

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

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-144
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator: <u>Chevron USA</u>		Telephone: <u>(432) 687-7123</u>	e-mail address: <u>bailerg@chevron.com</u>
Address: <u>15 Smith Road, Midland, TX 79705</u>			
Facility or well name: <u>Federal B #3</u>	API #: <u>30-045-33361</u>	U/L or Qtr/Qtr <u>E</u> Sec <u>12</u> T <u>31</u> N R <u>13</u> W	
County: <u>San Juan</u>	Latitude <u>36.91744235</u>	Longitude <u>-108.1596865</u>	NAD: 1927 <input checked="" type="checkbox"/> 1983 <input type="checkbox"/>
Surface Owner: Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>			
Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>Clay</u> <input type="checkbox"/> Pit Volume <u> </u> bbl	Below-grade tank Volume: <u> </u> bbl Type of fluid: Construction material: Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not.		
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet	(20 points)	
	50 feet or more, but less than 100 feet	(10 points)	
	100 feet or more	(0 points)	0
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes	(20 points)	
	No	(0 points)	0
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet	(20 points)	
	200 feet or more, but less than 1000 feet	(10 points)	
	1000 feet or more	(0 points)	0
Ranking Score (Total Points)			0

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☒ offsite ☐ If offsite, name of facility _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☒ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results.

(5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:
All liquids were removed, the liner cut at mud level, and the drill pit filled as per current NMOCD regulatory standards.
Prior to closing this drill pit a sample was collected by a environmental scientist and transported to Envirotech's Laboratory where it was analyzed for Total Petroleum
Hydrocarbons (TPH), Benzene, Toluene, Ethylbenzene, Xylene (BTEX), and Chloride. Both TPH and BTEX results are below the regulatory standard for this site.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: _____

Printed Name/Title Mr. Rodney Bailey - Environmental Specialist

Signature Rodney Bailey

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

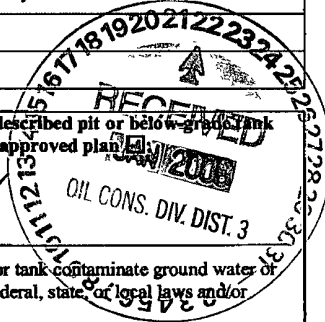
Approval:

Printed Name/Title _____


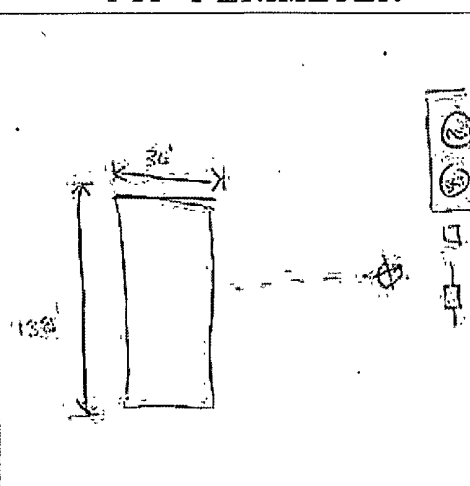
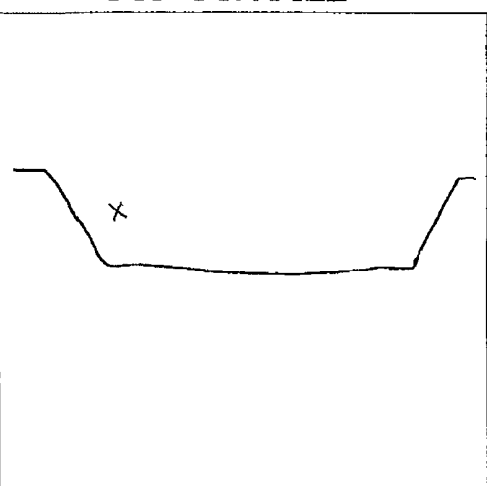
Signature Brenda Pell

Date: FEB 12 2008

Deputy Oil & Gas Inspector,
District #3



FEDERAL LAND 30.91744235° -108.15910865

CLIENT: _____	ENVIROTECH INC. <small>ENVIRONMENTAL SCIENTISTS & ENGINEERS 5796 U.S. HIGHWAY 84-3014 FARMINGTON, NEW MEXICO 87401 PHONE: (505) 832-0815</small>	LOCATION NO: _____ C.O.C. NO: _____																																
FIELD REPORT: CLOSURE VERIFICATION		PAGE No: _____ of _____																																
LOCATION: NAME: <u>FEDERAL B</u> WELL #: <u>3</u> PIT: <u>DRILL</u>		DATE STARTED: <u>12/17/03</u>																																
QUAD/UNIT: <u>E</u> SEC: <u>12</u> TWP: <u>31N</u> RNG: <u>13W</u> PM: <u>NM</u> CNTY: <u>SJ</u> ST: <u>NM</u>		DATE FINISHED: <u>12/17/03</u>																																
QTR/FOOTAGE: <u>1465' FRL</u> <u>1300' FRL</u> CONTRACTOR: _____		ENVIRONMENTAL SPECIALIST: <u>ENH</u>																																
EXCAVATION APPROX. _____ FT. x _____ FT. x _____ FT. DEEP. CUBIC YARDAGE: _____																																		
DISPOSAL FACILITY: _____ REMEDIATION METHOD: _____																																		
LAND USE: <u>RANGE</u> APT. LEASE: <u>30-045-33361</u> FORMATION: _____																																		
FIELD NOTES & REMARKS: PIT LOCATED APPROXIMATELY <u>35</u> FT. <u>290'</u> FROM WELLHEAD.																																		
DEPTH TO GROUNDWATER: <u>7100</u> NEAREST WATER SOURCE: <u>71000</u> NEAREST SURFACE WATER: <u>71000</u>																																		
NMCD RANKING SCORE: <u>0</u> NMCD TPH CLOSURE STD: <u>5000</u> PPM																																		
SOIL AND EXCAVATION DESCRIPTION:		CHECK ONE: <input checked="" type="checkbox"/> PIT ABANDONED <input type="checkbox"/> STEEL TANK INSTALLED																																
SAMPLE COLLECTED FROM DRILL PIT																																		
SEE ATTACHED FOR LAB RESULTS																																		
FIELD 4181 CALCULATIONS																																		
<table border="1" style="width:100%"><tr><th>TIME</th><th>SAMPLE ID</th><th>LAB No.</th><th>WEIGHT (g)</th><th>mL. FREON</th><th>DILUTION</th><th>READING</th><th>CALC. ppm</th></tr><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr></table>			TIME	SAMPLE ID	LAB No.	WEIGHT (g)	mL. FREON	DILUTION	READING	CALC. ppm																								
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SAMPLE ID	ANALYSIS	TIME																																
DEIRPIT	TPH, BFC																																	
TRAVEL NOTES: CALLOUT: _____ ONSITE: _____																																		

30.9138

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

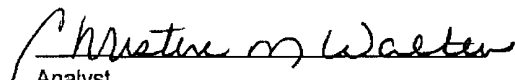
Client:	Chevron	Project #:	92270-210
Sample ID:	Federal B #3	Date Reported:	12-21-07
Laboratory Number:	43878	Date Sampled:	12-17-07
Chain of Custody No:	3713	Date Received:	12-17-07
Sample Matrix:	Soil	Date Extracted:	12-19-07
Preservative:	Cool	Date Analyzed:	12-20-07
Condition:	Cool & Intact	Analysis Requested:	8015 TPH

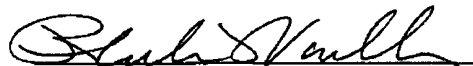
Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)
Gasoline Range (C5 - C10)	0.5	0.2
Diesel Range (C10 - C28)	303	0.1
Total Petroleum Hydrocarbons	304	0.2

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: **La Plata - New Mexico.**


Analyst


Review

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA Method 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

Quality Assurance Report

Client:	QA/QC	Project #:	N/A
Sample ID:	12-20-07 QA/QC	Date Reported:	12-21-07
Laboratory Number:	43878	Date Sampled:	N/A
Sample Matrix:	Methylene Chloride	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	12-20-07
Condition:	N/A	Analysis Requested:	TPH

	Cal Date	Cal RF	Cal RF	% Difference	Accept. Range
Gasoline Range C5 - C10	05-07-07	1.0532E+003	1.0536E+003	0.04%	0 - 15%
Diesel Range C10 - C28	05-07-07	9.0973E+002	9.1009E+002	0.04%	0 - 15%

Blank Conc. (mg/L - mg/Kg)	Concentration	Detection Limit
Gasoline Range C5 - C10	ND	0.2
Diesel Range C10 - C28	ND	0.1
Total Petroleum Hydrocarbons	ND	0.2

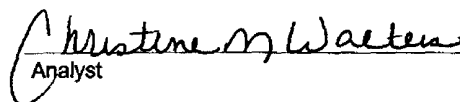
Duplicate Conc. (mg/Kg)	Sample	Duplicate	% Difference	Accept. Range
Gasoline Range C5 - C10	0.5	0.5	0.0%	0 - 30%
Diesel Range C10 - C28	303	301	0.6%	0 - 30%

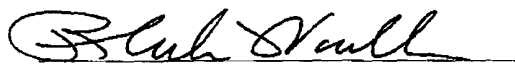
Spike Conc. (mg/Kg)	Sample	Spike Added	Spike Result	% Recovery	Accept. Range
Gasoline Range C5 - C10	0.5	250	250	99.6%	75 - 125%
Diesel Range C10 - C28	303	250	550	99.5%	75 - 125%

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: QA/QC for Samples 43878 - 43886 and 43900.


Analyst


Review

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client:	Chevron	Project #:	92270-210
Sample ID:	Federal B # 3	Date Reported:	12-21-07
Laboratory Number:	43878	Date Sampled:	12-17-07
Chain of Custody:	3713	Date Received:	12-17-07
Sample Matrix:	Soil	Date Analyzed:	12-20-07
Preservative:	Cool	Date Extracted:	12-19-07
Condition:	Cool & Intact	Analysis Requested:	BTEX

Parameter	Concentration (ug/Kg)	Det. Limit (ug/Kg)
Benzene	1.8	0.9
Toluene	21.0	1.0
Ethylbenzene	6.8	1.0
p,m-Xylene	38.7	1.2
o-Xylene	11.5	0.9
Total BTEX	79.8	

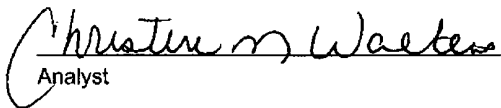
ND - Parameter not detected at the stated detection limit.

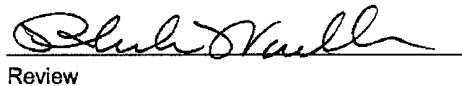
Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	98.0 %
	1,4-difluorobenzene	98.0 %
	Bromochlorobenzene	98.0 %

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: La Plata - New Mexico.


Analyst


Review

ENVIROTECH LABS

Practical Solutions for a Better Tomorrow

EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client:	N/A	Project #:	N/A
Sample ID:	12-20-BTEX QA/QC	Date Reported:	12-21-07
Laboratory Number:	43878	Date Sampled:	N/A
Sample Matrix:	Soil	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	12-20-07
Condition:	N/A	Analysis:	BTEX

Calibration and Detection Limits (ug/L)	Cal RF	C-Cal RF	% Diff	Blank Conc	Detect Limit
		Accept Range	±15%		
Benzene	6.7922E+007	6.8059E+007	0.2%	ND	0.1
Toluene	6.5053E+007	6.5183E+007	0.2%	ND	0.1
Ethylbenzene	5.2668E+007	5.2774E+007	0.2%	ND	0.1
p,m-Xylene	1.0200E+008	1.0220E+008	0.2%	ND	0.1
o-Xylene	4.9695E+007	4.9795E+007	0.2%	ND	0.1

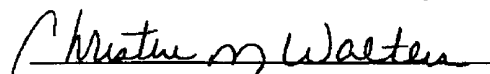
Duplicate Conc (ug/Kg)	Sample	Duplicate	% Diff	Accept Range	Detect Limit
Benzene	1.8	1.7	5.6%	0 - 30%	0.9
Toluene	21.0	20.9	0.5%	0 - 30%	1.0
Ethylbenzene	6.8	6.7	1.5%	0 - 30%	1.0
p,m-Xylene	38.7	38.6	0.3%	0 - 30%	1.2
o-Xylene	11.5	11.4	0.9%	0 - 30%	0.9


Spike Conc (ug/Kg)	Sample	Amount Spiked	Spiked Sample	% Recovery	Accept Range
Benzene	1.8	50.0	51.6	99.6%	39 - 150
Toluene	21.0	50.0	70.8	99.7%	46 - 148
Ethylbenzene	6.8	50.0	56.3	99.1%	32 - 160
p,m-Xylene	38.7	100	138	99.6%	46 - 148
o-Xylene	11.5	50.0	61.4	99.8%	46 - 148

ND - Parameter not detected at the stated detection limit.

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 43878 - 43883, 43885 - 43886 and 43900.


Analyst


Review

ENVIROTECH LABS

IMPRACICAL SOLUTIONS FOR A BETTER TOMORROW

Chloride

Client:	Chevron	Project #:	92270-210
Sample ID:	Federal B #3	Date Reported:	12-21-07
Lab ID#:	43878	Date Sampled:	12-17-07
Sample Matrix:	Soil	Date Received:	12-17-07
Preservative:	Cool	Date Analyzed:	12-20-07
Condition:	Cool and Intact	Chain of Custody:	3713

Parameter

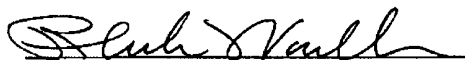
Concentration (mg/Kg)

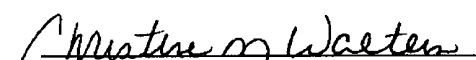
Total Chloride

164

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

Comments: La Plata - New Mexico.


Analyst


Review

CHAIN OF CUSTODY RECORD

3713

Client: CHEVRON			Project Name / Location: LA PLATA - NEW MEXICO			ANALYSIS / PARAMETERS														
Client Address:			Sampler Name: N. HAYWORTH																	
Client Phone No.:			Client No.: 92270-210																	
Sample No./ Identification	Sample Date	Sample Time	Lab No.	Sample Matrix	No./Volume of Containers	Preservative H ₂ O ₂ HNO ₃	TPH (Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	PCRA 8 Metals	Cation / Anion	RCI	TCLP with H/P	PAH	TPH (418.1)	CI-			Sample Cool	Sample Intact
FEDERAL B*3	12/17/07		43878	SOIL	1		✓	✓								✓				
TOFOYA L2-3	12/17/07		43879	}	1		✓	✓								✓				
KLINE 10-4	12/17/07		43880		1		✓	✓									✓			
MONTAYA 25-4	12/17/07		43881		1		✓	✓									✓			
WISHERBEN 9-3	12/17/07		43882		1		✓	✓									✓			
WEIGHT 10-2	12/17/07		43883		1		✓	✓									✓			
Relinquished by: (Signature) <i>Nicol Hayworth</i>			Date 12/17/07	Time 11:00	Received by: (Signature) <i>[Signature]</i>			Date 12/17/07	Time 1:00											
Relinquished by: (Signature)					Received by: (Signature)															
Relinquished by: (Signature)					Received by: (Signature)															
ENVIROTECH INC. <hr/> 5796 U.S. Highway 64 • Farmington, New Mexico 87401 • (505) 632-0615																				



Rodney Bailey
HES Waste & Water
Specialist

Chevron North America
Exploration and Production
Mid Continent Business Unit/HES
15 Smith Rd
Midland, Texas 79705
Tel 432-894-3519
Fax 866-569-5650
bailera@chevron.com

Mr. Rodney Bailey
Environmental Specialist
Chevron USA
15 Smith Road
Midland, TX 79705



Project No.92270-210

Phone: (432) 687-7123

Cell: (432) 894-3519

January 2, 2008

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

Phone: (505) 334-6178 ext. 15

**RE: SAMPLING AND CLOSURE OF A DRILL PIT LOCATED AT THE FEDERAL B #3 WELL
SITE, SAN JUAN COUNTY, NEW MEXICO**

Dear Mr. Powell,

Envirotech has completed sampling of a drill pit located at the Federal B #3 well site, San Juan County, New Mexico. Closure was completed by a third party. Attached to this letter are the field analysis and the C-144 pit closure documentation.

Chevron understands that under current NMOCD regulations a drill pit can be closed without a sample being collected. Closure of a drill pit can occur by removing all liquids, cutting the liner at the mud level and filling the pit with material originally removed to create the pit. Chevron feels that prior to this closure a sample should be taken in order to determine if contamination is present above the regulatory standard.

The site was ranked according to the NMOCD/BLM guidance for unlined surface impoundments. The site was ranked as a 5000 ppm closure for Total Petroleum Hydrocarbons (TPH), 10 ppm Benzene and 50 ppm Benzene, Toluene, Ethylbenzene, and Xylene (BTEX). On December 17, 2007, one (1) composite sample was collected from inside the drill pit. The sample was then placed on ice and transported under chain of custody to Envirotech's Laboratory for analysis by USEPA Method 8015 for TPH and USEPA Method 8021 for BTEX. The sample was also analyzed for Chlorides. The result showed that the material in the drill pit is below the NMOCD regulatory closure standard.

Based on the results from the sampling at the Federal B #3 well site, Envirotech recommends that this drill pit be closed as per current regulations and no further action with regards to this drill pit be taken after closure. If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Rodney Bailey", written in a cursive style.

Rodney Bailey

Chevron North America

Exploration & Production Company

Enclosures: C-144

Field Notes

Analytical Results