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 August 1, 2011

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.
For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

10037

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

Type of action: ☐ Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method
☒ Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method
☐ Modification to an existing permit
☐ Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1.
Operator: Elm Ridge Exploration Company, LLC OGRID #:149052
Address: PO Box 156, Bloomfield, NM 87413
Facility or well name: Bisti Gallup 20 #9
API Number: 30-045-34002 OCD Permit Number: _____
U/L or Qtr/Qtr NESE Section 20 Township 25 N Range 12 W County: San Juan
Center of Proposed Design: Latitude 36.384690 Longitude -108.128034 NAD: ☐1927 ☒ 1983
Surface Owner: ☐ Federal ☐ State ☐ Private ☒ Tribal Trust or Indian Allotment

2.
☒ **Pit:** Subsection F or G of 19.15.17.11 NMAC
Temporary: ☒ Drilling ☐ Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A
☒ Lined ☐ Unlined Liner type: Thickness 20 mil ☒ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
☐ String-Reinforced
Liner Seams: ☒ Welded ☒ Factory ☐ Other _____ Volume: 9,939 bbl Dimensions: L 160' x W 40' x D 10'

RCVD MAY 10 '12
OIL CONS. DIV.
DIST. 3

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

4.
☐ **Below-grade tank:** Subsection I of 19.15.17.11 NMAC
Volume: _____bbl Type of fluid: _____
Tank Construction material: _____
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other _____
Liner type: Thickness _____mil ☐ HDPE ☐ PVC ☐ Other _____

5.
☐ **Alternative Method:**
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

30

6.

Fencing: Subsection D of 19.15.17.11 NMAC *(Applies to permanent pits, temporary pits, and below-grade tanks)*

☐ Chain link, six feet in height, two strands of barbed wire at top *(Required if located within 1000 feet of a permanent residence, school, hospital, institution or church)*

☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet

☐ Alternate. Please specify_____

7.

Netting: Subsection E of 19.15.17.11 NMAC *(Applies to permanent pits and permanent open top tanks)*

☐ Screen ☐ Netting ☐ Other_____

☐ Monthly inspections (If netting or screening is not physically feasible)

8.

Signs: Subsection C of 19.15.17.11 NMAC

☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers

☐ Signed in compliance with 19.15.16.8 NMAC

9.

Administrative Approvals and Exceptions:

Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.

Please check a box if one or more of the following is requested, if not leave blank:

☐ Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval.

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

10.

Siting Criteria (regarding permitting): 19.15.17.10 NMAC

Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. **Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.**

Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. *(Applies to temporary, emergency, or cavitation pits and below-grade tanks)* - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No ☐ NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. *(Applies to permanent pits)* - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No ☐ NA
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ 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

11.
Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
- ☐ Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC
- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

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

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

- ☐ Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9
- ☐ Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

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

☐ Previously Approved Operating and Maintenance Plan API Number: _____ *(Applies only to closed-loop system that use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)*

13.
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

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

14.
Proposed Closure: 19.15.17.13 NMAC
Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.

Type: ☐ Drilling ☐ Workover ☐ Emergency ☐ Cavitation ☐ P&A ☐ Permanent Pit ☐ Below-grade Tank ☐ Closed-loop System ☐ Alternative

Proposed Closure Method:
- ☐ Waste Excavation and Removal
- ☐ Waste Removal (Closed-loop systems only)
- ☐ On-site Closure Method (Only for temporary pits and closed-loop systems)
  - ☐ In-place Burial ☐ On-site Trench Burial
- ☐ Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)

15.
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) ***Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.***

- ☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
- ☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
- ☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
- ☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- ☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
- ☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

16.
Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)
Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Will any of the proposed closed-loop system operations and associated activities occur on or in areas that *will not* be used for future service and operations?
☐ Yes (If yes, please provide the information below) ☐ No

Required for impacted areas which will not be used for future service and operations:
☐ Soil Backfill and Cover Design Specifications - - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

17.
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC
Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.

Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Within 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 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 private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ 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

18.
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) ***Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.***
☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☐ Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☐ Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)
☐ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

19.
Operator Application Certification:

I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): Title:

Signature:_____ Date: _____

e-mail address: Telephone:

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

OCD Representative Signature: Jonathan D. Kelly **Approval Date:** 6/29/2012

Title: Compliance Officer **OCD Permit Number:**_____

21.
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC

Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☒ **Closure Completion Date:** April 9, 2012

22.
Closure Method:

☐ Waste Excavation and Removal ☒ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-loop systems only)

☐ If different from approved plan, please explain.

23.
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:

Instructions: Please indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Were the closed-loop system operations and associated activities performed on or in areas that *will not* be used for future service and operations?

☐ Yes (If yes, please demonstrate compliance to the items below) ☐ No

Required for impacted areas which will not be used for future service and operations:

☐ Site Reclamation (Photo Documentation)

☐ Soil Backfilling and Cover Installation

☐ Re-vegetation Application Rates and Seeding Technique

24.
Closure Report Attachment Checklist: ***Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.***

☒ Proof of Closure Notice (surface owner and division) – **See attached: Closure Notices**

☒ Proof of Deed Notice (required for on-site closure) – **See attached: Proof of Deed Notice**

☒ Plot Plan (for on-site closures and temporary pits) - **See attached: Plot Plan**

☒ Confirmation Sampling Analytical Results (if applicable) – **Not Applicable – Waste Material Sampling Results below OCD Closure Standards.**

☒ Waste Material Sampling Analytical Results (required for on-site closure) – **See attached: Envirotech Analytical Results**

☒ Disposal Facility Name and Permit Number **–On-Site closure levels met standards – Waste material not removed.**

☒ Soil Backfilling and Cover Installation – **See attached: Site Photography**

☒ Re-vegetation Application Rates and Seeding Technique - **Pursuant to the BLM MOU and Approved Closure Plan**

☒ Site Reclamation (Photo Documentation) – **See attached: Site Photography**

On-site Closure Location: Latitude 36.392177 Longitude -108.13481 NAD: ☐1927 ☒ 1983

25.
Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): Ms. Amy Mackey Title: Administrative Manager

Signature:_____ Date: 5-8-12

e-mail address: amackey1@elmridge.net Telephone: (505) 632-3476 Ext. 201

Submit To Appropriate District Office
Two Copies
District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-105
Revised August 1, 2011

1. WELL API NO. 30-045-34002
2. Type of Lease ☐ STATE ☐ FEE ☒ FED/INDIAN
3. State Oil & Gas Lease No. NMNM-25488

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

4. Reason for filing:

☐ **COMPLETION REPORT** (Fill in boxes #1 through #31 for State and Fee wells only)

☒ **C-144 CLOSURE ATTACHMENT** (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)

5. Lease Name or Unit Agreement Name: Bisti Gallup 20
6. Well Number: 9

7. Type of Completion: ☐ NEW WELL ☒ WORKOVER ☐ DEEPENING ☐ PLUGBACK ☐ DIFFERENT RESERVOIR ☐ OTHER _____

8. Name of Operator: Elm Ridge Exploration
9. OGRID 149052
10. Address of Operator: PO Box 156, Bloomfield, New Mexico, 87413
11. Pool name or Wildcat

12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County
Surface:										
BH:										

13. Date Spudded	14. Date T.D. Reached	15. Date Rig Released	16. Date Completed (Ready to Produce)	17. Elevations (DF and RKB, RT, GR, etc.)

18. Total Measured Depth of Well	19. Plug Back Measured Depth	20. Was Directional Survey Made?	21. Type Electric and Other Logs Run

22. Producing Interval(s), of this completion - Top, Bottom, Name

23. **CASING RECORD** (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET

26. Perforation record (interval, size, and number)

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED

28. **PRODUCTION**

Date First Production	Production Method (*Flowing, gas lift, pumping - Size and type pump*)	Well Status (*Prod. or Shut-in*)

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (*Corr.*)

29. Disposition of Gas (*Sold, used for fuel, vented, etc.*)
30. Test Witnessed By

31. List Attachments

32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit. See Attached

33. If an on-site burial was used at the well, report the exact location of the on-site burial:

Latitude 36.384690 Deg N Longitude 108.128034 Deg W NAD 1927 1983

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Printed Name Ms. Amy Mackey Title Administrative Manager Date

E-mail Address amackey1@elmridge.net

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn A"
T. Salt	T. Strawn	T. Kirtland	T. Penn. "B"
B. Salt	T. Atoka	T. Fruitland	T. Penn. "C"
T. Yates	T. Miss	T. Pictured Cliffs	T. Penn. "D"
T. 7 Rivers	T. Devonian	T. Cliff House	T. Leadville
T. Queen	T. Silurian	T. Menefee	T. Madison
T. Grayburg	T. Montoya	T. Point Lookout	T. Elbert
T. San Andres	T. Simpson	T. Mancos	T. McCracken
T. Glorieta	T. McKee	T. Gallup	T. Ignacio Otzte
T. Paddock	T. Ellenburger	Base Greenhorn	T.Granite
T. Blinebry	T. Gr. Wash	T. Dakota	
T.Tubb	T. Delaware Sand	T. Morrison	
T. Drinkard	T. Bone Springs	T.Todilto	
T. Abo	T.	T. Entrada	
T. Wolfcamp	T.	T. Wingate	
T. Penn	T.	T. Chinle	
T. Cisco (Bough C)	T.	T. Permian	

OIL OR GAS SANDS OR ZONES

No. 1, from.....to..... No. 3, from.....to.....

No. 2, from.....to..... No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....

No. 2, from.....to.....feet.....

No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology		From	To	Thickness In Feet	Lithology

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

DISTRICT II
811 South First, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised Febuary 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
	5890	BISTI LOWER-GALLUP

[4] Property Code	[5] Property Name	[6] Well Number
	BISTI GALLUP 20	9

[7] OGRID No.	[8] Operator Name	[9] Elevation
149052	ELM RIDGE EXPLORATION	6342

[10] Surface Location

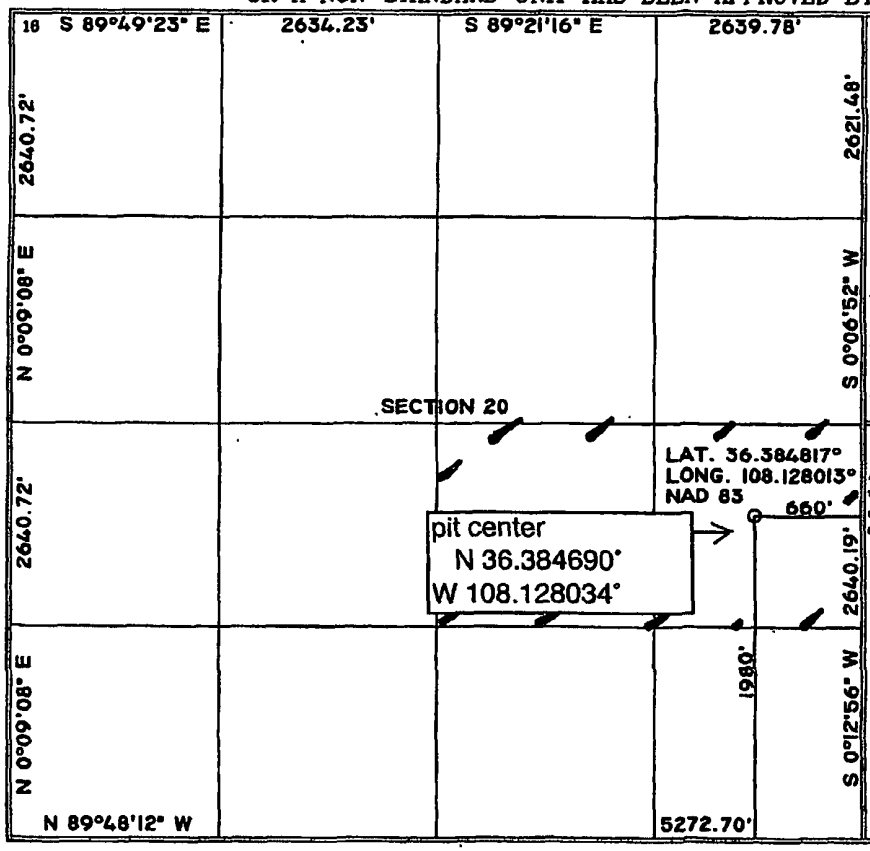
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	20	25 N	12 W		1980	SOUTH	660	EAST	SAN JUAN

[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
80			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



[17] OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Signature: BRIAN WOOD

Printed Name: CONSULTANT

Title: OCT. 4, 2006

Date

[18] SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

3/01/06
Date of Survey

Signature and Seal of Professional Surveyor:

ROBERT L. PADILLA
NEW MEXICO
6848
REGISTERED PROFESSIONAL SURVEYOR

6848
Certificate Number

EXHIBIT 4

PAGE NO: 1 OF 1

DATE STARTED: 4-9-12

DATE FINISHED:

envirotech

(505) 632-0615 (800) 362-1879

5796 U.S. Hwy 64, Farmington, NM 87401

ENVIRONMENTAL SPECIALIST: K. Peirce

LAT: N 36° 23 .0968'

LONG: W 108° 7.6843'

FIELD REPORT: BGT / PIT CLOSURE VERIFICATION

LOCATION: NAME: Bisti Gallup WELL #: 20-9 TEMP PIT: ✓ PERMANENT PIT: BGT:

LEGAL ADD: UNIT: I SEC: 20 TWP: 25 North RNG: 12 west PM: N.M.

QTR/FOOTAGE: 1980' FSL X 660' FEL CNTY: ~~Sandoval~~ San Juan ST: New Mexico

EXCAVATION APPROX: 54 FT. X 120 FT. X Nc Depth FT. DEEP CUBIC YARDAGE:

DISPOSAL FACILITY: Envirotech Land Farm 2 REMEDIATION METHOD: Removal

LAND OWNER: Federal API: 30-045-34002 BGT / PIT VOLUME: Pit Filled in

CONSTRUCTION MATERIAL: N/A DOUBLE-WALLED, WITH LEAK DETECTION: Pit has been Filled

LOCATION APPROXIMATELY: 56 FT. 154° FROM WELLHEAD

DEPTH TO GROUNDWATER: Greater than 100'

___ TEMPORARY PIT - GROUNDWATER 50-100 FEET DEEP

BENZENE ≤ 0.2 mg/kg, BTEX ≤ 50 mg/kg, GRO & DRO FRACTION (8015) ≤ 500 mg/kg, TPH (418.1) ≤ 2500 mg/kg, CHLORIDES ≤ 500 mg/kg

✓ TEMPORARY PIT - GROUNDWATER ≥100 FEET DEEP

BENZENE ≤ 0.2 mg/kg, BTEX ≤ 50 mg/kg, GRO & DRO FRACTION (8015) ≤ 500 mg/kg, TPH (418.1) ≤ 2500 mg/kg, CHLORIDES ≤ 1000 mg/kg

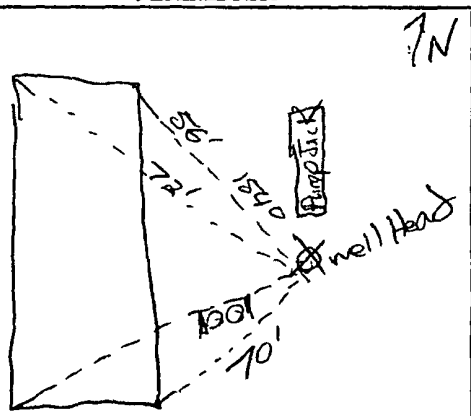
___ PERMANENT PIT OR BGT

BENZENE ≤ 0.2 mg/kg, BTEX ≤ 50 mg/kg, TPH (418.1) ≤ 100 mg/kg, CHLORIDES ≤ 250 mg/kg

FIELD 418.1 ANALYSIS

TIME	SAMPLE I.D.	LAB NO.	WEIGHT (g)	mL FREON	DILUTION	READING	CALC. (mg/kg)
	STD		-	-	-		
13:45	Pit Comp	1	NS	NS	NS	NS	
		2					
		3					
		4					
		5					
		6					

PERIMETER



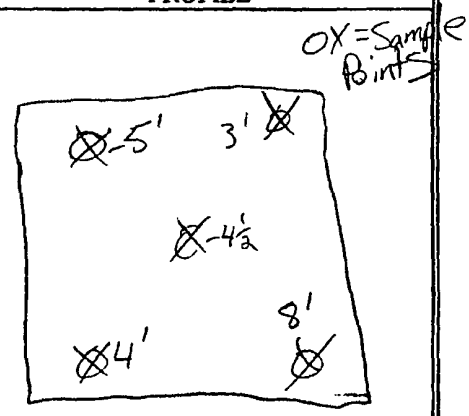
FIELD CHLORIDES RESULTS

SAMPLE ID	READING	CALC. (mg/kg)

PID RESULTS

SAMPLE ID	RESULTS (mg/kg)

PROFILE



LAB SAMPLES

SAMPLE ID	ANALYSIS	RESULTS
Pit Comp	BENZENE	
Pit Comp	BTEX	
Pit Comp	GRO & DRO	
Pit Comp	CHLORIDES	

NOTES: Pit was pumped before backfill took Place

Ranking:

WORKORDER #: 30560364 WHO ORDERED

envirotech
Analytical Laboratory

EPA METHOD 8015 Modified
Nonhalogenated Volatile Organics
Total Petroleum Hydrocarbons

Client:	Elm Ridge	Project #:	03056-0363
Sample ID:	Pit Composite	Date Reported:	04-10-12
Laboratory Number:	61615	Date Sampled:	04-09-12
Chain of Custody No:	13692	Date Received:	04-09-12
Sample Matrix:	Soil	Date Extracted:	04-09-12
Preservative:	Cool	Date Analyzed:	04-10-12
Condition:	Intact	Analysis Requested:	8015 TPH

Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)
Gasoline Range (C5 - C10)	**ND**	**0.2**
Diesel Range (C10 - C28)	**ND**	**0.1**
Total Petroleum Hydrocarbons	**ND**	

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: **Pit Closure Bisti Gallup 20-9**

Analyst

Review

5796 US Highway 64, Farmington, NM 87401 Ph (505) 632-0615 Fx (505) 632-1865
Three Springs - 65 Mercado Street, Suite 115, Durango, CO 81301 Ph (970) 259-0615 Fr (800) 362-1879
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laboratory@envirotech-inc.com

envirotech
Analytical Laboratory

EPA Method 8015 Modified
Nonhalogenated Volatile Organics
Total Petroleum Hydrocarbons

Quality Assurance Report

Client:	QA/QC	Project #:	N/A
Sample ID:	0410TCAL QA/QC	Date Reported:	04-10-12
Laboratory Number:	61622	Date Sampled:	N/A
Sample Matrix:	Methylene Chloride	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	04-10-12
Condition:	N/A	Analysis Requested:	TPH

	I-Cal Date	I-Cal RF:	C-Cal RF:	% Difference	Accept. Range
Gasoline Range C5 - C10	04-10-12	9.9960E+02	1.0000E+03	**0.04%**	**0 - 15%**
Diesel Range C10 - C28	04-10-12	9.9960E+02	1.0000E+03	**0.04%**	**0 - 15%**

Blank Conc. (mg/L - mg/Kg)	Concentration	Detection Limit
Gasoline Range C5 - C10	**ND**	**0.2**
Diesel Range C10 - C28	**ND**	**0.1**
Total Petroleum Hydrocarbons	**ND**	

Duplicate Conc. (mg/Kg)	Sample	Duplicate	% Difference	Accept. Range
Gasoline Range C5 - C10	**ND**	**ND**	**0.0%**	**0 - 30%**
Diesel Range C10 - C28	**406**	**404**	**0.5%**	**0 - 30%**

Spike Conc. (mg/Kg)	Sample	Spike Added	Spike Result	% Recovery	Accept. Range
Gasoline Range C5 - C10	**ND**	**250**	**281**	**112%**	**75 - 125%**
Diesel Range C10 - C28	**406**	**250**	**665**	**101%**	**75 - 125%**

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Was SW-846, USEPA, December 1996.

Comments: **QA/QC for Samples 61615, 61622-61626 and 61629-61630**

Analyst

Review

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EPA METHOD 8021
AROMATIC VOLATILE ORGANICS

Client:	Elm Ridge	Project #:	03056-0363
Sample ID:	Pit Composite	Date Reported:	04-10-12
Laboratory Number:	61615	Date Sampled:	04-09-12
Chain of Custody:	13692	Date Received:	04-09-12
Sample Matrix:	Soil	Date Analyzed:	04-10-12
Preservative:	Cool	Date Extracted:	04-09-12
Condition:	Intact	Analysis Requested:	BTEX
		Dilution:	50

Parameter	Concentration (ug/Kg)	Det. Limit (ug/Kg)
Benzene	**ND**	**10.0**
Toluene	**10.0**	**10.0**
Ethylbenzene	**ND**	**10.0**
p,m-Xylene	**11.8**	**10.0**
o-Xylene	**ND**	**10.0**
Total BTEX	**21.8**	

ND - Parameter not detected at the stated detection limit.

Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	**96.7 %**
	1,4-difluorobenzene	**99.5 %**
	Bromochlorobenzene	**101 %**

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846. USEPA, December 1996.

Comments: **Pit Closure Bisti Gallup 20-9**

Analyst

Review

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laboratory@envirotech-inc.com

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EPA METHOD 8021
AROMATIC VOLATILE ORGANICS

Client:	N/A	Project #:	N/A
Sample ID:	0410BCAL QA/QC	Date Reported:	04-10-12
Laboratory Number:	61622	Date Sampled:	N/A
Sample Matrix:	Soil	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	04-10-12
Condition:	N/A	Analysis:	BTEX
		Dilution:	150

Calibration and Detection Limits (ug/L)	I-Cal RF:	C-Cal RF:	%Diff. Accept. Range 0-15%	Blank Conc	Detect. Limit
Benzene	5.4709E-06	5.4709E-06	0.000	ND	0.2
Toluene	5.1322E-06	5.1322E-06	0.000	ND	0.2
Ethylbenzene	5.7195E-06	5.7195E-06	0.000	ND	0.2
p,m-Xylene	4.2412E-06	4.2412E-06	0.000	ND	0.2
o-Xylene	6.1214E-06	6.1214E-06	0.000	ND	0.2

Duplicate Conc. (ug/Kg)	Sample	Duplicate	%Diff.	Accept Range	Detect. Limit
Benzene	41.4	41.3	0.002	0 - 30%	10
Toluene	448	456	0.019	0 - 30%	10
Ethylbenzene	106	105	0.003	0 - 30%	10
p,m-Xylene	604	604	0.000	0 - 30%	10
o-Xylene	91.8	92.0	0.002	0 - 30%	10

Spike Conc. (ug/Kg)	Sample	Amount Spiked	Spiked Sample	% Recovery	Accept Range
Benzene	41.4	7500	6950	92.2	39 - 150
Toluene	448	7500	7490	94.2	46 - 148
Ethylbenzene	106	7500	6880	90.5	32 - 160
p,m-Xylene	604	15000	14500	92.9	46 - 148
o-Xylene	91.8	7500	6880	90.6	46 - 148

ND - Parameter not detected at the stated detection limit.

Dilution: Spike and spiked sample concentration represent a dilution proportional to sample dilution.

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.
Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996.

Comments: **QA/QC for Samples 61615 and 61622-61626**

Analyst

Review

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EPA METHOD 418.1
TOTAL PETROLEUM HYDROCARBONS

Client:	Elm Ridge	Project #:	03056-0363
Sample ID:	Pit Composite	Date Reported:	04-11-12
Laboratory Number:	61615	Date Sampled:	04-09-12
Chain of Custody No:	13692	Date Received:	04-09-12
Sample Matrix:	Soil	Date Extracted:	04-09-12
Preservative:	Cool	Date Analyzed:	04-09-12
Condition:	Intact	Analysis Needed:	TPH-418.1

Parameter	Concentration (mg/kg)	Det. Limit (mg/kg)
Total Petroleum Hydrocarbons	**31.0**	**7.4**

ND = Parameter not detected at the stated detection limit.

References: Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water and Waste, USEPA Storet No. 4551, 1978.

Comments: **Pit Closure Bisti Gallup 20-9**

Analyst

Review

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EPA METHOD 418.1
TOTAL PETROLEUM HYDROCARBONS
QUALITY ASSURANCE REPORT

Client:	QA/QC	Project #:	N/A
Sample ID:	QA/QC	Date Reported:	04-11-12
Laboratory Number:	04-09-TPH.QA/QC 61613	Date Sampled:	N/A
Sample Matrix:	Freon-113	Date Analyzed:	04-09-12
Preservative:	N/A	Date Extracted:	04-09-12
Condition:	N/A	Analysis Needed:	TPH

Calibration	I-Cal Date	C-Cal Date	I-Cal RF:	C-Cal RF:	% Difference	Accept. Range
	03-20-12	04-09-12	1,850	1,720	7.0%	+/- 10%

Blank Conc. (mg/Kg)	Concentration	Detection Limit
TPH	ND	7.4

Duplicate Conc. (mg/Kg)	Sample	Duplicate	% Difference	Accept. Range
TPH	54.7	50.3	8.0%	+/- 30%

Spike Conc. (mg/Kg)	Sample	Spike Added	Spike Result	% Recovery	Accept Range
TPH	54.7	2,000	2,070	101%	80 - 120%

ND = Parameter not detected at the stated detection limit.

References: Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water and Waste, USEPA Storet No. 4551, 1978.

Comments: **QA/QC for Samples 61608-61613, 61615-61616.**

Analyst

Review

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Chloride

Client:	Elm Ridge	Project #:	03056-0363
Sample ID:	Pit Composite	Date Reported:	04-10-12
Lab ID#:	61615	Date Sampled:	04-09-12
Sample Matrix:	Soil	Date Received:	04-09-12
Preservative:	Cool	Date Analyzed:	04-10-12
Condition:	Intact	Chain of Custody:	13692

Parameter	Concentration (mg/Kg)
Total Chloride	**140**

Reference: U.S.E.P.A., 4500B, "Methods for Chemical Analysis of Water and Wastes", 1983.
Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments: **Pit Closure Bisti Gallup 20-9**

Analyst

Review

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laboratory@envirotech-inc.com

CHAIN OF CUSTODY RECORD

13692

Client: Elm Ridge	Project Name / Location: Pit Closure Bisti Gallup 20-9	ANALYSIS / PARAMETERS
Email results to: Kory Peirce	Sampler Name: Kory Peirce	
Client Phone No.:	Client No.: 03056-0363	

Sample No./ Identification	Sample Date	Sample Time	Lab No.	No./Volume of Containers	Preservative: $HgCl_2$	Preservative: HCl	Preservative: Cool	TPH (Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	RCRA 8 Metals	Cation / Anion	RCI	TCLP with H/P	CO Table 910-1	TPH (418.1)	CHLORIDE				Sample Cool	Sample Intact
Pit Composite	4-9-12	13:45 MJ ~~10:30~~ 4.9.12	101615	1 4oz Jar			X	X	X							X	X				X	X

Relinquished by: (Signature)	Date	Time	Received by: (Signature)	Date	Time
Kory Peirce	4.9.12 ~~4612~~	16:00 ~~1430~~	Cristina Hammer	4.9.12	MJ 16:00 ~~1705~~
Relinquished by: (Signature)			Received by: (Signature)		

Sample Matrix
Soil ☑ Solid ☐ Sludge ☐ Aqueous ☐ Other ☐ _____

☐ Sample(s) dropped off after hours to secure drop off area.

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Analytical Laboratory

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ELM RIDGE EXPLORATION
BISTI GALLUP 20 #9
SITE RESTORATION PHOTOGRAPHY
JOB NUMBER: 03056-0364
PHOTOS TAKEN: APRIL 9, 2012

Photo 1: Bisti Gallup 20 #9 Well Site

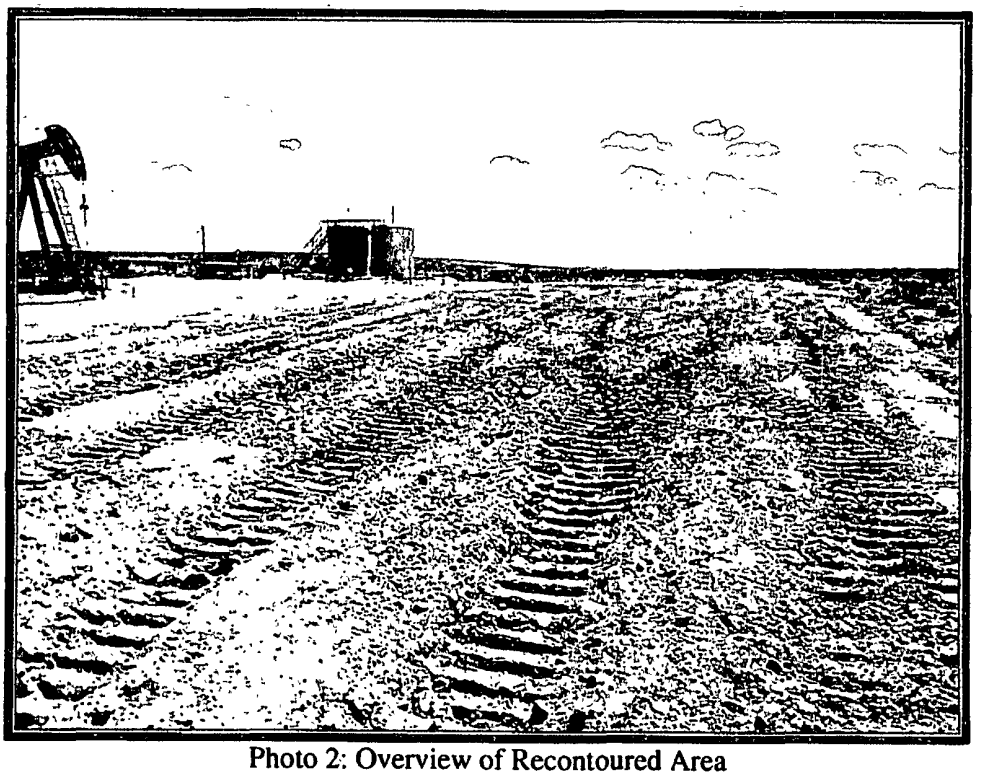

Photo 2: Overview of Recontoured Area

envirotech

May 3, 2012

Project Number 03056-0363

Ms. Amy Mackey
Elm Ridge Resources
Post Office Box 156
Bloomfield, New Mexico 87413

Phone: (505) 632-3476

RE: DRILL PIT CLOSURE DOCUMENTATION FOR THE BISTI GALLUP 20 #9 WELL SITE, SAN JUAN COUNTY, NEW MEXICO

Dear Ms. Mackey,

Enclosed please find the required C-144 and necessary attachments for the closure of the drill pit at the Bisti Gallup 20 #9 well site located in Section 20, Township 25 North, Range 12 West, San Juan County, New Mexico. The enclosed sampling results indicate that the contents of the drill pit are below New Mexico Oil Conservation Division (NMOCD) standards. Please review for accuracy, sign where indicated and forward to Mr. Brandon Powell of the NMOCD.

We appreciate the opportunity to be of service. If you have any questions or require additional information, please contact our office at (505) 632-0615.

Respectfully Submitted,
ENVIROTECH, INC.

Kory Peine
Environmental Field Technician
kpeine@envirotech-inc.com

Enclosure(s): Field Notes
Analytical Results
Site Photography

Cc: Client File Number 03056

Elm Ridge Exploration
Bisti Gallup 22 #9
Closure Date: April 9, 2012
Project No. 03056-0363

Drill Pit Closure Checklist

1) An alternative interim marking system will be used to allow for safer and more efficient operations. A minimum 4" O.D. steel pipe will be set at least 36" deep at the center of the pit. A threaded collar will be on the top of the pipe. A minimum 12" x 12" steel plate will be welded atop the threaded collar. The top of the plate will be flush with ground level. The standard location information listed will be welded onto the plate, plus a notation that it marks an on-site buried, temporary pit. Upon plugging the well, the plate will be removed, and the pit will be marked as described in 19.15.17.13.F(1)(d).
A division approved in-ground marker will be placed with a four (4) foot riser upon P&A of this well location. Information welded onto the marker will include: Elm Ridge Exploration, Lease #NM-25449, Bisti Gallup 22-9, UL B, Sec. 20, Twn. 25N, Rng 12W, on-site burial and the date.

2) Elm Ridge Exploration will close the pit in accordance with OCD rules 19.15.17.12 &13. Post closure documents will be submitted within 60 days of pit closure and will include forms C-105 and C-144, cover details, pit diagram, inspection report and closure sampling results.
See attached C-105, C-144, pit diagrams, closure sampling results. Cover was installed in accordance with 19.15.17.12 &13.

3) All free standing liquids will be removed before backfilling the pit and disposed of at an Elm Ridge Disposal Well or at Basin Disposal's evaporation pond.
Liquid was removed and disposed of at Carson WDW 242 prior to closure sampling on April 9, 2012. The rig release date for this drill pit is: _____

4) **Please see attached "Deed Notice" submitted on (Date :_____).**

5) The preferred method of closure will be on-site, in place burial, assuming all criteria outlined in 19.15.17.13 (B) are met.
The drill pit met all requirements, and was buried in-place prior to April 9, 2012. One (1) five (5) point composite sample was collected from the drill pit using a hand auger to depths between five (5) and ten (10) feet below ground surface.

6) The surface owner has been notified.
Surface owner notification was sent on (Date: _____). See attached notification.

7) After approval of this application, Elm Ridge Exploration will notify the OCD verbally, or by other means, at least 72 hours, but not more than one week, prior to any closure operations. The notice shall include the operator's name and the location to be closed by unit letter, section, township and range, well name and number and API number.
The Oil Conservation Division, Aztec Office, was notified on (Date: _____).
See attached OCD notification.

8) Elm Ridge Exploration will stabilize or solidify the contents to a bearing capacity sufficient to support the temporary pit's final cover. Elm Ridge Exploration will mix the contents with soil or other material at a mixing ratio of no greater than 3-1, soil or other material: to drill pit contents.
Contents of drill pit were mixed at a 3:1 ratio of soil to contents of drill pit.

9) A five (5)-point composite sample will be taken of the pit, and all samples will be tested per Subsection B of 19.15.17.13(B)(1)(b). If the criteria are not met, then all contents will be handled per subparagraph (a) of Paragraph (1) of Subsection B of 19.15.17.13. (i.e. dig and haul). If a dig and haul is required, then the disposal facility will be Envirotech's Landfarm (NM01-0011).
Initial sampling on 4/9/12 returned results that were below the NMOCD regulatory standards for all constituents analyzed; see attached laboratory results.

Sample	Chloride	Benzene (8021)	BTEX (8021)	TPH (418.1)	DRO/GRO (8015)
NMOCD Regulatory Standards	1,000 mg/kg	0.2 mg/kg	50.0 mg/kg	2,500 mg/kg	500 mg/kg
Contents	140 mg/kg	< 0.001 mg/kg	0.0218 mg/kg	31.0 mg/kg	< 0.2mg/kg

10) After completing solidification and testing, the pit area will be backfilled with compacted, waste free, earthen material. At least four (4) feet of cover will be achieved. The cover will include one (1) foot of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater.
Site was backfilled using one (1) foot of topsoil and approximately four (4) feet of non-waste containing earthen material used for cover.

11) Recontouring of the location will match the fit, shape, line, form, and texture of the surrounding area. Re-shaping will control drainage and prevent ponds and erosion. Natural drainages will be unimpeded. Water bars and/or silt traps will be placed where needed to prevent erosion on a large scale. Final recontour will have a uniform appearance with smooth surface, fitting the natural landscape.
The site was recontoured to match the fit, shape, line and form of the surrounding area. It was re-shaped to prevent ponding and erosion, and in such a way that natural drainage was unimpeded. Water bars or silt traps were not needed to prevent erosion. The final recontour has a uniform appearance and a smooth surface, and fits the natural landscape. See attached photos of site recontouring.

12) Notice will be sent to the OCD when the reclaimed area is seeded.
Elm Ridge Exploration will comply with the BLM's re-seeding requirements in this area in accordance with the federal rules and regulations as allowed by the BLM/OCD Memorandum of Understanding. Reseeding will occur or has occurred on (Date: _____).

ELM RIDGE EXPLORATION CO., LLC

June 5, 2012

Mr. Jonathan Kelly
New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

RE: DRILL PIT CLOSURE NOTIFICATION FOR THE BISTI GALLUP 20-9 WELL SITE, SAN JUAN COUNTY, NEW MEXICO

Dear Mr. Kelly,

Drill pit closure activities were conducted at the Bisti Gallup 20 #9 well site located in Section 20, Township 25 North, Range 12 West, San Juan County, New Mexico on April 9, 2012.

Unfortunately, a Sundry Notice for Landowner notification of drill pit closure activities was not submitted to the Bureau of Land Management Farmington District Office or the New Mexico Oil Conservation Division (NMOCD). Re-vegetation application rates and seeding techniques were conducted in pursuant to the BLM MOU and the NMOCD Approved Closure Plan. Drill pit closure activities were conducted in conformance to the requirements stated in NMAC 19.15.17.13 Closure Requirements for a Permitted Temporary Pit.

We truly apologize for our oversight to provide the Sundry Notice for notification of drill pit closure activities, and will ensure that notifications will be sent prior to drill pit closure activities in the future. If you have any questions or require additional information, please contact our office at (505) 632-0615.

Respectfully submitted,
ELM RIDGE RESOURCES

Amy Mackey
Elm Ridge Resources
amymackey@elmridge.net

20 CR 5060 • Bloomfield, NM 87413 • (505) 632-3476 • Fax (505) 632-8151
Mailing Address: PO Box 156 • Bloomfield, NM 87413

Elm Ridge Exploration
Lease Name: **Bisti Gallup 20 #9**
API Number: **30-045-34002**
Closure Date: **April 9, 2012**

Detailed Closure Report

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

Documentation includes:

- Details on capping and covering, where applicable (see report)
- Plot Plan (Pit Diagram) (Included as an attachment)
- Inspection Reports (Included as an attachment)
- Sampling Results (Included as an attachment)
- C-105 (Included as an attachment)
- Copy of Deed Notice will be filed with County Clerk (Not required on Federal, State, or Tribal land)

Drill Pit Closure Plan Checklist

1) An operator shall close a pit within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the division requires because of imminent danger to fresh water, public health or the environment. An operator shall close any other permitted temporary pit within six months from the date that the operator releases the drilling or work over rig. The appropriate division district office may grant an extension not to exceed three months.

   The rig release date was September 29, 2011. Closure activities were completed on April 9, 2012.

2) The operator of a temporary pit shall remove all liquids from the temporary pit prior to closure and dispose of the liquids in a division approved facility or recycle, reuse or reclaim the liquids in a manner that the appropriate division office approves. All free standing liquids will be removed before backfilling the pit and disposed of at an Elm Ridge Disposal Well or at Basin Disposal's evaporation pond.

   All recovered liquids were removed and disposed of at Carson WDW 242 prior to closure sampling on April 9, 2012.

3) On-Site Burial. The operator shall demonstrate and comply with the siting requirements in Subsection C of 19.15.17.10 NMAC and the closure requirements and standards of Subsection F of 19.15.17.13 NMAC if the proposed closure method of a temporary pit involves on-site burial. The preferred method of closure will be on-site, in place burial, assuming all criteria outlined in 19.15.17.13 (B) are met.

   The pit was closed using on-site burial. The permit of the pit was approved by the OCD on October 10, 2008. The drill pit met all requirements, and was buried in-place prior to April 9, 2012. One (1) five (5) point composite sample was collected from the drill pit using a hand auger to depths between five (5) and ten (10) feet below ground surface.

4) An alternative interim marking system will be used to allow for safer and more efficient operations. A minimum 4" O.D. steel pipe will be set at least 36" deep at the center of the pit. A threaded collar will be on the top of the pipe. A minimum 12" x 12" steel plate will be welded atop the threaded collar. The top of the plate will be flush with ground level. The standard location information listed will be welded onto the plate, plus a notation that it marks an on-site buried, temporary pit. Upon plugging the well, the plate will be removed, and the pit will be marked as described in 19.15.17.13.F(1)(d).

A division approved in-ground marker will be placed with a four (4) foot riser upon P&A of this well location. Information welded onto the marker will include: Elm Ridge Exploration, Lease #NM-25449, Bisti Gallup 20-9, Unit Letter I, Sec. 20, Twn. 25N, Rng 12W, on-site burial and the date.

5) The operator shall report the exact location of the on-site burial on form C-105 filed with the division.

Please find attached the C-105 form that is filed with the division.

6) The operator shall file a deed notice identifying the exact location of the on-site burial with the county clerk in the county where the on-site burial occurs.

Due to the land being located on federal land, managed by the Bureau of Land Management (BLM), a deed notice was not applicable.

7) Elm Ridge Exploration will stabilize or solidify the contents to a bearing capacity sufficient to support the temporary pit's final cover. Elm Ridge Exploration will mix the contents with soil or other material at a mixing ratio of no greater than 3-1, soil or other material: to drill pit contents.

Contents of drill pit were mixed at a 3:1 ratio of soil to contents of drill pit prior to backfill.

8) A five (5)-point composite sample will be taken of the pit, and all samples will be tested per Subsection B of 19.15.17.13(B)(1)(b). If the criteria are not met, then all contents will be handled per subparagraph (a) of Paragraph (1) of Subsection B of 19.15.17.13. (i.e. dig and haul). If a dig and haul is required, then the disposal facility will be Envirotech's Landfarm (NM01-0011).

Initial sampling on 4/9/12 returned results that were below the NMOCD regulatory standards for all constituents analyzed; see attached laboratory results.

Sample	Chloride	Benzene (8021)	BTEX (8021)	TPH (418.1)	DRO/GRO (8015)
NMOCD Regulatory Standards	1,000 mg/kg	0.2 mg/kg	50.0 mg/kg	2,500 mg/kg	500 mg/kg
Contents	140 mg/kg	< 0.001 mg/kg	0.0218 mg/kg	31.0 mg/kg	< 0.2mg/kg

9) After completing solidification and testing, the pit area will be backfilled with compacted, waste free, earthen material. At least four (4) feet of cover will be achieved. The cover will include one (1) foot of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater.

Site was backfilled using one (1) foot of topsoil and approximately four (4) feet of non-waste containing earthen material used for cover.

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

The site was re-contoured to match the fit, shape, line and form of the surrounding area. It was re-shaped to prevent ponding and erosion, and in such a way that natural drainage was unimpeded. Water bars or silt traps were not needed to prevent erosion. The final re-contour has a uniform appearance and a smooth surface, and fits the natural landscape. See attached photos of site re-contouring.

11) Notice will be sent to the OCD when the reclaimed area is seeded.

Elm Ridge Exploration will comply with the BLM's re-seeding requirements in this area in accordance with the federal rules and regulations as allowed by the BLM/OCD Memorandum of Understanding. Reseeding will occur or has occurred on (Date: 6/13/12).

12) The operator shall notify the surface owner by certified mail, return receipt requested, that the operator plans to close a temporary pit, a permanent pit, a below grade tank or where the operator has approval for on-site closure. Evidence of mailing of the notice to the address of the surface owner shown in the county tax records is sufficient to demonstrate compliance with this requirement.

Due to a misunderstanding and miscommunication of the notification of closure to surface owner, Elm Ridge Exploration will send notification that on-site closure activities have occurred. Elm Ridge Exploration will be sure to send notification prior to closure activities in the future. See attached Land Owner Notification.

13) After approval of this application, Elm Ridge Exploration will notify the OCD verbally, or by other means, at least 72 hours, but not more than one week, prior to any closure operations. The notice shall include the operator's name and the location to be closed by unit letter, section, township and range, well name and number and API number.

Due to a misunderstanding and miscommunication of the notification of closure to the OCD, Elm Ridge Exploration will send notification that on-site closure activities have occurred. Elm Ridge Exploration will be sure to send notification prior to closure activities in the future. See attached OCD notification.

14) Elm Ridge Exploration will close the pit in accordance with OCD rules 19.15.17.12 &13. Post closure documents will be submitted within 60 days of pit closure and will include forms C-105 and C-144, cover details, pit diagram, inspection report and closure sampling results.

See attached C-105, C-144, pit diagrams, closure sampling results. Cover was installed in accordance with 19.15.17.12 &13.

ELM RIDGE EXPLORATION
BISTI GALLUP 20 #9
SITE RESTORATION PHOTOGRAPHY
JOB NUMBER: 03056-0363
PHOTOS TAKEN: JUNE 13, 2012

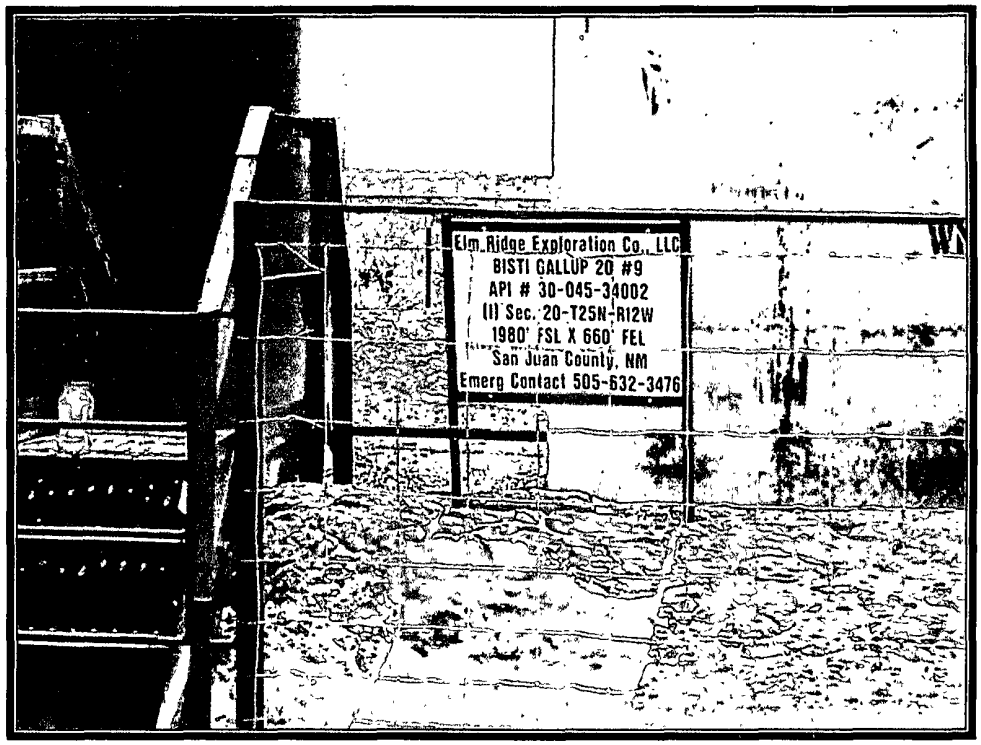

Photo 1: Bisti Gallup 20 #9 Well Site


Photo 2: Bisti Gallup 20 #9 Well Site Former Drill Pit Marker

ELM RIDGE EXPLORATION
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SITE RESTORATION PHOTOGRAPHY
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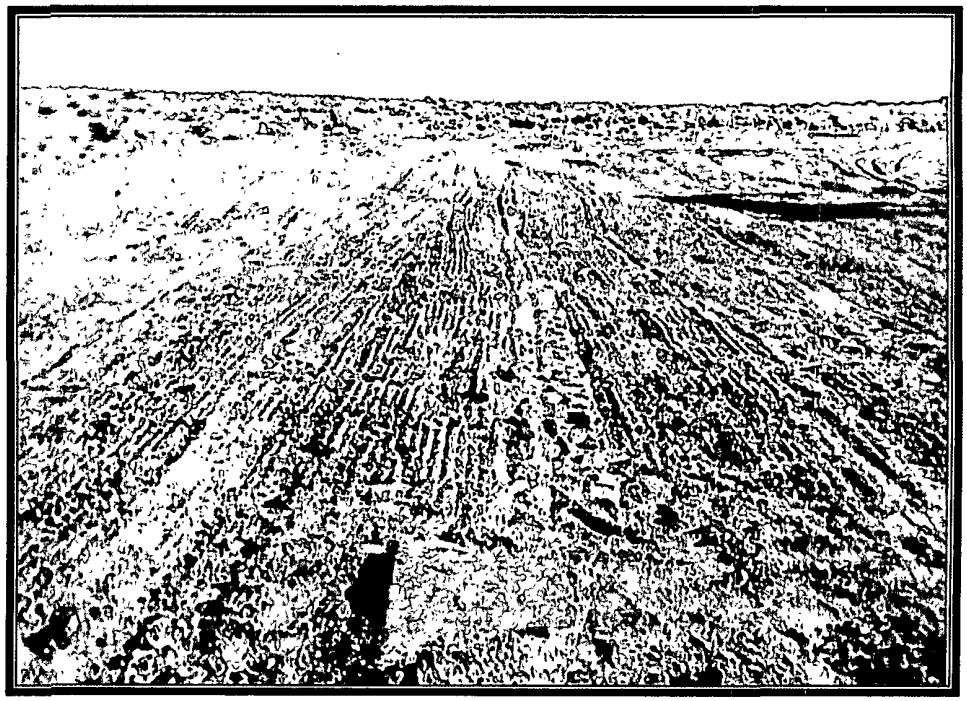


Photo 3: Re-contoured and Re-seeded (View 1)

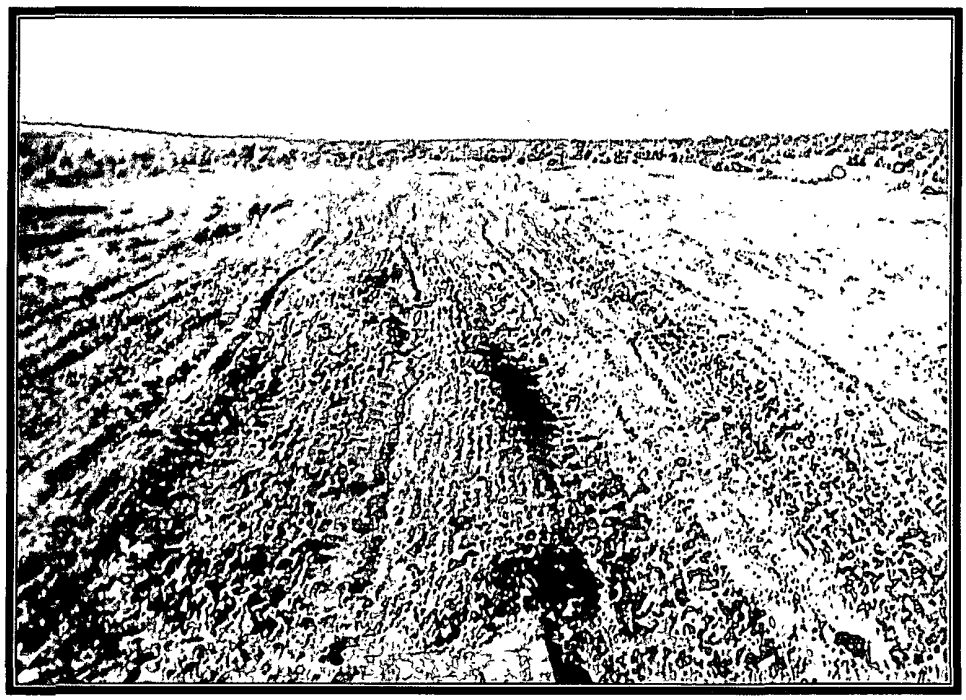


Photo 4: Re-contoured and Re-seeded (View 2)

Submit To Appropriate District Office
Two Copies
District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-105
Revised August 1, 2011

1. WELL API NO. 30-04534002
2. Type of Lease ☐ STATE ☐ FEE ☒ FED/INDIAN
3. State Oil & Gas Lease No NMNM-25488

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

4. Reason for filing:

☐ **COMPLETION REPORT** (Fill in boxes #1 through #31 for State and Fee wells only)

☒ **C-144 CLOSURE ATTACHMENT** (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33, attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)

5. Lease Name or Unit Agreement Name: Bisti Gallup 20
6. Well Number: 9

7. Type of Completion: ☐ NEW WELL ☒ WORKOVER ☐ DEEPENING ☐ PLUGBACK ☐ DIFFERENT RESERVOIR ☐ OTHER

8. Name of Operator: Elm Ridge Exploration
9. OGRID: 149052
10. Address of Operator: Post Office Box 156, Bloomfield, New Mexico, 87413
11. Pool name or Wildcat

12 Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County
Surface:										
BH:										

13. Date Spudded	14. Date T.D. Reached	15. Date Rig Released	16. Date Completed (Ready to Produce)	17. Elevations (DF and RKB, RT, GR, etc.)
		9/29/2011		

18. Total Measured Depth of Well	19. Plug Back Measured Depth	20. Was Directional Survey Made?	21. Type Electric and Other Logs Run

22. Producing Interval(s), of this completion - Top, Bottom, Name

23. **CASING RECORD** (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET

26. Perforation record (interval, size, and number)

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED

28. **PRODUCTION**

Date First Production	Production Method *(Flowing, gas lift, pumping - Size and type pump)*	Well Status *(Prod. or Shut-in)*

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl	Gas - Oil Ratio

Flow Tubing Press	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl	Oil Gravity - API - *(Corr.)*

29. Disposition of Gas *(Sold, used for fuel, vented, etc.)*
30. Test Witnessed By

31. List Attachments

32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit

33. If an on-site burial was used at the well, report the exact location of the on-site burial:

Latitude 36.384690 Deg N Longitude 108.128034 Deg W NAD 1927 1983

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Printed Name Ms. Amy Mackey Title Administrative Manager Date

E-mail Address amackey1@elmridge.net

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn A"
T. Salt	T. Strawn	T. Kirtland	T. Penn. "B"
B. Salt	T. Atoka	T. Fruitland	T. Penn. "C"
T. Yates	T. Miss	T. Pictured Cliffs	T. Penn. "D"
T. 7 Rivers	T. Devonian	T. Cliff House	T. Leadville
T. Queen	T. Silurian	T. Menefee	T. Madison
T. Grayburg	T. Montoya	T. Point Lookout	T. Elbert
T. San Andres	T. Simpson	T. Mancos	T. McCracken
T. Glorieta	T. McKee	T. Gallup	T. Ignacio Otzte
T. Paddock	T. Ellenburger	Base Greenhorn	T.Granite
T. Blinebry	T. Gr. Wash	T. Dakota	
T.Tubb	T. Delaware Sand	T. Morrison	
T. Drinkard	T. Bone Springs	T.Todilto	
T. Abo	T.	T. Entrada	
T. Wolfcamp	T.	T. Wingate	
T. Penn	T.	T. Chinle	
T. Cisco (Bough C)	T.	T. Permian	

OIL OR GAS SANDS OR ZONES

No. 1, from.....to..... No. 3, from.....to.....

No. 2, from.....to..... No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

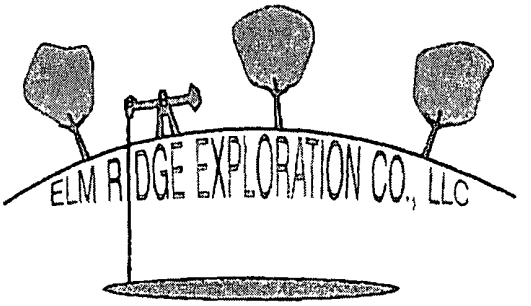
No. 1, from.....to.....feet.....

No. 2, from.....to.....feet.....

No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology		From	To	Thickness In Feet	Lithology



June 25th, 2012

Mr. Jonathan Kelly
New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410

RE: Drill Pit Inspections

Dear Mr. Kelly,

The Drill Pit Permit required daily inspections of the pit liner for all open pits. Visual inspections were done during drilling operations, but there was no documentation done. As you are aware there has been little to no drilling activity in the San Juan Basin for the past couple years. Due to the low activity, the employees that were hired by the drilling company are inexperienced and they failed to document the drill pit inspections.

Now that we are aware that the rig crew failed to follow the proper procedures; we have taken measures to ensure that all required paper work is thoroughly read and the rules are followed.

Best Regards,

Amy J Mackey
Elm Ridge Exploration CO LLC
Amackey1@elmridge.net