

Project Name: McDaniel B 1E

Project #:

Project Manager: Mitch Killough

Sampler: Brandon Sinclair

On Ice: ☑ Yes ☐ No

# of Coolers: 1 yogi

Cooler Temp (Including CF): -1.6-0.1=-1.7 (°C)

Analysis Request

Date	Time	Matrix	Sample Name	Container Type and #	Preservative Type	HEAL No.	BTEX / ~~MTBE / TMB's~~ (8021)	TPH:8015D(GRO / DRO / MRO)	8081 Pesticides/8082 PCB's	EDB (Method 504.1)	PAHs by 8310 or 8270SIMS	RCRA 8 Metals	Cl, ~~F, Br, NO$_3$, NO$_2$, PO$_4$, SO$_4$~~	8260 (VOA)	8270 (Semi-VOA)	Total Coliform (Present/Absent)						
4-3	1110	soil	Bottom Comp 4'	4oz jar	cool		✓	✓					✓									

Date	Time	Relinquished by	Received by	Via	Date	Time
4/3/24	1547	[signature]	[signature]		4/3/24	1547
4/3/24	1724	Christ Waltz	[signature]	courier	4/4/24	7:40

Remarks: Samples not frozen - [initials] 4/4/24

If necessary, samples submitted to Hall Environmental may be subcontracted to other accredited laboratories. This serves as notice of this possibility. Any sub-contracted data will be clearly notated on the analytical report.

Login Sample Receipt Checklist

Client: Hilcorp Energy Job Number: 885-2314-1

Login Number: 2314 **List Source: Eurofins Albuquerque**
List Number: 1
Creator: Casarrubias, Tracy

Question	Answer	Comment
Radioactivity wasn't checked or is </= background as measured by a survey meter.	True	
The cooler's custody seal, if present, is intact.	True	
Sample custody seals, if present, are intact.	True	
The cooler or samples do not appear to have been compromised or tampered with.	True	
Samples were received on ice.	True	
Cooler Temperature is acceptable.	True	Samples not Frozen
Cooler Temperature is recorded.	True	
COC is present.	True	
COC is filled out in ink and legible.	True	
COC is filled out with all pertinent information.	True	
Is the Field Sampler's name present on COC?	True	
There are no discrepancies between the containers received and the COC.	True	
Samples are received within Holding Time (excluding tests with immediate HTs)	True	
Sample containers have legible labels.	True	
Containers are not broken or leaking.	True	
Sample collection date/times are provided.	True	
Appropriate sample containers are used.	True	
Sample bottles are completely filled.	True	
Sample Preservation Verified.	N/A	
There is sufficient vol. for all requested analyses, incl. any requested MS/MSDs	True	
Containers requiring zero headspace have no headspace or bubble is <6mm (1/4").	N/A	
Multiphasic samples are not present.	True	
Samples do not require splitting or compositing.	False	Sample splitting required for subcontract purposes.
Residual Chlorine Checked.	N/A	

Login Sample Receipt Checklist

Client: Hilcorp Energy Job Number: 885-2314-1

Login Number: 2314
List Number: 2
Creator: Rodriguez, Leticia

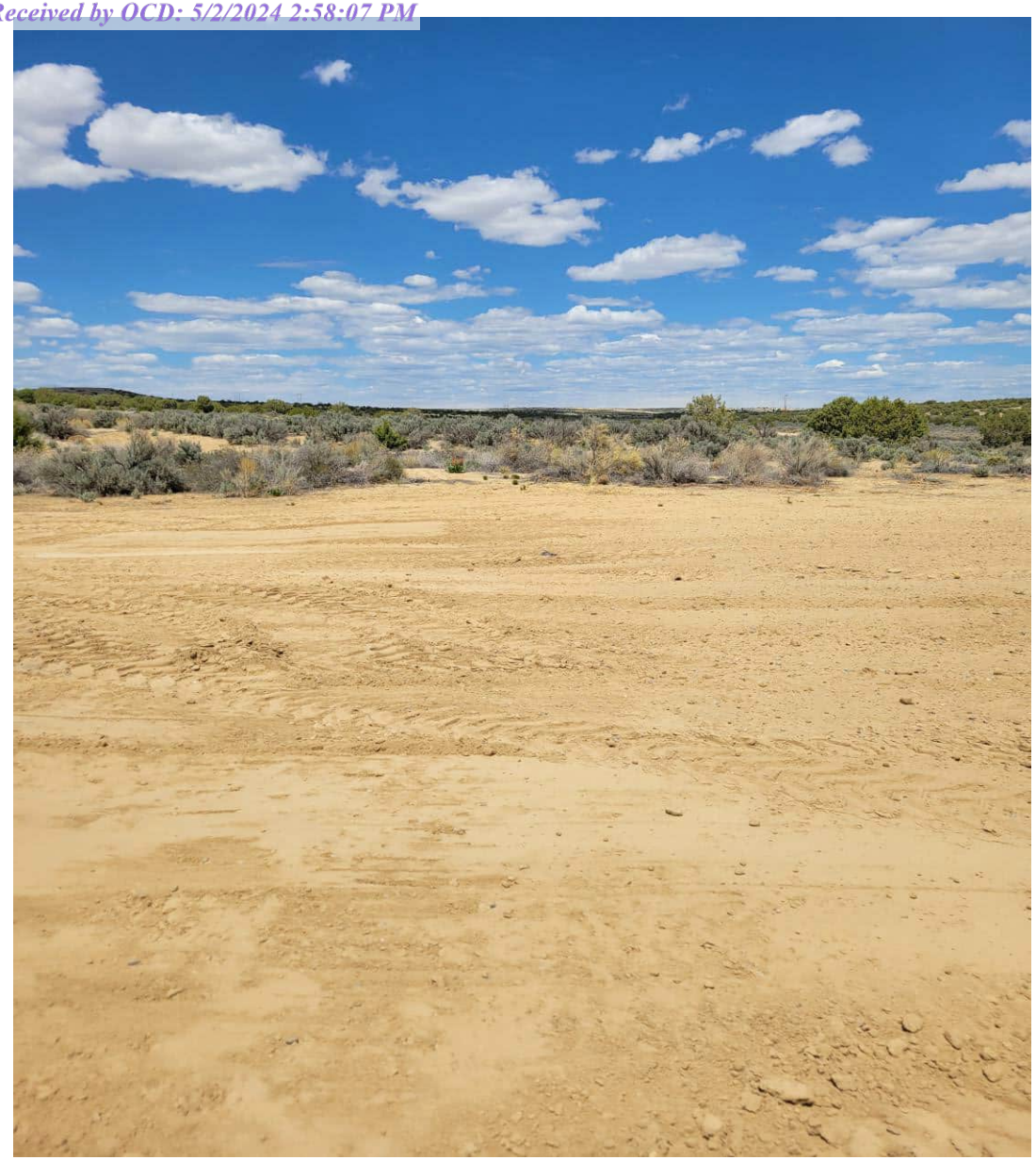
List Source: Eurofins Midland
List Creation: 04/08/24 12:12 PM

Question	Answer	Comment
The cooler's custody seal, if present, is intact.	N/A	
Sample custody seals, if present, are intact.	N/A	
The cooler or samples do not appear to have been compromised or tampered with.	True	
Samples were received on ice.	True	
Cooler Temperature is acceptable.	True	
Cooler Temperature is recorded.	True	
COC is present	True	
COC is filled out in ink and legible.	True	
COC is filled out with all pertinent information	True	
Is the Field Sampler's name present on COC?	True	
There are no discrepancies between the containers received and the COC.	True	
Samples are received within Holding Time (excluding tests with immediate HTs)	True	
Sample containers have legible labels.	True	
Containers are not broken or leaking.	True	
Sample collection date/times are provided.	True	
Appropriate sample containers are used.	True	
Sample bottles are completely filled.	True	
Sample Preservation Verified.	N/A	
There is sufficient vol. for all requested analyses, incl. any requested MS/MSDs	True	
Containers requiring zero headspace have no headspace or bubble is <6mm (1/4").	N/A	

McDaniel B #1E

Pit Closure Pictures.

McDaniel #1E
04/22/24



View Looking North

View Looking South

View Looking West

View Looking East

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 340398

CONDITIONS

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171
	Action Number: 340398
	Action Type: [C-144] Below Grade Tank Plan (C-144B)

CONDITIONS

Created By	Condition	Condition Date
joel.stone	None	5/6/2024