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                                                                                                                                                                                                                                                                                                                        |
|----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| BGT 1                                                                                              | 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                                                                                                                                                                                                                             |
|                                                                                                    | hat approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.                                      |
| 1.                                                                                                 | LI LI CONTRUI GOOGOC                                                                                                                                                                                                                                                                                                                             |
|                                                                                                    | ntington Energy, L.LC. OGRID #:_208706                                                                                                                                                                                                                                                                                                           |
|                                                                                                    | N.W. 71 <sup>st</sup> Street, Oklahoma City, OK 73116<br>name:Ute Mountain Ute #73                                                                                                                                                                                                                                                               |
|                                                                                                    | 30-045-33302 OCD Permit Number:                                                                                                                                                                                                                                                                                                                  |
|                                                                                                    | E Section 23 Township 32N Range 14W County: San Juan                                                                                                                                                                                                                                                                                             |
|                                                                                                    | sed Design: Latitude36.97674°N Longitude108.28427°W NAD83                                                                                                                                                                                                                                                                                        |
| ·=                                                                                                 | ☐ Federal ☐ State ☐ Private ☒ Tribal Trust or Indian Allotment                                                                                                                                                                                                                                                                                   |
| Buriaco O Wilor.                                                                                   |                                                                                                                                                                                                                                                                                                                                                  |
| Temporary:  Permanent  Lined U String-Reinf Liner Seams:  Below-grad Volume: _120_ Tank Constructi | ction F, G or J of 19.15.17.11 NMAC  Drilling                                                                                                                                                                                                                                                                                                    |
|                                                                                                    | walls and liner  Visible sidewalls only  Other                                                                                                                                                                                                                                                                                                   |
|                                                                                                    | cknessmil                                                                                                                                                                                                                                                                                                                                        |
| 4. Alternative Submittal of an                                                                     | Method: exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.                                                                                                                                                                                                   |
| 5.                                                                                                 |                                                                                                                                                                                                                                                                                                                                                  |
| ☐ Chain link, s institution or ch                                                                  | ight, four strands of barbed wire evenly spaced between one and four feet                                                                                                                                                                                                                                                                        |
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| 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                                                                                                                                                                                                                                                                        |               |
| 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 accematerial are provided below. Siting criteria does not apply to drying pads or above-grade tanks.                                                                                                                                                                   | ptable 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        |
| 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        |
| 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        |
| Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 N  Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the do 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 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 Previously Approved Design (attach copy of design) API Number:  or Permit Number: | NMAC 15.17.9 NMAC |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                   |
| 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 do 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  Previously Approved Design (attach copy of design) API Number:  or Permit Number:                   |                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                   |

| 12.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                    |
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| 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      |
| Permanent Pits Permit Application Checklist. Subsection B of 19.15.17.9 NMAC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | documents are      |
| 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | uid wanagement rat |
| 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 | anacnea 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<br>☐ 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<br>☐ 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<br>☐ 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             |

| adopted pursuant to NMSA 1978, Section 3-27 s 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 place 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 19.15.17.13 NMAC  Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.13 NMAC  Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of 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 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  Therefore Application Certification:  I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and believed the properties of the page of | 11 NMAC<br>5.17.11 NMAC<br>of be achieved)          |
| Name (Print):Catherine Smith Title:Regulaory                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                     |
| Signature: Date: 7/18/2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                     |
| e-mail address:csmith@huntingtonenergy.com Telephone:405-840-9876                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                     |
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| e-mail address:csmith@huntingtonenergy.com Telephone:405-840-9876                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 9                                                   |
| e-mail address:csmith@huntingtonenergy.com Telephone:405-840-9876                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 9                                                   |
| e-mail address:csmith@huntingtonenergy.com Telephone:405-840-9876                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 9                                                   |
| e-mail address:csmith@huntingtonenergy.com Telephone:405-840-9876                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | the closure report.                                 |
| e-mail address:csmith@huntingtonenergy.com Telephone:405-840-9876                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | the closure report.                                 |
| e-mail address:csmith@huntingtonenergy.com Telephone:405-840-9876                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | the closure report.<br>complete this                |
| e-mail address:csmith@huntingtonenergy.com Telephone:405-840-9876                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | the closure report. complete this  op systems only) |
| e-mail address:csmith@huntingtonenergy.com Telephone:405-840-9876                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | the closure report. complete this  op systems only) |
| e-mail address:csmith@huntingtonenergy.com Telephone:405-840-9876                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | the closure report. complete this  op systems only) |
| e-mail address:csmith@huntingtonenergy.com Telephone: _405-840-9876                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | the closure report. complete this  op systems only) |
| e-mail address: _csmith@huntingtonenergy.com                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | the closure report. complete this  op systems only) |
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| e-mail address:csmith@huntingtonenergy.com                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | the closure report. complete this  op systems only) |
| e-mail address:csmith@huntingtonenergy.com Telephone: _405-840-9876                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | the closure report. complete this  op systems only) |

| 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 kno   | wledge and |
| belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan | a:         |
|                                                                                                                                                 |            |
| Name (Print): Title:                                                                                                                            |            |
|                                                                                                                                                 |            |
| Signature: Date:                                                                                                                                |            |
|                                                                                                                                                 |            |
| e-mail address: Telephone:                                                                                                                      |            |

## Huntington Energy, L.L.C. San Juan Basin Below Grade Tank Closure Plan

Lease Name: Ute Mountain Ute #73

API No.: 30

30-045-33302

Description: SWNW, Sec 23-32N-14W, San Juan County, New Mexico

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

## General Plan

- 1. OPERATOR will obtain approval of this closure plan prior to commencing closure of the below grade tank at this location pursuant to 19.15.17.13.C (1) NMAC
- 2. OPERATOR will notify the surface owner, Bureau of Land Management/Ute Mountain Ute Tribe/Bureau of Indian Affairs, by certified mail, return receipt requested, or via email, that the operator plans closure operations at least 72 hours, but no more than one week, prior to any closure operation. Notice will include:
  - a. Well Name
  - b. API#
  - c. Well Location
- 3. OPERATOR will notify the NMOCD Aztec Office by email that the operator plans closure operations at least 72 hours, but no more than one week, prior to any closure operation. Notice will include:
  - a. Well Name
  - b. API#
  - c. Well Location
- 4. Within 60 days of cessation of operations, OPERATOR will remove liquids and sludge from below-grade tanks prior to implementing a closure method and will dispose of the liquids and sludge in a division-approved facility. Approved facilities and waste streams include:
  - a. Soils, tank bottoms, produced sand, pit sludge and other exempt wastes impacted by petroleum hydrocarbons will be disposed of at:

    Envirotech: Permit #NM01-0011 and IEI: Permit #NM01-0010B
  - b. Produced Water will be disposed of at: Basin Disposal: Permit # NM01-005

- 5. Within six (6) months of cessation of operations, OPERATOR will remove the below-grade tank and dispose of it in a division-approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves. If there is any equipment associated with a below-grade tank, then the operator shall remove the equipment, unless the equipment is required for some other purpose.
- 6. OPERATOR will collect a closure sample of the soil beneath the location of the below grade tank that is being closed. The closure sample will consist of a five-point composite sample to include any obvious stained or wet soils, or other evidence of contamination. The closure sample will be analyzed for all constituents listed in Table I below, including DRO+GRO, Chlorides, TPH, benzene and BTEX.

|                                                                    | ,           |              |              |  |  |  |  |
|--------------------------------------------------------------------|-------------|--------------|--------------|--|--|--|--|
| TABLE I                                                            |             |              |              |  |  |  |  |
| Depth Below bottom of pit to groundwater less than 10,000 mg/l TDS | Constituent | Method       | Limit        |  |  |  |  |
|                                                                    | Chloride    | EPA 9056     | 600 mg/kg    |  |  |  |  |
|                                                                    | TPH         | Method 418.1 | 100 mg/kg    |  |  |  |  |
| ,                                                                  | BTEX        | Method 8021B | 50 mg/kg     |  |  |  |  |
| ≤ 50 Feet                                                          | Benzene     | Method 8021B | 10 mg/kg     |  |  |  |  |
|                                                                    | Chloride    | EPA 9056     | 10,000 mg/kg |  |  |  |  |
|                                                                    | TPH         | Method 418.1 | 2,500 mg/kg  |  |  |  |  |
|                                                                    | GRO + DRO   | Method 8015  | 1,000 mg/kg  |  |  |  |  |
|                                                                    | BTEX        | Method 8021B | 50 mg/kg     |  |  |  |  |
| 51 feet - 100 feet                                                 | Benzene     | Method 8021B | 10 mg/kg     |  |  |  |  |
|                                                                    | Chloride    | EPA 9056     | 20,000 mg/kg |  |  |  |  |
|                                                                    | TPH         | EPA 418.1    | 2,500 mg/kg  |  |  |  |  |
|                                                                    | GRO + DRO   | Method 8015  | 1,000 mg/kg  |  |  |  |  |
|                                                                    | BTEX        | Method 8021B | 50 mg/kg     |  |  |  |  |
| > 100 feet                                                         | Benzene     | Method 8021B | 10 mg/kg     |  |  |  |  |

- 7. OPERATOR will meet the limits for <50' to groundwater detailed in table I.
  - a. In accordance with Rule 19.15.17.13.C(3)(b) if contaminant concentrations exceed the proposed limit and groundwater is found to be deeper than 50', OPERATOR may elect to submit additional groundwater information to the Division and request a higher closure limit. OPERATOR will submit the additional groundwater data via email documenting the depth to groundwater at the location. OPERATOR will wait for approval of the groundwater data by the NMOCD, prior to completing closure activities at the site.
  - b. If a higher closure limit is submitted and approved by the Division, OPERATOR will submit a copy of the request, the groundwater information and the received approval in their closure report.
- 8. If any contaminant concentration is higher than the parameters listed in Table I of 19.15.17.13 NMAC, the division may require additional delineation upon review of the results and the operator must receive approval before proceeding with closure. If all contaminant concentrations are less than or equal to the parameters listed in Table I of 19.15.17.13 NMAC, then the operator can proceed to backfill the pit, pad, or excavation with non-waste containing, uncontaminated, earthen material.
- 9. After closure has occurred, OPERATOR will reclaim the former BGT area, if it is no longer being used for extraction of oil and gas, by substantially restoring the impacted surface area to the condition that existed prior to oil and gas operations. OPERATOR will construct the soil cover to the site's existing grade and prevent ponding of water and erosion of the cover materials. The soil cover shall consist of the background thickness of topsoil, or one foot of suitable materials to establish vegetation at the site, whichever is greater. All areas will be reclaimed as early as practicable, and as close to their original condition or land use as possible. They shall be maintained in a way as to control dust and minimize erosion.
- 10. OPERATOR will complete reclamation of all disturbed areas no longer in use when the ground disturbance activities at the site have been completed. The reseeding shall take place during the first favorable growing season after closure. Reclamation activities will be considered completed when 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.
  - \*Re-vegetation and reclamation obligations imposed by other applicable federal, state or tribal agencies on lands managed by those agencies shall supersede the above requirements, provided they provide equal or better protection of fresh water, human health and the environment.
- 11. OPERATOR will notify the Aztec Office of the NMOCD by email when reclamation and closure activities are completed.

- 12. Within 60 days of closure, OPERATOR will submit a closure report to the Aztec office of the NMOCD, filed on Form C-144. The report will include the following:
  - a. Proof of closure notice to NMOCD and surface owner
  - b. Confirmation sampling analytical results
  - c. Soil backfill and cover installation information
  - d. Photo documentation of site reclamation
  - e. (if needed) Alternative Table I groundwater criteria request, groundwater information and received approval.