

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

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

11747

- 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: BP AMERICA PRODUCTION COMPANY OGRID #: 778
Address: 200 Energy Court, Farmington, NM 87401
Facility or well name: A L ELLIOTT D 002
API Number: 3004508495 OCD Permit Number: _____
U/L or Qtr/Qtr K Section 11.0 Township 29.0N Range 09W County: San Juan County
Center of Proposed Design: Latitude 36.7364 Longitude -107.75131 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 _____

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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 Tank ID: A
Volume: 95.0 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 DOUBLE BOTTOMED
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 4' Hogwire with single barbed wire

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 19.15.16.8 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 checked="" 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 checked="" type="checkbox"/> No |
| Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.
(<i>Applies to temporary, emergency, or cavitation pits and below-grade tanks</i>)
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image | <input type="checkbox"/> Yes <input checked="" 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.
(<i>Applies to permanent pits</i>)
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image | <input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" 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 checked="" 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 checked="" 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 checked="" 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 checked="" 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 checked="" type="checkbox"/> No |
| Within a 100-year floodplain.
- FEMA map | <input type="checkbox"/> Yes <input checked="" 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): Jeffrey Peace Title: Field Environmental Advisor
Signature: Jeffrey H. Peace Date: 6/14/2010
e-mail address: Peace.Jeffrey@bp.com Telephone: 505-326-9479

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

OCD Representative Signature: [Signature] Approval Date: 9/20/11
Title: Environmental Engineer 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: 11-1-2011

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)
- Proof of Deed Notice (required for on-site closure)
- 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 36.7364 Longitude -107.75131 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): Jeff Peace Title: Field Environmental Advisor
Signature: Jeff Peace Date: February 25, 2014
e-mail address: peace.jeffrey@bp.com Telephone: (505) 326-9479

BP AMERICA PRODUCTION COMPANY
SAN JUAN BASIN, NORTHWEST NEW MEXICO

BELOW-GRADE TANK CLOSURE PLAN

A. L. Elliott D 2 – Tank A (95 bbl)
API No. 3004508495
Unit Letter K, Section 11, T29N, R9W

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DIST. 3

This plan will address the standard protocols and procedures for closure of below-grade tanks (BGTs) on BP America Production Company (BP) well sites. As stipulated in Paragraph A of 19.15.17.13 NMAC, BP shall close a BGT within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the New Mexico Oil Conservation Division (NMOCD) requires because of imminent danger to fresh water, public health, safety or the environment. If deviations from this plan are necessary, any specific changes will be included on form C-144 and approved by the NMOCD. BP shall close an existing BGT that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or is not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC within five years after June 16, 2008, if not retrofit with a BGT that complies with the BP NMOCD approved BGT design attached to the BP Design and Construction Plan. BP shall close an existing BGT that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC, if not previously retrofitted to comply with the BP NMOCD approved BGT Design attached to the BP Design and Construction Plan, prior to any sale or change in operator pursuant to 19.15.9.9 NMAC. BP shall close the permitted BGT within 60 days of cessation of the BGTs operation or as required by the transitional provisions of Subsection B, D, or E of 19.15.17.17 NMAC.

General Closure Plan

1. BP shall notify the surface owner by certified mail that it plans to close a BGT. Evidence of mailing of the notice to the address of the surface owner shown in the county tax records demonstrates compliance with this requirement.
Notice is attached.
2. BP shall notify 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 shall include the operator's name, and the location to be closed by unit letter, section, township and range. If the BGT closure is associated with a particular well, then the notice shall also include the well's name, number and API number.
Notice is attached.
3. BP shall 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. The facilities to be used are:
 - a. BP Crouch Mesa Landfarm, Permit NM-02-003 (Solids)
 - b. JFJ Landfarm, Permit NM-01-010(B) (Solids and Sludge)
 - c. Basin Disposal, Permit NM-01-0005 (Liquids)

- d. Envirotech Inc Soil Remediation Facility, Permit NM-01-0011 (Solids and Sludge)
- e. BP Operated E.E. Elliott SWD #1, API 30-045-27799 (Liquids)
- f. BP Operated 13 GCU SWD #1, API 30-045-28601 (Liquids)
- g. BP Operated GCU 259 SWD, API 30-045-20006 (Liquids)
- h. BP Operated GCU 306 SWD, API 30-045-24286 (Liquids)
- i. BP Operated GCU 307 SWD, API 30-045-24248 (Liquids)
- j. BP Operated GCU 328 SWD, API 30-045-24735 (Liquids)
- k. BP Operated Pritchard SWD #1, API 30-045-28351 (Liquids)

All liquids and sludge in the BGT were removed and sent to one of the above NMOCD approved facilities for disposal.

- 4. BP shall remove the BGT and dispose of it in a NMOCD approved facility or recycle, reuse, or reclaim it in a manner that the NMOCD approves. If a liner is present and must be disposed of it will be cleaned by scraping any soils or other attached materials on the liner to a de minimus amount and disposed at a permitted solid waste facility, pursuant to Subparagraph (m) of Paragraph (1) of Subsection C of 19.15.35.8 NMAC. Documentation as to the final disposition of the removed BGT will be provided in the final closure report.

The BGT was transported to a storage area for sale and re-use.

- 5. BP shall remove any on-site equipment associated with a BGT unless the equipment is required for well production.

All equipment associated with the BGT has been removed.

- 6. BP shall test the soils beneath the BGT to determine whether a release has occurred. BP shall collect at a minimum: a five (5) point composite sample and individual grab samples from any area that is wet, discolored or showing other evidence of a release and analyze for BTEX, TPH and chlorides. The testing methods for those constituents are as follows;

Constituents	Testing Method Tank A - 95 bbl BGT	Release Verification (mg/Kg)	Sample results
Benzene	US EPA Method SW-846 8021B or 8260B	0.2	ND
Total BTEX	US EPA Method SW-846 8021B or 8260B	50	ND
TPH	US EPA Method SW-846 418.1	100	ND
Chlorides	US EPA Method 300.0 or 4500B	250 or background	ND

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. Chloride closure standards will be determined by which ever concentration level is greatest.

Soil under the BGT was sampled and TPH, BTEX and chloride levels were below the stated limits. Sampling data is attached.

- 7. BP shall notify the division District III office of its results on form C-141.

C-141 is attached.

8. If it is determined that a release has occurred, then BP will comply with 19.15.30 NMAC and 19.15.29 NMAC, as appropriate.

Sampling results indicate no release occurred.

9. If the sampling demonstrates that a release has not occurred or that any release does not exceed the concentrations specified above, then BP shall backfill the excavation, with compacted, non-waste containing, earthen material; construct a division-prescribed soil cover, re-contour and re-vegetate the location. The location will be reclaimed if it is not within the active process area

The area under the BGT was backfilled with clean soil and is covered by the LPT.

10. BP shall reclaim the BGT location and all areas associated with the BGT including associated access roads to a safe and stable condition that blends with the surrounding undisturbed area. BP 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 19.15.17.13 NMAC, re-contour the location and associated areas to a contour that approximates the original contour and blends with the surrounding topography and re-vegetate according to Subsection I of 19.15.17.13 NMAC.

The area over the BGT is covered by the LPT. This area will be reclaimed when the well is plugged and abandoned as part of final reclamation.

11. The soil cover for closures where the BGT has been removed or remediated to the NMOCD's satisfaction shall consist of the background thickness of topsoil or one foot of suitable material to establish vegetation at the site, whichever is greater. The soil cover will be constructed to the site's existing grade and all practicable efforts will be made to prevent ponding of water and erosion of the cover material.

The area over the BGT is covered by the LPT. This area will be reclaimed when the well is plugged and abandoned as part of final reclamation.

12. BP shall seed the disturbed area the first growing season after closure of the BGT. Seeding will be accomplished by drilling on the contour whenever practical or by other division-approved methods. Vegetative cover will be, at a minimum, 70% of the native perennial vegetative cover (un-impacted by overgrazing, fire or other intrusion damaging to native vegetation), consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintenance of that cover through two successive growing seasons. During the two growing seasons that prove viability, there shall be no artificial irrigation of the vegetation.

The area over the BGT is covered by the LPT. This area will be reclaimed when the well is plugged and abandoned as part of final reclamation.

13. BP shall seed, plant and re-seed pursuant to Paragraph (3) of Subsection I of 19.15.17.13 NMAC, until the location successfully achieves the required vegetative cover.

BP will seed the area when the well is plugged and abandoned.

14. Pursuant to Paragraph (5) of Subsection I of 19.15.17.13 NMAC, BP shall notify the NMOCD when it has seeded or planted and when it successfully achieves re-vegetation.

BP will notify NMOCD when re-vegetation is successful.

15. Within 60 days of closure completion, BP shall submit a closure report on NMOCD's form C-144, and will include the following:
 - a. proof of closure notification (surface owner and NMOCD)
 - b. sampling analytical reports; information required by 19.15.17 NMAC;
 - c. disposal facility name and permit number
 - d. details on back-filling, capping, covering, and where applicable re-vegetation application rates and seeding techniques and
 - e. site reclamation, photo documentation.

Closure report on C-144 form is included.

16. BP shall certify that all information in the report and attachments is accurate, truthful, and compliant with all applicable closure requirements and conditions specified in the approved closure plan.

Certification section of C-144 has been completed.

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
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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-141
Revised August 8, 2011

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

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company: BP	Contact: Jeff Peace
Address: 200 Energy Court, Farmington, NM 87401	Telephone No.: 505-326-9479
Facility Name: A. L. Elliott D 2	Facility Type: Natural gas well

Surface Owner: Federal	Mineral Owner: Federal	API No. 3004508495
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LOCATION OF RELEASE

Unit Letter K	Section 11	Township 29N	Range 9W	Feet from the 1,650	North/South Line South	Feet from the 1,650	East/West Line West	County: San Juan
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Latitude 36.7364 Longitude 107.75131

NATURE OF RELEASE

Type of Release: none	Volume of Release: N/A	Volume Recovered: N/A
Source of Release: below grade tank - 95 bbl Tank A	Date and Hour of Occurrence:	Date and Hour of Discovery:
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.	

RCVD FEB 26 '14
OIL CONS. DIV.
DIST. 3

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.* Sampling of the soil beneath the BGT was done during removal to ensure no soil impacts from the BGT. Soil analysis resulted in TPH, BTEX and chloride below standards. Analysis results are attached.

Describe Area Affected and Cleanup Action Taken.* BGT was removed and the area underneath the BGT was sampled. The area under the BGT was backfilled and compacted and is covered by the LPT.

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: 	OIL CONSERVATION DIVISION	
Printed Name: Jeff Peace	Approved by Environmental Specialist:	
Title: Field Environmental Advisor	Approval Date:	Expiration Date:
E-mail Address: peace.jeffrey@bp.com	Conditions of Approval:	
Date: February 25, 2014 Phone: 505-326-9479	Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary

CLIENT: BP	BLAGG ENGINEERING, INC. P.O. BOX 87, BLOOMFIELD, NM 87413 (505) 632-1199	API #: 3004508495 TANK ID (if applicable): A & B
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FIELD REPORT: (circle one): <input checked="" type="checkbox"/> BGT CONFIRMATION / <input type="checkbox"/> RELEASE INVESTIGATION / <input type="checkbox"/> OTHER: CLOSURE OF A & B	PAGE #: 1 of 1
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SITE INFORMATION:	SITE NAME: A. L. ELLIOTT D #2	DATE STARTED: 11/01/11
QUAD/UNIT: K SEC: 11 TWP: 29N RNG: 9W PM: NM CNTY: SJ ST: NM		DATE FINISHED:
1/4 - 1/4 FOOTAGE: 1,650'S / 1,650'W NE/SW LEASE TYPE: <input checked="" type="checkbox"/> FEDERAL / STATE / FEE / INDIAN ELKHORN		ENVIRONMENTAL SPECIALIST(S): JCB
LEASE #: SF 078132 PROD. FORMATION: MV CONTRACTOR: J. GONZALEZ		

REFERENCE POINT:	WELL HEAD (W.H.) GPS COORD.: 36.73665 X 107.75162 GL ELEV.: 5,879'	
1) 95 BGT (SW/DB)-A	GPS COORD.: 36.73640 X 107.75131	DISTANCE/BEARING FROM W.H.: 114', S47E
2) 95 BGT (SW/DB)-B	GPS COORD.: 36.73685 X 107.75117	DISTANCE/BEARING FROM W.H.: 162', N63E
3) _____	GPS COORD.: _____	DISTANCE/BEARING FROM W.H.: _____
4) _____	GPS COORD.: _____	DISTANCE/BEARING FROM W.H.: _____

LAB INFORMATION:	CHAIN OF CUSTODY RECORD(S) # OR LAB USED: HALL	OVM READING (ppm)
1) SAMPLE ID: 95 BGT A 5pt. @ 6' SAMPLE DATE: 11/01/11 SAMPLE TIME: 1422 LAB ANALYSIS: TPH/BTEX/CI		0.0
2) SAMPLE ID: 95 BGT B 5-pt. @ 6' SAMPLE DATE: 11/01/11 SAMPLE TIME: 1435 LAB ANALYSIS: TPH/BTEX/CI		0.0
3) SAMPLE ID: _____ SAMPLE DATE: _____ SAMPLE TIME: _____ LAB ANALYSIS: _____		
4) SAMPLE ID: _____ SAMPLE DATE: _____ SAMPLE TIME: _____ LAB ANALYSIS: _____		

SOIL DESCRIPTION:	SOIL TYPE: <input checked="" type="checkbox"/> SAND / <input type="checkbox"/> SILTY SAND / <input type="checkbox"/> SILT / <input type="checkbox"/> SILTY CLAY / <input type="checkbox"/> CLAY / <input type="checkbox"/> GRAVEL / OTHER _____
SOIL COLOR: PALE YELLOWISH BROWN	
COHESION (ALL OTHERS): <input checked="" type="checkbox"/> NON COHESIVE / <input type="checkbox"/> SLIGHTLY COHESIVE / <input type="checkbox"/> COHESIVE / <input type="checkbox"/> HIGHLY COHESIVE	PLASTICITY (CLAYS): <input type="checkbox"/> NON PLASTIC / <input type="checkbox"/> SLIGHTLY PLASTIC / <input type="checkbox"/> COHESIVE / <input type="checkbox"/> MEDIUM PLASTIC / <input type="checkbox"/> HIGHLY PLASTIC
CONSISTENCY (NON COHESIVE SOILS): <input checked="" type="checkbox"/> LOOSE / <input type="checkbox"/> FIRM / <input type="checkbox"/> DENSE / <input type="checkbox"/> VERY DENSE	DENSITY (COHESIVE CLAYS & SILTS): <input type="checkbox"/> SOFT / <input type="checkbox"/> FIRM / <input type="checkbox"/> STIFF / <input type="checkbox"/> VERY STIFF / <input type="checkbox"/> HARD
MOISTURE: DRY / <input checked="" type="checkbox"/> SLIGHTLY MOIST / <input type="checkbox"/> MOIST / <input type="checkbox"/> WET / <input type="checkbox"/> SATURATED / <input type="checkbox"/> SUPER SATURATED	HC ODOR DETECTED: YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> EXPLANATION - _____
SAMPLE TYPE: GRAB / <input checked="" type="checkbox"/> COMPOSITE - # OF PTS. 5	
DISCOLORATION/STAINING OBSERVED: YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> EXPLANATION - _____	

ANY AREAS DISPLAYING WETNESS: YES NO EXPLANATION - _____

ADDITIONAL COMMENTS: **TANK IN 14' X 14' X 6' DEEP WOOD CELLAR - SIDEWALLS VISIBLE.**
TANK IN 14' X 14' X 6' DEEP WOOD CELLAR - SIDEWALLS VISIBLE.
USE BACKHOE TO COLLECT SAMPLES.

EXCAVATION DIMENSIONS (if applicable): **NA** ft. X **NA** ft. X **NA** ft. cubic yards excavated (if applicable): **NA**

DEPTH TO GROUNDWATER: **>100'** NEAREST WATER SOURCE: **>1,000'** NEAREST SURFACE WATER: **<1,000'** NMOCD TPH CLOSURE STD: **1,000** PPM

<p>SITE SKETCH</p> <p style="text-align: center;">WELL HEAD</p> <p style="text-align: center;">CELLAR</p> <p style="text-align: center;">95 BGT B.</p> <p style="text-align: center;">95 BGT A.</p>	<p>PLOT PLAN circle: attached</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>OVM CALIB. READ. = 53.7 ppm</td> <td>RF = 0.52</td> </tr> <tr> <td>OVM CALIB. GAS = 100 ppm</td> <td></td> </tr> <tr> <td>TIME: 2:40 art/pm</td> <td>DATE: 11/01/11</td> </tr> </table> <p>MISCELL. NOTES</p> <p>N 1461412</p> <p>ZSCHWLLBGT</p> <p>PO: 61031</p> <p>Z2-00690 - AL ELLIOTT D2</p> <p>PERMIT DATES: 06/14/10.</p> <p>BOTH</p> <p>BGT Sidewalls Visible: (Y) N / NA</p> <p>Magnetic declination: 10° E</p>	OVM CALIB. READ. = 53.7 ppm	RF = 0.52	OVM CALIB. GAS = 100 ppm		TIME: 2:40 art/pm	DATE: 11/01/11
OVM CALIB. READ. = 53.7 ppm	RF = 0.52						
OVM CALIB. GAS = 100 ppm							
TIME: 2:40 art/pm	DATE: 11/01/11						

NOTES: BGT = BELOW-GRADE TANK; E.D. = EXCAVATION DEPRESSION; B.G. = BELOW GRADE; B = BELOW; T.H. = TEST HOLE; ~ = APPROX.; T.B. = TANK BOTTOM; PBGTL = PREVIOUS BELOW-GRADE TANK LOCATION; SPD = SAMPLE POINT DESIGNATION; R.W. = RETAINING WALL; NA - NOT APPLICABLE OR NOT AVAILABLE; SW - SINGLE WALL; DW - DOUBLE WALL; SB - SINGLE BOTTOM; DB - DOUBLE BOTTOM.	TRAVEL NOTES: CALLOUT: _____ ONSITE: 11/01/11
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Hall Environmental Analysis Laboratory, Inc.

Date: 11-Nov-11
Analytical Report

CLIENT:	Blagg Engineering	Client Sample ID:	95 BGT A 5-pt @6'
Lab Order:	1111258	Collection Date:	11/1/2011 2:22:00 PM
Project:	A.L.Elliott D #2	Date Received:	11/3/2011
Lab ID:	1111258-01	Matrix:	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: SCC
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	11/5/2011 10:51:00 AM
Surr: DNOP	90.1	73.4-123		%REC	1	11/5/2011 10:51:00 AM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: RAA
Gasoline Range Organics (GRO)	ND	4.8		mg/Kg	1	11/7/2011 4:54:46 PM
Surr: BFB	96.8	75.2-136		%REC	1	11/7/2011 4:54:46 PM
EPA METHOD 8021B: VOLATILES						Analyst: RAA
Benzene	ND	0.048		mg/Kg	1	11/7/2011 4:54:46 PM
Toluene	ND	0.048		mg/Kg	1	11/7/2011 4:54:46 PM
Ethylbenzene	ND	0.048		mg/Kg	1	11/7/2011 4:54:46 PM
Xylenes, Total	ND	0.095		mg/Kg	1	11/7/2011 4:54:46 PM
Surr: 4-Bromofluorobenzene	97.3	80-120		%REC	1	11/7/2011 4:54:46 PM
EPA METHOD 300.0: ANIONS						Analyst: BRM
Chloride	ND	7.5		mg/Kg	5	11/9/2011 6:02:44 PM
EPA METHOD 418.1: TPH						Analyst: JB
Petroleum Hydrocarbons, TR	ND	20		mg/Kg	1	11/7/2011

Qualifiers:

- | | |
|--|--|
| * Value exceeds Maximum Contaminant Level | B Analyte detected in the associated Method Blank |
| E Estimated value | H Holding times for preparation or analysis exceeded |
| J Analyte detected below quantitation limits | MCL Maximum Contaminant Level |
| NC Non-Chlorinated | ND Not Detected at the Reporting Limit |
| PQL Practical Quantitation Limit | S Spike recovery outside accepted recovery limits |

QA/QC SUMMARY REPORT

Client: Blagg Engineering
Project: A.L.Elliott D #2

Work Order: 1111258

Analyte	Result	Units	PQL	SPK Va	SPK ref	%Rec	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Method: EPA Method 300.0: Anions											
Sample ID: 1111258-02AMSD		<i>MSD</i>									
Chloride	15.48	mg/Kg	7.5	15	0	103	79.6	112	2.33	20	
Sample ID: 1111258-02AMS		<i>MS</i>									
Chloride	15.13	mg/Kg	7.5	15	0	101	79.6	112			
Method: EPA Method 418.1: TPH											
Sample ID: MB-29238		<i>MBLK</i>									
Petroleum Hydrocarbons, TR	ND	mg/Kg	20								
Sample ID: LCS-29238		<i>LCS</i>									
Petroleum Hydrocarbons, TR	97.94	mg/Kg	20	100	0	97.9	87.8	115			
Sample ID: LCSD-29238		<i>LCSD</i>									
Petroleum Hydrocarbons, TR	99.22	mg/Kg	20	100	0	99.2	87.8	115	1.30	8.04	
Method: EPA Method 8015B: Diesel Range Organics											
Sample ID: MB-29219		<i>MBLK</i>									
Diesel Range Organics (DRO)	ND	mg/Kg	10								
Sample ID: LCS-29219		<i>LCS</i>									
Diesel Range Organics (DRO)	48.17	mg/Kg	10	50	0	96.3	66.7	119			
Method: EPA Method 8015B: Gasoline Range											
Sample ID: MB-29220		<i>MBLK</i>									
Gasoline Range Organics (GRO)	ND	mg/Kg	5.0								
Sample ID: LCS-29220		<i>LCS</i>									
Gasoline Range Organics (GRO)	29.54	mg/Kg	5.0	25	0	118	86.4	132			
Method: EPA Method 8021B: Volatiles											
Sample ID: MB-29220		<i>MBLK</i>									
Benzene	ND	mg/Kg	0.050								
Toluene	ND	mg/Kg	0.050								
Ethylbenzene	ND	mg/Kg	0.050								
Xylenes, Total	ND	mg/Kg	0.10								
Sample ID: LCS-29220		<i>LCS</i>									
Benzene	1.018	mg/Kg	0.050	1	0.0224	99.6	83.3	107			
Toluene	0.9662	mg/Kg	0.050	1	0	96.6	74.3	115			
Ethylbenzene	1.084	mg/Kg	0.050	1	0.0045	108	80.9	122			
Xylenes, Total	3.328	mg/Kg	0.10	3	0	111	85.2	123			

Qualifiers:

E Estimated value
J Analyte detected below quantitation limits
ND Not Detected at the Reporting Limit
H Holding times for preparation or analysis exceeded
NC Non-Chlorinated
R RPD outside accepted recovery limits

Hall Environmental Analysis Laboratory, Inc.

Sample Receipt Checklist

Client Name **BLAGG**

Date Received:

11/3/2011

Work Order Number **1111258**

Received by: **LNM**

Checklist completed by:

11/3/11
Date

Sample ID labels checked by:

Initials

Matrix:

Carrier name: FedEx

Shipping container/cooler in good condition?	Yes ✓	No	Not Present	
Custody seals intact on shipping container/cooler?	Yes ✓	No	Not Present	Not Shipped
Custody seals intact on sample bottles?	Yes	No	N/A	✓
Chain of custody present?	Yes ✓	No		
Chain of custody signed when relinquished and received?	Yes ✓	No		
Chain of custody agrees with sample labels?	Yes ✓	No		
Samples in proper container/bottle?	Yes ✓	No		
Sample containers intact?	Yes ✓	No		
Sufficient sample volume for indicated test?	Yes ✓	No		
All samples received within holding time?	Yes ✓	No		
Water - VOA vials have zero headspace?	No VOA vials submitted ✓	Yes	No	Number of preserved bottles checked for pH:
Water - Preservation labels on bottle and cap match?	Yes	No	N/A ✓	
Water - pH acceptable upon receipt?	Yes	No	N/A ✓	<2 >12 unless noted below.
Container/Temp Blank temperature?	3.9°	<6° C Acceptable If given sufficient time to cool.		

COMMENTS:

Client contacted

Date contacted:

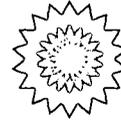
Person contacted

Contacted by:

Regarding:

Comments:

Corrective Action



BP America Production Company
200 Energy Court
Farmington, NM 87401
Phone: (505) 326-9200

October 24, 2011

Bureau of Land Management
Mark Kelly
1235 La Plata Hwy
Farmington, NM 87401

VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Re: Notification of plans to close/remove a below grade tank
Well Name: A L ELLIOTT D 002-MV

Dear Bureau of Land Management,

As part of the NM "Pit Rule": 19.15.17.13 Closure Requirements, Paragraph J. BP America Production Company (BP) is required to notify the surface owner of BP's plans to close/remove a below grade tank. BP wishes to inform you of our plans to close/remove the below grade tank on its well pad located on your surface. BP plans to commence this work on or about October 31, 2011. If there aren't any unforeseen problems, the work should be completed within 10 working days.

As a point of clarification, BP will be closing the below grade tank and either operating without one or replacing it with an above ground tank, the well site will continue to operate.

Unless you have questions about this notice, there is no need to respond to this letter. If you do have any questions or concerns, please contact me at 505-326-9214

Sincerely,

Jerry Van Riper
Surface Coordinator/Business Security Representative
BP America Production Company

BP America Production Company
200 Energy Court
Farmington, NM 87401
Phone: (505) 326-9200

SENT VIA E-MAIL TO: BRANDON.POWELL@STATE.NM.US

November 2, 2011

New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

RE: Notice of Proposed Below-Grade Tank (BGT) Closure

A L ELLIOTT D 002-MV
API 30-045-08495
(M) Section 11 – T29N – R09W
San Juan County, New Mexico

Dear Mr. Brandon Powell:

In regards to the captioned subject and requirements of the NMOCD pit rule, this letter is notification that BP is planning to close a 95 bbl. BGT that will no longer be operational at this well site.

Should you have any questions, please feel free to contact BP at our Farmington office.

Sincerely,

Buddy Shaw
BP Environmental Advisor

(505) 320-0401

505-526-9200

OR

505-947-9900

BP AMERICA PRODUCTION COMPANY

A L ELLIOTT D 002

API 3004508495 LEASE NMSF078132

1650 FSL 1650 FWL (K) SEC 11 T29N R9W

San Juan County ELEV 5879

LAT 36° 44' 12.120"

LONG 107° 45' 5.724"

Previous 95 bbl BGT
Position (Tank ID: A)

