

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 NMOC District Office.
For permanent pits submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOC 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
☒ Closure of a pit, below-grade tank, or proposed alternative method
☐ Modification to an existing permit/or registration
☐ Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank, or proposed alternative method

BGT1

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

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

1.
Operator: Hilcorp Energy Company OGRID #: 372171
Address: 382 Road 3100 Aztec, NM 87410
Facility or well name: Sanchez Gas Com 1
API Number: 30-045-07915 OCD Permit Number: BGT1
U/L or Qtr/Qtr G Section 28 Township 29N Range 10W County: San Juan
Center of Proposed Design: Latitude 36.700317 Longitude -107.886559 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 H₂S, Prevention Plan
☐ Emergency Response Plan
☐ Oil Field Waste Stream Characterization
☐ Monitoring and Inspection Plan
☐ Erosion Control Plan
☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

13.

Proposed Closure: 19.15.17.13 NMAC**Instructions:** Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.

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

14.

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

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

15.

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

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

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

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

☐ Yes ☐ No

Within the area overlying a subsurface mine.

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

☐ Yes ☐ No

Within an unstable area.

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

☐ Yes ☐ No

Within a 100-year floodplain.

- FEMA map

☐ Yes ☐ No

16.

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

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

17.

Operator Application Certification:

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

Name (Print): _____ 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: 08/09/2024

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: 8/6/2024

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): Tammy Jones Title: Operations/Regulatory Technician – Sr

Signature: Tammy Jones Date: 8/8/2024

e-mail address: tajones@hilcorp.com Telephone: (505) 324-5185

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

Lease Name: Sanchez Gas Com 1
API No.: 30-045-07915

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).

Revised 8/8/2024

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.

Revised 8/8/2024

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)**

Revised 8/8/2024

From: Lisa Jones
Sent: Friday, June 28, 2024 2:36 PM
To: Tammy Jones; Abiodun Adelaye; Ben Mitchell; Dale Crawford; William Shuss; Brandon Sinclair; Chad Perkins; Clara Cardoza; Mitch Killough; Victoria Venegas (Victoria.Venegas@emnrd.nm.gov); Farmington Regulatory Techs
Subject: RE: 72 hour BGT Closure Notice – SANCHEZ GAS COM 1 (API# 30-045-07915)
Attachments: BGT-Sanchez Gas Com1 - Christopher Wilson.pdf

Good Afternoon All,

For you records, attached above is a copy of the cert mail receipt for the BGT Sanchez Gas Com1.

Thank you!!!!!! Have a GREAT WEEKEND!!!!!!

Lisa

From: Lisa Jones <ljones@hilcorp.com>
Sent: Friday, June 14, 2024 12:15 PM
To: Tammy Jones <tajones@hilcorp.com>; Abiodun Adelaye <aadeloye@blm.gov>; Ben Mitchell <bemitchell@hilcorp.com>; Dale Crawford <dcrawford@hilcorp.com>; William Shuss <wshuss@hilcorp.com>; Brandon Sinclair <Brandon.Sinclair@hilcorp.com>; Chad Perkins <cperkins@hilcorp.com>; Clara Cardoza <ccardoza@hilcorp.com>; Mitch Killough <mkillough@hilcorp.com>; Victoria Venegas (Victoria.Venegas@emnrd.nm.gov) <Victoria.Venegas@emnrd.nm.gov>; Farmington Regulatory Techs <FarmingtonRegulatoryTechs@hilcorp.com>
Subject: RE: 72 hour BGT Closure Notice – SANCHEZ GAS COM 1 (API# 30-045-07915)

Good Afternoon All,

For your records, attached above is the BGT notification for the Sanchez Gas Com 1.

THANK YOU!

Lisabeth Jones
Land Tech
Hilcorp Energy Company
382 Road 3100
Aztec, NM 87410
505-324-5129 direct
ljones@hilcorp.com

From: Tammy Jones <tajones@hilcorp.com>
Sent: Friday, June 14, 2024 10:43 AM
To: Abiodun Adelaye <aadeloye@blm.gov>; Ben Mitchell <bemitchell@hilcorp.com>; Lisa Jones <ljones@hilcorp.com>; Dale Crawford <dcrawford@hilcorp.com>; William Shuss <wshuss@hilcorp.com>; Brandon Sinclair <Brandon.Sinclair@hilcorp.com>; Chad Perkins <cperkins@hilcorp.com>; Clara Cardoza <ccardoza@hilcorp.com>; Mitch Killough <mkillough@hilcorp.com>; Victoria Venegas (Victoria.Venegas@emnrd.nm.gov) <Victoria.Venegas@emnrd.nm.gov>; Farmington Regulatory Techs <FarmingtonRegulatoryTechs@hilcorp.com>
Subject: 72 hour BGT Closure Notice – SANCHEZ GAS COM 1 (API# 30-045-07915)

Subject: 72 Hour BGT Closure Notification

Anticipated Start Date: **Wednesday, 06/19/2024 at 10:00 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: SANCHEZ GAS COM 1

API#: 30-045-07915

Location: Unit G (SWNE), Section 28, T29N, R10W

Footages: 1680' FNL & 1490' FEL

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

Reason: Closing BGT and replacing with an AGT.

****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,

Tammy Jones | **HILCORP ENERGY COMPANY** | San Juan Regulatory | 505.324.5185 | tajones@hilcorp.com



June 14, 2024

Transmitted Via
Certified Mail 7021 0950 00To: Christopher Wilson
5 Road 4865
Bloomfield, NM 87413Re: **SANCHEZ GAS COM 1**
API: 30-045-07915
Unit G (SW/NE) Section 28, T29N, R10W
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. intends to close a below-grade tank on the subject well pad. The closure process will begin between 72 hours and one week from this notification.

If you have any questions regarding this work, please call within five (5) days of receiving this notice.

Sincerely,

Be
East L

| SENDER: COMPLETE THIS SECTION | | COMPLETE THIS SECTION ON DELIVERY | |
|---|--|--|--|
| <ul style="list-style-type: none"> 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. | | <p>A. Signature</p> <p>X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> | |
| <p>1. Article Addressed to:</p> <p>Christopher Wilson 5 Road 4865 Bloomfield, NM 87413</p> | | <p>B. Received by (Printed Name)</p> <p>C. Date of Delivery</p> | |
| <p>2. Article Number (Transfer from service label)</p> <p>9590 9402 7573 2098 4578 01</p> | | <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If YES, enter delivery address below:</p> | |
| <p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p> | | <p>3. Service Type</p> <p><input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p> | |

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

San Juan

Christopher Wilson

5 Road 4865

Bloomfield, NM 87413

Sanchez

Gas

Postmark Here Com

Beit

B.M. 6/14/24

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

| SENDER: COMPLETE THIS SECTION | | COMPLETE THIS SECTION ON DELIVERY | |
|---|--|--|--|
| <p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> | | <p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p><i>[Signature]</i></p> | |
| <p>1. Article Addressed to:</p> <p>Christopher Wilson 5 Road 4805 Bloomfield, NM 87413</p> | | <p>B. Received by (Printed Name) <i>Gwen Wilson</i></p> | |
| <p>2. Article Number (Transfer from service label)</p> <p>7021 0950 0000 8197 3345</p> | | <p>C. Date of Delivery</p> <p>JUN 26 2024</p> | |
| <p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail®</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p> | | <p><input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Signature Confirmation Restricted Delivery</p> | |
| <p>PS Form 3811, July 2020 PSN 7530-02-000-9047</p> | | <p>Best Sanchez GasCom i B.M. 6/14/24</p> | |

| U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only | |
|---|--|
| For delivery information, visit our website at www.usps.com ®. | |
| OFFICIAL USE | |
| <p>Certified Mail Fee</p> <p>\$</p> <p>Extra Services & Fees (check box, add fee as appropriate)</p> <p><input type="checkbox"/> Return Receipt (hardcopy) \$</p> <p><input type="checkbox"/> Return Receipt (electronic) \$</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery \$</p> <p><input type="checkbox"/> Adult Signature Required \$</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery \$</p> | <p>Sanchez GasCom i</p> <p>Postmark Here</p> <p>B.M. 6/14/24</p> |
| <p>Postage</p> <p>\$</p> <p>Total Postage and Fees</p> <p>\$</p> | |
| <p>Sent To</p> <p>Christopher Wilson</p> <p>Street and Apt. No. or PO Box No.</p> <p>5 Road 4805</p> <p>City, State, ZIP+4®</p> <p>Bloomfield, NM 87413</p> | |
| <p>PS Form 3800, April 2015 PSN 7530-02-000-9047</p> <p>See Reverse for Instructions</p> | |







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 | Mitch Killough | Contact Telephone: | (713) 757-5247 |
| Contact email | mkillough@hilcorp.com | Incident # | (assigned by OCD) |
| Contact mailing address | 382 Road 3100 Aztec NM 87410 | | |

Location of Release Source

Latitude36.699886Longitude-107.885472

(NAD 83 in decimal degrees to 5 decimal places)

| | | | |
|-------------------------|-------------------|----------------------|--------------|
| Site Name | Sanchez Gas Com 1 | Site Type | Gas Well |
| Date Release Discovered | N/A | API# (if applicable) | 30-045-07915 |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|----------|
| G | 28 | 29N | 10W | San Juan |

Surface Owner: ☐ State ☐ Federal ☐ Tribal ☒ Private (Name: WILSON CHRISTOPHER ET AL)

Nature and Volume of Release

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

| | | |
|---|--|--|
| <input type="checkbox"/> Crude Oil | Volume Released (bbls) | Volume Recovered (bbls) |
| <input type="checkbox"/> Produced Water | Volume Released (bbls) | Volume Recovered (bbls) |
| | Is the concentration of dissolved chloride in the produced water >10,000 mg/l? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Condensate | Volume Released (bbls) | Volume Recovered (bbls) |
| <input type="checkbox"/> Natural Gas | Volume Released (Mcf) | Volume Recovered (Mcf) |
| <input type="checkbox"/> Other (describe) | Volume/Weight Released (provide units) | Volume/Weight Recovered (provide units) |

Cause of Release

No release was encountered during the BGT Closure.

Form C-141


Page 2

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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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*

| | |
|--|--|
| <input type="checkbox"/> The source of the release has been stopped. | |
| <input type="checkbox"/> The impacted area has been secured to protect human health and the environment. | |
| <input type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. | |
| <input type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately. | |
| If all the actions described above have <u>not</u> 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: <u>Mitch Killough</u> | Title: <u>Environmental Specialist</u> |
| Signature: <u></u> | Date: <u>7/3/2024</u> |
| email: <u>mkillough@hilcorp.com</u> | Telephone: <u>(713-757-5247)</u> |
| <u>OCD Only</u> | |
| Received by: _____ | Date: _____ |

Report to:
Clara Cardoza



envirotech

Practical Solutions for a Better Tomorrow

Analytical Report

Hilcorp Energy Co

Project Name: Sanchez Gas Com1 - BGT Closure

Work Order: E406204

Job Number: 17051-0002

Received: 6/20/2024

Revision: 1

Report Reviewed By:

Walter Hinchman
Laboratory Director
6/27/24

5796 U.S. Hwy 64
Farmington, NM 87401

Phone: (505) 632-1881
Envirotech-inc.com



Envirotech Inc. certifies the test results meet all requirements of TNI unless noted otherwise.
Statement of Data Authenticity: Envirotech Inc. attests the data reported has not been altered in any way.
Partial or incomplete reproduction of this report is prohibited, unless approved by Envirotech Inc.
Envirotech Inc. holds the Utah TNI certification NM00979 for data reported.
Envirotech Inc. holds the Texas TNI certification T104704557 for data reported.

Date Reported: 6/27/24

Clara Cardoza
PO Box 61529
Houston, TX 77208



Project Name: Sanchez Gas Com1 - BGT Closure
Workorder: E406204
Date Received: 6/20/2024 12:10:00PM

Clara Cardoza,

Thank you for choosing Envirotech, Inc. as your analytical testing laboratory for the sample(s) received on, 6/20/2024 12:10:00PM, under the Project Name: Sanchez Gas Com1 - BGT Closure.

The analytical test results summarized in this report with the Project Name: Sanchez Gas Com1 - BGT Closure apply to the individual samples collected, identified and submitted bearing the project name on the enclosed chain-of-custody. Subcontracted sample analyses not conducted by Envirotech, Inc., are attached in full as issued by the subcontract laboratory.

Please review the Chain-of-Custody (COC) and Sample Receipt Checklist (SRC) for any issues regarding sample receipt temperature, containers, preservation etc. To best understand your test results, review the entire report summarizing your sample data and the associated quality control batch data.

All reported data in this analytical report were analyzed according to the referenced method(s) and are in compliance with the latest NELAC/TNI standards, unless otherwise noted. Samples or analytical quality control parameters not meeting specific QC criteria are qualified with a data flag. Data flag definitions are located in the Notes and Definitions section of this analytical report.

If you have any questions concerning this report, please feel free to contact Envirotech, Inc.

Respectfully,

Walter Hinchman
Laboratory Director
Office: 505-632-1881
Cell: 775-287-1762
whinchman@envirotech-inc.com

Raina Schwanz
Laboratory Administrator
Office: 505-632-1881
rainaschwanz@envirotech-inc.com

Field Offices:

Southern New Mexico Area

Lynn Jarboe
Laboratory Technical Representative
Office: 505-421-LABS(5227)
Cell: 505-320-4759
ljjarboe@envirotech-inc.com

Michelle Golzales
Client Representative
Office: 505-421-LABS(5227)
Cell: 505-947-8222
mgonzales@envirotech-inc.com

Envirotech Web Address: www.envirotech-inc.com

Table of Contents

| | |
|---|----|
| Title Page | 1 |
| Cover Page | 2 |
| Table of Contents | 3 |
| Sample Summary | 4 |
| Sample Data | 5 |
| BGT 5-Point | 5 |
| QC Summary Data | 6 |
| QC - Volatile Organics by EPA 8021B | 6 |
| QC - Nonhalogenated Organics by EPA 8015D - GRO | 7 |
| QC - Nonhalogenated Organics by EPA 8015D - DRO/ORO | 8 |
| QC - Anions by EPA 300.0/9056A | 9 |
| Definitions and Notes | 10 |
| Chain of Custody etc. | 11 |

Sample Summary

| | | | |
|-------------------|------------------|--------------------------------|---------------------------------|
| Hilcorp Energy Co | Project Name: | Sanchez Gas Com1 - BGT Closure | Reported: 06/27/24 10:46 |
| PO Box 61529 | Project Number: | 17051-0002 | |
| Houston TX, 77208 | Project Manager: | Clara Cardoza | |

| Client Sample ID | Lab Sample ID | Matrix | Sampled | Received | Container |
|------------------|---------------|--------|----------|----------|------------------|
| BGT 5-Point | E406204-01A | Soil | 06/19/24 | 06/20/24 | Glass Jar, 4 oz. |



Sample Data

| | | |
|--|--|-----------------------------------|
| Hilcorp Energy Co PO Box 61529 Houston TX, 77208 | Project Name: Sanchez Gas Com1 - BGT Closure Project Number: 17051-0002 Project Manager: Clara Cardoza | Reported: 6/27/2024 10:46:53AM |
|--|--|-----------------------------------|

BGT 5-Point
E406204-01

| Analyte | Result | Reporting Limit | Dilution | Prepared | Analyzed | Notes |
|---|--------|-----------------|-------------|----------|----------------|-------|
| Volatile Organics by EPA 8021B | mg/kg | mg/kg | Analyst: IY | | Batch: 2425104 | |
| Benzene | ND | 0.0250 | 1 | 06/21/24 | 06/24/24 | |
| Ethylbenzene | ND | 0.0250 | 1 | 06/21/24 | 06/24/24 | |
| Toluene | ND | 0.0250 | 1 | 06/21/24 | 06/24/24 | |
| o-Xylene | ND | 0.0250 | 1 | 06/21/24 | 06/24/24 | |
| p,m-Xylene | ND | 0.0500 | 1 | 06/21/24 | 06/24/24 | |
| Total Xylenes | ND | 0.0250 | 1 | 06/21/24 | 06/24/24 | |
| Surrogate: 4-Bromochlorobenzene-PID | 91.3 % | 70-130 | | 06/21/24 | 06/24/24 | |
| Nonhalogenated Organics by EPA 8015D - GRO | mg/kg | mg/kg | Analyst: IY | | Batch: 2425104 | |
| Gasoline Range Organics (C6-C10) | ND | 20.0 | 1 | 06/21/24 | 06/24/24 | |
| Surrogate: 1-Chloro-4-fluorobenzene-FID | 96.5 % | 70-130 | | 06/21/24 | 06/24/24 | |
| Nonhalogenated Organics by EPA 8015D - DRO/ORO | mg/kg | mg/kg | Analyst: NV | | Batch: 2425105 | |
| Diesel Range Organics (C10-C28) | ND | 25.0 | 1 | 06/24/24 | 06/25/24 | |
| Oil Range Organics (C28-C36) | ND | 50.0 | 1 | 06/24/24 | 06/25/24 | |
| Surrogate: n-Nonane | 106 % | 50-200 | | 06/24/24 | 06/25/24 | |
| Anions by EPA 300.0/9056A | mg/kg | mg/kg | Analyst: JM | | Batch: 2425109 | |
| Chloride | ND | 20.0 | 1 | 06/21/24 | 06/22/24 | |



QC Summary Data

| | | | |
|-------------------|------------------|--------------------------------|----------------------|
| Hilcorp Energy Co | Project Name: | Sanchez Gas Com1 - BGT Closure | Reported: |
| PO Box 61529 | Project Number: | 17051-0002 | |
| Houston TX, 77208 | Project Manager: | Clara Cardoza | 6/27/2024 10:46:53AM |

Volatile Organics by EPA 8021B

Analyst: IY

| Analyte | Result mg/kg | Reporting Limit mg/kg | Spike Level mg/kg | Source Result mg/kg | Rec % | Rec Limits % | RPD % | RPD Limit % | Notes |
|---------|-----------------|-----------------------------|-------------------------|---------------------------|----------|--------------------|----------|-------------------|-------|
|---------|-----------------|-----------------------------|-------------------------|---------------------------|----------|--------------------|----------|-------------------|-------|

Blank (2425104-BLK1) Prepared: 06/21/24 Analyzed: 06/24/24

| | | | | | | | | | |
|-------------------------------------|------|--------|------|--|------|--------|--|--|--|
| Benzene | ND | 0.0250 | | | | | | | |
| Ethylbenzene | ND | 0.0250 | | | | | | | |
| Toluene | ND | 0.0250 | | | | | | | |
| o-Xylene | ND | 0.0250 | | | | | | | |
| p,m-Xylene | ND | 0.0500 | | | | | | | |
| Total Xylenes | ND | 0.0250 | | | | | | | |
| Surrogate: 4-Bromochlorobenzene-PID | 7.31 | | 8.00 | | 91.4 | 70-130 | | | |

LCS (2425104-BS1) Prepared: 06/21/24 Analyzed: 06/24/24

| | | | | | | | | | |
|-------------------------------------|------|--------|------|--|------|--------|--|--|--|
| Benzene | 4.93 | 0.0250 | 5.00 | | 98.6 | 70-130 | | | |
| Ethylbenzene | 4.76 | 0.0250 | 5.00 | | 95.3 | 70-130 | | | |
| Toluene | 4.86 | 0.0250 | 5.00 | | 97.2 | 70-130 | | | |
| o-Xylene | 4.73 | 0.0250 | 5.00 | | 94.7 | 70-130 | | | |
| p,m-Xylene | 9.67 | 0.0500 | 10.0 | | 96.7 | 70-130 | | | |
| Total Xylenes | 14.4 | 0.0250 | 15.0 | | 96.0 | 70-130 | | | |
| Surrogate: 4-Bromochlorobenzene-PID | 7.41 | | 8.00 | | 92.6 | 70-130 | | | |

Matrix Spike (2425104-MS1) Source: E406202-05 Prepared: 06/21/24 Analyzed: 06/24/24

| | | | | | | | | | |
|-------------------------------------|------|--------|------|----|------|--------|--|--|--|
| Benzene | 4.95 | 0.0250 | 5.00 | ND | 99.0 | 54-133 | | | |
| Ethylbenzene | 4.76 | 0.0250 | 5.00 | ND | 95.1 | 61-133 | | | |
| Toluene | 4.86 | 0.0250 | 5.00 | ND | 97.1 | 61-130 | | | |
| o-Xylene | 4.73 | 0.0250 | 5.00 | ND | 94.7 | 63-131 | | | |
| p,m-Xylene | 9.66 | 0.0500 | 10.0 | ND | 96.6 | 63-131 | | | |
| Total Xylenes | 14.4 | 0.0250 | 15.0 | ND | 95.9 | 63-131 | | | |
| Surrogate: 4-Bromochlorobenzene-PID | 7.40 | | 8.00 | | 92.5 | 70-130 | | | |

Matrix Spike Dup (2425104-MSD1) Source: E406202-05 Prepared: 06/21/24 Analyzed: 06/24/24

| | | | | | | | | | |
|-------------------------------------|------|--------|------|----|------|--------|------|----|--|
| Benzene | 4.81 | 0.0250 | 5.00 | ND | 96.2 | 54-133 | 2.86 | 20 | |
| Ethylbenzene | 4.63 | 0.0250 | 5.00 | ND | 92.6 | 61-133 | 2.66 | 20 | |
| Toluene | 4.73 | 0.0250 | 5.00 | ND | 94.6 | 61-130 | 2.65 | 20 | |
| o-Xylene | 4.62 | 0.0250 | 5.00 | ND | 92.3 | 63-131 | 2.48 | 20 | |
| p,m-Xylene | 9.41 | 0.0500 | 10.0 | ND | 94.1 | 63-131 | 2.57 | 20 | |
| Total Xylenes | 14.0 | 0.0250 | 15.0 | ND | 93.5 | 63-131 | 2.54 | 20 | |
| Surrogate: 4-Bromochlorobenzene-PID | 7.42 | | 8.00 | | 92.8 | 70-130 | | | |



QC Summary Data

| | | | |
|-------------------|------------------|--------------------------------|----------------------|
| Hilcorp Energy Co | Project Name: | Sanchez Gas Com1 - BGT Closure | Reported: |
| PO Box 61529 | Project Number: | 17051-0002 | |
| Houston TX, 77208 | Project Manager: | Clara Cardoza | 6/27/2024 10:46:53AM |

Nonhalogenated Organics by EPA 8015D - GRO

Analyst: IY

| Analyte | Result mg/kg | Reporting Limit mg/kg | Spike Level mg/kg | Source Result mg/kg | Rec % | Rec Limits % | RPD % | RPD Limit % | Notes |
|---------|-----------------|-----------------------------|-------------------------|---------------------------|----------|--------------------|----------|-------------------|-------|
|---------|-----------------|-----------------------------|-------------------------|---------------------------|----------|--------------------|----------|-------------------|-------|

Blank (2425104-BLK1) Prepared: 06/21/24 Analyzed: 06/24/24

| | | | | | | | | | |
|---|------|------|------|--|------|--------|--|--|--|
| Gasoline Range Organics (C6-C10) | ND | 20.0 | | | | | | | |
| Surrogate: 1-Chloro-4-fluorobenzene-FID | 7.73 | | 8.00 | | 96.6 | 70-130 | | | |

LCS (2425104-BS2) Prepared: 06/21/24 Analyzed: 06/24/24

| | | | | | | | | | |
|---|------|------|------|--|------|--------|--|--|--|
| Gasoline Range Organics (C6-C10) | 50.1 | 20.0 | 50.0 | | 100 | 70-130 | | | |
| Surrogate: 1-Chloro-4-fluorobenzene-FID | 7.83 | | 8.00 | | 97.9 | 70-130 | | | |

Matrix Spike (2425104-MS2) Source: E406202-05 Prepared: 06/21/24 Analyzed: 06/24/24

| | | | | | | | | | |
|---|------|------|------|----|------|--------|--|--|--|
| Gasoline Range Organics (C6-C10) | 49.9 | 20.0 | 50.0 | ND | 99.8 | 70-130 | | | |
| Surrogate: 1-Chloro-4-fluorobenzene-FID | 7.78 | | 8.00 | | 97.3 | 70-130 | | | |

Matrix Spike Dup (2425104-MSD2) Source: E406202-05 Prepared: 06/21/24 Analyzed: 06/24/24

| | | | | | | | | | |
|---|------|------|------|----|------|--------|------|----|--|
| Gasoline Range Organics (C6-C10) | 54.6 | 20.0 | 50.0 | ND | 109 | 70-130 | 8.88 | 20 | |
| Surrogate: 1-Chloro-4-fluorobenzene-FID | 7.82 | | 8.00 | | 97.7 | 70-130 | | | |



QC Summary Data

| | | | |
|-------------------|------------------|--------------------------------|----------------------|
| Hilcorp Energy Co | Project Name: | Sanchez Gas Com1 - BGT Closure | Reported: |
| PO Box 61529 | Project Number: | 17051-0002 | |
| Houston TX, 77208 | Project Manager: | Clara Cardoza | 6/27/2024 10:46:53AM |

Nonhalogenated Organics by EPA 8015D - DRO/ORO

Analyst: KH

| Analyte | Result mg/kg | Reporting Limit mg/kg | Spike Level mg/kg | Source Result mg/kg | Rec % | Rec Limits % | RPD % | RPD Limit % | Notes |
|---------|-----------------|-----------------------------|-------------------------|---------------------------|----------|--------------------|----------|-------------------|-------|
|---------|-----------------|-----------------------------|-------------------------|---------------------------|----------|--------------------|----------|-------------------|-------|

Blank (2425105-BLK1) Prepared: 06/24/24 Analyzed: 06/25/24

| | | | | | | | | | |
|---------------------------------|------|------|------|--|-----|--------|--|--|--|
| Diesel Range Organics (C10-C28) | ND | 25.0 | | | | | | | |
| Oil Range Organics (C28-C36) | ND | 50.0 | | | | | | | |
| Surrogate: n-Nonane | 55.8 | | 50.0 | | 112 | 50-200 | | | |

LCS (2425105-BS1) Prepared: 06/24/24 Analyzed: 06/25/24

| | | | | | | | | | |
|---------------------------------|------|------|------|--|-----|--------|--|--|--|
| Diesel Range Organics (C10-C28) | 321 | 25.0 | 250 | | 128 | 38-132 | | | |
| Surrogate: n-Nonane | 57.4 | | 50.0 | | 115 | 50-200 | | | |

Matrix Spike (2425105-MS1) Source: E406202-06 Prepared: 06/24/24 Analyzed: 06/25/24

| | | | | | | | | | |
|---------------------------------|------|------|------|----|------|--------|--|--|--|
| Diesel Range Organics (C10-C28) | 307 | 25.0 | 250 | ND | 123 | 38-132 | | | |
| Surrogate: n-Nonane | 49.0 | | 50.0 | | 98.0 | 50-200 | | | |

Matrix Spike Dup (2425105-MSD1) Source: E406202-06 Prepared: 06/24/24 Analyzed: 06/25/24

| | | | | | | | | | |
|---------------------------------|------|------|------|----|-----|--------|------|----|--|
| Diesel Range Organics (C10-C28) | 330 | 25.0 | 250 | ND | 132 | 38-132 | 7.06 | 20 | |
| Surrogate: n-Nonane | 53.2 | | 50.0 | | 106 | 50-200 | | | |



QC Summary Data

| | | | |
|-------------------|------------------|--------------------------------|----------------------|
| Hilcorp Energy Co | Project Name: | Sanchez Gas Com1 - BGT Closure | Reported: |
| PO Box 61529 | Project Number: | 17051-0002 | |
| Houston TX, 77208 | Project Manager: | Clara Cardoza | 6/27/2024 10:46:53AM |

Anions by EPA 300.0/9056A

Analyst: JM

| Analyte | Result mg/kg | Reporting Limit mg/kg | Spike Level mg/kg | Source Result mg/kg | Rec % | Rec Limits % | RPD % | RPD Limit % | Notes |
|---------|-----------------|-----------------------------|-------------------------|---------------------------|----------|--------------------|----------|-------------------|-------|
|---------|-----------------|-----------------------------|-------------------------|---------------------------|----------|--------------------|----------|-------------------|-------|

| | | | | | | | | | |
|---------------------------------|-----|------|-----|------|---------------------------------------|--------|---------------------------------------|----|--|
| Blank (2425109-BLK1) | | | | | Prepared: 06/21/24 Analyzed: 06/22/24 | | | | |
| Chloride | ND | 20.0 | | | | | | | |
| LCS (2425109-BS1) | | | | | Prepared: 06/21/24 Analyzed: 06/22/24 | | | | |
| Chloride | 248 | 20.0 | 250 | | 99.2 | 90-110 | | | |
| Matrix Spike (2425109-MS1) | | | | | Source: E406202-02 | | Prepared: 06/21/24 Analyzed: 06/22/24 | | |
| Chloride | 346 | 20.0 | 250 | 95.8 | 100 | 80-120 | | | |
| Matrix Spike Dup (2425109-MSD1) | | | | | Source: E406202-02 | | Prepared: 06/21/24 Analyzed: 06/22/24 | | |
| Chloride | 342 | 20.0 | 250 | 95.8 | 98.5 | 80-120 | 1.17 | 20 | |

QC Summary Report Comment:
Calculations are based off of the raw (non-rounded) data. However, for reporting purposes all QC data is rounded to three significant figures.
Therefore, hand calculated values may differ slightly.



Definitions and Notes

| | | | |
|-------------------|------------------|--------------------------------|----------------|
| Hilcorp Energy Co | Project Name: | Sanchez Gas Com1 - BGT Closure | |
| PO Box 61529 | Project Number: | 17051-0002 | Reported: |
| Houston TX, 77208 | Project Manager: | Clara Cardoza | 06/27/24 10:46 |

- ND Analyte NOT DETECTED at or above the reporting limit
- NR Not Reported
- RPD Relative Percent Difference
- DNI Did Not Ignite
- DNR Did not react with the addition of acid or base.

Note (1): Methods marked with ** are non-accredited methods.

Note (2): Soil data is reported on an "as received" weight basis, unless reported otherwise.

(of (

Page 11 of 12

envirotech-inc.com
laboratory@envirotech-inc.com

Envirotech Analytical Laboratory

Printed: 6/21/2024 11:36:55AM

Sample Receipt Checklist (SRC)

Instructions: Please take note of any NO checkmarks.

If we receive no response concerning these items within 24 hours of the date of this notice, all the samples will be analyzed as requested.

| | | | | | |
|---------|----------------------|-----------------|----------------------------|----------------|----------------|
| Client: | Hilcorp Energy Co | Date Received: | 06/20/24 12:10 | Work Order ID: | E406204 |
| Phone: | (505) 564-0733 | Date Logged In: | 06/21/24 11:34 | Logged In By: | Alexa Michaels |
| Email: | ccardoza@hilcorp.com | Due Date: | 06/27/24 17:00 (5 day TAT) | | |

Chain of Custody (COC)

1. Does the sample ID match the COC? Yes
2. Does the number of samples per sampling site location match the COC? Yes
3. Were samples dropped off by client or carrier? Yes
4. Was the COC complete, i.e., signatures, dates/times, requested analyses? Yes
5. Were all samples received within holding time? Yes

Note: Analysis, such as pH which should be conducted in the field, i.e., 15 minute hold time, are not included in this discussion.

Carrier: Clara CardozaComments/ResolutionSample Turn Around Time (TAT)

6. Did the COC indicate standard TAT, or Expedited TAT? Yes

Sample Cooler

7. Was a sample cooler received? Yes
8. If yes, was cooler received in good condition? Yes
9. Was the sample(s) received intact, i.e., not broken? Yes
10. Were custody/security seals present? No
11. If yes, were custody/security seals intact? NA
12. Was the sample received on ice? If yes, the recorded temp is 4°C, i.e., 6°±2°C? Yes

Note: Thermal preservation is not required, if samples are received w/i 15 minutes of sampling

13. If no visible ice, record the temperature. Actual sample temperature: 4°C

Sample Container

14. Are aqueous VOC samples present? No
15. Are VOC samples collected in VOA Vials? NA
16. Is the head space less than 6-8 mm (pea sized or less)? NA
17. Was a trip blank (TB) included for VOC analyses? NA
18. Are non-VOC samples collected in the correct containers? Yes
19. Is the appropriate volume/weight or number of sample containers collected? Yes

Field Label

20. Were field sample labels filled out with the minimum information:
Sample ID? Yes
Date/Time Collected? Yes
Collectors name? Yes

Sample Preservation

21. Does the COC or field labels indicate the samples were preserved? No
22. Are sample(s) correctly preserved? NA
24. Is lab filtration required and/or requested for dissolved metals? No

Multiphase Sample Matrix

26. Does the sample have more than one phase, i.e., multiphase? No
27. If yes, does the COC specify which phase(s) is to be analyzed? NA

Subcontract Laboratory

28. Are samples required to get sent to a subcontract laboratory? No
29. Was a subcontract laboratory specified by the client and if so who? NA Subcontract Lab: NA

Client Instruction

Signature of client authorizing changes to the COC or sample disposition.

Date



envirotech Inc.



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 371839

CONDITIONS

| | |
|--|--|
| Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002 | OGRID: 372171 |
| | Action Number: 371839 |
| | Action Type: [C-144] Below Grade Tank Plan (C-144B) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|--|----------------|
| joel.stone | Upon the plugging and abandonment of well API# 30-045-07915 (Sanchez Gas Com #1), and cessation of all production operations in the area associated with this below-grade tank or replacement above-ground tank, Hilcorp Energy Co. shall complete the requirements of 19.15.17.13.H NMAC for the area associated with this below-grade tank and notify the OCD when restoration, reclamation, and re-vegetation are complete. | 8/9/2024 |