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.

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

Santa Fe, NM 87505

Proposed Alternative Method Permit or Closure Plan Application
Type of action Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances
ı. Operator. Four Star Oıl and Gas Company OGRID #131994
Address. Post Office Box 36366 Houston, TX 77236
Facility or well name: Jicarilla C 28E (BGT 1)
API Number: 30-039-23434 OCD Permit Number:
U/L or Qti/Qtr E Section 34 Township 25N Range 5W County Rio Arriba
Center of Proposed Design: Latitude <u>36.358614°</u> Longitude <u>-107.352967°</u> 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 RCVD AUG 9'12
Temporary. Drilling Workover
Permanent Emergency Cavitation P&A
Lined Unlined Liner type: Thicknessmil 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: Thicknessmil LLDPE HDPE PVC Other
Liner Seams. Welded Factory Other
4.
■ Below-grade tank: Subsection I of 19.15.17 11 NMAC
Volume: 45 bbl Type of fluid: Produced Water
Tank Construction material: Fiberglass
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☒ Visible sidewalls only ☐ Other
Liner type: Thicknessmil
5.
Alternative Method:
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

						
Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)						
Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, 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						
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 accel material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appro	ptable source priate district					
office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a	pproval.					
Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to dry above-grade tanks associated with a closed-loop system.	ing pads or					
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	☐ Yes ☐ No					
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.	☐ Yes ☐ No					
(Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	□ NA					
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	☐ Yes ☐ No					
(Applies to permanent pits)	□ NA					
- 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.	☐ Yes ☐ No					
- 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.	☐ Yes ☐ No					
 Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society, Topographic map 						
Within a 100-year floodplain FEMA map	☐ Yes ☐ No					

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17 9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are
attached. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17 9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17 9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15 17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19 15.17.12 NMAC
Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Previously Approved Design (attach copy of design) API Number: or Permit Number
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:
above ground steel tanks or haul-off bins and propose to implement waste removal for closure)
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17 9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.
Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17 9 NMAC Siting 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 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 G of 19.15.17.13 NMAC

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Instructions: Please indentify the facility or facilities for the disposal of liquids, a facilities are required.	Steel Tanks or Haul-off Bins Only: (19 15 17 13 I brilling fluids and drill cuttings. Use attachment if n	NMAC) nore than two					
facilities are required. Disposal Facility Name:	Disposal Facility Permit Number						
	Disposal Facility Permit Number:						
Will any of the proposed closed-loop system operations and associated activities oc ☐ 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							
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the provided below. Requests regarding changes to certain siting criteria may require considered an exception which must be submitted to the Santa Fe Environmental demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC f	e administrative approval from the appropriate disti Bureau office for consideration of approval. Justi	rict office or may be					
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 signake (measured from the ordinary high-water mark) - Topographic map; Visual inspection (certification) of the proposed site	nificant watercourse or lakebed, sinkhole, or playa	Yes No					
Within 300 feet from a permanent residence, school, hospital, institution, or church Visual inspection (certification) of the proposed site, Aerial photo, Satellite		☐ Yes ☐ No					
Within 500 horizontal feet of a private, domestic fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or s NM Office of the State Engineer - iWATERS database; Visual inspection (oring, in existence at the time of initial application.	Yes No					
Within incorporated municipal boundaries or within a defined municipal fresh water adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approve		Yes No					
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visua	l 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 Society; Topographic map	& Mineral Resources; USGS; NM Geological	☐ Yes ☐ No					
Within a 100-year floodplain FEMA map		Yes No					

19.	
Operator Application Certification: I hereby certify that the information submitted with this application is true, accurate and complete to the best of my know	rledge and belief.
Name (Print): Title:	
Signature: Date:	
e-mail address: Telephone:	
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see at OCD Representative Signature: Approval Da Title: OM OLAMA OCC Permit Number:	tachment) ate: 4/0/2012
Closure Report (required within 60 days of chance 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 at The closure report is required to be submitted to the division within 60 days of the completion of the closure activities, section of the form until an approved closure plan has been obtained and the closure activities have been completed.	Please do not complete this
☑ Closure Completion Date:Ju	<u>v 12, 2012</u>
21 Clasure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method Waste Removal If different from approved plan, please explain.	val (Closed-loop systems only)
23. <u>Closure Report Reparding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tan</u> Instructions: Please indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings were dispositive facilities were utilized.	ks or Haul-off Bins Only: sed. Use attachment if more than
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 s Yes (If yes, please demonstrate compliance to the items below) No	service and operations?
Required for impacted areas which will not be used for future service and operations: Site Reclamation (Photo Documentation) Boil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	
Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report 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 Landfarm #2, Permit #: NM-01-0011 Soil Backfilling and Cover Installation See Attached Site Photography Re-vegetation Application Rates and Seeding Technique Pursuant to the BLM MOU and Approved Closure Pla Site Reclamation (Photo Documentation) See Attached Site Photography On-site Closure Location: Latitude	
25. Operator Closure Certification:	
I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approximation.	e best of my knowledge and oved closure plan.
Name (Print): Ms. Vaura Clenney Title: Facilities Engineer	
Signature: Date: D/b// D	
e-mail address: aura.clenney@chevron.com Telephone: (281) 881-0322	

District 1
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., 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

Submit 2 Copies to appropriate District Office in accordance with Rule 1 16 on back side of form

Release Notification and Corrective Action													
·						OPERA'	ГOR		☐ Initi	al Report	\boxtimes	Final R	Report
		our Star Oil					s. Laura Clenney						
		Box 36366, I		TX 77236			No. (281) 881-03	322					
Facility Nat	ne: Jicarill	la C #28E (E	(GT I)			Facility Typ	e: Gas Well						
Surface Ow	ner: Jicari	lla		Mineral O)wner:				Lease 1	No.: N/A			
				LOCA	TIOI	N OF REI	LEASE						
Unit Letter Section Township Range Feet from the North/South Line Feet from the 990 Section 34 25N 5W 1850 North 990							Vest Line Vest	County Rio Arriba	D.				
	,		Latif	tude_36.358614°		Longitude	-107.352967°						
				NAT	URE	OF REL	EASE						
Type of Rele							Release: Unknow			Recovered: I			
Source of Re	lease: NA	٠.,				Date and H	lour of Occurrence	:e:	Date and	Hour of Dis	covery	•	į
Was Immedia	ate Notice (If YES, To	Whom?					<u></u>	
1		ال ا	Yes L	No 🛛 Not Re	quired								
By Whom?		7 10 -				Date and H							
Was a Water	course Read		Yes [] No		If YES, Vo	olume impacting t	the Water	rcourse.				
If a Watercou		pacted, Descr d.	ibe Fully.	*		- 							
			*1-1 A -4:-	Tolor of Dunde	- 3	2	14 1				,	••••	
Below Grade	: Tank (BG)	I) on location	. The Belo	n Taken.* Production on Grade Tank with erformed on July 1	as remov	ved on July 1	2, 2012. Soil sam	npling fro	om directly	n formerly of y beneath th	lischarg e tank i	ed into a n accord	lance
Describe Are	a Affected	and Cleanup	Action Tak	ken.*			1						
				from directly ben									
Method 8021	m nyurocar	pons (1 mm) u al chlorides n	sing USEI cing USEI	PA Method 418.1, PA Method 4500B	and in i	kinvitotech's emple returnt	Analytical Labora -d results at or hel	atory for	Dir Rule"	ard total bill	CX usir	ig USEP. Æa henz	A
50 mg/kg tou	al BTEX, I	00 mg/kg TPi	1 and 250	mg/kg total chlori	ides. An	alytical resul	is are attached for	r your re	ference.	Milanda Vi	V. + III.	INE Oction	CIIC,
I hereby certi	fy that the i	nformation gi	iven above	e is true and compl	lete to ti	ne best of my	knowledge and u	ınderstan	d that pur	suant to NM	OCD n	ules and	
				nd/or file certain re									
puone neum	of inc cavii ne stereors	ronment, inc	acceptant	ce of a C-141 repo	nt by the	: NMCCD m - ~etaminati	arked as "Final Ki	leport" ac	es not reli Name	ieve the oper	rator of	'liability —aa besi	1.6.
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 Signature:												
						Approved by District Supervisor:							
Title: Facilit			()			Annoual Dat	(2)	-		Date:			
Tiber t Spring	169 PHIRITION	·		/	+	Approval Date: Expiration Date:							
E-mail Address: laura.clenney@chevron.com				Conditions of Approval:									

'Attach Additional Sheets If Necessary

Phone: 281-881-0322

CHEVRON SAN JUAN BASIN BELOW GRADE TANK CLOSURE PLAN JICARILLA C #28E BGT 1

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 Jicarilla C #28E BGT 1 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 July 5, 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. Chevion 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 July 5, 2012.
 - b. Please find attached the written notification to the landowner sent on July 10, 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 11, 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	88 ppm	<0.01 ppm	0.0515 ppm	20 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. No spill was detected; therefore, no further action was required for BGT 1.
- 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(1)(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

ii) 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) Basın 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.

Jones, Brad A., EMNRD

From: Clenney, Laura E <Laura.Clenney@chevron.com>

Sent: Thursday, July 05, 2012 1:52 PM

To: Jones, Brad A., EMNRD

Cc: Pohl, April E; Barnes, Leslie (LeslieBarnes)

Subject: Chevron Below Ground Tanks - Closure Request

Brad,

Chevron is requesting to **Close** the following six (6) BGT's in 2012, beginning in mid July. Each site is listed in the table below. Identified in the 5th column of the table is the BGT targeted for removal, so you can reference it from the respective C-144's. Please note that at each of the three sites, we plan to close both pits on location.

Each of the C-144's for these six tanks has "Permit of a pit" checked at the top of the C-144 instead of "Closure of a pit", but since the initial submittal of these packages we have identified these tanks for closure.

Well Name	API .	Global Positioning Coordinates	oal Positioning Coordinates ULSTR			
FICARILLA G#026	30:039:05918	236.383036/107/359339	T=211-25N+05W	BGT#1		
JIGARILLA @#026	30:039:05918	36:383036/107:359339	I-21-25N-05W	BGT 2		
JJICARILLA C#028E	7 AF# 180±039±28484	36:358614/107/352967/	13-34-25N-05W	BGTHE		
JICARILLAC 028E	30-039-28484	36:358614/107/352967	E 34-25N 05W	BGT#2		
JICARILLAC#035	30:039:23433	36:383292/107/370308	L-21-25N-05W-	B.GT#1		
JICARILLA(C#035.2	30-039-23453	563882924107,370308 -	- L-21-25N-05W	BGL#2.		

Please let me know if you need additional information in order to process the closure of these BGT's.

Thanks,

Laura Clenney

Facilities Engineer - San Juan FMT Laura. Clenney@Chevron.com

Chevron North America Exploration and Production

Mid-Continent Business Unit 332 ROAD 3100 Aztec, NM 87410 Tel 505 333 1950 Mobile 281 881 0322



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 87410 Tel: 505-333-1941 Fax: 505-334-7134 April.Pohl@chevron.com

VIA EMAIL

July 10, 2012

Sherrie Landon US Bureau of Land Management 6251 College Blvd, Ste A Farmington, New Mexico 87402

RE: BELOW GRADE TANK CLOSURE NOTIFICATION

JICARILLA C #28E	WELL SITE API 30-039-23434
JICARILLA C #26	WELL SITE API 30-039-05918
JICARILLA C #35	WELL SITE API 30-039-23433

Dear Ms. Landon,

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

JICARILLA C #28E	API 30-039-23434	S 34, T 25N, R 5W	Rio Arriba County
JICARILLA C #26	API 30-039-05918	S21, T 25N, R 5W	RIO ARRIBA COUNTY
JICARILLA C #35	API 30-039-23433	S21, T 25N, R 5W	Rio Arriba County

These wells are operated by Four Star Oil & Gas Co. Closure activities are anticipated to occur and be completed during 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,

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



Bill of Lading

MANIFEST # 41687

DATE 7-11-12 JOB # 92270-0913

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

FILOINE	PHONE: (505) 632-0615 • 5796 U.S. HIGHWAY 64 • FARMINGTON, NEW MEXICO 87401									
LOAD								NY		
NO.	POINT OF ORIGIN	DESTINATION	MATERIAL	GRID	YDS	BBLS	COMPANY	TRK#	TIME	DRIVER SIGNATURE
,	Cheuron	BFLFII-5	tank Bottoms	212	/	20	Riley 19	009	144	Byron To
	J.E C 28.8		Bottoms							
					•	70				
						6				
								-		
										
					1					
RESULTS	RESULTS: LANDFARM NOTES:									
PAINT FILTER TEST Certification of above receival & placement										
"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. TO COMPANY CONTACT OR TO COM										
COMPANY	COMPANY CONTACT Gerald Cly PHONE DATE 7/11/2012									
Signatures required prior to distribution of the legal document.										



EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS

Client:

Chevron North America

Sample No.: Sample ID:

•

WBGT Composite

Sample Matrix:

Soil

Preservative: Condition:

Cool

Cool and Intact

Project #:

92270-0972

Date Reported:

7/23/2012

Date Sampled: Date Analyzed: 7/12/2012

Analysis Needed:

7/12/2012 TPH-418.1

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

Jicarilla C 28E

Instrument calibrated to 200 ppm standard. Zeroed before each sample

Analyst

John Rollins

Printed

Review

Toni McKnight, EIT

Printed



CONTINUOUS CALIBRATION EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS

Cal. Date:

12-Jul-12

Parameter	Standard Concentration mg/L	Concentration Reading mg/L	
ТРН	100		
	200		
	500	482	
	1000		

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

John	Rolling	

Print Name

Analyst

Review

Toni McKnight, EIT

Print Name

7/23/2012

Date

7/23/2012

Date





EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client:	Chevron	Project #:	92270-0972
Sample ID:	WBGT	Date Reported:	07-13-12
Laboratory Number:	62572	Date Sampled:	07-12-12
Chain of Custody:	14068	Date Received:	07-12-12
Sample Matrix:	Soil	Date Analyzed:	07-13-12
Preservative:	Cool	Date Extracted:	07-13-12
Condition:	Intact	Analysis Requested:	BTEX
		Dilution:	50

	Dildion.	30
		Det.
	Concentration	Limit
Parameter	(ug/Kg)	(ug/Kg)
Benzene	ND	10.0
Toluene	28.0	10.0
Ethylbenzene	ND	10.0
p,m-Xylene	13.5	10.0
o-Xylene	10.1	10.0
Total BTEX	51.5	

ND - Parameter not detected at the stated detection limit.

Surrogate Recoveries:	Parameter	Percent Recovery	
	Fluorobenzene	80.1 %	
	1,4-difluorobenzene	88.2 %	
	Bromochlorobenzene	87.0 %	

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: Jicarilla C #28E





Chloride

Project #: Client: Chevron 92270-0972 Sample ID: **WBGT** Date Reported: 07-13-12 Lab ID#: 62572 Date Sampled: 07-12-12 07-12-12 Date Received: Sample Matrix: Soil Preservative: Cool Date Analyzed: 07-13-12 Condition: Intact Chain of Custody: 14068

Parameter Concentration (mg/Kg)

Total Chloride

20

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:

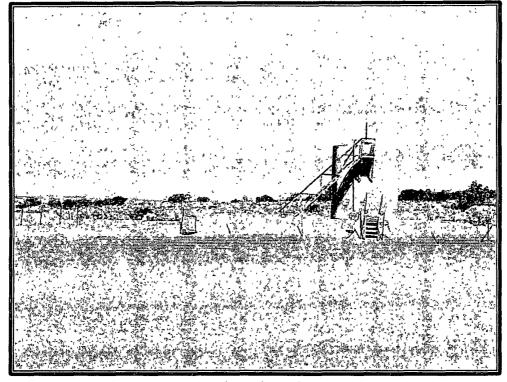
Jicarilla C #28E



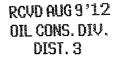
Site Photography
Chevron North America
Jicarilla C #28E Well Site (BGT 1)
Below Grade Tank Closure
Project Number 92270-0972
July 12, 2012



Picture 1: Jicarilla C #28E Well Site



Picture 2: Reclaimed area from BGT 1.



Phone: (505) 334-6178



July 27, 2012 Project Number: 92270-0972

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

RE: BELOW-GRADE TANK CLOSURE DOCUMENTATION FOR THE JICARILLA C #28E WELL SITE (BGT 1), 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 Jicarilla C #28 well site located in Section 34, Township 25 North, Range 5 West, Rio Arriba County, New Mexico.

This report details results below the release determination limit for all constituents analyzed.

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 Documentation

Email Cc: Ms. Laura Clenney – Chevron NA

Mr. Don Lindsey – Chevron NA