

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

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

Form C-144
Revised April 3, 2017

For temporary pits, below-grade tanks, and multi-well fluid management pits, submit to the appropriate NMOCD District Office.
For permanent pits submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Pit, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application

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

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

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

1.
Operator: Epic Energy, L.L.C. OGRID #: 320949
Address: 7415 E. Main Street Farmington, NM 87402
Facility or well name: Rincon #014
API Number: 30-039-24687 OCD Permit Number: _____
U/L or Qtr/Qtr C Section 11 Township 23N Range 7W County: Rio Arriba
Center of Proposed Design: Latitude 36.2462883 Longitude -107.5480194 NAD83
Surface Owner: ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2.
☐ **Pit:** Subsection F, G or J of 19.15.17.11 NMAC
Temporary: ☐ Drilling ☐ Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A ☐ Multi-Well Fluid Management Low Chloride Drilling Fluid ☐ yes ☐ no
☐ Lined ☐ Unlined Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
☐ String-Reinforced
Liner Seams: ☐ Welded ☐ Factory ☐ Other _____ Volume: _____ bbl Dimensions: L _____ x W _____ x D _____

3.
☒ **Below-grade tank:** Subsection I of 19.15.17.11 NMAC
Volume: 18 bbl Type of fluid: Produced Water
Tank Construction material: Galvanized Tank
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other Single Wall Tank
Liner type: Thickness _____ mil ☐ HDPE ☐ PVC ☐ Other _____

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

5.
Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)
☐ Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church)
☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet
☒ Alternate. Please specify Four Foot height with mesh T-Post

6.

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

☐ Screen ☐ Netting ☐ Other _____

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

7.

Signs: Subsection C of 19.15.17.11 NMAC

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

☐ Signed in compliance with 19.15.16.8 NMAC

8.

Variances and Exceptions:

Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.

Please check a box if one or more of the following is requested, if not leave blank:

☐ Variance(s): Requests must be submitted to the appropriate division district for consideration of approval.

☐ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

9.

Siting Criteria (regarding permitting): 19.15.17.10 NMAC

Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Siting criteria does not apply to drying pads or above-grade tanks.

General siting

Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank.

- ☐ NM Office of the State Engineer - iWATERS database search; ☐ USGS; ☐ Data obtained from nearby wells

☐ Yes ☐ No
☐ NA

Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit.

NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

☐ Yes ☐ No
☐ NA

Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. **(Does not apply to below grade tanks)**

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

☐ Yes ☐ No

Within the area overlying a subsurface mine. **(Does not apply to below grade tanks)**

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

☐ Yes ☐ No

Within an unstable area. **(Does not apply to below grade tanks)**

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

☐ Yes ☐ No

Within a 100-year floodplain. **(Does not apply to below grade tanks)**

- FEMA map

☐ Yes ☐ No

Below Grade Tanks

Within 100 feet of a continuously flowing watercourse, significant watercourse, lake bed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption;

- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Temporary Pit using Low Chloride Drilling Fluid (maximum chloride content 15,000 mg/liter)

Within 100 feet of a continuously flowing watercourse, or any other significant watercourse or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.)

- Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within 300 feet from a occupied permanent residence, school, hospital, institution, or church in existence at the time of initial application.

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

☐ Yes ☐ No

Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 300feet of any other fresh water well or spring, in existence at the time of the initial application.

NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within 100 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Temporary Pit Non-low chloride drilling fluid

Within 300 feet of a continuously flowing watercourse, or any other significant watercourse, or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

☐ Yes ☐ No

Within 500 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 1000 feet of any other fresh water well or spring, in the existence at the time of the initial application;

- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within 300 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Permanent Pit or Multi-Well Fluid Management Pit

Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

☐ Yes ☐ No

Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of initial application.

- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within 500 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

10.

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
- ☐ Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC
- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

☐ Previously Approved Design (attach copy of design) API Number: _____ or Permit Number: _____

11.

Multi-Well Fluid Management Pit Checklist: Subsection B of 19.15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ A List of wells with approved application for permit to drill associated with the pit.
- ☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
- ☐ Hydrogeologic Data - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC

☐ Previously Approved Design (attach copy of design) API Number: _____ or Permit Number: _____

12.
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC
- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☐ Climatological Factors Assessment
- ☐ Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Quality Control/Quality Assurance Construction and Installation Plan
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Nuisance or Hazardous Odors, including H₂S, Prevention Plan
- ☐ Emergency Response Plan
- ☐ Oil Field Waste Stream Characterization
- ☐ Monitoring and Inspection Plan
- ☐ Erosion Control Plan
- ☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

13.
Proposed Closure: 19.15.17.13 NMAC

Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.

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

14.
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) **Instructions:** Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.

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

15.
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC

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

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

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

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

☐ Yes ☐ No

Within the area overlying a subsurface mine.

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

☐ Yes ☐ No

Within an unstable area.

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

☐ Yes ☐ No

Within a 100-year floodplain.

- FEMA map

☐ Yes ☐ No

16.

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

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

17.

Operator Application Certification:

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

Name (Print): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

18.

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

OCD Representative Signature:  Approval Date: 8/26/19

Title: Environmental Specialist OCD Permit Number: _____

19.

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

Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☒ Closure Completion Date: July 19, 2019

20.

Closure Method:

- ☒ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-loop systems only)
- ☐ If different from approved plan, please explain.

21.

Closure Report Attachment Checklist: *Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.*

- ☒ Proof of Closure Notice (surface owner and division)
- ☐ Proof of Deed Notice (required for on-site closure for private land only)
- ☐ Plot Plan (for on-site closures and temporary pits)
- ☒ Confirmation Sampling Analytical Results (if applicable)
- ☐ Waste Material Sampling Analytical Results (required for on-site closure)
- ☒ Disposal Facility Name and Permit Number
- ☒ Soil Backfilling and Cover Installation
- ☒ Re-vegetation Application Rates and Seeding Technique
- ☐ Site Reclamation (Photo Documentation)

On-site Closure Location: Latitude 36.2462883 Longitude -107.5480194 NAD: ☐ 1927 ☒ 1983

Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): Vanessa Fields Title: Regulatory Compliance Manager

Signature:  Date: 8/20/2019

e-mail address: vanessa@walsheng.net Telephone: 505-787-9100

Vanessa

From: Vanessa <vanessa@walsheng.net>
Sent: Monday, July 15, 2019 3:08 PM
To: 'Smith, Cory, EMNRD'; 'Adeloye, Abiodun'
Cc: 'vern@walsheng.net'; 'Michael Dean'; 'John Jr.'
Subject: RE: Release sampling Rincon #014 Thursday July 18, 2019 at noon.

Good afternoon,

Walsh Engineering on behalf of Epic Energy request confirmation sampling on the Rincon #014 for Thursday July 18, 2019 at noon.

Thank you,

Vanessa Fields
Regulatory Specialist
Walsh Engineering /Epic Energy LLC.
O: 505-327-4892
C: 505-787-9100
vanessa@walsheng.net

From: Vanessa <vanessa@walsheng.net>
Sent: Monday, July 8, 2019 1:46 PM
To: 'Smith, Cory, EMNRD' <Cory.Smith@state.nm.us>; 'Adeloye, Abiodun' <aadeloye@blm.gov>
Cc: 'vern@walsheng.net' <vern@walsheng.net>; 'Michael Dean' <michael.dean@walsheng.net>; 'John Jr.' <jdhampton@walsheng.net>
Subject: RE: 72 Hour notification removal of BGT Rincon #014 Thursday July 11, 2019 at 1:00 PM

Good afternoon everyone,

There has been a scheduling conflict and the BGT will be removed at 1:00 pm on Thursday July 11, 2019.

Thank you,

Vanessa Fields
Regulatory Specialist
Walsh Engineering /Epic Energy LLC.
O: 505-327-4892
C: 505-787-9100
vanessa@walsheng.net

From: Vanessa <vanessa@walsheng.net>
Sent: Monday, July 8, 2019 9:06 AM
To: 'Smith, Cory, EMNRD' <Cory.Smith@state.nm.us>; 'Adeloye, Abiodun' <aadeloye@blm.gov>
Cc: 'vern@walsheng.net' <vern@walsheng.net>; 'Michael Dean' <michael.dean@walsheng.net>; 'John Jr.'

<jdhampton@walsheng.net>

Subject: 72 Hour notification removal of BGT Rincon #014 Thursday July 11, 2019 at 9:00 am.

Good morning,

Please let this serve as 72 hour notification for the removal of the referenced below grade tank.

The BGT is scheduled to be removed at 9:00 on Thursday July 11, 2019 at 9:00 am.

30-039-24687 RINCON #014 [325450]

General Well Information

Operator: [372834] EPIC ENERGY, L.L.C.

Status: Active

Well Type: Oil

Work Type: New

Direction: Vertical

Multi-Lateral: No

Mineral Owner: Federal

Surface Owner:

Surface Location: C-11-23N-07W Lot: 1 370 FNL 1660 FWL

Lat/Long: 36.2462883,-107.5480194 NAD83

GL Elevation: 6963

Thank you,

Vanessa Fields

Regulatory Specialist

Walsh Engineering /Epic Energy LLC.

O: 505-327-4892

C: 505-787-9100

vanessa@walsheng.net



Analytical Report

Report Summary

Client: Epic Energy

Samples Received: 7/19/2019

Job Number: 18012-0006

Work Order: P907065

Project Name/Location: Rincon 14 BGT

Report Reviewed By:

A handwritten signature in black ink, appearing to read 'Walter Hinchman', is written over a horizontal line.

Date: 7/24/19

Walter Hinchman, Laboratory Director



Envirotech Inc. certifies the test results meet all requirements of TNI unless footnoted otherwise.
Statement of Data Authenticity: Envirotech, Inc, attests the data reported has not been altered in any way.
Partial or incomplete reproduction of this report is prohibited, unless approved by Envirotech, Inc.
Envirotech, Inc, currently holds the appropriate and available Utah TNI certification NM009792018-1 for the data reported.



Epic Energy
7420 Main Street
Farmington NM, 87402

Project Name: Rincon 14 BGT
Project Number: 18012-0006
Project Manager: Vern Andrews

Reported:
07/24/19 09:12

Analytical Report for Samples

Client Sample ID	Lab Sample ID	Matrix	Sampled	Received	Container
Rincon 14	P907065-01A	Soil	07/18/19	07/19/19	Glass Jar, 4 oz.

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Epic Energy	Project Name:	Rincon 14 BGT	Reported:
7420 Main Street	Project Number:	18012-0006	07/24/19 09:12
Farmington NM, 87402	Project Manager:	Vern Andrews	

Rincon 14
P907065-01 (Solid)

Reporting									
Analyte	Result	Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Volatile Organic Compounds by 8260									
Benzene	ND	0.0250	mg/kg	1	1929035	07/19/19	07/22/19	EPA 8260B	
Toluene	ND	0.0250	mg/kg	1	1929035	07/19/19	07/22/19	EPA 8260B	
Ethylbenzene	ND	0.0250	mg/kg	1	1929035	07/19/19	07/22/19	EPA 8260B	
p,m-Xylene	ND	0.0500	mg/kg	1	1929035	07/19/19	07/22/19	EPA 8260B	
o-Xylene	ND	0.0250	mg/kg	1	1929035	07/19/19	07/22/19	EPA 8260B	
Total Xylenes	ND	0.0250	mg/kg	1	1929035	07/19/19	07/22/19	EPA 8260B	
Surrogate: 1,2-Dichloroethane-d4		99.2 %		70-130	1929035	07/19/19	07/22/19	EPA 8260B	
Surrogate: Toluene-d8		95.5 %		70-130	1929035	07/19/19	07/22/19	EPA 8260B	
Surrogate: Bromofluorobenzene		96.1 %		70-130	1929035	07/19/19	07/22/19	EPA 8260B	
Nonhalogenated Organics by 8015 - DRO/ORO									
Diesel Range Organics (C10-C28)	30.7	25.0	mg/kg	1	1929032	07/19/19	07/19/19	EPA 8015D	
Oil Range Organics (C28-C40)	ND	50.0	mg/kg	1	1929032	07/19/19	07/19/19	EPA 8015D	
Surrogate: n-Nonane		101 %		50-200	1929032	07/19/19	07/19/19	EPA 8015D	
Nonhalogenated Organics by 8015 - GRO									
Gasoline Range Organics (C6-C10)	ND	20.0	mg/kg	1	1929035	07/19/19	07/22/19	EPA 8015D	
Surrogate: 1,2-Dichloroethane-d4		99.2 %		70-130	1929035	07/19/19	07/22/19	EPA 8015D	
Surrogate: Toluene-d8		95.5 %		70-130	1929035	07/19/19	07/22/19	EPA 8015D	
Surrogate: Bromofluorobenzene		96.1 %		70-130	1929035	07/19/19	07/22/19	EPA 8015D	
Anions by 300.0/9056A									
Chloride	21.4	20.0	mg/kg	1	1929039	07/19/19	07/20/19	EPA 300.0/9056A	

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Epic Energy	Project Name:	Rincon 14 BGT	Reported:
7420 Main Street	Project Number:	18012-0006	07/24/19 09:12
Farmington NM, 87402	Project Manager:	Vern Andrews	

Volatile Organic Compounds by 8260 - Quality Control

Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch 1929035 - Purge and Trap EPA 5030A

Blank (1929035-BLK1)		Prepared: 07/19/19 0 Analyzed: 07/23/19 0								
Benzene	ND	0.0250	mg/kg							
Toluene	ND	0.0250	"							
Ethylbenzene	ND	0.0250	"							
p,m-Xylene	ND	0.0500	"							
o-Xylene	ND	0.0250	"							
Total Xylenes	ND	0.0250	"							
Surrogate: 1,2-Dichloroethane-d4	0.515		"	0.500		103	70-130			
Surrogate: Toluene-d8	0.465		"	0.500		93.0	70-130			
Surrogate: Bromofluorobenzene	0.472		"	0.500		94.4	70-130			

LCS (1929035-BS1)		Prepared: 07/19/19 0 Analyzed: 07/23/19 0								
Benzene	2.40	0.0250	mg/kg	2.50		96.0	70-130			
Toluene	2.23	0.0250	"	2.50		89.4	70-130			
Ethylbenzene	2.29	0.0250	"	2.50		91.4	70-130			
p,m-Xylene	4.54	0.0500	"	5.00		90.7	70-130			
o-Xylene	2.24	0.0250	"	2.50		89.8	70-130			
Total Xylenes	6.78	0.0250	"	7.50		90.4	70-130			
Surrogate: 1,2-Dichloroethane-d4	0.506		"	0.500		101	70-130			
Surrogate: Toluene-d8	0.478		"	0.500		95.5	70-130			
Surrogate: Bromofluorobenzene	0.490		"	0.500		98.0	70-130			

Matrix Spike (1929035-MS1)		Source: P907052-01		Prepared: 07/19/19 0 Analyzed: 07/23/19 0						
Benzene	2.43	0.0250	mg/kg	2.50	ND	97.4	48-131			
Toluene	2.23	0.0250	"	2.50	ND	89.1	48-130			
Ethylbenzene	2.28	0.0250	"	2.50	ND	91.2	45-135			
p,m-Xylene	4.53	0.0500	"	5.00	ND	90.6	43-135			
o-Xylene	2.24	0.0250	"	2.50	ND	89.7	43-135			
Total Xylenes	6.77	0.0250	"	7.50	ND	90.3	43-135			
Surrogate: 1,2-Dichloroethane-d4	0.498		"	0.500		99.6	70-130			
Surrogate: Toluene-d8	0.476		"	0.500		95.2	70-130			
Surrogate: Bromofluorobenzene	0.475		"	0.500		94.9	70-130			

Matrix Spike Dup (1929035-MSD1)		Source: P907052-01		Prepared: 07/19/19 0 Analyzed: 07/23/19 0						
Benzene	2.43	0.0250	mg/kg	2.50	ND	97.4	48-131	0.00	23	
Toluene	2.21	0.0250	"	2.50	ND	88.4	48-130	0.766	24	
Ethylbenzene	2.26	0.0250	"	2.50	ND	90.3	45-135	0.948	27	
p,m-Xylene	4.51	0.0500	"	5.00	ND	90.3	43-135	0.376	27	
o-Xylene	2.24	0.0250	"	2.50	ND	89.5	43-135	0.201	27	
Total Xylenes	6.75	0.0250	"	7.50	ND	90.0	43-135	0.318	27	
Surrogate: 1,2-Dichloroethane-d4	0.516		"	0.500		103	70-130			
Surrogate: Toluene-d8	0.471		"	0.500		94.1	70-130			
Surrogate: Bromofluorobenzene	0.479		"	0.500		95.7	70-130			

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Epic Energy	Project Name:	Rincon 14 BGT	Reported: 07/24/19 09:12
7420 Main Street	Project Number:	18012-0006	
Farmington NM, 87402	Project Manager:	Vern Andrews	

Nonhalogenated Organics by 8015 - DRO/ORO - Quality Control

Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch 1929032 - DRO Extraction EPA 3570

Blank (1929032-BLK1)

Prepared: 07/19/19 0 Analyzed: 07/19/19 1

Diesel Range Organics (C10-C28)	ND	25.0	mg/kg							
Oil Range Organics (C28-C40)	ND	50.0	"							
Surrogate: n-Nonane	55.7		"	50.0		111	50-200			

LCS (1929032-BS1)

Prepared: 07/19/19 0 Analyzed: 07/19/19 1

Diesel Range Organics (C10-C28)	510	25.0	mg/kg	500		102	38-132			
Surrogate: n-Nonane	50.4		"	50.0		101	50-200			

LCS Dup (1929032-BS1)

Prepared: 07/19/19 0 Analyzed: 07/19/19 1

Diesel Range Organics (C10-C28)	513	25.0	mg/kg	500		103	38-132	0.501	20	
Surrogate: n-Nonane	50.0		"	50.0		99.9	50-200			

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Epic Energy 7420 Main Street Farmington NM, 87402	Project Name: Rincon 14 BGT Project Number: 18012-0006 Project Manager: Vern Andrews	Reported: 07/24/19 09:12
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Nonhalogenated Organics by 8015 - GRO - Quality Control

Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch 1929035 - Purge and Trap EPA 5030A

Blank (1929035-BLK1)

Prepared: 07/19/19 0 Analyzed: 07/23/19 0

Gasoline Range Organics (C6-C10)	ND	20.0	mg/kg							
Surrogate: 1,2-Dichloroethane-d4	0.515		"	0.500		103	70-130			
Surrogate: Toluene-d8	0.465		"	0.500		93.0	70-130			
Surrogate: Bromofluorobenzene	0.472		"	0.500		94.4	70-130			

LCS (1929035-BS2)

Prepared: 07/19/19 0 Analyzed: 07/23/19 0

Gasoline Range Organics (C6-C10)	46.0	20.0	mg/kg	50.0		92.0	70-130			
Surrogate: 1,2-Dichloroethane-d4	0.513		"	0.500		103	70-130			
Surrogate: Toluene-d8	0.480		"	0.500		95.9	70-130			
Surrogate: Bromofluorobenzene	0.489		"	0.500		97.7	70-130			

Matrix Spike (1929035-MS2)

Source: P907052-01

Prepared: 07/19/19 0 Analyzed: 07/23/19 0

Gasoline Range Organics (C6-C10)	48.4	20.0	mg/kg	50.0	ND	96.9	70-130			
Surrogate: 1,2-Dichloroethane-d4	0.498		"	0.500		99.6	70-130			
Surrogate: Toluene-d8	0.482		"	0.500		96.3	70-130			
Surrogate: Bromofluorobenzene	0.473		"	0.500		94.6	70-130			

Matrix Spike Dup (1929035-MSD2)

Source: P907052-01

Prepared: 07/19/19 0 Analyzed: 07/23/19 0

Gasoline Range Organics (C6-C10)	46.7	20.0	mg/kg	50.0	ND	93.5	70-130	3.57	20	
Surrogate: 1,2-Dichloroethane-d4	0.496		"	0.500		99.2	70-130			
Surrogate: Toluene-d8	0.481		"	0.500		96.2	70-130			
Surrogate: Bromofluorobenzene	0.483		"	0.500		96.5	70-130			

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Epic Energy	Project Name:	Rincon 14 BGT	Reported:
7420 Main Street	Project Number:	18012-0006	07/24/19 09:12
Farmington NM, 87402	Project Manager:	Vern Andrews	

Anions by 300.0/9056A - Quality Control

Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch 1929039 - Anion Extraction EPA 300.0/9056A

Blank (1929039-BLK1)				Prepared & Analyzed: 07/19/19 1						
Chloride	ND	20.0	mg/kg							
LCS (1929039-BS1)				Prepared & Analyzed: 07/19/19 1						
Chloride	260	20.0	mg/kg	250		104	90-110			
Matrix Spike (1929039-MS1)				Source: P907052-01 Prepared: 07/19/19 1 Analyzed: 07/19/19 2						
Chloride	309	20.0	mg/kg	250	38.2	109	80-120			
Matrix Spike Dup (1929039-MSD1)				Source: P907052-01 Prepared: 07/19/19 1 Analyzed: 07/19/19 2						
Chloride	314	20.0	mg/kg	250	38.2	110	80-120	1.59	20	

QC Summary Report

Comment:

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

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Epic Energy	Project Name:	Rincon 14 BGT	
7420 Main Street	Project Number:	18012-0006	Reported:
Farmington NM, 87402	Project Manager:	Vern Andrews	07/24/19 09:12

Notes and Definitions

DET	Analyte DETECTED
ND	Analyte NOT DETECTED at or above the reporting limit
NR	Not Reported
RPD	Relative Percent Difference
**	Methods marked with ** are non-accredited methods.

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EPIC Energy, L.L.C

Below Grade Tank Closure Plan

Rincon #014

U/L: C, Section 11, TWN: 23N. RNG: 07W

Rio Arriba County, New Mexico

As stipulated in Rule 19 .15 .17 .13 NMAC, the following information adheres to the requirements established in closing below-grade tanks (BGTs) on EPIC Energy, L.L.C well sites. This plan will address the standard protocols and procedures for closure of BGTs.

EPIC Energy, L.L.C proposes to close its existing BGTs that do not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or are not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC in accordance with this closure plan and the transitional provisions of Subsection E of 19.15.17.17 NMAC, or within five (5) years after the effective date (June 16, 2008) of 19.15.17 NMAC.

The following outline addresses all requirements for closure of EPIC Energy, L.L.C BGTs:

1. Prior notification of EPIC Energy, L.L.C intent to close the BGT will follow 19.15.17.13J (I) and (2).

a. EPIC Energy, L.L.C will notify the surface owner by certified mail, return receipt requested, of closure plans. Evidence of mailing of the notice to the address of the surface owner shown in the county tax records is enough to demonstrate compliance with this requirement.

b. Notification will also be given to the division District III office verbally or by other means at least 72 hours, but not more than one (1) week, prior to any closure operation. The notice will include the operator's name and the well's name, number, and API number, in addition to the well's legal description, including the unit letter, section, township, and range.

Notice was provided to the NMOCD District III office and the Farmington BLM Field Office. Attached is a copy of the notification.

2.EPIC ENERGY, L.L.C will remove liquids and sludge from the BGT prior to implementing a closure method and dispose of the liquids and sludge in a NMOCD's division-approved facility. A list of EPIC Energy, L.L.C approved disposal facilities is below:

Fluid disposal:

Agua Moss

Sunco well #1

U/L=E, SWNW, Section 2, T29N-R12W San Juan, New Mexico

Permit #NM-01-0009

Basin Disposal Inc.

Basin Disposal well # 1

U/L=F, SWNW, Section 3, T29N-R1 1 W San Juan, New Mexico

Permit #NM-01-0005

Solid disposal: **Envirotech Land Farm**

Disposal Facility

Section 6, T26N-R10W, County Road #7175 San Juan, New Mexico

Permit #NM-01-0011

All liquids that were in the BGT were removed and sent to one of their referenced Division approved facilities.

3.EPIC ENERGY, L.L.C will remove the BGT from the pit and place it at ground level adjacent to the original BGT site and dispose of it in a NMOCD approved facility or recycle, reuse, or reclaim it in a manner that the NMOCD approved. If a liner is present and must be disposed of it will be cleaned and disposed at a permitted solid waste facility, pursuant to Subparagraph (m) of Paragraph (1) of Subsection C of 19.15.35.8 NMAC.

The BGT was transported for recycling.

4. EPIC Energy, L.L.C will hook up necessary equipment and piping for temporary tank use. At this time, any on-site equipment not necessary to the operation of the tank will be removed from the site.

All equipment associated with the BGT removal has been removed.

5. EPIC Energy, L.L.C will test the soils beneath the original BGT location to determine whether a release has occurred. At a minimum, a five (5) point composite sample will be collected in addition to individual grab samples from areas that are wet, discolored, or showing other evidence of a release. The samples will be analyzed for BTEX, TPH, and chlorides to demonstrate that they do not exceed certain concentrations. The testing methods and closure standards for those constituents are as follows:

An initial C-141 is attached for Closure of the C-144 demonstrating a release of 3 BBLS of produced water as the tank lost integrity. The NMOCD and BLM were notified of the release and given incident # nCS1919752577. Sampling was conducted on July 18, 2019, the NMOCD nor the BLM were present for sampling. (1) 5 composite samples were collected in the base of the BGT removal as demonstrated in the attached photo. Roughly 8 cubic yards of impacted material were removed prior to sampling All analytical results came below regulatory standards. A final C-141 will be submitted separately from the C-144.

TABLE I			
Depth Below bottom of pit to groundwater less than 10,000 mg/l TDS	Constituent	Method	Limit
≤ 50 Feet	Chloride	EPA 300.0	600 mg/kg
	TPH	Method 418.1	100 mg/kg
	BTEX	Method 8021B or 8260B	50 mg/kg
	Benzene	Method 8021B or 8260B	10 mg/kg
51 feet - 100 feet	Chloride	EPA 300.0	10,000 mg/kg
	TPH	Method 418.1	2,500 mg/kg
	GRO + DRO	Method 8015	1,000 mg/kg
	BTEX	Method 8021B or 8260B	50 mg/kg
	Benzene	Method 8021B or 8260B	10 mg/kg
> 100 feet	Chloride	EPA 300.0	20,000 mg/kg
	TPH	EPA 418.1	2,500 mg/kg
	GRO + DRO	Method 8015	1,000 mg/kg
	BTEX	Method 8021B or 8260B	50 mg/kg
	Benzene	Method 8021B or 8260B	10 mg/kg



Notes: mg/Kg= milligram per kilogram; BTEX = benzene, toluene, ethylbenzene, and total xylenes; TPH = total petroleum hydrocarbons. Other EPA methods that the division approves may be applied to all constituents listed. The Chlorides closure standards will be determined by whichever concentration level is greatest.

6. EPIC Energy, L.L.C will notify the division District III office of the soil test results on Form C-141. It is understood that the NMOCD may require additional delineation upon review of the results.

An initial C-141 is attached for Closure of the C-144 demonstrating a release of 3 BBLS of produced water as the tank lost integrity. The NMOCD and BLM were notified of the release and given incident # nCS1919752577. Sampling was conducted on July 18, 2019, the NMOCD nor the BLM were present for sampling. (1) 5 composite samples were collected in the base of the BGT removal as demonstrated in the attached photo. Roughly 8 cubic yards of impacted material were removed prior to sampling All analytical results came below regulatory standards. A final C-141 will be submitted separately from the C-144.

7. If it is determined that a release has occurred, then EPIC Energy, L.L.C will comply with 19.15.3.116 NMAC and 19.15.1.19 NMAC, as appropriate.

A C-141 is attached for Closure demonstrating a release did occur on the Rincon #014 Composite sample was collected and demonstrated a release occurred under regulatory standards.

8260 BTEX Non-Detect

8015 GRO/DRO/ORO 30.7 mg/kg

Chloride 21.4 mg/kg

8. If the confirmation sampling demonstrates that a release has not occurred or that any release does not exceed the concentrations specified above, then EPIC Energy, L.L.C will backfill the excavation with compacted, non-waste containing, earthen material; construct a division prescribed soil cover; re-contour the site; and move the fiberglass tank onto the newly backfilled and compacted site. The division-prescribed soil cover, re-contouring, and re-vegetation requirements shall comply with Subsections G, H, and I of 19.15.17.13

NMAC.

The area has been backfilled and an above ground tank will be installed in its place. The area will be reclaimed once the well has been plugged and abandoned.

9.Reclamation will follow 19.15.17.130 (1) and (2).

a. The BGT location and all areas associated with the BGT, including associated access roads, if applicable, will be reclaimed to a safe and stable condition that blends with the surrounding undisturbed area. It is understood that EPIC Energy, L.L.C shall substantially restore the impacted surface area to the condition that existed prior to oil and gas operations by placement of the soil cover as provided in Subsection H of 19 .15 .1 7 .13 NMA C and re-contour the location and associated areas to a contour that approximates the original contour and blends with the surrounding topography.

b. Re-vegetation will not be completed at the time the BGT pit is reclaimed but will instead be applied for as part of the P&A process when the well is plugged and abandoned.

10.Soil cover will follow 19.15.17.13H (1) and (3).

a. The soil cover for closures where the BGT has been removed or contaminated soil has been remediated to the NMOCD's satisfaction will consist of the background thickness of topsoil or one (1) foot of suitable material to establish vegetation at the site, whichever is greater.

b. The soil cover will be constructed to the site's existing grade, and all possible efforts will be conducted to prevent ponding of water and erosion of the cover material.

The area has been backfilled and will be reclaimed once the well has been plugged and abandoned.

11.Within 60 days of closure completion, EPIC Energy, L.L.C will submit a closure report on NMOCD's Form C-144, with necessary attachments to document all closure activities, including sampling results; information required by 19.15.17 NMAC; and details on backfilling, capping, and covering, where applicable. EPIC Energy, L.L.C will certify that all information in the report and attachments is correct and that EPIC Energy, L.L.C has complied with all applicable closure requirements and conditions specified in the approved closure plan.



EPIC ENERGY, LLC

Rincon 14

API # 30- 039-24687

Lease # SF 078362

"C" Sec. 11-T23N-7W

370' FNL x 1660' FWL

Rio Arriba County, NM.

Emergency Contact # 505-632-3476

