

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.

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
BGT A [] 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: _____ OGRID #: _____
Address: _____
Facility or well name: _____
APPNumber: _____ OCD Permit Number: _____
U/L or Qtr/Qtr _____ Section _____ Township _____ Range _____ County: _____
Center of Proposed Design: Latitude _____ Longitude _____ 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: L _____ x W _____ x D _____

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

4. [] Below-grade tank: Subsection I of 19.15.17.11 NMAC Tank ID: _____
Volume: _____ bbl Type of fluid: _____
Tank Construction material: _____
[] Secondary containment with leak detection [] Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
[] Visible sidewalls and liner [] Visible sidewalls only [] Other __ Single Walled Single Bottomed
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 _____

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 19.15.16.8 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	<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to temporary, emergency, or cavitation pits and below-grade tanks</i>) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to permanent pits</i>) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within a 100-year floodplain. - FEMA map	<input type="checkbox"/> Yes <input type="checkbox"/> 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 NMAC
- 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 H₂S, 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	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within a 100-year floodplain. - FEMA map	<input type="checkbox"/> Yes <input type="checkbox"/> 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): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

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

OCD Representative Signature: _____ Approval Date: _____

Title: _____ 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: _____

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): _____ Title: _____

Signature: Julie Best Date: _____

e-mail address: _____ Telephone: _____

SIMCOE LLC
SAN JUAN BASIN, NORTHWEST NEW MEXICO

Well Name: Gallegos Canyon Unit 235E
Well API# 30-045-26348
Unit Letter O, Section 13, T28N, R13W

BELOW-GRADE TANK CLOSURE PLAN

This plan will address the standard protocols and procedures for closure of below-grade tanks (BGT's) on SIMCOE, LLC (SIMCOE) well sites. As stipulated in Paragraph A of 19.15.17.13 NMAC, SIMCOE shall close a BGT within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the New Mexico Oil Conservation Division (NMOCD) requires because of imminent danger to fresh water, public health, safety or the environment. If deviations from this plan are necessary, any specific changes will be included on Form C-144 and approved by the NMOCD. SIMCOE shall close an existing BGT 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 retrofit with a BGT that complies with the SIMCOE's NMOCD approved BGT design attached to the SIMCOE Design and Construction Plan. SIMCOE shall close an existing BGT that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC, if not previously retrofitted to comply with the SIMCOE's NMOCD approved BGT design attached to the SIMCOE Design and Construction Plan, prior to any sale or change in operator pursuant to 19.15.9.9 NMAC. SIMCOE shall close the permitted BGT within 60 days of cessation of the BGT's operation or as required by the transitional provisions of Subsection B, D, or E of 19.15.17.17 NMAC.

General Closure Plan

1. SIMCOE shall notify the surface owner by certified mail; return receipt requested that it plans to close a BGT. Notice given will be at least 72 hours in advanced, but not more than one week prior to any closure operation. The notice shall include the well name, API number, and legal description of the location. Evidence of mailing of the notice to the address of the surface owner shown in the county tax records demonstrates compliance with this requirement.
Notice was provided and is attached.
2. SIMCOE shall notify the Division District III office verbally and in writing at least 72 hours, but not more than one week, prior to any closure operation. The notice shall include the Operator's name, and the location of the BGT to be closed by unit letter, section, township and range. If the BGT closure is associated with a particular well, then the notice shall also include the well's name, number and API number.
Notice was provided and is attached.
3. Within 60 days of cessation of operations, SIMCOE shall remove liquids and sludge from the BGT prior to implementing a closure method and dispose of the liquids and sludge in a NMOCD approved facility. The facilities to be used are:
 - a. JFJ Landfarm, Permit NM-01-010(B) (Solids and Sludge)
 - b. Basin Disposal, Permit NM-01-0005 (Liquids)
 - c. Envirotech Inc Soil Remediation Facility, Permit NM-01-0011 (Solids and Sludge)
 - d. SIMCOE LLC Operated E.E. Elliott SWD #1, API 30-045-27799 (Liquids)
 - e. SIMCOE LLC Operated 13 GCU SWD #1, API 30-045-28601 (Liquids)
 - f. SIMCOE LLC Operated GCU 259 SWD, API 30-045-20006 (Liquids)
 - g. SIMCOE LLC Operated GCU 306 SWD, API 30-045-24286 (Liquids)
 - h. SIMCOE LLC Operated GCU 307 SWD, API 30-045-24248 (Liquids)
 - i. SIMCOE LLC Operated GCU 328 SWD, API 30-045-24735 (Liquids)
 - j. SIMCOE LLC Operated Pritchard SWD #1, API 30-045-28351 (Liquids)

All liquids and/or sludge within the BGT were removed and sent to one of the above NMOCD approved facilities for disposal.

4. SIMCOE shall remove the BGT and dispose of it in a NMOC approved facility or recycle, reuse, or reclaim it in a manner that the Division District III office approves. Documentation as to the final disposition of the removed BGT will be provided in the final closure report.
The BGT was transported for recycling.
5. Within six months of cessation of operations, SIMCOE shall remove any on-site equipment associated with a BGT unless the equipment is required for some other purpose.
All equipment associated with the BGT has been removed.
6. SIMCOE shall test the soils beneath the BGT to determine whether a release has occurred. SIMCOE shall collect at a minimum: a five (5) point composite sample to include any obvious stained or wet soils, or other evidence of a release under the BGT. The composite sample shall be collected and analyzed as required for the constituents listed in Table I within Subparagraph (a) of Paragraph (3) of Subsection C of 19.15.17.13 NMAC (see Table 1 below).

The testing methods for those constituents are as follows:

Table 1			
Closure Criteria for Soils Beneath Below-Grade Tanks			
Depth below bottom of pit to groundwater less than 10,000 mg/l TDS	Constituent	Method*	Limit**
≤50 feet	Chloride	EPA 300.0	600 mg/kg
	TPH	EPA SW-846 Method 418.1	100 mg/kg
	BTEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg
	Benzene	EPA SW-846 Method 8021B or 8015M	10 mg/kg
51 feet-100 feet	Chloride	EPA 300.0	10,000 mg/kg
	TPH	EPA SW-846 Method 418.1	2,500 mg/kg
	GRO+DRO	EPA SW-846 Method 8015M	1,000 mg/kg
	BTEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg
	Benzene	EPA SW-846 Method 8021B or 8015M	10 mg/kg
> 100 feet	Chloride	EPA 300.0	20,000 mg/kg
	TPH	EPA SW-846 Method 418.1	2,500 mg/kg
	GRO+DRO	EPA SW-846 Method 8015M	1,000 mg/kg
	BTEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg
	Benzene	EPA SW-846 Method 8021B or 8015M	10 mg/kg

Notes: mg/Kg = milligram per kilogram, BTEX = benzene, toluene, ethylbenzene, and total xylenes, TPH = total petroleum hydrocarbons, TDS = total dissolved solids.
 * - Or other test methods approved by the division
 ** - Numerical limits or natural background level, whichever is greater

Soils beneath the BGT were sampled for TPH, BTEX, and chloride per the above requirements. TPH, BTEX, and chloride were all non-detect based on laboratory analytical results.

7. SIMCOE shall notify the division District III office of its results on form C-141.
Form C-141 is attached.
8. If it is determined that a release has occurred, then SIMCOE will comply with 19.15.30 NMAC and 19.15.29 NMAC, as appropriate.
Sampling results and field observations reveal no evidence of a release had occurred.

9. If the sampling demonstrates that a release has not occurred or that any release does not exceed the concentrations specified above, then SIMCOE shall backfill the excavation, with compacted, non-waste containing, earthen material; construct a division-prescribed soil cover, re-contour and revegetate the location. The location will be reclaimed if it is not within the active process area.
No evidence of a release. Area backfilled / regraded. AST installed at location of former BGT.
10. SIMCOE shall reclaim the BGT location, and all areas associated with the BGT including associated roads to a safe and stable condition that blends with the surrounding undisturbed area. SIMCOE shall substantially restore the impacted surface area to the condition that existed prior to oil and gas operations by placement of the soil cover as provided in Subsection H of 19.15.17.13 NMAC, re-contour the location and associated areas to a contour that approximates the original contour and blends with the surrounding topography and re-vegetate according to Subsection I of 19.15.17.13 NMAC.
Area backfilled / regraded. AST installed at location of former BGT.
11. The soil cover for closures where the BGT has been removed or remediated to the NMOCD's satisfaction shall 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 all practicable efforts will be made to prevent ponding of water and erosion of the cover material.
Area backfilled / regraded. AST installed at location of former BGT.
12. SIMCOE shall seed the disturbed area the first growing season after closure of the BGT. Seeding will be accomplished by drilling on the contour whenever practical or by other division-approved methods. Vegetative cover will be, at a minimum, 70% of the native perennial vegetative cover (un-impacted by overgrazing, fire or other intrusion damaging to the native vegetation), consisting of at least three native plant species, including at least one grass but not including noxious weeds and maintenance of that cover through two successive growing seasons. During the two growing seasons that prove viability, there shall be no artificial irrigation of the vegetation.
AST installed at location of former BGT. Seeding not required at this time.
13. SIMCOE shall seed, plant and re-seed pursuant to Paragraph (3) of Subsection I of 19.15.17.13 NMAC, until the location successfully achieves the required vegetative cover.
AST installed at location of former BGT. Seeding not required at this time.
14. Pursuant to Paragraph (5) of Subsection I of 19.15.17.13 NMAC, SIMCOE shall notify the NMOCD when it has been seeded or planted and when it successfully achieves re-vegetation.
AST installed at location of former BGT. Area will be utilized for AST operation.
15. Reclamation of all disturbed areas no longer in use shall be considered complete when all ground surface disturbing activities at the site have been completed, and a uniform vegetative cover has been established that reflects a life-form ratio of plus or minus fifty percent (50%) of pre-disturbance levels and a total percent plant cover of at least seventy percent (70%) of pre-disturbance levels, excluding noxious weeds.
AST installed at location of former BGT. Area will be utilized for AST operation.
16. The re-vegetation and reclamation obligations imposed by other applicable federal or tribal agencies on lands managed by those agencies shall supersede these provisions and govern the obligations of SIMCOE subject to those provisions, provided that the other requirements provide equal or better protection of fresh water, human health and the environment.
AST installed at location of former BGT. Area will be utilized for AST operation.
17. Pursuant to Subparagraph (e) of Paragraph (5) of Subsection H of 19.15.17.13 NMAC, SIMCOE shall notify the NMOCD when reclamation and re-vegetation has been successfully achieved.
AST installed at location of former BGT. Area will be utilized for AST operation.
18. Within 60 days of closure completion, SIMCOE shall submit a closure report on NMOCD's form C- 144, and will include the following:
 - a. necessary attachments to document all closure activities
 - b. sampling results
 - c. information required by 19.15.17 NMAC

d. details on back-filling, capping and covering, where applicable.

Closure report on Form C-144 is included and contains a photo of the location.

19. SIMCOE shall certify that all information in the report and attachments is accurate, truthful, and compliant with all applicable closure requirements and conditions specified in the approved closure plan.
Certification section of Form C-144 has been completed.

Sabre Beebe

Field Environmental Coordinator



IKAV ENERGY
1199 Main Ave. Suite 101
Durango, Colorado 81301
Telephone: 970-852-5172
sabre.beebe@ikavenergy.com

December 3, 2021

B Square Ranch
C/O Tommy Bolack
3901 Bloomfield Hwy
Farmington, NM 87401

Re: Notification of plans to close/remove a below grade tank
Well Name: Gallegos Canyon Unit 235 E
API# - 30-045-26348
O-13-28N-13W
San Juan County, NM

Dear Mr. Bolack,

As part of the New Mexico "Pit Rule": 19.15.17.13 Closure Requirements, Paragraph E (1). SIMCOE LLC (SIMCOE) is required to notify the surface owner of SIMCOE's plans to close/remove a below grade tank. SIMCOE wishes to inform you of our plans to close/remove the below grade tank on its well pad located on your surface. SIMCOE plans to commence this work on or about December 9, 2021 at 10 a.m. Barring any unforeseen issues, the work should be completed within 10 working days.

As a point of clarification, SIMCOE will be closing the below grade tank and either operating without one or replacing it with an above ground tank, the well site will continue to operate.

If you have any questions, please don't hesitate to contact me at 970-852-5172.

Sincerely,

Sabre Beebe

ORIGIN ID: DRQA (970) 852-5172
 SHIPPER: BEEBE
 KAY ENERGY INC.
 1199 MAIN AVE, SUITE 101
 DURANGO, CO 81301
 UNITED STATES US

SHIP DATE: 06DEC21
 ACTWGT:
 CAD: 253920969NET4400

BILL SENDER

TO: C/O TOMMY BOLACK
 B SQUARE RANCH
 3901 BLOOMFIELD HWY
 FARMINGTON NM 87401

REF: SHIPRE - LANDOWNER NOTIFICATION

(505) 000-0000 DEPT:
 PO:

560J3E934FE4A

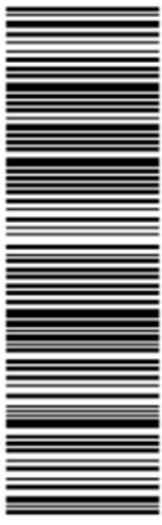
21222191881en

FedEx
 Express

TUE - 07 DEC 8:00P
 STANDARD OVERNIGHT
 DSR RES
 87401
 NM-US ABQ

TRK# 7754 0038 9230
 0201

9A FMNA



After printing this label:

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

Warning: Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$1,000, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.

Kyle Siesser

From: Sabre Beebe <sabre.beebe@ikavenergy.com>
Sent: Friday, December 3, 2021 9:20 AM
To: ocd.enviro@state.nm.us; Christopher Whitehead (chris.whitehead@state.nm.us)
Cc: Don Buller; Julie Best
Subject: SIMCOE, LLC - Gallegos Canyon Unit 235 E Below Grade Tank (BGT) Closure

SENT VIA E-MAIL

December 3, 2021

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

RE: Notice of Proposed Below-Grade Tank (BGT) Closure

Well Name: Gallegos Canyon Unit 235 E
API# - 30-045-26348
O-13-28N-13W
San Juan County, NM

To Whom It May Concern:

With regards to the captioned subject well and requirements of the NMOCD Pit Rule 19.15.17.13, this letter is notification that SIMCOE LLC is planning to close a 95 bbl BGT that will no longer be operational at the above well site. We anticipate this work to start on or around December 9, 2021 at 10:00 AM.

Should you have any questions, please feel free to contact SIMCOE LLC.

Sincerely,

Sabre Beebe



IKAV Energy Inc.
Sabre Beebe
Field Environmental Coordinator
Office: (970) 852-5172
Mobile: (970)-769-9523
E-Mail: sabre.beebe@ikavenergy.com

Confidentiality notice:

This e-mail communication (and any attachment/s) are confidential and are intended only for the individual(s) or entity named above and to others who have been specifically authorized to receive it. Any information in this email and attachments may be legally privileged. If you are not the intended recipient, any disclosure, copying, reading, distribution, or any action taken or omitted in reliance on it, is prohibited and may be unlawful. Any opinions or advice

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

Form C-141
Revised August 24, 2018
Submit to appropriate OCD District office

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

Incident ID	
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party SIMCOE, LLC	OGRID 329736
Contact Name Julie Best	Contact Telephone (970) 828-4060
Contact email julie.best@ikavenergy.com	Incident # (assigned by OCD)
Contact mailing address 1199 Main Ave., Suite 101 Durango, CO 81303	

Location of Release Source

Latitude 36.658111 Longitude -108.168239
(NAD 83 in decimal degrees to 5 decimal places)

Site Name Gallegos Canyon Unit 235 E	Site Type Natural Gas Well
Date Release Discovered 12/9/21	API# (if applicable) 3004526348

Unit Letter	Section	Township	Range	County
O	13	28N	13W	San Juan

Surface Owner: State Federal Tribal Private (Name: B Square Ranch)

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

<input type="checkbox"/> Crude Oil	Volume Released (bbls)	Volume Recovered (bbls)
<input type="checkbox"/> Produced Water	Volume Released (bbls)	Volume Recovered (bbls)
	Is the concentration of dissolved chloride in the produced water >10,000 mg/l?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown
<input type="checkbox"/> Condensate	Volume Released (bbls)	Volume Recovered (bbls)
<input type="checkbox"/> Natural Gas	Volume Released (Mcf)	Volume Recovered (Mcf)
<input type="checkbox"/> Other (describe)	Volume/Weight Released (provide units)	Volume/Weight Recovered (provide units)

Cause of Release **TPH, BTEX, and chloride all non-detect based on laboratory analytical results. No evidence of a release had occurred.**

State of New Mexico
Oil Conservation Division

Incident ID	
District RP	
Facility ID	
Application ID	

Was this a major release as defined by 19.15.29.7(A) NMAC? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, for what reason(s) does the responsible party consider this a major release?
---	--

If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)?

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

<input type="checkbox"/> The source of the release has been stopped. <input type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately.
--

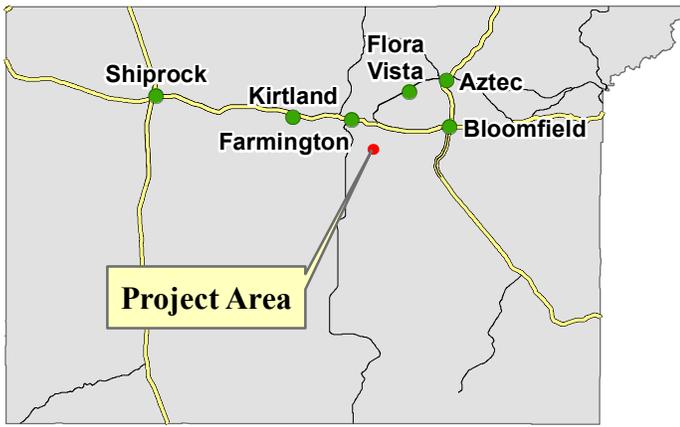
If all the actions described above have not been undertaken, explain why:

Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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.

Printed Name: Julie Best Title: HSE and Measurement Manager
 Signature: *Julie Best* Date: 12/28/21
 email: julie.best@ikavenergy.com Telephone: (970) 828-4060

OCD Only
 Received by: _____ Date: _____



San Juan County, New Mexico



Notes: Sample collected 12/9/2021. Sample 5PC-TB@5' (95) is a five point composite sample.

<p>Legend</p> <ul style="list-style-type: none"> Soil Sample Location Oil & Gas Wells Approximate Former BGT Location 	<p>Cottonwood CONSULTING</p>  <p>Mapping by: E. Millar, 12/9/2021 Coordinate System: NAD 1983 UTM Zone 13 N</p> <p>Location: Sec 13 T28N R13W NMPM</p>	<p>Figure 1 Gallegos Canyon Unit #235E Project Map Simcoe LLC</p>
--	---	---

CLIENT: Simcoe LLC

COTTONWOOD CONSULTING LLC
P.O. BOX 1653, DURANGO, COLO. 81303
(970) 764-7356

API #: 3004526348
TANK ID (if applicable): A

FIELD REPORT:

(circle one) BGT CONFIRMATION / RELEASE INVESTIGATION / OTHER:

PAGE #: 1 of 1

SITE INFORMATION: SITE NAME: Gallegos Canyon Unit #235E
QUAD/UNIT: 0 SEC: 13 TWP: 28N RNG: 13W PM: NM CNTY: San Juan ST: NM
1/4 - 1/4 FOOTAGE: LEASE TYPE: FEDERAL / STATE / FEE / INDIAN
LEASE #: NMSFO78807A PROD. FORMATION: CONTACT: Halo CONTRACTOR:

DATE STARTED: 12/9/21
DATE FINISHED: 12/9/21
ENVIRONMENTAL SPECIALIST(S): EM

REFERENCE POINT: WELL HEAD (W.H.) GPS COORD.: 36°39'29.772" 108°10'4.912" GL ELEV.: 5640
1) ~~95 BBLs steel tank 'A'~~ GPS COORD.: 36.658111 -108.168239 DISTANCE/BEARING FROM P&A: 100', 235°
2) 95 BBLs steel tank 'A' GPS COORD.: _____ DISTANCE/BEARING FROM P&A: _____
3) _____ GPS COORD.: _____ DISTANCE/BEARING FROM P&A: _____
4) _____ GPS COORD.: _____ DISTANCE/BEARING FROM P&A: _____

SAMPLING DATA: CHAIN OF CUSTODY RECORD(S) # OR LAB USED: Hall Env. Analysis Lab OVM READING (ppm) 0.2
1) SAMPLE ID: 5PC-TB@5'(95) SAMPLE DATE: 12/9/21 SAMPLE TIME: 1025 LAB ANALYSIS: 8015 M/D, 8021 B, 300.0 (C)
2) SAMPLE ID: _____ SAMPLE DATE: _____ SAMPLE TIME: _____ LAB ANALYSIS: _____
3) SAMPLE ID: _____ SAMPLE DATE: _____ SAMPLE TIME: _____ LAB ANALYSIS: _____
4) SAMPLE ID: _____ SAMPLE DATE: _____ SAMPLE TIME: _____ LAB ANALYSIS: _____
5) SAMPLE ID: _____ SAMPLE DATE: _____ SAMPLE TIME: _____ LAB ANALYSIS: _____

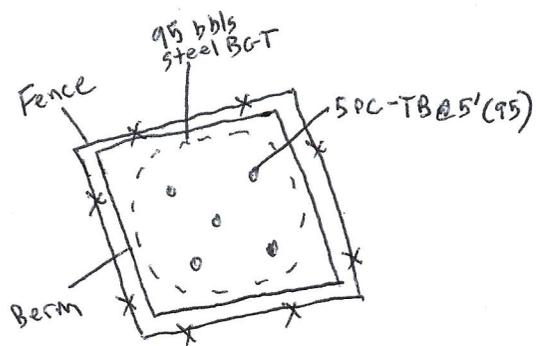
SOIL DESCRIPTION: SOIL TYPE: SAND / SILTY SAND / SILT / SILTY CLAY / CLAY / GRAVEL / OTHER _____
SOIL COLOR: Brown PLASTICITY (CLAYS): NON PLASTIC / SLIGHTLY PLASTIC / COHESIVE / MEDIUM PLASTIC / HIGHLY PLASTIC
COHESION (ALL OTHERS): NON COHESIVE / SLIGHTLY COHESIVE / COHESIVE / HIGHLY COHESIVE DENSITY (COHESIVE CLAYS & SILTS): SOFT / FIRM / STIFF / VERY STIFF / HARD
CONSISTENCY (NON COHESIVE SOILS): LOOSE FIRM / DENSE / VERY DENSE HC ODOR DETECTED: YES NO EXPLANATION - _____
MOISTURE: DRY / SLIGHTLY MOIST / MOIST / WET / SATURATED / SUPER SATURATED ANY AREAS DISPLAYING WETNESS: YES NO EXPLANATION - _____
SAMPLE TYPE: GRAB / COMPOSITE - # OF PTS. 5
DISCOLORATION/STAINING OBSERVED: YES NO EXPLANATION - _____

SITE OBSERVATIONS: LOST INTEGRITY OF EQUIPMENT: YES NO EXPLANATION - _____
APPARENT EVIDENCE OF A RELEASE OBSERVED AND/OR OCCURRED: YES / NO EXPLANATION: _____
EQUIPMENT SET OVER RECLAIMED AREA: YES / NO EXPLANATION - Plan to install AST (300 BBLs) over reclaimed area.
OTHER: _____

EXCAVATION DIMENSION ESTIMATION: NA ft. X NA ft. X NA ft. EXCAVATION ESTIMATION (Cubic Yards): NA
DEPTH TO GROUNDWATER: 750' NEAREST WATER SOURCE: 7300' NEAREST SURFACE WATER: 7300' NMOCD TPH CLOSURE STD: _____ ppm

SITE SKETCH BGT Located: off / on site PLOT PLAN circle: attached

OVM CALIB. READ. = _____ ppm RF=1.00
OVM CALIB. GAS = _____ ppm
TIME: _____ am/pm DATE: _____



MISCELL. NOTES
Permit date(s): 6/26/10
OCD Appr. date(s): 6/20/11
Tank ID: A OVM = Organic Vapor Meter ppm = parts per million
BGT Sidewalls Visible: Y / N
BGT Sidewalls Visible: Y / N
BGT Sidewalls Visible: Y / N
Magnetic declination: _____

NOTES: BGT = BELOW GRADE TANK; ED = EXCAVATION DEPRESSION; BG = BELOW GRADE; B = BELOW; T.H. = TEST HOLE; ~ = APPROX.; W.H. = WELL HEAD; T.B. = TANK BOTTOM; PBGTL = PREVIOUS BELOW-GRADE TANK LOCATION; SPD = SAMPLE POINT DESIGNATION; R.W. = RETAINING WALL; NA = NOT APPLICABLE OR NOT AVAILABLE; SW = SINGLE WALL; DW = DOUBLE WALL; SB = SINGLE BOTTOM; DB = DOUBLE BOTTOM.
NOTES: _____ ONSITE: 12/9/21

Analytical Report

Lab Order **2112744**

Date Reported: **12/21/2021**

Hall Environmental Analysis Laboratory, Inc.

CLIENT: SIMCOE

Client Sample ID: 5PC- TB@5'(95)

Project: GCU 235 E

Collection Date: 12/9/2021 10:25:00 AM

Lab ID: 2112744-001

Matrix: SOIL

Received Date: 12/10/2021 7:30:00 AM

Analyses	Result	RL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015M/D: DIESEL RANGE ORGANICS						Analyst: BRM
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	12/15/2021 10:45:00 AM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	12/15/2021 10:45:00 AM
Surr: DNOP	87.4	70-130		%Rec	1	12/15/2021 10:45:00 AM
EPA METHOD 8015D: GASOLINE RANGE						Analyst: mb
Gasoline Range Organics (GRO)	ND	4.6		mg/Kg	1	12/14/2021 9:17:00 PM
Surr: BFB	90.4	70-130		%Rec	1	12/14/2021 9:17:00 PM
EPA METHOD 8021B: VOLATILES						Analyst: mb
Benzene	ND	0.023		mg/Kg	1	12/14/2021 9:17:00 PM
Toluene	ND	0.046		mg/Kg	1	12/14/2021 9:17:00 PM
Ethylbenzene	ND	0.046		mg/Kg	1	12/14/2021 9:17:00 PM
Xylenes, Total	ND	0.092		mg/Kg	1	12/14/2021 9:17:00 PM
Surr: 4-Bromofluorobenzene	81.9	70-130		%Rec	1	12/14/2021 9:17:00 PM
EPA METHOD 300.0: ANIONS						Analyst: JMT
Chloride	ND	60		mg/Kg	20	12/16/2021 12:28:30 AM

Refer to the QC Summary report and sample login checklist for flagged QC data and preservation information.

Qualifiers:	* Value exceeds Maximum Contaminant Level.	B Analyte detected in the associated Method Blank
	D Sample Diluted Due to Matrix	E Value above quantitation range
	H Holding times for preparation or analysis exceeded	J Analyte detected below quantitation limits
	ND Not Detected at the Reporting Limit	P Sample pH Not In Range
	PQL Practical Quantitative Limit	RL Reporting Limit
	S % Recovery outside of range due to dilution or matrix interference	



Hall Environmental Analysis Laboratory
4901 Hawkins NE
Albuquerque, NM 87109
TEL: 505-345-3975 FAX: 505-345-4107
Website: clients.hallenvironmental.com

December 21, 2021

Julie Best
SIMCOE
1100 Main St.
Durango, CO 81301
TEL: (505) 330-9179
FAX:

RE: GCU 235 E

OrderNo.: 2112744

Dear Julie Best:

Hall Environmental Analysis Laboratory received 1 sample(s) on 12/10/2021 for the analyses presented in the following report.

These were analyzed according to EPA procedures or equivalent. To access our accredited tests please go to www.hallenvironmental.com or the state specific web sites. In order to properly interpret your results, it is imperative that you review this report in its entirety. See the sample checklist and/or the Chain of Custody for information regarding the sample receipt temperature and preservation. Data qualifiers or a narrative will be provided if the sample analysis or analytical quality control parameters require a flag. When necessary, data qualifiers are provided on both the sample analysis report and the QC summary report, both sections should be reviewed. All samples are reported, as received, unless otherwise indicated. Lab measurement of analytes considered field parameters that require analysis within 15 minutes of sampling such as pH and residual chlorine are qualified as being analyzed outside of the recommended holding time.

Please don't hesitate to contact HEAL for any additional information or clarifications.

ADHS Cert #AZ0682 -- NMED-DWB Cert #NM9425 -- NMED-Micro Cert #NM0901

Sincerely,

A handwritten signature in black ink, appearing to read "Andy Freeman", is written over a white background.

Andy Freeman
Laboratory Manager
4901 Hawkins NE
Albuquerque, NM 87109

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 2112744

21-Dec-21

Client: SIMCOE
Project: GCU 235 E

Sample ID: MB-64545	SampType: mblk	TestCode: EPA Method 300.0: Anions								
Client ID: PBS	Batch ID: 64545	RunNo: 84574								
Prep Date: 12/15/2021	Analysis Date: 12/15/2021	SeqNo: 2972997	Units: mg/Kg							
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	ND	1.5								

Sample ID: LCS-64545	SampType: lcs	TestCode: EPA Method 300.0: Anions								
Client ID: LCSS	Batch ID: 64545	RunNo: 84574								
Prep Date: 12/15/2021	Analysis Date: 12/15/2021	SeqNo: 2972998	Units: mg/Kg							
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Chloride	15	1.5	15.00	0	96.7	90	110			

Qualifiers:

- * Value exceeds Maximum Contaminant Level.
- D Sample Diluted Due to Matrix
- H Holding times for preparation or analysis exceeded
- ND Not Detected at the Reporting Limit
- PQL Practical Quantitative Limit
- S % Recovery outside of range due to dilution or matrix interference
- B Analyte detected in the associated Method Blank
- E Value above quantitation range
- J Analyte detected below quantitation limits
- P Sample pH Not In Range
- RL Reporting Limit

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 2112744

21-Dec-21

Client: SIMCOE
Project: GCU 235 E

Sample ID: LCS-64497	SampType: LCS	TestCode: EPA Method 8015M/D: Diesel Range Organics								
Client ID: LCSS	Batch ID: 64497	RunNo: 84537								
Prep Date: 12/14/2021	Analysis Date: 12/15/2021	SeqNo: 2970917	Units: mg/Kg							
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Diesel Range Organics (DRO)	50	10	50.00	0	99.0	68.9	135			
Surr: DNOP	4.6		5.000		92.8	70	130			

Sample ID: MB-64497	SampType: MBLK	TestCode: EPA Method 8015M/D: Diesel Range Organics								
Client ID: PBS	Batch ID: 64497	RunNo: 84537								
Prep Date: 12/14/2021	Analysis Date: 12/15/2021	SeqNo: 2970919	Units: mg/Kg							
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Diesel Range Organics (DRO)	ND	10								
Motor Oil Range Organics (MRO)	ND	50								
Surr: DNOP	9.9		10.00		98.6	70	130			

Qualifiers:

- | | |
|--|---|
| * Value exceeds Maximum Contaminant Level. | B Analyte detected in the associated Method Blank |
| D Sample Diluted Due to Matrix | E Value above quantitation range |
| H Holding times for preparation or analysis exceeded | J Analyte detected below quantitation limits |
| ND Not Detected at the Reporting Limit | P Sample pH Not In Range |
| PQL Practical Quantitative Limit | RL Reporting Limit |
| S % Recovery outside of range due to dilution or matrix interference | |

QC SUMMARY REPORT

Hall Environmental Analysis Laboratory, Inc.

WO#: 2112744

21-Dec-21

Client: SIMCOE
Project: GCU 235 E

Sample ID: mb-64467	SampType: MBLK	TestCode: EPA Method 8015D: Gasoline Range								
Client ID: PBS	Batch ID: 64467	RunNo: 84502								
Prep Date: 12/13/2021	Analysis Date: 12/14/2021	SeqNo: 2970567	Units: mg/Kg							
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)	ND	5.0								
Surr: BFB	900		1000		89.8	70	130			

Sample ID: lcs-64467	SampType: LCS	TestCode: EPA Method 8015D: Gasoline Range								
Client ID: LCSS	Batch ID: 64467	RunNo: 84502								
Prep Date: 12/13/2021	Analysis Date: 12/14/2021	SeqNo: 2970568	Units: mg/Kg							
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Gasoline Range Organics (GRO)	26	5.0	25.00	0	104	78.6	131			
Surr: BFB	1100		1000		106	70	130			

Qualifiers:

- | | |
|--|---|
| * Value exceeds Maximum Contaminant Level. | B Analyte detected in the associated Method Blank |
| D Sample Diluted Due to Matrix | E Value above quantitation range |
| H Holding times for preparation or analysis exceeded | J Analyte detected below quantitation limits |
| ND Not Detected at the Reporting Limit | P Sample pH Not In Range |
| PQL Practical Quantitative Limit | RL Reporting Limit |
| S % Recovery outside of range due to dilution or matrix interference | |

QC SUMMARY REPORT**Hall Environmental Analysis Laboratory, Inc.**

WO#: 2112744

21-Dec-21

Client: SIMCOE
Project: GCU 235 E

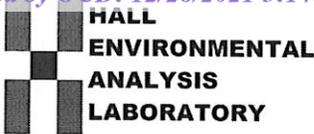
Sample ID: mb-64467	SampType: MBLK	TestCode: EPA Method 8021B: Volatiles								
Client ID: PBS	Batch ID: 64467	RunNo: 84502								
Prep Date: 12/13/2021	Analysis Date: 12/14/2021	SeqNo: 2970588	Units: mg/Kg							
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Benzene	ND	0.025								
Toluene	ND	0.050								
Ethylbenzene	ND	0.050								
Xylenes, Total	ND	0.10								
Surr: 4-Bromofluorobenzene	0.82		1.000		82.2	70	130			

Sample ID: ics-64467	SampType: LCS	TestCode: EPA Method 8021B: Volatiles								
Client ID: LCSS	Batch ID: 64467	RunNo: 84502								
Prep Date: 12/13/2021	Analysis Date: 12/14/2021	SeqNo: 2970589	Units: mg/Kg							
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Benzene	0.84	0.025	1.000	0	84.2	80	120			
Toluene	0.85	0.050	1.000	0	84.7	80	120			
Ethylbenzene	0.85	0.050	1.000	0	85.2	80	120			
Xylenes, Total	2.5	0.10	3.000	0	82.7	80	120			
Surr: 4-Bromofluorobenzene	0.82		1.000		81.6	70	130			

Qualifiers:

* Value exceeds Maximum Contaminant Level.	B Analyte detected in the associated Method Blank
D Sample Diluted Due to Matrix	E Value above quantitation range
H Holding times for preparation or analysis exceeded	J Analyte detected below quantitation limits
ND Not Detected at the Reporting Limit	P Sample pH Not In Range
PQL Practical Quantitative Limit	RL Reporting Limit
S % Recovery outside of range due to dilution or matrix interference	

Page 5 of 5



Hall Environmental Analysis Laboratory
4901 Hawkins NE
Albuquerque, NM 87109
TEL: 505-345-3975 FAX: 505-345-4107
Website: clients.hallenvironmental.com

Sample Log-In Check List

Client Name: SIMCOE Work Order Number: 2112744 RcptNo: 1

Received By: Tracy Casarrubias 12/10/2021 7:30:00 AM
Completed By: Tracy Casarrubias 12/10/2021 9:07:40 AM
Reviewed By: JR 12/10/21

Chain of Custody

- 1. Is Chain of Custody complete? Yes [checked] No [] Not Present []
2. How was the sample delivered? Courier

Log In

- 3. Was an attempt made to cool the samples? Yes [checked] No [] NA []
4. Were all samples received at a temperature of >0° C to 6.0°C Yes [checked] No [] NA []
5. Sample(s) in proper container(s)? Yes [checked] No []
6. Sufficient sample volume for indicated test(s)? Yes [checked] No []
7. Are samples (except VOA and ONG) properly preserved? Yes [checked] No []
8. Was preservative added to bottles? Yes [] No [checked] NA []
9. Received at least 1 vial with headspace <1/4" for AQ VOA? Yes [] No [] NA [checked]
10. Were any sample containers received broken? Yes [] No [checked]
11. Does paperwork match bottle labels? Yes [checked] No []
12. Are matrices correctly identified on Chain of Custody? Yes [checked] No []
13. Is it clear what analyses were requested? Yes [checked] No []
14. Were all holding times able to be met? Yes [checked] No []

of preserved bottles checked for pH:
(<2 or >12 unless noted)

Adjusted? _____

Checked by: TMC 12/10/21

Special Handling (if applicable)

- 15. Was client notified of all discrepancies with this order? Yes [] No [] NA [checked]

Person Notified: _____ Date: _____
By Whom: _____ Via: [] eMail [] Phone [] Fax [] In Person
Regarding: _____
Client Instructions: _____

16. Additional remarks:

17. Cooler Information

Table with 7 columns: Cooler No, Temp °C, Condition, Seal Intact, Seal No, Seal Date, Signed By. Row 1: 1, 2.3, Good, Not Present, , ,



**Gallegos Canyon Unit 235E
Photographic Log
Simcoe LLC**



Photo 1: Gallegos Canyon Unit 235E well sign, 12/9/21.



Photo 2: 95 bbls steel tank "A" during removal, 12/9/21.



**Gallegos Canyon Unit 235E
Photographic Log
Simcoe LLC**



Photo 3: Former location of 95 bbls steel tank "A" following removal, 12/9/21.



Photo 4: Former location of 95 bbls steel tank "A" following removal and re-grading, 12/9/21.

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

District IV
 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

CONDITIONS
 Action 69236

CONDITIONS

Operator: SIMCOE LLC 1199 Main Ave., Suite 101 Durango, CO 81301	OGRID: 329736
	Action Number: 69236
	Action Type: [C-144] Below Grade Tank Plan (C-144B)

CONDITIONS

Created By	Condition	Condition Date
cwhitehead	Based on the Closure Plan submitted as part of the C-144 registration on file, note that the closure standards submitted in this C-144 Closure Report are not in agreeance; however, since the sample results submitted are below the currently approved closure standards, the report is approved. In the future, either ensure that the closure report submitted meets the approved closure standards on file or the closure plan has been submitted to meet current regulatory standards if the closure report prepared intends to use the current regulatory standards.	1/3/2022