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.

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

BGT1

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 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: Simcoe, LLC OGRID #: 329736
Address: 1199 Main Ave., Suite 101, Durango, CO 81301
Facility or well name: Heath Gas Com B #001
API Number: 30-045-08561 OCD Permit Number: _____
U/L or Qtr/Qtr G Section 9 Township 29N Range 9W County: San Juan
Center of Proposed Design: Latitude 36.74249 Longitude -107.78085 NAD83
Surface Owner: ■ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2.
☐ **Pit:** 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 _____
☐ String-Reinforced
Liner Seams: ☐ Welded ☐ Factory ☐ Other _____ Volume: _____bbl Dimensions: L_____ x W_____ x D_____

3.
■ **Below-grade tank:** Subsection I of 19.15.17.11 NMAC Tank ID: B
Volume: 21 bbl Type of fluid: Produced Water
Tank Construction material: Steel
☐ 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 wall, double bottom
Liner type: Thickness _____mil ☐ HDPE ☐ PVC ☐ Other _____

4.
☐ **Alternative Method:**
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

5.
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 4' Hogwire with single barbed wire

6.
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)

7.
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

8.
Variances 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:

☐ Variance(s): Requests must be submitted to the appropriate division district for consideration of approval.

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

9.
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.**

General siting	
Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank. - ☐ NM Office of the State Engineer - iWATERS database search; ☐ USGS; ☐ Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit . NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
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. **(Does not apply to below grade tanks)** - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No
Within the area overlying a subsurface mine. **(Does not apply to below grade tanks)** - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☐ No
Within an unstable area. **(Does not apply to below grade tanks)** - 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. **(Does not apply to below grade tanks)** - FEMA map	☐ Yes ☐ No
Below Grade Tanks	
Within 100 feet of a continuously flowing watercourse, significant watercourse, lake bed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption;. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Temporary Pit using Low Chloride Drilling Fluid (maximum chloride content 15,000 mg/liter) Within 100 feet of a continuously flowing watercourse, or any other significant watercourse or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.) - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 300 feet from a occupied permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No
Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 300feet of any other fresh water well or spring, in existence at the time of the initial application. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☐ No

Within 100 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Temporary Pit Non-low chloride drilling fluid	
Within 300 feet of a continuously flowing watercourse, or any other significant watercourse, or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No
Within 500 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 1000 feet of any other fresh water well or spring, in the existence at the time of the initial application; - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 300 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Permanent Pit or Multi-Well Fluid Management Pit	
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 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No
Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, 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 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No

10.

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: _____

11.

Multi-Well Fluid Management Pit 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.

☐ 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
☐ A List of wells with approved application for permit to drill associated with the pit.
☐ 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
☐ Hydrogeologic Data - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC

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

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

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

13.
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 ☐ Multi-well Fluid Management Pit ☐ 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

14.
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 C 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 H of 19.15.17.13 NMAC
- ☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

15.
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 require justifications and/or demonstrations of equivalency. Please refer to 19.15.17.10 NMAC for guidance.

Ground water is less than 25 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Ground water is between 25-50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Within 100 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No
Within 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; 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 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

16.
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 E of 19.15.17.13 NMAC
- ☐ Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Subsection K 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 19.15.17.13 NMAC
- ☐ Waste Material Sampling Plan - based upon the appropriate requirements 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 H of 19.15.17.13 NMAC
- ☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

17.
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: _____

18.
OCD Approval: ☐ Permit Application (including closure plan) ■ Closure Plan (only) ☐ OCD Conditions (see attachment)

OCD Representative Signature: Victoria Venegas **Approval Date:** 10/05/2023

Title: Environmental Specialist **OCD Permit Number:** BGT1

19.
Closure Report (required within 60 days of closure completion): 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:** _____

20.
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.

21.
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 for private land only)
- ☐ 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 36.74249 Longitude -107.78085 NAD: ☐ 1927 ■ 1983

22.
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): Kyle Siesser Title: Consultant

Signature: Kyle D. Siesser Date: 11/14/2023

e-mail address: ksiesser@cottonwoodconsulting.com Telephone: (970) 764-7356

SIMCOE, LLC
SAN JUAN BASIN, NORTHWEST NEW MEXICO

Well Name: Heath Gas Com B #001
Well API# 30-045-08561
Section 9, T29N, R9W

BELOW-GRADE TANK CLOSURE PLAN

This plan will address the standard protocols and procedures for closure of below-grade tanks (BGTs) on this SIMCOE, LLC well sites. As stipulated in Paragraph A of 19.15.17.13 NMAC, SIMCOE, LLC 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, LLC 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, LLC NMOCD approved BGT design attached to the SIMCOE, LLC Design and Construction Plan. SIMCOE, LLC 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, LLC NMOCD approve BGT Design attached to the SIMCOE, LLC Design and Construction Plan, prior to any sale or change in operator pursuant to 19.15.9.9 NMAC. SIMCOE, LLC shall close the permitted BGT within 60 days of cessation of the BGTs 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, LLC shall notify the surface owner by certified mail that it plans to close a BGT. 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, LLC shall notify the division District III office verbally or by other means at least 72 hours, but not more than one (1) week, prior to any closure operation. The notice shall include the operator's name, and the location to be closed by unit letter, section, township, and range. If the 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. SIMCOE, LLC shall remove liquids and sludge from the BGT prior to implementing a closure method and dispose of the liquids and sludge in an NMOCD division-approved facility. The facilities to be utilized are:
   a. JFJ Land farm, 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 13 GCU SWD # 1, API 30-045-28601 (Liquids)
   e. Simcoe, LLC Operated GCU 259 SWD, API 30-045-20006 (Liquids)
   f. Simcoe, LLC Operated GCU 306 SWD, API 30-045-24286 (Liquids)
   g. Simcoe, LLC Operated GCU 307 SWD, API 30-045-24248 (Liquids)
   h. Simcoe, LLC Operated GCU 328 SWD, API 30-045-24735 (Liquids)
   i. 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, LLC shall remove the BGT and dispose of it in a NMOCD approved facility or recycle, reuse, or reclaim it in a manner that the NMOCD approves. If a liner is present and must be disposed of it will be cleaned by scraping any soils or other attached materials on the liner to a de minimus amount and disposed at a permitted solid waste facility, pursuant to Subparagraph (m) of Paragraph (1) of Subsection C of 19.15.35.8 NMAC. Documentation as to the final disposition of the removed BGT will be provided in the final closure report.

The BGT will be recycled.

5. Simcoe, LLC shall remove any on-site equipment associated with a BGT unless the equipment is required for well production.

The BGT was removed and area regraded.

6. Simcoe, LLC shall sample the soils beneath the BGT to determine whether a release has occurred. Simcoe, LLC shall collect at a minimum: a five (5) point composite sample and analyze for BTEX, TPH, and chlorides. The testing methods for those constituents are as follows.

Constituents	Testing Method	Closure Criteria (mg/kg)	5PC-TB@4'(21) Results (mg/kg)
Chloride	US EPA Method 300.0	250	ND
TPH	US EPA Method SW-846 418.1	100	ND
Total BTEX	US EPA Method SW-846 8021B or 8260B	50	ND
Benzene	US EPA Method SW-846 8021B or 8260B	0.2	ND

Notes: mg/kg- milligram per kilogram; GRO- gasoline range organics; DRO- diesel range organics; TPH- total petroleum hydrocarbons; BTEX- benzene, toluene, ethylbenzene, and total xylenes; ND- analyte not detected; BG - background. Other EPA methods that the division approves may be applied to all constituents listed. Chloride closure standards will be determined by whichever concentration level is greatest.

Soils beneath the BGT were sampled for TPH, BTEX, and chloride per the above requirements. TPH, BTEX, and chloride were non-detect based on laboratory analytical results. The temperature of the sample upon delivery to the laboratory was acceptable as described in the attached email because it was collected same day, delievered on-ice, and the laboratory did not assign a qualifier indicating any temperature issue.

7. Simcoe, LLC shall notify the division District III office of its results on form C-141.

Form C-141 is attached.

8. If it is found that a release has occurred then Simcoe, LLC will comply with 19.15.30 NMAC and 19.15.29 NMAC, as appropriate.

Sampling results and field observations reveal no evidence that 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, LLC shall backfill the excavation, with compacted, non-waste containing, earthen material; construct a division-prescribed soil cover, re-contour and re-vegetate the location. The location will be reclaimed if it is not with in the active process area.

No evidence of a release. The BGT was removed and area regraded.

10. Simcoe, LLC shall reclaim the BGT location, and all areas associated with the BGT including associated access roads to a safe and stable condition that blends with the surrounding undisturbed area. Simcoe, LLC 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. 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 BGT was removed and area regraded. No reclamation to be done at this time as former BGT location is located on well pad within area needed for production operations or subsequent drilling.

12. Simcoe, LLC shall seed the disturbed area the first growing season after closure of the BGT. Seeding will be conducted 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-affected by overgrazing, fire or other intrusion damaging to native vegetation), consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and 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.
The BGT was removed and area regraded. No reclamation to be done at this time as former BGT location is located on well pad within area needed for production operations or subsequent drilling.

13. Simcoe, LLC 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.
The BGT was removed and area regraded. No reclamation to be done at this time as former BGT location is located on well pad within area needed for production operations or subsequent drilling.

14. Pursuant to Paragraph (5) of Subsection I of 19.15.17.13 NMAC, Simcoe, LLC shall notify the NMOCD when it has seeded or planted and when it successfully achieves revegetation.
The BGT was removed and area regraded. No reclamation to be done at this time as former BGT location is located on well pad within area needed for production operations or subsequent drilling.

15. Within 60 days of closure completion, Simcoe, LLC shall submit a closure report on NMOCD's form C-144, and will include the following:

a. proof of closure notification (surface owner and NMOCD),
b. sampling analytical reports: information required by 19.15.17 NMAC,
c. disposal facility name and permit number,
d. details on back-filling, capping, covering; and, where applicable, re-vegetation application rates and seeding techniques; and,
e. site reclamation, photo documentation, disposal facility name, and permit number

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

16. Simcoe, LLC 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.

Email regarding temperature of sample upon delivery to the laboratory.

From: Venegas, Victoria, EMNRD
To: Kyle Siesser
Subject: RE: [EXTERNAL] RE: The Oil Conservation Division (OCD) has rejected the application, Application ID: 285629
Date: Tuesday, November 28, 2023 2:06:53 PM

Good afternoon Mr. Siesser,
Please resubmit the application and include this email as a clarification on the temperature issue or you can add a short letter to the application if that works better for you. For your next submittals, if these discrepancies occur again, please include a brief note in the report explaining it.
Thank you for your cooperation.
Regards,

Victoria Venegas ● Environmental Specialist
Environmental Bureau
EMNRD - Oil Conservation Division
506 W. Texas Ave. Artesia, NM 88210
(575) 909-0269 | Victoria.Venegas@emnrd.nm.gov
https://www.emnrd.nm.gov/ocd/

From: Kyle Siesser <ksiesser@cottonwoodconsulting.com>
Sent: Tuesday, November 28, 2023 1:37 PM
To: Venegas, Victoria, EMNRD <Victoria.Venegas@emnrd.nm.gov>
Subject: [EXTERNAL] RE: The Oil Conservation Division (OCD) has rejected the application, Application ID: 285629

Hi Victoria,

I received this email rejecting Simcoe's BGT closure request for the Heath GC B 001 (Application ID: 285629). I spoke with the laboratory and wanted to discuss this further with you and note that there were no issues identified by the laboratory with respect to the temperature.

Because the sample was delivered to the laboratory on the same day as collection (approximately 3 hours following collection), it is standard industry practice that the sample does not need to meet the recommended temperature of 0 to 6 degrees Celsius as long as it was delivered on ice. As noted on the COC, the sample was delivered on ice.

If it had been delivered to the laboratory the next day, it would have needed to meet that temperature recommendation. When the samples are delivered 24 hours or more past the collection time and they don't meet the recommended temperature, the laboratory adds a qualifier to the lab report to document the temperature issue. It would have been called out in the lab report. In the case of this sample, no qualifier was added. I spoke with the lab about this specific sample and they said the sample temperature was considered fine based on the time between collection and delivery. They also have an internal document that states there was insufficient time between collection and delivery to allow for cooling to less than 6 degrees.

Would the NMOCD be willing to re-consider this BGT closure request based on the sample being delivered on-ice, the fact that there was no qualifier or note on the lab report indicating any issue with temperature and sample integrity, and the communication with the laboratory that indicated there was no issue identified with temperature considering the sample was delivered on the same day (approximately 3 hours following collection)?

Please let me know if you have any additional questions about the sample and if the NMOCD would be willing to re-consider the rejection. Thanks Victoria.

Kyle

From: OCDOnline@state.nm.us <OCDOnline@state.nm.us>
Sent: Wednesday, November 22, 2023 11:48 AM
To: Kyle Siesser <ksiesser@cottonwoodconsulting.com>
Subject: The Oil Conservation Division (OCD) has rejected the application, Application ID: 285629

To whom it may concern (c/o Kyle Siesser for SIMCOE LLC),

The OCD has rejected the submitted *Pit, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application (Below Grade Tanks)* (C-144B), for API number (30-#) 30-045-08561,
for the following reasons:

- **For Volatile Organic Compounds (VOCs) analysis, the recommended container preservation temperature is 0 to 6 degrees Celsius. The chain of custody shows that the samples were received at 18.8 degrees Celsius. Please resample and submit the closure report and include chain of custody.**

The rejected C-144B can be found in the OCD Online: Permitting - Action Status, under the Application ID: 285629.
Please review and make the required correction(s) prior to resubmitting.
If you have any questions why this application was rejected or believe it was rejected in error, please contact me prior to submitting an additional C-144B.

Thank you,

Victoria Venegas
Environmental Specialist
575-748-1283
victoria.venegas@emnrd.nm.gov

New Mexico Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505

Emma Millar

From: Kyle Siesser
Sent: Friday, October 6, 2023 8:25 AM
To: OCD.Enviro@emnrd.nm.gov
Cc: Venegas, Victoria, EMNRD; Wells, Shelly, EMNRD; Kholeton Sanchez; Emma Millar
Subject: Simcoe, LLC Heath GC B 001 BGT Closure

SENT VIA E-MAIL

October 6, 2023

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

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

Well Name: Heath Gas Com B 001
API# - 30-045-08561
G-09-29N-09W
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 21 bbl BGT that will no longer be operational at the above well site. We anticipate this work to start on October 10, 2023, at 10:00 AM.

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

Sincerely,

N \ OH#VIHVVHU /#S 1J 1#
Cottonwood CONSULTING
PO Box 1653
Durango, CO 81302
(970) 764-7356
www.cottonwoodconsulting.com

Well Name: HEATH GAS COM B

Well Location: T29N / R9W / SEC 9 / SWNE / 36.741943 / -107.780289

County or Parish/State: SAN JUAN / NM

Well Number: 1

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMSF076337

Unit or CA Name: HEATH

Unit or CA Number: NMNM73220

US Well Number: 3004508561

Well Status: Producing Gas Well

Operator: SIMCOE LLC

Notice of Intent

Sundry ID: 2755232

Type of Submission: Notice of Intent

Type of Action: Pit Construction or Closure

Date Sundry Submitted: 10/06/2023

Time Sundry Submitted: 09:44

Date proposed operation will begin: 10/10/2023

Procedure Description: With regards to the captioned subject well and requirements of the NMOCD Pit Rule 19.15.17.13, this sundry is notification that SIMCOE LLC is planning to close a 21 bbl BGT that will no longer be operational at the above well site. We anticipate this work to start on or around October 10, 2023 at 10:00 AM. Should you have any questions, please feel free to contact SIMCOE LLC.

Surface Disturbance

Is any additional surface disturbance proposed?: No

Well Name: HEATH GAS COM B

Well Location: T29N / R9W / SEC 9 / SWNE / 36.741943 / -107.780289

County or Parish/State: SAN JUAN / NM

Well Number: 1

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMSF076337

Unit or CA Name: HEATH

Unit or CA Number: NMNM73220

US Well Number: 3004508561

Well Status: Producing Gas Well

Operator: SIMCOE LLC

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: CHRISTY KOST

Signed on: OCT 06, 2023 09:44 AM

Name: SIMCOE LLC

Title: Permitting Agent

Street Address: 1199 MAIN AVE STE 101

City: DURANGO **State:** CO

Phone: (719) 251-7733

Email address: CHRISTY.KOST@IKAVENERGY.COM

Field

Representative Name:

Street Address:

City: **State:** **Zip:**

Phone:

Email address:

Form 3160-5
(June 2019)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE *- Other instructions on page 2*

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well
☐ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.

2. Name of Operator

9. API Well No.

3a. Address

3b. Phone No. *(include area code)*

10. Field and Pool or Exploratory Area

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*

11. Country or Parish, State

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be perfonned or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)*

Title

Signature

Date

THE SPACE FOR FEDERAL OR STATE OFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.
AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.
PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c)and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.
ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.
EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:
The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.
Response to this request is mandatory.
The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect ofthis form to U.S. Department ofthe Interior, Bureau ofLand Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

Location of Well

0. SHL: SWNE / 1650 FNL / 1650 FEL / TWSP: 29N / RANGE: 9W / SECTION: 9 / LAT: 36.741943 / LONG: -107.780289 (TVD: 0 feet, MD: 0 feet)

BHL: SWNE / 1650 FNL / 1650 FEL / TWSP: 29N / SECTION: / LAT: 36.741943 / LONG: 107.780289 (TVD: 0 feet, MD: 0 feet)

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

Incident ID	
District RP	
Facility ID	
Application ID	

Release Notification

Responsible Party

Responsible Party SIMCOE, LLC	OGRID 329736
Contact Name Sabre Beebe	Contact Telephone (970) 852-5172
Contact email sabre.beebe@ikavenergy.com	Incident # *(assigned by OCD)*
Contact mailing address 1199 Main Ave., Suite 101 Durango, CO 81301	

Location of Release Source

Latitude 36.74249 Longitude -107.78085

(NAD 83 in decimal degrees to 5 decimal places)

Site Name Heath Gas Com B #001	Site Type Natural Gas Well
Date Release Discovered NA	API# *(if applicable)* 30-045-08561

Unit Letter	Section	Township	Range	County
G	9	29N	9W	San Juan

Surface Owner: ☐ State ■ Federal ☐ Tribal ☐ Private (*Name:* _____)

Nature and Volume of Release

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

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

Cause of Release: Soils beneath the BGT were sampled for TPH, BTEX, and chloride. TPH, BTEX, and chloride were non-detect in all samples based on laboratory analytical results. There is no evidence that a release has 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? ☐ Yes ■ 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)?

Not required.

Initial Response

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

- ☐ The source of the release has been stopped.
- ☐ The impacted area has been secured to protect human health and the environment.
- ☐ Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.
- ☐ 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: Kyle Siesser Title: Consultant

Signature: Kyle D. Siesser Date: 11/10/2023

email: ksiesser@cottonwoodconsulting.com Telephone: (970) 764-7356

OCD Only

Received by: _____ Date: _____

Cottonwood CONSULTING

Date: 10-10-23
Environmental Specialist(s): JL

Client: SIMCOE
Contractor: HALO
Page: 1 of 1

BGT Closure Field Form

Site Information

Well Name: Heath GC B 001 Well API#: 30-045-08561 Lease: (Federal) / State / Fee / Indian

Well Location: Unit: G Sec: 9 T: 29N R: 9W Cty: San Juan St: New Mexico

BGT Information

Prev. Tank ID: Unk. 21 bbls (single) / double -wall single / (double -bottom) sidewalls visible (Y) (N) berm (Y) (N) fenced (Y) (N) liner (Y) (N)

Notes: Fence removed prior to arriving onsite.

Site Observations Following BGT Removal: evidence of a release (Y) (N) BGT replaced / (backfilled and graded) / other:

New Tank ID: _____ _____bbls single / double -wall single / double -bottom sidewalls visible (Y) (N) berm (Y) (N) fenced (Y) (N) liner (Y) (N)

Notes:

NMOCD Closure Standards: TPH _____mg/kg Chloride _____mg/kg

Soil Sampling

Sample ID: 5PC-TB@4'(21) Time: 1000 Sample Type: Grab / (Composite -) 5 pts PID: 1.9 ppm Lab: GAL

Notes: Soil tan-Grey/ Sand w Sandstone, no stain, no odor, moist.

Soil Sampling

Sample ID: _____ Time: _____ Sample Type: Grab / Composite - _____ pts PID: _____ppm Lab: _____

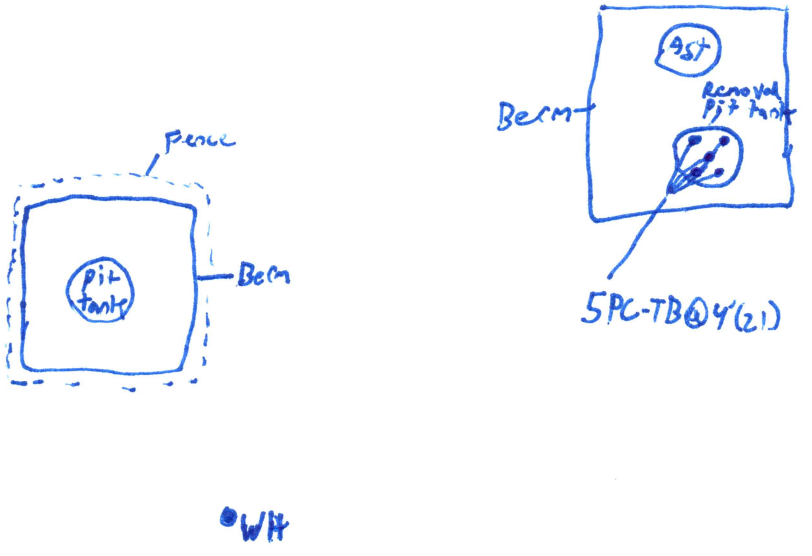
Notes:

Soil Sampling

Sample ID: _____ Time: _____ Sample Type: Grab / Composite - _____ pts PID: _____ppm Lab: _____

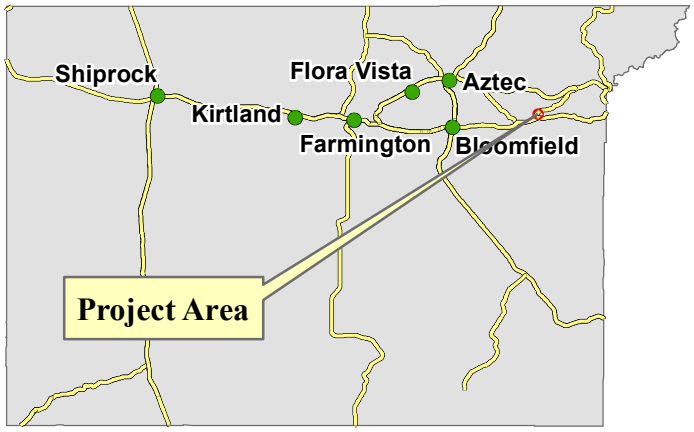
Notes:

Site Sketch



Notes

PID Calibration Date:



San Juan County, New Mexico

5PC-TB@4'(21)

HEATH GAS COM B #001

Feet
0
25
50

N

Notes: Sample collected 10/10/2023. 5PC-TB@4'(21) is a five-point composite sample.

Legend

- Soil Sample
- BGT Location
- Oil & Gas Wells

Cottonwood CONSULTING

Mapping by: K. O'Brien, 10/23/2023
Coordinate System:
NAD 1983 UTM Zone 13 N

Location: Sec 9 T29N R9W NMPM

Heath Gas Com B #001
Project Map
Simcoe LLC

75 Suttle Street
Durango, CO 81303
970.247.4220 Phone
970.247.4227 Fax
www.greenanalytical.com

19 October 2023

Jacob Harter
Cottonwood Consulting
PO Box 1653
Durango, CO 81302

RE: Heath GC B 001

Enclosed are the results of analyses for samples received by the laboratory on 10/10/23 13:10. The data to follow was performed, in whole or in part, by Green Analytical Laboratories. Any data that was performed by a subcontract laboratory is included within the GAL report, or with an additional report attached.

If you need any further assistance, please feel free to contact me.

Sincerely,

Veronica J Wells

Veronica Wells
Project Manager

All accredited analytes contained in this report are denoted by an asterisk (*). For a complete list of accredited analytes please do not hesitate to contact us via any of the contact information contained in this report. All of our certifications can be viewed at http://greenanalytical.com/certifications/

Green Analytical Laboratories is NELAP accredited through the Texas Commission on Environmental Quality. Accreditation applies to drinking water and non-potable water matrices for trace metals and a variety of inorganic parameters. Green Analytical Laboratories is also accredited through the Colorado Department of Public Health and Environment and EPA region 8 for trace metals, Cyanide, Fluoride, Nitrate, and Nitrite in drinking water. TNI Certificate Number: T104704514-23-18

Our affiliate laboratory, Cardinal Laboratories, is also NELAP accredited through the Texas Commission on Environmental Quality for a variety of organic constituents in drinking water, non-potable water and solid matrices. Cardinal is also accredited for regulated VOCs, TTHM, and HAA-5 in drinking water through the Colorado Department of Public Health and Environment and EPA region 8. TNI Certificate Number: T104704398-23-16

jeremy.allen@greenanalytical.com p: 970.247.4220 f: 970.247.4227 75 Suttle Street Durango, CO 81303

www.GreenAnalytical.com

Cottonwood Consulting	Project: BTEX/TPH, Cl	
PO Box 1653	Project Name / Number: Heath GC B 001	**Reported:**
Durango CO, 81302	Project Manager: Jacob Harter	10/19/23 10:23

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received	Notes
5PC - TB @ 4' (21)	2310109-01	Solid	10/10/23 10:00	10/10/23 13:10	

Green Analytical Laboratories

Veronica J Wells

Veronica Wells, Project Manager

GREEN Analytical Laboratories

jeremy.allen@greenanalytical.com p: 970.247.4220 f: 970.247.4227 75 Suttle Street Durango, CO 81303

www.GreenAnalytical.com

Cottonwood Consulting	Project: BTEX/TPH, Cl	
PO Box 1653	Project Name / Number: Heath GC B 001	**Reported:**
Durango CO, 81302	Project Manager: Jacob Harter	10/19/23 10:23

5PC - TB @ 4' (21)

2310109-01 (Soil)

Sampled Date: 10/10/23 10:00

Analyte	Result	RL	MDL	Units	Dilution	Analyzed	Method	Notes	Analyst
General Chemistry									
% Dry Solids	**88.7**			%	1	10/17/23 09:38	EPA160.3/1684		CAI
Soluble (DI Water Extraction)									
Chloride	<11.3	11.3	0.626	mg/kg dry	10	10/13/23 17:02	EPA300.0		AWG

Subcontracted -- **Cardinal Laboratories 101 East Marland Hobbs, NM 88240**

Volatile Organic Compounds by EPA Method 8021									
Benzene*	<0.050	0.050	0.005	mg/kg	50	10/12/23 02:33	8021B		MS
Ethylbenzene*	<0.050	0.050	0.011	mg/kg	50	10/12/23 02:33	8021B		MS
Toluene*	<0.050	0.050	0.004	mg/kg	50	10/12/23 02:33	8021B		MS
Total BTEX	<0.300	0.300	0.030	mg/kg	50	10/12/23 02:33	8021B		MS
Total Xylenes*	<0.150	0.150	0.025	mg/kg	50	10/12/23 02:33	8021B		MS
Surrogate: 4-Bromofluorobenzene (PID)			*122 %*	*71.5-134*		*10/12/23 02:33*	*8021B*		MS
Petroleum Hydrocarbons by GC FID									
DRO >C10-C28*	<10.0	10.0	4.26	mg/kg	1	10/11/23 17:06	8015B		MS
EXT DRO >C28-C36	<10.0	10.0	4.26	mg/kg	1	10/11/23 17:06	8015B		MS
GRO C6-C10*	<10.0	10.0	6.25	mg/kg	1	10/11/23 17:06	8015B		MS
Surrogate: 1-Chlorooctadecane			*68.7 %*	*49.1-148*		*10/11/23 17:06*	*8015B*		MS
Surrogate: 1-Chlorooctane			*65.1 %*	*48.2-134*		*10/11/23 17:06*	*8015B*		MS

Green Analytical Laboratories

Veronica J Wells

Veronica Wells, Project Manager

GREEN ANALYTICAL LABORATORIES

jeremy.allen@greenanalytical.com p: 970.247.4220 f: 970.247.4227 75 Suttle Street Durango, CO 81303

www.GreenAnalytical.com

Cottonwood Consulting	Project: BTEX/TPH, Cl	
PO Box 1653	Project Name / Number: Heath GC B 001	**Reported:**
Durango CO, 81302	Project Manager: Jacob Harter	10/19/23 10:23

Soluble (DI Water Extraction) - Quality Control

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch B233054 - IC- Ion Chromatograph										
Blank (B233054-BLK1)				Prepared: 10/11/23 Analyzed: 10/13/23						
Chloride	ND	10.0	mg/kg wet							
LCS (B233054-BS1)				Prepared: 10/11/23 Analyzed: 10/13/23						
Chloride	252	10.0	mg/kg wet	250		101	85-115			
LCS Dup (B233054-BSD1)				Prepared: 10/11/23 Analyzed: 10/13/23						
Chloride	253	10.0	mg/kg wet	250		101	85-115	0.0792	20	

Volatile Organic Compounds by EPA Method 8021 - Quality Control

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 3101126 - Volatiles										
Blank (3101126-BLK1)				Prepared: 10/11/23 Analyzed: 10/12/23						
Surrogate: 4-Bromofluorobenzene (PID)	*0.0584*		mg/kg	*0.0500*		*117*	*71.5-134*			
Benzene	ND	0.050	mg/kg							
Ethylbenzene	ND	0.050	mg/kg							
Toluene	ND	0.050	mg/kg							
Total BTEX	ND	0.300	mg/kg							
Total Xylenes	ND	0.150	mg/kg							
LCS (3101126-BS1)				Prepared: 10/11/23 Analyzed: 10/12/23						
Surrogate: 4-Bromofluorobenzene (PID)	*0.0482*		mg/kg	*0.0500*		*96.3*	*71.5-134*			
Benzene	2.13	0.050	mg/kg	2.00		107	82.8-130			
Ethylbenzene	2.05	0.050	mg/kg	2.00		102	85.9-128			
m,p-Xylene	4.03	0.100	mg/kg	4.00		101	89-129			
o-Xylene	1.90	0.050	mg/kg	2.00		95.2	86.1-125			
Toluene	2.05	0.050	mg/kg	2.00		102	86-128			
Total Xylenes	5.94	0.150	mg/kg	6.00		99.0	88.2-128			
LCS Dup (3101126-BSD1)				Prepared: 10/11/23 Analyzed: 10/12/23						
Surrogate: 4-Bromofluorobenzene (PID)	*0.0495*		mg/kg	*0.0500*		*99.1*	*71.5-134*			
Benzene	2.14	0.050	mg/kg	2.00		107	82.8-130	0.302	15.8	
Ethylbenzene	2.06	0.050	mg/kg	2.00		103	85.9-128	0.351	16	
m,p-Xylene	4.01	0.100	mg/kg	4.00		100	89-129	0.709	16.2	

Green Analytical Laboratories

Veronica J Wells

Veronica Wells, Project Manager

GREEN Analytical Laboratories
jeremy.allen@greenanalytical.com p: 970.247.4220 f: 970.247.4227 75 Suttle Street Durango, CO 81303
www.GreenAnalytical.com

Cottonwood Consulting	Project: BTEX/TPH, Cl	
PO Box 1653	Project Name / Number: Heath GC B 001	**Reported:**
Durango CO, 81302	Project Manager: Jacob Harter	10/19/23 10:23

Volatile Organic Compounds by EPA Method 8021 - Quality Control (Continued)

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 3101126 - Volatiles (Continued)										
LCS Dup (3101126-BSD1) (Continued)			Prepared: 10/11/23 Analyzed: 10/12/23							
o-Xylene	1.95	0.050	mg/kg	2.00		97.3	86.1-125	2.16	16.7	
Toluene	2.02	0.050	mg/kg	2.00		101	86-128	1.13	15.9	
Total Xylenes	5.95	0.150	mg/kg	6.00		99.2	88.2-128	0.220	16.3	

Petroleum Hydrocarbons by GC FID - Quality Control

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch 3101124 - General Prep - Organics										
Blank (3101124-BLK1)			Prepared & Analyzed: 10/11/23							
Surrogate: 1-Chlorooctadecane	*49.5*		mg/kg	*50.0*		*98.9*	*49.1-148*			
Surrogate: 1-Chlorooctane	*47.1*		mg/kg	*50.0*		*94.2*	*48.2-134*			
DRO >C10-C28	ND	10.0	mg/kg							
EXT DRO >C28-C36	ND	10.0	mg/kg							
GRO C6-C10	ND	10.0	mg/kg							
LCS (3101124-BS1)			Prepared & Analyzed: 10/11/23							
Surrogate: 1-Chlorooctadecane	*54.4*		mg/kg	*50.0*		*109*	*49.1-148*			
Surrogate: 1-Chlorooctane	*47.9*		mg/kg	*50.0*		*95.8*	*48.2-134*			
DRO >C10-C28	184	10.0	mg/kg	200		92.2	66.5-118			
GRO C6-C10	166	10.0	mg/kg	200		83.1	66.4-123			
Total TPH C6-C28	351	10.0	mg/kg	400		87.7	77.6-123			
LCS Dup (3101124-BSD1)			Prepared & Analyzed: 10/11/23							
Surrogate: 1-Chlorooctadecane	*54.6*		mg/kg	*50.0*		*109*	*49.1-148*			
Surrogate: 1-Chlorooctane	*48.4*		mg/kg	*50.0*		*96.8*	*48.2-134*			
DRO >C10-C28	187	10.0	mg/kg	200		93.3	66.5-118	1.17	21	
GRO C6-C10	173	10.0	mg/kg	200		86.7	66.4-123	4.19	17.7	
Total TPH C6-C28	360	10.0	mg/kg	400		90.0	77.6-123	2.62	18.5	

Green Analytical Laboratories

Veronica J Wells

Veronica Wells, Project Manager

jeremy.allen@greenanalytical.com p: 970.247.4220 f: 970.247.4227 75 Suttle Street Durango, CO 81303
www.GreenAnalytical.com

Cottonwood Consulting	Project: BTEX/TPH, Cl	
PO Box 1653	Project Name / Number: Heath GC B 001	**Reported:**
Durango CO, 81302	Project Manager: Jacob Harter	10/19/23 10:23

Notes and Definitions

DET	Analyte DETECTED
ND	Analyte NOT DETECTED at or above the reporting limit
NR	Not Reported
dry	Sample results reported on a dry weight basis
	*Results reported on as received basis unless designated as dry.
RPD	Relative Percent Difference
LCS	Laboratory Control Sample (Blank Spike)
RL	Report Limit
MDL	Method Detection Limit

Green Analytical Laboratories

Veronica J Wells

Veronica Wells, Project Manager

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Analytical Laboratories
(970) 247-4220
Fax: (970) 247-4227
service@greenanalytical.com or dzufelt@greenanalytical.com
75 Suttle St Durango, CO 81303

Company Name: Cottonwood Consulting
Project Manager: Jacob Harter
Address: PO Box 1653
City: Durango **State:** CO **Zip:** 81302
Phone #: (970) 946-3761 **Email:** jharter@cottonwoodconsulting.com
Additional Report To:
Project Name: Heath GC B 001
Project Number:
Sampler Name (Print): ~~Jacob Harter~~ Joseph LaFortune

Bill to (if different):
P.O. #:
Company:
Attn:
Address:
City:
State: Zip:
Phone #:
Fax or Email:

FOR LAB USE ONLY Lab I.D.	Sample Name or Location	Collected Date	Collected Time	Matrix: GROUNDWATER	SURFACEWATER	WASTEWATER	PRODUCEDWATER	SOIL	OTHER :	# of containers: No preservation (general)	HNO_3	HCl	H_2SO_4	Other:	Other:	Other:	ANALYSIS REQUEST: TPH	BTEX	Chloride
2310-109 C1	SPC-TBQ4'(21)	10-10-23	1000					X		3							X	X	X

PLEASE NOTE: GAL's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by GAL within 30 days after completion. In no event shall GAL be liable for incidental or consequental damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by GAL, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Relinquished By:	Date: 10-10-23 Time: 1310	Received By:
Relinquished By:	Date: Time:	Received By:
Relinquished By:	Date: Time:	Received By:

ADDITIONAL REMARKS:

Report to State? (Circle) Yes (No)

Delivered By: (Circle One) (Sampler) UPS - FedEx - Kangaroo - Other: Laser #2 on ice

Temperature at reciept: 14.8°C

CHECKED BY: MRN

† GAL cannot always accept verbal changes. Please fax or email written change requests.
* Chain of Custody must be signed in "Reliquished By:" as an acceptance of services and all applicable charges.

GAL Analytical Laboratories

SAMPLE CONDITION RECEIPT FORM

Client Name: Cottonwood Consulting **Work Order #** 2310-109

Courier: ☐Fed Ex ☐UPS ☐USPS ☒Client ☐Kangaroo

Custody Seals on Box/Cooler Present: ☐ Yes ☒ No Seals Intact: ☐ Yes ☒ No

Thermometer Used: 2 Samples on ice, cooling process has begun: ☒ Yes ☐ No

Type of Ice: ☒ Wet ☐ Blue ☐ None

Cooler Temp: Observed Temp: 2.2 °C Correction Factor: 0 °C Final Temp: 2.8 °C

** Temp should be above freezing to 6°C*

Date/Initials of person examining contents: 10/10/23 EZ

Labeled by Initials: (If different than above)

Chain of Custody Present:	☑Yes ☐No	1.
Chain of Custody Filled Out:	☑Yes ☐No	2.
Chain of Custody Relinquished:	☑Yes ☐No	3.
Sampler Name and Signature on COC:	☑Yes ☐No	4.
Samples arrived within hold time:	☑Yes ☐No	5.
Short Hold Time Analysis (<72hr):	☐Yes ☑No	6.
Rush Turn Around Time Requested:	☐Yes ☑No	7.
Sufficient Volume:	☑Yes ☐No	8.
Correct Containers Used:	☑Yes ☐No	9. ALIQUOT TAKEN
Containers Intact:	☑Yes ☐No	10.
Dissolved Testing Needed:	☐Yes ☑No	11.
Field Filtered: ☐Yes ☐No		
Sample Labels match COC: -Includes Date/Time/ID	☑Yes ☐No	12.
Matrix:	WT SL OT	
Trip Blank Present:	☐Yes ☐No ☑N/A	13.
Trip Blank Custody Seals Present:	☐Yes ☐No ☑N/A	

Client Notification/Resolution:

Person Contacted: _____ Date/Time: _____

Comments/Resolution: _____

FORM-039, Rev 1

Page 1 of 1

Cottonwood CONSULTING

Heath GC B #001
Photographic Log
Simcoe, LLC

Photo 1: Heath GC B #001 well sign, 10/10/2023.

Photo 2: BGT prior to removal, 10/10/2023.

Cottonwood CONSULTING

Heath GC B #001
Photographic Log
Simcoe, LLC

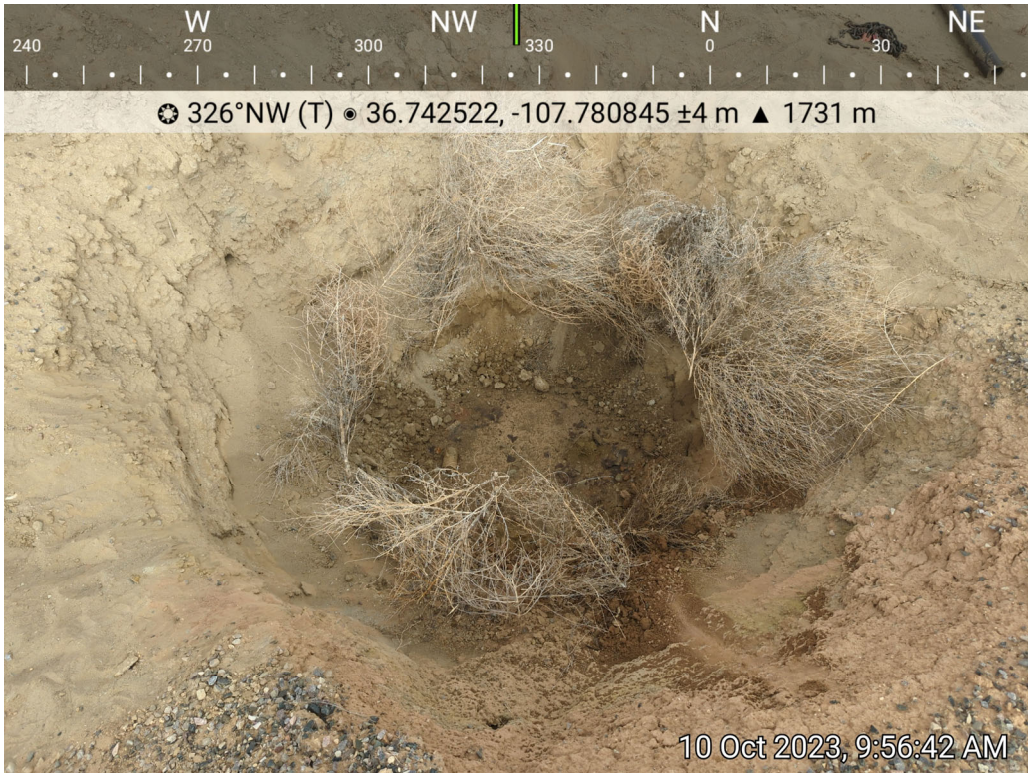


Photo 3: Location of BGT following removal, 10/10/2023.

Photo 4: Bottom of BGT following removal, 10/10/2023.

Cottonwood CONSULTING

Heath GC B #001
Photographic Log
Simcoe, LLC

Photo 5: Removed BGT following backfilling and grading, 10/10/2022.

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 291144

CONDITIONS

Operator: SIMCOE LLC 1199 Main Ave., Suite 101 Durango, CO 81301	OGRID: 329736
	Action Number: 291144
	Action Type: [C-144] Below Grade Tank Plan (C-144B)

CONDITIONS

Created By	Condition	Condition Date
vvenegas	None	12/5/2023