

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

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

Form C-144
Revised June 6, 2013

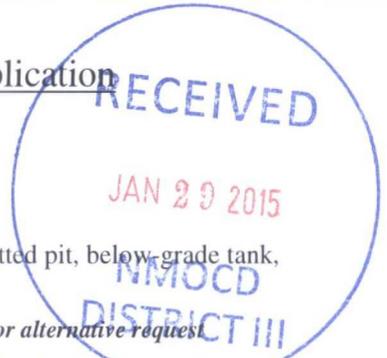
For temporary pits, below-grade tanks, and multi-well fluid management pits, submit to the appropriate NMOCD District Office.
For permanent pits submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

12633

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

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

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



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

1.
Operator: Enervest Operating LLC OGRID #: _____
Address: 2700 Farmington Ave, Building K, Suite 1. Farmington, N.M. 87401
Facility or well name: Mills #001
API Number: 30-045-05266 OCD Permit Number: _____
U/L or Qtr/Qtr K Section 19 Township 25N Range 9W County: San Juan
Center of Proposed Design: Latitude 36.38391612 Longitude -107.83357820 NAD: 1927 1983
Surface Owner: Federal State Private Tribal Trust or Indian Allotment

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

3.
 Below-grade tank: Subsection I of 19.15.17.11 NMAC
Volume: 80 bbl Type of fluid: Produced Water
Tank Construction material: Steel double bottom tank
 Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
 Visible sidewalls and liner Visible sidewalls only Other leak detection
Liner type: Thickness _____ mil HDPE PVC Other _____

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

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

6.

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

- Screen Netting Other _____
- Monthly inspections (If netting or screening is not physically feasible)

7.

Signs: Subsection C of 19.15.17.11 NMAC

- 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
- Signed in compliance with 19.15.16.8 NMAC

8.

Variations and Exceptions:

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

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

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

9.

Siting Criteria (regarding permitting): 19.15.17.10 NMAC

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

General siting

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

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

- Yes No
- NA

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

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

- Yes No
- NA

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

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

- Yes No

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

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

- Yes No

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

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

- Yes No

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

- FEMA map

- Yes No

Below Grade Tanks

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

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

- Yes No

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

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

- Yes No

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

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

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

- Yes No

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

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

- Yes No

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

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

- Yes No

Within 100 feet of a wetland.
 - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site Yes No

Temporary Pit Non-low chloride drilling fluid

Within 300 feet of a continuously flowing watercourse, or any other significant watercourse, or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).
 - Topographic map; Visual inspection (certification) of the proposed site Yes No

Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.
 - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image Yes No

Within 500 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 1000 feet of any other fresh water well or spring, in the existence at the time of the initial application;
 - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site Yes No

Within 300 feet of a wetland.
 - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site Yes No

Permanent Pit or Multi-Well Fluid Management Pit

Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).
 - Topographic map; Visual inspection (certification) of the proposed site Yes No

Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.
 - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image Yes No

Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of initial application.
 - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site Yes No

Within 500 feet of a wetland.
 - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site Yes No

10. **Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist:** Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

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

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

11. **Multi-Well Fluid Management Pit Checklist:** Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

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

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

12.

Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC

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

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

13.

Proposed Closure: 19.15.17.13 NMAC

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

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

14.

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

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

15.

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

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

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

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 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

16.
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.*

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

17.
Operator Application Certification:

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

Name (Print): _____ Michael Dame _____ Title: _____ HSE Associate _____

Signature: _____ Date: _____ 1/26/2015 _____

e-mail address: _____ mdame@enervest.net _____ Telephone: _____ 505-325-0318 _____

18.
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)

OCD Representative Signature: Janeth D. Kelly Approval Date: 1/29/2015

Title: Compliance Officer OCD Permit Number: _____

19.
Closure Report (required within 60 days of closure completion): 19.15.17.13 NMAC

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

Closure Completion Date: _____ 1/28/2015 _____

20.
Closure Method:

Waste Excavation and Removal On-Site Closure Method Alternative Closure Method Waste Removal (Closed-loop systems only)

If different from approved plan, please explain.

21.
Closure Report Attachment Checklist: *Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.*

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

On-site Closure Location: Latitude 36.383916 Longitude -107.833578 NAD: 1927 1983

Operator Closure Certification:

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

Name (Print): Michael Dame Title: HSE Associate

Signature:  Date: 1/26/2015

e-mail address: mdame@enervest.net Telephone: 505-325-0318

EnerVest Operating, LLC (EV)

**BELOW-GRADE TANK
CLOSURE PLAN**

Rule 19.15.17.13

Well Name – Mills#001 Below Grade Tank

API # 30-045-33510

Location UL- P, Sec 18 T-31N, R-8W

Lat: N 36.892562 Lat W -107. 711017

Before June 15, 2013, EV shall close, retrofit, or replace an existing below-grade tank that has not demonstrated integrity.

EV shall close a below-grade tank within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the division requires because of imminent danger to fresh water, public health or the environment.

- A. EV shall close an existing below-grade tank that does not meet the requirements of Subsection I, paragraphs (1) through (4), of 19.15.17.11 NMAC if not retrofitted to comply with said requirements prior to any sale or change of operator to 19.15.9.9 NMAC.

Any below-grade tank installed prior to June 16, 2008 that is single walled and where any portion of the tank sidewall is below the ground surface and not visible shall equip or retrofit the below-grade tank to comply with paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC, or close it, within 5 years after June 16, 2008.

Within 60 days of cessation of the permitted below-grade tanks operation or as required by Subsection B of 19.15.17.17 NMAC, EV shall close the below-grade tank in accordance with a closure plan that the appropriate division district office approves.

Below grade tank was removed on December 16, 2015..

- B. Prior to implementing any closure operations EV shall research county tax records to determine the name and address of the surface owner of the properties involved. EV shall notify this surface owner via Certified U.S. Mail, return receipt requested, of their intent to close said below-grade tank.

Upon determination, EV will notify the appropriate district office verbally and in writing at least 72 hours but not more than one week prior to beginning work. Such notice shall contain at a minimum the following:

Operators Name

Unit letter, Section, Township, & Range of well

Well name and well number

API Number of well

Enervest Operating provided 72 hour notification to the state of New Mexico and the Bureau of Land Management per regulations. See the attached notification and responses.

- C. Within 60 days of completion of closure operations, EV will file Form C-144, with attachments, outlining the detailed operations of the closing operations. Such attachments shall include, but not limited to, proof of surface owner and division notifications, confirmation of sampling analysis, disposal facility names and permit numbers, soil backfilling and cover installation, re-vegetation application rates and seeding techniques, and photo documentations.
- D. All free standing liquids and sludge will be removed at the start of the below-grade tank closure process from the below-grade tank and disposed of in one of the below division-approved facility as indicated below:
- | | | |
|-----------------------|---------------------|------------------|
| TNT Land Farm | Permit # NM-01-0008 | Liquids & Sludge |
| Environtech Land Farm | Permit # NM-01-0011 | Solids |
| AguaMoss | Permit # 247130 | Liquids |

EV will obtain prior approval from the division to dispose, recycle, reuse, or reclaim the below-grade tanks and provide documentation of the final disposition of the below-grade tank in the closure report.

All material in the below grade tank was removed. The tank was removed and taken to Enervest Operating Bloomfield Highway yard and steam cleaned and inspected and recoated. The tank will be utilized at another location in the future.

Existing liners that are removed as a result of closure will be wiped cleaned and disposed of at a solid waste facility listed below in compliance with Subparagraph (M) of Paragraph (I) of Subsection C 19.15.35.8 NMAC..

San Juan Regional Landfill	Permit # SWM 052426 or
“	Special Waster Permit # SWM052433 “sp”

If there is any on-site equipment associated with a below grade tank, EV shall remove the equipment, unless the equipment is required for some other purpose .

Upon removal of the below-grade tank, EV will take, at a minimum, a five point composite sample from where the tank was sitting. EV shall collect individual grab samples will be taken from any area that is wet, discolored or showing other evidence of a release. All samples will be analyzed for the following:

Constituent	Method	Groundwater 51-100FT	Test Results
Chloride	EPA 300.0	10,000 mg/kg	15.6 mg/kg
TPH	EPA SW-846 Method 418.1	2,500 mg/kg	43.9 mg/kg
BTEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg	Non-Detect
Benzene	EPA -SW-846 Method 8021B or 8015M	10 mg/kg	Non-Detect
GRO/DRO	EPA SW-846 Method 8015B	1000 mg/kg	Non-Detect

JK 1/29/2015
Approved
Closure Standards

250 mg/Kg

100 mg/Kg

50 mg/Kg

0.2 mg/Kg

Not Applicable

The sample was analyzed by Envirotech Analytical Laboratory in Aztec NM. See attached laboratory.

EV will insure that the results of all sampling shall be reported to the division on approved form C-141. EV understands that the division may require additional delineation upon review of the results.

If sampling demonstrates that concentrations specified above have NOT been exceeded, or that a release has NOT occurred, EV will backfill the excavation with compacted, non-waste containing, earthen material, construct a division prescribed soil cover, and recontour and re-vegetate the site. The division prescribed soil cover, recontouring, and re-vegetation shall comply with 19.15.17.13.

The excavation was back filed by Sierra Oil Field Services on January 28, 2015, utilizing soil that was already on location. The location was contoured to match the existing terrain. See attached photographs.

If EV or the division determines that a release has occurred, EV shall fully comply with 19.15.29 NMAC and 19.15.30 NMAC as appropriate.

No release was observed. See the attached C-141 for details.

- E. Once EV has closed a below-grade tank, we shall reclaim the site to a safe and stable condition that blends with the surrounding undisturbed area. When possible, EV will restore the impacted surface area to the condition that existed prior to oil and gas operations by the placement of soil cover.

If the closed area is within the confines of the pad location EV will blend the site to match the pad location as much as possible. Such activities shall prevent erosion, protect fresh water, human health and the environment. EV will obtain written agreement from the surface owner for any alternate re-vegetation proposals and submit to the division for final approval.

The soil cover design will be consistent with the requirements of 19.15.17.13(H)(1) and (3). The soil cover will 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 prevent ponding of water and erosion of the cover material.

EV will seed the disturbed areas the first growing season after closing the below grade tank. Seeding will be accomplished via drilling on the contour whenever practical or by other division-approved methods. BLM or Forest Service stipulated seed mixes will be used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs. During the two growing seasons that prove viability, there shall be no artificial irrigation of the vegetation.

EV shall notify the division when it has seeded or planted and when it successfully achieves re-vegetation.

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Energy Minerals and Natural Resources
Oil Conservation Division
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Santa Fe, NM 87505

Form C-141
Revised August 8, 2011

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 Enervest Operating	Contact Michael Dame
Address 2700 Farmington Ave Building K, Suite #1	Telephone No. 505-325-0318
Facility Name Mills #001	Facility Type Oil & Gas Production

Surface Owner: Bureau of Land Management	Mineral Owner: Bureau of Land Management	API No. 30-045-05266
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LOCATION OF RELEASE

Unit Letter K	Section 19	Township 25N	Range 09W	Feet from the	North/South Line	Feet from the	East/West Line	County San Juan
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Latitude _N. 36.383916 ___ Longitude ___ W -107.833578 _____

NATURE OF RELEASE

Type of Release None	Volume of Release None	Volume Recovered none
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input 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.*

Describe Cause of Problem and Remedial Action Taken.*
Below grade tank excavation closure A five point composite sample was collect from the excavation and submitted analysis, the results are
Benzene – Non Detect (EPA Method 8021)
BTEX – Non Detect (EPA Method 8021)
GRO/DRO – Non Detect (EPA 8015)
Total Petroleum Hydrocarbons – 43.9 mg/kg (EPA Method 418.1)
Chloride – 15.6 mg/kg (EPA Method 300.0)

Describe Area Affected and Cleanup Action Taken.*
No release was detected by analysis

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: Michael Dame	Approved by Environmental Specialist:	
Title: HSE Associate	Approval Date:	Expiration Date:
E-mail Address: mdame@ enervest.net	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 1-27-2015 Phone: 505-325-0318		

* Attach Additional Sheets If Necessary

Analytical Report

Report Summary

Client: Enervest Operating
Chain Of Custody Number: 17895
Samples Received: 1/16/2015 12:05:00PM
Job Number: 05123-0002
Work Order: P501042
Project Name/Location: Mills #1

Entire Report Reviewed By:



Date: 1/26/15

Tim Cain, Laboratory Manager

The results in this report apply to the samples submitted to Envirotech's Analytical Laboratory and were analyzed in accordance with the chain of custody document supplied by you, the client, and as such are for your exclusive use only. The results in this report are based on the sample as received unless otherwise noted. Partial or incomplete reproduction of this report is prohibited, unless approved by Envirotech, Inc. If you have any questions regarding this analytical report, please don't hesitate to contact Envirotech's Laboratory Staff.

Enervest Operating 2700 Farmington Ave. Farmington NM, 87401	Project Name: Mills #1 Project Number: 05123-0002 Project Manager: Mike Dame	Reported: 26-Jan-15 14:58
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Analytical Report for Samples

Client Sample ID	Lab Sample ID	Matrix	Sampled	Received	Container
Mills #1	P501042-01A	Soil	01/16/15	01/16/15	Glass Jar, 4 oz.

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Enervest Operating
2700 Farmington Ave.
Farmington NM, 87401

Project Name: Mills #1
Project Number: 05123-0002
Project Manager: Mike Dame

Reported:
26-Jan-15 14:58

Mills #1
P501042-01 (Solid)

Analyte	Result	Reporting		Dilution	Batch	Prepared	Analyzed	Method	Notes	
		Limit	Units							
Volatile Organics by EPA 8021										
Benzene	ND	0.10	mg/kg	1	1504013	01/20/15	01/21/15	EPA 8021B		
Toluene	ND	0.10	mg/kg	1	1504013	01/20/15	01/21/15	EPA 8021B		
Ethylbenzene	ND	0.10	mg/kg	1	1504013	01/20/15	01/21/15	EPA 8021B		
p,m-Xylene	ND	0.20	mg/kg	1	1504013	01/20/15	01/21/15	EPA 8021B		
o-Xylene	ND	0.10	mg/kg	1	1504013	01/20/15	01/21/15	EPA 8021B		
Total Xylenes	ND	0.10	mg/kg	1	1504013	01/20/15	01/21/15	EPA 8021B		
Total BTEX	ND	0.10	mg/kg	1	1504013	01/20/15	01/21/15	EPA 8021B		
<i>Surrogate: 4-Bromochlorobenzene-PID</i>		116 %		50-150	1504013	01/20/15	01/21/15	EPA 8021B		
Nonhalogenated Organics by 8015										
Gasoline Range Organics (C6-C10)	ND	9.97	mg/kg	1	1504013	01/20/15	01/21/15	EPA 8015D		
Diesel Range Organics (C10-C28)	ND	30.0	mg/kg	1	1504012	01/20/15	01/21/15	EPA 8015D		
<i>Surrogate: o-Terphenyl</i>		116 %		50-200	1504012	01/20/15	01/21/15	EPA 8015D		
<i>Surrogate: 4-Bromochlorobenzene-FID</i>		103 %		50-150	1504013	01/20/15	01/21/15	EPA 8015D		
Total Petroleum Hydrocarbons by 418.1										
Total Petroleum Hydrocarbons	43.9	34.9	mg/kg	1	1505010	01/26/15	01/26/15	EPA 418.1		
Cation/Anion Analysis										
Chloride	15.6	9.96	mg/kg	1	1504015	01/21/15	01/21/15	EPA 300.0		

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Enervest Operating
2700 Farmington Ave.
Farmington NM, 87401

Project Name: Mills #1
Project Number: 05123-0002
Project Manager: Mike Dame

Reported:
26-Jan-15 14:58

Volatile Organics by EPA 8021 - Quality Control
Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch 1504013 - Purge and Trap EPA 5030A

Blank (1504013-BLK1)

Prepared: 20-Jan-15 Analyzed: 21-Jan-15

Benzene	ND	0.10	mg/kg							
Toluene	ND	0.10	"							
Ethylbenzene	ND	0.10	"							
p,m-Xylene	ND	0.20	"							
o-Xylene	ND	0.10	"							
Total Xylenes	ND	0.10	"							
Total BTEX	ND	0.10	"							
<i>Surrogate: 4-Bromochlorobenzene-PID</i>	<i>0.451</i>		<i>"</i>	<i>0.400</i>		<i>113</i>	<i>50-150</i>			

LCS (1504013-BS1)

Prepared: 20-Jan-15 Analyzed: 21-Jan-15

Benzene	17.9	0.10	mg/kg	20.0		89.8	75-125			
Toluene	18.6	0.10	"	20.0		92.8	70-125			
Ethylbenzene	19.0	0.10	"	20.0		95.3	75-125			
p,m-Xylene	38.7	0.20	"	40.0		96.9	80-125			
o-Xylene	19.0	0.10	"	20.0		95.1	75-125			
<i>Surrogate: 4-Bromochlorobenzene-PID</i>	<i>0.471</i>		<i>"</i>	<i>0.400</i>		<i>118</i>	<i>50-150</i>			

Matrix Spike (1504013-MS1)

Source: P501038-01

Prepared: 20-Jan-15 Analyzed: 21-Jan-15

Benzene	18.4	0.10	mg/kg	20.0	ND	92.3	75-125			
Toluene	18.9	0.10	"	20.0	ND	94.6	70-125			
Ethylbenzene	19.5	0.10	"	20.0	ND	97.4	75-125			
p,m-Xylene	39.5	0.20	"	40.0	ND	98.7	80-125			
o-Xylene	19.3	0.10	"	20.0	0.17	95.8	75-125			
<i>Surrogate: 4-Bromochlorobenzene-PID</i>	<i>0.465</i>		<i>"</i>	<i>0.400</i>		<i>116</i>	<i>50-150</i>			

Matrix Spike Dup (1504013-MSD1)

Source: P501038-01

Prepared: 20-Jan-15 Analyzed: 21-Jan-15

Benzene	17.0	0.10	mg/kg	20.0	ND	85.1	75-125	8.15	15	
Toluene	17.9	0.10	"	20.0	ND	89.5	70-125	5.62	15	
Ethylbenzene	18.5	0.10	"	20.0	ND	92.7	75-125	5.02	15	
p,m-Xylene	38.1	0.20	"	39.9	ND	95.3	80-125	3.65	15	
o-Xylene	19.4	0.10	"	20.0	0.17	96.4	75-125	0.554	15	
<i>Surrogate: 4-Bromochlorobenzene-PID</i>	<i>0.513</i>		<i>"</i>	<i>0.399</i>		<i>128</i>	<i>50-150</i>			

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Envervest Operating
2700 Farmington Ave.
Farmington NM, 87401

Project Name: Mills #1
Project Number: 05123-0002
Project Manager: Mike Dame

Reported:
26-Jan-15 14:58

Nonhalogenated Organics by 8015 - Quality Control
Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch 1504012 - DRO Extraction EPA 3550M

Blank (1504012-BLK1)

Prepared: 20-Jan-15 Analyzed: 21-Jan-15

Diesel Range Organics (C10-C28)	ND	29.9	mg/kg							
Surrogate: <i>o</i> -Terphenyl	45.7		"	39.9		114	50-200			

LCS (1504012-BS1)

Prepared: 20-Jan-15 Analyzed: 21-Jan-15

Diesel Range Organics (C10-C28)	563	29.9	mg/kg	499		113	38-132			
Surrogate: <i>o</i> -Terphenyl	44.7		"	39.9		112	50-200			

Matrix Spike (1504012-MS1)

Source: P501042-01

Prepared: 20-Jan-15 Analyzed: 21-Jan-15

Diesel Range Organics (C10-C28)	595	29.9	mg/kg	498	ND	119	38-132			
Surrogate: <i>o</i> -Terphenyl	50.9		"	39.9		128	50-200			

Matrix Spike Dup (1504012-MSD1)

Source: P501042-01

Prepared: 20-Jan-15 Analyzed: 21-Jan-15

Diesel Range Organics (C10-C28)	490	30.0	mg/kg	500	ND	98.0	38-132	19.5	20	
Surrogate: <i>o</i> -Terphenyl	43.7		"	40.0		109	50-200			

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Enervest Operating 2700 Farmington Ave. Farmington NM, 87401	Project Name: Mills #1 Project Number: 05123-0002 Project Manager: Mike Dame	Reported: 26-Jan-15 14:58
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Nonhalogenated Organics by 8015 - Quality Control
Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch 1504013 - Purge and Trap EPA 5030A

Blank (1504013-BLK1)				Prepared: 20-Jan-15		Analyzed: 21-Jan-15				
Gasoline Range Organics (C6-C10)	ND	10.0	mg/kg							
Surrogate: 4-Bromochlorobenzene-FID	0.406		"	0.400		102	50-150			
LCS (1504013-BS1)				Prepared: 20-Jan-15		Analyzed: 21-Jan-15				
Gasoline Range Organics (C6-C10)	266	9.99	mg/kg	292		91.1	80-120			
Surrogate: 4-Bromochlorobenzene-FID	0.410		"	0.400		103	50-150			
Matrix Spike (1504013-MS1)				Source: P501038-01		Prepared: 20-Jan-15		Analyzed: 21-Jan-15		
Gasoline Range Organics (C6-C10)	276	9.99	mg/kg	292	13.7	89.9	75-125			
Surrogate: 4-Bromochlorobenzene-FID	0.427		"	0.400		107	50-150			
Matrix Spike Dup (1504013-MSD1)				Source: P501038-01		Prepared: 20-Jan-15		Analyzed: 21-Jan-15		
Gasoline Range Organics (C6-C10)	277	9.98	mg/kg	292	13.7	90.3	75-125	0.349	15	
Surrogate: 4-Bromochlorobenzene-FID	0.475		"	0.399		119	50-150			

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Enervest Operating 2700 Farmington Ave. Farmington NM, 87401	Project Name: Project Number: Project Manager:	Mills #1 05123-0002 Mike Dame	Reported: 26-Jan-15 14:58
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Total Petroleum Hydrocarbons by 418.1 - Quality Control
Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch 1505010 - 418 Freon Extraction

Blank (1505010-BLK1)				Prepared & Analyzed: 26-Jan-15						
Total Petroleum Hydrocarbons	ND	34.9	mg/kg							
Duplicate (1505010-DUP1)				Prepared & Analyzed: 26-Jan-15						
Total Petroleum Hydrocarbons	48.0	35.0	mg/kg		43.9			8.84	30	
Matrix Spike (1505010-MS1)				Prepared & Analyzed: 26-Jan-15						
Total Petroleum Hydrocarbons	1950	34.9	mg/kg	2020	43.9	94.7	80-120			

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Enervest Operating 2700 Farmington Ave. Farmington NM, 87401	Project Name: Mills #1 Project Number: 05123-0002 Project Manager: Mike Dame	Reported: 26-Jan-15 14:58
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Cation/Anion Analysis - Quality Control
Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch 1504015 - Anion Extraction EPA 300.0

Blank (1504015-BLK1)				Prepared & Analyzed: 21-Jan-15						
Chloride	ND	9.98	mg/kg							
LCS (1504015-BS1)				Prepared & Analyzed: 21-Jan-15						
Chloride	469	9.89	mg/kg	494		94.9	90-110			
Matrix Spike (1504015-MS1)				Source: P501053-01		Prepared & Analyzed: 21-Jan-15				
Chloride	835	10.0	mg/kg	500	315	104	80-120			
Matrix Spike Dup (1504015-MSD1)				Source: P501053-01		Prepared & Analyzed: 21-Jan-15				
Chloride	829	9.89	mg/kg	494	315	104	80-120	0.783	20	

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Enervest Operating
2700 Farmington Ave.
Farmington NM, 87401

Project Name: Mills #1
Project Number: 05123-0002
Project Manager: Mike Dame

Reported:
26-Jan-15 14:58

Notes and Definitions

DET Analyte DETECTED
ND Analyte NOT DETECTED at or above the reporting limit
NR Not Reported
dry Sample results reported on a dry weight basis
RPD Relative Percent Difference

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CHAIN OF CUSTODY RECORD

17895

Client: <i>Enervest</i>	Project Name / Location: <i>Mills #1</i>	ANALYSIS / PARAMETERS											
Email results to: <i>mdame@enervest.net</i>	Sampler Name: <i>Michael Dame</i>	TPH (Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	RCRA 8 Metals	Cation / Anion	RCI	TCLP with H/P	CO Table 910-1	TPH (418.1)	CHLORIDE	Sample Cool	Sample Intact
Client Phone No.: <i>505-215-7879</i>	Client No.: <i>05123-0002</i>												

Sample No./ Identification	Sample Date	Sample Time	Lab No.	No./Volume of Containers	Preservative			TPH (Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	RCRA 8 Metals	Cation / Anion	RCI	TCLP with H/P	CO Table 910-1	TPH (418.1)	CHLORIDE	Sample Cool	Sample Intact
					HNO ₃	HCl	COO												
<i>Mills #1</i>	<i>1/16/15</i>	<i>11:15</i>	<i>P501042-01</i>	<i>1-40z jar</i>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>								<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Relinquished by: (Signature) <i>[Signature]</i>	Date <i>1/16/15</i>	Time <i>11:15</i>	Received by: (Signature) <i>[Signature]</i>	Date <i>1/16/15</i>	Time <i>12:05</i>
Relinquished by: (Signature)			Received by: (Signature)		
Sample Matrix Soil <input checked="" type="checkbox"/> Solid <input type="checkbox"/> Sludge <input type="checkbox"/> Aqueous <input type="checkbox"/> Other <input type="checkbox"/>					

Sample(s) dropped off after hours to secure drop off area.



5795 US Highway 64 • Farmington, NM 87401 • 505-632-0615 • Three Springs • 65 Mercado Street, Suite 115, Durango, CO 81301 • laboratory@envirotech-inc

Dame, Michael

From: Dame, Michael
Sent: Monday, January 12, 2015 9:11 AM
To: 'Smith, Cory, EMNRD'
Subject: 72 Hour Notice. Mills #1

Good Morning,

Enervest Operating is planning on pulling the tank on below grade tank, and collect soil samples on the Mills #1 on Thursday January 15, 2015. The work will start at 9:00am-weather permitting. The location for the below grade tank is located in U/L- K, Section 19, Township 25N, Range 9 West, San Juan County, New Mexico. (API No. 30-045-05266). Lat: 36.38391612, Long: 107.83357820.

Thank You,

Michael Dame CSHO

EnerVest, Ltd. | HSE Associate

2700 Farmington Ave., Building K, Suite 1 | Farmington, NM 87401

| Mobile:505.215.7879

mdame@enervest.net | www.enervest.net





January 12, 2015

Farmington District Office
Bureau of Land Management
6251 College Blvd. Suite A
Farmington, NM 87402

Dave Mankiewicz,

EnerVest Operating, LLC is planning on pulling the below grade tank on below pit on the Mills #1 on Friday 16, 2015. The work will begin at 9:00am-weather permitting. The location for the below grade tank is located in U/L-K, Section 19, Township 25N, Range 9 West, San Juan County, New Mexico. (API No. 30-045-05266). Lat: 36.38391612, Long: 107.83357820.

EnerVest Operating, LLC

Michael Dame
HSE Associate

