District I
1625 N French Di , 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
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.
Operator: Chevron Midcontinent, LP OGRID #- 241333
Address: Post Office Box 36366 Houston, TX 77236
Facility or well name: Rincon Unit No. 306
API Number. <u>30-039-25404</u> OCD Permit Number
U/L or Qtr/Qtr Otr/Qtr M Section 34 Township 27N Range 7W County Rio Arriba
Center of Proposed Design: Latitude 36 523779° Longitude -107 568422° NAD. 1927 1983
Surface Owner. Federal State Private Tribal Trust or Indian Allotment
Surface Owner. Federal State Private Tribal Trust or Indian Allotment Pit: Subsection For 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 x W x V D 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 Lined Drilling Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other Lined Wolded Festeric Other
Temporary Drilling Workover Permanent Emergency Cavitation P&A Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other Cavitation P&A DIL CONS. DIV. DIST. 3 DIL CONS. DIV. DIST. DIL CONS. DIV. DIST. DIL CONS. DIV. DIST. DIV. DIST. DIL CONS. DIV. DIST. DIL CONS. DIV. DIST. DIL CONS. DIV. DIST. DIV. DIST. DI
String-Reinforced OIL CONS. DIV. District.
Liner Seams: Welded Factory Other Volume bbl Dimensions L x W D
3.
Closed-loop System: Subsection H of 19.15.17.11 NMAC
Type of Operation P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)
Drying Pad Above Ground Steel Tanks Haul-off Bins Other
Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other
Liner Seams
4.
Below-grade tank: Subsection I of 19 15 17.11 NMAC
Volume: 95 bbl Type of fluid: Produced Water
Tank Construction material Steel
Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☒ Other <u>Buried</u>
Liner type: Thicknessmil
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.

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, institution or church) Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate. Please specify	hospital,
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)	
Signs: Subsection C of 19.15 17 11 NMAC ☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers ☐ Signed in compliance with 19 15.3 103 NMAC	
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 consideration of approval Exception(s) Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	office for
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 acceptant material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the approoffice or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to dry above-grade tanks associated with a closed-loop system.	priate district pproval.
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	☐ Yes ☐ 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	☐ Yes ☐ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	Yes No
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application (Applies to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo, Satellite image	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 search; 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

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)
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 Citieria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17 10 NMAC Citimatological 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 Luner 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 H ₂ S, 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
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 Burral ☐ On-site Trench Burral ☐ Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)
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 G of 19.15.17.13 NMAC

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Instructions: Please indentify the facility or facilities for the disposal of liquids, facilities are required.			
Disposal Facility Name	Disposal Facility Permit Number.		
Disposal Facility Name			
Will any of the proposed closed-loop system operations and associated activities of Yes (If yes, please provide the information below) ☐ No			
Required for impacted areas which will not be used for future service and operation Soil Backfill and Cover Design Specifications based upon the appropriate Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection	e requirements of Subsection H of 19 15 17.13 NMA I of 19 15 17 13 NMAC	С	
Siting Criteria (regarding on-site closure methods only): 19 15 17 10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the provided below. Requests regarding changes to certain siting criteria may require considered an exception which must be submitted to the Santa Fe Environmenta demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC.	e administrative approval from the appropriate dist. I Bureau office for consideration of approval. Justi	rict office or may be	
Ground water is less than 50 feet below the bottom of the builed waste - NM Office of the State Engineer - iWATERS database search; USGS; Dat	a obtained from nearby wells	Yes No	
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, Dat	a 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, Database search, US	a obtained from nearby wells	☐ Yes ☐ No ☐ NA	
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other sig- lake (measured from the ordinary high-water mark) - Topographic map, Visual inspection (certification) of the proposed site	gnificant watercourse or lakebed, sinkhole, or playa	Yes No	
Within 300 feet from a permanent residence, school, hospital, institution, or church - Visual inspection (certification) of the proposed site, Aerial photo; Satellit		☐ Yes ☐ No	
Within 500 horizontal feet of a private, domestic fresh water well or spring that les watering purposes, or within 1000 horizontal feet of any other fresh water well or so. NM Office of the State Engineer - iWATERS database; Visual inspection	spring, in existence at the time of initial application.	☐ Yes ☐ No	
Within incorporated municipal boundaries or within a defined municipal fresh wat adopted pursuant to NMSA 1978, Section 3-27-3, as amended - Written confirmation or verification from the municipality; Written approximately	•	☐ Yes ☐ No	
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visu	al 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	g and Mineral Division	☐ Yes ☐ No	
Within an unstable area - Engineering measures incorporated into the design; NM Bureau of Geolog Society; Topographic map	y & Mineral Resources; USGS; NM Geological	☐ Yes ☐ No	
Within a 100-year floodplain FEMA map		☐ Yes ☐ No	
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of Construction/Design Plan of Burial Trench (if applicable) based upon the a Construction/Design Plan of Temporary Pit (for in-place burial of a drying protocols and Procedures - based upon the appropriate requirements of 19.1 Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Disposal Facility Name and Permit Number (for liquids, drilling fluids and Soil Cover Design - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection	quirements of 19.15.17 10 NMAC f Subsection F of 19.15 17.13 NMAC ppropriate requirements of 19 15 17.11 NMAC pad) - based upon the appropriate requirements of 19. 5 17.13 NMAC quirements of Subsection F of 19.15.17.13 NMAC Subsection F of 19.15.17.13 NMAC drill cuttings or in case on-site closure standards cann H of 19.15 17 13 NMAC 1 of 19.15.17.13 NMAC	15.17.11 NMAC	

Operator Application Certification: I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.
Name (Print) Title:
Signature: Date:
e-mail address:Telephone:
20. OCD Approval: Permit Application (including closure plan) X Closure Plan (only) OCD Conditions (see attachment)
OCD Representative Signature: Approval Date: 1/02/201/
Title: Compliance Chice 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: August 15, 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 indentify 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) \(\sumsymbol{\substack}\) 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. <u>Closure Report Attachment Checklist</u> : Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.
Proof of Closure Notice (surface owner and division) See Attached
Proof of Deed Notice (required for on-site closure) Not Required
☐ Plot Plan (for on-site closures and temporary pits) Not Required ☐ Confirmation Sampling Analytical Results (if applicable) See Attached
Waste Material Sampling Analytical Results (required for on-site closure) Not Required
Disposal Facility Name and Permit Number Envirotech's Landfarm #2, Permit #: NM-01-0011
Soil Backfilling and Cover Installation See Attached
 \overline{\text{Z}} Re-vegetation Application Rates and Seeding Technique Pursuant to the BLM MOU and Approved Closure Plan \overline{\text{Z}} Site Reclamation (Photo Documentation) See Attached
On-site Closure Location: LatitudeLongitudeNAD: \[\bigcup 1927 \bigcup 1983
25.
Operator Closure Certification:
I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.
Name (Print): Ms, Laura Clenney Title: Facilities Engineer
Signature: Date: 1////
e-mail address: laura.clenney@chevron.com Telephone: (281) 881-0322



October 31, 2011

Project Number 92270-0834

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

Phone (505) 334-6178

RE: BELOW-GRADE TANK CLOSURE DOCUMENTATION FOR THE RINCON #306 WELL SITE, RIO ARRIBA COUNTY, NEW MEXICO

Dear Mr. Powell:

On behalf of Chevron, North America, please find enclosed the Below Grade Tank (BGT) Closure Plan, Form C-141, Form C-144 and required documents for BGT closure activities conducted at the Rincon #306 well site located in Section 34, Township 27 North, Range 7 West, Rio Arriba County, New Mexico.

This report details results at or below the regulatory limits for all constituents analyzed, confirming a release had not occurred; see attached *Analytical Results*. Envirotech, Inc. recommends no further action in regards to this incident.

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

Respectfully Submitted,

ENVIROTECH, INC.

Toni McKnight, EIT

Environmental Project Manager tmcknight@envirotech-inc.com

Enclosures: Below Grade Tank Closure Plan

Form C-141

Form C-144 and Required Documents

Email Cc: Ms. Laura Clenney – Chevron NA

Mr. Don Lindsey – Chevron NA

BELOW GRADE TANK (BGT) CLOSURE PLAN

SITE NAME:

RINCON #306 WELL SITE
UNIT LETTER M, SECTION 34, TOWNSHIP 27 NORTH, RANGE 7 WEST
RIO ARRIBA COUNTY, NEW MEXICO
LATITUDE: N36.523779° LONGITUDE: W107.568422°

SUBMITTED TO:

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

SUBMITTED BY:

MR. DON LINDSEY
CHEVRON NORTH AMERICA
POST OFFICE BOX 370
AZTEC, NEW MEXICO 87410
(505) 333-1920

INITIALLY SUBMITTED: MARCH 2010

BELOW GRADE TANK (BGT) CLOSURE PLAN CHEVRON NORTH AMERICA RINCON #306 WELL SITE SAN JUAN COUNTY, NEW MEXICO

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Introduction

Chevron North America would like to submit a closure plan for the below grade tank (BGT) at the Rincon #306 Well Site located in the SW ¼ SW ¼ of Section 34, Township 27 North, Range 7 West, Rio Arriba County, New Mexico. This closure plan has been prepared in conformance with New Mexico Oil Conservation Division (NMOCD) procedures.

SCOPE OF CLOSURE ACTIVITIES

The purpose of this closure plan is to provide the details of activities involved in the closure of the BGT at the Rincon #306 Well Site. The following scope of closure activities has been designed to meet this objective:

- 1) Chevron North America shall submit a closure plan to the division's environmental bureau. Upon receipt of this plan the division shall review the current closure plan for adequacy and accordance with 19.15.17.9 Subsection C NMAC and 19.15.17.13 NMAC.
 - a. Closure Plan was submitted on March 1, 2010, to the division's environmental bureau, in accordance with 19.15.17.9 Subsection C NMAC and 19.15.17.13 NMAC. The Closure Plan was approved on September 12, 2011, by Mr. Brad Jones of the NMOCD, Santa Fe Office.
- 2) No less than 72 hours and no greater than one (1) week prior to BGT removal Chevron North America will provide written notification to the appropriate division district office, as in accordance with 19.15.17.13 Subsection J Paragraph (2) NMAC.
 - a. Please find attached the written notification to the district office sent on August 16, 2011.
- 3) Chevron North America shall provide written notification to the surface owner no later than 24 hours prior to BGT removal. BLM will receive notification per a Sundry Notice, as in accordance with 19.15.17.13 Subsection J Paragraph (1) NMAC.
 - a. A Sundry Notice was sent to the BLM Farmington field office on August 8, 2011.
- 4) Chevron North America or a contractor acting on behalf of Chevron will remove all liquids, and/or sludge, if applicable, prior to closure. Material will be disposed of at Envirotech's Landfarm, Permit # NM-01-0011, as in accordance with 19.15.17.13 Subsection E Paragraph (1) NMAC.
 - a. All waste material was removed from the BGT by Riley Services and transported to Envirotech's NMOCD approved Landfarm #2 as listed above; see attached Bill of Lading.
- 5) Chevron North America or a contractor acting on behalf of Chevron will remove the BGT and all on-site equipment associated with this BGT that cannot or will not be reused on-site, as in accordance with 19.15.17.13 Subsection E Paragraphs (2) and (3) NMAC.
 - a. Chevron has removed the BGT and associated equipment that will not be reused on-site; see attached Site Photography.

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

Sample ID	TPH (418.1)	Benzene	BTEX	Total Chlorides
5 Pt.	44 ppm	0.0044	0.220 ppm	80 ppm
Composite		ppm		

- 7) Depending on soil sample results the area will be either backfilled or the area will be excavated.
 - a. If soil samples pass the regulatory standards of 0.2 ppm benzene, 50 ppm BTEX, 100 ppm TPH, and 250 ppm or background concentration of chlorides, as in accordance with 19.15.17.13 Subsection E Paragraph (4) NMAC.
 - i. Chevron North America or a contractor acting on behalf of Chevron will backfill the excavation or impacted area with non-waste containing, earthen material, in accordance with 19.15.17.13 Subsection E Paragraph (6) NMAC.
 - 1. BGT pit was backfilled with clean earthen material in accordance with 19.15.17.13 Subsection E Paragraph (6) NMAC.
 - ii. Upon decommissioning of the well site Chevron North America or a contractor acting on behalf of Chevron will construct a divison-prescribed soil cover, substantially restore, recontour and re-vegetate the site, in accordance with 19.15.17.13 Subsections G, H, and I NMAC.
 - 1. Well site is still in use re-vegetation will occur upon the decommissioning of the well site.
 - b. If soil samples exceed the regulatory standards stated above.
 - i. Chevron North America will submit a Release Notification by Form C-141 to the appropriate division district office, in accordance with 19.15.17.13 Subsection E Paragraph (4) NMAC.
 - ii. Activities beyond this point will be in accordance with 19.15.3.116 NMAC and 19.15.11.19 NMAC.
 - 1. Samples collected returned results at or below the regulatory standards stated above, indicating that a release had not occurred at this site.

REPORTING

Reporting will occur within 60 days following the BGT closure and will consist of a form C-144 with all supporting data, and a form C-141 with all supporting data, if necessary. The supporting

Below Grade Tank (BGT) Closure Plan Chevron North America Rincon #306 Well Site Page 3

data will include analytical results, a site diagram, and other information related to the onsite activities.

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

Respectfully Submitted:

Chevron North America

Don Lindsey

Chevron North America

Exploration & Production Company

District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Revised October 10, 2003

Submit 2 Copies to appropriate District Office in accordance

Form C-141

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

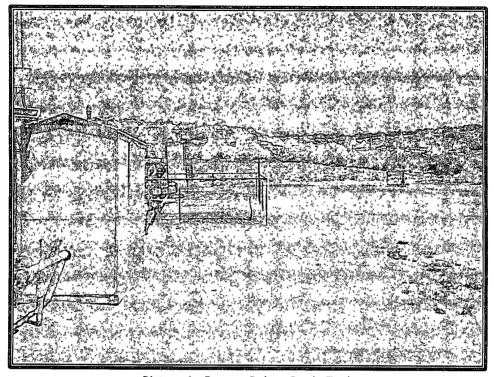
Release Notification and Corrective Action OPERATOR Initial Report Final Report Name of Company: Chevron Midcontinent, LP Contact: Ms. Laura Clenney Address: Post Office Box 36366, Houston, TX 77236 Telephone No. (281) 881-0322 Facility Name: Rincon Unit No. 306 Facility Type: Gas Well Surface Owner: Federal Mineral Owner: Lease No.: N/A LOCATION OF RELEASE Unit Letter North/South Line Section Township Range Feet from the Feet from the East/West Line County Rio Arriba M 27N 660 South 1190 West Latitude_36 523779° Longitude -107 568422° **NATURE OF RELEASE** Type of Release: Produced Water Volume of Release: No Release Volume Recovered: Not Applicable Source of Release: Below Grade Tank Date and Hour of Occurrence: Date and Hour of Discovery: Not Applicable Not Applicable Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☐ No ☒ Not Required By Whom? Date and Hour Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. Yes No If a Watercourse was Impacted, Describe Fully.* No Release Describe Cause of Problem and Remedial Action Taken.* Produced water from a gas well at the above mentioned location formerly discharged into a Below Grade Tank (BGT) on location. The Below Grade Tank was removed on August 15, 2011. Soil sampling from directly beneath the tank in accordance with Subsection B of 19.15.17.13 NMAC was performed on August 15, 2011, and indicated that a release had not occurred. Describe Area Affected and Cleanup Action Taken.* A five (5) point composite sample was collected from directly beneath the former BGT immediately once it was removed. The sample was analyzed in the field for total petroleum hydrocarbons (TPH) using USEPA Method 418.1, and in Envirotech's Analytical Laboratory for benzene and total BTEX using USEPA Method 8021 and for total chlorides using USEPA Method 4500B. The sample returned results at or below the 'Pit Rule" standards of 100 mg/kg TPH, 0.2 mg/kg benzene, 50 mg/kg total BTEX and 250 mg/kg total chlorides, confirming that a release had not occurred. Analytical results are attached for your reference. I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations. **OIL CONSERVATION DIVISION** Signature Approved by District Supervisor: Printed Name: Laura Clenney Title: Pacilities Engineer Approval Date: **Expiration Date:** E-mail Address: laura.clenney@chevron.com Conditions of Approval. Attached

Phone: 281-881-0322

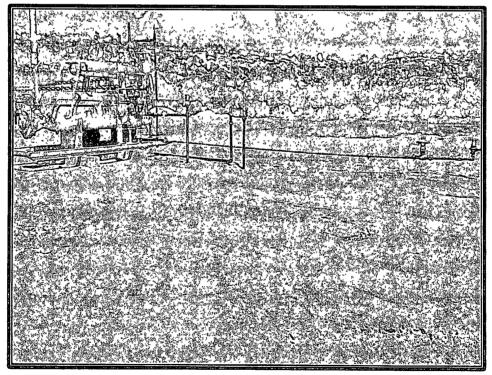
Date:

^{*} Attach Additional Sheets If Necessary

Site Photography
Chevron North America
Rincon #306 Well Site
Below Grade Tank Closure
Project Number 92270-0834
August 15, 2011



Picture 1: Former Below Grade Tank



Picture 2: Backfilled Below Grade Tank Pit



EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS

Client:

Chevron North America

92270-0834

Sample No.:

Project #: Date Reported:

Sample ID: Sample Matrix: **BGT** Composite

8/29/2011

Soil

8/15/2011 8/15/2011

Preservative:

Cool

Date Analyzed: Analysis Needed:

Date Sampled:

TPH-418 1

Condition:

Cool and Intact

		Det.
	Concentration	Limit
Parameter	(mg/kg)	(mg/kg)

Total Petroleum Hydrocarbons

44

5.0

ND = Parameter not detected at the stated detection limit.

References:

Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis

of Water and Waste, USEPA Storet No. 4551, 1978.

Comments:

Rincon #306

Instrument calibrated to 200 ppm standard. Zeroed before each sample

Crystal Delgai

Printed

Toni McKnight, EIT

Printed



CONTINUOUS CALIBRATION EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS

Cai	_		Ł	
	1)	О.	te.	•

15-Aug-11

Parameter	Standard Concentration mg/L	Concentration Reading mg/L	
TPH	100		
	200	204	
	500		
	1000		

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

Defrage for	8/29/2011
Analyst	Date
Crystal Delgai	
Print Name	
Toni Milmyht	8/29/2011
Review	Date
Toni McKnight, EIT	

Print Name



Field Chloride

Client.

Chevron North America

Project #:

92270-0834

Sample No.:

1

Date Reported:

8/29/2011

Sample ID.

BGT Composite

Date Sampled:

8/15/2011

Sample Matrix:

Soil

Date Analyzed:

8/15/2011

Preservative:

Cool

Analysis Needed:

Chloride

Condition:

Cool and Intact

		Det.
	Concentration	Limit
Parameter	(mg/kg)	(mg/kg)

Field Chloride

80

33.0

ND = Parameter not detected at the stated detection limit.

References:

"Standard Methods for the Examination of Water and Wastewater", 18th ed., 1992

Hach Company Quantab Titrators for Chloride

Comments:

Rincon #306

Review

Crystal Delgai

Printed

Toni McKnight, EIT

Printed



EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client:	Chevron	Project #.	92270-0834
Sample ID:	BGT Composite	Date Reported:	08-16-11
Laboratory Number:	59270	Date Sampled:	08-15-11
Chain of Custody	12363	Date Received [,]	08-15 - 11
Sample Matrix.	Soil	Date Analyzed [.]	08-16-11
Preservative:	Cool	Date Extracted:	08-16-11
Condition:	Intact	Analysis Requested:	BTEX
		Dilution:	10

	Concentration	Det. Limit	
Parameter	(ug/Kg)	(ug/Kg)	
Benzene	4.4	0.9	
Toluene	45.1	1.0	
Ethylbenzene	20.2	1.0	
p,m-Xylene	115	1.2	
o-Xylene	35.7	0.9	
Total BTEX	220		

ND - Parameter not detected at the stated detection limit.

Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	105 %
	1,4-difluorobenzene	119 %
	Bromochlorobenzene	95.7 %

References:

Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA,

December 1996.

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

USEPA, December 1996.

Comments:

Rincon 306.

Amalyst

Review



EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

0 - 30%

0 - 30%

1.0

1.0

Client.	N/A		Project #:	١	I/A
Sample ID.	0816BBLK QA/Q0		Date Reported.	C	8-16-11
Laboratory Number:	59270		Date Sampled:	1	1/A
Sample Matrix	Soil		Date Received	١	√A
Preservative:	N/A		Date Analyzed:	(8-16-11
Condition:	N/A		Analysis [,]	E	BTEX
			Dilution	10	כ
Calibration and	I-Cal RF:	C-Cal RF:	%Diff	Blank	Detect.
Detection Limits (ug/L)			nge 0 - 15%	Conc	Limit
194. Admitted and Principles and August Managhamphage Contracts. A Tr. Act. A. E. E. E. E.	i and properties and a second properties of a section of the contract of the section of the section of	Distribution attended to a distribution	a secular de de la companya de la co	LATER OF CHARLEST AND A STREET STREET, STREET	echnical and year designations are arranged indus-
Benzene	3 0687E+006	3 0748E+006	0.2%	ND	0.1
Toluene	3 3569E+006	3 3637E+006	0.2%	ND	0.1
Ethylbenzene	3 1051E+006	3 1113E+006	0.2%	ND	0.1
p,m-Xylene	8 6416E+006	8 6589E+006	0.2%	ND	0.1
o-Xylene	2 8846E+006	2 8904E+006	0.2%	ND	0.1
elem killelennen geren sentem ihr Stadio i i malde i i indeben meter ar enemen gerin i Stadio i i indeben sentem ene					
Duplicate Conc. (ug/Kg)	Sample	Duplicate	%Diff.	Accept Range	Detect: Limit
Benzene	4.4	4.0	9.1%	0 - 30%	0.9

D	4.4	4000	000	00.00/	20 450	
Spike Conc. (ug/Kg)	Sample	int Spiked S	piked Sámple	% Recovery	Accept Range	المنظ
o-Xylene	35.7	36.9	3.4%	0 - 30%	0.9	
p,m-Xylene	115	111	3.8%	0 - 30%	1.2	
			0.0 /0	/-		

54.0

19.2

19.7%

5.0%

45.1

20.2

Benzene	4.4	1000	998	99.3%	39 - 150
Toluene	45.1	1000	1,090	104%	46 - 148
Ethylbenzene	20.2	1000	1,030	101%	32 - 160
p,m-Xylene	115	2000	2,070	97.9%	46 - 148
o-Xylene	35.7	1000	1,030	99.4%	46 - 148

ND - Parameter not detected at the stated detection limit.

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

References

Toluene

Ethylbenzene

Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA,

Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996

Comments:

QA/QC for Samples 59270.

Review

Ánalyst



Chloride

Client: Project #: Chevron 92270-0834 Sample ID: **BGT** Composite Date Reported: 08/17/11 Lab ID#: 59270 Date Sampled: 08/15/11 Sample Matrix: Soil Date Received: 08/15/11 Preservative: Cool Date Analyzed: 08/16/11 Condition: Intact Chain of Custody: 12363

Parameter Concentration (mg/Kg)

Total Chloride

80

Reference: U.S.E.P.A., 4500B, "Methods for Chemical Analysis of Water and Wastes", 1983.

Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments:

Rincon 306

Review

5796 US Highway 64, Farmington, NM 87401

Ph (505) 632-0615 Fr (800) 362-1879 Fx (505) 632-1865 lab@envirotech-inc.com envirotech-inc.com

CHAIN OF CUSTODY RECORD RUSH 12363

	Client Client Address: Client Address: Client Phone No Client Phone No Client No: 93270-0834									. /			,	~!\/\L	1010	/ 1 /// 1	AMET	L110				
Client Address:		S	ampler Name.	Z	elga	:			8015)	1 8021)	8260)	S			0							
Client Phone No		C	lient No : 92270	-0	834				TPH (Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	RCRA 8 Metals	Cation / Anion		TCLP with H/P		TPH (418.1)	RIDE			Sample Cool	Sample Intact
Identification	Sample Date	Sample Time	Lab No.	S	ample ⁄latrıx	No /Volume of Containers			TPH (BTEX) 000	RCRA	Cation	RCI	TCLP	PAH	тРн (CHLORIDE			Samp	Samp
BGT Compesito 9	8/15/11	14:08	59270	Solid Solid	Sludge Aqueous	1-402															Y	Y
				Soil Solid	Sludge Aqueous																72	4/K
				Soil Solid	Sludge Aqueous																	
				Soil Solid	Sludge Aqueous																	
				Soll Solid	Sludge Aqueous																	
				Soil Solid	Sludge Aqueous																	
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Relinquished by: (Signatu	re)	:Ca	<u> </u>		8/15/11	Time /7=07	Re	ceive	d by:	(Signa	ature)	pu	o co						8/	ate 5/11	Tin 7.1	ne ' <i>0</i> 7
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Relinquished by: (Signatu	re)	· · · · · · · · · · · · · · · · · · ·					Re	ceive	d by. (Signa	ature)											



Analytical Laboratory

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

Bill of Lading

PHON	E: (505) 632-0615 • 57	96 U.S. HIGHWAY	64 • FARMINGTO	ON, NEW M	EXICO 874	101	DATE S	-15	-11	JOB# 9	2270-0	838
LOAD	CON	MPLETE DESCR	IPTION OF SHIF	PMENT			TRANSPORTING COMPANY					
NO.	POINT OF ORIGIN	DESTINATION	MATERIAL	GRID	YDS	BBLS	COMPAN	17	TRK#	TIME	DRIVER SIGN	NATURE
	Chevron 306	BFLFII	fank Koftoms	K:23		15	Riley	180	80	1651	Ignaeiv_	Selado
	K, WC010 300		U	,	_	15	/					
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RESUL		LANDFARM	1	0		62	NOTES:			lf		
-282	CHLORIDE TEST /	EMPLOYEE:	carp		100					<u></u>		
1 cortifu	TEST / the material hauled from the		tion of above re				no material rec	caived (from the	above n	nentioned Gene	rator and
hat no a	idditional materials have bee	en added."										
T RANSI	PORTER CO. Riley 1	ndustrail	NAME	gnacio	10	belo		_SIGN	ATURE	Jan	acio Id	Leda
COMPA	PORTER CO. Ray 1 NY CONTACT LQUE O	Clenney	PHONE					_ DATE		-15-	. //	**************************************
Signati	ures required prior to dis	stribution of this	legal documen	t.								20 1212

PAGE NO: (OF 2)	ENVIRO	NMENTA	ROTEC L SCIENTI HIGHWAY	STS & ENGI		ENVIRON SPECIALI:		
DATE STARTED: 8/5//	FA		ON, NEW M VE: (505) 63	EXICO 8740 2-0615	LAT: 50.52383757 LONG: -107-5678453			
FIELD R	EPORT: E							
LOCATION NAME: RINGON		WELL#:	306	TEMP PIT:	PERMAN	ENT PIT:	BGT:	
LEGAL ADD: UNIT: M QTR/FOOTAGE 1190 FWL W	SEC. 34	<u>`</u>		7N		J VV lexi	PM: VM	
	60 FSL		io Arri	101				
EXCAVATION APPROX NA- DISPOSAL FACILITY:	FT. X	NA	FT X	TION METH	FT. DEEP	CUBIC YA	RDAGE: NA	
LAND OWNER	,(<i>)</i> #1	API: 300	39254		BGT / PIT V	OLUME.		
CONSTRUCTION MATERIAL				WITH LEAK		٧:		
LOCATION APPROXIMATELY DEPTH TO GROUNDWATER: 72	, 	FT. 21	00	FROM WELL	HEAD			
DEPTH TO GROUNDWATER: 72 TEMPORARY PIT - GROUNDWA		EET DEEP						
BENZENE ≤ 0 2 mg/kg, BTEX ≤ 50 mg/l	kg, GRO & DRO	FRACTION	N (8015) ≤ 50	0 mg/kg, TPH	$(418.1) \le 2500$	mg/kg, CH	LORIDES ≤ 500 mg/kg	
TEMPORARY PIT - GROUNDWA BENZENE < 0 2 mg/kg, BTEX < 50 mg/k			√ (8015) ≤ 50	0 mg/kg, TPH (418.1) ≤ 2500	mg/kg, CHI	ORIDES ≤ 1000 mg/kg	
PERMANENT PIT OR BGT BENZENE ≤ 0.2 mg/kg, BTEX ≤ 50 m	~/b~ TDU (410 1	1) < 100 mg/	k~ CUI ODII	DES < 350				
BENZENE 3 0.2 mg/kg, B1EX 3 30 m	g/kg, 1111 (416.1	i) a 100 mg/	-	DE3 \$ 250 mg/l D 418.1 ANAL	-			
TIME	SAMPLE I D.	LAB NO		mL FREON			CALC. (mg/kg)	
13:08	300 STD B6T Campusta	1	=	70	4	204	44	
		2 3						
		4						
	1	<u>5</u>						
PERIMETER		FIELD C	HLORIDE	S RESULTS		PRO	OFILE	
1	CIN	SAMPLE ID STD	READING	CALC. (mg/kg) 33	\$ 中、	N36° 31 W107° 3	.4(12° 4.0818°	
in mis	2000	BAT Comp.		80			20'	
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(-8wH)			PID RESUI	LTS RESULTS	90'	()	×	
区			PLE ID	(mg/kg)	1			
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Blat Compositi BENZEND . BTEX	_							
GRO & DRO CHLORIDES] .							
CILOMBES								
	WORKORDE	R#		WHO ORDER	ŒD			

From: Lindsey, Don (LLIN)

To: Powell, Brandon, EMNRD;

cc: Clenney, Laura E; Toni McKnight;

Subject: FW: OCD Notification: Chevron Rincon 306, Below Ground Tank Removal

Date: Tuesday, August 16, 2011 3:54:54 PM

Brandon,

I am sending this note to satisfy our OCD notification requirement, regarding our removal in the next few days, of the Below Ground Pit Tank at this location.

The Surface Owner (the BLM) has been notified via Certified Mail.

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

Location specifics: Rincon 306 API 30-039-25404 Section 34 T27N R7W San Juan County, New Mexico.

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

Thank you,

Don Lindsey
Environmental & Health Specialist
Aztec, NM
Office 505-333-1920
Cell 505-301-5576
Ilin@chevron.com



VIA CERTIFIED MAIL

August 8, 2011

Farmington Field Office Bureau of Land Management 1235 La Plata Highway, Suite A Farmington, NM 87401

RE: RINCON 306 WELL SITE: BELOW GRADE TANK CLOSURE NOTIFICATION

To Whom It May Concern,

This letter serves as surface owner notification for Below Grade Tank closure activities at the Rincon 306 well site, owned and operated by Chevron Midcontinent, L.P. The Rincon 306 is located in Section 34 T27N R7W, San Juan County, New Mexico. Closure activities are anticipated to occur and be completed during the month of August, 2011.

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

Respectfully Submitted,

Don Lindsey

Environmental Specialist Chevron Mid-Continent

llin@chevron.com