Received 10/08/14 NMOCD District 2

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 June 6, 2013

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.

<u>Pit, Below-Grade Tank, or</u> <u>Proposed Alternative Method Permit or Closure Plan Application</u>

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
lease 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 avironment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.
1. Operator: Lime Rock Resources Il–A, L.P. (LRRII) OGRID #: 277558
Address: 1111 Bagby Street, Suite 4600, Houston, TX 77002
Facility or well name: All Thorn MWFM Pit
API Number: N/A OCD Permit Number: MWF2-3
U/L or Qtr/Qtr NE/4 of SE/4 of Section 36 Township 17S Range 27E County: Eddy
Center of Proposed Design: Latitude 32.7875766Longitude104.2258098 NAD: □ 1983
Surface Owner: Federal State Private Tribal Trust or Indian Allotment
☑ 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 60, mil ☐ LLDPE ☑ HDPE ☐ PVC '[Z] Other See Variance Request_ ☐ String-Reinforced , "Qt "cngtpcvkxg"o cvgtkcn"cpf "vj kenpguu"cr r tqxgf "d{"QEF Liner Seams: ☑ Welded ☐ Factory ☐ Other Volume 160,500 bbl Dimensions: L 260 x W 260 x D 14 feet
3.
Below-grade tank: Subsection I of 19.15.17.11 NMAC
Volume:bbl Type of fluid:
Tank Construction material:
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other
Liner type: Thicknessmil
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 Game fence

6.			
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)			
Screen Netting Other Operator will evaluate need for netting as described in Construction/Design Plan			
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. <u>Variances and Exceptions:</u> 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 See Figures 1 & 2	☐ 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) See Figure 5 - 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) See Figure 7 - 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) See Figure 8 and discussion in application Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map 			
Within a 100-year floodplain. (Does not apply to below grade tanks) See Figure 9 - 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		
- Topographic map, visual inspection (certification) of the proposed site			
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		
<u>Temporary Pit using Low Chloride Drilling Fluid</u> (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.	☐ Yes ☐ No		
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image			
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 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☐ 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 See Figure 3			
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 See Figure 4	☐ Yes ☒ No ☐ 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	☐ Tes ☐ No		
- Not Office of the State Engineer - Tw ATERS database search, visual inspection (certification) of the proposed site - See Figures 1 & 2	☐ Yes ⊠ No		
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site See Figure 6	☐ 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 and 19.15.17.13 NMAC Previously Approved Design (attach copy of design) API Number: or Permit Number: or Permit Number:			
Multi-Well Fluid Management Pit Checklist: Subsection B of 19.15.17.9 NMAC			

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 d	documents are
attached. ☐ Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC ☐ Climatological Factors Assessment	
☐ Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC ☐ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC ☐ Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC ☐ Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC	
 Quality Control/Quality Assurance Construction and Installation Plan ○ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC ○ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC ○ Nuisance or Hazardous Odors, including H₂S, Prevention Plan ○ Emergency Response Plan ○ Oil Field Waste Stream Characterization 	
 ☐ Monitoring and Inspection Plan ☐ Erosion Control Plan ☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC 	
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 Fl	uid 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	
Alternative Closure Method 14.	
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be a 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	nttached to the
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 sour provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. P 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	
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	Yes No

1 1 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2					
	dopted 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					
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological					
Society; Topographic map Within a 100-year floodplain.		Yes No			
- 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 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					
17. Operator Application Certification:					
I hereby certify that the information submitted with this application is true, accurate and complete to t	ne best of my knowledge and beli	ef.			
	Production Engineer				
Signature: Date: 5/	7/14				
e-mail address: scox@limerockresources.com Telephon	e: <u>713-292-9528</u>				
18. OCD Approval: Permit Application (including closure plan) ☐ Closure Plan (only) ☐ OCD	Conditions (see attachment)				
OCD Representative Signature:	Approval Date: <u>12/04/</u>	14			
Title: Environmental Specialist OCD Permit Num	ber: MWF2-3				
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 If different from approved plan, please explain.	☐ Waste Removal (Closed-lo	op systems only)			
 Closure Report Attachment Checklist: Instructions: Each of the following items must be attached 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) 	to the closure report. Please in	dicate, by a check			

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):	Title:			
Signature:	Date:			
e-mail address:	Telephone:			