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

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

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

Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Type of action: 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: Four Star Oil and Gas Company OGRID # __131994 Address Post Office Box 36366 Houston, TX 77236 Facility or well name Farming E #1E (BGT 2) OCD Permit Number: API Number: _30-039-22367_ U/L or Qtr/Qtr I Section 2 Township 24N Range 6W County Rio Arriba Center of Proposed Design Latitude 36 339433° Longitude -107.431807° NAD. 1927 1983 Surface Owner: Federal State Private Tribal Trust or Indian Allotment RCVD AUG 9'12 Pit: Subsection F or G of 19.15.17.11 NMAC OIL CONS. DIV. Temporary: Drilling Workover DIST. 3 Permanent Emergency Cavitation P&A ☐ Lined ☐ Unlined Liner type. Thickness _____mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Othei _____ ☐ String-Reinforced Liner Seams. Welded Factory Other Volume: bbl Dimensions. L x W x 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 ☐ 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

Alternative Method:

Below-grade tank: Subsection I of 19 15.17 11 NMAC

Tank Construction material. Fiberglass

Volume. 95 bbl Type of fluid Produced Water

☐ Visible sidewalls and liner ☑ Visible sidewalls only ☐ Other ____

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

Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off

Liner type: Thickness mil ☐ HDPE ☐ PVC ☒ Other None

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,						
unstitution or church) Four foot height, four strands of barbed wire evenly spaced between one and four feet						
Alternate. Please specify						
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent puts 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						
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 of the santa	office for					
consideration of approval. Exception(s). Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval						
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	☐ 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 ☐ 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	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						
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						
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map, Visual inspection (certification) of the proposed site						
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						

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								
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)								
above ground steet tanks or haut-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 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 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 Burial On-site Trench Burial 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 I of 19.15.17 13 NMAC								

Page 3 of 5

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 indentify 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 G of 19 15 17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15 17.13 NMAC						
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						
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						
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						
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						
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						
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map, Visual inspection (certification) of the proposed site						
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division						
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS, NM Geological Society; Topographic map 	ogical Yes No					
Within a 100-year floodplain. - FEMA map						
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 19.15.17.13 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 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						

1,						
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:						
QCD Approval: Permit Application (including closure plan) (March Closure Plansfords) OCD Conditions (see attachment)						
OCD Representative Signature: Standard De La Standa						
Title: Compliance Office 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: <u>July 9, 2012</u>						
21. 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) \(\subseteq \) 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						
14. 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 Notices 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 Analytical Results Waste Material Sampling Analytical Results (required for on-site closure) Not Required						
Disposal Facility Name and Permit Number Envirotech's Landfurm #2, Permit #: NM-01-0011						
Soil Backfilling and Cover Installation See Attached Site Photographs Re-vegetation Application Rates and Seeding Technique Pursuant to the BLM MOU and Approved Closure Plan Upon Abandonment of Site						
Site Reclamation (Photo Documentation) See Attached Site Photographs						
On-site Closure Location: Latitude Longitude NAD: 1927 1983						
S. 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. Lettra Clemes) Title: Facilities Engineer						
Signature: Date: 8/6/12						
e-mail address: laura.cjennev@chevron.com Telephone: (281) 881-0322						

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Roed, 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 ! 16 on back side of form

			Kei	ease Nounc	cation	Release Notification and Corrective Action						
						OPERATOR Initial Report Final Repo						
		our Star Oil				Contact: Ms. Laura Clenney Telephone No. (281) 881-0322						
Address: Post Office Box 36366, Houston, TX 77236 Facility Name: Farming E #1E (BGT 2)							40. (281) 881-0: e: Gas Well	322				
Surface Ow				Mineral C					1	lo . E0 12	07 AC	···
Surface Ow	mer: State					 -			Leaser	₩o.: E0-12	<i>V/-</i> UL	W
	I a w					OF RE				Ta		
Unit Letter	Section 2	Township 24N	Range 6W	Feet from the 1800		South Line North	Feet from the 930		est Line est	County Rio Arriba	A.	
			Latitu	ide <u>36,339433</u> °		Longitude	-107.431807°					
				NAT	URE	OF REL				-		
Type of Rele		ed Water w Grade Tank					Release: Unknov			Recovered: I Hour of Dis		
Source of Ke	derse, Deloi	w Gibue iank				Historical	iour or Occurrenc		Not Appl		cova	r:
Was Immedi	inte Notice (Yes [No 🖾 Not Re	equired	if YES, To	Whom?					
By Whom?		-1, 1	· · · · · · · · · · · · · · · · · · ·			Date and I			T			
Was a Water	rcourse Read		Yes 🛭	No		If YES, Vo	lume Impacting t	he Water	course.			
If a Waterco		pacted, Descri d.	be Fully.				,					<u> </u>
Produced we was removed	aler from a g d on July 9,	2012. Scil saı	above me	n Taken.* ntioned location f em directly beneat curred. Please refe	ih ihe tar	k in accorda	nce with Subsecti	on E of I	9.15.17.1	3 NMAC w	e Belo as peri	w Grade Tanl corned on
A five (5)-po field for tota 8015, for bea below the "F mg/kg TPH	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 TPH using USEPA Method 8015, 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 0.2 mg/kg benzene, 50 mg/kg total BTEX and 250 mg/kg total chlorides. The sample returned results above the 100 mg/kg TPH "Pit Rule" standard using USEPA Method 418.1, confirming that a release had occurred. The sample returned results below the regulatory cleanup standard of 1000 ppm TPH determined for this site. Please reference the final C-141 documentation for cleanup action taken.											
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.												
61	OIL CONSERVATION DIVISION											
Signature: Printed Nam	Printed Name: Laura Clenney Approved by District Supervisor:											
Title: Facili	lies Enginee	7				Approval Date: Expiration Date:						
Date:	3/1/13	lenney@chevi	Phone:	281-881-0322	Conditions of Approval:							

| District | 1623 N. French Dr., Hobbs, NM 88240 | District II | 1301 W. Grand Avenue, Artesia, NM 88210 | District III | 1600 Rio Brazos Road, Aziec, NM 87410 | District IV | 1220 S. St. Francis Dr., Santo 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 Name of Company: Four Star Oil and Gas Company Contact: Ms. Laura Clenney Address: Post Office Box 36366, Houston, TX 77236 Telephone No. (281) 881-0322 Facility Name: Farming E #1E (BGT 2) Facility Type: Gas Well Lease No.: E0-1207-0009 Surface Owner: State Mineral Owner. LOCATION OF RELEASE East/West Line Unit Letter Feet from the Section Township Range Feet from the North/South Line County Rio Arriba 2 24N ٨W 1800 สรบ Fast Court 1 Latitude_36.339433° Longitude -107.431807° **NATURE OF RELEASE** Type of Release: Produced Water Volume of Release: Unknown Volume Recovered: Not Applicable Source of Release: Below Grade Tank Date and Hour of Occurrence: Date and Hour of Discovery: Historical 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 watercourse impacted, 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 July 9, 2012. Soil sampling from directly beneath the tank in accordance with Subsection E of 19.15.17.13 NMAC was performed on July 9, 2012, and indicated that a release had occurred. However, the sample returned results below the NMOCD regulatory cleanup standards determined for the site. 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 0.2 mg/kg benzene, 50 mg/kg total BTEX and 250 mg/kg total chlorides. The sample returned results above the 100 mg/kg TPH regulatory standard using USEPA Method 418.1, confirming that a release had occurred. However, the sample returned results below the regulatory cleanup standard of 1000 ppm TPH determined for this site. 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 Signatur Approved by District Supervisor: Printed Name: Laura Clenney Title: Fecilities Engineer Approval Date: **Expiration Date:** E-mail Address: laura.clenney@chevron.com Conditions of Approval: Attached |

Attach Additional Sheets If Necessary

Phone: 281-881-0322

Date:

CHEVRON SAN JUAN BASIN BELOW GRADE TANK CLOSURE PLAN FARMING E #1E BGT #2

INTRODUCTION

In accordance with NMAC 19.15.17.9 (B) (4) and 19.15.17.13, Chevron (representing Chevron USA Inc, Chevron Midcontinent, L.P., and Four Star Oil and Gas Company) submits this Closure Plan for below grade tanks (BGTs) in New Mexico. This Closure Plan contains standard conditions that attach to multiple BGTs. If needed for a particular BGT, a modified Closure Plan for a proposed alternative closure will be submitted to the New Mexico Oil Conservation Division (NMOCD or the division) for approval prior to closure.

CLOSURE PLAN PROCEDURES AND PROTOCOLS (NMAC 19.15.17.9 (C) AND 19.15.17.13)

- 1) Chevron, or a contractor acting on the behalf of Chevron, will close a BGT within the time periods provided in NMAC 19.15.17.13 (A), or by an earlier date required by NMOCD to prevent an imminent danger to fresh water, public health, or the environment. NMAC 19.15.17.13 (A).
- 2) Chevron, or a contractor acting on behalf of Chevron, will close as existing BGT that does not meet the requirements of NMAC 19.15.17.11 (I) (1 through 4) or is not included in NMAC 19.15.17.11 (I) (5) within five years after June 16, 2008, if not retrofitted to comply with NMAC 19.15.17.11 (I) (1 through 4). NMAC 19.15.17.13 (A) (4).
- 3) Chevron shall close an existing below-grade tank that does not meet the requirements of Paragraphs (1) though (4) of Subsection I of 19.15.17.11 NMAC. If not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC, prior to any sale or change of operator pursuant to 19.15.9.9 NMAC.
 - a. The Farming E #1E BGT #2 is being closed in accordance to 1 and 2 above. The site was not up for sale or change of operator prior to closure activities.
- 4) Chevron, or a contractor acting on behalf of Chevron, will close a permitted BGT within 60 days of cessation of the BGT's operation or as required by the transitional provisions of NMAC 19.15.17.17
 (B) in accordance with a closure plan that the appropriate division district office approves. NMAC 19.15.17.13 (A)(9) and 19.15.17.9 (C).
 - a. The Closure Plan was submitted on March 4, 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 June 19, 2012, by Mr. Brad Jones with the NMOCD, Santa Fe Office.
- 5) In accordance with NMAC 19.15.17.13 (J)(1), Chevron will notify the surface owner by certified mail, return receipt requested, of its plans to close a BGT prior to beginning closure activities. Evidence of mailing of the notice to the address of the surface owner shown in the county tax records is sufficient to demonstrate compliance. Chevron will notify the appropriate division district office verbally or by other means at least 72 hours, but no more than one (1) week, prior to any closure operation. The notice shall include the operator's name and the location to be closed by unit letter, section, township and range. If the closure is associated with a particular well, then the notice shall also include the well's name, number and API number. NMAC 19.15.17.13 (J)(2).
 - a. Please find attached the written notification to the district office sent on June 21, 2012.
 - b. Please find attached the written notification to the landowner sent on June 21, 2012.

- 6) Chevron North America, or a contractor acting on behalf of Chevron, will remove all liquids and sludge from a BGT prior to implementing a closure method and will dispose of the liquids and sludge in a division approved facility. NMAC 19.15.17.13(E)(1). A list of Chevron currently approved disposal facilities is included at the end of this document.
 - a. All waste material was removed from the BGT by Riley Services and transported to Envirotech's NMOCD approved Landfarm #2 on July 5, 2012; see attached Bill of Lading.
- 7) The proposed method of closure for this Closure Plan is waste excavation and removal. NMAC 19.15.17.13(E)(1).
 - a. Soil samples collected from below the BGT were below the NMOCD Guidelines for the Remediation of Spills, Leaks, and Releases. No waste was excavated or removed from this site for closure.
- 8) Chevron North America, or a contractor acting on behalf of Chevron, shall remove the BGT and dispose of it in a division-approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves. When required, prior approval for disposal will be obtained. NMAC 19.15.17.13(E)(2). Documentation regarding disposal of the BGT and its associated liner, if any, will be included in the closure report.
 - a. A liner was not associated with this BGT. The BGT was made of fiber-glass material and will be disposed of at the San Juan Regional Landfill in compliance with NMAC 19.15.35.8 allowable materials.
- 9) Waste generated during closure will be handled and disposed of in accordance with applicable laws. NMAC 19.15.35.8 (C)(1)(m) provides that plastic pit liners may be disposed at a solid waste facility without testing before disposal, provided they are cleaned well.
 - a. A plastic liner was not associated with this BGT.
- 10) Chevron, or a contractor acting on behalf of Chevron, will remove on-site equipment associated with a BGT unless the equipment is required for some other purpose. NMAC 19.15.17.13(E)(3).
 - a. <u>Chevron has removed the BGT and associated equipment that will not be reused on-site;</u> see attached Site Photography.
- 11) Chevron, or a contractor acting on behalf of Chevron, will test the soils beneath the BGT to determine whether a release has occurred. At a minimum, 5 point composite samples will be collected along with individual grab samples from any area that is wet, discolored, or showing other evidence of a release. Samples will be analyzed for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves does not exceed 0.2 mg/kg; total BTEX concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 50 mg/kg; the TPH concentration, as determined by EPA Method 418.1 or other EPA method that the division approves, does not exceed 100 mg/kg, and the chloride concentration, as determined by EPA method 300.1 or other EPA method that the division approves, does not exceed 250 mg/kg; or the background concentration, whichever is greater. Chevron, or a contractor acting on behalf of Chevron, will notify the NMOCD Division District office of its results on form C-141. NMAC 19.15.17.13(E)(4).

	TPH (418.1)		Total	
Sample ID		Benzene	BTEX	Chlorides
5 Pt. Composite	180 ppm	<0.01 ppm	0.0137ppm	70 ppm

- 12) If Chevron or the division determines that a release has occurred, Chevron will comply with NMAC 19.15.29 and 19.15.30, as appropriate. NMAC 19.15.17.13(E)(5).
 - a. The TPH using EPA Method 418.1 levels were above the release limit of 100 mg/kg for this BGT; see attached C-141 for release notification.
 - b. The spill closure standards were determined to be 1,000 mg/kg (ppm) due to the depth of groundwater being greater than 100 feet, the distance to surface water being between 200 and 1000 feet and the distance to a domestic freshwater water well or spring being greater than 1000 feet, the TPH using EPA Method 418.1 levels were below the NMOCD Guidelines for the Remediation of Spill, Leaks, and Releases. Therefore no further action was required for BGT 2.
- 13) If the sampling program demonstrates that a release has not occurred or that any release does not exceed the concentrations specified in NMAC 19.15.17.13(E)(4), Chevron will backfill the excavation with compacted, non-waste containing, earthen materials; construct a division prescribed soil cover; recontour and re-vegetate the site. The division prescribed soil cover, re-contouring and re-vegetation requirements shall comply with NMAC 19.15.17.13(G, H and I). NMAC 19.15.17.13 (E)(6).
 - a. BGT pit was backfilled with clean earthen material in accordance with 19.15.17.13 Subsection E Paragraph (6) NMAC.
 - b. Well site is still in use re-vegetation will occur upon the decommissioning of the well site.
- 14) As per NMAC 19.15.17.13(G)(1), once Chevron has closed a BGT or is no longer using the BGT or an area associated with the BGT, Chevron will reclaim the BGT location and all areas associated with it including associated access roads not needed by the surface estate owner to a safe and stable condition the blends with the surrounding undisturbed area. Chevron will substantially restore impacted surface area to the condition that existed prior to its oil and gas operations by placement of soil cover as provided in NMAC 19.15.17.13(H) (see below), re-contour the location and associated areas to a contour that approximates the original contour and blends with the surrounding topography, and revegetate according to NMAC 19.15.17.13(I). NMAC 19.15.17.13(G)(1).
- 15) Chevron may propose an alternative to the re-vegetation requirement of NMAC 19.15.17.13(G)(1) if it demonstrates that the proposed alternative effectively prevents erosion, and protects fresh water, human health and the environment. The proposed alternative must be agreed upon in writing by the surface owner. Chevron will submit the proposed alternative, with written documentation that the surface owner agrees to the alternative, to the division for approval. NMAC 19.15.17.13(G)(2).
- 16) Soil cover for closures where Chevron has removed the pit contents or remediated the contaminated soil to the division's satisfaction will consist of the background thickness of topsoil or one foot of suitable material to establish vegetation at the site, whichever is greater. NMAC 19.15.17.13(H)(1).
- 17) Chevron will construct the soil cover to the site's existing grade and prevent ponding of water and erosion of the cover material. NMAC 19.15.17.13(H)(3).
- 18) As per NMAC 19.15.17.13(I)(1) and 19.15.17.13(G)(2), Chevron will seed or plant disturbed areas during the first growing season after it is no longer using a BGT or an area associated with the BGT including access roads unless needed by the surface estate owner as evidenced by a written agreement with the surface estate owner, if any and written approval by NMOCD.
- 19) Seeding will be accomplished by drilling on the contour whenever practical or by other division approved methods. Chevron will obtain vegetative cover that equals 70% or the native perennial vegetative cover (un-impacted by overgrazing, fire or other intrusion damaging to native vegetation) consisting of at least three native plant species, including at least one grass, but not including noxious

weeds, and maintain that cover through two successive growing seasons. During the two growing seasons that prove viability, Chevron will not artificially irrigate the vegetation. NMAC 19.15.17.13(I)(2)

- 20) Chevron will notify the division when it has seeded or planted and when it successfully achieves revegetation. NMAC 19.15.17.13(I)(5)
- 21) Seeding or planting will be repeated until Chevron successfully achieves the required vegetative cover. NMAC 19.15.17.13(I)(3)
- 22) When conditions are not favorable for the establishment of vegetation, such as periods of drought, the division may allow Chevron to delay seeding or planting until soil moisture conditions become favorable or may require Chevron to use additional cultural techniques such as mulching, fertilizing, irrigating, fencing or other practices. NMAC 19.15.17.13(I)(4).
 - a. The well site and area around the BGT are still in use and will be re-contoured and revegetated in accordance with steps 14 through 22 upon decommissioning of the well site.
- 23) As per NMAC 19.15.17.13(K), within 60 days of closure completion, Chevron will submit a closure report containing the elements required by NMAC 19.15.17.13(K) including:
 - a. Confirmation sampling results,
 - b. A plot plan, Not Required for Below-Grade Tanks
 - Details on back-filling, capping and covering, where applicable, including re-vegetation
 application rates and seeding technique, BGT Area still in use for Daily Operational
 Activities
 - d. Proof of closure notice to the surface owner, if any, and the division,
 - e. Name and permit number of disposal facility, and
 - f. Photo documentation.
- 24) The closure report will be filed on NMOCD Form C-144. Chevron will certify that all information in the closure report and attachments is correct and that it has been complied with all applicable closure requirements and conditions specified in the approved closure plan. NMAC 19.15.17.13(K)
 - a. Please find attached the C-144 BGT Closure Documentation.
- 25) As requested, the following are the current Chevron approved Waste Disposal Sites for the identified waste streams:

Soils and Sludges

i) Envirotech, Inc. Soil Remediation Facility, Permit No. NM-01-0011

Solids

n) San Juan County Regional Landfill (NMAC 19.15.35.8 items only, with prior NMOCD approval when required)

Liquids

- iii) Key Energy Disposal Facility, Permit No. NM-01-0009
- iv) Basin Disposals Facility, Permit No. NM-01-005
- 26) These waste disposal sites are subject to change if their certification is lost or they are closed or other more appropriate, equally protective sites become available. Chevron will provide notice if such a change is affected.



April E. PohlRegulatory Specialist
Midcontinent Business Unit

Chevron North America Exploration and Production Company (A Chevron U.S.A. Inc. Division)

332 Road 3100 Aztec, New Mexico 87410 Tel: 505-333-1941

Fax: 505-334-7134 April.Pohl@chevron.com

VIA HAND DELIVERY

June 21, 2012

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

RE: FARMINGTON E #1E WELL SITE: BELOW GRADE TANK CLOSURE NOTIFICATION

To Whom It May Concern,

This letter serves as surface owner notification for Below Grade Tank closure activities at the Farming E #1E well site (API 30-039-22367), an State lease operated by Four Star Gas & Oil Co.. The Farming E #1E is located in Section 2 T24N R6W, Rio Arriba County, New Mexico. Closure activities are anticipated to occur and be completed during the week of June 25, 2012.

We appreciate the opportunity to be of service. If you have any questions or require additional information, please contact me at (505) 333-1941.

Respectfully submitted,

April E. Pohl Regulatory Specialist Midcontinent Business Unit 32 Road 3100 Aztec, New Mexico 87410



April E. Pohl Regulatory Specialist Midcontinent Business Unit

Chevron North America Exploration and Production Company (A Chevron U.S.A. Inc. Division) 332 Road 3100 Aztec, New Mexico 67410

Tel: 505-333-1941 Fax: 505-334-7134 "April.Pohl@chevron.com

VIA CERTIFIED MAIL

June 21, 2012

Larry J. Roybal New Mexico State Land Office 310 Old Santa Fe Trail Santa Fe, New Mexico 87501

RE: BELOW GRADE TANK CLOSURE NOTIFICATION

FARMING E #1E WELL SITE API 30-039-22367
FARMING E #4 WELL SITE API 30-039-22350
KEYS COM #1 WELL SITE API 30-045-07641

Dear Mr. Roybal,

This letter serves as surface owner notification for Below Grade Tank closure activities at the following well sites:

Farming E #1E API 30-039-22367 Section 2, Township 24N, Range 6W Rio Arriba County Farming E #4 API 30-039-22350 Section 2, Township 24N, Range 6W Rio Arriba County Keys Com #1 API 30-045-07641 Section 32, Township 29N, Range 10W San Juan County

The listed wells are all on leases operated by Four Star Oil & Gas Co. Closure activities are anticipated to occur and be completed during the latter part of June and July, 2012.

We appreciate the opportunity to be of service. If you have any questions or require additional information, please contact me at (505) 333-1941.

Respectfully submitted,

Spril & Pohl

April E. Pohl

Regulatory Specialist
Midcontinent Business Unit

32 Road 3100

Aztec, New Mexico 87410

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E Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired. B Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the malipiece, or on the front if space permits. 1. Article Addressed to: Larry J. Roybal Men Mulico State Land Office 310 Old Santa Fe Irail	A. Signature X B. Received by (Printed Name) C. D. Is delivery address different from Item 1! If YES, enter delivery address below:	DAirent Date of Delivery Yes DNo
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2. Article Number 7011 1570 (Transfer from service label)	0007 DP03 3233	
PS Form 3811, February 2004 Domestic Ref	um Receipt	102595-02-M-15



Bill of Lading

MANIFEST # 41663

DATE 2-5-12 JOB # 92210-0971

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PAINT FILTER TEST	Certification of above receival & placement	
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that no additional materials have been ac	dded."	\mathcal{O}_{\bullet}
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COMPANY CONTACT Dave Brack		
Signatures required prior to distribution of		



EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS

Client:

Chevron North America

Sample No.:

Sample ID:

Sample Matrix:

Preservative: Condition:

BGT 2 Composite

Soil

Cool Cool and Intact Project #:

92270-0970

Date Reported:

7/18/2012

Date Sampled: Date Analyzed: 7/9/2012 7/9/2012

Analysis Needed:

TPH-418.1

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

Total Petroleum Hydrocarbons

180

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:

Farming E #1E

Instrument calibrated to 200 ppm standard. Zeroed before each sample

Felipe Aragon

Printed

Toni McKnight, EIT

Printed





CONTINUOUS CALIBRATION EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS

Cal	Date:
	1 1741

9-Jul-12

Parameter	Standard Concentration mg/L	Concentration Reading mg/L	
ТРН	100		
	200		
	500 1000	501	

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

Felipe Aragon

Print Name

Review

Toni McKnight, EIT

Print Name

7/18/2012

Date

7/18/2012

Date





Field Chloride

Client:

Chevron North America

Sample No.:

Sample ID:

BGT 2 Composite

Sample Matrix: Preservative:

Soil

Condition:

Cool Cool and Intact Project #:

92270-0970

Date Reported:

Date Sampled:

7/18/2012 7/9/2012

Date Analyzed.

7/9/2012

Analysis Needed:

Chloride

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

Field Chloride

ND

32.0

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:

Farming E #1E

Felipe Aragon

Three Springs • 65 Mercado Street, Suite 115, Durango, CO 81301

Review

Toni McKnight, EIT

Printed







Report Summary

Client: Chevron

Chain of Custody Number: 14062

Samples Received: 07-09-12

Job Number: 92270-0970

Sample Number(s): 62548-62549

Project Name/Location: BGT Closure / Farming E #1E

Entire Report Reviewed By: Aute 2330 Date: 07-11-12

The analytical results in this report are based upon information supplied by you, the client, and are for your exclusive use. If you have any questions regarding this data package, please do not hesitate to call.





EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client:	Chevron	Project #:	92270-0970
Sample ID:	16' BGT	Date Reported:	07-10-12
Laboratory Number:	62549	Date Sampled.	07-09-12
Chain of Custody:	14062	Date Received:	07-09-12
Sample Matrix:	Soil	Date Analyzed:	07-10-12
Preservative:	Cool	Date Extracted:	07-09-12
Condition:	Intact	Analysis Requested:	BTEX
		Dilution:	50

	Concentration	Det. Limit	
Parameter	(ug/Kg)	(ug/Kg)	
Benzene	ND	10.0	
Toluene	13.7	10.0	
Ethylbenzene	ND	10.0	
p,m-Xylene	ND	10.0	
o-Xylene	ND	10.0	
Total BTEX	13.7		

ND - Parameter not detected at the stated detection limit.

Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	77.2 %
	1,4-difluorobenzene	84.7 %
	Bromochlorobenzene	86.8 %

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:

BGT Closure/ Farming E #1E





EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client: N/A Project #: N/A Sample ID: 0710BCAL QA/QC Date Reported: 07-10-12 Laboratory Number: 62548 Date Sampled: N/A Sample Matrix: Soil Date Received: N/A Preservative: N/A Date Analyzed: 07-10-12 Condition: N/A Analysis: BTEX Dilution: 50 Calibration and I-Cal RF: C-Cal RF: %Diff: Blank Detect Detection Limits (ug/L) Accept Range 0-15% Conc Limit Benzene 6 2053E-06 6.2053E-06 0.000 ND 0.2 Toluene 6.1320E-06 6.1320E-06 0.000 ND 0.2
Laboratory Number: 62548 Date Sampled: N/A Sample Matrix: Soil Date Received: N/A Preservative: N/A Date Analyzed: 07-10-12 Condition: N/A Analysis: BTEX Dilution: 50 Calibration and I-Cal RF: C-Cal RF: %Diff: Blank Detect Detection Limits (ug/L) Accept. Range 0-15% Conc Limit Benzene 6 2053E-06 6.2053E-06 0.000 ND 0.2 Toluene 6.1320E-06 6.1320E-06 0.000 ND 0.2
Sample Matrix: Soil Date Received: N/A Preservative: N/A Date Analyzed: 07-10-12 Condition: N/A Analysis: BTEX Dilution: 50 Calibration and I-Cal RF: C-Cal RF: %Diff: Blank Detection Detection Limits (ug/L) Accept, Range 0-15% Conc Limit Benzene 6 2053E-06 6.2053E-06 0.000 ND 0.2 Toluene 6.1320E-06 6.1320E-06 0.000 ND 0.2
Preservative: N/A Date Analyzed: 07-10-12 Condition: N/A Analysis: BTEX Dilution: 50 Calibration and I-Cal RF: C-Cal RF: %Diff: Blank Detection Detection Limits (ug/L) Accept, Range 0-15% Conc Limit Benzene 6 2053E-06 6.2053E-06 0.000 ND 0.2 Toluene 6.1320E-06 6.1320E-06 0.000 ND 0.2
Condition: N/A Analysis: BTEX Dilution: 50 Calibration and I-Cal RF: C-Cal RF: %Diff: Blank Detection Detection Limits (ug/L) Accept. Range 0-15% Conc Limit Benzene 6 2053E-06 6.2053E-06 0.000 ND 0.2 Toluene 6.1320E-06 6.1320E-06 0.000 ND 0.2
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Ethylbenzene 6 9821E-06 6.9821E-06 0.000 ND 0.2
p,m-Xylene 5.1609E-06 5.1609E-06 0.000 ND 0.2
o-Xylene 7.4686E-06 7.4686E-06 0.000 ND 0.2
Duplicate Conc. (ug/Kg) Sample Duplicate MDIff. Accept Range Detect. Limit Benzene ND ND 0.00 0 - 30% 10
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Toluene 16.3 15.7 0.04 0 - 30% 10 Ethylbenzene ND ND 0.00 0 - 30% 10 p,m-Xylene ND ND 0.00 0 - 30% 10 o-Xylene ND ND 0.00 0 - 30% 10 Spike Conc. (ug/Kg) Sample Amount Spiked Spiked Sample % Recovery Accept Range Benzene ND 2500 2570 103 39 - 150 Toluene 16.3 2500 2530 101 46 - 148 Ethylbenzene ND 2500 2520 101 32 - 160
Toluene 16.3 15.7 0.04 0 - 30% 10 Ethylbenzene ND ND 0.00 0 - 30% 10 p,m-Xylene ND ND 0.00 0 - 30% 10 o-Xylene ND ND 0.00 0 - 30% 10 Spike Conc. (ug/Kg) Sample Amount Spiked Spiked Sample % Recovery Accept Range Benzene ND 2500 2570 103 39 - 150 Toluene 16.3 2500 2530 101 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 62548-62549

Ph (505) 632-0615 Fx (505) 632-1865

Ph (970) 259-0615 Fr (800) 362-1879



Three Springs • 65 Mercado Street, Suite 115, Durango, CO 81301





Chloride

Project #: 92270-0970 Client: Chevron Sample ID: 16' BGT Date Reported: 07-10-12 62549 Date Sampled: 07-09-12 Lab ID#: Sample Matrix: Soil Date Received: 07-09-12 Date Analyzed: 07-10-12 Preservative: Cool Chain of Custody: 14062 Condition: Intact

Parameter Concentration (mg/Kg)

Total Chloride

70

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: BGT Closure / Farming E #1E



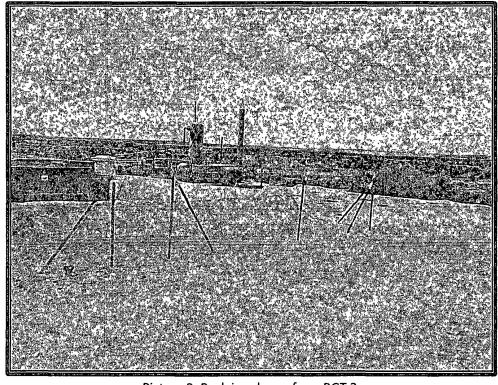
14062

ANALYSIS / PARAMETERS BTEX (Method 8021) TPH (Method 8015) VOC (Method 8260) RCRA 8 Metals CO Table 910-1 TCLP with H/P Cation / Anion Sample Intact Sample Cool TPH (418.1) CHLORIDE 92270-0970 Sample Sample Preservative No./Volume Sample No./ Identification Lab No. HgCl₂ HCl of Containers Date Time 7-9-12 12:20 62548 1-402 12' BGT 16' BGT Relinquished by: (Signature Time Received by: (Signature) Date Time 7-9-12 15.35 Steffinger Jam Received by: (Signature) Relinquished by: (Signature) Sample Matrix Soil Solid Sludge Aqueous Other ☐ Sample(s) dropped off after hours to secure drop off area. 3 envirotech 5795 US Highway 64 • Farmington, NM 87401 • 505-632-0615 • Three Springs • 65 Mercado Street, Suite 115, Durango, CO 81301 • laboratory@envirotech-inc.com

Site Photography Chevron North America Farming E #1E Well Site (BGT 2) Below Grade Tank Closure Project Number 92270-0970 July 9, 2012



Picture 1: Farming E #1E Well Site



Picture 2: Reclaimed area from BGT 2.



RCVD AUG 9'12 DIL CONS. DIV.

DIST. 3

August 2, 2012

Project Number: 92270-0970

Phone: (505) 334-6178

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

RE: BELOW-GRADE TANK CLOSURE DOCUMENTATION FOR THE FARMING E #1E WELL SITE (BGT 2), RIO ARRIBA COUNTY, NEW MEXICO

Dear Mr. Powell:

On behalf of Chevron North America, please find enclosed the Below-Grade Tank (BGT) Closure Documentation for BGT closure activities conducted at the Farming E #1E well site located in Section 2, Township 24 North, Range 6 West, Rio Arriba County, New Mexico.

This report details results above the release determination limit of 100 ppm for total petroleum hydrocarbons (TPH) using USEPA Method 418.1, confirming a release had occurred; see attached *BGT Closure Documentation*. However, the sample returned results below the NMOCD Guidelines for Remediation of Leaks, Spill and Releases closure standard determined for this site. Envirotech, Inc. recommends no further action in regards to this incident.

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

Respectfully Submitted,

ENVIROTECH, INC.

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Enclosures:

Below-Grade Tank Closure Documentation

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