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

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

Form C-144 Revised April 3, 2017

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

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

Proposed Alternative Method Permit or Closure Plan Application

| Proposed Alternative Method Permit or Closure Plan Application | | | | |
|--|--|--|--|--|
| Type of action: Below grade tank registration Permit of a pit or proposed alternative method Closure of a pit, below-grade tank, or proposed alternative method Modification to an existing permit/or registration Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank, or proposed alternative method | | | | |
| Instructions: Please submit one application (Form C-144) per individual pit, below-grade tank or alternative request | | | | |
| Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances. | | | | |
| Operator: Hilcorp Energy Company OGRID #: 372171 | | | | |
| Address: 382 Road 3100 Aztec, NM 87410 | | | | |
| Facility or well name: SUNRAY E 2B | | | | |
| API Number: 3004530013 OCD Permit Number: | | | | |
| U/L or Qtr/Qtr E Section 9 Township 30N Range 10W County: San Juan | | | | |
| Center of Proposed Design: Latitude 36.82933 Longitude -107.89441 NAD27 | | | | |
| Surface Owner: X Federal X State Private Tribal Trust or Indian Allotment | | | | |
| Temporary: Drilling Workover Permanent Emergency Cavitation P&A Multi-Well Fluid Management Low Chloride Drilling Fluid yes no Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other String-Reinforced Liner Seams: Welded Factory Other Volume: bbl Dimensions: Lx Wx D | | | | |
| 3. Below-grade tank: Subsection I of 19.15.17.11 NMAC | | | | |
| Volume:120bbl Type of fluid:Produced Water | | | | |
| Tank Construction material: Metal Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off | | | | |
| ☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other | | | | |
| Liner type: Thickness mil HDPE PVC Other Unspecified | | | | |
| 4. | | | | |
| ☐ <u>Alternative Method</u> : | | | | |
| 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 | | | | |

| 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. <u>Siting Criteria (regarding permitting)</u> : 19.15.17.10 NMAC <i>Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptaterial are provided below.</i> Siting criteria does not apply to drying pads or above-grade tanks. | otable source |
| 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 |
| - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image Within 200 horizontal fact of a graing on a private democratic facely vector well used by less than five households for democratic an atomic | |
| 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 | | | | | |
| 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. | ☐ Yes ☐ No | | | | |
| - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site | 163 110 | | | | |
| Within 500 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | ☐ Yes ☐ No | | | | |
| 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 Previously Approved Design (attach copy of design) API Number: or Permit Number: | | | | | |
| II. | | | | | |
| 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 de 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 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 | | | | | |

| 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 attached. | documents are | | | |
|--|---------------------|--|--|--|
| 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 ₂ S, Prevention Plan | | | | |
| ☐ Emergency Response Plan ☐ Oil Field Waste Stream Characterization ☐ Monitoring and Inspection Plan | | | | |
| Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC | | | | |
| Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan. | | | | |
| Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Multi-well F | luid Management Pit | | | |
| 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 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 | | | | |
| Site Reciamation Fian - based upon the appropriate requirements of Subsection H of 19.13.17.13 NWIAC | | | | |
| 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 sour provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. F 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 N | | | | |
| 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 N | | | | |
| 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 | | | | |
| 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 | | | | |
| 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 | | | | |
| 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 | | | | |
| Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance Yes □ No | | | | |

| · · | | | | | |
|--|--|--------------------------------|-------------------|--|--|
| adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality | y; Written approval obtained from the mu | nicipality | ☐ Yes ☐ No | | |
| Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division | | | | | |
| Within an unstable area. | | | | | |
| - Engineering measures incorporated into the design; NM B Society; Topographic map | Bureau of Geology & Mineral Resources; | USGS; NM Geological | ☐ Yes ☐ No | | |
| Within a 100-year floodplain. | | | 163 110 | | |
| - FEMA map | | | Yes No | | |
| On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection 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 19.15.17.13 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 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 requiremen ☐ Re-vegetation Plan - based upon the appropriate requiremen ☐ Site Reclamation Plan - based upon the appropriate requirement | nts of Subsection H of 19.15.17.13 NMA | C | | | |
| | | | | | |
| 17. Operator Application Certification: | | | | | |
| I hereby certify that the information submitted with this application | on is true, accurate and complete to the b | est of my knowledge and beli | ef. | | |
| Name (Print): | Title | | | | |
| Name (Finit). | Title | | | | |
| Signature: | Date: | | | | |
| e-mail address: | Telephone: | | | | |
| 18. OCD Approval: ☐ Permit Application (including closure plan) | Closure Plan (only) OCD Co | nditions (see attachment) | | | |
| | | | 2024 | | |
| Title: Environmental Specialist Advanced | OCD Permit Number: | BGT1 | | | |
| | | | | | |
| Closure Report (required within 60 days of closure completion Instructions: Operators are required to obtain an approved closure report is required to be submitted to the division with section of the form until an approved closure plan has been obtain | ure plan prior to implementing any clos hin 60 days of the completion of the clos | sure activities. Please do not | | | |
| | | ion Date: <u>5/2/2024</u> | | | |
| 20. Closure Method: | | | | | |
| ☐ Waste Excavation and Removal ☐ On-Site Closure Metho ☐ If different from approved plan, please explain. | d Alternative Closure Method | Waste Removal (Closed-lo | oop systems only) | | |
| | | | | | |
| If different from approved plan, please explain. 21. Closure Report Attachment Checklist: Instructions: Each of a mark in the box, that the documents are attached. | | | | | |
| ☐ If different from approved plan, please explain. 21. Closure Report Attachment Checklist: Instructions: Each of a mark in the box, that the documents are attached. ☐ Proof of Closure Notice (surface owner and division) | the following items must be attached to | | | | |
| ☐ If different from approved plan, please explain. 21. Closure Report Attachment Checklist: Instructions: Each of a 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 of the plan (for on-site closures and temporary pits) | the following items must be attached to | | | | |
| ☐ If different from approved plan, please explain. 21. Closure Report Attachment Checklist: Instructions: Each of a 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 of the proof of Deed Notice) ☐ Plot Plan (for on-site closures and temporary pits) ☐ Confirmation Sampling Analytical Results (if applicable) | the following items must be attached to a | | | | |
| ☐ If different from approved plan, please explain. 21. Closure Report Attachment Checklist: Instructions: Each of a 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 of the plan (for on-site closures and temporary pits) | the following items must be attached to a | | | | |
| ☐ If different from approved plan, please explain. 21. Closure Report Attachment Checklist: Instructions: Each of a 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 of the plan (for on-site closures and temporary pits) ☐ Confirmation Sampling Analytical Results (if applicable) ☐ Waste Material Sampling Analytical Results (required for of the plan (for on-site closures and temporary pits) ☐ Disposal Facility Name and Permit Number ☐ Disposal Facility Name and Permit Number | the following items must be attached to a | | | | |
| ☐ If different from approved plan, please explain. 21. Closure Report Attachment Checklist: Instructions: Each of a 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 of the plan (for on-site closures and temporary pits) ☐ Confirmation Sampling Analytical Results (if applicable) ☐ Waste Material Sampling Analytical Results (required for onderson) ☐ Disposal Facility Name and Permit Number | the following items must be attached to a | | | | |

| 22. | | | |
|-----------------|--|--------|---------------------------------------|
| Operator Closi | ure Certification: | | |
| | that the information and attachments submitted with this closure rtify that the closure complies with all applicable closure require | | |
| Name (Print): _ | Tammy Jones | Title: | Operations/Regulatory Technician – Sr |
| Signature: | Tammy Jones | | Date:5/21/2024 |
| e-mail address: | tajones@hilcorp.com Teleph | one: | (505) 324-5185 |

Hilcorp Energy Company San Juan Basin Below Grade Tank Closure Report

Lease Name: SUNRAY E 2B API No.: 30-045-30013

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure of the below-grade tank referenced above. All proper documentation regarding closure activities is being included with the C-144.

General Plan:

1. HILCORP shall close a below-grade tank within 60 days of cessation of operations per Subsection G.4 of 19.15.17.13 NMAC. This will include a) below-grade tanks that do 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, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC; b) an earlier date that the division requires because of imminent danger to fresh water, public health or the environment. For any closure, HILCORP will file the C144 Closure Report as required.

The below-grade tank referenced above was permitted and closed within 60 days of cessation of the below-grade tanks operation.

2. HILCORP shall remove liquids and sludge from a below-grade tank prior to implementing a closure method and shall dispose of the liquids and sludge in a division-approved facility. The facilities to be used will be Basin Disposal (Permit #NM-01-005), JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B) and Envirotech Land Farm (Permit #NM-01-011). The liner after being cleaned well (Subsection D, Paragraph 1, Subparagraph (m) of 19.15.9.712 NMAC) will be disposed of at the San Juan County Regional Landfill located on CR 3100.

All recovered liquids were disposed of at Basin Disposal (Permit #NM-01-005) and any sludge or soil required to be removed to facilitate closure was hauled to Envirotech Land Farm (Permit #NM-01-011) and JFJ Landfarm % IEI (Permit #NM-01-0010B). The liner was cleaned per Subsection D, Paragraph 1, Subparagraph (m) of 19.15.9.712 NMAC was disposed of at the San Juan County Regional Landfill located on CR 3100.

3. HILCORP will receive prior approval to remove the below-grade tank and dispose of it in a division-approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves.

The below-grade tank was disposed of in a division-approved manner.

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

All on-site equipment associated with the below-grade tank was removed.

5. HILCORP will test the soils beneath the below-grade tank to determine whether a release has occurred. HILCORP shall collect, at a minimum, a five point, composite sample; collect individual grab samples from any area that is wet, discolored or showing other evidence of a release; and analyzed for the constituents listed in Table I of 19.15.17.13 NMAC. Hilcorp shall notify the division of its results on form C-141.

A five point composite sample was taken of the below-grade tank using sampling tools and all samples tested per Subsection B of 19.15.17.1 3(B)(1)(b). (Sample results attached). Form C-141 is attached.

| Components | Tests Method | Limit (mg/kg) |
|------------|---------------------------|---------------|
| Benzene | EPA SW-846 8021B or 8260B | 0.2 |
| BTEX | EPA SW-846 8021B or 8260B | 50 |
| TPH | EPA SW-846 418.1 | 100 |
| Chlorides | EPA 300.0 | 250 |

6. If HILCORP or the division determines that a release has occurred, then HILCORP shall comply with 19.15.3.116 NMAC and 19.15.1.19 NMAC, as appropriate.

BGT1

A release was not determined for the above referenced well.

7. If the sampling program demonstrates that a release has not occurred or that any release does not exceed the concentrations specified in Table I of 19.15.17.13 NMAC, then HILCORP shall backfill the excavation with compacted, non-waste containing, earthen material; construct a division-prescribed soil cover; recontour and revegetate the site.

The below-grade tank area passed all requirements of Paragraph (4) of Subsection E of 19.15.17.13 NMAC and was backfilled with compacted, non-waste containing, earthen material.

- 8. Notice of Closure will be given prior to closure to the Aztec Division office between 72 hours and one week via email or verbally. The notification of closure will include the following:
 - i. Operator's name
 - ii. Location by Unit Letter, Section, Township, and Range. Well name and API number.

Notification is attached.

9. The surface owner shall be notified of HILCORP's closing of the below-grade tank 72 hours, but not more than one week, prior to closure as per the approved closure plan via certified mail, return receipt requested.

The closure process notification to the landowner was sent via email, certified mail. (See Attached) (Well located on Federal Land, certified mail is not required for Federal Land per BLM/OCD MOU.)

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

The below-grade tank area was re-contoured to match fit, shape, line, form and texture of the surrounding area. Re-shaping including drainage control, to prevent ponding and erosion. Natural drainages were unimpeded and water bars and/or silt traps were placed in areas where needed to prevent erosion on a large scale. Final recontour has a uniform appearance with smooth surface, fitting the natural landscape.

11. HILCORP shall seed the disturbed areas the first favorable growing season following closure of a below-grade tank. Seeding will be accomplished via drilling on the contour whenever practical or by other division-approved methods. BLM stipulated seed mixes will be used on federally regulated lands and division-approved seed mixtures (administratively approved if required) will be utilized on all State or private lands. 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. If alternate seed mix is required by the state, private owner or tribe, it will be implemented with administrative approval if needed. Hilcorp will repeat seeding or planting will be continued until successful vegetative growth occurs.

5/21/2024

Provision 13 was accomplished through complying with BLM seeding requirements as allowed by the BLM/OCD MOU.

12. A minimum of four feet of cover shall be achieved and the cover shall include one foot of suitable material, with chloride concentrations less than 600 mg/kg as analyzed by EPA Method 300.0, to establish vegetation at the site, or the background thickness of topsoil, whichever is greater.

The below-grade tank area was backfilled and more than four feet of cover was achieved and the cover included one foot of suitable material to establish vegetation at the site.

- 13. All closure activities will include proper documentation and be available for review upon request and will be submitted to OCD within 60 days of closure of the below-grade tank. Closure report will be filed on C-144 and incorporate the following:
 - Soil Backfilling and Cover Installation (See Report)
 - Re-vegetation application rates and seeding techniques (See Report)
 - Photo documentation of the site reclamation (Included as an attachment)
 - Confirmation Sampling Results (Included as an attachment)
 - Proof of closure notice (Included as an attachment)

Tammy Jones

From: Tammy Jones

Sent: Thursday, March 28, 2024 1:44 PM

To: Abiodun Adeloye; Brandon Sinclair; Clara Cardoza; Chad Perkins; Cary Green; Mitch Killough;

Ben Mitchell; Ramon Hancock; Lisa Jones; Victoria Venegas (Victoria. Venegas@emnrd.nm.gov);

John LaMond; Farmington Regulatory Techs

Subject: 72 Hour BGT Closure Notification – SUNRAY E 2B (API# 30-045-30013)

Attachments: Sunray E 2B_BGT Permit.pdf

Subject 72 Hour BGT Closure Notification

Anticipated Start Date: Wednesday, 04/03/2024 at 9:00 AM

The subject well has a below-grade tank that will be permanently removed. The BGT permit is attached. Please contact me if you have any questions or concerns.

Well Name: SUNRAY E 2B

API#: 30-045-30013

Location: Unit E, Section 09, T30N, R10W

Footages: 1450' FNL & 790' FWL

Operator: Hilcorp Energy Surface Owner: FEDERAL

Reason: Well has been P&A'd.

Please Note Required Photos for Closure

- Well site placard
- Photos of the BGT prior to closure
- The sample location or, more preferred, photos of actual sample collection
- Final state of the area after closure.
- Photos will require captioning including direction of photo, date and time of photo and a description of the image contents.

Thanks,

Tammy Jones | HILCORP ENERGY COMPANY | San Juan Regulatory | 505.324.5185 | tajones@hilcorp.com







DIRECTION 36.82953°N ACCURACY 4 m 216 deg(T) 107.89516°W DATUM WGS84 After Removal
Sunray E 2B with Composite 2024-04-03 09:49:35-06:00 Sample Points

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

| | | resp | | J | |
|--|--|------------------------|--|--|---|
| Responsible Party Hilcorp Energy Company OGRID | | | 372171 | | |
| Contact Name Tammy Jones Contact T | | | elephone: (505) 324-5185 | | |
| Contact email t | ajones@hilcorp.com | | Incident # | (assigned by OCD) | |
| Contact mailing ad | dress 382 Road 3100 | Aztec NM 87410 |) | | |
| | | Location 6 | of Release So | ource | |
| Latitude 30 | 6.82933 | (NAD 83 in deci | Longitude _ mal degrees to 5 decin | -107.89441 nal places) | |
| Site Name SUNRA | AY E 2B | | Site Type | Gas Well | |
| Date Release Disco | vered N/A | | API# (if app | plicable) 3004530013 | |
| Unit Letter Sec | tion Township | Range | Coun | nty | |
| E 9 | 9 30N | 10W | San Ju | uan | |
| | State | Nature and | Volume of I | Release justification for the volumes provided below) | |
| Crude Oil | Volume Release | | | Volume Recovered (bbls) | |
| Produced Water | volume Release | ed (bbls) | | Volume Recovered (bbls) | |
| | Is the concentration of dissolved chloride in the produced water >10,000 mg/l? | | loride in the | ☐ Yes ☐ No | |
| Condensate | | Volume Released (bbls) | | Volume Recovered (bbls) | |
| ☐ Natural Gas | Volume Release | Volume Released (Mcf) | | Volume Recovered (Mcf) | |
| Other (describe | Volume/Weight Released (provide units) | | er (describe) Volume/Weight Released (provide units) Volume/Weight Recovered (provide units) | | Volume/Weight Recovered (provide units) |
| Cause of Release | | | | 1 | |
| No release was enco | untered during the BGT | Closure. | | | |

Received by OCD: 5/21/2024 8:30:21 AM State of New Mexico
Page 2 Oil Conservation Division

| Paga | 1/5 | 1 | rz | - 9 |
|-------|-----|------------------|----|-----|
| 1 426 | IV | \boldsymbol{v} | J | |
| - 0 | | | | |
| | | | | |

| Incident ID | |
|----------------|--|
| District RP | |
| Facility ID | |
| Application ID | |

| Was this a major release as defined by | If YES, for what reason(s) does the re | esponsible p | party consider this a r | najor release? |
|--|--|-----------------|----------------------------|---|
| 19.15.29.7(A) NMAC? | | | | |
| ☐ Yes ⊠ No | N/A | | | |
| | | | | |
| If VES was immediate no | tice given to the OCD? By whom? T | So whom? V | When and by what m | eans (nhana amail ata)? |
| | Stice given to the OCD: By whom: I | o whom: | when and by what in | eans (phone, email, etc): |
| Not Required | | | | |
| | Initia | l Respo | nse | |
| The responsible p | party must undertake the following actions imme | ediately unless | they could create a safety | hazard that would result in injury |
| ☐ The source of the rele | ease has been stopped. | | | |
| ☐ The impacted area ha | s been secured to protect human health | and the en | vironment. | |
| Released materials ha | we been contained via the use of berms | s or dikes, a | bsorbent pads, or oth | er containment devices. |
| ☐ All free liquids and re | ecoverable materials have been remove | ed and mana | aged appropriately. | |
| If all the actions described | d above have <u>not</u> been undertaken, exp | lain why: | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Per 19 15 29 8 B (4) NM | AC the responsible party may comme | nce remedia | ntion immediately aft | er discovery of a release. If remediation |
| has begun, please attach | a narrative of actions to date. If reme | edial efforts | have been successfu | lly completed or if the release occurred |
| | nt area (see 19.15.29.11(A)(5)(a) NMA | | | |
| | rmation given above is true and complete to required to report and/or file certain release | | | erstand that pursuant to OCD rules and re actions for releases which may endanger |
| public health or the environment | nent. The acceptance of a C-141 report by | the OCD do | es not relieve the operat | tor of liability should their operations have |
| addition, OCD acceptance of | ate and remediate contamination that pose at a C-141 report does not relieve the operat | | | |
| and/or regulations. | | | | |
| | Tammy Jones | | | |
| Signature: Tamm | y Jones | Date: | 5/21/2024 | |
| email: | tajones@hilcorp.com | | Telephone: | (505) 324-5185 |
| | | | | |
| OCD Only | | | | |
| Received by: | | Date | : | |

Environment Testing

ANALYTICAL REPORT

PREPARED FOR

Attn: Mitch Killough Hilcorp Energy PO BOX 4700 Farmington, New Mexico 87499

Generated 4/10/2024 5:21:15 PM

JOB DESCRIPTION

Sunray E 2B

JOB NUMBER

885-2308-1

Eurofins Albuquerque 4901 Hawkins NE Albuquerque NM 87109

Eurofins Albuquerque

Job Notes

The test results in this report relate only to the samples as received by the laboratory and will meet all requirements of the methodology, with any exceptions noted. This report shall not be reproduced except in full, without the express written approval of the laboratory. All questions should be directed to the Eurofins Environment Testing South Central, LLC Project Manager.

Authorization

Generated 4/10/2024 5:21:15 PM

Authorized for release by Andy Freeman, Business Unit Manager andy.freeman@et.eurofinsus.com (505)345-3975 2

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Laboratory Job ID: 885-2308-1

Client: Hilcorp Energy Project/Site: Sunray E 2B

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Definitions/Glossary

Client: Hilcorp Energy Job ID: 885-2308-1 Project/Site: Sunray E 2B

Glossary

| Abbreviation | These commonly used abbreviations may or may not be present in this report. |
|----------------|---|
| n | Listed under the "D" column to designate that the result is reported on a dry weight basis |
| %R | Percent Recovery |
| CFL | Contains Free Liquid |
| CFU | Colony Forming Unit |
| CNF | Contains No Free Liquid |
| DER | Duplicate Error Ratio (normalized absolute difference) |
| Dil Fac | Dilution Factor |
| DL | Detection Limit (DoD/DOE) |
| DL, RA, RE, IN | Indicates a Dilution, Re-analysis, Re-extraction, or additional Initial metals/anion analysis of the sample |

DLC Decision Level Concentration (Radiochemistry) EDL Estimated Detection Limit (Dioxin)

LOD Limit of Detection (DoD/DOE) LOQ Limit of Quantitation (DoD/DOE) MCL

EPA recommended "Maximum Contaminant Level" MDA Minimum Detectable Activity (Radiochemistry) MDC Minimum Detectable Concentration (Radiochemistry) MDL

Method Detection Limit ML Minimum Level (Dioxin) Most Probable Number MPN MQL Method Quantitation Limit

NC Not Calculated

ND Not Detected at the reporting limit (or MDL or EDL if shown)

NEG Negative / Absent POS Positive / Present

PQL **Practical Quantitation Limit**

PRES Presumptive QC **Quality Control**

RER Relative Error Ratio (Radiochemistry)

RL Reporting Limit or Requested Limit (Radiochemistry)

RPD Relative Percent Difference, a measure of the relative difference between two points

TEF Toxicity Equivalent Factor (Dioxin) Toxicity Equivalent Quotient (Dioxin) TEQ

TNTC Too Numerous To Count

Case Narrative

Client: Hilcorp Energy Job ID: 885-2308-1 Project: Sunray E 2B

Job ID: 885-2308-1 Eurofins Albuquerque

Job Narrative 885-2308-1

Analytical test results meet all requirements of the associated regulatory program listed on the Accreditation/Certification Summary Page unless otherwise noted under the individual analysis. Data qualifiers are applied to indicate exceptions. Noncompliant quality control (QC) is further explained in narrative comments.

- Matrix QC may not be reported if insufficient sample or site-specific QC samples were not submitted. In these situations, to
 demonstrate precision and accuracy at a batch level, a LCS/LCSD may be performed, unless otherwise specified in the
 method.
- Surrogate and/or isotope dilution analyte recoveries (if applicable) which are outside of the QC window are confirmed
 unless attributed to a dilution or otherwise noted in the narrative.

Regulated compliance samples (e.g. SDWA, NPDES) must comply with the associated agency requirements/permits.

Receipt

The sample was received on 4/4/2024 7:40 AM. Unless otherwise noted below, the sample arrived in good condition, and, where required, properly preserved and on ice. The temperature of the cooler at receipt time was -1.7°C.

Gasoline Range Organics

No additional analytical or quality issues were noted, other than those described above or in the Definitions/ Glossary page.

GC VOA

No additional analytical or quality issues were noted, other than those described above or in the Definitions/ Glossary page.

Diesel Range Organics

No additional analytical or quality issues were noted, other than those described above or in the Definitions/ Glossary page.

HPLC/IC

No additional analytical or quality issues were noted, other than those described above or in the Definitions/ Glossary page.

Eurofins Albuquerque

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Job ID: 885-2308-1

Client: Hilcorp Energy Project/Site: Sunray E 2B

Client Sample ID: S-1 Composite

Date Collected: 04/03/24 10:00
Date Received: 04/04/24 07:40

Lab Sample ID: 885-2308-1

Matrix: Solid

| Analyte | Result | Qualifier | RL | Unit | D | Prepared | Analyzed | Dil Fac |
|------------------------------------|-------------|------------|----------|-------|---|----------------|----------------|---------|
| Gasoline Range Organics [C6 - C10] | ND | | 4.7 | mg/Kg | | 04/04/24 14:53 | 04/06/24 00:33 | 1 |
| Surrogate | %Recovery | Qualifier | Limits | | | Prepared | Analyzed | Dil Fac |
| 4-Bromofluorobenzene (Surr) | 102 | | 15 - 244 | | | 04/04/24 14:53 | 04/06/24 00:33 | 1 |
| Method: SW846 8021B - Volat | ile Organic | Compound | ds (GC) | | | | | |
| Analyte | Result | Qualifier | RL | Unit | D | Prepared | Analyzed | Dil Fac |
| Benzene | ND | | 0.023 | mg/Kg | | 04/04/24 14:53 | 04/06/24 00:33 | 1 |
| Ethylbenzene | ND | | 0.047 | mg/Kg | | 04/04/24 14:53 | 04/06/24 00:33 | 1 |
| Toluene | ND | | 0.047 | mg/Kg | | 04/04/24 14:53 | 04/06/24 00:33 | 1 |
| Xylenes, Total | ND | | 0.094 | mg/Kg | | 04/04/24 14:53 | 04/06/24 00:33 | 1 |
| Surrogate | %Recovery | Qualifier | Limits | | | Prepared | Analyzed | Dil Fac |
| 4-Bromofluorobenzene (Surr) | 85 | | 39 - 146 | | | 04/04/24 14:53 | 04/06/24 00:33 | 1 |
| Method: SW846 8015D - Diese | el Range Or | ganics (DF | (C) (GC) | | | | | |
| Analyte | Result | Qualifier | RL | Unit | D | Prepared | Analyzed | Dil Fac |
| Diesel Range Organics [C10-C28] | ND | | 9.5 | mg/Kg | | 04/04/24 16:06 | 04/08/24 19:26 | 1 |
| Motor Oil Range Organics [C28-C40] | ND | | 47 | mg/Kg | | 04/04/24 16:06 | 04/08/24 19:26 | 1 |
| Surrogate | %Recovery | Qualifier | Limits | | | Prepared | Analyzed | Dil Fac |
| Di-n-octyl phthalate (Surr) | 84 | | 62 - 134 | | | 04/04/24 16:06 | 04/08/24 19:26 | 1 |
| Method: EPA 300.0 - Anions, I | on Chroma | tography - | Soluble | | | | | |
| Analyte | Result | Qualifier | RL | Unit | D | Prepared | Analyzed | Dil Fac |
| Chloride | 8.2 | | 5.1 | mg/Kg | | | 04/09/24 15:32 | |

Job ID: 885-2308-1

Client: Hilcorp Energy Project/Site: Sunray E 2B

Method: 8015D - Gasoline Range Organics (GRO) (GC)

Lab Sample ID: MB 885-2793/1-A

Matrix: Solid

Analyte

Analysis Batch: 2904

Gasoline Range Organics [C6 - C10]

Client Sample ID: Method Blank

Prep Type: Total/NA Prep Batch: 2793

Analyzed Dil Fac Prepared

MB MB

ND

MB MB Result Qualifier

Surrogate %Recovery Qualifier Limits Prepared Analyzed Dil Fac 15 - 244 04/04/24 14:53 04/05/24 21:49 4-Bromofluorobenzene (Surr) 102

RL

5.0

Client Sample ID: Lab Control Sample

04/04/24 14:53 04/05/24 21:49

Lab Sample ID: LCS 885-2793/2-A

Matrix: Solid

Analysis Batch: 2904

Gasoline Range Organics [C6 -

Spike Added

25.0

LCS LCS Result Qualifier 26.2

Unit mg/Kg

Unit

mg/Kg

%Rec 105 Limits

%Rec

Prep Type: Total/NA

Prep Batch: 2793

70 - 130

C10]

Analyte

LCS LCS

Surrogate %Recovery Qualifier 215

4-Bromofluorobenzene (Surr)

Limits 15 - 244

Method: 8021B - Volatile Organic Compounds (GC)

Lab Sample ID: MB 885-2793/1-A

Matrix: Solid

Analysis Batch: 2905

Client Sample ID: Method Blank

Prep Type: Total/NA

Prep Batch: 2793

| | MB MB | | | | | | |
|----------------|--------------|---------|-------|---|----------------|----------------|---------|
| Analyte | Result Quali | fier RL | Unit | D | Prepared | Analyzed | Dil Fac |
| Benzene | ND ND | 0.025 | mg/Kg | | 04/04/24 14:53 | 04/05/24 21:49 | 1 |
| Ethylbenzene | ND | 0.050 | mg/Kg | | 04/04/24 14:53 | 04/05/24 21:49 | 1 |
| Toluene | ND | 0.050 | mg/Kg | | 04/04/24 14:53 | 04/05/24 21:49 | 1 |
| Xylenes, Total | ND | 0.10 | mg/Kg | | 04/04/24 14:53 | 04/05/24 21:49 | 1 |
| | | | | | | | |

MB MB

Surrogate %Recovery Qualifier Limits 4-Bromofluorobenzene (Surr) 39 - 146 86

Prepared Analyzed Dil Fac 04/04/24 14:53 04/05/24 21:49

Lab Sample ID: LCS 885-2793/3-A

Matrix: Solid

Analysis Batch: 2905

Client Sample ID: Lab Control Sample

Prep Type: Total/NA

Prep Batch: 2793

| | Spike | LCS | LCS | | | | %Rec | |
|----------------|-------|--------|-----------|-------|---|------|----------|--|
| Analyte | Added | Result | Qualifier | Unit | D | %Rec | Limits | |
| Benzene | 1.00 | 0.808 | | mg/Kg | | 81 | 70 - 130 | |
| Ethylbenzene | 1.00 | 0.830 | | mg/Kg | | 83 | 70 - 130 | |
| Toluene | 1.00 | 0.827 | | mg/Kg | | 83 | 70 - 130 | |
| Xylenes, Total | 3.00 | 2.51 | | mg/Kg | | 84 | 70 - 130 | |

LCS LCS

Surrogate %Recovery Qualifier Limits 4-Bromofluorobenzene (Surr) 88

39 - 146

Job ID: 885-2308-1

Client: Hilcorp Energy Project/Site: Sunray E 2B

Method: 8015D - Diesel Range Organics (DRO) (GC)

Lab Sample ID: MB 885-2788/1-A

Lab Sample ID: LCS 885-2788/2-A

Matrix: Solid

Analysis Batch: 2941

Client Sample ID: Method Blank

Prep Type: Total/NA

Prep Batch: 2788

Result Qualifier RL Unit D Prepared Analyzed Dil Fac Analyte 04/04/24 13:30 04/08/24 16:34 Diesel Range Organics [C10-C28] ND 10 mg/Kg Motor Oil Range Organics [C28-C40] ND 50 mg/Kg 04/04/24 13:30 04/08/24 16:34

MB MB

MB MB

Surrogate %Recovery Qualifier I imite Prepared Analyzed Dil Fac Di-n-octyl phthalate (Surr) 97 62 - 134 04/04/24 13:30 04/08/24 16:34

Client Sample ID: Lab Control Sample

Prep Type: Total/NA

Prep Batch: 2788

Prep Type: Soluble

Prep Type: Soluble

%Rec

Client Sample ID: Lab Control Sample Dup

Spike LCS LCS Added Result Qualifier Limits **Analyte** Unit %Rec D 50.0 60 - 135 **Diesel Range Organics** 44.6 mg/Kg 89

[C10-C28]

Matrix: Solid

Analysis Batch: 2941

LCS LCS

Surrogate %Recovery Qualifier Limits Di-n-octyl phthalate (Surr) 95

62 - 134

Method: 300.0 - Anions, Ion Chromatography

Lab Sample ID: MB 880-77656/1-A Client Sample ID: Method Blank

Matrix: Solid

Analysis Batch: 77714

MB MB

RL Dil Fac Analyte Result Qualifier Unit D Prepared Analyzed 5.0 Chloride ND mg/Kg 04/09/24 13:49

Lab Sample ID: LCS 880-77656/2-A **Client Sample ID: Lab Control Sample Prep Type: Soluble**

Matrix: Solid

Analysis Batch: 77714

Spike LCS LCS %Rec Added Analyte Limits Result Qualifier Unit D %Rec Chloride 250 248 99 90 - 110 mg/Kg

Lab Sample ID: LCSD 880-77656/3-A

Released to Imaging: 5/21/2024 11:35:41 AM

Matrix: Solid

Analysis Batch: 77714

Spike LCSD LCSD %Rec **RPD** Analyte Added Result Qualifier Unit %Rec Limits **RPD** Limit 250 Chloride 246 mg/Kg 99 90 - 110

QC Association Summary

Client: Hilcorp Energy Job ID: 885-2308-1

Project/Site: Sunray E 2B

GC VOA

Prep Batch: 2793

| Lab Sample ID 885-2308-1 | Client Sample ID S-1 Composite | Prep Type Total/NA | Matrix Solid | Method 5030C | Prep Batch |
|------------------------------------|--------------------------------|---------------------|--------------|--------------|------------|
| MB 885-2793/1-A | Method Blank | Total/NA | Solid | 5030C | |
| LCS 885-2793/2-A | Lab Control Sample | Total/NA | Solid | 5030C | |
| LCS 885-2793/3-A | Lab Control Sample | Total/NA | Solid | 5030C | |

Analysis Batch: 2904

| Lab Sample ID | Client Sample ID | Prep Type | Matrix | Method | Prep Batch |
|------------------|--------------------|-----------|--------|--------|------------|
| 885-2308-1 | S-1 Composite | Total/NA | Solid | 8015D | 2793 |
| MB 885-2793/1-A | Method Blank | Total/NA | Solid | 8015D | 2793 |
| LCS 885-2793/2-A | Lab Control Sample | Total/NA | Solid | 8015D | 2793 |

Analysis Batch: 2905

| Lab Sample ID 885-2308-1 | Client Sample ID S-1 Composite | Prep Type Total/NA | Matrix Solid | Method 8021B | Prep Batch 2793 |
|-----------------------------|--------------------------------|--------------------|-----------------|-----------------|-----------------|
| MB 885-2793/1-A | Method Blank | Total/NA | Solid | 8021B | 2793 |
| LCS 885-2793/3-A | Lab Control Sample | Total/NA | Solid | 8021B | 2793 |

GC Semi VOA

Prep Batch: 2788

| Lab Sample ID 885-2308-1 | Client Sample ID S-1 Composite | Prep Type Total/NA | Matrix Solid | Method SHAKE | Prep Batch |
|-----------------------------|--------------------------------|--------------------|-----------------|-----------------|------------|
| MB 885-2788/1-A | Method Blank | Total/NA | Solid | SHAKE | |
| LCS 885-2788/2-A | Lab Control Sample | Total/NA | Solid | SHAKE | |

Analysis Batch: 2941

| Lab Sample ID 885-2308-1 | Client Sample ID S-1 Composite | Prep Type Total/NA | Matrix Solid | Method 8015D | Prep Batch 2788 |
|------------------------------------|--------------------------------|--------------------|--------------|--------------|-----------------|
| MB 885-2788/1-A | Method Blank | Total/NA | Solid | 8015D | 2788 |
| LCS 885-2788/2-A | Lab Control Sample | Total/NA | Solid | 8015D | 2788 |

HPLC/IC

Leach Batch: 77656

| Lab Sample ID 885-2308-1 | Client Sample ID S-1 Composite | Prep Type Soluble | Matrix Solid | Method DI Leach | Prep Batch |
|---------------------------------|--------------------------------|----------------------|-----------------|--------------------|------------|
| MB 880-77656/1-A | Method Blank | Soluble | Solid | DI Leach | |
| LCS 880-77656/2-A | Lab Control Sample | Soluble | Solid | DI Leach | |
| LCSD 880-77656/3-A | Lab Control Sample Dup | Soluble | Solid | DI Leach | |

Analysis Batch: 77714

| Lab Sample ID | Client Sample ID | Prep Type | Matrix | Method | Prep Batch |
|--------------------|------------------------|-----------|--------|--------|------------|
| 885-2308-1 | S-1 Composite | Soluble | Solid | 300.0 | 77656 |
| MB 880-77656/1-A | Method Blank | Soluble | Solid | 300.0 | 77656 |
| LCS 880-77656/2-A | Lab Control Sample | Soluble | Solid | 300.0 | 77656 |
| LCSD 880-77656/3-A | Lab Control Sample Dup | Soluble | Solid | 300.0 | 77656 |

Lab Chronicle

Client: Hilcorp Energy Job ID: 885-2308-1

Project/Site: Sunray E 2B

Client Sample ID: S-1 Composite Lab Sample ID: 885-2308-1

Date Collected: 04/03/24 10:00 **Matrix: Solid**

Date Received: 04/04/24 07:40

| | Batch | Batch | | Dilution | Batch | | | Prepared |
|-----------|----------|----------|-----|----------|--------|---------|----------------|----------------|
| Prep Type | Type | Method | Run | Factor | Number | Analyst | Lab | or Analyzed |
| Total/NA | Prep | 5030C | | | 2793 | JP | EET ALB | 04/04/24 14:53 |
| Total/NA | Analysis | 8015D | | 1 | 2904 | JP | EET ALB | 04/06/24 00:33 |
| Total/NA | Prep | 5030C | | | 2793 | JP | EET ALB | 04/04/24 14:53 |
| Total/NA | Analysis | 8021B | | 1 | 2905 | JP | EET ALB | 04/06/24 00:33 |
| Total/NA | Prep | SHAKE | | | 2788 | JU | EET ALB | 04/04/24 16:06 |
| Total/NA | Analysis | 8015D | | 1 | 2941 | PD | EET ALB | 04/08/24 19:26 |
| Soluble | Leach | DI Leach | | | 77656 | SA | EET MID | 04/08/24 16:35 |
| Soluble | Analysis | 300.0 | | 1 | 77714 | SMC | EET MID | 04/09/24 15:32 |

Laboratory References:

EET ALB = Eurofins Albuquerque, 4901 Hawkins NE, Albuquerque, NM 87109, TEL (505)345-3975

EET MID = Eurofins Midland, 1211 W. Florida Ave, Midland, TX 79701, TEL (432)704-5440

Accreditation/Certification Summary

Client: Hilcorp Energy

Job ID: 885-2308-1

Project/Site: Sunray E 2B

Laboratory: Eurofins Albuquerque

Unless otherwise noted, all analytes for this laboratory were covered under each accreditation/certification below.

| Authority | Program | Identification Number | Expiration Date |
|------------|---------|-----------------------|------------------------|
| New Mexico | State | NM9425, NM0901 | 02-26-25 |

The following analytes are included in this report, but the laboratory is not certified by the governing authority. This list may include analytes for which the agency does not offer certification.

| Analysis Method | Prep Method | Matrix | Analyte Gasoline Range Organics [C6 - C10] | | | | | |
|-----------------|-------------|--------------------------------------|--|------------------|--|--|--|--|
| 8015D | 5030C | Solid | | | | | | |
| 8015D | SHAKE | SHAKE Solid Diesel Range Organics [C | | | | | | |
| 8015D | SHAKE | Solid | Motor Oil Range Or | ganics [C28-C40] | | | | |
| 8021B | 5030C | Solid | Benzene | | | | | |
| 8021B | 5030C | Solid | | | | | | |
| 8021B | 5030C | Solid | Toluene | | | | | |
| 8021B | 8021B 5030C | | Xylenes, Total | | | | | |
| egon | NELA | P | NM100001 | 02-26-25 | | | | |

The following analytes are included in this report, but the laboratory is not certified by the governing authority. This list may include analytes for which the agency does not offer certification.

| Analysis Method | Prep Method | Matrix | Analyte |
|-----------------|-------------|--------|------------------------------------|
| 8015D | 5030C | Solid | Gasoline Range Organics [C6 - C10] |
| 8015D | SHAKE | Solid | Diesel Range Organics [C10-C28] |
| 8015D | SHAKE | Solid | Motor Oil Range Organics [C28-C40] |
| 8021B | 5030C | Solid | Benzene |
| 8021B | 5030C | Solid | Ethylbenzene |
| 8021B | 5030C | Solid | Toluene |
| 8021B | 5030C | Solid | Xylenes, Total |

Laboratory: Eurofins Midland

All accreditations/certifications held by this laboratory are listed. Not all accreditations/certifications are applicable to this report.

| Authority | Program | Identification Number | Expiration Date | | |
|-----------|---------|-----------------------|------------------------|--|--|
| Texas | NELAP | T104704400-23-26 | 06-30-24 | | |

Eurofins Albuquerque

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| | ANALYSTS LABOR | ental com | 4901 Hawkins NE - Albuquerque, NM 8716 | | Analysis Request | *05 | s'a: | ISO | (1.4(1) \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\ | sət o 0 sls | sticic sthood y 831 Meta ', Ne AC | 081 Pe DB (Md ACRA 8 3) F., B 260 (VG 270 (Se otal Co | 8 8 | | | | | | | S: | 120 Mes 414/24 | Any sub-contracted data will be clearly notated on the analytical report. |
|-------------------------|-------------------|---------------|--|------------|------------------|--|----------------|--|---|-------------------|---|---|---------------|---|----|--|--|--|--|-------------------------------|------------------------------|---|
| | | | 49 | ! <u>⊢</u> | | | _ | | | | SD(C | X3T; | \ | } | | | | | | Remarks: | | ossibility |
| Turn-Around Time: | ☑ Standard □ Rush | Project Name: | Surrey F 2 B | Project #: | | Manager: | | Mitch Killough | Sampler: Brandon Sinclair | Jorgin Co. | (including CF): ~ [~ (0~0~(=-/*7 (°C) | Container Preservative HEAL No. | adk! | | | | | | | Received by: Viay Date Time R | Received by Via: Date Time | If necessary, samples submitted to Hall Environmental may be subcontracted to other accredited laboratories. This serves as notice of this possibility. Any sub-contracted data will be clearly notated on the analytical report. |
| Chain-of-Custody Record | Client: Hilcord | | Mailing Address: | | Phone #: | email or Fax#: brandon. Sinclair ahilespan Project | QA/QC Package: | ☐ Standard ☐ Level 4 (Full Validation) | Accreditation: Az Compliance | (a) | | ODate Time Matrix Sample Name | 7: | | 14 | | | | | 3 | Date. Time: Relinquished by: | |

Login Sample Receipt Checklist

Client: Hilcorp Energy Job Number: 885-2308-1

Login Number: 2308 List Source: Eurofins Albuquerque

List Number: 1

Creator: Casarrubias, Tracy

| Question | Answer | Comment |
|--|--------|---|
| Radioactivity wasn't checked or is = background as measured by a survey meter.</td <td>True</td> <td></td> | True | |
| The cooler's custody seal, if present, is intact. | True | |
| Sample custody seals, if present, are intact. | True | |
| The cooler or samples do not appear to have been compromised or tampered with. | True | |
| Samples were received on ice. | True | |
| Cooler Temperature is acceptable. | True | Samples not Frozen. |
| Cooler Temperature is recorded. | True | |
| COC is present. | True | |
| COC is filled out in ink and legible. | True | |
| COC is filled out with all pertinent information. | True | |
| Is the Field Sampler's name present on COC? | True | |
| There are no discrepancies between the containers received and the COC. | True | |
| Samples are received within Holding Time (excluding tests with immediate HTs) | True | |
| Sample containers have legible labels. | True | |
| Containers are not broken or leaking. | True | |
| Sample collection date/times are provided. | True | |
| Appropriate sample containers are used. | True | |
| Sample bottles are completely filled. | True | |
| Sample Preservation Verified. | N/A | |
| There is sufficient vol. for all requested analyses, incl. any requested MS/MSDs | True | |
| Containers requiring zero headspace have no headspace or bubble is <6mm (1/4"). | N/A | |
| Multiphasic samples are not present. | True | |
| Samples do not require splitting or compositing. | False | Sample splitting required for subcontract purposes. |
| Residual Chlorine Checked. | N/A | |

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Login Sample Receipt Checklist

Client: Hilcorp Energy Job Number: 885-2308-1

Login Number: 2308 **List Source: Eurofins Midland** List Number: 2 List Creation: 04/08/24 12:12 PM

Creator: Rodriguez, Leticia

| Question | Answer | Comment |
|--|--------|---------|
| The cooler's custody seal, if present, is intact. | N/A | |
| Sample custody seals, if present, are intact. | N/A | |
| The cooler or samples do not appear to have been compromised or tampered with. | True | |
| Samples were received on ice. | True | |
| Cooler Temperature is acceptable. | True | |
| Cooler Temperature is recorded. | True | |
| COC is present | True | |
| COC is filled out in ink and legible. | True | |
| COC is filled out with all pertinent information | True | |
| Is the Field Sampler's name present on COC? | True | |
| There are no discrepancies between the containers received and the COC. | True | |
| Samples are received within Holding Time (excluding tests with immediate HTs) | True | |
| Sample containers have legible labels. | True | |
| Containers are not broken or leaking. | True | |
| Sample collection date/times are provided. | True | |
| Appropriate sample containers are used. | True | |
| Sample bottles are completely filled. | True | |
| Sample Preservation Verified. | N/A | |
| There is sufficient vol. for all requested analyses, incl. any requested MS/MSDs | True | |
| Containers requiring zero headspace have no headspace or bubble is <6mm (1/4"). | N/A | |

Page 30 of 35

Sunray E #2B

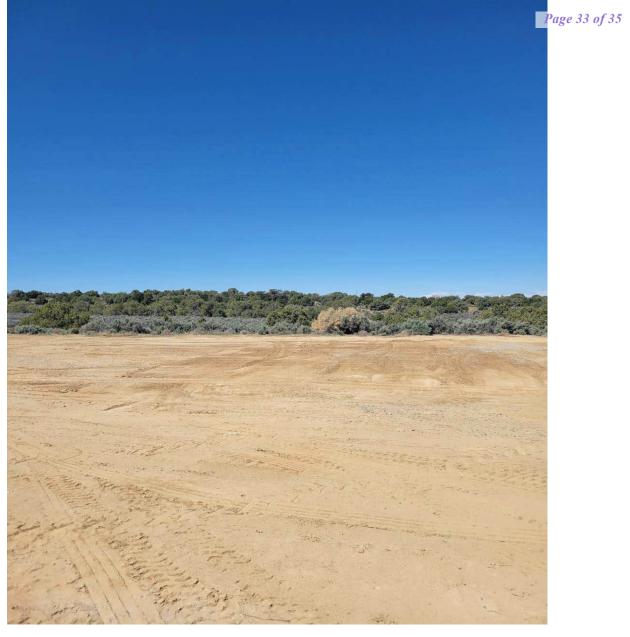
Pit Closure Pictures.



Sunray E #2B 05/02/24



View Looking North



View Looking South

Released to Imaging: 5/21/2024 11:35:41 AM



View Looking West
Released to Imaging: 5/21/2024 11:35:41 AM



View Looking East

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

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

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

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

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

CONDITIONS

Action 346144

CONDITIONS

| Operator: | OGRID: |
|------------------------|--|
| HILCORP ENERGY COMPANY | 372171 |
| 1111 Travis Street | Action Number: |
| Houston, TX 77002 | 346144 |
| | Action Type: |
| | [C-144] Below Grade Tank Plan (C-144B) |

CONDITIONS

| Created By | Condition | Condition Date |
|--------------|-----------|-------------------|
| joseph.kenne | dy None | 5/21/2024 |