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

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

Form C-144
July 21, 2008

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

5345

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

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

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

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

1.
Operator: EnerVest Operating, LLC OGRID #: 143199
Address: 1001 Fannin St. Ste 800 Houston, Texas 77002
Facility or well name: Jicarilla A #1
API Number: 30-039-06481 OCD Permit Number:
U/L or Qtr/Qtr L Section 18 Township 26N Range 05W County: Rio Arriba
Center of Proposed Design: Latitude 36.484756 Longitude -107.406267 NAD: ☐ 1927 ☒ 1983
Surface Owner: ☐ Federal ☐ State ☐ Private ☒ Tribal Trust or Indian Allotment

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

RECEIVED
FEB 2010
OIL CONS. DIV. DIST. 3

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

OIL CONS. DIV DIST. 3
AUG 12 2013

4.
☒ **Below-grade tank:** Subsection I of 19.15.17.11 NMAC
Volume: 95 bbl Type of fluid: Primarily produced water w/ compressor skid precipitation & incidental lubricating oil
Tank Construction material: Steel w/ expanded metal cover
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☒ Other _____ electronic monitoring
Liner type: Thickness _____ mil ☐ HDPE ☐ PVC ☐ Other _____

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

6.

Fencing: Subsection D of 19.15.17.11 NMAC *(Applies to permanent pits, temporary pits, and below-grade tanks)*

☐ Chain link, six feet in height, two strands of barbed wire at top *(Required if located within 1000 feet of a permanent residence, school, hospital, institution or church)*

☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet

☒ Alternate. Please specify_____42" Hog-wire fence with 2 strands barbed-wire on top_____

7.

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

☒ Screen ☐ Netting ☐ Other_____

☐ Monthly inspections (If netting or screening is not physically feasible)

8.

Signs: Subsection C of 19.15.17.11 NMAC

☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers

☒ Signed in compliance with 19.15.3.103 NMAC

9.

Administrative Approvals and Exceptions:

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

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

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

☐ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

10.

Siting Criteria (regarding permitting): 19.15.17.10 NMAC

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

Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ 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 ☐ NA
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☒ No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☒ No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☒ No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☒ No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ☒ No
Within a 100-year floodplain. - FEMA map	☐ Yes ☒ No

11.
Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

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

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

12.
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9
- ☐ Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

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

☐ Previously Approved Operating and Maintenance Plan API Number: _____ *(Applies only to closed-loop system that use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)*

13.
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC
- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☐ Climatological Factors Assessment
- ☐ Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Quality Control/Quality Assurance Construction and Installation Plan
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Nuisance or Hazardous Odors, including H_2S, Prevention Plan
- ☐ Emergency Response Plan
- ☐ Oil Field Waste Stream Characterization
- ☐ Monitoring and Inspection Plan
- ☐ Erosion Control Plan
- ☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

14.
Proposed Closure: 19.15.17.13 NMAC
Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.

Type: ☐ Drilling ☐ Workover ☐ Emergency ☐ Cavitation ☐ P&A ☐ Permanent Pit ☒ Below-grade Tank ☐ Closed-loop System ☐ Alternative

Proposed Closure Method: ☒ Waste Excavation and Removal
☐ Waste Removal (Closed-loop systems only)
☐ On-site Closure Method (Only for temporary pits and closed-loop systems)
☐ In-place Burial ☐ On-site Trench Burial
☐ Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)

15.
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) ***Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.***

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

16.

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)

Instructions: Please 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 I of 19.15.17.13 NMAC

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

17.

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

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

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

18.

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

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

☐ Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC

☐ Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC

☐ Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC

☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC

☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC

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

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

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

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

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

19.
Operator Application Certification:

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

Name (Print): Ronnie L. Young Title: Compliance Supervisor

Signature: Ronnie L Young Date: 2.21.10

e-mail address: ryoung@enervest.net Telephone: 713-495-6530

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

OCD Representative Signature: Jonathan D. Kelly 8/26/2013 **Approval Date:** 3/4/11

Title: Compliance Officer **OCD Permit Number:**

21.
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC

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

☒ **Closure Completion Date:** 8/7/2013

22.
Closure Method:

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

☐ If different from approved plan, please explain.

23.
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:

Instructions: Please indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: Disposal Facility Permit Number:

Disposal Facility Name: Disposal Facility Permit Number:

Were the closed-loop system operations and associated activities performed on or in areas that *will not* be used for future service and operations?

☐ Yes (If yes, please demonstrate compliance to the items below) ☐ No

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

☐ Site Reclamation (Photo Documentation)
☐ Soil Backfilling and Cover Installation
☐ Re-vegetation Application Rates and Seeding Technique

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

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

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

25.
Operator Closure Certification:

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

Name (Print): WILBERT L GARDNER Title: SR HSE SPECIALIST

Signature: Wilbert L Gardner Date: 8/7/2013

e-mail address: WGARDNER@ENERVEST.NET Telephone: 505-320-7924

EnerVest Operating, LLC (EV)

BELOW-GRADE TANK
CLOSURE PLAN

Rule 19.15.17.13

Well Name – Jicarilla A-1
API # 30-039-06481
Location UL- L, Sec 18, T-26N, R-5W
Lat: N 36.484756 Lat W -107. 406267

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

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

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

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

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

Below grade tank was removed on or about July 29, 2013

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

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

Operators Name
Unit letter, Section, Township, & Range of well
Well name and well number
API Number of well

Enervest Operating failed to give the required notification to the State of New Mexico due to an internal communication breakdown. The Jicarilla Tribal Environmental Protection Officer had conducted a pre-job inspection of the location several days before but was not notified at least 72 hours in advance of the work. Corrective action has been taken to prevent further occurrences. See attached letter of explanation.

C. Within 60 days of completion of closure operations, EV will file Form C-144, with attachments, outlining the detailed operations of the closing operations. Such attachments shall include, but not limited to, proof of surface owner and division notifications, confirmation of sampling analysis, disposal facility names and permit numbers, soil backfilling and cover installation, re-vegetation application rates and seeding techniques, and photo documentations.

D. All free standing liquids and sludge will be removed at the start of the below-grade tank closure process from the below-grade tank and disposed of in one of the below division-approved facility as indicated below:

TNT Land Farm	Permit # NM-01-0008	Liquids & Sludge
Environtech Land Farm	Permit # NM-01-0011	Solids
AguaMoss	Permit # 247130	Liquids

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

All material in the below grade tank was removed and disposed of at the T-N-T Land Farm (#NM-01-008). The interior of the tank was steam cleaned prior to removal. The tank was transported to the Enervest Jicarilla yard where it was inspected and recoated. The tank will be utilized at another location in the future.

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

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

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

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

Constituent	Method	Groundwater 51-100 FT	Test Results
Chloride	EPA 300.0	10,000 mg/kg	**14.9 mg/kg**
TPH	EPA SW-846 Method 418.1	2,500 mg/kg	**92.0 mg/kg**
BTEX	EPA SW-846 Method 8021B or8260B	50 mg/kg	**Non Detect**
Benzene	EPA -SW-846 Method 8021B or 8015M	10 mg/kg	**Non Detect**
GRO/DRO	EPA SW-846 Method 8015B	1,000 mg/kg	**Non Detect**

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

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

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

The excavation was back filled by Costilla Oil Field Services utilizing soil that was already on location. The location was contoured to match the existing terrain.

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

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

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

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

The soil cover design will be consistent with the requirements of 19.15.17.13(H)(1)and (3). The soil cover will consist of the background thickness of topsoil or one foot of suitable material to establish vegetation at the site, whichever is greater. The soil cover will be constructed to the site's existing grade and prevent ponding of water and erosion of the cover material.

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

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

ENERVEST

On or about July 29, 2013, Enervest Operating closed the below grade tank excavation on the Lease # 110 Jicarilla A-1 well pad (API# 30-039-06481) located at UL-L, Section 18, Township- 26 North, Range 5 West N.M.P.M . without the required 72 hour notice to the State of New Mexico .

This over site was due to a communication breakdown within Enervest. To prevent this error from occurring in the future Enervest, has established an internal tracking system for below grade tank excavation work. In addition, no back filling of an excavation can occur until the Senior HSE Specialist assigned to the Farmington NM office has given written authorization to the field coordinator oversee contractor operations.

Prior to closure a five point composite sample was submit for laboratory analysis. The sample did meet the criteria for closure. Attached is a copy of the sample results.

Thank you.

Wilbert L Gardner CHMM, CSP
Sr HSE Specialist

Gardner, Wilbert

From: Hobson Sandoval [hsandoval_99@yahoo.com]
Sent: Monday, June 24, 2013 12:57 PM
To: Gardner, Wilbert
Subject: Re: Review of Below Grade Tank Pit Closures

I will be available July 1, 2013. I am on a trip out of town.

"Gardner, Wilbert" <wgardner@EnerVest.net> wrote:

Hobson:

I would like to schedule a time where we could do a field review of the closure for the following below grade tank pits. Specifically I would like to determine where we can obtain some dirt to back fill the excavations.

Jicarilla A-1, API -30-039-06481 UL-L, Sec 18, T-26N, R-5W

155 Jicarilla Gas Com C-#1E, API 30-039-22089, UL-F, Sec 32, T-26N, R-5W

Jicarilla Contract 155 #22E API 30-039-22088, UL-K, Sec 31, T-26N, R-5W

Jicarilla Contract 148-37 API 30-039-23786, UL-C, Sec 13, T-25N, R-5W

I am available to fit your schedule.

Thank you.

Lee Gardner CHMM, CSP

Sr. HSE Specialist

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

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

☐ Initial Report X☐ Final Report

Name of Company Enervest Operating	Contact Lee Gardner
Address 2700 Farmington Ave Building K, Suite #1	Telephone No. 505-325-0318
Facility Name Jicarilla A-1	Facility Type Oil & Gas Production

Surface Owner Jicarilla Tribe	Mineral Owner Jicarilla Tribe	API No. 30-039-06481

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
L	18	26N	5W					Rio Arriba

Latitude N. 36.484756 **Longitude** W -107.406267

NATURE OF RELEASE

Type of Release None	Volume of Release None	Volume Recovered none
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
Was Immediate Notice Given? ☐ Yes X☐ No ☐ Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? ☐ Yes X☐ No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
Below grade tank excavation closure A five point composite sample was collect from the excavation and submitted analysis, the results are
Benzene – Non Detect (EPA Method 8021)
BTEX – Non Detect (EPA Method 8021)
GRO/DRO - Non Detect (EPA 8015)
Total Petroleum Hydrocarbons 92.0 mg/kg (EPA Method 418.1)
Chloride 14.9 mg/kg (EPA Method 300.0)

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

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature: Lee Gardner	OIL CONSERVATION DIVISION
Printed Name: Lee Gardner	Approved by Environmental Specialist:
Title: Senior HSE Specialist	Approval Date: / Expiration Date:
E-mail Address: wgardner@ enervest.net	Conditions of Approval: / Attached ☐
Date: 8-7-2013 Phone: 505-325-0318	

envirotech
Analytical Laboratory

Analytical Report

Report Summary

Client: Enervest Operating
Chain Of Custody Number: 15806
Samples Received: 7/30/2013 1:30:00PM
Job Number: 05123-0002
Work Order: P307093
Project Name/Location: A-1 PIT

Entire Report Reviewed By: _____ Date: 8/1/13

Tim Cain, Laboratory Manager

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

5796 US Highway 64, Farmington, NM 87401 Ph (505) 632-0615 Fx (505) 632-1865
Three Springs • 65 Mercado Street, Suite 115, Durango, CO 81301 Ph (970) 259-0615 Fr (800) 362-1879
envirotech-inc.com
laboratory@envirotech-inc.com

envirotech
Analytical Laboratory

Enervest Operating	Project Name:	A-1 PIT	
2700 Farmington Ave.	Project Number:	05123-0002	**Reported:**
Farmington NM, 87401	Project Manager:	W Gardner	01-Aug-13 14:57

Analyical Report for Samples

Client Sample ID	Lab Sample ID	Matrix	Sampled	Received	Container
A-1 Pit	P307093-01A	Soil	07/30/13	07/30/13	Glass Jar, 4 oz.

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Enervest Operating	Project Name:	A-1 PIT	
2700 Farmington Ave.	Project Number:	05123-0002	**Reported:**
Farmington NM, 87401	Project Manager:	W Gardner	01-Aug-13 14:57

A-1 Pit

P307093-01 (Solid)

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Volatile Organics by EPA 8021									
Benzene	ND	0.05	mg/kg	1	1331006	31-Jul-13	31-Jul-13	EPA 8021B	
Toluene	ND	0.05	mg/kg	1	1331006	31-Jul-13	31-Jul-13	EPA 8021B	
Ethylbenzene	ND	0.05	mg/kg	1	1331006	31-Jul-13	31-Jul-13	EPA 8021B	
p,m-Xylene	ND	0.05	mg/kg	1	1331006	31-Jul-13	31-Jul-13	EPA 8021B	
o-Xylene	ND	0.05	mg/kg	1	1331006	31-Jul-13	31-Jul-13	EPA 8021B	
Total Xylenes	ND	0.05	mg/kg	1	1331006	31-Jul-13	31-Jul-13	EPA 8021B	
Total BTEX	ND	0.05	mg/kg	1	1331006	31-Jul-13	31-Jul-13	EPA 8021B	
Surrogate: Bromochlorobenzene		*104 %*	*80-120*		*1331006*	*31-Jul-13*	*31-Jul-13*	*EPA 8021B*	
Surrogate: 1,4-Difluorobenzene		*92.2 %*	*80-120*		*1331006*	*31-Jul-13*	*31-Jul-13*	*EPA 8021B*	
Surrogate: Fluorobenzene		*90.1 %*	*80-120*		*1331006*	*31-Jul-13*	*31-Jul-13*	*EPA 8021B*	
Nonhalogenated Organics by 8015									
Gasoline Range Organics (C6-C10)	ND	4.99	mg/kg	1	1331007	31-Jul-13	31-Jul-13	EPA 8015D	
Diesel Range Organics (C10-C28)	ND	4.99	mg/kg	1	1331007	31-Jul-13	31-Jul-13	EPA 8015D	
GRO and DRO Combined Fractions	ND	4.99	mg/kg	1	1331007	31-Jul-13	31-Jul-13	EPA 8015D	
Total Petroleum Hydrocarbons by 418.1									
Total Petroleum Hydrocarbons	**92.0**	20.0	mg/kg	1	1331017	31-Jul-13	31-Jul-13	EPA 418.1	
Cation/Anion Analysis									
Chloride	**14.9**	9.99	mg/kg	1	1331010	30-Jul-13	30-Jul-13	EPA 300.0	

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Enervest Operating	Project Name:	A-1 PIT	
2700 Farmington Ave.	Project Number:	05123-0002	**Reported:**
Farmington NM, 87401	Project Manager:	W Gardner	01-Aug-13 14:57

Volatile Organics by EPA 8021 - Quality Control

Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 1331006 - Purge and Trap EPA 5030A										
Blank (1331006-BLK1)				Prepared: 30-Jul-13 Analyzed: 31-Jul-13						
Benzene	ND	0.05	mg/kg							
Toluene	ND	0.05	"							
Ethylbenzene	ND	0.05	"							
p,m-Xylene	ND	0.05	"							
o-Xylene	ND	0.05	"							
Total Xylenes	ND	0.05	"							
Total BTEX	ND	0.05	"							
Surrogate: Bromochlorobenzene	*45.4*		*ug/L*	*50.0*		*90.7*	*80-120*			
Surrogate: 1,4-Difluorobenzene	*48.7*		"	*50.0*		*97.4*	*80-120*			
Surrogate: Fluorobenzene	*48.3*		"	*50.0*		*96.6*	*80-120*			
Duplicate (1331006-DUP1)	**Source: P307087-01**			Prepared: 30-Jul-13 Analyzed: 31-Jul-13						
Benzene	0.05	0.05	mg/kg		0.05			0.115	30	
Toluene	0.96	0.05	"		1.33			31.8	30	D1
Ethylbenzene	2.11	0.05	"		2.39			12.2	30	
p,m-Xylene	9.35	0.05	"		10.1			7.55	30	
o-Xylene	2.68	0.05	"		3.23			18.9	30	
Surrogate: Bromochlorobenzene	*50.3*		*ug/L*	*50.0*		*101*	*80-120*			
Surrogate: 1,4-Difluorobenzene	*48.0*		"	*50.0*		*96.0*	*80-120*			
Surrogate: Fluorobenzene	*48.7*		"	*50.0*		*97.4*	*80-120*			
Matrix Spike (1331006-MS1)	**Source: P307087-01**			Prepared: 30-Jul-13 Analyzed: 31-Jul-13						
Benzene	51.5		ug/L	50.0	1.05	101	39-150			
Toluene	71.0		"	50.0	26.6	89.0	46-148			
Ethylbenzene	96.7		"	50.0	47.8	97.8	32-160			
p,m-Xylene	294		"	100	202	91.9	46-148			
o-Xylene	112		"	50.0	64.8	94.8	46-148			
Surrogate: Bromochlorobenzene	*53.4*		"	*50.0*		*107*	*80-120*			
Surrogate: 1,4-Difluorobenzene	*50.5*		"	*50.0*		*101*	*80-120*			
Surrogate: Fluorobenzene	*50.9*		"	*50.0*		*102*	*80-120*			

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Enervest Operating	Project Name:	A-1 PIT	
2700 Farmington Ave.	Project Number:	05123-0002	**Reported:**
Farmington NM, 87401	Project Manager:	W Gardner	01-Aug-13 14:57

Nonhalogenated Organics by 8015 - Quality Control

Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 1331007 - GRO/DRO Extraction EPA 3550C										
Blank (1331007-BLK1)				Prepared: 30-Jul-13 Analyzed: 31-Jul-13						
Gasoline Range Organics (C6-C10)	ND	4.99	mg/kg							
Diesel Range Organics (C10-C28)	ND	4.99	"							
GRO and DRO Combined Fractions	ND	4.99	"							
Duplicate (1331007-DUP1)		**Source: P307087-01**		Prepared: 30-Jul-13 Analyzed: 31-Jul-13						
Gasoline Range Organics (C6-C10)	166	5.00	mg/kg		170			2.54	30	
Diesel Range Organics (C10-C28)	21.7	5.00	"		43.6			66.9	30	D1
Matrix Spike (1331007-MS1)		**Source: P307087-01**		Prepared: 30-Jul-13 Analyzed: 31-Jul-13						
Gasoline Range Organics (C6-C10)	466	5.26	mg/kg	263	170	113	75-125			
Diesel Range Organics (C10-C28)	282	5.26	"	263	43.6	90.8	75-125			

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Enervest Operating	Project Name:	A-1 PIT	
2700 Farmington Ave.	Project Number:	05123-0002	**Reported:**
Farmington NM, 87401	Project Manager:	W Gardner	01-Aug-13 14:57

Total Petroleum Hydrocarbons by 418.1 - Quality Control

Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 1331017 - 418 Freon Extraction										
Blank (1331017-BLK1)				Prepared & Analyzed: 31-Jul-13						
Total Petroleum Hydrocarbons	ND	20.0	mg/kg							
Duplicate (1331017-DUP1)		**Source: P307093-01**		Prepared & Analyzed: 31-Jul-13						
Total Petroleum Hydrocarbons	108	20.0	mg/kg		92.0			16.0	30	
Matrix Spike (1331017-MS1)		**Source: P307093-01**		Prepared & Analyzed: 31-Jul-13						
Total Petroleum Hydrocarbons	2080	19.9	mg/kg	1990	92.0	99.6	80-120			

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Enervest Operating	Project Name:	A-1 PIT	
2700 Farmington Ave.	Project Number:	05123-0002	**Reported:**
Farmington NM, 87401	Project Manager:	W Gardner	01-Aug-13 14:57

Cation/Anion Analysis - Quality Control

Envirotech Analytical Laboratory

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 1331010 - Anion Extraction EPA 300.0										
Blank (1331010-BLK1)				Prepared & Analyzed: 30-Jul-13						
Chloride	ND	10.0	mg/kg							
Duplicate (1331010-DUP1)		**Source: P307091-01**		Prepared & Analyzed: 30-Jul-13						
Chloride	816	10.0	mg/kg		796			2.51	30	

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Enervest Operating	Project Name:	A-1 PIT	
2700 Farmington Ave.	Project Number:	05123-0002	**Reported:**
Farmington NM, 87401	Project Manager:	W Gardner	01-Aug-13 14:57

Notes and Definitions

D1	Duplicates or Matrix Spike Duplicates Relative Percent Difference exceeds 30%.
DET	Analyte DETECTED
ND	Analyte NOT DETECTED at or above the reporting limit
NR	Not Reported
dry	Sample results reported on a dry weight basis
RPD	Relative Percent Difference

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CHAIN OF CUSTODY RECORD

15806

Client:	Project Name / Location:
ENERVEST	A-1 PIT
Email results to:	**Sampler Name:**
WGARDNER@ENERVEST.NET	L. GARDNER
Client Phone No.:	**Client No.:**
505-320-7924	05123-0002

Sample No./ Identification	Sample Date	Sample Time	Lab No.	No./Volume of Containers	Preservative HNO_3	Preservative HCl	Preservative	TPH (Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	RCRA 8 Metals	Cation / Anion	RCI	TCLP with H/P	CO Table 910-1	TPH (418.1)	CHLORIDE				Sample Cool	Sample Intact
A-1 PIT	7/30/13	9:34	P307093-01	1/4oz				X	X							X	X				✓	✓

Relinquished by: (Signature)	Date	Time	Received by: (Signature)	Date	Time
	7/30/13	1330		7/30/13	1330
Relinquished by: (Signature)			Received by: (Signature)		

Sample Matrix

Soil ☒ Solid ☐ Sludge ☐ Aqueous ☐ Other ☐ _____

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

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

san juan reproduction 578-129

ENERVEST OPERATING, LLC

JICARILLA A 001-MV

API# 3003906481

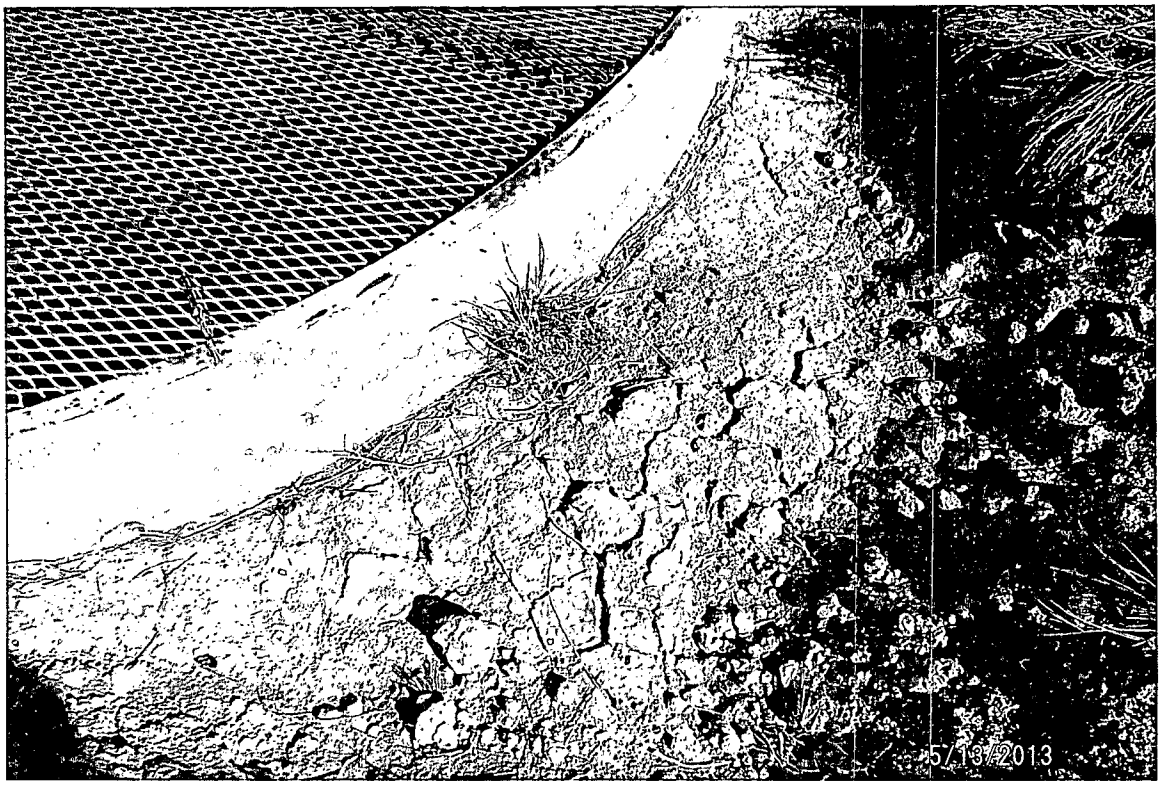
FEDERAL LEASE# JIC110

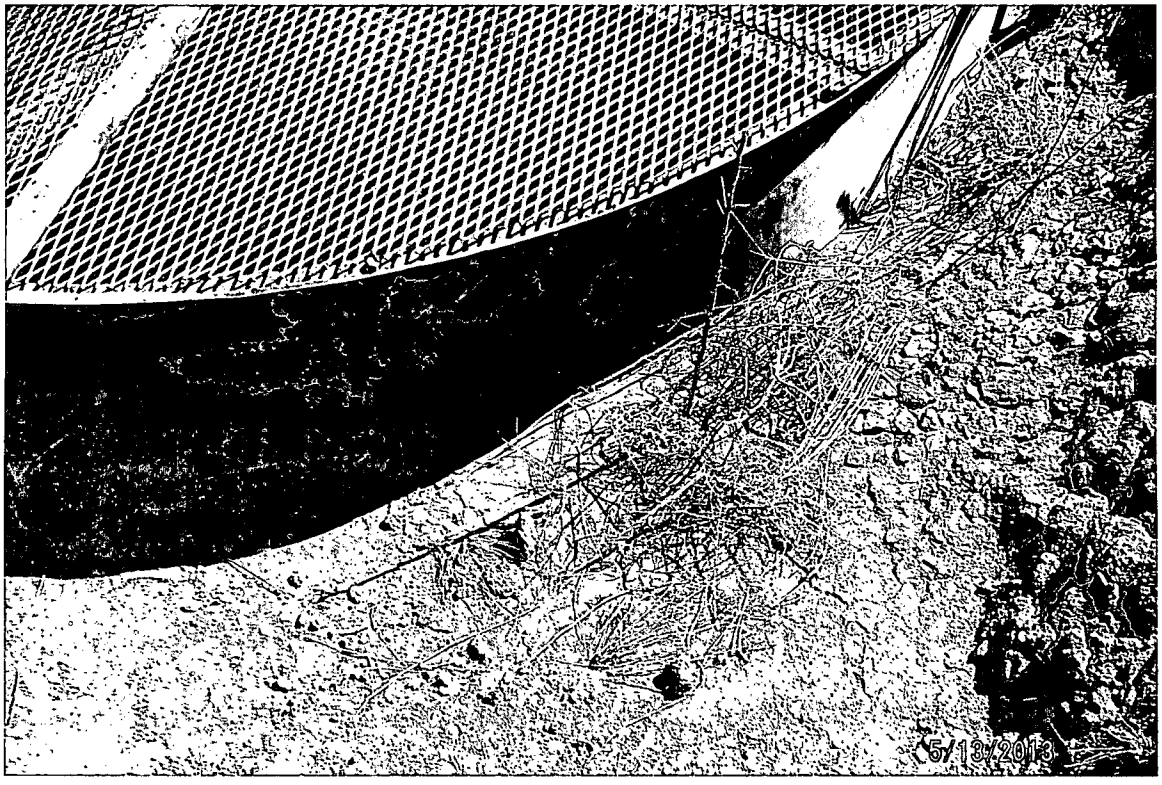
NW/4 SW/4 (L) S.18-T26N-R5W

Rio Arriba County (ELEV. 6,590)

ENERVEST OPERATING, LLC COMPANY

LAT 36.48462 LONG 107.40647 5/13/2013


5/13/2013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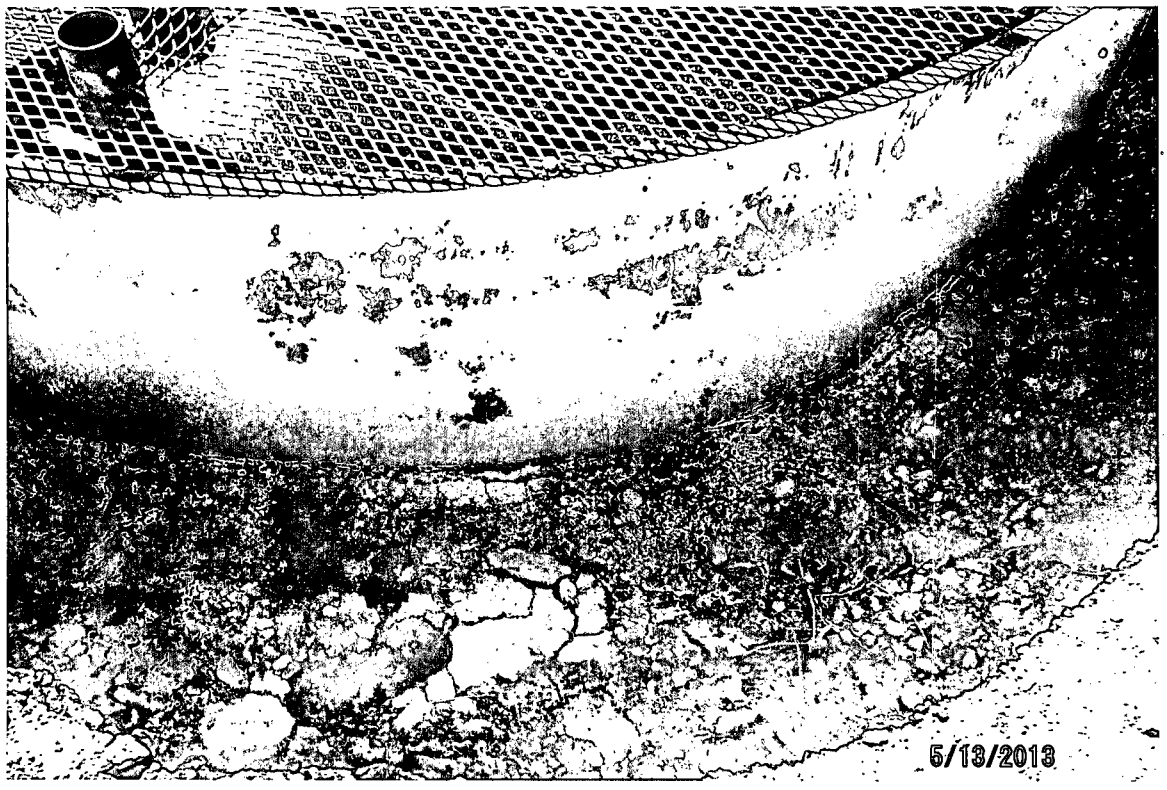
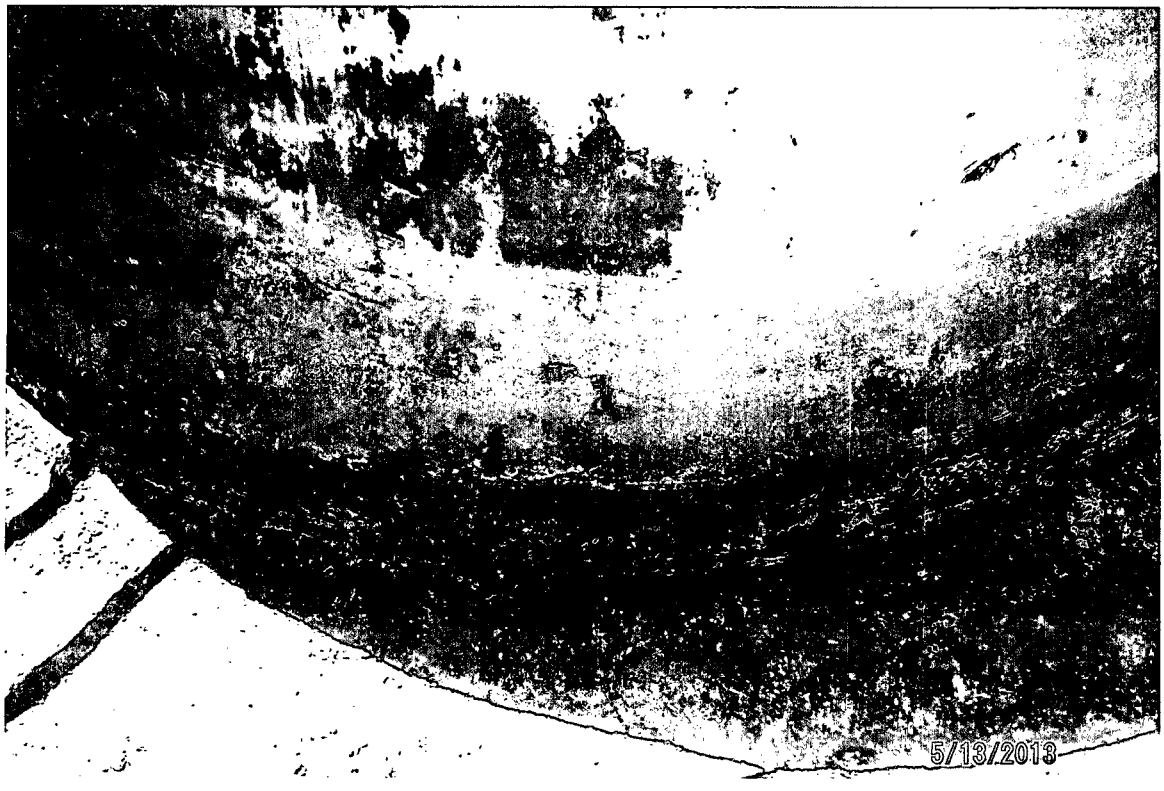
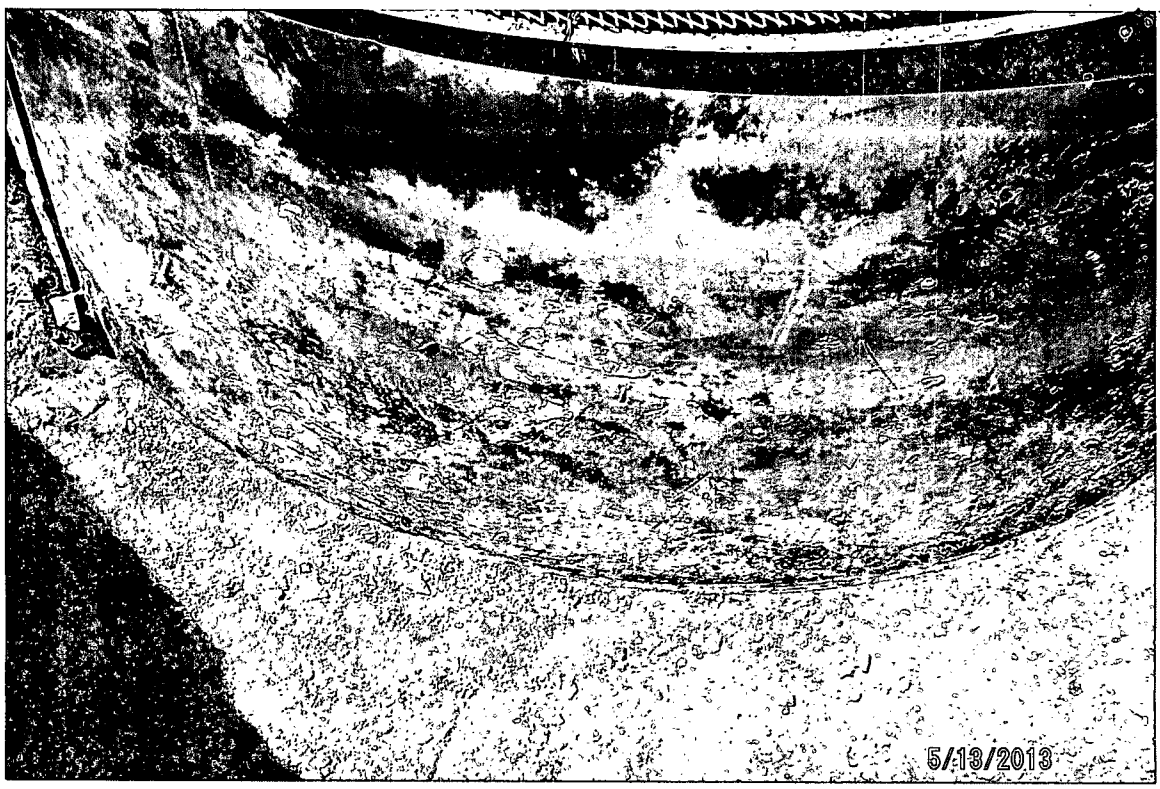

5/13/2013


5/13/2013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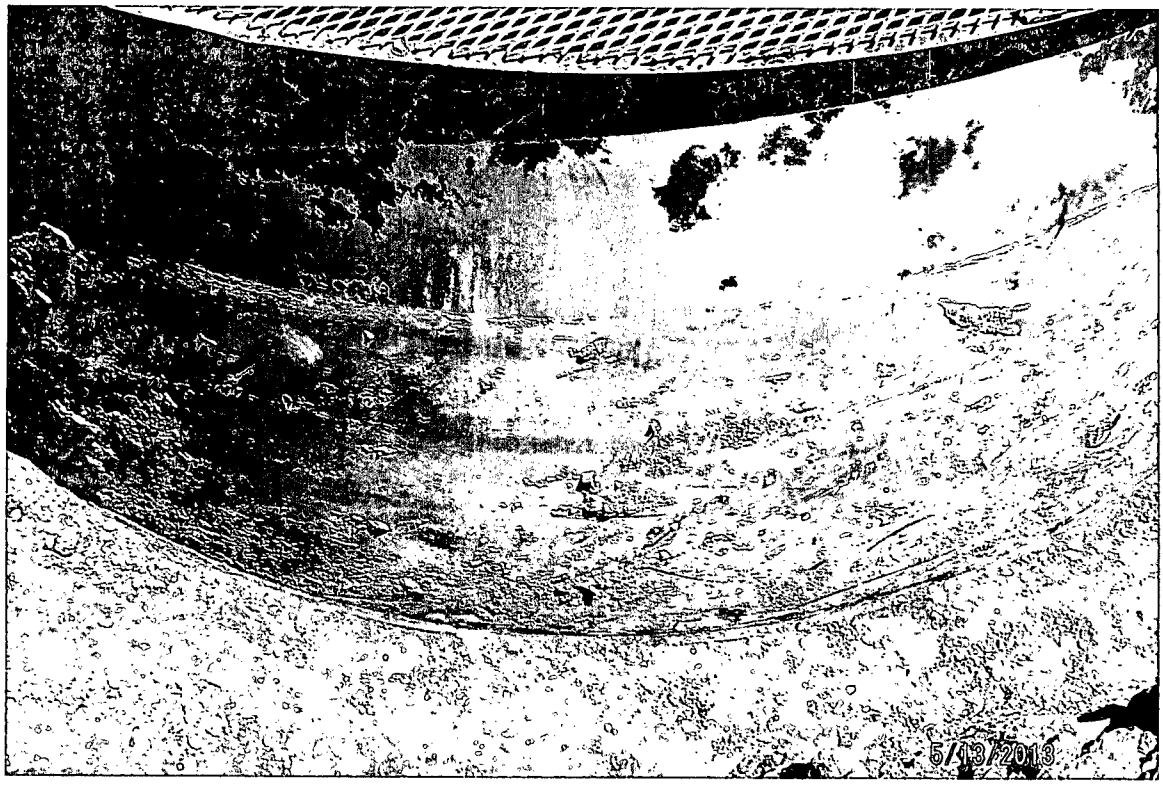
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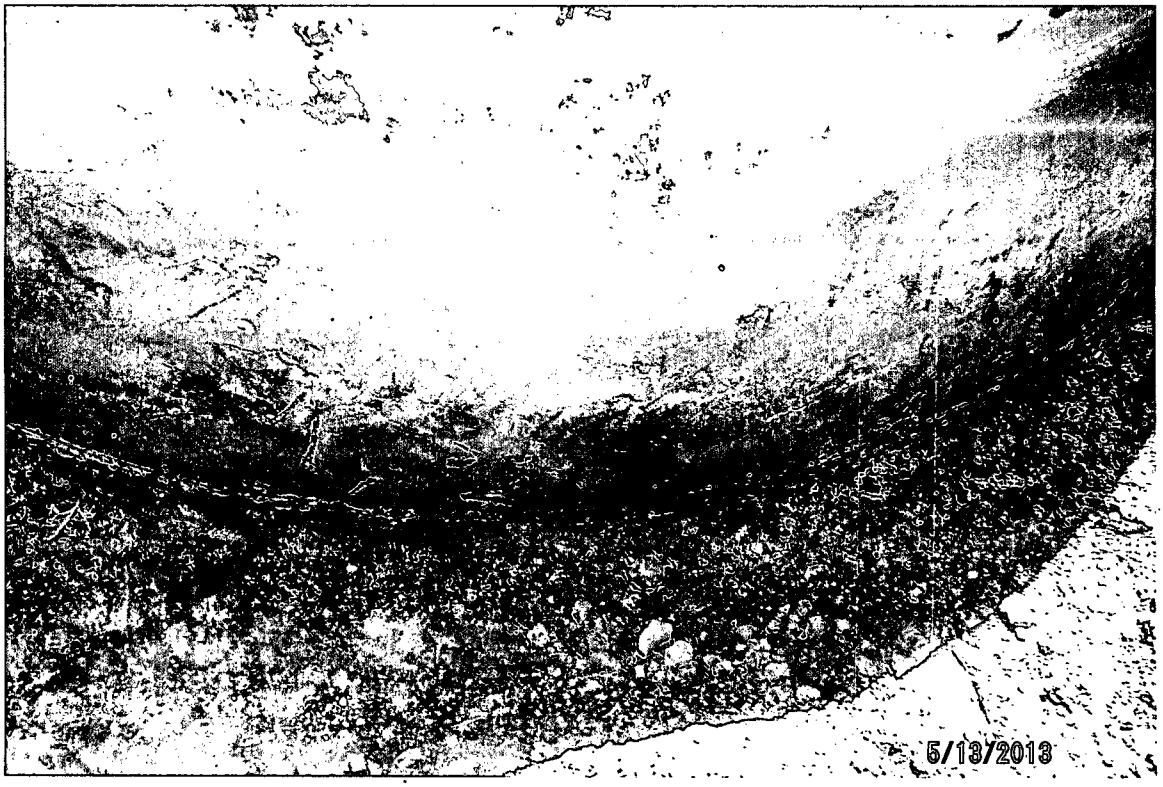
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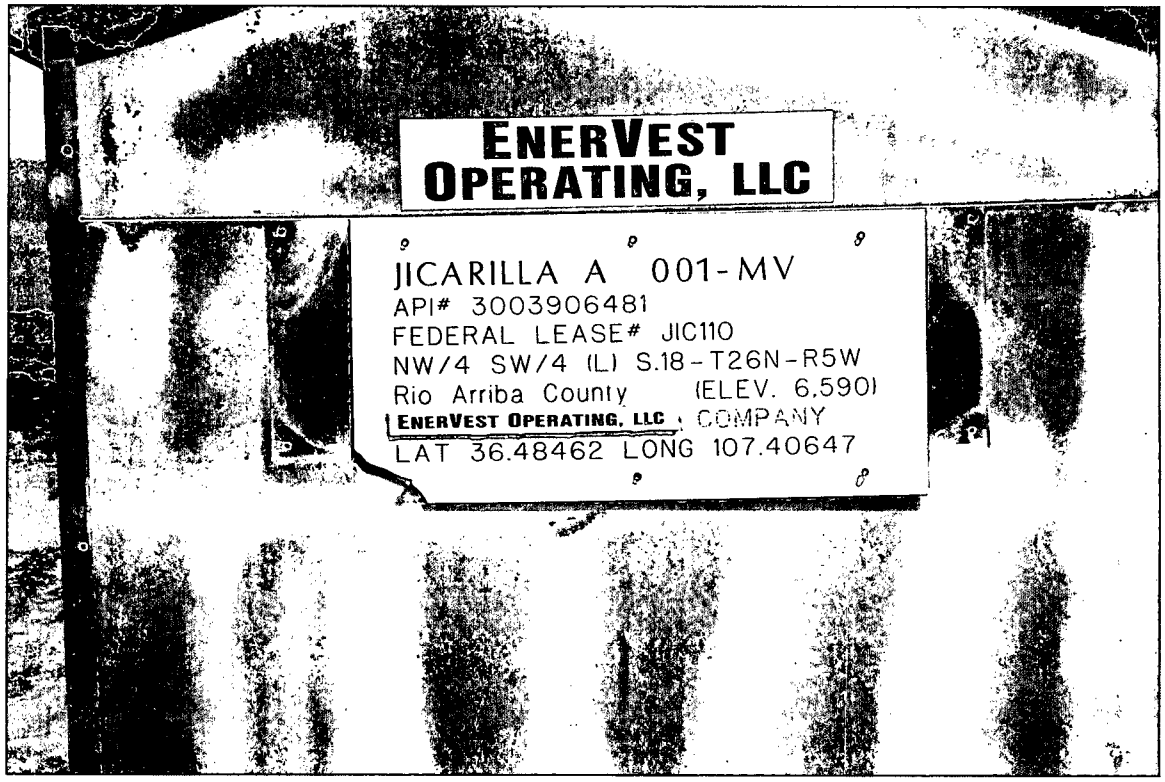
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JICARILLA A 001-MV
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