

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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
July 21, 2008

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.
For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

**Pit, Closed-Loop System, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application**

9015

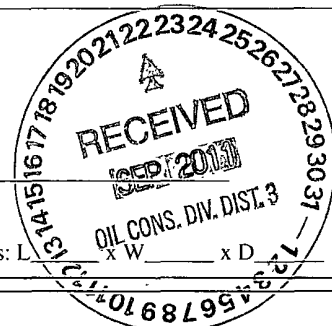
Type of action: ☐ Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method
☒ Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method
☐ Modification to an existing permit
☐ Closure plan only submitted for an existing permitted or non-permitted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

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, 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: Chevron Midcontinent, LP OGRID #: 131944
Address: P.O. Box 36366 Houston, TX 77236
Facility or well name: State 16-1E
API Number: 30-045-24298 OCD Permit Number: _____
U/L or Qtr/Qtr Qtr/Qtr P Section 16 Township 26N Range 8W County: San Juan
Center of Proposed Design: Latitude 36.48295244° Longitude -107.6826514° NAD: ☐ 1927 ☐ 1983
Surface Owner: ☐ Federal ☒ State ☐ Private ☐ Tribal Trust or Indian Allotment

2.
☐ **Pit:** Subsection F or G of 19.15.17.11 NMAC
Temporary: ☐ Drilling ☐ Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A
☐ 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.
☐ **Closed-loop System:** Subsection H of 19.15.17.11 NMAC
Type of Operation: ☐ P&A ☐ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other _____
☐ Lined ☐ Unlined Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
Liner Seams: ☐ Welded ☐ Factory ☐ Other _____

4.
☒ **Below-grade tank:** Subsection I of 19.15.17.11 NMAC
Volume: 95 bbl Type of fluid: Produced Water
Tank Construction material: Steel
☐ 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 Walled/Buried Tank with secondary containment
Liner type: Thickness _____ mil ☐ HDPE ☐ PVC ☐ Other _____

5.
☐ **Alternative Method:**
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

6.

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 _____

7.

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)

8.

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 19.15.3.103 NMAC

9.

Administrative Approvals 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:

- ☐ Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval.
- ☐ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

10.

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. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.

Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No
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	<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. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; 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	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 500 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 the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within a 100-year floodplain. - FEMA map	<input type="checkbox"/> Yes <input type="checkbox"/> No

11.

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: _____

12.

Closed-loop Systems 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.

- ☐ Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9
- ☐ Siting Criteria Compliance Demonstrations (only for on-site closure) - 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: _____

☐ Previously Approved Operating and Maintenance Plan API Number: _____ (Applies only to closed-loop system that use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

13.

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

14.

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 ☐ Closed-loop System

☐ 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 (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)

15.

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 F 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 I of 19.15.17.13 NMAC
- ☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

16.

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)

Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Will any of the proposed closed-loop system operations and associated activities occur on or in areas that *will not* be used for future service and operations?

☐ Yes (If yes, please provide the information below) ☐ No

Required for impacted areas which will not be used for future service and operations:

☐ 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 I of 19.15.17.13 NMAC

☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

17.

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 may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.

Ground water is less than 50 feet below the bottom of the buried waste.

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

☐ Yes ☐ No

☐ NA

Ground water is between 50 and 100 feet below the bottom of the buried waste

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

☐ Yes ☐ No

☐ NA

Ground water is more than 100 feet below the bottom of the buried waste.

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

☐ Yes ☐ No

☐ NA

Within 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 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 private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.

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

☐ Yes ☐ No

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 500 feet of a wetland.

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

☐ 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

18.

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 F of 19.15.17.13 NMAC

☐ Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements 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 Subsection F of 19.15.17.13 NMAC

☐ Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F 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 I of 19.15.17.13 NMAC

☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

19. **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: _____

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

OCD Representative Signature: Jonathan D. Kelly Approval Date: 9/28/2011

Title: Compliance Officer OCD Permit Number: _____

21. **Closure Report (required within 60 days of closure completion):** Subsection K of 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 14, 2011

22. **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.

23. **Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:**
Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Were the closed-loop system operations and associated activities performed on or in areas that *will not* be used for future service and operations?
☐ Yes (If yes, please demonstrate compliance to the items below) ☐ No

Required for impacted areas which will not be used for future service and operations:
☐ Site Reclamation (Photo Documentation)
☐ Soil Backfilling and Cover Installation
☐ Re-vegetation Application Rates and Seeding Technique

24. **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) **See Attached**
☐ Proof of Deed Notice (required for on-site closure) **Not Required**
☐ Plot Plan (for on-site closures and temporary pits) **Not Required**
☒ Confirmation Sampling Analytical Results (if applicable) **See Attached**
☐ Waste Material Sampling Analytical Results (required for on-site closure) **Not Required**
☐ Disposal Facility Name and Permit Number **Envirotech Landfarm #2 NM-01-0011**
☒ Soil Backfilling and Cover Installation **See attached Photograph Page**
☒ Re-vegetation Application Rates and Seeding Technique **Site still in use will Re-vegetate Pursuant to the BLM MOU upon decommission of site.**
☒ Site Reclamation (Photo Documentation) **See Attached Photograph Page**

On-site Closure Location: Latitude 36.483193' Longitude -107.692261' NAD: ☐ 1927 ☒ 1983

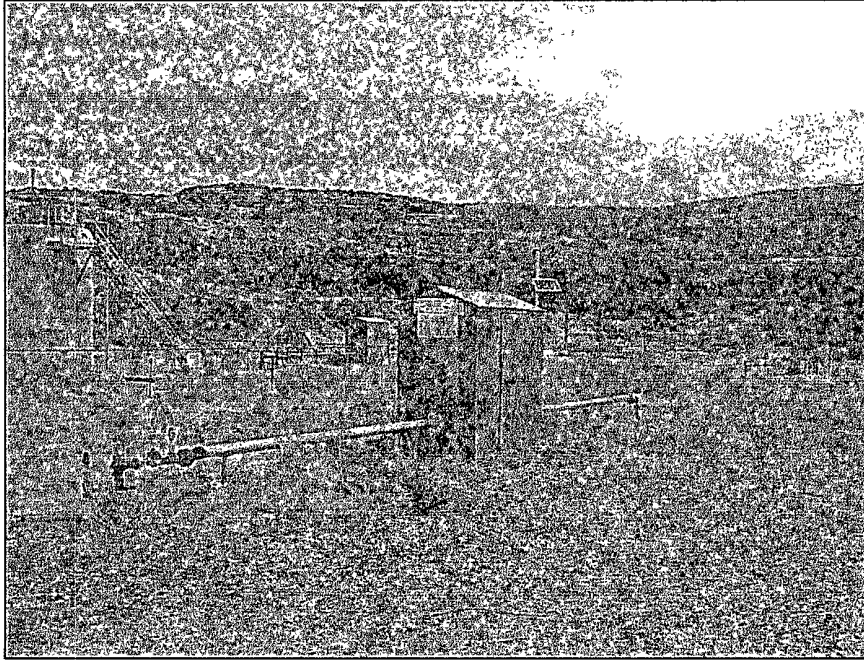
25. **Operator Closure Certification:**
 I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified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

Name (Print): Ms. Laura Clenney Don L. Lindsay Title: Facilities Engineer ENVIRONMENTAL SPECIALIST

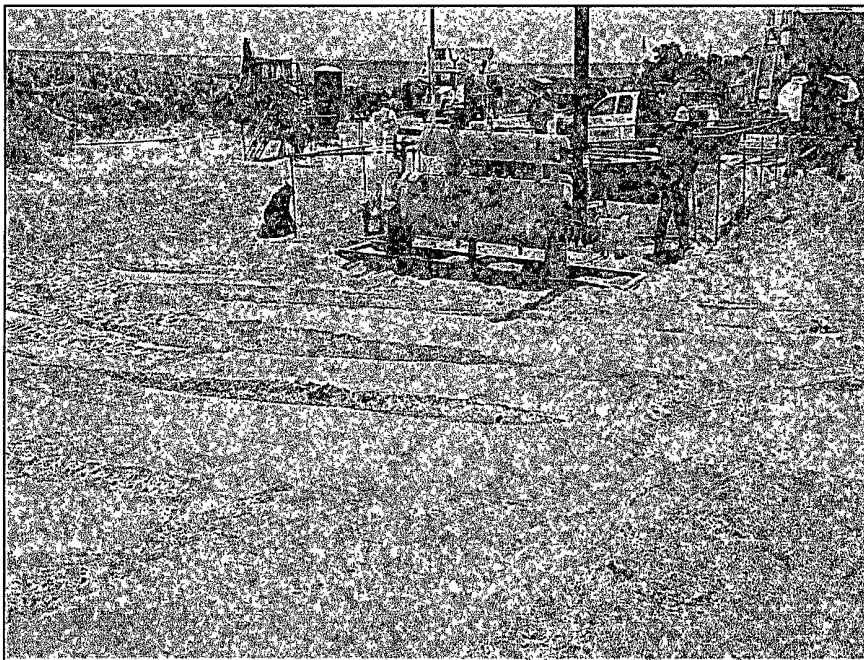
Signature: [Signature] Date: 9/19/11

e-mail address: laura.clenney@chevron.com pllin@chevron.com Telephone: (281) 881-0922 505-333-1920

Site Photography
Chevron North America
State 16-1E Well Site
Below Grade Tank Closure
Project No. 92270-0798
07/14/11



Picture 1: Former Below Grade Tank



Picture 2: Backfilled Below Grade Tank Pit

FIELD REPORT

NORM TESTING

VERIFICATION

Client: Cherion

Project #: 92270-0798

Page No: / of /

Date: 7/14/2011

LOCATION:

NAME: State 16 #1E API# 30045 24258

QUAD/UNIT: SE/SE SEC: 16 TWP: 26N RNG: 8W PM: NM

COUNTY: San Juan STATE: New Mexico

LATITUDE: 36.483193 LONGITUDE: -107.692261

BACKGROUND READING PROBE 1: 0.04 ALLOWABLE CONCENTRATION (2 TIMES BACKGROUND): 80 uR/HR

BACKGROUND READING PROBE 2: 10 ALLOWABLE CONCENTRATION (2 TIMES BACKGROUND): 20 $\mu\text{R}/\text{H}$

SCINTILLATION PROBE

[illegible]

Analyst Signature

7/14/2011
Date

René García Reyes
Printed Name

Instrument I.D.



Field Chloride

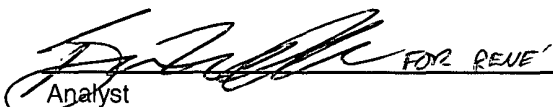
Client:	Chevron North America	Project #:	92270-0798
Sample No.:	1	Date Reported:	7/27/2011
Sample ID:	BGT Composite	Date Sampled:	7/14/2011
Sample Matrix:	Soil	Date Analyzed:	7/14/2011
Preservative:	Cool	Analysis Needed:	Chloride
Condition:	Cool and Intact		

Parameter	Concentration (mg/kg)	Det. Limit (mg/kg)
Field Chloride	ND	33.0

ND = Parameter not detected at the stated detection limit.


References: "Standard Methods for the Examination of Water and Wastewater", 18th ed., 1992
Hach Company Quantab Titrators for Chloride

Comments: **State 16-1E**


Analyst

Rene Garcia Reyes

Printed


Review

Toni McKnight, EIT

Printed



EPA METHOD 418.1
TOTAL PETROLEUM
HYDROCARBONS

Client:	Chevron North America	Project #:	92270-0798
Sample No.:	1	Date Reported:	7/27/2011
Sample ID:	BGT Composite	Date Sampled:	7/14/2011
Sample Matrix:	Soil	Date Analyzed:	7/14/2011
Preservative:	Cool	Analysis Needed:	TPH-418.1
Condition:	Cool and Intact		

Parameter	Concentration (mg/kg)	Det. Limit (mg/kg)
Total Petroleum Hydrocarbons	232	5.0

ND = Parameter not detected at the stated detection limit.

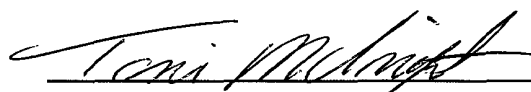
References: Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water and Waste, USEPA Storet No. 4551, 1978.

Comments: **State 16-1E**

Instrument calibrated to 200 ppm standard. Zeroed before each sample


Analyst

Rene Garcia Reyes
Printed


Review

Toni McKnight, EIT
Printed



CONTINUOUS CALIBRATION
EPA METHOD 418.1
TOTAL PETROLEUM
HYDROCARBONS

Cal. Date: 14-Jul-11

Parameter	Standard Concentration mg/L	Concentration Reading mg/L
TPH	100	
	200	200
	500	
	1000	

The accepted percent relative deviation (%RSD) of the calibration factor is less than 20% over the working range.

 FOR RENE
Analyst

Rene Garcia Reyes

Print Name


Review

Toni McKnight, EIT

Print Name

7/27/2011

Date

7/27/2011

Date

Client:	Chevron	Project #:	92270-0798
Sample ID:	BGT	Date Reported:	07-18-11
Laboratory Number:	58950	Date Sampled:	07-14-11
Chain of Custody:	12184	Date Received:	07-14-11
Sample Matrix:	Soil	Date Analyzed:	07-15-11
Preservative:	Cool	Date Extracted:	07-15-11
Condition:	Intact	Analysis Requested:	BTEX
		Dilution:	10

Parameter	Concentration (ug/Kg)	Det. Limit (ug/Kg)
Benzene	ND	0.9
Toluene	ND	1.0
Ethylbenzene	ND	1.0
p,m-Xylene	ND	1.2
o-Xylene	ND	0.9
Total BTEX	ND	


ND - Parameter not detected at the stated detection limit.

Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	87.8 %
	1,4-difluorobenzene	97.3 %
	Bromochlorobenzene	99.0 %

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: State 16 #1E



 Analyst



 Review

Client:	N/A	Project #:	N/A
Sample ID:	0715BBLK QA/QC	Date Reported:	07-18-11
Laboratory Number:	58950	Date Sampled:	N/A
Sample Matrix:	Soil	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	07-15-11
Condition:	N/A	Analysis:	BTEX
		Dilution:	10

Calibration and Detection Limits (ug/L)	I-Cal RF	C-Cal RF	%Diff	Blank Conc	Detect Limit
		Accept Range 0 - 15%			
Benzene	3.8196E+006	3.8273E+006	0.2%	ND	0.1
Toluene	3.8814E+006	3.8892E+006	0.2%	ND	0.1
Ethylbenzene	3.4376E+006	3.4445E+006	0.2%	ND	0.1
p,m-Xylene	9.3013E+006	9.3199E+006	0.2%	ND	0.1
o-Xylene	3.2044E+006	3.2109E+006	0.2%	ND	0.1

Duplicate Conc: (ug/Kg)	Sample	Duplicate	%Diff	Accept Range	Detect Limit
Benzene	ND	ND	0.0%	0 - 30%	0.9
Toluene	ND	ND	0.0%	0 - 30%	1.0
Ethylbenzene	ND	ND	0.0%	0 - 30%	1.0
p,m-Xylene	ND	ND	0.0%	0 - 30%	1.2
o-Xylene	ND	ND	0.0%	0 - 30%	0.9

Spike Conc. (ug/Kg)	Sample	Amount Spiked	Spiked Sample	% Recovery	Accept Range
Benzene	ND	500	504	101%	39 - 150
Toluene	ND	500	496	99.2%	46 - 148
Ethylbenzene	ND	500	498	100%	32 - 160
p,m-Xylene	ND	1000	1,030	103%	46 - 148
o-Xylene	ND	500	529	106%	46 - 148

ND - Parameter not detected at the stated detection limit.

Dilution: Spike and spiked sample concentration represent a dilution proportional to sample dilution.

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.
 Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using
 Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996.

Comments: QA/QC for Samples 58950-58954

Analyst

Review



Client:	Chevron	Project #:	92270-0798
Sample ID:	BGT	Date Reported:	07/18/11
Lab ID#:	58950	Date Sampled:	07/14/11
Sample Matrix:	Soil	Date Received:	07/14/11
Preservative:	Cool	Date Analyzed:	07/18/11
Condition:	Intact	Chain of Custody:	12184

Parameter	Concentration (mg/Kg)
-----------	-----------------------

Total Chloride

30

Reference: U.S.E.P.A., 4500B, "Methods for Chemical Analysis of Water and Wastes", 1983.
Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments: **State 16 #1E**

Analyst

Review

CHAIN OF CUSTODY RECORD

12184

Client: Chevron			Project Name / Location: State 16 #1E				ANALYSIS / PARAMETERS																																																	
Client Address:			Sampler Name: Rene Garcia Reyes				<table border="1"> <tr> <td>TPH (Method 8015)</td> <td>BTEX (Method 8021)</td> <td>VOC (Method 8260)</td> <td>RCRA 8 Metals</td> <td>Cation / Anion</td> <td>RCI</td> <td>TCLP with H/P</td> <td>PAH</td> <td>TPH (418.1)</td> <td>CHLORIDE</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>Sample Cool</td> <td>Sample Intact</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>														TPH (Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	RCRA 8 Metals	Cation / Anion	RCI	TCLP with H/P	PAH	TPH (418.1)	CHLORIDE							Sample Cool	Sample Intact																		
TPH (Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	RCRA 8 Metals	Cation / Anion	RCI	TCLP with H/P															PAH	TPH (418.1)	CHLORIDE							Sample Cool	Sample Intact																									
Client Phone No.:			Client No.: 922 70-0798																																																					
Sample No./ Identification	Sample Date	Sample Time	Lab No.	Sample Matrix	No./Volume of Containers	Preservative HgCl ₂ HCl			TPH (Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	RCRA 8 Metals	Cation / Anion	RCI	TCLP with H/P	PAH	TPH (418.1)	CHLORIDE					Sample Cool	Sample Intact																																
BGT	7/14	17:00	58950	Soil Solid	402			X		X									X					Y	Y																															
				Soil Solid	Sludge Aqueous																																																			
				Soil Solid	Sludge Aqueous																																																			
				Soil Solid	Sludge Aqueous																																																			
				Soil Solid	Sludge Aqueous																																																			
				Soil Solid	Sludge Aqueous																																																			
				Soil Solid	Sludge Aqueous																																																			
				Soil Solid	Sludge Aqueous																																																			
				Soil Solid	Sludge Aqueous																																																			
				Soil Solid	Sludge Aqueous																																																			
				Soil Solid	Sludge Aqueous																																																			
				Soil Solid	Sludge Aqueous																																																			
				Soil Solid	Sludge Aqueous																																																			
				Soil Solid	Sludge Aqueous																																																			
				Soil Solid	Sludge Aqueous																																																			
Relinquished by: (Signature) <i>[Signature]</i>				Date	Time	Received by: (Signature) <i>[Signature]</i>												Date	Time																																					
Relinquished by: (Signature)						Received by: (Signature)																																																		
Relinquished by: (Signature)						Received by: (Signature)																																																		

RUSH



5796 US Highway 64 • Farmington, NM 87401 • 505-632-0615 • lab@envirotech-inc.com

PAGE NO: <u>1</u> OF <u>1</u> DATE STARTED: <u>7/14/2011</u> DATE FINISHED: <u>7/14/2011</u>	ENVIROTECH INC ENVIRONMENTAL SCIENTISTS & ENGINEERS 5796 U.S. HIGHWAY 64 FARMINGTON, NEW MEXICO 87401 PHONE: (505) 632-0615	ENVIRONMENTAL SPECIALIST: <u>Rene Garcia</u> LAT: <u>36.483193°</u> LONG: <u>-107.692261°</u>
--	--	--

FIELD REPORT: BGT / PIT CLOSURE VERIFICATION

LOCATION: NAME: <u>State 16</u>	WELL #: <u>1E</u>	TEMP PIT: <input type="checkbox"/>	PERMANENT PIT: <input checked="" type="checkbox"/>	BGT: <input checked="" type="checkbox"/>
LEGAL ADD: UNIT: <u>SE/SE</u>	SEC: <u>16</u>	TWP: <u>26N</u>	RNG: <u>8W</u>	PM: <u></u>
QTR/FOOTAGE: <u>1110' FSL & 1050' FEL</u>		CNTY: <u>San Juan</u>	ST: <u>New Mexico</u>	
EXCAVATION APPROX: <u>16'</u> FT. X <u>6'</u> FT. X <u>radial</u>		FT. DEEP CUBIC YARDAGE: <u></u>		
DISPOSAL FACILITY: <u>-</u>		REMEDICATION METHOD: <u>-</u>		
LAND OWNER: <u></u>		API: <u>30045-24298</u> BGT / PIT VOLUME: <u></u>		
CONSTRUCTION MATERIAL: <u>Steel</u>		DOUBLE-WALLED, WITH LEAK DETECTION: <u></u>		

LOCATION APPROXIMATELY: <u>62</u> FT. SW	FROM WELLHEAD
DEPTH TO GROUNDWATER: <u>-</u>	

TEMPORARY PIT - GROUNDWATER 50-100 FEET DEEP
 BENZENE ≤ 0.2 mg/kg, BTEX ≤ 50 mg/kg, GRO & DRO FRACTION (8015) ≤ 500 mg/kg, TPH (418.1) ≤ 2500 mg/kg, CHLORIDES ≤ 500 mg/kg

TEMPORARY PIT - GROUNDWATER ≥100 FEET DEEP
 BENZENE ≤ 0.2 mg/kg, BTEX ≤ 50 mg/kg, GRO & DRO FRACTION (8015) ≤ 500 mg/kg, TPH (418.1) ≤ 2500 mg/kg, CHLORIDES ≤ 1000 mg/kg

☒ PERMANENT PIT OR BGT
 BENZENE ≤ 0.2 mg/kg, BTEX ≤ 50 mg/kg, TPH (418.1) ≤ 100 mg/kg, CHLORIDES ≤ 250 mg/kg

FIELD 418.1 ANALYSIS

TIME	SAMPLE I.D.	LAB NO.	WEIGHT (g)	mL FREON	DILUTION	READING	CALC. (mg/kg)
	<u>200 STD</u>		-	-	-	<u>200</u>	
	BGT	<u>1</u>					
	<u>500 STD</u>	<u>2</u>				<u>500</u>	
	<u>1000 STD</u>	<u>3</u>				<u>1000</u>	
	<u>BGT</u>	<u>4</u>	<u>5</u>	<u>20</u>	<u>X4</u>	<u>58</u>	<u>232</u>
		<u>5</u>					
		<u>6</u>					

PERIMETER 	FIELD CHLORIDES RESULTS <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>SAMPLE ID</th> <th>READING</th> <th>CALC. (mg/kg)</th> </tr> </thead> <tbody> <tr> <td><u>BGT</u></td> <td><u>0.2</u></td> <td><u>0.2</u></td> </tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>	SAMPLE ID	READING	CALC. (mg/kg)	<u>BGT</u>	<u>0.2</u>	<u>0.2</u>																												PROFILE <p>⊙ Sampled points</p>
SAMPLE ID	READING	CALC. (mg/kg)																																	
<u>BGT</u>	<u>0.2</u>	<u>0.2</u>																																	
PID RESULTS <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>SAMPLE ID</th> <th>RESULTS (mg/kg)</th> </tr> </thead> <tbody> <tr> <td><u>BGT</u></td> <td><u>ND</u></td> </tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </tbody> </table>			SAMPLE ID	RESULTS (mg/kg)	<u>BGT</u>	<u>ND</u>																													
SAMPLE ID	RESULTS (mg/kg)																																		
<u>BGT</u>	<u>ND</u>																																		

LAB SAMPLES <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>SAMPLE ID</th> <th>ANALYSIS</th> <th>RESULTS</th> </tr> </thead> <tbody> <tr><td> </td><td>BENZENE</td><td> </td></tr> <tr><td> </td><td>BTEX</td><td> </td></tr> <tr><td> </td><td>GRO & DRO</td><td> </td></tr> <tr><td> </td><td>CHLORIDES</td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>	SAMPLE ID	ANALYSIS	RESULTS		BENZENE			BTEX			GRO & DRO			CHLORIDES								NOTES: <u>Lease # LG-3571-0002</u> WORKORDER # <u></u> WHO ORDERED <u></u>
SAMPLE ID	ANALYSIS	RESULTS																				
	BENZENE																					
	BTEX																					
	GRO & DRO																					
	CHLORIDES																					

Toni McKnight

From: Lindsey, Don (LLIN) [LLIN@chevron.com]
Sent: Monday, July 11, 2011 7:21 AM
To: Powell, Brandon, EMNRD
Cc: Clenney, Laura E; Goldstein, Kevin J; Toni McKnight; Greg Crabtree
Subject: FW: OCD Notification: Chevron State 16-1E: Below Ground Tank Removal planned this week

Brandon,

I am sending this note to satisfy our OCD notification requirement, regarding our planned removal this week, of the Below Ground Pit Tank at this location.

The Surface Owner (NM State Land Office) has been notified via Certified Mail.

We will have Envirotec on site next week during the removal for sampling & remediation identification (if needed), and data gathering for the Final Report. I am CCing Envirotec with this e-mail as well.

Location specifics:

State 16-1E

API 30-045-24298

Section 16 T26N R8W

San Juan County, New Mexico.

Please contact me at the numbers below, should you have any questions.

Thank you,

Don Lindsey

Environmental & Health Specialist

Aztec, NM

Office 505-333-1920

Cell 505-301-5576

llin@chevron.com



VIA CERTIFIED MAIL

June 27, 2011

New Mexico State Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87504

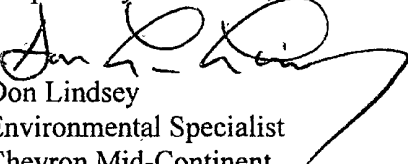
RE: STATE 16 – 1E WELL SITE: BELOW GRADE TANK CLOSURE NOTIFICATION

To whom it may concern,

This letter serves as surface owner notification for Below Grade Tank closure activities at the State 16 – 1E well site, owned and operated by Chevron Midcontinent, L.P. The State 16 – 1E is located in Section 16 T26N R8W, San Juan County, New Mexico. Closure activities are anticipated to occur and be completed during July, 2011.

We appreciate the opportunity to be of service. If you have any questions or require additional information, please contact me at (505) 333-1920.

Respectfully Submitted,


Don Lindsey
Environmental Specialist
Chevron Mid-Continent
llin@chevron.com

SENDER: COMPLETE THIS SECTION

- ☒ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
☒ Print your name and address on the reverse so that we can return the card to you.
☒ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

NM State hands
310 Old Santa Fe Trail
Santa Fe NM 87504
STATE/615

USPS
JUN 28 2011
SANTA FE, NM

2. Article Number
(Transfer from service label)

7010 1870 0003 6388 4068

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

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

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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

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

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☒ Final Report

Name of Company	Dugan Production Corp.	Contact	Rodger Mullins
Address	P. O. Box 420, Farmington, NM 87499-0420	Telephone No.	(505)325-1821
Facility Name	NCRA #1	Facility Type	Gas Well
Surface Owner	Federal	Mineral Owner	
		Lease No.	SF-079161

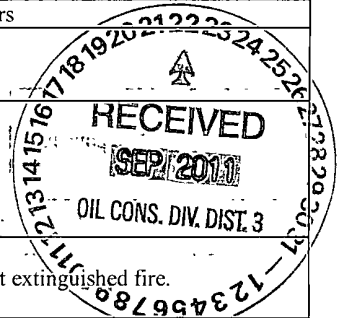
LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	03	26N	7W	790	North	890	East	Rio Arriba

Latitude 36.51989 Longitude 107.55613

NATURE OF RELEASE

Type of Release	N/A	Volume of Release	NONE	Volume Recovered	N/A
Source of Release	N/A	Date and Hour of Occurrence	9/16/11	Date and Hour of Discovery	9/16/11
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Aztec Office NMOCD – Brandon Powell			
By Whom?	Rodger Mullins	Date and Hour 09/16/11 @ approx 1645 hrs			
Was a Watercourse Reached?	N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			
If a Watercourse was Impacted, Describe Fully.*					
Describe Cause of Problem and Remedial Action Taken.* Lightning struck production tank and caught on fire. Fire consumed approximately 6 inches of production. Fire department extinguished fire.					
Describe Area Affected and Cleanup Action Taken.* N/A					



I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD 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.

Signature: <i>Ima M. Gail</i>		OIL CONSERVATION DIVISION	
Printed Name: Rodger Mullins		Approved by District Supervisor: <i>Bob D. Hill</i>	
Title: Environmental		Approval Date: 9/27/11	Expiration Date:
E-mail Address: Rodger.mullins@duganproduction.com		Conditions of Approval:	Attached <input type="checkbox"/>
Date: September 20, 2011 Phone: (505)325-1821			

* Attach Additional Sheets If Necessary



September 19, 2011

Project Number 92270-0798

Mr. Brandon Powell
New Mexico Oil Conservation Division
1000 Rio Brazos Rd.
Aztec, NM 87410

Phone (505) 334-6178

**RE: BELOW-GRADE TANK CLOSURE DOCUMENTATION FOR THE STATE 16-1E WELL
SITE, SAN JUAN COUNTY, NEW MEXICO**

Dear Mr. Powell:

On behalf of Chevron North America, please find enclosed the Below-grade Tank (BGT) Closure Plan, Form C-141, Form C-144 and required documents for BGT closure activities conducted at the State 16-1E well site located in Section 16, Township 26 North, Range 8 West, San Juan County, New Mexico.

This report details sample results above the regulatory limit for total petroleum hydrocarbons (TPH), confirming a release had occurred; see attached *Analytical Results*. However, the sample returned results below the cleanup standards determined for the site. Envirotech, Inc. recommends no further action in regards to this incident.

We appreciate the opportunity to be of service. If you have any questions, or require any additional information, please contact our office at (505) 632-0615.

Respectfully Submitted,
ENVIROTECH, INC.


Toni McKnight, EIT
Environmental Project Manager
tmcknight@envirotech-inc.com



Enclosures: Below Grade Tank Closure Plan
Form C-141
Form C-144 and required documents

Email Cc: Laura Clenney – Chevron NA
Don Lindsey – Chevron NA



September 19, 2011

Project Number 92270-0798

Ms. Laura Clenney
Chevron North America
Post Office Box 730
Aztec, New Mexico 87410

Phone: (281) 881-0322

**RE: BELOW-GRADE TANK CLOSURE DOCUMENTATION FOR THE STATE 16-1E WELL SITE,
SAN JUAN COUNTY, NEW MEXICO**

Dear Ms. Clenney,

Enclosed please find the attached Below-grade Tank (BGT) Closure Plan, Form C-141, Form C-144 and required documents, naturally occurring radioactive material (NORM) screening results, and field notes for below-grade tank (BGT) closure activities conducted at the State 16-1E well site located in Section 16, Township 26 North, Range 8 West, San Juan County, New Mexico. Upon Envirotech personnel's arrival on July 14, 2011, one (1) five (5)-point composite sample was collected from directly beneath the former BGT; see attached **Field Notes**. The sample was analyzed in the field for total petroleum hydrocarbons (TPH) using USEPA Method 418.1, for organic vapors using a photoionization detector (PID) and for chlorides. Additionally, the sample was placed into a four (4)-ounce glass jar, capped headspace free, and transported on ice, under chain of custody, to Envirotech's Analytical Laboratory to be analyzed for benzene and total BTEX using USEPA Method 8021 and for total chlorides using USEPA Method 4500. The sample returned results below the regulatory limits for benzene, BTEX and total chlorides; however, the sample returned results above the regulatory standard for TPH using USEPA Method 418.1, confirming a release did occur; see attached **Analytical Results**.

Upon Envirotech's arrival, a brief site assessment was conducted. Because distance to surface water was between 200 feet and 1,000 feet from the well site, the regulatory standards for the site were determined to be 1,000 parts per million (ppm) total petroleum hydrocarbons (TPH) and 100 ppm organic vapors, pursuant to New Mexico Oil Conservation Division (NMOCD) Guidelines for Remediation of Leaks, Spills, and Releases. The sample returned results below the regulatory standards for TPH using USEPA Method 418.1. Envirotech recommends no further action in regards to this incident.

Naturally occurring radioactive material (NORM) testing was performed on the BGT tank. The results were below the allowable limit of two (2) times the background concentration; see attached **Field Notes**.

There was no paint observed on the former BGT, therefore, lead paint was not present on the BGT tank.

We appreciate the opportunity to be of service. If you have any questions or require additional information, please contact our office at (505) 632-0615.

Chevron North America
State 16-1E Well Site
92270-0798

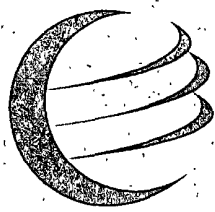
Respectfully submitted,
ENVIROTECH, INC.

 FOR REUE'
Rene Garcia-Reyes

Senior Environmental Field Technician
rgarcia@envirotech-inc.com

Enclosures: Below-grade Tank (BGT) Closure Plan
Form C-141
Form C-144 and Required Documents
NORM Screening Results
Field Notes

Cc: Client File 92270



envirotech

BELOW GRADE TANK (BGT) CLOSURE PLAN

SITE NAME:

**STATE 16-1E WELL SITE
UNIT LETTER P, SECTION 16, TOWNSHIP 26N, RANGE 8W
SAN JUAN COUNTY, NEW MEXICO
LATITUDE: N36.483193° LONGITUDE: W107.692261°**

SUBMITTED TO:

**MR. BRANDON POWELL
NEW MEXICO OIL CONSERVATION DIVISION
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178 EXT 15**

SUBMITTED BY:

**MR. DON LINDSEY
CHEVRON NORTH AMERICA
P.O. Box 370
AZTEC, NEW MEXICO 87410
(432) 687-7123**

**INITIALLY SUBMITTED WITH BGT PERMIT
MARCH 2010**

BELOW GRADE TANK (BGT) CLOSURE PLAN
CHEVRON NORTH AMERICA
STATE 16-1E WELL SITE
SAN JUAN COUNTY, NEW MEXICO

TABLE OF CONTENTS

INTRODUCTION1

SCOPE OF CLOSURE ACTIVITIES.....1

REPORTING3

INTRODUCTION

Chevron North America would like to submit a closure plan for the below grade tank (BGT) at the State 16-1E Well Site located in the NE ¼ SW ¼ of Section 16, Township 26N, Range 8W, San Juan County, New Mexico. This closure plan has been prepared in conformance with New Mexico Oil Conservation Division (NMOCD) procedures.

SCOPE OF CLOSURE ACTIVITIES

The purpose of this closure plan is to provide the details of activities involved in the closure of the BGT at the State 16-1E Well Site. The following scope of closure activities has been designed to meet this objective:

- 1) Chevron North America shall submit a closure plan to the division's environmental bureau. Upon receipt of this plan the division shall review the current closure plan for adequacy and accordance with 19.15.17.9 Subsection C NMAC and 19.15.17.13 NMAC.
 - a. **Closure plan was submitted on March 1, 2010, to the division's environmental bureau, in accordance with 19.15.17.9 Subsection C NMAC and 19.15.17.13 NMAC. The closure plan was approved on September 12, 2011, by Mr. Brad Jones of the NMOCD, Santa Fe office.**
- 2) No less than 72 hours and no greater than one (1) week prior to BGT removal Chevron North America will provide written notification to the appropriate division district office, as in accordance with 19.15.17.13 Subsection J Paragraph (2) NMAC.
 - a. **Please find attached the written notification to the district office sent on July 11, 2011.**
- 3) Chevron North America shall provide written notification to the surface owner no later than 24 hours prior to BGT removal. BLM will receive notification per a Sundry Notice, as in accordance with 19.15.17.13 Subsection J Paragraph (1) NMAC.
 - a. **Please find attached the written notification and Certified Mail Certificate for land owner notification sent on June 27, 2011.**
- 4) Chevron North America or a contractor acting on behalf of Chevron will remove all liquids, and/or sludge, if applicable, prior to closure. Material will be disposed of at Envirotech's Landfarm, Permit # NM-01-0011, as in accordance with 19.15.17.13 Subsection E Paragraph (1) NMAC.
 - a. **All waste material was removed from the BGT by Riley Services and transported to Envirotech's NMOCD approved Landfarm #2 as listed above; see attached Bill of Lading.**
- 5) Chevron North America or a contractor acting on behalf of Chevron will remove the BGT and all on-site equipment associated with this BGT that cannot or will not be reused on-site, as in accordance with 19.15.17.13 Subsection E Paragraphs (2) and (3) NMAC.
 - a. **Chevron has removed the BGT and associated equipment that will not be reused on-site; see attached Site Photography.**

- 6) Once the BGT is removed a five (5) - point composite sample will be collected from directly below the tank or below the leak detection system if present. An additional discrete sample will be collected from any area that is wet, discolored, or showing other evidence of a release. All samples being collected will be analyzed for benzene and total BTEX via USEPA Method 8021, TPH via USEPA Method 418.1, and chlorides via USEPA 300.1, as in accordance with 19.15.17.13 Subsection E Paragraph (4) NMAC.

Sample ID	TPH (418.1)	Benzene	BTEX	Total Chlorides
5pt Composite	232 ppm	<0.0009 ppm	0.0012 ppm	30 ppm

- 7) Depending on soil sample results the area will be either backfilled or the area will be excavated.
- If soil samples pass the regulatory standards of 0.2 ppm benzene, 50 ppm BTEX, 100 ppm TPH, and 250 ppm or background concentration of chlorides, as in accordance with 19.15.17.13 Subsection E Paragraph (4) NMAC.
 - Chevron North America or a contractor acting on behalf of Chevron will backfill the excavation or impacted area with non-waste containing, earthen material, in accordance with 19.15.17.13 Subsection E Paragraph (6) NMAC.
 - BGT pit was backfilled with clean earthen material in accordance with 19.15.17.13 Subsection E Paragraph (6) NMAC.**
 - Upon decommissioning of the well site Chevron North America or a contractor acting on behalf of Chevron will construct a divison-prescribed soil cover, substantially restore, recontour and re-vegetate the site, in accordance with 19.15.17.13 Subsections G, H, and I NMAC.
 - Well site is still in use – re-vegetation will occur upon the decommissioning of the well site.**
 - If soil samples exceed the regulatory standards stated above.
 - Chevron North America will submit a Release Notification by Form C-141 to the appropriate division district office, in accordance with 19.15.17.13 Subsection E Paragraph (4) NMAC.
 - C-141 release notification form is attached.**
 - Activities beyond this point will be in accordance with 19.15.3.116 NMAC and 19.15.11.19 NMAC.
 - Upon Envirotech's arrival, the closure standard for the site was determined be 1,000 ppm TPH and 100 ppm organic vapors in accordance with the New Mexico Oil Conservation Division (NMOCD) Guidelines for the Remediation of Leaks, Spills, and Releases. Therefore, no remedial action was taken.**

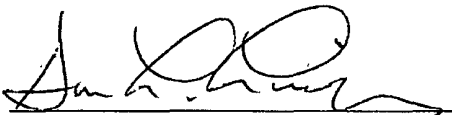
REPORTING

Reporting will occur within 60 days following the BGT closure and will consist of a form C-144 with all supporting data, and a form C-141 with all supporting data, if necessary. The supporting data will include analytical results, a site diagram, and other information related to the onsite activities.

We appreciate the opportunity to be of service. If you have any questions or require further information, please do not hesitate to contact our office at (505) 632-0615.

Respectfully Submitted:

Chevron North America



Don Lindsey
Chevron North America
Exploration & Production Company

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003
Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company: Chevron Midcontinent, LP	Contact: Ms. Laura Clenney
Address: P.O. Box 36366 Houston, TX 77236	Telephone No. (281) 881-0322
Facility Name: State 16-1E	Facility Type: Gas Well

Surface Owner: State	Mineral Owner:	Lease No.: N/A
----------------------	----------------	----------------

LOCATION OF RELEASE

Unit Letter P	Section 16	Township 26N	Range 8W	Feet from the 1110	North/South Line South	Feet from the 1050	East/West Line East	County San Juan
------------------	---------------	-----------------	-------------	-----------------------	---------------------------	-----------------------	------------------------	--------------------

Latitude 36.483193° Longitude -107.692261°

NATURE OF RELEASE

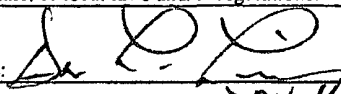
Type of Release: Produced Water	Volume of Release: Unknown	Volume Recovered: Not Applicable
Source of Release: Below Grade Tank	Date and Hour of Occurrence: Unknown	Date and Hour of Discovery: Not Applicable
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*
Not Applicable

Describe Cause of Problem and Remedial Action Taken.*
Produced water from gas well at the above mentioned location formerly discharged into a Below-grade Tank (BGT) on location. The Below-grade Tank was removed on July 14, 2011. Soil sampling from directly beneath the tank in accordance with Subsection E of 19.15.17.13 NMAC performed on July 14, 2011, indicated that a release had occurred; however, upon a quick site assessment the spill closure standard at this site was determined to be 1,000 parts per million (ppm) total petroleum hydrocarbons (TPH) and 100 ppm organic vapors. All analytical results were below the regulatory limits for all constituents analyzed in accordance with the New Mexico Oil Conservation Division (NMOCD) Guidelines for the Remediation of Leaks, Spills and Releases. Therefore, no remedial action was taken.

Describe Area Affected and Cleanup Action Taken.*
A five (5) point composite sample was collected from directly beneath the former BGT immediately once it was removed. The sample was analyzed in the field for total petroleum hydrocarbons (TPH) using USEPA Method 418.1, and in Envirotech's Analytical Laboratory for benzene and BTEX using USEPA Method 8021 and for total chlorides using USEPA Method 4500B. The sample returned results below the 'Pit Rule' standards of 0.2 mg/kg benzene, 50 mg/kg BTEX and 250 mg/kg total chlorides, but above the 'Pit Rule' standard of 100 ppm TPH, confirming that a release had occurred. However, upon a quick site assessment the spill closure standard at this site was determined to be 1,000 parts per million (ppm) total petroleum hydrocarbons (TPH) and 100 ppm organic vapors. All analytical results were below the regulatory limits for all constituents analyzed in accordance with the New Mexico Oil Conservation Division (NMOCD) Guidelines for the Remediation of Leaks, Spills and Releases. Analytical results are attached for your reference.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD 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.

Signature:  Printed Name: Laura Clenney		OIL CONSERVATION DIVISION	
Title: Facilities Engineer		Approved by District Supervisor.	
E-mail Address: laura.clenney@chevron.com		Approval Date:	Expiration Date:
Date: 9/19/11	Phone: 281-881-0322	Conditions of Approval:	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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

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

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company: Chevron Midcontinent, LP	Contact: Ms. Laura Clenney	
Address: P.O. Box 36366 Houston, TX 77236	Telephone No. (281) 881-0322	
Facility Name: State 16-1E	Facility Type: Gas Well	
Surface Owner: State	Mineral Owner:	Lease No.: N/A

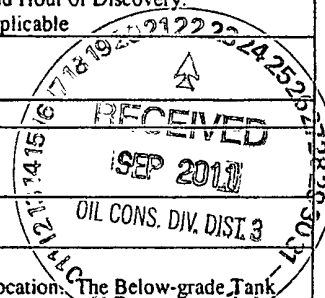
LOCATION OF RELEASE

Unit Letter P	Section 16	Township 26N	Range 8W	Feet from the 1110	North/South Line South	Feet from the 1050	East/West Line East	County San Juan
------------------	---------------	-----------------	-------------	-----------------------	---------------------------	-----------------------	------------------------	--------------------

Latitude 36.483193° Longitude -107.692261°

NATURE OF RELEASE

Type of Release: Produced Water	Volume of Release: Unknown	Volume Recovered: Not Applicable
Source of Release: Below Grade Tank	Date and Hour of Occurrence: Unknown	Date and Hour of Discovery: Not Applicable
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	



If a Watercourse was Impacted, Describe Fully.*
Not Applicable

Describe Cause of Problem and Remedial Action Taken.*

Produced water from gas well at the above mentioned location formerly discharged into a Below-grade Tank (BGT) on location. The Below-grade Tank was removed on July 14, 2011. Soil sampling from directly beneath the tank in accordance with Subsection E of 19.15.17.13 NMAC, performed on July 14, 2011, indicated that a release had occurred; however, upon a quick site assessment the spill closure standard at this site was determined to be 1,000 parts per million (ppm) total petroleum hydrocarbons (TPH) and 100 ppm organic vapors. All analytical results were below the regulatory limits for all constituents analyzed in accordance with the New Mexico Oil Conservation Division (NMOCD) Guidelines for the Remediation of Leaks, Spills and Releases. Therefore, no remedial action was taken.

Describe Area Affected and Cleanup Action Taken.*

A five (5) point composite sample was collected from directly beneath the former BGT immediately once it was removed. The sample was analyzed in the field for total petroleum hydrocarbons (TPH) using USEPA Method 418.1, and in Envirotech's Analytical Laboratory for benzene and BTEX using USEPA Method 8021 and for total chlorides using USEPA Method 4500B. The sample returned results below the 'Pit Rule' standards of 0.2 mg/kg benzene, 50 mg/kg BTEX and 250 mg/kg total chlorides, but above the 'Pit Rule' standard of 100 ppm TPH, confirming that a release had occurred. However, upon a quick site assessment the spill closure standard at this site was determined to be 1,000 parts per million (ppm) total petroleum hydrocarbons (TPH) and 100 ppm organic vapors. All analytical results were below the regulatory limits for all constituents analyzed in accordance with the New Mexico Oil Conservation Division (NMOCD) Guidelines for the Remediation of Leaks, Spills and Releases. Analytical results are attached for your reference.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD 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.

Signature: <i>Laura Clenney</i>		OIL CONSERVATION DIVISION	
Printed Name: Laura Clenney		Approved by District Supervisor:	
Title: Facilities Engineer		Approval Date:	Expiration Date:
E-mail Address: laura.clenney@chevron.com		Conditions of Approval:	Attached <input type="checkbox"/>
Date: 9/19/11	Phone: 281-881-0322		

* Attach Additional Sheets If Necessary