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

Form C-144 Revised April 3, 2017

For temporary pits, below-grade tanks, and multi-well fluid management pits, submit to the appropriate NMOCD District Office.

For permanent pits submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

# Proposed Alternative Method Permit or Closure Plan Application

Type of action:  Below grade tank registration  Permit of a pit or proposed alternative method  Closure of a pit, below-grade tank, or proposed alternative method  Modification to an existing permit/or registration  Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank, or proposed alternative method
Instructions: Please submit one application (Form C-144) per individual pit, 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 nvironment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.
1.
Operator: Hilcorp Energy Company OGRID #: 372171
Address: 382 Road 3100 Aztec, NM 87410
Facility or well name: Quine Gas Com 2
API Number: 3004529704 OCD Permit Number:
U/L or Qtr/Qtr K Section 31 Township 30N Range 12W County: San Juan
Center of Proposed Design: Latitude 36.76661 Longitude -108.14106 NAD27
Surface Owner:  Federal State Private Tribal Trust or Indian Allotment
Pfit: Subsection F, G or J of 19.15.17.11 NMAC   Temporary: Drilling Workover   Permanent Emergency Cavitation P&A Multi-Well Fluid Management Low Chloride Drilling Fluid yes no   Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other Other youne: x W x D      String-Reinforced
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

District I	State of New Mexico
District I	'Energy Minerals and Natural Resources
District II I301 W. Grand Avenue, Artesia, NM 88210	Department
District III 1000 Rio Brazos Road, Aztec, NM 87410	OIFConservation Division
1220 S St Francis Dr., Santa Fe, NM 87505	12 pm Santa Fe, NM 87505
====	

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

9379

# Proposed Alternative Method Permit or Closure Plan Application

Type of action:
Existing BGT

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

Addification to an existing permit

Modification to an existing permit losure 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 ptt, 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

environment. Nor does approval relieve the operator of its responsibility to comply with any of	ner applicable government	at authority's rules, regulations or ordinances
Operator XTO Energy, Inc.	OGRID #	5380 1
Facility or weil name: Quine Gas Com # 1E		
API Number 30-045-26142 OCD Permit N		
U/L or Qtr/Qtr K Section 31 Township 30N Range		
Center of Proposed Design: Latitude 36 76485 Longitude		
Surface Owner  Federal  State  Private  Tribal Trust or Indian Allotment		
Pit: Subsection F or G of 19 15 17.11 NMAC		
Temporary Drilling Workover		RCVD JAN 3'12
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A		OIL CONS. DIV.
☐ Lined ☐ Unlined Liner type Thicknessmil ☐ LLDPE ☐ HDPE	PVC Other	
String-Reinforced		DIS1.3
Liner Seams	bbl Dimen	sions Lx Wx D
☐ Closed-loop System:       Subsection H of 19 15 17.11 NMAC         Type of Operation.       ☐ P&A ☐ Drilling a new well ☐ Workover or Drilling (Applies intent)         ☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other ☐         ☐ Lined ☐ Unlined Liner type Thicknessmil ☐ LLDPE ☐ HD         Liner Seams ☐ Welded ☐ Factory ☐ Other		
4.		
☑ Below-grade tank:       Subsection I of 19 15 17 11 NMAC         Volume	,	: 
Tank Construction material Steel		
Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift		
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☒ Other _Visible sidewall		
Liner type. Thicknessmil		
Submittal of an exception request is required Exceptions must be submitted to the San	a Fe Environmental Bure	eau office for consideration of approval

Form C-144

Oil Conservation Division

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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 Four foot height, steel mesh field fence (hogwire) with pipe top railing		
Netting: Subsection E of 19 15 17 11 NMAC (Applies to permanent pits and permanent open top tanks)  Screen Netting Other Expanded metal or solid vaulted top  Monthly inspections (If netting or screening is not physically feasible)		
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 hox 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 consideration of approval  Exception(s) Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval	office for	
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	

Oil Conservation Division

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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 12 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  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 intached.  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)
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 instructions:  Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15 17 9 NMAC Sting 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 <sub>2</sub> 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)
Naste 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

Oil Conservation Division

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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 Permit Number			
Disposal Facility Name	Disposal Facility Permit Number:			
Will any of the proposed closed-loop system operations and associated activities of Yes (If yes, please provide the information below) \( \square\$ No	· · · · · · · · · · · · · · · · · · ·			
Required for impacted areas which will not be used for future service and operation  Soil Backfill and Cover Design Specifications based upon the appropriate Re-vegetation Plan - based upon the appropriate requirements of Subsection  Site Reclamation Plan - based upon the appropriate requirements of Subsection	e requirements of Subsection H of 19 15.17.13 NMAC I of 19 15 17 13 NMAC	C		
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 burned waste.  - NM Office of the State Engineer - 1WATERS database search; USGS; Database search; USG	a 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; Dat	a 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; Dat	a obtained from nearby wells	Yes No		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other sig lake (measured from the ordinary high-water mark).  - Topographic map, Visual inspection (certification) of the proposed site	mificant 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 les watering purposes, or within 1000 horizontal feet of any other fresh water well or so.  NM Office of the State Engineer - iWATERS database; Visual inspection of the State Engineer - iWATERS database.	spring, 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 approx		☐ Yes ☐ No		
Within 500 feet of a wetland - US Fish and Wildlife Wetland Identification map; Topographic map, Visu	al 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	g and Mineral Division	☐ Yes ☐ No		
Within an unstable area - Engineering measures incorporated into the design; NM Bureau of Geolog Society, Topographic map	y & Mineral Resources, USGS, NM Geological	Yes No		
Within a 100-year floodplain - FEMA map		☐ Yes ☐ No		
On-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.  Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15.17.10 NMAC  Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC  Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC  Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.13 NMAC  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				

Oil Conservation Division

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19	
Operator Application Certification:	
I hereby certify that the information submitted with this application is true, accur-	
Name (Print): Kım Champlin	Title: Environmental Representative
Signature: Kim Champlin	Date:01/02/2009
e-mail address: kim_champlin@xtoenergy.com	Telephone. (505) 333-3100
OCD Approval: Permit Application (including closure plan) Closure	an (only). TO OCD Conditions (see attachment)
	prictip. Kelly 1/04/2012/21/11
OCD Representative Signatures	OCD Permit Number:
Title: _ How muental & gives	OCD Permit Number:
Closure Report (required within 60 days of closure completion): Subsection Instructions: Operators are required to obtain an approved closure plan prior to The closure report is required to be submitted to the division within 60 days of the section of the form until an approved closure plan has been obtained and the closure plan prior to the plan has been obtained and the closure plan prior to the plan has been obtained and the closure plan prior to the plan has been obtained and the closure plan prior to the plan has been obtained and the closure plan prior to the plan has been obtained and the closure plan prior to the plan has been obtained and the closure plan has been	o implementing any closure activities and submitting the closure report. he completion of the closure activities. Please do not complete this
Closure Method: Waste Excavation and Removal On-Site Closure Method Alternated If different from approved plan, please explain.	tíve Closure Method   Waste Rémoval (Closed-loop systems only)
23.  Closure Report Regarding Waste Removal Closure For Closed-loop Systems Instructions: Please indentify the facility or facilities for where the liquids, drill 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  Yes (If yes, please demonstrate compliance to the items below) No	in areas that will not be used for future service and operations?
Required for impacted areas which will not be used for future service and operati	ons:
☐ Site Reclamation (Photo Documentation) ☐ Soil Backfilling and Cover Installation	
Re-vegetation Application Rates and Seeding Technique	
Closure Report Attachment Checklist: Instructions: Each of the following its 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 Longit	
25	
Operator Closure Certification:  I hereby certify that the information and attachments submitted with this closure rebelief. I also certify that the closure complies with all applicable closure required Name (Print): James McDaniel, CHMM #15676	
Signature.	Date. 12/30/1/
e-mail address: James McDaniel (9xtoenergy com	WILLES 05-333-370/
Form C-144 Oil Conscionation	5 15676 P. S.
roini C-144 Oil Consecution	Page 5 of 5

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

### State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-141 Revised October 10, 2003

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

#### Release Notification and Corrective Action **OPERATOR** Initial Report Final Report Name of Company: XTO Energy, Inc. Contact. James McDaniel Address: 382 Road 3100, Aztec, New Mexico 87410 Telephone No: (505) 333-3701 Facility Name. Quine Gas COM #1E(30-045-26142) Facility Type Gas Well Surface Owner: Private Mineral Owner. Lease No .. LOCATION OF RELEASE Unit Letter Section Township Feet from the North/South Line Feet from the East/West Line County Range K 31 30N 12W 1510 **FSL** 1940 **FWL** San Juan Latitude: 36.76485 Longitude: -108.14002 NATURE OF RELEASE Type of Release None Volume of Release NA Volume Recovered NA Source of Release NA Date and Hour of Occurrence NA Date and Hour of Discovery NA If YES, To Whom? Was Immediate Notice Given? ☐ Yes ☐ No ☒ Not Required By Whom? Date and Hour If YES, Volume Impacting the Watercourse Was a Watercourse Reached? ☐ Yes ⊠ No If a Watercourse was Impacted, Describe Fully \* Describe Cause of Problem and Remedial Action Taken \* Two (2) below grade tanks were taken out of service at the Quine Gas COM #1E well site due to maintenance upgrades to this location A composite sample was collected beneath the location of the each of the on-site BGTs (95 bbl and 21 bbl), and submitted for laboratory analysis for TPH via USEPA Method 418 1 and 8015, benzene and BTEX via USEPA Method 8021, and for total chlorides Both samples returned results below the 'Pit Rule' spill confirmation standards for all constituents analyzed, confirming that a release has not occurred at this location. Analytical results are attached for your reference Describe Area Affected and Cleanup Action Taken \* No release has occurred at this location I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations OIL CONSERVATION DIVISION Signature Approved by District Supervisor Printed Name James McDaniel, CHMM #15676 Title EH&S Supervisor Approval Date Expiration Date E-mail Address James McDaniel@xtoenergy com Conditions of Approval. Attached Date 12/30/2011 Phone 505-333-3701 \* Attach Additional

## XTO Energy Inc. San Juan Basin Below Grade Tank Closure Report

Lease Name: Quine Gas COM #1E

API No.: 30-045-26142

Description: Unit K, Section 31, Township 30N, Range 12W, San Juan County

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure requirements of below-grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below-grade tanks. A separate plan will be submitted for any below-grade tank which does not conform to this plan.

#### General Plan

1. XTO will close below-grade tanks 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.

Closure Date is December 26, 2011

2. XTO will close a below-grade tank that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or is not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC within five years after June 16, 2008, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC.

Closure Date is December 26, 2011

3. XTO will close a permitted below-grade tank within 60 days of cessation of the below-grade tank's operation or as required by the transitional provisions of Subsection B of 19.15.17.17 NMAC in accordance with a closure plan that the appropriate division district office approves. The closure report will be filed on form C-144.

Required C-144 Form is attached to this document.

4. XTO will remove liquids and sludge from below-grade tanks prior to implementing a closure method and will dispose of the liquids and sludge in a division-approved facility. Approved facilities and waste streams include:

Envirotech Permit No. NM01-0011 and IEI Permit No. NM 01-0010B

Soil contaminated by exempt petroleum hydrocarbons

Produced sand, pit sludge and contaminated bottoms from storage of exempt

Basin Disposal Permit No. NM01-005

Produced water

wastes

All liquids and sludge were removed from the tanks prior to closure activities.

5. XTO will remove the below-grade tank 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.
XTO has removed the below grade tanks, and will dispose of it them a division approved facility, or recycle, reclaim or reuse the tanks in a manner that is approved by the division.

6. XTO will remove any on-site equipment associated with a below-grade tank unless the equipment is required for some other purpose.

All on-site equipment will be used for the continued production of oil and gas from this location. Both below grade tanks were replaced by low profile above ground tanks.

7. XTO will test the soils beneath the below-grade tank to determine whether a release has occurred. At a minimum 5 point composite sample 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 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 100mg/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. XTO will notify the division of its results on form C-141.

A five point composite sample was taken of each of the BGT cellars using sampling tools and all samples tested per Subsection B of 19.15.17.1 3(B)(1)(b). (Sample results attached).

Components	Test Method	Limit (mg/Kg)	Results (21 bbl BGT)
Benzene	EPA SW-846 8021B or 8260B	0.2	< 0.0045 mg/kg
BTEX	EPA SW-846 8021B or 8260B	50	< 0.0225 mg/kg
ТРН	EPA SW-846 418.1	100	58mg/kg
Chlorides	EPA 300.1	250 or background	10 mg/kg

Components	Test Method	Limit (mg/Kg)	Results (95 bbl BGT)
Benzene	EPA SW-846 8021B or 8260B	0.2	< 0.0045 mg/kg (95 bbl)
BTEX	EPA SW-846 8021B or 8260B	50	< 0.0225 mg/kg
TPH	EPA SW-846 418 1	100	37.9 mg/kg
Chlorides	EPA 300.1	250 or background	ND mg/kg

8. If XTO or the division determines that a release has occurred, XTO will comply with 19.15.3.116 NMAC and 19.15.1 19NMAC as appropriate.

No release has been confirmed relating to either the 21 bbl or the 95 bbl BGTs that were closed at this location.

9. If the sampling program demonstrates that a release has not occurred or that any release does not exceed the concentrations specified in Paragraph (4) of Subsection E of 19.15.17.13 NMAC, XTO will backfill the excavation with compacted, non-waste containing, earthen material; construct a division prescribed soil cover; recontour and re-vegetate the site.

The pit cellars were backfilled using compacted, non-waste containing earthen material, with a division prescribed soil cover.

10. Notice of Closure operations will be given to the Aztec Division District III office between 72 hours and one week prior to the start of closure activities via email or verbally.

The notification will include the following:

- i Operator's name
- ii. Well Name and API Number

iii. Location by Unit Letter, Section, Township, and Range Notification was provided to Mr. Brandon Powell with the Aztec office of the OCD via email on December 21, 2011; see attached email printout.

The surface owner shall be notified of XTO's proposal to close the BGT as per the approved closure plan using certified mail, return receipt requested.

The surface owner was notified on December 21, 2011; see attached letter and return receipt.

11. Re-contouring of location will match fit, shape, line, form and texture of the surrounding area. Re-shaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be placed in areas where needed to prevent erosion on a large scale. Final re-contour shall have a uniform appearance with smooth surface, fitting the natural landscape.

The site will continue to be used for oil and gas exploration and production operations. The site will be recontoured upon the plugging and abandoning of this well location.

12. A minimum of 4 feet of cover shall be achieved and the cover shall include 1 foot of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater

The site has been backfilled to match these specifications.

13. XTO will seed the disturbed areas the first growing season after the operator closes the pit. 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 be 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.

The location will continue to be used for daily operations pertaining to oil and gas exploration and production activities. The site will be reclaimed pursuant to surface owner specifications upon the plugging and abandoning of this well location.

- 14. All closure activities will include proper documentation and be available for review upon request and will be submitted in closure report form to OCD within 60 days of closure of the below-grade tank. Closure report will be filed on form C-144 and incorporate the following:
  - i. Proof of closure notice to division and surface owner; attached
  - ii. Details on capping and covering, where applicable; per OCD Specifications
  - iii. Inspection reports; Only one inspection report was found. The 21 bbl tank was not in service. The inspection report is from the 95 bbl tank.
  - iv. Confirmation sampling analytical results; attached
  - v. Disposal facility name(s) and permit number(s); see above
  - vi. Soil backfilling and cover installation; per OCD Specifications
  - vii. Re-vegetation application rates and seeding techniques, (or approved alternative to re-vegetation requirements if applicable); **NA**
  - viii. Photo documentation of the site reclamation. attached



### **EPA METHOD 8015 Modified** Nonhalogenated Volatile Organics **Total Petroleum Hydrocarbons**

Client:	XTO	Project #:	98031-0528
Sample ID:	21 BBL BGT	Date Reported:	12-22-11
Laboratory Number:	60682	Date Sampled:	12-21-11
Chain of Custody No:	13097	Date Received:	12-21-11
Sample Matrix:	Soil	Date Extracted:	12-21-11
Preservative:	Cool	Date Analyzed:	12-22-11
Condition:	Intact	Analysis Requested:	8015 TPH

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

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:

Quine Gas Com 1E

5796 US Highway 64, Farmington, NM 87401



### **EPA METHOD 8015 Modified** Nonhalogenated Volatile Organics **Total Petroleum Hydrocarbons**

Client:	XTO	Project #:	98031-0528
Sample ID:	95 BBL BGT	Date Reported:	12-22-11
Laboratory Number:	60683	Date Sampled:	12-21-11
Chain of Custody No:	13097	Date Received:	12-21-11
Sample Maţrix:	Soil	Date Extracted:	12-21-11
Preservative.	Cool	Date Analyzed:	12-22-11
Condition:	Intact	Analysis Requested:	8015 TPH

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

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:

Quine Gas Com 1E

5796 US Highway 64, Farmington, NM 87401



### EPA Method 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

### **Quality Assurance Report**

Client <sup>*</sup>	QA/QC	Project #:	N/A
Sample ID:	12-22-11 QA/QC	Date Reported:	12-23-11
Laboratory Number:	60682	Date Sampled:	N/A
Sample Matrix:	Methylene Chloride	Date Received:	N/A
Preservative <sup>-</sup>	N/A	Date Analyzed:	12-22-11
Condition:	N/A	Analysis Requested:	TPH

	i-Cal Date:	I-CaliRF.	C-Cal RF: %	(Difference	Accept Range
Gasoline Range C5 - C10	40899	9.996E+02	1.000E+03	0.04%	0 - 15%
Diesel Range C10 - C28	40899	9.996E+02	1.000E+03	0.04%	0 - 15%

Blank Conc. (mg/L = mg/Kg)	∢Concentration >: 3	Detection Limit
Gasoline Range C5 - C10	0.63	0.2
Diesel Range C10 - C28	0.72	0.1

Duplicate Conc. (mg/Kg).	€ Samplet :	Duplicate	yis % Differences	Range
Gasoline Range C5 - C10	ND	ND	0.00%	0 - 30%
Diesel Range C10 - C28	ND	ND	0.00%	0 - 30%

Spike(Conc. (mg/Kg)	Sample: w	-Spike Added-	⊹∦Spike Result(₃	% Recovery	(Accept-Range)
Gasoline Range C5 - C10	ND	250	261	104%	75 - 125%
Diesel Range C10 - C28	ND	250	289	115%	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 57989-57991, 57993-57800

Analyst

Review

WWW. Wmn

5796 US Highway 64, Farmington, NM 87401



# EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client:	XTO	Project #:	98031-0528
Sample ID:	21 BBL BGT	Date Reported:	12-22-11
Laboratory Number	60682	Date Sampled <sup>-</sup>	12-21-11
Chain of Custody:	13097	Date Received.	12-21-11
Sample Matrix	Soil	Date Analyzed	12-22-11
Preservative.	Cool	Date <sup>-</sup> Extracted:	12-21-11
Condition.	Intact	Analysis Requested:	BTEX
		Dilution:	10

		Det.	
	Concentration	Limit	
Parameter	(ug/Kg)	(ug/Kg)	

Benzene	ND	4.5
Toluene	ND	4.5
Ethylbenzene	ND	4.5
p,m-Xylene	ND	4.5
o-Xylene	ND	4.5
•		

Total BTEX ND

ND - Parameter not detected at the stated detection limit

Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	84.0 %
	1,4-difluorobenzene	91.7 %
	Bromochlorobenzene	85.1 %

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:

Quine Gas Com 1E

Analyst

Peview



# EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client <sup>.</sup>	ХТО	Project #:	98031-0528
Sample ID.	95 BBL BGT	Date Reported.	12-22-1,1
Laboratory Number:	60683	Date Sampled	12-21-11
Chain of Custody.	13097	Date Received:	12-21-11
Sample Matrix	Sóil	Date Analyzed <sup>.</sup>	12-22-11
Preservative	Cool	Date Extracted:	12-21-11
Condition:	Intact	Analysis Requested:	BTEX
		Dilution <sup>.</sup>	10

		Det.	
	Concentration	Limit	
Parameter	(ug/Kg)	(ug/Kg)	

Benzene	ND	4.5
Toluene	ND	4.5
Ethylbenzene	ND	4.5
p,m-Xylene	ND	4.5
o-Xylene	ND	4.5
-		

Total BTEX ND

ND - Parameter not detected at the stated detection limit

Surrogate Recoveries:	Parameter	Percent Recovery
T	Fluorobenzene	86.6 %
	1,4-difluorobenzene	94.2 %
	Bromochlorobenzene	92.3 %

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:

Quine Gas Com 1E

Analyst Jazza

Priew PVN VIV



#### **EPA METHOD 8021** AROMATIC VOLATILE ORGANICS

Client:	N/A		Project #		N/A		
Sample ID·	1222BBLK QA/QC		Date Reported:		12-22-11		
Laboratory Number:	60682		Date Sampled:		N/A		
Sample Matrix:	Soil		Date Received:		N/A		
Preservative:	N/A		Date Analyzed:		12-22-11		
Condition	N/A		Analysis:		BTEX		
			Dilution:	,	10		
Calibration and Detection Limits (ug/L)	I-CaliRE:	C-Cal RF Accept: Rar	:%Diff: ige:0:=:15%	Blank Conc	Detect Limit		
Benzene	1 9315E+007	1 9354E+007	0.2%	ND	0.5		
Toluene	1 9469E+007	1.9508E+007	0.2%	ND	0.5		
Ethylbenzene	1 7278E+007	1 7313E+007	0.2%	ND	0.5		
p,m-Xylene	4 3917E+007	4 4005E+007	0.2%	ND	,0.5		
o-Xylene	1 6023E+007	1 6055E+007	0.2%	ND	0.5		

Duplicate.Conc. (ug/Kg)	Sample: Du	plicater 🚐	%Diff.	Accept Range	Detect: Limit
Benzene	ND	ND .	0.0%	0 - 30%	4.5
Toluene	ND	ND	0.0%	0 - 30%	4.5
Ethylbenzene	ND	ND	0.0%	0 - 30%	4.5
p,m-Xylene	ND	ND	0.0%	0 - 30%	4.5
o-Xylene	ND	ND	0.0%	0 - 30%	4.5

Spike Conce (ug/Kg)		ount Spiked 🖟 Spik	ed Sample %	Recovery	Accept Range
Benzene	ND	500	488	97.6%	39 - 150
Toluene	ND	500	485	96.9%	46 - 148
Ethylbenzene	ND	500	483	96.7%	32 - 160
p,m-Xylene	ND	1000	971	97.1%	46 - 148
o-Xylene	ND	500	487	97.4%	46 - 148

ND - Parameter not detected at the stated detection limit.

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

References:

Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA,

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 60549-60554 and 60682-60684

5796 US Highway 64, Farmington, NM 87401



# EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS

Client: **XTO** Project #: 98031-0528 Sample ID: 21 BBL BGT Date Reported: 12-22-11 Laboratory Number: Date Sampled: 12-21-11 60682 Date Received: 12-21-11 Chain of Custody No: 1'3097 Date Extracted: 12-22-11 Sample Matrix: Soil Preservative: Cool Date Analyzed. 12-22-11 Condition: Analysis Needed: TPH-418 1 Intact

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

Total Petroleum Hydrocarbons

58.0

18.2

ND = Parameter not detected at the stated detection limit.

References:

Method 418.1, Petrol'eum Hydrocarbons, Total Recoverable, Chemical Analysis of Water

and Waste, USEPA Storet No 4551, 1978.

Comments:

Quine Gas Com 1E

Analyst

Review

5796 US Highway 64, Farmington, NM 87401



# EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS

Client:	XTO	Project #:	98031-0528
Sample ID:	95 BBL BGT	Date Reported.	12-22-11
Laboratory Number:	60683	Date Sampled:	12-21-11
Chain of Custody No:	1,3097	Date Received:	12 <del>-</del> 21 <i>-</i> 11
Sample Matrix:	Soil	Date Extracted.	12-22-11
Preservative:	Cool	Date Anályzed:	12-22-11
Condition:	Intact	Analysis Needed:	TPH-418 1

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

**Total Petroleum Hydrocarbons** 

37.9

18.2

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: Quine Gas Com 1E

Analyst

Review

5796 US Highway 64, Farmington, NM 87401



## **EPA METHOD 418.1** TOTAL PETROLEUM HYDROCARBONS QUALITY ASSURANCE REPORT

Client:

QA/QC

Project #:

N/A

Sample ID.

QA/QC

Date Reported:

12-22-11

Laboratory Number:

12-21-TPH.QA/QC 60682

Date Sampled:

N/A

Sample Matrix.

Freon-113

Date Analyzed:

12-22-11 12-22-11

Preservative: Condition:

N/A N/A

Date Extracted: Analysis Needed:

TPH

Calibration : 1-CaliDate

C-Căl Date 11-16-11 12-22-11

1,610

1,540

4.3%

+/- 10%

Blank Conc. (mg/Kg)

Concentration

是表 Detection Limit 27

**TPH** 

ND

6.4

C-Cal RE: % Difference: Accept Range

Duplicate Conc. (mg/Kg):

TPH

**TPH** 

Sample 57.8

Duplicate 57.8

% Difference. 0.0%

+/- 30%

Spike Conc. (mg/Kg)

Sample 57.8

Spike Added, Spike Result % Recovery Accept Range 2,000

1,730

84.1%

80 - 120%

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:

QA/QC for Samples 60682-60684

5796 US Highway 64, Farmington, NM 87401



#### Chloride

Client: XTO Project #: 98031-0528 Sample ID: Date Reported: 21 BBL BGT 12-23-11 Lab ID#: 60682 Date Sampled: 12-21-11 Date Received: 12-21-11 Sample Matrix: Soil Preservative: Cool Date Analyzed: 12-22-11 Condition: Chain of Custodý: 13097 Intact

Parameter Concentration (mg/Kg)

Total Chloride 10

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: Quine Gas Com 1E

Remiserzan Paulous

5796 US Highway 64, Farmington, NM 87401 Ph (505) 632-0615 Fr (800) 362-1879 Fx (505) 632-1865 lab@envirotech-inc com envirotech-inc com



#### Chloride

Client: **XTO** Project #: 98031-0528 Sample ID: 95 BBL BGT Date Reported: 12-23-11 Lab ID# 12-21-11 Date Sampled: 60683 Date Received: 12-21-11 Sample Matrix. Soil Preservative: Coól Date Analyzed: 12-22-11 Chain of Custody: 13097 Condition: Intact

Parameter Concentration (mg/Kg)

Total Chloride ND

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: Quine Gas Com 1E

rst Re

5796 US Highway 64, Farmington, NM 87401 Ph (505) 632-0615 Fr (800) 362-1879 Fx (505) 632-1865 lab@envirotech-inc.com envirotech-inc.com

# CHAIN OF CUSTODY RECORD

13097

Client			ject Name / Locati		CO	1	 1E						A	NALY	/SIS	/ PAI	RAMI	ETEF	ıs İ				
Email results to:  AMES MCD  Client Phone No	ANIEZ	Sar -	Impler Name.  SPAD GP  ent No: 980	-1FF	ロフナ				TPH (Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	RCRA 8 Metals	Cation / Anion		TCLP with H/P	CO Table 910-1	1181)	SIDE				Sample Cool	Sample Intact
Sample No./ Identification	Sample Date	Time	Lab No.	No of Co	Volume ontainers	Pr HgCl <sub>2</sub>	eservati HCI	ve	TPH (N	BTEX	VOC (I	RCRA	Cation	RCI	TCLP \	CO Tal	TPH (418 1)	CHLORIDE				Sampl	Sampl
21 BBL BGT	12/21	1.132	60682	2	402			,	X	X							X	$\hat{\mathcal{X}}$			1	1	1
21 BBL BGT 95 BBL BGT	12/21	1139	60683	2	407				$\chi$	x							X	X			1	Y	Y
																					_	_	
											·										-	_	
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Relinquished by (Signature)						Recei	ved by	y: (Sig	natu	ire)			V (Z	~J				· · · · · · · · · · · · · · · · · · ·					
Sample Matrix Soll  Solld  Sludge																							
☐ Sample(s) dropped off after					Anal	ytico	ıl Lak	oorai	tory	,	ırang	o, CC	D 813(	D1 • F	abor	atory	@env	virote	ch-inc	com			



James McDaniel /FAR/CTOC 12/21/2011 11:25 AM

To brandon.powell@state.nm.us

cc

bcc

Subject BGT Closure notification Quine Gas COM #1E

#### Brandon,

Please accept this email as the required notification for BGT closure activities at the Quine Gas COM #1E (api #30-045-26142) located in Unit K, Section 31, Township 30N, range 12W, San Juan County, New Mexico. This BGT is being closed due to maintenance upgrades at this location, and the BGT will be replaced by a low profile above ground tank. Thank you for your time in regards to this matter.



James McDaniel, CHMM #15676
EH&S Supervisor
XTO Energy, Inc.
office # 505-333-3701
cell # 505-787-0519
James Mcdanlet@xtoenergy.com



December 21, 2011

Jessie E McConnell Trust 4501 Rowe Ave Farmington, New Mexico 87401

Re: Quine Gas COM #1E – API # 30-045-26142

Unit K, Section 31, Township 30N, Range 12W, San Juan County, New Mexico

Dear Sir or Madam,

This submittal is pursuant to Rule 19.15.17.13 requiring operators to notify surface owners of the closure of a below grade tank pit. XTO Energy, Inc. (XTO) is hereby providing written documentation of our proposal to close the below grade tank pit associated with the above mentioned well site by excavation and removal.

Should you have questions or require additional information, please feel free to contact me at your convenience at (505) 333-3100. Thank you for your time in regards to this matter.

Respectfully Submitted,

James McDaniel, CHMM #15676

EH&S Supervisor XTO Energy, Inc. San Juan Division

XTO Energy Inc. • 382 Road 3100 • Aztec, NM 87410 • (505) 333-3100 • Fax: (505) 333-3280

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A Signature  Addressee  B Received by (Printed Name)  C Date of Delivery  D is delivery address different from item; 1?   Yes
Jessie & McConneu Trust 4501 Rowe Ave.	If YES, enter delivery address below No  SAN No  SECIO SAN NO  SECIO SEC
Fairmington, Nm 87401	3 Service Type ☐ Express Mail ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C O D.  4. Restricted Delivery? (Extra Fee) ☐ Yes
2 Article Number (Transfer from service label) 7010 187	0 0003 3184 0F25
PS Form 3811, February 2004 Domestic Ret	urn Receipt 102595-02-M-1540



XTO Energy, Inc. Quine Gas COM #1E Section 31, Township 30N, Range 12W Closure Date: 12/26/2011



Photo 1: Quine Gas COM #1E after Backfill and Tank Re-Set(View 1)

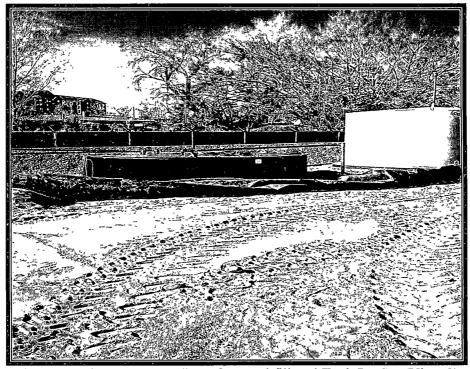


Photo 2: Quine Gas COM #1E after Backfill and Tank Re-Set (View 2)



# Well Below Tank Inspection Report

RouteName		StopName		Pumper	Foreman	WellName			APIWellNumbe	er	Section	Range	Township
FAR NM Run 86	5	QUINE GA	S COM 001E	Urioste, Eric	Durham, Ken	QUINE C	QUINE GC 01E		3004526142		31	12W	30N
InspectorName	Inspection Date	Inspection Time	Visible LinerTears	VisibleTankLeak Overflow	Collection OfSurfaceRun	Visible LayerOil	Visible Leak	Freeboard EstFT	PitLocation	PıtType	Notes		
jerry nelson	09/09/2008	01 05	No	No	No	Yes	No	4					
jerry nelson	10/13/2008	01 21	No	No	No	Yes	No	4	Well Water Pit	Below Ground			
jerry nelson	11/09/2008	07 58	No	No	No	Yes	No	3	Well Water Pit	Below Ground	slight lay	er of pro	od oil
jerry nelson	02/03/2009	07 30	No	No	No	Yes	No	2	Well Water Pit	Below Ground	slight lay	er of pro	od oil
Dustin Jensen	03/07/2009	08 35	No	No	No	Yes	No	55	Well Water Pit	Below Ground	32" of flu	ııd Dj	
EAU	04/14/2009	08 35	No	No	No	Yes	No	5	Well Water Pit	Below Ground	32" of flu	ııd Dj	
EAU	10/17/2009	08 35	No	No	No	Yes	No	5	Well Water Pit	Below Ground			
EAU	03/17/2010	12 15	No	No	No	Yes	No	5	Well Water Pit	Below Ground			
EAU	04/07/2010	09 01	No	No	No	Yes	No	5	Well Water Pit	Below Ground			
EAU	06/11/2010	11 08	No	No	No	Yes	No	5	Well Water Pit	Below Ground			
EAU	08/16/2010	08 22	No	No	No	Yes	No	5	Well Water Pit	Below Ground			
EAU	09/12/2010	11 15	No	No	No	Yes	No	5	Well Water Pit	Below Ground			
EAU	11/06/2010	12 11	No	No	No	Yes	No	5	Well Water Pit	Below Ground			
EAU	12/28/2010	10 23	No	No	No	Yes	No	5	Well Water Pit	Below Ground			
EAU	04/12/2011	09 24	No	No	No	Yes	No	5	Well Water Pit	Below Ground			
EAU	06/15/2011	08 42	No	No	No	Yes	No	5	Well Water Pit	Below Ground			
EAU	08/03/2011	07 44	No	No	No	Yes	No	5	Well Water Pit	Below Ground			
EAU	09/16/2011	12 24	No	No	No	Yes	No	5	Well Water Pit	Below Ground			
EAU	10/04/2011	01 23	No	No	No	Yes	No	5	Well Water Pit	Below Ground			
EAU	11/01/2011	08 38	No	No	No	Yes	No	5	Well Water Pit	Below Ground			
EAU	12/05/2011	12 49	No	No	No	Yes	No	5	Well Water Pit	Below Ground			

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

QUESTIONS

Action 59433

#### **QUESTIONS**

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	59433
	Action Type:
	[C-144] Legacy Below Grade Tank Plan (C-144LB)

#### QUESTIONS

Facility and Ground Water	
Please answer as many of these questions as possible in this group. More information will help us identify the appropriate associations in the system.	
Facility or Site Name	Quine Gas Com 2
Facility ID (f#), if known	Not answered.
Facility Type	Below Grade Tank - (BGT)
Well Name, include well number	Quine Gas Com 2
Well API, if associated with a well	3004529704
Pit / Tank Type	Not answered.
Pit / Tank Name or Identifier	Not answered.
Pit / Tank Opened Date, if known	Not answered.
Pit / Tank Dimensions, Length (ft)	Not answered.
Pit / Tank Dimensions, Width or Diameter (ft)	Not answered.
Pit / Tank Dimensions, Depth (ft)	Not answered.
Ground Water Depth (ft)	Not answered.
Ground Water Impact	Not answered.
Ground Water Quality (TDS)	Not answered.

Below-Grade Tank	
Subsection I of 19.15.17.11 NMAC	
Volume / Capacity (bbls)	95
Type of Fluid	Produced Water
Pit / Tank Construction Material	Steel
Secondary containment with leak detection	Not answered.
Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off	Not answered.
Visible sidewalls and liner	Not answered.
Visible sidewalls only	Not answered.
Tank installed prior to June 18. 2008	Not answered.
Other, Visible Notation. Please specify	Not answered.
Liner Thickness (mil)	Not answered.
HDPE (Liner Type)	Not answered.
PVC (Liner Type)	Not answered.
Other, Liner Type. Please specify (Variance Required)	Not answered.

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)	Not answered.
Four foot height, four strands of barbed wire evenly spaced between one and four feet	Not answered.
Alternate, Fencing. Please specify (Variance Required)	Not answered.

Netting	
Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)	
Screen	Not answered.
Netting	Not answered.
Other, Netting. Please specify (Variance May Be Needed)	Not answered.

#### Signs

Subsection C of 19.15.17.11 NMAC (If there are multiple operators at a site, each operator must have their own sign in compliance with Subsection C of 19.15.17.11 NMAC.)

	12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers	Not answered.
I	Signed in compliance with 19.15.16.8 NMAC	Not answered.

Variances and Exceptions	
Justifications and/or demonstrations ofequivalency 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:	
Variance(s): Requests must be submitted to the appropriate division district for consideration of approval.	Not answered.
Exception(s):  Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval	Not answered.

#### 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. Siting criteria does not apply to drying pads or above-grade tanks.

Siting Criteria, General Siting	
Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank	Not answered.
NM Office of the State Engineer - iWATERS database search	Not answered.
USGS	Not answered.
Data obtained from nearby wells	Not answered.

Siting Criteria, Below Grade Tanks	
Within 100 feet of a continuously flowing watercourse, significant watercourse, lakebed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark)	Not answered.
Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption	Not answered.

Proposed Closure Method	
Below-grade Tank	Below Grade Tank - (BGT)
Waste Excavation and Removal	True
Alternate Closure Method. Please specify (Variance Required)	Not answered.

Operator Application Certification	
Registered / Signature Date	12/30/2011

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

ACKNOWLEDGMENTS

Action 59433

#### **ACKNOWLEDGMENTS**

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	59433
	Action Type:
	[C-144] Legacy Below Grade Tank Plan (C-144LB)

#### **ACKNOWLEDGMENTS**

V	I acknowledge that I have received prior approval from the OCD to submit documentation of a legacy below-grade tank on behalf of my operator.
<u>~</u>	I hereby certify that the information submitted with this documentation is true, accurate and complete to the best of my knowledge and belief.

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CONDITIONS

Action 59433

#### **CONDITIONS**

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1111 Travis Street	Action Number:
Houston, TX 77002	59433
	Action Type:
	[C-144] Legacy Below Grade Tank Plan (C-144LB)

#### CONDITIONS

Created By	Condition	Condition Date
cwhitehead	None	11/3/2021