

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

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

Form C-144
July 21, 2008

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

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

RCVD NOV 8 '11

CONS. DIV.

9173

- Type of action. ☐ Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method, ³
☒ Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method
☐ Modification to an existing permit
☐ Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method

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

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

1
Operator Chevron Midcontinent, LP OGRID #: 241333
Address: Post Office Box 36366 Houston, TX 77236
Facility or well name: Rincon Unit No. 302
API Number: 30-039-25396 OCD Permit Number: _____
U/L or Qtr/Qtr Qtr/Qtr C Section 11 Township 26N Range 7W County Rio Arriba
Center of Proposed Design: Latitude 36 506806" Longitude -107 545245" NAD: ☐ 1927 ☐ 1983
Surface Owner: ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2
☐ Pit: Subsection F or G of 19.15.17.11 NMAC
Temporary ☐ Drilling ☐ Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A
☐ Lined ☐ Unlined Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
☐ String-Reinforced
Liner Seams: ☐ Welded ☐ Factory ☐ Other _____ Volume: _____ bbl Dimensions: L _____ x W _____ x D _____

3
☐ Closed-loop System: Subsection H of 19.15.17.11 NMAC
Type of Operation: ☐ P&A ☐ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other _____
☐ Lined ☐ Unlined Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
Liner Seams: ☐ Welded ☐ Factory ☐ Other _____

4
☒ Below-grade tank: Subsection I of 19.15.17.11 NMAC
Volume: 65 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 Buried
Liner type: Thickness _____ mil ☐ HDPE ☐ PVC ☒ Other None

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

6

Fencing: Subsection D of 19 15 17 11 NMAC (*Applies to permanent pits, temporary pits, and below-grade tanks*)

- ☐ Chain link, six feet in height, two strands of barbed wire at top (*Required if located within 1000 feet of a permanent residence, school, hospital, institution or church*)
- ☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet
- ☐ Alternate Please specify _____

7

Netting: Subsection E of 19 15.17.11 NMAC (*Applies to permanent pits and permanent open top tanks*)

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

8

Signs: Subsection C of 19 15 17 11 NMAC

- ☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
- ☒ Signed in compliance with 19 15 3 103 NMAC

9

Administrative Approvals and Exceptions:

Justifications and/or demonstrations of equivalency are required Please refer to 19 15 17 NMAC for guidance

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

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

10

Siting Criteria (regarding permitting): 19 15.17.10 NMAC

Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.

Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank - NM Office of the State Engineer - iWATERS database search, USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application (Applies to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo, Satellite image	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 500 feet of a wetland - US Fish and Wildlife Wetland Identification map, Topographic map, Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within the area overlying a subsurface mine - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within an unstable area. - Engineering measures incorporated into the design, NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within a 100-year floodplain. - FEMA map	<input type="checkbox"/> Yes <input type="checkbox"/> No

11

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

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

12

Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC

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

- ☐ Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9
☐ Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
☐ Previously Approved Design (attach copy of design) API Number: _____
☐ Previously Approved Operating and Maintenance Plan API Number: _____ (Applies only to closed-loop system that use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

13

Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC

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

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

14.

Proposed Closure: 19.15.17.13 NMAC

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

- Type ☐ Drilling ☐ Workover ☐ Emergency ☐ Cavitation ☐ P&A ☐ Permanent Pit ☐ Below-grade Tank ☐ Closed-loop System
☐ Alternative
 Proposed Closure Method: ☐ Waste Excavation and Removal
☐ Waste Removal (Closed-loop systems only)
☐ On-site Closure Method (Only for temporary pits and closed-loop systems)
☐ In-place Burial ☐ On-site Trench Burial
☐ Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)

15.

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

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

16

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19 15 17 13 D NMAC)

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

Disposal Facility Name _____ Disposal Facility Permit Number _____

Disposal Facility Name _____ Disposal Facility Permit Number _____

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

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

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

☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15 17 13 NMAC

☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC

☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15 17.13 NMAC

17

Siting Criteria (regarding on-site closure methods only): 19.15 17.10 NMAC

Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.

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

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

☐ Yes ☐ No
☐ NA

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

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

☐ Yes ☐ No
☐ NA

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

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

☐ Yes ☐ No
☐ NA

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

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

☐ Yes ☐ No

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

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

☐ Yes ☐ No

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

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

☐ Yes ☐ No

Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.

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

☐ Yes ☐ No

Within 500 feet of a wetland.

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

☐ Yes ☐ No

Within the area overlying a subsurface mine.

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

☐ Yes ☐ No

Within an unstable area.

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

☐ Yes ☐ No

Within a 100-year floodplain.

- FEMA map

☐ Yes ☐ No

18.

On-Site Closure Plan Checklist: (19 15.17 13 NMAC) **Instructions:** Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.

☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC

☐ Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17 13 NMAC

☐ Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15 17.11 NMAC

☐ Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17 11 NMAC

☐ Protocols and Procedures - based upon the appropriate requirements of 19.15 17.13 NMAC

☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15 17.13 NMAC

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

☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)

☐ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC

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

19. **Operator Application Certification:**
 I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

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

OCD Representative Signature: Jonell Kelly Approval Date: 11/08/2011

Title: Compliance Officer OCD Permit Number: _____

21. **Closure Report (required within 60 days of closure completion):** Subsection K of 19.15.17.13 NMAC
Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☒ Closure Completion Date: August 23, 2011

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

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

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

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

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

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

☒ Proof of Closure Notice (surface owner and division) See Attached
☐ Proof of Deed Notice (required for on-site closure) Not Required
☐ Plot Plan (for on-site closures and temporary pits) Not Required
☒ Confirmation Sampling Analytical Results (if applicable) See Attached
☐ Waste Material Sampling Analytical Results (required for on-site closure) Not Required
☒ Disposal Facility Name and Permit Number Envirotech's Landfarm #2, Permit #: NM-01-0011
☒ Soil Backfilling and Cover Installation See Attached
☒ Re-vegetation Application Rates and Seeding Technique Pursuant to the BLM MOU and Approved Closure Plan
☒ Site Reclamation (Photo Documentation) See Attached

On-site Closure Location: Latitude _____ Longitude _____ NAD: ☐ 1927 ☐ 1983

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

Name (Print): Ms. Laura Glenney Title: Facilities Engineer

Signature: _____ Date: 11/2/11

e-mail address: laura.glenney@chevron.com Telephone: (281) 881-0322



November 1, 2011

Project Number 92270-0841

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 #302 WELL SITE, RIO ARRIBA COUNTY, NEW MEXICO

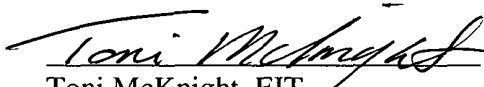
Dear Mr. Powell:

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 #302 well site located in Section 11, Township 26 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.

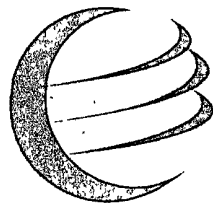
Respectfully Submitted,
ENVIROTECH, INC.


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



envirotech

BELOW GRADE TANK (BGT) CLOSURE PLAN

SITE NAME:

**RINCON #302 WELL SITE
UNIT LETTER C, SECTION 11, TOWNSHIP 26 NORTH, RANGE 7 WEST
RIO ARriba COUNTY, NEW MEXICO
LATITUDE: N 36.506806° LONGITUDE: W107.545245°**

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
(432) 687-7123**

INITIALLY SUBMITTED:

MARCH 2010

BELOW GRADE TANK (BGT) CLOSURE PLAN
CHEVRON NORTH AMERICA
RINCON #302 WELL SITE
RIO ARRIBA COUNTY, NEW MEXICO

TABLE OF CONTENTS

INTRODUCTION 1

SCOPE OF CLOSURE ACTIVITIES..... 1

REPORTING2

INTRODUCTION

Chevron North America would like to submit a closure plan for the below grade tank (BGT) at the Rincon #302 Well Site located in the NE ¼ NW ¼ of Section 11, Township 26 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 #302 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 with 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 22, 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 15, 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. Composite	88 ppm	<0.0009 ppm	0.0043 ppm	30 ppm

- 7) Depending on soil sample results the area will be either backfilled or the area will be excavated.
- If soil samples pass the regulatory standards of 0.2 ppm benzene, 50 ppm BTEX, 100 ppm TPH, and 250 ppm or background concentration of chlorides, as in accordance with 19.15.17.13 Subsection E Paragraph (4) NMAC.
 - Chevron North America or a contractor acting on behalf of Chevron will backfill the excavation or impacted area with non-waste containing, earthen material, in accordance with 19.15.17.13 Subsection E Paragraph (6) NMAC.
 - BGT pit was backfilled with clean earthen material in accordance with 19.15.17.13 Subsection E Paragraph (6) NMAC.**
 - Upon decommissioning of the well site Chevron North America or a contractor acting on behalf of Chevron will construct a division-prescribed soil cover, substantially restore, recontour and re-vegetate the site, in accordance with 19.15.17.13 Subsections G, H, and I NMAC.
 - Well site is still in use – re-vegetation will occur upon the decommissioning of the well site.**
 - If soil samples exceed the regulatory standards stated above.
 - Chevron North America will submit a Release Notification by Form C-141 to the appropriate division district office, in accordance with 19.15.17.13 Subsection E Paragraph (4) NMAC.
 - Activities beyond this point will be in accordance with 19.15.3.116 NMAC and 19.15.11.19 NMAC.
 - Samples collected returned results at or below the regulatory standards stated above, indicating that a release has 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

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

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

Respectfully Submitted:

Chevron North America


Don Lindsey
Chevron North America
Exploration & Production Company

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

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-141
Revised October 10, 2003

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

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company: Chevron Midcontinent, LP	Contact: Ms. Laura Clenney
Address: Post Office Box 36366, Houston, TX 77236	Telephone No. (281) 881-0322
Facility Name: Rincon Unit No. 302	Facility Type: Gas Well

Surface Owner: Federal	Mineral Owner:	Lease No.:
------------------------	----------------	------------

LOCATION OF RELEASE

Unit Letter C	Section 11	Township 26N	Range 7W	Feet from the 150	North/South Line North	Feet from the 2455	East/West Line West	County Rio Arriba
------------------	---------------	-----------------	-------------	----------------------	---------------------------	-----------------------	------------------------	----------------------

Latitude 36.506806° Longitude -107.545245°

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: Not Applicable	Date and Hour of Discovery: Not Applicable
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse	

If a Watercourse was Impacted, Describe Fully.*
No Release

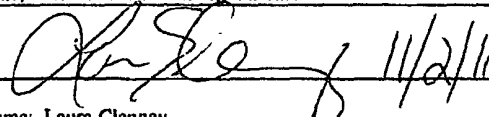
Describe Cause of Problem and Remedial Action Taken.*

Produced water from gas well at the above mentioned location formerly discharged into a Below Grade Tank (BGT) on location. The Below Grade Tank was removed on August 23, 2011. Soil sampling from directly beneath the tank in accordance with Subsection E of 19.15.17.13 NMAC was performed on August 23, 2011, and indicated that a release had not occurred

Describe Area Affected and Cleanup Action Taken.*

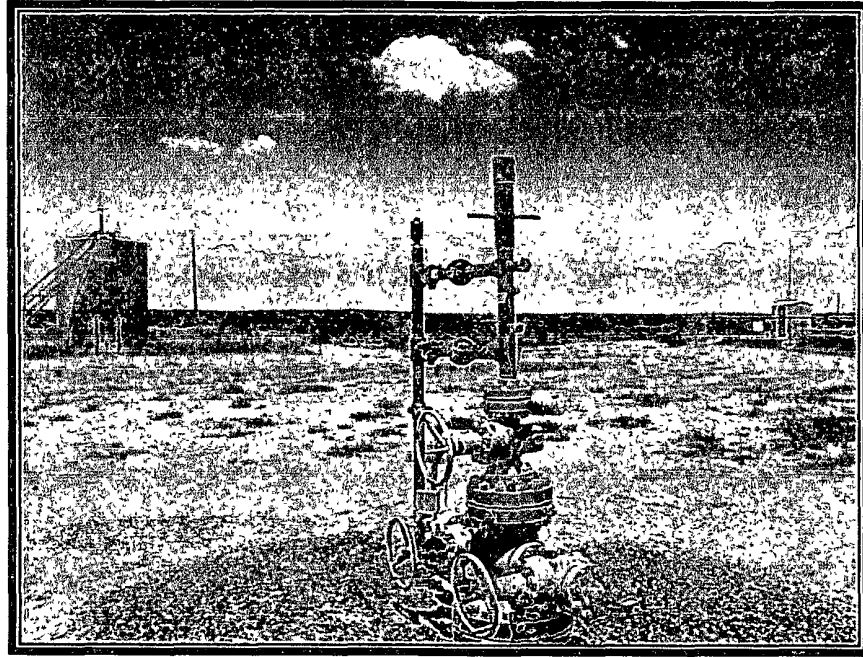
A five (5) point composite sample was collected from directly beneath the former BGT immediately once it was removed. The sample was analyzed in the field for total petroleum hydrocarbons (TPH) using USEPA Method 418.1, and in Envirotech's Analytical Laboratory for benzene and total BTEX using USEPA 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.

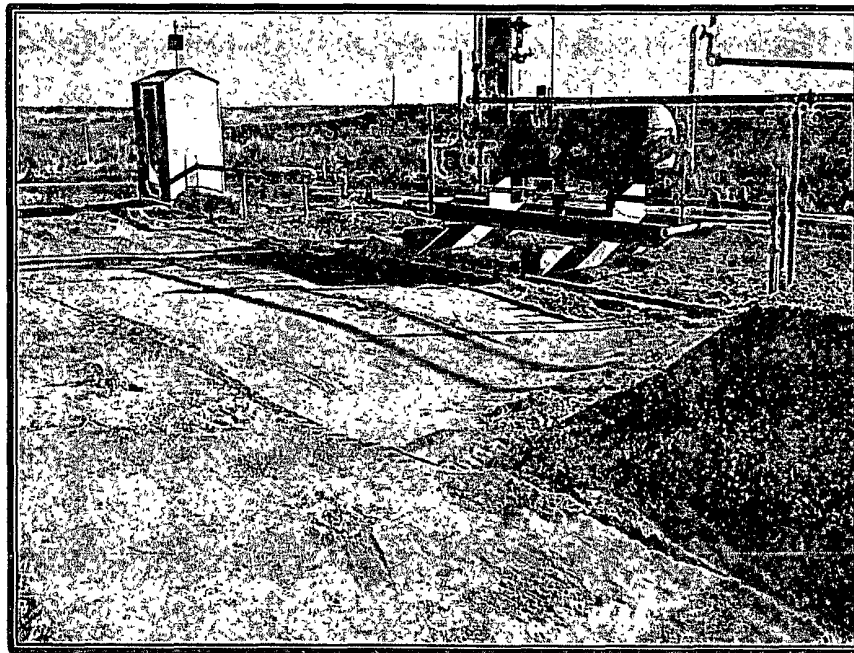
Signature: 	OIL CONSERVATION DIVISION	
Printed Name: Laura Clenney	Approved by District Supervisor:	
Title: Facilities Engineer	Approval Date:	Expiration Date:
E-mail Address: laura.clenney@chevron.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: <u>11/2/11</u> Phone: 281-881-0322		

* Attach Additional Sheets If Necessary

Site Photography
Chevron North America
Rincon #302 Well Site
Below Grade Tank Closure
Project Number 92270-0841
August 23, 2011



Picture 1: Initial Photograph of Below Grade Tank



Picture 2: Backfilled Below Grade Tank Pit



EPA METHOD 418.1
TOTAL PETROLEUM
HYDROCARBONS

Client:	Chevron North America	Project #:	92270-0841
Sample No.:	1	Date Reported:	9/6/2011
Sample ID:	BGT Composite	Date Sampled:	8/23/2011
Sample Matrix:	Soil	Date Analyzed:	8/23/2011
Preservative:	Cool	Analysis Needed:	TPH-418.1
Condition:	Cool and Intact		

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


Total Petroleum Hydrocarbons	88	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 #302**

Instrument calibrated to 200 ppm standard. Zeroed before each sample



Analyst

Rene Garcia Reyes
Printed



Review

Toni McKnight, EIT
Printed




CONTINUOUS CALIBRATION
EPA METHOD 418.1
TOTAL PETROLEUM
HYDROCARBONS

Cal. Date: 23-Aug-11

Parameter	Standard Concentration mg/L	Concentration Reading mg/L
TPH	100	
	200	195
	500	
	1000	

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


Analyst

9/6/2011
Date

Rene Garcia Reyes
Print Name


Review

9/6/2011
Date

Toni McKnight, EIT
Print Name



Field Chloride

Client:	Chevron North America	Project #:	92270-0841
Sample No.:	1	Date Reported:	9/6/2011
Sample ID:	BGT Composite	Date Sampled:	8/23/2011
Sample Matrix:	Soil	Date Analyzed:	8/23/2011
Preservative:	Cool	Analysis Needed:	Chloride
Condition:	Cool and Intact		


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

Field Chloride	ND	33.0
----------------	----	------

ND = Parameter not detected at the stated detection limit.

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

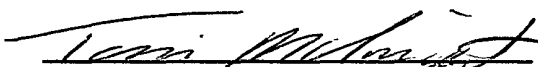
Comments: **Rincon #302**



Analyst

Rene Garcia Reyes

Printed



Review

Toni McKnight, EIT

Printed

Client:	Chevron	Project #:	92270-0841
Sample ID:	BGT	Date Reported:	08-24-11
Laboratory Number:	59364	Date Sampled:	08-23-11
Chain of Custody:	12418	Date Received:	08-23-11
Sample Matrix:	Soil	Date Analyzed:	08-24-11
Preservative:	Cool	Date Extracted:	08-23-11
Condition:	Intact	Analysis Requested:	BTEX
		Dilution:	10

Parameter	Concentration (ug/Kg)	Det. Limit (ug/Kg)
Benzene	ND	0.9
Toluene	1.5	1.0
Ethylbenzene	ND	1.0
p,m-Xylene	1.4	1.2
o-Xylene	1.4	0.9
Total BTEX	4.3	

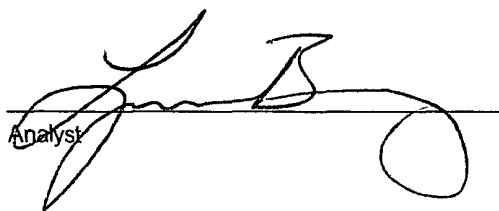
ND - Parameter not detected at the stated detection limit.

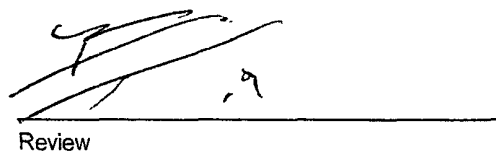
Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	85.8 %
	1,4-difluorobenzene	91.7 %
	Bromochlorobenzene	92.6 %

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 #302

Analyst 

Review 

Client:	N/A	Project #:	N/A
Sample ID:	0824BBLK QA/QC	Date Reported:	08-24-11
Laboratory Number:	59361	Date Sampled:	N/A
Sample Matrix:	Soil	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	08-24-11
Condition:	N/A	Analysis:	BTEX
		Dilution:	10

Calibration and Detection Limits (ug/L)	I-Cal RF	C-Cal RF	%Diff	Blank Conc.	Detect Limit
		Accept. Range 0 - 15%			
Benzene	3.6091E+006	3.6163E+006	0.2%	ND	0.1
Toluene	3.6601E+006	3.6675E+006	0.2%	ND	0.1
Ethylbenzene	3.2417E+006	3.2482E+006	0.2%	ND	0.1
p,m-Xylene	8.8163E+006	8.8340E+006	0.2%	ND	0.1
o-Xylene	3.0587E+006	3.0648E+006	0.2%	ND	0.1

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

Spike Conc. (ug/Kg)	Sample	Amount Spiked	Spiked Sample	% Recovery	Accept Range
Benzene	ND	500	494	98.9%	39 - 150
Toluene	ND	500	496	99.2%	46 - 148
Ethylbenzene	ND	500	492	98.4%	32 - 160
p,m-Xylene	ND	1000	985	98.5%	46 - 148
o-Xylene	ND	500	498	100%	46 - 148

ND - Parameter not detected at the stated detection limit.

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

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

Comments: QA/QC for Samples 59361-59364

Analyst

Review



Client:	Chevron	Project #:	92270-0841
Sample ID:	BGT	Date Reported:	08/24/11
Lab ID#:	59364	Date Sampled:	08/23/11
Sample Matrix:	Soil	Date Received:	08/23/11
Preservative:	Cool	Date Analyzed:	08/24/11
Condition:	Intact	Chain of Custody:	12418

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

Total Chloride

30

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

Comments: **Rincon #302**

Analyst

Review

CHAIN OF CUSTODY RECORD

12418

Client: <u>CLUTON</u>			Project Name / Location: <u>Rincon #302</u>			ANALYSIS / PARAMETERS													
Client Address:			Sampler Name: <u>Rene Garcia Reyes</u>			TPH (Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	PCRA 8 Metals	Cation / Anion	RCI	TCLP with H/P	PAH	TPH (418.1)	CHLORIDE			Sample Cool	Sample Intact
Client Phone No.:			Client No: <u>92270-0841</u>																
Sample No / Identification	Sample Date	Sample Time	Lab No.	Sample Matrix	No./Volume of Containers	Preservative													
						HgCl ₂	HCl												
BGT	8/23	16:00	59364	Soil Solid	402														
				Sludge Aqueous															
				Soil Solid															
				Sludge Aqueous															
				Soil Solid															
				Sludge Aqueous															
				Soil Solid															
				Sludge Aqueous															
				Soil Solid															
				Sludge Aqueous															
				Soil Solid															
				Sludge Aqueous															
				Soil Solid															
				Sludge Aqueous															
Relinquished by: (Signature) <u>[Signature]</u>					Date	Time	Received by: (Signature) <u>[Signature]</u>					Date	Time						
					8/23	18:30						8/23	18:30						
Relinquished by: (Signature)							Received by: (Signature)												
Relinquished by: (Signature)							Received by: (Signature)												



RUSH

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



Bill of Lading

PHONE: (505) 632-0615 • 5796 U.S. HIGHWAY 64 • FARMINGTON, NEW MEXICO 87401

MANIFEST # 39531

DATE 8-23-11 JOB# 922701-0852

[illegible]

"I certify the material hauled from the above location has not been added to or mixed with, and is the same material received from the above mentioned Generator, and that no additional materials have been added."

TRANSPORTER CO. Riley Industrial Service NAME Ignacio Toledo SIGNATURE Ignacio Toledo

COMPANY CONTACT Laura Clenny PHONE _____ DATE 8-23-11

Signatures required prior to distribution of this legal document.

PAGE NO: <u>1</u> OF <u>1</u> DATE STARTED: <u>8/23/2011</u> DATE FINISHED:	ENVIROTECH INC ENVIRONMENTAL SCIENTISTS & ENGINEERS 5796 U.S. HIGHWAY 64 - 3014 FARMINGTON, NEW MEXICO 87401 PHONE: (505) 632-0615	ENVIRONMENTAL SPECIALIST: <u>Rene</u> LAT: <u>36° 30.4179' N</u> LONG: <u>107° 32.7183' W</u>
---	---	---

FIELD REPORT: BGT / PIT CLOSURE VERIFICATION

LOCATION:	NAME: <u>Lincon</u>	WELL #: <u>302</u>	TEMP PIT:	PERMANENT PIT:	BGT: <input checked="" type="checkbox"/>
LEGAL ADD. UNIT:	SEC: <u>11</u>	TWP: <u>26N</u>	RNG: <u>7W</u>	PM:	
QTR/FOOTAGE: <u>245 SW 150'</u>	CNTY: <u>Do Arriba</u>	ST: <u>New Mexico</u>			

EXCAVATION APPROX:	FT	X	FT	X	FT. DEEP	CUBIC YARDAGE:
DISPOSAL FACILITY:	<u>Land Farm 2</u>		REMEDIATION METHOD:		<u>Land Farm</u>	
LAND OWNER:	<u>Federal</u>		API: <u>3003925396</u>		BGT / PIT VOLUME:	
CONSTRUCTION MATERIAL:	<u>Steel</u>		DOUBLE-WALLED, WITH LEAK DETECTION:			

LOCATION APPROXIMATELY:	<u>115'</u>	FT.	<u>0"</u>	FROM WELLHEAD
DEPTH TO GROUNDWATER:	<u>88'</u>			

☐ TEMPORARY PIT - GROUNDWATER 50-100 FEET DEEP

BENZENE ≤ 0.2 mg/kg, BTEX ≤ 50 mg/kg, GRO & DRO FRACTION (8015) ≤ 500 mg/kg, TPH (418.1) ≤ 2500 mg/kg, CHLORIDES ≤ 500 mg/kg

☐ TEMPORARY PIT - GROUNDWATER ≥ 100 FEET DEEP

BENZENE ≤ 0.2 mg/kg, BTEX ≤ 50 mg/kg, GRO & DRO FRACTION (8015) ≤ 500 mg/kg, TPH (418.1) ≤ 2500 mg/kg, CHLORIDES ≤ 1000 mg/kg

☒ PERMANENT PIT OR BGT

BENZENE ≤ 0.2 mg/kg, BTEX ≤ 50 mg/kg, TPH (418.1) ≤ 100 mg/kg, CHLORIDES ≤ 250 mg/kg

FIELD 418.1 ANALYSIS

TIME	SAMPLE ID	LAB NO.	WEIGHT (g)	mL FREON	DILUTION	READING	CALC (mg/kg)
	<u>200 STD</u>					<u>195</u>	
<u>16:30</u>	<u>BGT</u>	<u>1</u>	<u>5g</u>	<u>20</u>	<u>44</u>	<u>22</u>	<u>88</u>
		<u>2</u>					
		<u>3</u>					
		<u>4</u>					
		<u>5</u>					
		<u>6</u>					

PERIMETER

FIELD CHLORIDES RESULTS

SAMPLE ID	READING	CALC. (mg/kg)
<u>BGT</u>	<u>ND</u>	<u>ND</u>

PROFILE

LAB SAMPLES

SAMPLE ID	ANALYSIS	RESULTS
	<u>BENZENE</u>	
	<u>BTEX</u>	
	<u>GRO & DRO</u>	
	<u>CHLORIDES</u>	

NOTES: 92270-0841

coe # 12418 (8021, CL)

WORKORDER #

WHO ORDERED

From: Lindsey, Don (LLIN)
To: Powell, Brandon, EMNRD;
cc: Clenney, Laura E; Toni McKnight;
Subject: OCD Notification: Chevron Rincon 302, Below Ground Tank Removal
Date: Monday, August 22, 2011 10:39:47 AM

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 302

API 30-039-25396

Section 11 T26N 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

llin@chevron.com



VIA CERTIFIED MAIL

August 15, 2011

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

RE: RINCON 302 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 302 well site, owned and operated by Chevron Midcontinent, L.P. The Rincon 302 is located in Section 11 T26N R7W, San Juan County, New Mexico. Closure activities are anticipated to occur and be completed during this month, 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,

A handwritten signature in black ink, appearing to read "Don Lindsey", with a long, sweeping horizontal line extending to the right.

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