



TRINITY
OILFIELD SERVICES

P.O. Box 2587 • Hobbs, NM 88241 • Phone: (575)397-4961 • john@trinityoilfieldservices.com

CLOSURE REQUEST

**BTA Oil Producers LLC Gem 11 H Battery
Unit Letter H, Section 2, Township 20 South, Range 33 East
Latitude 32.60362 North, Longitude -103.62711 West
NMOCD Incident Number nRM2035044372
Lea County, New Mexico**

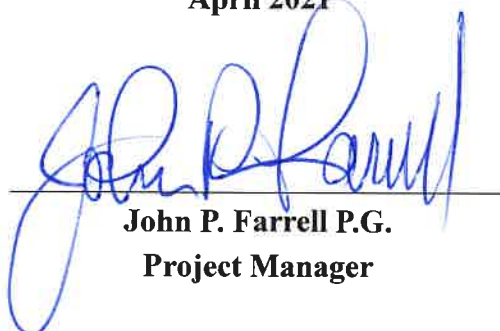
Prepared for:

**BTA Oil Producers, LLC
104 South Pecos Street
Midland, TX 79701**

Prepared by:

**Trinity Oilfield Services and Rentals, LLC
P.O. Box 2587
Hobbs, New Mexico 88241**

April 2021



**John P. Farrell P.G.
Project Manager**



Trinity Oilfield Services and Rentals, LLC

Site Remediation Summary and Closure Request

Company: BTA Oil Producers, LLC **Address:** 104 South Pecos St., Midland, TX 79701 **Telephone:** (575) 390-2828

Site Name: Gem # 11 Tank Battery **NMOCD Reference Number:** nRM2035044372

Unit Letter: "H" (SE/NE) **Section:** 2 **Township:** 20S **Range:** 33E **County:** Lea

GPS Coordinates: 32.60362 N -103.62711 W **Depth to Groundwater:** >105 ft

Distance to Surface Water Body: ___ <200' ___ 200' - 1,000' X > 1000'

Wellhead Protection Area: <1000' from Water Source or < 200' from Domestic Water Source? ___ Y X N

Soil Remediation Levels (mg/kg):

On a pad where depth to groundwater > 100': **Benzene:** 10 **BTEX:** 50 **TPH:** 2,500

GRO+DRO: 1000 **Chloride:** 20,000

Date/Time of Release: 11/25/2020 **Type of Release:** Produced Water **NMOCD Ranking Score:** 0

Approximate Volume of Releases: Please See Below

Background Information:

On November 25, 2020, BTA Oil Producers, LLC (BTA) personnel discovered a release of crude oil and produced water at the GEM # 11 Tank Battery. Approximately 11 barrels (bbls) of crude oil and 11 bbls of produced water was released into a lined containment structure. This release was caused by internal corrosion creating a hole in a heater treater vessel. During the initial response, the heater treater was repaired and returned to service. A vacuum truck and crew were deployed to the site and recovered a measured 10 bbls of crude oil and 10 bbls of produced water. The released fluids affected only the southern portion of the containment area. All fluids released remained within the containment area.

This release was reported to the Energy Minerals & Natural Resources Division (ENMRD)/New Mexico Oil Conservation Division's (NMOCD) spills website; enmrd-ocd-district1spills@state.nm.us. And an Initial C-141 reporting the release was submitted by BTA through the NMOCD Fee Portal on or about December 03, 2020. NMOCD assigned Incident Number nRM2035044372 to the release notification. A copy of the initial NMOCD "Release Notification and Corrective Action" form (C-141) filed as part of the notification process is provided Appendix A. A final C-141 Closure Request is provided as Appendix B. Photographs of the release site are provided in Appendix C. A "Site Location Map" is provided as Figure 1.

Summary of Field Activities:

On December 1, 2020 Trinity Oilfield Services & Rentals, LLC (Trinity) performed an initial assessment of the release by visiting the site, taking photographs, and discussing the causes of the release with

BTA supervisory personnel. At the time of the site visit, vacuum trucks had already removed the bulk of the fluids, but some freestanding fluids remained. Roustabout crews were working to repair the heater treater vessel. A Trinity tanker vacuum truck was on site to remove any remaining fluids from the heater treater vessel. Portions of the liner are exposed along the containment berm. The liner is a typical 20 ml, mesh reinforced liner. No evidence for deterioration of the liner was observed at the time of the visit. On December 2, 2020, roustabout crews with shovels began the process of removing the pea gravel and caliche material covering the liner. This process took approximately 8 days. Approximately 50 yards of impacted material were removed from the containment area.

As cover materials were being removed, several holes were found in the liner. These holes were in an area away from the release point and fluids from the release did not flow to the location inside the containment where the holes were found. The largest hole was approximately the size of a baseball. The holes appear to have been caused by some mechanical means because there is no evidence that liner material has deteriorated anywhere in the containment including at the location of the holes. All the holes found in the liner were repaired. The liner has been inspected by Trinity and NMOCD personnel, photo documented, is intact and is fully capable of containing any future release at the Gem 11H Battery. The Trinity Liner inspection documentation is found in Appendix C – Photography and Appendix G – Liner Inspection Form.

Prior to the liner repair, BTA directed Trinity to collect samples from beneath the liner through the largest hole found in the liner. Using a hand auger, three soil samples were collected at depths of 1 foot, 4 feet and 7 feet below ground surface (bgs). All samples collected were field screened with a chloride test kit. The samples were jarred, labeled, and submitted to Cardinal Laboratories of Hobbs, New Mexico, (a State of New Mexico certified laboratory) via a chain-of-custody. The sample analysis suite consisted of total petroleum hydrocarbons (TPH), benzene, toluene, ethylbenzene, and xylenes (BTEX), and chloride. Constituents in the soil were tested using Environmental Protection Agency (EPA) Methods SW846-8015MOD, SW846-8021B and SM4500Cl-B, respectively. Laboratory analytical results for all samples indicated that BTEX, TPH and chloride were below the "Recommended Remediation Action Levels" (RRALs) as provided in 19.15.29.12. E(2) Table 1 for a site where the depth to groundwater exceeds 100 feet bgs. A summary table of laboratory results are found in Table 1 - Concentrations of Benzene, BTEX, TPH and Chloride in Soil. Laboratory data is provided in Appendix D – Laboratory Analytical Results.

Trinity determined that there are no water wells within one-half mile of the site [the closest well located (POD # L 07213 – depth to water: 110 feet) is in the New Mexico Office of State Engineer (NMOSE) well database and is physically located approximately 9880 feet to the east-northeast]. Trinity also consulted the Regional Groundwater Trend Map which shows general agreement that the depth to groundwater exceeds 100 feet bgs at BTA GEM 11 H location.

Both the Regional Groundwater Trend Map and well data from the Groundwater database do not meet or no longer meet the criteria in the EMNRD Procedures for Implementation of the Spill Rule (19.15.29 NMAC). Therefore, after a consultation with BTA and perusal of guidance from the ENMRD, the New Mexico Office of State Engineer, and Divisions within the New Mexico State Land Office, BTA opted to drill two soil borings at strategic locations within the GEM lease area that will meet requirements of the ENMRD for current depth to groundwater information within one-half mile of a release point.

Permits to drill two soil borings [CP-1865, (PODs 1 and 2)] with corresponding borehole plugging permits were obtained from the NMOSE Roswell office. An additional permit was obtained from the New Mexico State Land Office (NMSLO) for right-of-entry onto State lands (See Appendix E for copies of the Permits). A drilling contractor was deployed to the site and each borehole was drilled to a depth

of 105 feet bgs. Relevant to the present release, boring BH-01 is 1460 feet west of the perimeter of the battery containment as measured using functions of Google Earth Pro®. Boring BH-01 is thus located within the requisite one-half mile radius (2640-feet) of the release area. A PVC riser with screen was installed in each boring. The borings remained open for 3 weeks. No groundwater was found to be in boring BH-01 (CP-1865 POD 1) after the required 72-hour waiting period and the boring remained dry the entire time that it was open. The riser with screen was removed and each boring was plugged per the NMOSE approved plugging plan on March 1, 2021. An archaeological survey was determined to be unnecessary (there was no new land disturbance on the lease area) following email conversations with management personnel at the NMSLO. Correspondence related to the relief of requirement for the archaeological survey is provided in Appendix E: Permits. The log for BH-01 (CP 1865 POD 1) is found in Appendix F.

Closure criteria for the Gem # 11H Battery release is based on Table 1 depth to groundwater greater than 100 feet (i.e., 20,000 chloride, 2,500 mg/kg TPH, 1,000 mg/kg GRO + DRO, 50 mg/kg BTEX and 10mg/kg). Laboratory results for the three samples submitted for SP-1 show the highest chloride result was 5,680 mg/kg in SP-1 @ 1 foot, the lowest was 1,330 mg/kg in SP-1 @ 4 feet. The highest TPH result was 133 mg/kg in SP-1 @ 1 foot and the lowest was 13.9 SP-1 @ 4 feet. The highest GRO + DRO value was 111 mg/kg in SP-1@ 1 foot and the lowest was 13.9 mg/kg in SP-1 @ 4 feet. BTEX and Benzene were not detected at concentrations above the method detection limit for the analyte).

Submission of this closure request respects the requirements of NMAC 19.15.17.7.a.i & ii. Note that on December 21, 2020, Gary Robinson of NMOCD visited the site, checked and photo documented the liner after it was repaired and subsequently submitted the photos to the NMOCD Artesia District Office, thus the liner has been inspected by Trinity, and by NMOCD. No issues were noted during the inspection by Trinity personnel and Mr. Robinson. The liner is fully intact and functioning as intended.

Current Status:

- On December 16, 2020, Trinity received laboratory results for the grab samples collected from soil sample auger boring SP-1 on December 11, 2020. The results of sampling show that the impact to soil beneath the liner are well below the RRALS in NMAC 19.15.29.12. E(2) Table 1 for a site where the depth to groundwater exceeds 100 feet bgs.
- The soil materials were shipped on December 10, 2020 for compliant disposal at R 360 Permit # NM-01-006.
- A request for inspection of the liner was made to NMOCD on December 18, 2020 vis phone. Additional guidance was sought on December 21, 2020 regarding the sufficiency of a phone request for inspection.
- NMOCD employee (Gary Robinson) visited the site on December 21, 2020 inspected the liner and took photographs that were submitted to NMOCD management personnel. No issues were reported. This constituted an inspection by NMOCD personnel.
- BTA opted to drill two soil borings to an approximate depth of 105 feet at strategic locations within the Gem lease area to demonstrate that the depth to groundwater across the Gem lease is greater than 101 feet bgs. BH-01 (CP-1865 POD 1) is relevant to the release area and is documented as dry to 105 feet below ground surface.
- On January 21, 2021, Trinity personnel hand delivered two "WR-07" applications to the New Mexico Office of State Engineer's District office in Roswell to permit the borings.
- Approval and issuance right of access from the New Mexico State Land Office occurred on February 01, 2021.
- A permit to plug the borings was issued February 03, 2021 and received February 08, 2021.

- Permits to drill were issued on February 4, 2021 by the NMOSE and sent via email to Trinity on the same day.
- On February 08, 2021, Trinity supervised drilling of both boreholes on the Gem lease area. A riser with screen was installed in each borehole to prevent backfall or collapse of soil and rock into the boring.
- On March 1, 2021 the riser with screen was removed and each boring was plugged per the NMOSE approved plan.
- During the week of March 22 to 26, 2021, Trinity personnel backfilled over the liner with caliche fines. This completes all the fieldwork tasks for the BTA Gem 11-H Battery release.

Based on the results of laboratory analysis of samples collected at SP-1 showing that the constituents present are well below the NMAC 19.15.29.12 Table 1 closure criteria, the determination that the depth to groundwater exceeds 100 feet within a ½-mile radius of the release point and liner inspections showing that the liner is in good condition, is intact and functional, Trinity, on the behalf of BTA, requests that the NMOCD close Incident Number nRM2035044372 and proposes that no further action be required at the site.

Enclosures:

Figure 1: Site Location Map

Figure 2: Depth to Groundwater Trend Map

Figure 3: Well Protection Area Map

Figure 4: Borehole Location Map

Figure 5: Sample Location Map

Table 1: Concentrations of Benzene, BTEX, TPH & Chloride in Soil

Table 2: Chloride Field Test Results

Table 3: Closure Criteria Justification

Appendix A: Initial Release Notification & Corrective Action (Form C-141's) & Spill Calculation Form

Appendix B: Final C-141 Incident Summary and Closure Request

Appendix C: Photographs

Appendix D: Laboratory Analytical Results

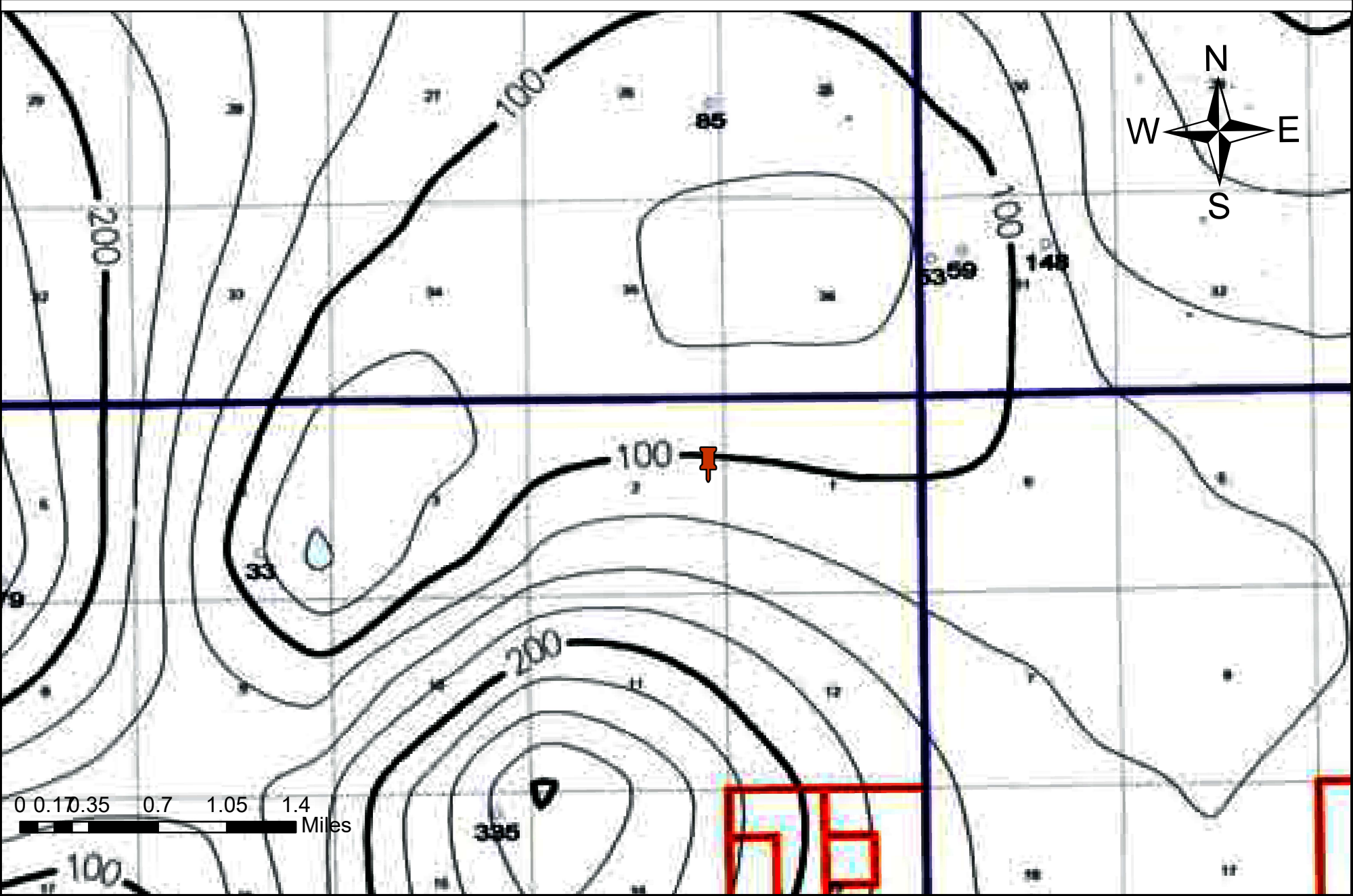
Appendix E: Permits

Appendix F: Borehole Log

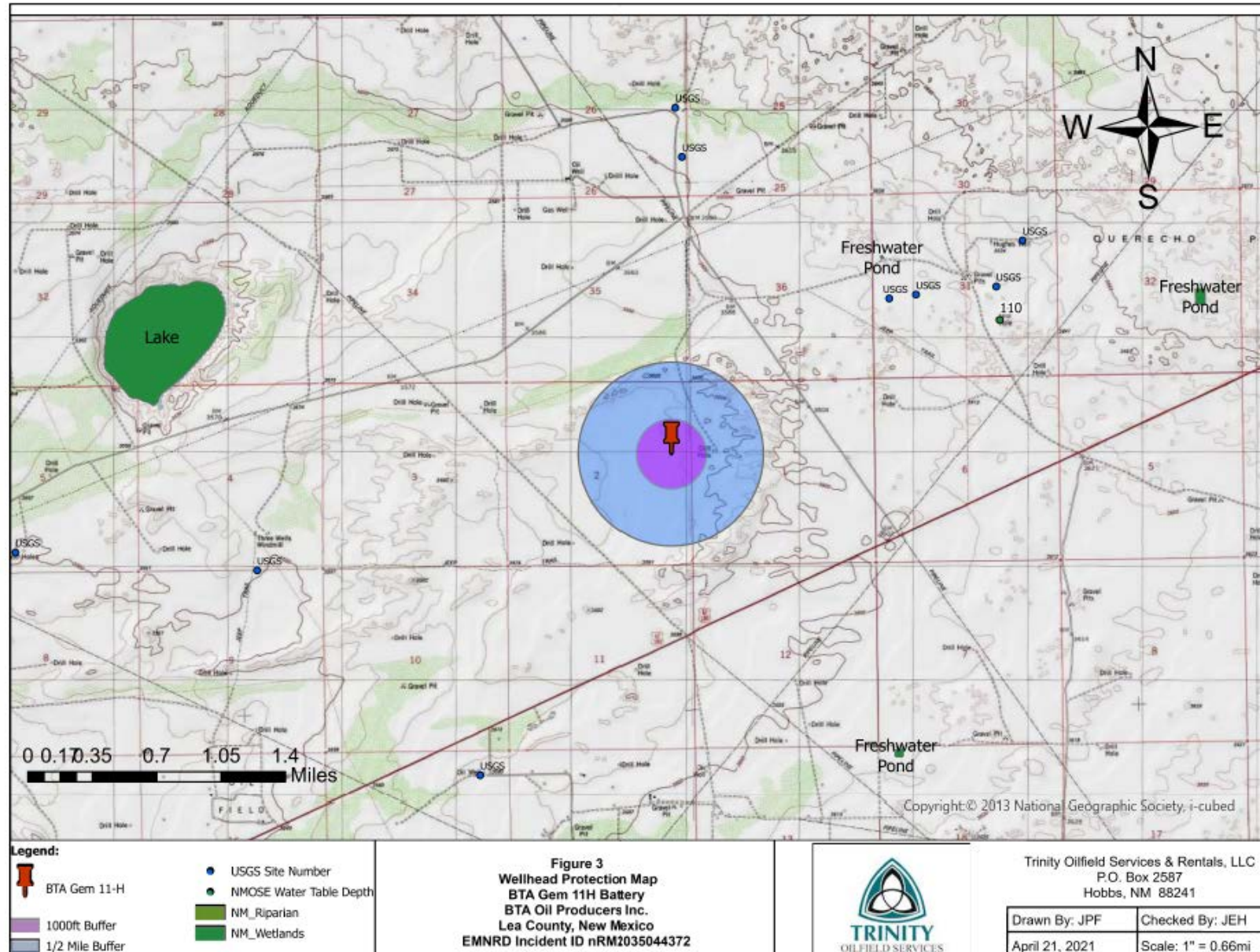
Appendix G: Liner Inspection Form

FIGURES

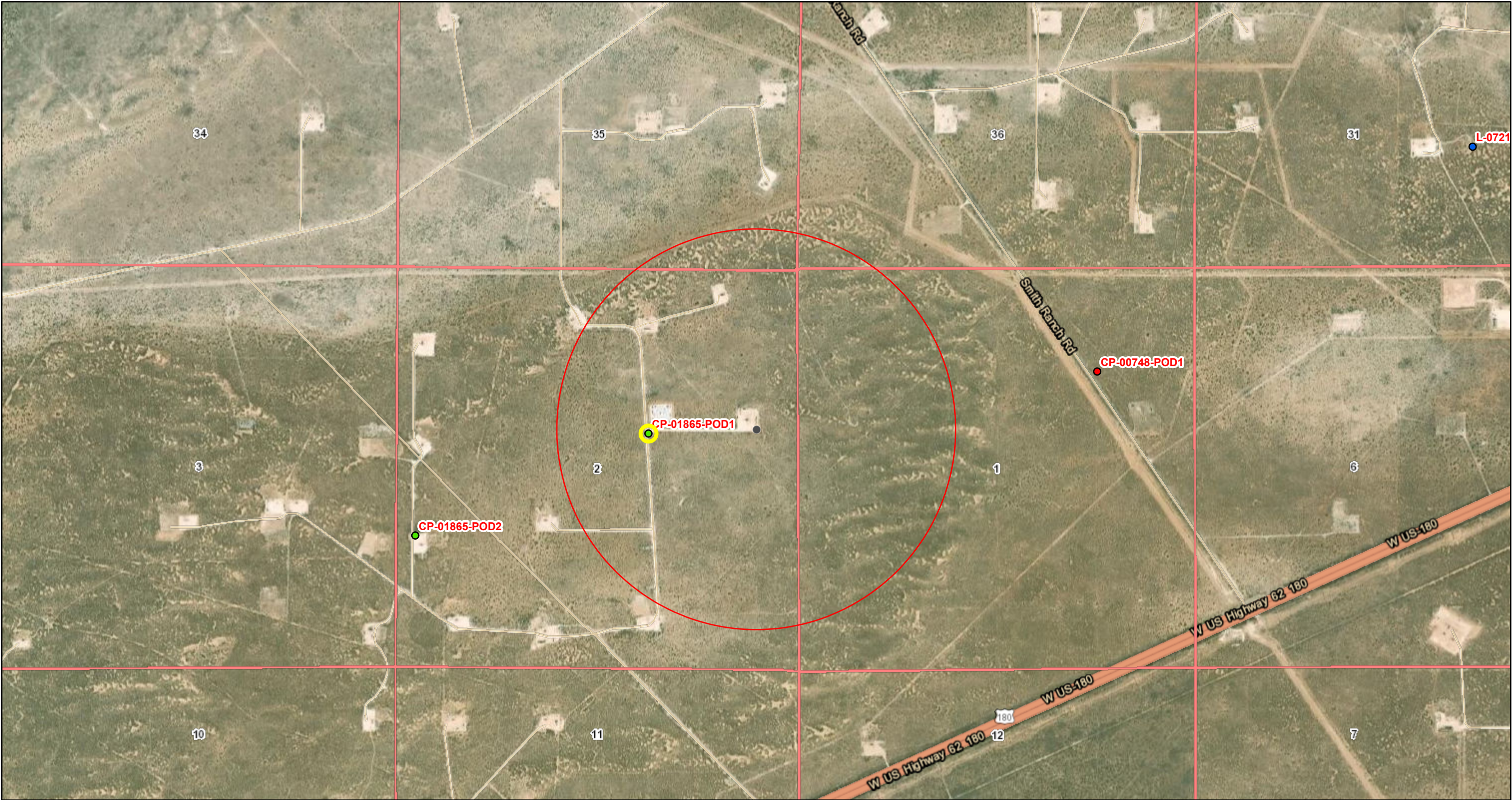




Legend:  BTA Gem 11-H	Figure 1 Depth to Groundwater Trend Map BTA Gem 11H Battery BTA Oil Producers Inc. Lea County, New Mexico EMNRD Incident ID nRM2035044372		Trinity Oilfield Services & Rentals, LLC P.O. Box 2587 Hobbs, NM 88241	
			Drawn By: JPF April 21, 2021	Checked By: JEH Scale: 1" = 0.66mi



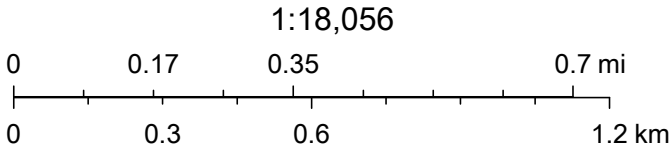
Gem 11-1H | Half Mile Buffer



4/5/2021, 1:46:57 PM

GIS WATERS PODs

- Plugged
- Active
- Pending
- SiteBoundaries
- OSE District Boundary
- Sections



USDA FSA, GeoEye, Maxar, Esri, HERE, iPC, OSE SLO, U.S. Department of Energy Office of Legacy Management, Esri, HERE, Garmin, iPC



Figure 5 BTA Gem Lease Boring Locations

State Land, Lea County NM

Legend

- ▣ BTA Gem 11-H Battery
- △ Borehole Location



TABLES

TABLE 1
CONCENTRATIONS OF BENZENE, BTEX, TPH & CHLORIDE IN SOIL

BTA Oil PRODUCERS, LLC
 GEM 11-H BATTERY
 LEA COUNTY, NEW MEXICO
 NMOCD REFERENCE #: nRM2035044372



SAMPLE LOCATION	SAMPLE DEPTH (BGS)	SAMPLE DATE	SAMPLE TYPE	SOIL STATUS	EPA SW-846 Method 8021B							EPA SW-846 Method 8015M					SM4500CI-B
					BENZENE (mg/Kg)	TOLUENE (mg/Kg)	ETHYL- BENZENE (mg/Kg)	M,P- XYLENES (mg/Kg)	O-XYLENE (mg/Kg)	TOTAL XYLENES (mg/Kg)	TOTAL BTEX (mg/Kg)	GRO C ₆ -C ₁₀ (mg/Kg)	DRO C ₁₀ -C ₂₈ (mg/Kg)	GRO+ DRO (mg/kg)	MRO C ₂₈ -C ₃₆ (mg/Kg)	TPH C ₆ -C ₃₆ (mg/Kg)	CHLORIDE (mg/Kg)
NMOCD Closure Limits					10	NE	NE	NE	NE	NE	50	NE	NE	1,000	NE	2,500	20,000
SP-1 @ 1'	1'	12/11/2020	Grab	In-Situ	< 0.50	< 0.50	< 0.50	-	-	<0.150	<0.300	< 10.0	111	111	22.0	133	5,680
SP-1 @ 4'	4'	12/11/2020	Grab	In-Situ	< 0.50	< 0.50	< 0.50	-	-	<0.150	<0.300	< 10.0	13.9	13.9	< 10.0	13.9	1,330
SP-1 @ 7'	7'	12/11/2020	Grab	In-Situ	< 0.50	< 0.50	< 0.50	-	-	<0.150	<0.300	< 10.0	43.6	43.6	< 10.0	43.6	1,540

- = Not analyzed individually but as a total

Concentrations in **BOLD** exceed the NMOCD Closure Limit

Client: BTD

Site Sketch

Conductivity
501

**TABLE 3
CLOSURE CRITERIA JUSTIFICATION**

**BTA Oil Producers, LLC
BTA Gem 11-H Battery
LEA COUNTY, NEW MEXICO
EMNRD INCIDENT #:**



Groundwater, Water Wells & Other Water Sources	
Depth to groundwater (ft)?	> 105 feet
Horizontal distance (ft) from all water sources within 0.5 miles?	N/A
Within 500' of a spring or a private, domestic fresh water well used by less than 5 households for domestic or stock watering purposes?	No
Within 1000' of any fresh water well or spring?	No
Surface Water	
Horizontal distance (ft) to nearest significant watercourse?	>1,000
Within 300' of any continuously flowing watercourse or any other significant watercourse?	No
Within 200' of any lakebed, sinkhole or playa lake?	No
Human-Occupied, Environmental & Other Areas	
Within incorporated municipal boundaries or within a defined municipal fresh water well field?	No
Within 300' of an occupied permanent residence, school, hospital, institution or church?	No
Within 300' of a wetland?	No
Within the area overlying a subsurface mine?	No
Within an unstable area?	No
Within a 100-year floodplain?	No

Closure Criteria (mg/kg)*				
Benzene	BTEX	GRO + DRO	TPH	Chloride**
10	50	1,000	2,500	20,000

*Numerical limits or natural background level, whichever is greater

APPENDICES

APPENDIX A
RELEASE NOTIFICATION AND CORRECTIVE ACTION
(FORM C-141A)

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: BTA Oil Producers, LLC	OGRID: 260297
Contact Name: Bob Hall	Contact Telephone: 432-682-3753
Contact email: bhall@btaoil.com	Incident # (assigned by OCD)
Contact mailing address: 104 S. Pecos St., Midland, TX 79701	

Location of Release Source

Latitude: **32.60362°** Longitude: **-103.62711°**

(NAD 83 in decimal degrees to 5 decimal places)

Site Name: Gem #11 Tank Battery	Site Type: Tank Battery
Date Release Discovered: 11/25/2020	API# (if applicable) Nearest well: Gem 8705 JV-P #011 H API #30-025-40316

Unit Letter	Section	Township	Range	County
H	2	20S	33E	Lea

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

Nature and Volume of Release

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

<input checked="" type="checkbox"/> Crude Oil	Volume Released (bbls) 11 BBL	Volume Recovered (bbls) 10 BBL
<input checked="" type="checkbox"/> Produced Water	Volume Released (bbls) 11 BBL	Volume Recovered (bbls) 10 BBL
	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

A hole in the heater treater vessel allowed 11 BO and 11 BW to be released into the lined containment area of the tank battery/production facility. A vacuum truck was used to recover 10 BO and 10 BW. There is impacted pea gravel and caliche inside of the lined containment that will be removed to allow for a liner inspection.

The volume of the spill was determined by actual measurement of fluid recovered, then increased to estimate unrecovered residual fluid that was released, but not picked up by the vacuum truck.

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?

☐ Yes ☒ No

If YES, for what reason(s) does the responsible party consider this a major release?

If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?

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: **Bob Hall** Title: **Environmental Manager**

Signature: 

Date: **12/3/2020**

email: **bhall@btaoil.com**

Telephone: **432-682-3753**

OCD Only

Received by: _____

Date: _____

***** LIQUID SPILLS - VOLUME CALCULATIONS *****

Location of spill:

BTA Gem 11-H Battery

(32.60362,-103.62711)

Date of Spill:

11/25/2020

Estimated Daily Production Loss:

11

11

BBL Water

Site Soil Type:

Kernell Soil and Dune Lands/Flyole and Maljamar fine sands

Total Area Calculations				
Total Surface Area	width	length	wet soil depth	oil (%)
Rectangle Area #1	40.0 ft	86.0 ft	0.13 in	50%
Rectangle Area #2	20.0 ft	34.0 ft	0.13 in	50%
Rectangle Area #3	ft	ft	in	0%
Rectangle Area #4	ft	ft	in	0%
Rectangle Area #5	ft	ft	in	0%
Rectangle Area #6	ft	ft	in	0%
Rectangle Area #7	ft	ft	in	0%
Rectangle Area #8	ft	ft	in	0%

Porosity 0.26 gal per gal

Saturated Soil Volume Calculations:

		H ₂ O	OIL
Area #1	3,440 sq. ft.	18 cu. ft.	18 cu. ft.
Area #2	680 sq. ft.	4 cu. ft.	4 cu. ft.
Area #3	0 sq. ft.	cu. ft.	cu. ft.
Area #4	0 sq. ft.	cu. ft.	cu. ft.
Area #5	0 sq. ft.	cu. ft.	cu. ft.
Area #6	0 sq. ft.	cu. ft.	cu. ft.
Area #7	0 sq. ft.	cu. ft.	cu. ft.
Area #8	0 sq. ft.	cu. ft.	cu. ft.
Total Solid/Liquid Volume:	4,120 sq. ft.	21 cu. ft.	21 cu. ft.

Estimated Volumes Spilled

Liquid In Soil:	H ₂ O	OIL
Liquid Recovered :	1.0 BBL	1.0 BBL
	10.0 BBL	10.0 BBL
Spill Liquid	11.0 BBL	11.0 BBL
Total Spill Liquid:	21.99	BBL
Recovered Volumes		
Estimated oil recovered:	10.0 BBL	
Estimated water recovered:	10.0 BBL	

Soil Type	Porosity
Clay	0.15
Peat	0.40
Glacial Sediments	0.13
Sandy Clay	0.12
Silt	0.16
Loess	0.25
Fine Sand	0.16
Medium Sand	0.25
Coarse Sand	0.26
Gravelly Sand	0.26
Fine Gravel	0.26
Medium Gravel	0.25
Coarse Gravel	0.18
Sandstone	0.25
Siltstone	0.18
Shale	0.05
Limestone	0.13
Basalt	0.19
Volcanic Tuff	0.20
Standing Liquids	

APPENDIX B
FINAL C-141 INCIDENT SUMMARY & CLOSURE REQUEST

State of New Mexico
Oil Conservation Division

Incident ID	nRM2035044372
District RP	
Facility ID	
Application ID	

Site Assessment/Characterization

This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release?	<u>>105</u> (ft bgs)
Did this release impact groundwater or surface water?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a continuously flowing watercourse or any other significant watercourse?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of an occupied permanent residence, school, hospital, institution, or church?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 1000 feet of any other fresh water well or spring?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within incorporated municipal boundaries or within a defined municipal fresh water well field?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within 300 feet of a wetland?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying a subsurface mine?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release overlying an unstable area such as karst geology?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are the lateral extents of the release within a 100-year floodplain?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Did the release impact areas not on an exploration, development, production, or storage site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Attach a comprehensive report (electronic submittals in .pdf format are preferred) demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined. Refer to 19.15.29.11 NMAC for specifics.

Characterization Report Checklist: *Each of the following items must be included in the report.*

- ☒ Scaled site map showing impacted area, surface features, subsurface features, delineation points, and monitoring wells.
- ☒ Field data
- ☒ Data table of soil contaminant concentration data
- ☒ Depth to water determination
- ☒ Determination of water sources and significant watercourses within ½-mile of the lateral extents of the release
- ☒ Boring or excavation logs
- ☒ Photographs including date and GIS information
- ☒ Topographic/Aerial maps
- ☒ Laboratory data including chain of custody

If the site characterization report does not include completed efforts at remediation of the release, the report must include a proposed remediation plan. That plan must include the estimated volume of material to be remediated, the proposed remediation technique, proposed sampling plan and methods, anticipated timelines for beginning and completing the remediation. The closure criteria for a release are contained in Table 1 of 19.15.29.12 NMAC, however, use of the table is modified by site- and release-specific parameters.

Form C-141

State of New Mexico
Oil Conservation Division

Page 4

Incident ID	nRM2035044372
District RP	
Facility ID	
Application ID	

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: **Bob Hall**Title: **Environmental Manager**Signature: Date: **4/20/2021**email: **bhall@btaoil.com**Telephone: **432-682-3753****OCD Only**

Received by: _____

Date: _____

State of New Mexico
Oil Conservation Division

Incident ID	nRM2035044372
District RP	
Facility ID	
Application ID	

Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: *Each of the following items must be included in the closure report.*

- ☒ A scaled site and sampling diagram as described in 19.15.29.11 NMAC
- ☒ Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)
- ☒ Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)
- ☐ Description of remediation activities

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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

Printed Name: **Bob Hall**Title: **Environmental Manager**Signature: Date: **4/20/2021**email: **bhall@btaoil.com**Telephone: **432-682-3753****OCD Only**

Received by: _____

Date: _____

Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.

Closure Approved by: _____ Date: _____

Printed Name: _____ Title: _____

APPENDIX C

SITE PHOTOGRAPHY

BTA Oil Producers Gem 11-H Battery
Unit Letter H, Section 2, TWP 20 S



The heater treater within the containment is this containment is source of the release.
Looking northwesterly.

BTA Oil Producers Gem 11-H Battery
Unit Letter H, Section 2, TWP 20 S



The release flowed to the north within the battery. Looking to the west.



The released fluids did not migrate to the eastern edge of the containment or in between the tanks within the battery. Looking westerly.

BTA Oil Producers Gem 11-H Battery
Unit Letter H, Section 2, TWP 20 S



Northwestern corner of the battery. Looking east northeasterly.



Northwestern portion of the containment.
This salt crust is unrelated to the release from the heater treater.

BTA Oil Producers Gem 11-H Battery
Unit Letter H, Section 2, TWP 20 S



Northern most point of migration of the release from the heater treater.
Looking east northeasterly



Crude oil and produced water migrated northerly along the western side of the tank battery. Looking nearly due east.

BTA Oil Producers Gem 11-H Battery
Unit Letter H, Section 2, TWP 20 S

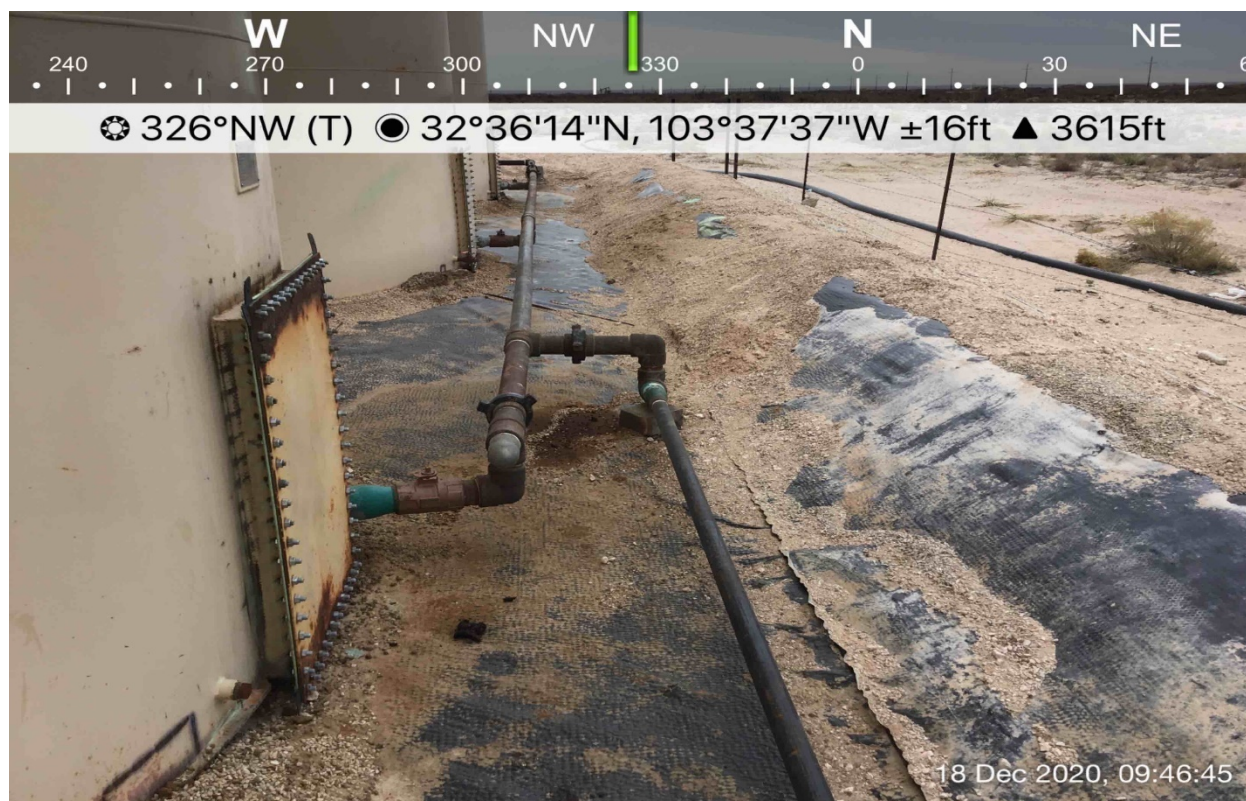


Migration path along the west side of the battery. Looking almost due east.

BTA Oil Producers Gem 11-H Battery
Unit Letter H, Section 2, TWP 20 S



Exposed liner looking northwesterly, west side of battery.



Exposed liner looking northwest, east side of battery.

BTA Oil Producers Gem 11-H Battery
Unit Letter H, Section 2, TWP 20 S



Liner along the east side of the containment looking almost due south.



BTA Oil Producers Gem 11-H Battery
Unit Letter H, Section 2, TWP 20 S

Liner at the heater treater looking south.



Liner north of the heater treater looking southeasterly

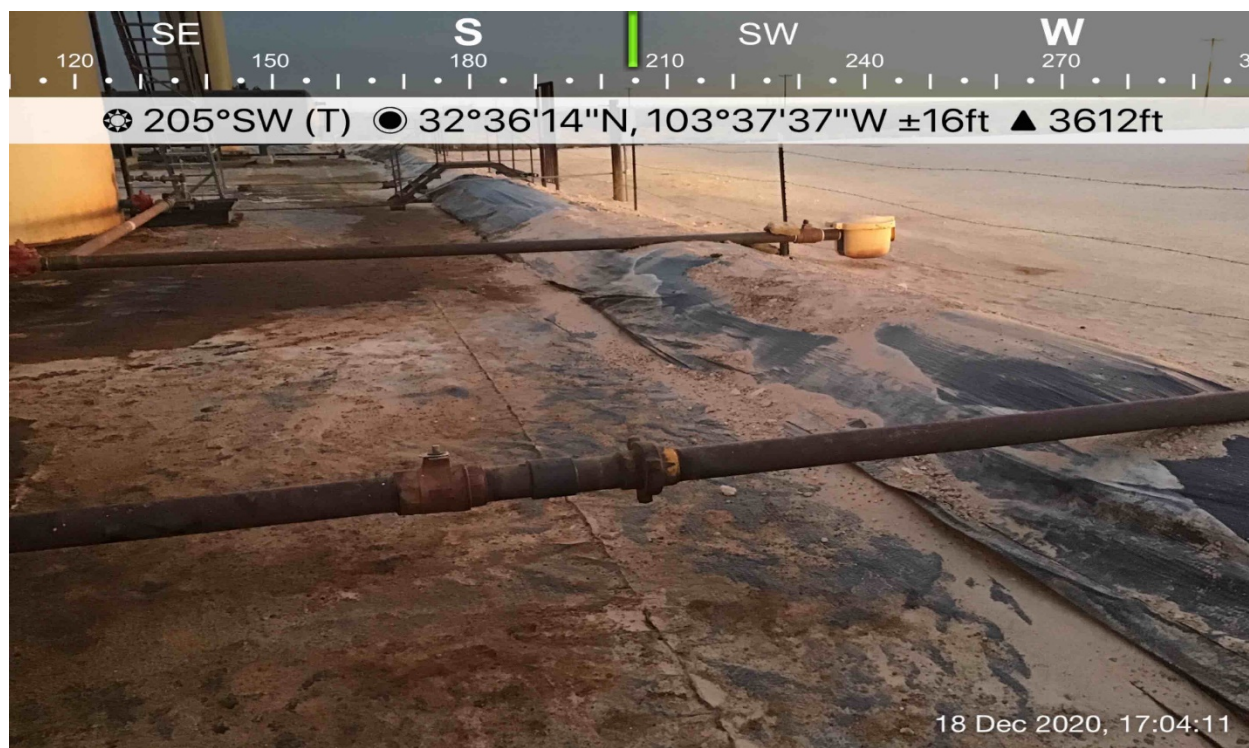


Liner at heater treater piping near the east side of the heater treater looking east
northeast

BTA Oil Producers Gem 11-H Battery
Unit Letter H, Section 2, TWP 20 S



Liner at the southeastern corner of the containment looking southwest.



West side of containment looking south southwest.

BTA Oil Producers Gem 11-H Battery
Unit Letter H, Section 2, TWP 20 S



This is the baseball sized hole found in the liner. This and other small holes appear to be mechanically induced. All holes found in the liner were repaired.

BTA Oil Producers Gem 11-H Battery
Unit Letter H, Section 2, TWP 20 S



This is the repair to the baseball sized hole in the liner. Looking east northeast.

BTA Oil Producers Gem 11-H Battery
Unit Letter H, Section 2, TWP 20 S



Drilling BH-01: CP-1865 POD 1 using Versa-Drill® V-100NG Air Rotary rig.

BTA Oil Producers Gem 11-H Battery
Unit Letter H, Section 2, TWP 20 S



Installing riser and screen for measuring depth to groundwater. The boring proved to be dry at 105 feet - total depth of the hole and remained dry until it was plugged three weeks later.

BTA Oil Producers Gem 11-H Battery
Unit Letter H, Section 2, TWP 20 S



Plugged boring BH-010: CP-1865 POD 1 Dry Hole to 105 feet.



Protective Backfill Cover for the West Side of BTA Gem 11-H Battery Looking South.

BTA Oil Producers Gem 11-H Battery
Unit Letter H, Section 2, TWP 20 S



Protective Cover for the East Side of BTA Gem 11-H Battery Looking South



Protective Backfill at the Southern End of the BTA Gem 11-H Battery

BTA Oil Producers Gem 11-H Battery
Unit Letter H, Section 2, TWP 20 S



Protective Backfill at the Heater Treater at the South End of the Battery

APPENDIX D

LABORATORY REPORT



PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NM 88240

December 16, 2020

JOHN FARRELL

TRINITY OILFIELD SERVICES & RENTALS, LLC

P. O. BOX 2587

HOBBS, NM 88241

RE: BTA GEM 11H BATTERY

Enclosed are the results of analyses for samples received by the laboratory on 12/11/20 15:20.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-20-13. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Celey D. Keene". The signature is written in a cursive, flowing style.

Celey D. Keene

Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Analytical Results For:

TRINITY OILFIELD SERVICES & RENTALS, LLC
 JOHN FARRELL
 P. O. BOX 2587
 HOBBS NM, 88241
 Fax To: NONE

Received:	12/11/2020	Sampling Date:	12/11/2020
Reported:	12/16/2020	Sampling Type:	Soil
Project Name:	BTA GEM 11H BATTERY	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Tamara Oldaker
Project Location:	NORTH OF US 62-180 @ CR55		

Sample ID: SP - 1 @ 1' (H003247-01)

BTEX 8021B		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	12/15/2020	ND	2.07	104	2.00	1.75	
Toluene*	<0.050	0.050	12/15/2020	ND	1.98	98.9	2.00	1.72	
Ethylbenzene*	<0.050	0.050	12/15/2020	ND	2.08	104	2.00	1.32	
Total Xylenes*	<0.150	0.150	12/15/2020	ND	5.94	98.9	6.00	1.44	
Total BTEX	<0.300	0.300	12/15/2020	ND					

Surrogate: 4-Bromofluorobenzene (PID) 99.7 % 73.3-129

Chloride, SM4500Cl-B		mg/kg		Analyzed By: GM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	5680	16.0	12/14/2020	ND	400	100	400	3.92	

TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	<10.0	10.0	12/15/2020	ND	246	123	200	6.57	
DRO >C10-C28*	111	10.0	12/15/2020	ND	242	121	200	6.12	
EXT DRO >C28-C36	22.0	10.0	12/15/2020	ND					

Surrogate: 1-Chlorooctane 86.4 % 44.3-144

Surrogate: 1-Chlorooctadecane 83.4 % 42.2-156

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celey D. Keene, Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Analytical Results For:

TRINITY OILFIELD SERVICES & RENTALS, LLC
 JOHN FARRELL
 P. O. BOX 2587
 HOBBS NM, 88241
 Fax To: NONE

Received: 12/11/2020
 Reported: 12/16/2020
 Project Name: BTA GEM 11H BATTERY
 Project Number: NONE GIVEN
 Project Location: NORTH OF US 62-180 @ CR55

Sampling Date: 12/11/2020
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Tamara Oldaker

Sample ID: SP - 1 @ 4' (H003247-02)

BTEx 8021B		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	12/15/2020	ND	2.07	104	2.00	1.75		
Toluene*	<0.050	0.050	12/15/2020	ND	1.98	98.9	2.00	1.72		
Ethylbenzene*	<0.050	0.050	12/15/2020	ND	2.08	104	2.00	1.32		
Total Xylenes*	<0.150	0.150	12/15/2020	ND	5.94	98.9	6.00	1.44		
Total BTEx	<0.300	0.300	12/15/2020	ND						

Surrogate: 4-Bromofluorobenzene (PID) 101 % 73.3-129

Chloride, SM4500CI-B		mg/kg		Analyzed By: GM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	1330	16.0	12/15/2020	ND	400	100	400	3.92	QM-07	

TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	<10.0	10.0	12/15/2020	ND	246	123	200	6.57	
DRO >C10-C28*	13.9	10.0	12/15/2020	ND	242	121	200	6.12	
EXT DRO >C28-C36	<10.0	10.0	12/15/2020	ND					

Surrogate: 1-Chlorooctane 85.3 % 44.3-144

Surrogate: 1-Chlorooctadecane 79.5 % 42.2-156

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celey D. Keene, Lab Director/Quality Manager



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Analytical Results For:

TRINITY OILFIELD SERVICES & RENTALS, LLC
 JOHN FARRELL
 P. O. BOX 2587
 HOBBS NM, 88241
 Fax To: NONE

Received: 12/11/2020
 Reported: 12/16/2020
 Project Name: BTA GEM 11H BATTERY
 Project Number: NONE GIVEN
 Project Location: NORTH OF US 62-180 @ CR55

Sampling Date: 12/11/2020
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Tamara Oldaker

Sample ID: SP - 1 @ 7' (H003247-03)

BTEx 8021B		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	12/15/2020	ND	2.07	104	2.00	1.75		
Toluene*	<0.050	0.050	12/15/2020	ND	1.98	98.9	2.00	1.72		
Ethylbenzene*	<0.050	0.050	12/15/2020	ND	2.08	104	2.00	1.32		
Total Xylenes*	<0.150	0.150	12/15/2020	ND	5.94	98.9	6.00	1.44		
Total BTEx	<0.300	0.300	12/15/2020	ND						

Surrogate: 4-Bromofluorobenzene (PID) 99.8 % 73.3-129

Chloride, SM4500Cl-B		mg/kg		Analyzed By: GM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	1540	16.0	12/15/2020	ND	400	100	400	3.92	

TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10*	<10.0	10.0	12/15/2020	ND	246	123	200	6.57	
DRO >C10-C28*	43.6	10.0	12/15/2020	ND	242	121	200	6.12	
EXT DRO >C28-C36	<10.0	10.0	12/15/2020	ND					

Surrogate: 1-Chlorooctane 84.4 % 44.3-144

Surrogate: 1-Chlorooctadecane 82.3 % 42.2-156

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

Celey D. Keene, Lab Director/Quality Manager

PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NM 88240

Notes and Definitions

QM-07	The spike recovery was outside acceptance limits for the MS and/or MSD. The batch was accepted based on acceptable LCS recovery.
ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

A handwritten signature in black ink, appearing to read "Celey D. Keene".

Celey D. Keene, Lab Director/Quality Manager

101 East Marland, Hobbs, NM 88240
(575) 393-2326 FAX (575) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

[illegible]

APPENDIX E

PERMITS

John R. D Antonio, Jr., P.E.
State Engineer



Roswell Office
1900 WEST SECOND STREET
ROSWELL, NM 88201

**STATE OF NEW MEXICO
OFFICE OF THE STATE ENGINEER**

Trn Nbr: 686912
File Nbr: CP 01865

Feb. 04, 2021

JOHN FARRELL
607 EAST JEMEZ STREET
HOBBS, NM 88240

Greetings:

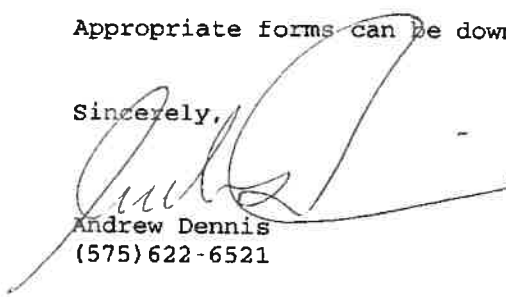
Your approved copy of the above numbered permit to drill a well for non-consumptive purposes is enclosed. You must obtain an additional permit if you intend to use the water. It is your responsibility to provide the contracted well driller with a copy of the permit that must be made available during well drilling activities.

Carefully review the attached conditions of approval for all specific permit requirements.

- * If use of this well is temporary in nature and the well will be plugged at the end of the well usage, the OSE must initially approve of the plugging. If plugging approval is not conditioned in this permit, the applicant must submit a Plugging Plan of Operations for approval prior to the well being plugged. The Plugging Record must be properly completed and submitted to the OSE within 30 days of the well plugging.
- * If the final intended purpose and condition requires a well ID tag and meter installation, the applicant must immediately send a completed meter report form to this office.
- * The well record and log must be submitted within 30 days of the completion of the well or if the attempt was a dry hole.
- * This permit expires and will be cancelled if no well is drilled and/or a well log is not received by the date set forth in the conditions of approval.

Appropriate forms can be downloaded from the OSE website www.ose.state.nm.us.

Sincerely,


Andrew Dennis
(575) 622-6521

Enclosure

explore

File No CP-1865

NEW MEXICO OFFICE OF THE STATE ENGINEER

WR-07 APPLICATION FOR PERMIT TO DRILL

A WELL WITH NO WATER RIGHT

(check applicable box)

For fees see State Engineer website <http://www.ose.state.nm.us/>

Purpose	<input type="checkbox"/> Pollution Control And/Or Recovery	<input type="checkbox"/> Ground Source Heat Pump
<input type="checkbox"/> Exploratory Well (Pump test)	<input type="checkbox"/> Construction Site/Public Works Dewatering	<input checked="" type="checkbox"/> Other(Describe) <u>SOIL BORING TO PROVE THE ABSENCE OF GROUNDWATER @ TD OF BORING</u>
<input type="checkbox"/> Monitoring Well	<input type="checkbox"/> Mine Dewatering	

A separate permit will be required to apply water to beneficial use regardless if use is consumptive or nonconsumptive

☒ Temporary Request - Requested Start Date JAN 21, 2021 Requested End Date FEB 21, 2021

Plugging Plan of Operations Submitted? ☒ Yes ☐ No

1. APPLICANT(S)

Name <u>BTA OIL PRODUCERS, LLC</u>	Name <u>JOHN P FARRELL PG</u>
Contact or Agent: check here if Agent <input type="checkbox"/>	Contact or Agent: check here if Agent <input checked="" type="checkbox"/>
<u>BOB HALL ENV. MGR</u>	
Mailing Address <u>104 S. PECOS ST</u>	Mailing Address <u>607 E JEMEZ ST</u>
City <u>MIDLAND</u>	City <u>HOBBS</u>
State <u>TX</u> Zip Code <u>79701</u>	State <u>NM</u> Zip Code <u>88240</u>
Phone <u>432 312 2203</u> <input type="checkbox"/> Home <input checked="" type="checkbox"/> Cell Phone (Work) <u>432 682 3753</u>	Phone <u>575 942 1645</u> <input checked="" type="checkbox"/> Home <input checked="" type="checkbox"/> Cell Phone (Work): <u>575 942 1645</u>
E-mail (optional): <u>Bhall@btaoil.com</u>	E-mail (optional): <u>john@trinityoilfieldservices.com</u>

FOR OSE INTERNAL USE

Application for Permit Form WR-07, Rev 11/17/16

File No <u>CP-1865PODS-1-2</u>	Trn. No: <u>686912</u>	Receipt No.: <u>2-42931</u>
Trans Description (optional): <u>EXPL (Boreholes)</u>		
Sub-Basin: <u>C-P</u>	PCW/LOG Due Date: <u>2/4/22</u>	

Page 1 of 3

4. SPECIFIC REQUIREMENTS: The applicant must include the following, as applicable to each well type. Please check the appropriate boxes, to indicate the information has been included and/or attached to this application

Exploratory: <input type="checkbox"/> Include a description of any proposed pump test, if applicable.	Pollution Control and/or Recovery: <input type="checkbox"/> Include a plan for pollution control/recovery, that includes the following: <input type="checkbox"/> A description of the need for the pollution control or recovery operation. <input type="checkbox"/> The estimated maximum period of time for completion of the operation. <input type="checkbox"/> The annual diversion amount. <input type="checkbox"/> The annual consumptive use amount. <input type="checkbox"/> The maximum amount of water to be diverted and injected for the duration of the operation. <input type="checkbox"/> The method and place of discharge.	Construction De-Watering: <input type="checkbox"/> Include a description of the proposed dewatering operation. <input type="checkbox"/> The estimated duration of the operation. <input type="checkbox"/> The maximum amount of water to be diverted. <input type="checkbox"/> A description of the need for the dewatering operation, and, <input type="checkbox"/> A description of how the diverted water will be disposed of.	Mine De-Watering: <input type="checkbox"/> Include a plan for pollution control/recovery, that includes the following: <input type="checkbox"/> A description of the need for mine dewatering. <input type="checkbox"/> The estimated maximum period of time for completion of the operation. <input type="checkbox"/> The source(s) of the water to be diverted <input type="checkbox"/> The geohydrologic characteristics of the aquifer(s). <input type="checkbox"/> The maximum amount of water to be diverted per annum. <input type="checkbox"/> The maximum amount of water to be diverted for the duration of the operation. <input type="checkbox"/> The quality of the water.
Monitoring: <input type="checkbox"/> Include the reason for the monitoring well, and, <input type="checkbox"/> The duration of the planned monitoring.	<input type="checkbox"/> The method of measurement of water produced and discharged. <input type="checkbox"/> The source of water to be injected. <input type="checkbox"/> The method of measurement of water injected. <input type="checkbox"/> The characteristics of the aquifer. <input type="checkbox"/> The method of determining the resulting annual consumptive use of water and depletion from any related stream system. <input type="checkbox"/> Proof of any permit required from the New Mexico Environment Department. <input type="checkbox"/> An access agreement if the applicant is not the owner of the land on which the pollution plume control or recovery well is to be located.	Ground Source Heat Pump: <input type="checkbox"/> Include a description of the geothermal heat exchange project. <input type="checkbox"/> The number of boreholes for the completed project and required depths. <input type="checkbox"/> The time frame for constructing the geothermal heat exchange project, and, <input type="checkbox"/> The duration of the project. <input type="checkbox"/> Preliminary surveys, design data, and additional information shall be included to provide all essential facts relating to the request.	<input type="checkbox"/> The method of measurement of water diverted. <input type="checkbox"/> The recharge of water to the aquifer. <input type="checkbox"/> Description of the estimated area of hydrologic effect of the project. <input type="checkbox"/> The method and place of discharge. <input type="checkbox"/> An estimation of the effects on surface water rights and underground water rights from the mine dewatering project. <input type="checkbox"/> A description of the methods employed to estimate effects on surface water rights and underground water rights. <input type="checkbox"/> Information on existing wells, rivers, springs, and wetlands within the area of hydrologic effect.

ACKNOWLEDGEMENT

I, We (name of applicant(s)), JOHN P FARRELL P.G.
 Print Name(s)

affirm that the foregoing statements are true to the best of (my, our) knowledge and belief

Applicant Signature

Applicant Signature

ACTION OF THE STATE ENGINEER

This application is

☒ approved ☐ partially approved ☐ denied

provided it is not exercised to the detriment of any others having existing rights, and is not contrary to the conservation of water in New Mexico nor detrimental to the public welfare and further subject to the attached conditions of approval.

Witness my hand and seal this 4th day of February 20 21, for the State Engineer

John R. D'Antonio Jr., P.E., State Engineer

By:

Signature

Juan Hernandez

Print

Title: Water Resources Manager I

Print



FOR OSE INTERNAL USE

Application for Permit, Form WR-07

File No. CP-1865

Tm No.: 686912

Page 3 of 3

BORINGS

2. WELL(S) Describe the well(s) applicable to this application

Location Required: Coordinate location must be reported in NM State Plane (NAD 83), UTM (NAD 83), or Latitude/Longitude (Lat/Long - WGS84).
District II (Roswell) and District VII (Cimarron) customers, provide a PLSS location in addition to above.

☐ NM State Plane (NAD83) (Feet)
 ☐ UTM (NAD83) (Meters)
 ☒ Lat/Long (WGS84) (to the nearest 1/10" of second)

☐ NM West Zone
 ☐ Zone 12N

☐ NM East Zone
 ☐ Zone 13N

☐ NM Central Zone

Well Number (if known):	X or Easting or Longitude:	Y or Northing or Latitude:	Provide if known: -Public Land Survey System (PLSS) (Quarters or Halves, Section, Township, Range) OR -Hydrographic Survey Map & Tract; OR -Lot, Block & Subdivision; OR -Land Grant Name
CP-1865-POD1 BH-1	-103°37'54.3"	32°36'12.5"	SE 1/4 of SW 1/4 of NE 1/4
CP-1865-POD2 BH-2	-103°38'30.4"	32°35'39.2"	SECTION 2, T20S R33E SW 1/4 of NW 1/4 of SW 1/4
			SECTION 2, T20S R33E

NOTE: If more well locations need to be described, complete form WR-08 (Attachment 1 - POD Descriptions)

Additional well descriptions are attached: ☐ Yes ☒ No If yes, how many _____

Other description relating well to common landmarks, streets, or other:
LEA
COUNTY ROAD 55

Well is on land owned by: STATE OF NEW MEXICO

Well Information: NOTE: If more than one (1) well needs to be described, provide attachment. Attached? ☐ Yes ☐ No
If yes, how many _____

Approximate depth of well (feet) 105 Outside diameter of well casing (inches) 2 3/8

Driller Name: KANDY KANE ENTERPRISES Driller License Number: 1698

3. ADDITIONAL STATEMENTS OR EXPLANATIONS

EACH BORING LOCATION IS A SOIL BORING (NOT A WELL OR AN ATTEMPT AT A WELL) TO THE DEPTH OF APPROXIMATELY 105 FT. THE INTENTION OF THE BORING IS TO PROVE THERE IS NO WATER AT TOTAL DEPTH OF THE WELL.

FOR USE INTERNAL USE

Application for Permit. Form WR-07

File No: CP-1865-PODs 1-2

Trn No: 686712

Page 2 of 3



NEW MEXICO OFFICE OF THE STATE ENGINEER

ATTACHMENT to WD-08 Plan of Plugging
MULTIPLE MONITORING WELL DESCRIPTIONS

This Attachment is to be completed if more than one monitoring well is to be plugged using the same method.

[illegible]

FOR OSE INTERNAL USE

Multiple Monitoring POD Descriptions, Form wr-08m (Rev 7/31/19)

File Number: CP-1865-P005 1-2

Trn Number: 686912

Trans Description (optional)

EXPL (Boresholes)

05E DTJ JAN 21 2021 PM 2:43

NEW MEXICO STATE ENGINEER OFFICE
PERMIT TO EXPLORE

SPECIFIC CONDITIONS OF APPROVAL

- 17-1A Depth of the well shall not exceed the thickness of the valley fill.
- 17-4 No water shall be appropriated and beneficially used under this permit.
- 17-6 The well authorized by this permit shall be plugged completely using the following method per Rules and Regulations Governing Well Driller Licensing, Construction, Repair and Plugging of Wells; Subsection C of 19.27.4.30 NMAC unless an alternative plugging method is proposed by the well owner and approved by the State Engineer upon completion of the permitted use. All pumping appurtenance shall be removed from the well prior to plugging. To plug a well, the entire well shall be filled from the bottom upwards to ground surface using a tremie pipe. The bottom of the tremie shall remain submerged in the sealant throughout the entire sealing process; other placement methods may be acceptable and approved by the state engineer. The well shall be plugged with an office of the state engineer approved sealant for use in the plugging of non-artesian wells. The well driller shall cut the casing off at least four (4) feet below ground surface and fill the open hole with at least two vertical feet of approved sealant. The driller must fill or cover any open annulus with sealant. Once the sealant has cured, the well driller or well owner may cover the seal with soil. A Plugging Report for said well shall be filed with the Office of the State Engineer in a District Office within 30 days of completion of the plugging.
- 17-7 The Permittee shall utilize the highest and best technology available to ensure conservation of water to the maximum extent practical.

Trn Desc: CP 01865 [BOREHOLES]

File Number: CP 01865

Trn Number: 686912

page: 1

**NEW MEXICO STATE ENGINEER OFFICE
PERMIT TO EXPLORE**

SPECIFIC CONDITIONS OF APPROVAL (Continued)

- 17-B The well shall be drilled by a driller licensed in the State of New Mexico in accordance with 72-12-12 NMSA 1978. A licensed driller shall not be required for the construction of a well driven without the use of a drill rig, provided that the casing shall not exceed two and three-eighths (2 3/8) inches outside diameter.
- 17-C The well driller must file the well record with the State Engineer and the applicant within 30 days after the well is drilled or driven. It is the well owner's responsibility to ensure that the well driller files the well record.
The well driller may obtain the well record form from any District Office or the Office of the State Engineer website.
- 17-P The well shall be constructed, maintained, and operated to prevent inter-aquifer exchange of water and to prevent loss of hydraulic head between hydrogeologic zones.
- 17-Q The State Engineer retains jurisdiction over this permit.
- 17-R Pursuant to section 72-8-1 NMSA 1978, the permittee shall allow the State Engineer and OSE representatives entry upon private property for the performance of their respective duties, including access to the ditch or acequia to measure flow and also to the well for meter reading and water level measurement.
- LOG The Point of Diversion CP 01865 POD1 must be completed and the Well Log filed on or before 02/04/2022.
- LOG The Point of Diversion CP 01865 POD2 must be completed and the Well Log filed on or before 02/04/2022.

Trn Desc: CP 01865 [BOREHOLES]

File Number: CP 01865

Trn Number: 686912

page: 2

NEW MEXICO STATE ENGINEER OFFICE
PERMIT TO EXPLORE

ACTION OF STATE ENGINEER

Notice of Intention Rcvd: Date Rcvd. Corrected:
Formal Application Rcvd: 01/21/2021 Pub. of Notice Ordered:
Date Returned - Correction: Affidavit of Pub. Filed:

This application is approved provided it is not exercised to the detriment of any others having existing rights, and is not contrary to the conservation of water in New Mexico nor detrimental to the public welfare of the state; and further subject to the specific conditions listed previously.

Witness my hand and seal this 04 day of Feb A.D., 2021

John R. D Antonio, Jr., P.E. State Engineer

By:

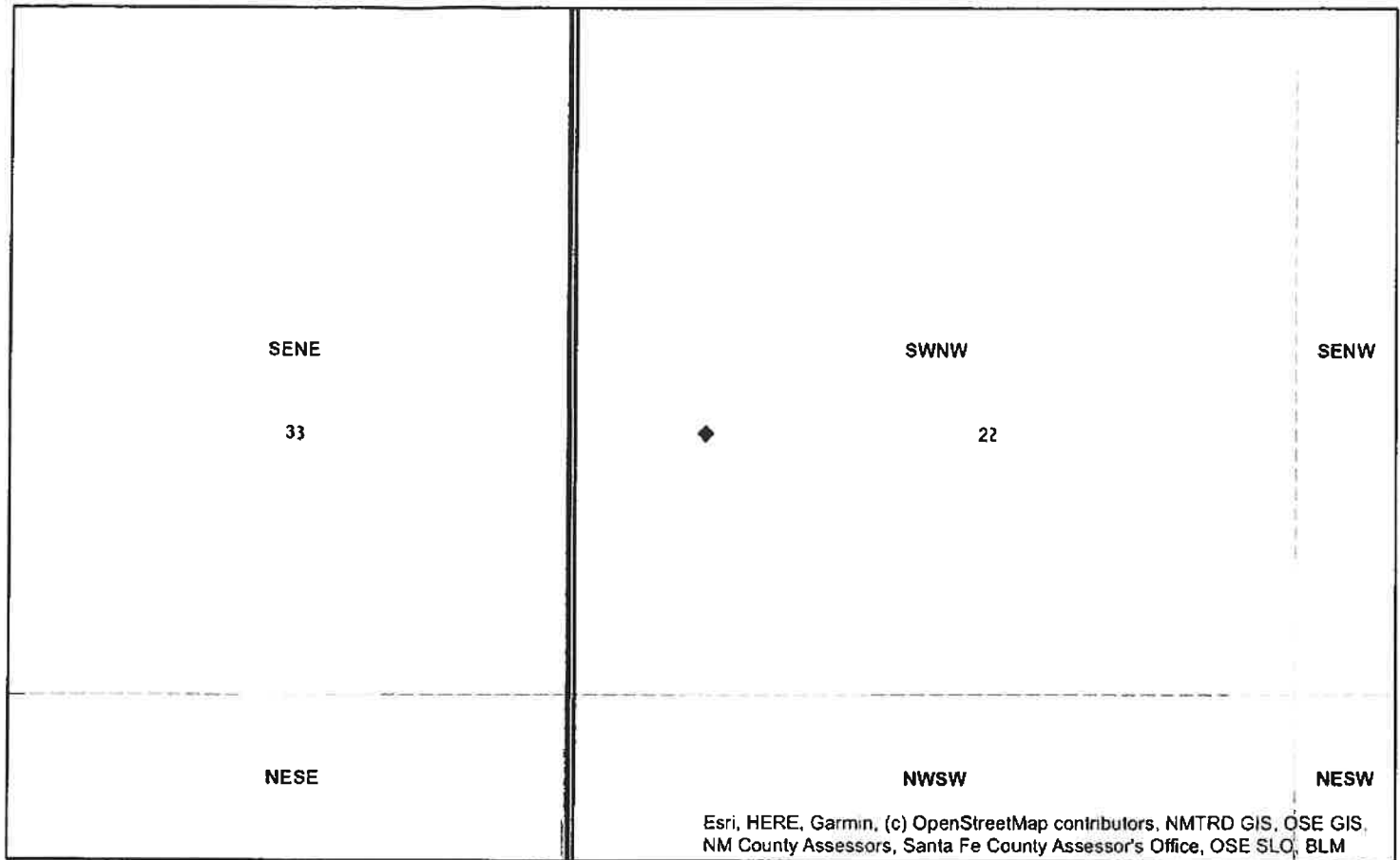
JUAN HERNANDEZ



Trn Desc: CP 01865 [BOREHOLES]

File Number: CP 01865
Trn Number: 686912

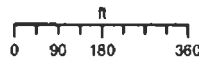
page: 3



Coordinates
UTM - NAD 83 (m) - Zone 13
 Easting 627449.880
 Northing 3608142.691
State Plane - NAD 83 (f) - Zone E
 Easting 754300.522
 Northing 583964.516
Degrees Minutes Seconds
 Latitude 32 : 36 : 12.500000
 Longitude -103 : 38 : 30.400000
 Location pulled from Coordinate Search

NEW MEXICO OFFICE
 OF THE
 STATE ENGINEER

1:4,514



A. Dennis

2/4/2021



Nothing is to be construed as a warranty or endorsement by the State Engineer's Office. The State Engineer's Office is not responsible for any errors or omissions in this document. The State Engineer's Office is not responsible for any damages or losses resulting from the use of this document. The State Engineer's Office is not responsible for any damages or losses resulting from the use of this document.

Spatial Information
 County: Lea
 Groundwater Basin: Capitan
 Abstract Area: CP
 Land Grant:
 Not in Land Grant
 Restrictions:
 NA
PLSS Description
 NWSWSWNW Qtr of Sec 02 of 020S 033E
 Derived from CADNSDI- Qtr Sec. locations are calculated and are only approximations

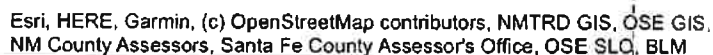
Parcel Information
 UPC/DocNum:
 Parcel Owner:
 Address: null null null null null null
 Legal:

POD Information
 Owner: BTA Oil Producers LLC
 File Number:
 POD Status: NoData
 Permit Status: NoData
 Permit Use: NoData
 Purpose: Soil Boring

- ◆ Coord Search Location
- WRAB Abstract Project Areas
- ☐ Lea County Parcels 2020
- ☐ <all other values>
- ☐ None
- ☐ All
- ☐ Partial

- ☐ Hydro Survey Footprints
- ☐ Sections
- BLM Land Grant
- ☐ PLSSTownship
- ☐ PLSSFirstDiv...

☐ PLSSSecond...

[illegible]

☐ Hydro Survey Footprints

☐ Sections

BLM Land Grant

☐ PLSSTownship

☐ PLSSFirstDiv...



Stephanie Garcia Richard
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S
OFFICE

Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

February 1, 2021

BTA Oil Producers, LLC
104 S. Pecos St.
Midland, TX 79701

Attn: Bob Hall: Bhall@btaoil.com

05E OF FEB 3 2021 PM 11:24

RE: Rule 12 Water Exploration / 30-Day Soil Boring Permit # **WE-0795**

We are in receipt of your application fee (\$ 100.00 per Application) requesting a TEMPORARY BORING PERMIT for Water exploration. The effective date of this authorization is for a period of not to exceed 30 days, commencing on **February 1, 2021 and ending on March 2, 2021**. This Authorization (Right of Entry) letter is for the sole purpose of **exploring depth to groundwater** through 2 test boreholes in the following location: (Please see attached map)

Township	Range	Section	Subdivision	County	Acres
<u>20S</u>	<u>33E</u>	<u>02</u>	<u>SE-SW-NE</u> <u>SW-NW-SW</u>	<u>Lea</u>	<u>2.0</u>

CONDITIONS OF USE

- A. The issuance of this Exploration Authorization does not guarantee a Water Easement will be issued for this property being explored, nor does it indicate a preference for a future water easement issuance to the holder of the authorization by the Commissioner of Public Lands.
- B. No refund of Permit application fees will occur after Permit approval letter is mailed.
- C. Authorized party shall notify the State Land Office District Resource Manager by telephone at least one business day prior to commencing any exploration activities.
- D. No blading or widening of any two-track dirt roads that provides access to the Property is permitted under this Authorization, except as necessary for the ingress and egress of required vehicles.
- E. No mining or removal of material for purposes other than testing is allowed under this Authorization. No sale of any material extracted from the Property is allowed under this Authorization.
- F. Authorized party shall observe all federal, state and local laws and regulations applicable to the Property.
- G. Authorized party shall take all reasonable precautions to prevent and suppress forest, brush and grass fires and prevent pollution of waters on or in the vicinity of the Property.
- H. Authorized party shall not block or disrupt roads or trails commonly in use.
- I. This Authorization is subject to any and all easements and rights-of-way previously granted and now in force and affect.
- J. Authorized party shall be responsible for repair and restitution for damage to any property improvements as a result of activities related to this exploration.
- K. **Authorized party shall conduct exploration activities only if a state-permitted archaeologist as per the Cultural Properties Act, §18-6-5(O) is present on the permitted site.** Authorized party shall abide by the decisions of the permitted Archaeologist regarding prevention of damage to cultural property sites. **An archaeological report is to be submitted to State Land Office Cultural Resources Specialist within fifteen**

(15) days of the expiration date of this Authorization. (An archeologist is not required to be present as long as there are no new surface disturbing activities being performed).

SURFACE RECLAMATION AND RESTORATION

- A. All test holes must be plugged as soon as testing is completed.
- B. Drilling, excavation and other surface disturbing activities shall be restricted to areas deemed to have no archaeological significance.
- C. Access to the Property shall be over existing roads. Reclamation of all roads shall conform to the requirements of State Land Office Rule 20. No upgrading of the existing roads shall be done, except as necessary for the ingress and egress of required vehicles.
- D. All topsoil from the areas to be disturbed shall be stockpiled for use in reclamation.
- E. Upon completion of the use and operations permitted by this Authorization, all disturbed sites shall be re-contoured to approximate the original contours.
- F. All material removed by excavation shall be replaced into the test holes, with the exception of an adequate sample, on or before the expiration date of this Authorization.
- G. The natural environmental conditions that exist contemporaneously with this grant shall be preserved and protected. All applicable environmental laws and regulations shall be complied with and such reclamation or corrective actions as may be necessary to conduct EXPLORATORY WELL BORING consistent with safe and sound environmental management principles and practices shall be taken in order to protect the Property from any pollution, erosion or other environmental degradation and to avoid diminishing the value of the Property for any future use.

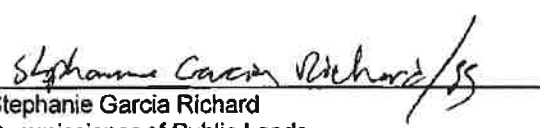
INDEMNITY

Authorized party shall save, hold harmless, indemnify and defend the State of New Mexico, the Commissioner and Commissioner's employees, agents and contractors, in both their official and individual capacities, from any and all liability, claims, losses, damages, or expenses of any character or nature whatsoever, including but not limited to attorney's fees, court costs, loss of land value or use, third party claims, penalties, or removal, remedial or restoration costs arising out of, or alleged to arise out of:

- A. The operations or presence on the Property, or on adjacent or proximate state trust lands, including those used to access the Property for the purposes of this Authorization, of Authorized party or authorized party's employees, agents, contractors or invitees;
- B. The activities of third parties on the Property, or on adjacent or proximate state trust lands, including those used to access the Property or other adjacent or proximate state trust lands, whether with or without Authorized party's knowledge or consent;
- C. Any Hazardous Materials located in, under, upon or otherwise affecting the Property or adjacent or proximate state trust lands, regardless of their point of origin or date of contamination.

If you have any questions or concerns please contact Jack Yates, Oil, Gas, and Minerals Deputy Commissioner at 505-827-5750, or Faith Crosby, Water Resources Section Manager at (505) 827-5849.

Respectfully,


Stephanie Garcia Richard
Commissioner of Public Lands
SS/fc

Date 2/2/2021

OSE DIV FEB 2 2021 PM 4:42

cc: Mark Naranjo, DRM Supervisor



Stephanie Garcia
Richard
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S
OFFICE
Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

February 1, 2021

Kenneth Smith Inc.
267 Smith Ranch Road
Hobbs, NM 88240

Re: Agricultural Lease No: GT-2922
Water Easement Application No: WE-795

OSE DTI FEB 2 2021 PM 4:42

Dear Mr. McDonald,

This letter is to inform you that BTA Oil Producers has submitted an application for temporary exploration to establish local ground water levels on existing oil and gas lease pads located on State Trust Lands in the following two areas:

SW/4
SW4NE4 and NW4SE4 of Section 02 Township 20 South, Range 33 East

If you have questions you may contact our Water Bureau manager Faith Crosby at (505) 827-5849 or fcrosby@slo.state.nm.us.

Respectfully,

Stephanie Garcia Richard

Stephanie Garcia Richard
Commissioner of Public Land

SS/fc

Dennis, Andrew, OSE

From: Bob Hall <BHall@btaoil.com>
Sent: Thursday, January 21, 2021 1:51 PM
To: Dennis, Andrew, OSE
Cc: John Farrell
Subject: [EXT] Signature authority for two well permits

Hi Andrew,

It is OK for John Farrell with Trinity Oilfield Services to sign the documents on behalf of BTA Oil Producers, LLC for the two well permits brought into your office today.

Please feel free to contact me if you have any questions or concerns.

Thanks,
Bob Hall.

Bob Hall
BTA Oil Producers, LLC
104 S. Pecos Street
Midland, TX 79701

bhall@btaoil.com
(432) 682-3753 (office)
(432) 312-2203 (cell)



OSE DJT JAN 21 2021 PM3:48



STATE OF NEW MEXICO
OFFICE OF THE STATE ENGINEER
District 2 Office, Roswell, NM

John R. D'Antonio Jr., P.E.
State Engineer

1900 West Second Street
Roswell, New Mexico 88201
(575) 622-6521
FAX: (575) 623-8559

February 3, 2021

Trinity Oil Field Services
c/o John P. Farrell, PG
607 E. Jemez St.
Hobbs, NM 88240

RE: *Well Plugging Plan of Operations for CP-1865-POD1 and CP-1865-POD2*

Greetings:

Enclosed is your copy of Well Plugging Plan of Operations for the above referenced project, which has been approved subject to the attached Specific Conditions of Approval. The following conditions of approval have been developed to ensure compliance with the Rules and Regulations Governing Well Driller Licensing; Construction, Repair and Plugging of Wells 19.27.4 NMAC adopted June 13, 2017, by the State Engineer.

Aggrievial of this permit, or any of the conditions of approval therein, suspends the permit. No plugging operations shall occur while a permit is aggrieved.

Sincerely,



Christopher Angel, PG
Water Resources Professional II
Water Resource Allocation Program

encl



WELL PLUGGING PLAN OF OPERATIONS



NOTE: A Well Plugging Plan of Operations shall be filed with and accepted by the Office of the State Engineer prior to plugging. This form may be used to plug a single well, or if you are plugging multiple monitoring wells on the same site using the same plugging methodology.

Alert! Your well may be eligible to participate in the Aquifer Mapping Program (AMP)-NM Bureau of Geology geoinfo.nmt.edu/resources/water/cgim/ if within an area of interest and meets the minimum construction requirements, such as there is still water in your well, and the well construction reflected in a well record and log is not compromised, contact AMP at 575-835-5038 or -6951, or by email amhg-waterlevels@nmt.edu, prior to completing this prior form. Showing proof to the OSE that your well was accepted in this program, may delay the plugging of your well until a later date.

I. FILING FEE: There is no filing fee for this form.

II. GENERAL / WELL OWNERSHIP: ☐ Check here if proposing one plan for multiple monitoring wells on the same site and attaching WD-08m

Existing Office of the State Engineer POD Number (Well Number) for well to be plugged: CP-1865-PODs 1-2
 Name of well owner: BTA OIL PRODUCERS, LLC
 Mailing address: 104 S PECOS ST County: MIDLAND
 City: MIDLAND State: TX Zip code: 79701
 Phone number: 432 312 2203 (cell) E-mail: Bhall@btaoil.com
432 682 3753

III. WELL DRILLER INFORMATION:

Well Driller contracted to provide plugging services: Kandy Kane ENT
 New Mexico Well Driller License No.: 1648 Expiration Date: July 31 2022

IV. WELL INFORMATION: ☒ Check here if this plan describes method for plugging multiple monitoring wells on the same site and attach supplemental form WD-08m and skip to #2 in this section.

Note: A copy of the existing Well Record for the well(s) to be plugged should be attached to this plan.

- 1) GPS Well Location: Latitude: 32° deg. 36' min. 12.5" sec. BH-1
 Longitude: 103° deg. 37' min. 54.3" sec. NAD83 WGS 84
POD1: SE SW NE, Section 2, T20S, R33E
POD2: SW NW SW
- 2) Reason(s) for plugging well(s):

PURPOSE OF BORING IS TO PROVE ABSENCE OF GROUNDWATER @ 105'
 BORING WILL BE LEFT OPEN FOR 24 HRS. A MEASUREMENT WILL BE TAKEN
 AFTER 24 HRS AND REPORTED TO NMOCD. THE BORING WILL THEN BE PLUGGED
- 3) Was well used for any type of monitoring program? NO If yes, please use section VII of this form to detail what hydrogeologic parameters were monitored. If the well was used to monitor contaminated or poor quality water, authorization from the New Mexico Environment Department may be required prior to plugging.
- 4) Does the well tap brackish, saline, or otherwise poor quality water? _____ If yes, provide additional detail, including analytical results and/or laboratory report(s): _____
- 5) Static water level: _____ feet below land surface / feet above land surface (circle one)
- 6) Depth of the well: 105 feet

* Per conversation with John P. Farrell, PG
 2/3/21

POD1: 20.33.2.234
 POD2: 20.33.2.313

WD-08 Well Plugging Plan
 Version: July 31, 2019
 Page 1 of 5

- 7) Inside diameter of innermost casing: 2 inches.
- 8) Casing material: PVC
- 9) The well was constructed with:
☐ an open-hole production interval, state the open interval: _____
☒ a well screen or perforated pipe, state the screened interval(s): Screen at 100'-105'
- 10) What annular interval surrounding the artesian casing of this well is cement-grouted? NA
- 11) Was the well built with surface casing? No If yes, is the annulus surrounding the surface casing grouted or otherwise sealed? _____ If yes, please describe: _____
- 12) Has all pumping equipment and associated piping been removed from the well? Yes If not, describe remaining equipment and intentions to remove prior to plugging in Section VII of this form.

V. DESCRIPTION OF PLANNED WELL PLUGGING: ☐ If plugging method differs between multiple wells on same site, a separate form must be completed for each method.

Note: If this plan proposes to plug an artesian well in a way other than with cement grout, placed bottom to top with a tremie pipe, a detailed diagram of the well showing proposed final plugged configuration shall be attached, as well as any additional technical information, such as geophysical logs, that are necessary to adequately describe the proposal. Attach a copy of any signed OSE variance to this plugging plan.

Also, if this planned plugging plan requires a variance to 19.27.4 NMAC, attach a detailed variance request signed by the applicant.

- 1) Describe the method by which cement grout shall be placed in the well, or describe requested plugging methodology proposed for the well:

If water is encountered we will use cement grout placed from bottom to top with tremie pipe. If hole is dry we will use drill cuttings to backfill to 20' below surface then we will use cement grout from 20' to surface of Bentonite chips hydrated from 20' to surface.

- 2) Will well head be cut-off below land surface after plugging? Yes

VI. PLUGGING AND SEALING MATERIALS:

Note: The plugging of a well that taps poor quality water may require the use of a specialty cement or specialty sealant. Attach a copy of the batch mix recipe from the cement company and/or product description for specialty cement mixes or any sealant that deviates from the list of OSE approved sealants.

- 1) For plugging intervals that employ cement grout, complete and attach Table A.
- 2) For plugging intervals that will employ approved non-cement based sealant(s), complete and attach Table B.
- 3) Theoretical volume of grout required to plug the well to land surface: 130 gallons
- 4) Type of Cement proposed: Neat Cement Slurry * Type I/II
- 5) Proposed cement grout mix: 6.0 gallons of water per 94 pound sack of Portland cement.
- 6) Will the grout be: _____ batch-mixed and delivered to the site
☒ mixed on site

OSE DIT JAN 21 2021 PM 2:13

7) Grout additives requested, and percent by dry weight relative to cement:

NONE

8) Additional notes and calculations:

NONE

VII. ADDITIONAL INFORMATION: List additional information below, or on separate sheet(s)

NONE

VIII. SIGNATURE:

I, JOHN FARRELL P.G., say that I have carefully read the foregoing Well Plugging Plan of Operations and any attachments, which are a part hereof; that I am familiar with the rules and regulations of the State Engineer pertaining to the plugging of wells and will comply with them, and that each and all of the statements in the Well Plugging Plan of Operations and attachments are true to the best of my knowledge and belief.

John Farrell
Signature of Applicant

1/20/21
Date

IX. ACTION OF THE STATE ENGINEER:

This Well Plugging Plan of Operations is:

☒ Approved subject to the attached conditions.
☐ Not approved for the reasons provided on the attached letter.

Witness my hand and official seal this 3 day of February, 2021



John R. D'Antonio Jr. P.E., New Mexico State Engineer

By: Christopher Angel

Christopher Angel, PG

Water Resource Professional II

WD-08 Well Plugging Plan
Version: July 31, 2019
Page 3 of 5

TABLE A - For plugging intervals that employ cement grout. Start with deepest interval

	Interval 1 – deepest	Interval 2	Interval 3 – most shallow
			Note: if the well is non-artesian and breaches only one aquifer, use only this column.
Top of proposed interval of grout placement (ft bgl)			
Bottom of proposed interval of grout placement (ft bgl)			
Theoretical volume of grout required per interval (gallons)			
Proposed cement grout mix gallons of water per 94-lb. sack of Portland cement			
Mixed on-site or batch-mixed and delivered?			
Grout additive 1 requested			
Additive 1 percent by dry weight relative to cement			
Grout additive 2 requested			
Additive 2 percent by dry weight relative to cement			

USE ON JAN 21 2021 PM 2:13

TABLE B - For plugging intervals that will employ approved non-cement based sealant(s). Start with deepest interval

	Interval 1 – deepest	Interval 2	Interval 3 – most shallow
			Note: if the well is non-artesian and breaches only one aquifer, use only this column.
Top of proposed interval of sealant placement (ft bgl)			
Bottom of proposed sealant of grout placement (ft bgl)			
Theoretical volume of sealant required per interval (gallons)			
Proposed abandonment sealant (manufacturer and trade name)			

OSE DIT JAN 21 2021 PM2:13

Specific Conditions of Approval for CP-1865-POD1 & CP-1865-POD2

- i) The approved sealant is Portland Type I/II neat cement provided that a water demand of 6.0 gallons per 94-lb sack is not exceeded and no cement additives are to be used without consent of an authorized representative of the NMOSE.
 - a) Grout shall be tremied from the bottom up.
- 2) If groundwater is **not** encountered the borehole can be filled with drill cuttings up to 20 feet below ground surface. From 20 feet below ground surface to ground surface the borehole will be filled with either bentonite chips or Type I/II neat Portland Cement.
 - a) If bentonite chips are used, then the bentonite shall be hydrated with 5 gallons of water per 50-pound sack.
 - b) If cement is used, then the mixture shall be the approved sealant in Item 1 above.
- 3) A completed Plugging Record form shall be submitted no later than 30 days after completion of the plugging.
- 4) Before any attempts are made to plug this well, the O.S.E. District II Office shall be notified 48 hours in advance of the anticipated schedule for plugging, so that an O.S.E. representative has the opportunity to witness the procedures, if deemed necessary.
- 5) Any deviation from this plan must obtain an approved variance from this office prior to implementation.
- 6) Aggrievial of this permit, or any of the conditions of approval therein, suspends the permit. No plugging operations shall occur while a permit is aggrieved.

Witness my hand and seal this 3rd day of February A.D., 2021

John R. D'Antonio Jr., P.E., State Engineer

By:



Christopher Angel, PG
Water Resources Professional II



OFFICE OF THE STATE ENGINEER/INTERSTATE STREAM COMMISSION – ROSWELL OFFICE

OFFICIAL RECEIPT NUMBER: **2-42931** DATE: January 21, 21 FILE NO.: New #

TOTAL: \$10.00 RECEIVED: Sten DOLLARS CHECK NO.: 3114 CASH:

PAYOR: Handy Home Enterprises ADDRESS: 5123 Cody Lane CITY: Lawrenceville STATE: GA

ZIP: 30046 RECEIVED BY: AK

INSTRUCTIONS: Indicate the number of actions to the left of the appropriate type of filing. Complete the receipt information. Original to payor; pink copy to Program Support/ASD; and yellow copy for Water Rights. If a mistake is made, void the original and all copies and submit to Program Support/ASD as part of your daily deposit.

A. Ground Water Filing Fees

1.	Change of Ownership of Water Right	\$ 2.00
2.	Application to Appropriate or Supplement Domestic 72-12-1 Well	\$ 125.00
3.	Application to Repair or Deepen 72-12-1 Well	\$ 75.00
4.	Application for Replacement 72-12-1 Well	\$ 75.00
5.	Application to Change Purpose of Use 72-12-1 Well	\$ 75.00
6.	Application for Stock Well/Temp. Use	\$ 5.00

B. Surface Water Filing Fees

1.	Change of Ownership of a Water Right	\$ 5.00
2.	Declaration of Water Right	\$ 10.00
3.	Amended Declaration	\$ 25.00
4.	Application to Change Point of Diversion and Place and/or Purpose of Use from Surface Water to Surface Water	\$ 200.00
5.	Application to Change Point of Diversion and Place and/or Purpose of Use from Ground Water to Surface Water	\$ 200.00
6.	Application to Change Point of Diversion	\$ 100.00
7.	Application to Change Place and/or Purpose of Use	\$ 100.00
8.	Application to Appropriate	\$ 25.00
9.	Notice of Intent to Appropriate	\$ 25.00
10.	Application for Extension of Time	\$ 50.00
11.	Supplemental Well to a Surface Right	\$ 100.00
12.	Return Flow Credit	\$ 100.00
13.	Proof of Completion of Works	\$ 25.00
14.	Proof of Application of Water to Beneficial Use	\$ 25.00
15.	Water Development Plan	\$ 100.00
16.	Declaration of Livestock Water Impoundment	\$ 10.00
17.	Application for Livestock Water Impoundment	\$ 10.00

C. Well Driller Fees

1.	Application for Well Driller's License	\$ 50.00
2.	Application for Renewal of Well Driller's License	\$ 50.00
3.	Application to Amend Well Driller's License	\$ 50.00

D. Reproduction of Documents

@ 0.25¢	\$ _____
Map(s)	\$ _____

E. Certification

F. Other	\$ _____
----------	----------

G. Comments:

* Waiver

7.	Application to Appropriate Irrigation, Municipal, or Commercial Use	\$ 25.00
8.	Declaration of Water Right	\$ 1.00
9.	Application for Additional Point of Diversion Non 72-12-1 Per Well	\$ 25.00
10.	Application to Change Place or Purpose of Use Non 72-12-1 Well	\$ 25.00
11.	Application to Change Point of Diversion and Place and/or Purpose of Use from Surface Water to Ground Water	\$ 50.00
12.	Application to Change Point of Diversion and Place and/or Purpose of Use from Ground Water to Ground Water	\$ 50.00
13.	Application to Change Point of Diversion of Non 72-12-1 Well	\$ 25.00
14.	Application to Repair or Deepen Non 72-12-1 Well	\$ 5.00
15.	Application for Test, Expl. Observ. Well	\$ 5.00
16.	Application for Extension of Time	\$ 25.00
17.	Proof of Application to Beneficial Use	\$ 25.00
18.	Notice of Intent to Appropriate	\$ 25.00

All fees are non-refundable.



Stephanie Garcia Richard
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S
OFFICE

Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

February 1, 2021

BTA Oil Producers, LLC
104 S. Pecos St.
Midland, TX 79701

Attn: Bob Hall: Bhall@btaoil.com

RE: Rule 12 Water Exploration / 30-Day Soil Boring Permit # **WE-0795**

We are in receipt of your application fee (\$ 100.00 per Application) requesting a TEMPORARY BORING PERMIT for Water exploration. The effective date of this authorization is for a period of not to exceed 30 days, commencing on February 1, 2021 and ending on March 2, 2021. This Authorization (Right of Entry) letter is for the sole purpose of exploring depth to groundwater through 2 test boreholes in the following location: (Please see attached map)

Township	Range	Section	Subdivision	County	Acres
<u>20S</u>	<u>33E</u>	<u>02</u>	<u>SE-SW-NE,</u> <u>SW-NW-SW</u>	<u>Lea</u>	<u>2.0</u>

CONDITIONS OF USE

- A. The issuance of this Exploration Authorization does not guarantee a Water Easement will be issued for this property being explored, nor does it indicate a preference for a future water easement issuance to the holder of the authorization by the Commissioner of Public Lands.
- B. No refund of Permit application fees will occur after Permit approval letter is mailed.
- C. Authorized party shall notify the State Land Office District Resource Manager by telephone at least one business day prior to commencing any exploration activities.
- D. No blading or widening of any two-track dirt roads that provides access to the Property is permitted under this Authorization, except as necessary for the ingress and egress of required vehicles.
- E. No mining or removal of material for purposes other than testing is allowed under this Authorization. No sale of any material extracted from the Property is allowed under this Authorization.
- F. Authorized party shall observe all federal, state and local laws and regulations applicable to the Property.
- G. Authorized party shall take all reasonable precautions to prevent and suppress forest, brush and grass fires and prevent pollution of waters on or in the vicinity of the Property.
- H. Authorized party shall not block or disrupt roads or trails commonly in use.
- I. This Authorization is subject to any and all easements and rights-of-way previously granted and now in force and affect.
- J. Authorized party shall be responsible for repair and restitution for damage to any property improvements as a result of activities related to this exploration.
- K. ***Authorized party shall conduct exploration activities only if a state-permitted archaeologist as per the Cultural Properties Act, §18-6-5(O) is present on the permitted site.*** Authorized party shall abide by the decisions of the permitted Archaeologist regarding prevention of damage to cultural property sites. ***An archaeological report is to be submitted to State Land Office Cultural Resources Specialist within fifteen***

(15) days of the expiration date of this Authorization. (An archeologist is not required to be present as long as there are no new surface disturbing activities being performed).

SURFACE RECLAMATION AND RESTORATION

- A. All test holes must be plugged as soon as testing is completed.
- B. Drilling, excavation and other surface disturbing activities shall be restricted to areas deemed to have no archaeological significance.
- C. Access to the Property shall be over existing roads. Reclamation of all roads shall conform to the requirements of State Land Office Rule 20. No upgrading of the existing roads shall be done, except as necessary for the ingress and egress of required vehicles.
- D. All topsoil from the areas to be disturbed shall be stockpiled for use in reclamation.
- E. Upon completion of the use and operations permitted by this Authorization, all disturbed sites shall be re-contoured to approximate the original contours.
- F. All material removed by excavation shall be replaced into the test holes, with the exception of an adequate sample, on or before the expiration date of this Authorization.
- G. The natural environmental conditions that exist contemporaneously with this grant shall be preserved and protected. All applicable environmental laws and regulations shall be complied with and such reclamation or corrective actions as may be necessary to conduct EXPLORATORY WELL BORING consistent with safe and sound environmental management principles and practices shall be taken in order to protect the Property from any pollution, erosion or other environmental degradation and to avoid diminishing the value of the Property for any future use.

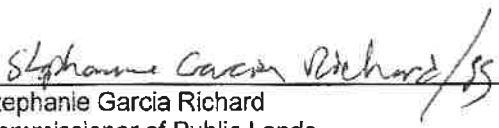
INDEMNITY

Authorized party shall save, hold harmless, indemnify and defend the State of New Mexico, the Commissioner and Commissioner's employees, agents and contractors, in both their official and individual capacities, from any and all liability, claims, losses, damages, or expenses of any character or nature whatsoever, including but not limited to attorney's fees, court costs, loss of land value or use, third party claims, penalties, or removal, remedial or restoration costs arising out of, or alleged to arise out of:

- A. The operations or presence on the Property, or on adjacent or proximate state trust lands, including those used to access the Property for the purposes of this Authorization, of Authorized party or authorized party's employees, agents, contractors or invitees;
- B. The activities of third parties on the Property, or on adjacent or proximate state trust lands, including those used to access the Property or other adjacent or proximate state trust lands, whether with or without Authorized party's knowledge or consent;
- C. Any Hazardous Materials located in, under, upon or otherwise affecting the Property or adjacent or proximate state trust lands, regardless of their point of origin or date of contamination.

If you have any questions or concerns please contact Jack Yates, Oil, Gas, and Minerals Deputy Commissioner at 505-827-5750, or Faith Crosby, Water Resources Section Manager at (505) 827-5849.

Respectfully,


Stephanie Garcia Richard
Commissioner of Public Lands
SS/fc

Date 2/2/2021

cc: Mark Naranjo, DRM Supervisor



Stephanie Garcia
Richard
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S
OFFICE
Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

February 1, 2021

Kenneth Smith Inc.
267 Smith Ranch Road
Hobbs, NM 88240

Re: Agricultural Lease No: GT-2922
Water Easement Application No: WE-795

Dear Mr. McDonald,

This letter is to inform you that BTA Oil Producers has submitted an application for temporary exploration to establish local ground water levels on existing oil and gas lease pads located on State Trust Lands in the following two areas:

SW4NE4 and NW4SE4 of Section 02 Township 20 South, Range 33 East

If you have questions you may contact our Water Bureau manager Faith Crosby at (505) 827-5849 or fcrosby@slo.state.nm.us.

Respectfully,

A handwritten signature in dark ink, appearing to read "Stephanie Garcia Richard" followed by a stylized flourish.

Stephanie Garcia Richard
Commissioner of Public Land

SS/fc



Stephanie Garcia Richard
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S
OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

February 1, 2021

BTA Oil Producers, LLC
104 S. Pecos St.
Midland, TX 79701

Attn: Bob Hall: Bhall@btaoil.com

RE: Rule 12 Water Exploration / 30-Day Soil Boring Permit # **WE-0795**

We are in receipt of your application fee (\$ 100.00 per Application) requesting a TEMPORARY BORING PERMIT for Water exploration. The effective date of this authorization is for a period of not to exceed 30 days, commencing on February 1, 2021 and ending on March 2, 2021. This Authorization (Right of Entry) letter is for the sole purpose of exploring depth to groundwater through 2 test boreholes in the following location: (Please see attached map)

Township	Range	Section	Subdivision	County	Acres
<u>20S</u>	<u>33E</u>	<u>02</u>	<u>SE-SW-NE.</u> <u>NW SE</u>	<u>Lea</u>	<u>2.0</u>

CONDITIONS OF USE

- A. The issuance of this Exploration Authorization does not guarantee a Water Easement will be issued for this property being explored, nor does it indicate a preference for a future water easement issuance to the holder of the authorization by the Commissioner of Public Lands.
- B. No refund of Permit application fees will occur after Permit approval letter is mailed.
- C. Authorized party shall notify the State Land Office District Resource Manager by telephone at least one business day prior to commencing any exploration activities.
- D. No blading or widening of any two-track dirt roads that provides access to the Property is permitted under this Authorization, except as necessary for the ingress and egress of required vehicles.
- E. No mining or removal of material for purposes other than testing is allowed under this Authorization. No sale of any material extracted from the Property is allowed under this Authorization.
- F. Authorized party shall observe all federal, state and local laws and regulations applicable to the Property.
- G. Authorized party shall take all reasonable precautions to prevent and suppress forest, brush and grass fires and prevent pollution of waters on or in the vicinity of the Property.
- H. Authorized party shall not block or disrupt roads or trails commonly in use.
- I. This Authorization is subject to any and all easements and rights-of-way previously granted and now in force and affect.
- J. Authorized party shall be responsible for repair and restitution for damage to any property improvements as a result of activities related to this exploration.
- K. **Authorized party shall conduct exploration activities only if a state-permitted archaeologist as per the Cultural Properties Act, §18-6-5(O) is present on the permitted site.** Authorized party shall abide by the decisions of the permitted Archaeologist regarding prevention of damage to cultural property sites. **An archaeological report is to be submitted to State Land Office Cultural Resources Specialist within fifteen**

John Farrell

From: Eck, David <deck@slo.state.nm.us>
Sent: Thursday, March 4, 2021 12:39 PM
To: John Farrell
Cc: Crosby, Faith
Subject: RE: WE-795 soil boring permit closeout

John:

Thank you for the call earlier today – it was a pleasant and informative conversation, and I appreciate the opportunity to answer questions.

At your request, this message is supplied to indicate to you that no further actions are required on your part concerning the captioned soil boring permit.

Thank you for your awareness of our concerns about cultural resources, and your conscious and deliberate decision to confine your activities to existing disturbed space and existing facilities. We greatly appreciate your due diligence in this regard, and recognize that as a significant contribution to our collective efforts to identify, preserve, and protect the irreplaceable cultural resource assets of the trust.

****** Due to the Coronavirus, State Land Office facilities are closed to the public until further notice. Business operations remain open and our staff can be reached at (505) 827-5760 or www.nmstatelands.org/contact.

David C. Eck

Trust Land Archaeologist
Office of Cultural Resources
505.827.5857
New Mexico State Land Office
310 Old Santa Fe Trail
P.O. Box 1148
Santa Fe, NM 87504-1148
deck@slo.state.nm.us
nmstatelands.org



CONFIDENTIALITY NOTICE - This e-mail transmission, including all documents, files, or previous e-mail messages attached hereto, may contain confidential and/or legally privileged information. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution, or use of any of the information contained in and/or attached to this transmission is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

From: Crosby, Faith
Sent: Thursday, March 4, 2021 9:08 AM
To: John Farrell <john@trinityoilfieldservices.com>
Cc: Eck, David <deck@slo.state.nm.us>
Subject: RE: [EXTERNAL] RE: WE-795 soil boring permit closeout

John

Standard procedure for a report to be filed. I think this email to the cultural resources office will suffice so I have cc'd Mr. Eck on this email.

Best regards,

Faith Crosby
Water Bureau Manager
Oil, Gas, and Minerals Division
Office 505.827.5849
Fax 505-827-4739



New Mexico State Land Office
310 Old Santa Fe Trail
P.O. Box 1148
Santa Fe, NM 87504-1148
fcrosby@slo.state.nm.us

****Due to the Coronavirus, State Land Office facilities are closed to the public until further notice. Business operations remain open and our staff can be reached at (505) 827-5760 or <https://www.nmstatelands.org/about/staff-directory/>**

CONFIDENTIALITY NOTICE - This e-mail transmission, including all documents, files, or previous e-mail messages attached hereto, may contain confidential and/or legally privileged information. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution, or use of any of the information contained in and/or attached to this

transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

From: John Farrell [mailto:john@trinityoilfieldservices.com]
Sent: Thursday, March 4, 2021 9:03 AM
To: Crosby, Faith <fcrosby@slo.state.nm.us>
Subject: [EXTERNAL] RE: WE-795 soil boring permit closeout
Importance: High

Good Morning Faith:

There seems to be some confusion on my part here.

It is my understanding that the presence of an Archaeologist is not required at locations where there is no new ground disturbance on State Lands. It actually says that in the Soil Boring Permit WE-0795 issued by the Commissioner of Public Lands to BTA Oil Producers.

BH-01 was drilled on a curve at a wide point in an oilfield lease road on previously disturbed ground and the other (BH-02) was drilled directly on an existing oilfield pad. There was no new ground disturbance at either of these borehole locations. It is most likely that cultural resources were already evaluated on these locations years ago. It is one of the reasons the borings were planned and drilled at the locations where they ultimately were drilled. Please let me know if I misinterpreted the rules. I am checking with the New Mexico State Land Office Cultural Resources Division to find if there are any additional requirements for this specific situation.

So far as what we found, BH-01 was dry at 105 feet. BH-02 had a thin zone of water perched above Triassic or Permian age red bed clay shales @ approximately 58 feet. The saturated zone appeared to be no more than five feet thick.

Each boring was plugged and abandoned by a licensed well driller per the requirements issued by the New Mexico Office of the State Engineer.

Best regards,

John Farrell P.G.

From: Crosby, Faith <fcrosby@slo.state.nm.us>
Sent: Wednesday, March 3, 2021 3:01 PM
To: John Farrell <john@trinityoilfieldservices.com>
Cc: SLO CRO <CRO@slo.state.nm.us>
Subject: WE-795 soil boring permit closeout

Thanks John, this email will suffice for me. I am interested in the findings whenever they can be shared.

An arch report should be submitted within 15 days (see Paragraph K) to the State Land Office Cultural Resources Office with the subject line: Soil boring WE-795; CRO@slo.state.nm.us

Good working with you, best regards,

Faith Crosby

Water Bureau Manager

Oil, Gas, and Minerals Division

Office 505.827.5849

Fax 505-827-4739



New Mexico State Land Office

310 Old Santa Fe Trail

P.O. Box 1148

Santa Fe, NM 87504-1148

fcrosby@slo.state.nm.us

****Due to the Coronavirus, State Land Office facilities are closed to the public until further notice. Business operations remain open and our staff can be reached at (505) 827-5760 or <https://www.nmstatelands.org/about/staff-directory/>**

CONFIDENTIALITY NOTICE - This e-mail transmission, including all documents, files, or previous e-mail messages attached hereto, may contain confidential and/or legally privileged information. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution, or use of any of the information contained in and/or attached to this transmission is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

From: John Farrell [<mailto:john@trinityoilfieldservices.com>]

Sent: Wednesday, March 3, 2021 2:25 PM

To: Crosby, Faith <fcrosby@slo.state.nm.us>

Subject: RE: [EXTERNAL] Application and Check for Right of Entry on to State Lands

Hi Faith:

We have completed our Drilling and Plugging task on State Lands.

I don't know of any paperwork to fill out stating that the job is complete but please let me know if there is.

Have a great day.

Cordially,

John Farrell P.G.

From: Crosby, Faith <fcrosby@slo.state.nm.us>

Sent: Tuesday, February 2, 2021 2:00 PM

To: John Farrell <john@trinityoilfieldservices.com>

Cc: 'Bob Hall' <BHall@btaoil.com>; dan@trinityoilfieldservices.com; 'Clay Tipton' <clay@trinityoilfieldservices.com>; Naranjo, Mark <MNaranjo@slo.state.nm.us>

Subject: RE: [EXTERNAL] Application and Check for Right of Entry on to State Lands

Bob and John

Attached is a scan of the approved permit. Hard copy in the mail today. Thank you John for letting me know the check is in the mail. Good luck on your efforts. Call if you have any questions.

Best regards,

Faith Crosby

Water Bureau Manager

Oil, Gas, and Minerals Division

Office 505.827.5849

Fax 505-827-4739



New Mexico State Land Office
310 Old Santa Fe Trail
P.O. Box 1148

Santa Fe, NM 87504-1148
fcrosby@slo.state.nm.us

****Due to the Coronavirus, State Land Office facilities are closed to the public until further notice. Business operations remain open and our staff can be reached at (505) 827-5760 or <https://www.nmstatelands.org/about/staff-directory/>**

CONFIDENTIALITY NOTICE - This e-mail transmission, including all documents, files, or previous e-mail messages attached hereto, may contain confidential and/or legally privileged information. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution, or use of any of the information contained in and/or attached to this transmission is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

From: John Farrell [<mailto:john@trinityoilfieldservices.com>]
Sent: Tuesday, February 2, 2021 7:34 AM
To: Crosby, Faith <fcrosby@slo.state.nm.us>
Cc: 'Bob Hall' <BHall@btaoil.com>; dan@trinityoilfieldservices.com; 'Clay Tipton' <clay@trinityoilfieldservices.com>
Subject: [EXTERNAL] Application and Check for Right of Entry on to State Lands
Importance: High

Good Morning Faith:

I mailed out the form along with a Trinity issued check for \$100.00 yesterday afternoon from the US Postal Service.

According to USPS, you should receive the document with the check by 3:00 PM on Wednesday, February 3, 2021.

Thank you so much for your assistance with the permitting process.

Best Regards,

John Farrell P.G.

This email has been scanned by the Symantec Email Security.cloud service.
For more information please visit <http://www.symanteccloud.com>

This email has been scanned by the Symantec Email Security.cloud service.
For more information please visit <http://www.symanteccloud.com>

This email has been scanned by the Symantec Email Security.cloud service.
For more information please visit <http://www.symanteccloud.com>

This email has been scanned by the Symantec Email Security.cloud service.
For more information please visit <http://www.symanteccloud.com>

This email has been scanned by the Symantec Email Security.cloud service.
For more information please visit <http://www.symanteccloud.com>

This email has been scanned by the Symantec Email Security.cloud service.
For more information please visit <http://www.symanteccloud.com>

APPENDIX F
BOREHOLE LOG & PLUGGING AFFIDAVIT



BH-01 CP 1865 POD 1 Gem Lease

PROJECT NUMBER CP 1865 POD 1	DRILLING DATE 02/08/2021	COORDINATES 32.603472, -103.63175
PROJECT NAME BTA Gem Lease Depth to Ground	TOTAL DEPTH 105 ft	COORD SYS WTG 84
CLIENT BTA Oil Producers	DIAMETER 5 5/8 inch dia.	COMPLETION Backfilled 3.1.2021
ADDRESS 104 S. Pecos St., Midland, TX 79701	CASING 2 3/8 inch dia. uPVC	SURFACE ELEVATION ~ 3587 ft. MSL
LICENCE NO. NM Drillers License # 1698	SCREEN 2 3/8 inch uPVC Slotted	WELL TOC ~ 3587 ft. MSL

COMMENTS Drilled at easterly turn in road south of frac pond**LOGGED BY** JPF**CHECKED BY** DD

Depth (ft)	Graphic Log	Moisture	Material Description	Elevation (ft)
5			Caliche Road Base at Surface. Interbedded Tan to White Sand and Caliche - Dry	3585
10				3580
15				3575
20				3570
25			Orange Sand, Yellow Sand and Reddish Brown Sandy Clay - Dry	3565
30				3560
35				3555
40				3550
45			Weathered Claystone, Brown, Cemented Gravel, Brownish Black and Yellow Orange Sand - Dry	3545
50				3540
55				3535
60				3530
65			Tan Sand Overlying Hard Gray Siltstone or Hard Shale	3525
70				3520
75				3515
80				3510
85			Hard Gray Siltstone or Hard Shale	3505
90				3500
95				3495
100				3490
105			Reddish Brown Claystone or Shale	3485
				3480
			Termination Depth at: 105 ft	3480

Dry Hole This bore log is intended for proof that depth to groundwater exceeds 101 feet below ground surface

produced by ESlog, ESdat.net on 23 Feb 2021



PLUGGING RECORD



NOTE: A Well Plugging Plan of Operations shall be approved by the State Engineer prior to plugging - 19.27.4 NMAC

I. GENERAL / WELL OWNERSHIP:

State Engineer Well Number: CP-1865 POD 1

OSE DIT MAR 9 2021 PM 4:23

Well owner: BTA Oil Producers, LLC

Phone No.: 432-312-2203

Mailing address: 104 S Pecos St

City: Midland

State: TX

Zip code: 79701

II. WELL PLUGGING INFORMATION:

- 1) Name of well drilling company that plugged well: Taylor Water Well Service
- 2) New Mexico Well Driller License No.: WD-1348 Expiration Date: 4/30/2021
- 3) Well plugging activities were supervised by the following well driller(s)/rig supervisor(s): Clinton E Taylor
- 4) Date well plugging began: 3/1/2021 Date well plugging concluded: 3/1/2021
- 5) GPS Well Location: Latitude: 103 deg, 37 min, 54.3 sec
Longitude: 32 deg, 36 min, 12.5 sec, WGS 84
- 6) Depth of well confirmed at initiation of plugging as: 105 ft below ground level (bgl),
by the following manner: 2" pvc pipe that size was in the hole. I pulled it prior to plugging.
- 7) Static water level measured at initiation of plugging: None ft bgl
- 8) Date well plugging plan of operations was approved by the State Engineer: Yes
- 9) Were all plugging activities consistent with an approved plugging plan? Yes If not, please describe differences between the approved plugging plan and the well as it was plugged (attach additional pages as needed):

- 10) Log of Plugging Activities - Label vertical scale with depths, and indicate separate plugging intervals with horizontal lines as necessary to illustrate material or methodology changes. Attach additional pages if necessary.

For each interval plugged, describe within the following columns:

Depth (ft bgl)	Plugging Material Used (include any additives used)	Volume of Material Placed (gallons)	Theoretical Volume of Borehole/ Casing (gallons)	Placement Method (tremie pipe, other)	Comments ("casing perforated first", "open annular space also plugged", etc.)
20'	Bentonite Chips	10 Sacks		Dump	Open Hole
105'	Cement Slurry Left Over From POD 2 And Drill Cuttings				

MULTIPLY	BY	AND OBTAIN
cubic feet x 7.4805	=	gallons
cubic yards x 201.97	=	gallons

III. SIGNATURE:

I, CE Taylor, say that I am familiar with the rules of the Office of the State Engineer pertaining to the plugging of wells and that each and all of the statements in this Plugging Record and attachments are true to the best of my knowledge and belief.



Signature of Well Driller

3/7/2021

Date



PLUGGING RECORD



NOTE: A Well Plugging Plan of Operations shall be approved by the State Engineer prior to plugging - 19.27.4 NMAC

I. GENERAL / WELL OWNERSHIP:

State Engineer Well Number: CP-1865 POD 2

Well owner: BTA Oil Producers, LLC

Phone No.: 432-312-2203

Mailing address: 104 S Pecos St

City: Midland

State: TX

Zip code: 79701

II. WELL PLUGGING INFORMATION:

- 1) Name of well drilling company that plugged well: Taylor Water Well Service OSE DTJ MAR 9 2021 PM 4:23
- 2) New Mexico Well Driller License No.: WD-1348 Expiration Date: 4/30/2021
- 3) Well plugging activities were supervised by the following well driller(s)/rig supervisor(s): Clinton E Taylor
- 4) Date well plugging began: 3/1/2021 Date well plugging concluded: 3/1/2021
- 5) GPS Well Location: Latitude: 103 deg, 38 min, 54.3 sec
Longitude: 32 deg, 35 min, 59.2 sec, WGS 84
- 6) Depth of well confirmed at initiation of plugging as: 105 ft below ground level (bgl),
by the following manner: 2" pvc pipe that size was in the hole. I pulled it prior to plugging.
- 7) Static water level measured at initiation of plugging: 55 ft bgl
- 8) Date well plugging plan of operations was approved by the State Engineer: Yes
- 9) Were all plugging activities consistent with an approved plugging plan? Yes If not, please describe differences between the approved plugging plan and the well as it was plugged (attach additional pages as needed):

- 10) Log of Plugging Activities - Label vertical scale with depths, and indicate separate plugging intervals with horizontal lines as necessary to illustrate material or methodology changes. Attach additional pages if necessary.

For each interval plugged, describe within the following columns:

<u>Depth</u> (ft bgl)	<u>Plugging Material Used</u> (include any additives used)	<u>Volume of Material Placed</u> (gallons)	<u>Theoretical Volume of Borehole/ Casing</u> (gallons)	<u>Placement Method</u> (tremie pipe, other)	<u>Comments</u> ("casing perforated first", "open annular space also plugged", etc.)
	Portland Cement - Six Gallons Water Per Sack	Enough to circulate to surface.	160 Gallons	Tremie Pipe	Open Hole. Had 40 sacks of slurry brought out in mixer truck. Dumped in stock tank and pumped through 1 1/4" tremie pipe and circulated to surface. Took left over cement to POD #1 and dumped in hole. Total volume of cement slurry was 384 gallons.

MULTIPLY	BY	AND OBTAIN
cubic feet x 7.4805	=	gallons
cubic yards x 201.97	=	gallons

III. SIGNATURE:

I, CE Taylor, say that I am familiar with the rules of the Office of the State Engineer pertaining to the plugging of wells and that each and all of the statements in this Plugging Record and attachments are true to the best of my knowledge and belief.



Signature of Well Driller

3/7/2021

Date

APPENDIX G
LINER INSPECTION FORM



Liner Inspection Form

Date: December 18, 2020

Time: 16:30 hours

Weather Conditions: Partly Cloudy and Cool

Operator and Facility Name: BTA Gem 11-H Battery

Reason for Inspection: Release to the containment prompted removal and replacement of liner protection material (pea gravel and soil).

Observations: (include condition of containment berm, liner, and apparent condition of equipment within the containment area. Are there fluids within the containment? If yes, the estimated quantity of fluids and type of fluids. Also make note of any debris that needs to be removed from the containment)

At the time of inspection, it was noted that the liner material used at the Gem 11-H Battery containment is typical 20-mil reinforced liner typical of the material used in oilfield containment structures. The cover material (pea gravel and wind-blown soil) had been removed. A few mechanically induced holes were found and were repaired prior to the inspection. The liner was dry with a residual of fine material partially stained with oil adhered to the liner. (Note: the liner will be pressure washed before backfill material is placed over the liner). At the time of inspection, the overall condition of the liner was good. The holes noted when the cover material was removed had all been repaired. The liner appears to be intact and is fully capable of serving its intended purpose.

Repairs Required: No further repairs to the liner are required.

Signature of Inspector: _____

A handwritten signature in blue ink, appearing to be "J. B. H.", is written over a horizontal line.

State of New Mexico
Oil Conservation Division

Incident ID	nRM2035044372
District RP	
Facility ID	
Application ID	

Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: *Each of the following items must be included in the closure report.*

- ☒ A scaled site and sampling diagram as described in 19.15.29.11 NMAC
- ☒ Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)
- ☒ Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)
- ☐ Description of remediation activities

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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

Printed Name: **Bob Hall**Title: **Environmental Manager**Signature: Date: **4/20/2021**email: **bhall@btaoil.com**Telephone: **432-682-3753****OCD Only**Received by: Robert HamletDate: 10/20/2021

Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.

Closure Approved by: Robert HamletDate: 10/20/2021Printed Name: Robert HamletTitle: Environmental Specialist - Advanced

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 38884

CONDITIONS

Operator: BTA OIL PRODUCERS, LLC 104 S Pecos Midland, TX 79701	OGRID: 260297
	Action Number: 38884
	Action Type: [C-141] Release Corrective Action (C-141)

CONDITIONS

Created By	Condition	Condition Date
rhamlet	We have received your closure report and final C-141 for Incident #NRM2035044372 GEM #11 TANK BATTERY, thank you. This closure is approved.	10/20/2021