<u>District I</u> 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

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.

Form C-144

Revised June 6, 2013

1220 South St. Francis Dr.

Santa Fe, NM 87505

Pit, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application
Type of action: Below grade tank registration
Permit of a pit or proposed alternative method
Closure of a pit, below-grade tank, or proposed alternative method
✓ Modification to an existing permit/or registration ☐ Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank,
or proposed alternative method
Instructions: Please submit one application (Form C-144) per individual pit, below-grade tank or alternative request
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the
environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.
I. Operator: WPX Energy Production, LLC OGRID #: 120782
Address: PO Box 640/721 S Main Aztec, NM 87410
Facility or well name: Chaco 2306-06L 178H & Chaco 2306-06L 179H
API Number: 30-039-31200 & 30-039-31190 OCD Permit Number:
U/L or Qtr/Qtr L Section 6 Township 23N Range 6W County: Rio Arriba
Center of Proposed Design: Latitude 36.25164N Longitude -107.51715W NAD: □1927 ⋈ 1983
Surface Owner: State Private Tribal Trust or Indian Allotment
2. Pit: Subsection F, G or J of 19.15.17.11 NMAC
Temporary: ⊠ Drilling ⊠ Completion □ Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A ☐ Multi-Well Fluid Management Low Chloride Drilling Fluid ☒ yes ☐ no
☐ Unlined Liner type: Thickness 20 mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other
String-Reinforced III String-Reinforced III String-Reinforced
Liner Scams: Welded Factory Other Volume: 16,029 bbl Dimensions: L 30' x W 200' x D 15'
3.
Below-grade tank: Subsection I of 19.15.17.11 NMAC OIL CONS. DIV DIST. 3
Volume: bbl Type of fluid:
Tank Construction material: FEB 1 1 2014
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other
Liner type: Thicknessmil
4,
Alternative Method:
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.
5.
Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)
Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital,
institution or church)
Four foot height, four strands of barbed wire evenly spaced between one and four feet

As per BLM specifications

☑ Alternate. Please specify

Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)	
Screen Netting Other	
☐ Monthly inspections (If netting or screening is not physically feasible)	
7.	
Signs: Subsection C of 19.15.17.11 NMAC	
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers	
Signed in compliance with 19.15.16.8 NMAC	
8. Variances and Exceptions:	
Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.	
Please check a box if one or more of the following is requested, if not leave blank:	
 ✓ Variance(s): Requests must be submitted to the appropriate division district for consideration of approval. ☐ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. 	
9. 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 accommendation are provided below. Siting criteria does not apply to drying pads or above-grade tanks.	eptable source
General siting	
Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank. - ☑ NM Office of the State Engineer - iWATERS database search; ☐ USGS; ☐ Data obtained from nearby wells	☐ Yes ☑ No ☐ NA
Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit. NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☒ No ☐ NA
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. (Does not apply to below grade tanks) - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☑ No
Within the area overlying a subsurface mine. (Does not apply to below grade tanks) - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☒ No
 Within an unstable area. (Does not apply to below grade tanks) Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map 	☐ Yes ☑ No
Within a 100-year floodplain. (Does not apply to below grade tanks) - FEMA map	☐ Yes ☑ No
Below Grade Tanks	
Within 100 feet of a continuously flowing watercourse, significant watercourse, lake bed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption;. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Temporary Pit using Low Chloride Drilling Fluid (maximum chloride content 15,000 mg/liter)	
Within 100 feet of a continuously flowing watercourse, or any other significant watercourse or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.) - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☒ No
Within 300 feet from a occupied permanent residence, school, hospital, institution, or church in existence at the time of initial application.	☐ Yes ☑ No
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	
Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 300feet of any other fresh water well or spring, in existence at the time of the initial application. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☑ No

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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 Natural Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the docattached. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC	euments are
11.	
Multi-Well Fluid Management Pit Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the docattached. 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:	.15.17.9 NMAC
I reviously Approved Design (attach copy of design) Arrivations. or remit Number.	

Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the attached. Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Nuisance or Hazardous Odors, including H ₂ S, Prevention Plan Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC	documents are
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 Completion Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Management Pit Alternative Proposed Closure Method: Waste Excavation and Removal Waste Removal (Closed-loop systems only)	☐ Multi-well Fluid
 ✓ On-site Closure Method (Only for temporary pits and closed-loop systems) ✓ In-place Burial ☐ On-site Trench Burial ☐ Alternative Closure Method 	
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be closure plan. Please indicate, by a check mark in the box, that the documents are attached. Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.13 NMAC Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings) Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC	
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. In 19.15.17.10 NMAC for guidance.	
Ground water is less than 25 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ⊠ No ☐ NA
Ground water is between 25-50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☑ No ☐ NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes □ No □ NA
Within 100 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☑ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☑ No
Within 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	☐ Yes ☑ No
Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☑ No
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☑ No

Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	
adopted pursuant to NMSA 1978, Section 3-27-3, as amended.	□ v 12 N.
- 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
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan 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 19.15.17.1 Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.1	II NMAC
 ☐ Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.1 ☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC 	13.17.11 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 canno ☑ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC 	ot be achieved)
Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC	
Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC	
17.	
Operator Application Certification:	
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and believe	ef.
Name (Print): Name (Print): Regulatory Specialist	
Signature: Date: 2/11/2014	
e-mail address: Mark.Heil@wpxenergy.com Telephone: 505-333-1806	
18. OCD Approval: Permit Application (including flosure plan)	
	11
OCD Representative Signature: Approval Date: 2/2/	12014
Title: Compliance Office OCD Permit Number:	
19. Closure Report (required within 60 days of closure completion): 19.15.17.13 NMAC Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting	
The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not section of the form until an approved closure plan has been obtained and the closure activities have been completed. Closure Completion Date:	
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The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not section of the form until an approved closure plan has been obtained and the closure activities have been completed. Closure Completion Date: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method Waste Removal (Closed-logal If different from approved plan, please explain.	op systems only)
The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not section of the form until an approved closure plan has been obtained and the closure activities have been completed. Closure Completion Date: Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method Waste Removal (Closed-logal different from approved plan, please explain. Instructions: Each of the following items must be attached to the closure report. Please internative that the documents are attached.	op systems only)
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The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not section of the form until an approved closure plan has been obtained and the closure activities have been completed. Closure Completion Date: Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method Waste Removal (Closed-location of the following items must be attached to the closure report. Please into mark in the box, that the documents are attached. Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure for private land only)	op systems only)
The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not section of the form until an approved closure plan has been obtained and the closure activities have been completed. Closure Completion Date: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method Waste Removal (Closed-log If different from approved plan, please explain. Instructions: Each of the following items must be attached to the closure report. Please into mark in the box, that the documents are attached. Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure for private land only) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if applicable)	op systems only)
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The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not section of the form until an approved closure plan has been obtained and the closure activities have been completed. Closure Completion Date: Closure Method: However the different from approved plan, please explain. Instructions: Each of the following items must be attached to the closure report. Please into mark in the box, that the documents are attached. Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure for private land only) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if applicable) Waste Material Sampling Analytical Results (required for on-site closure) Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation	op systems only) dicate, by a check

22:	
Operator Closure Certification:	
	mitted with this closure report is true, accurate and complete to the best of my knowledge and plicable closure requirements and conditions specified in the approved closure plan.
Name (Print):	Title:
Signature:	Date:
e-mail address:	Telephone:

2/11/2014

Permit Numbers: 11358 and 11448

WPX Energy is requesting from NMOCD a modification to the pit permit associated with the Chaco 2306-06L #178H and Chaco 2306-06L #179H. The following modifications are being requested for the permit:

- 1. The modified pit permit includes the Chaco 2306-06L #178H and Chaco 2306-06L #179H, which share the same pit.
- 2. Updated pit dimensions
- 3. Updated center coordinates for the pit
- 4. Updated language within the pit closure plan as noted in 19.15.17.13 G(2)

RCVD FEB 11'14 OIL COMS. DIV. DIST. 3 District I 1625 N. French Drive, Hobbs, NM 88240 Phone: (575) 393–6161 Fax: (575) 393–0720 District II 811 S. First Street, Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

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

District IV 1220 S. St. Francis Drive, Santa Fe, NM 87505 Phone: (505) 476–3460 Fax: (505) 476–3462

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 1, 2011

Submit one copy to Appropriate District Office

AMENDED REPORT

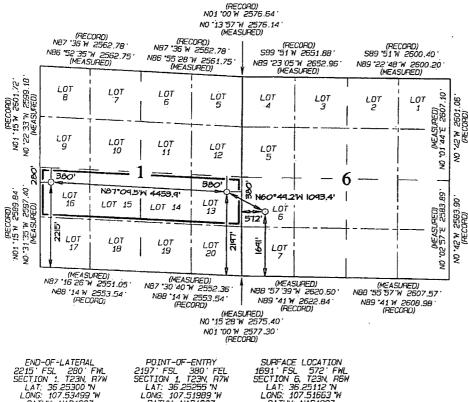
OIL CONSERVATION DIVISION 1220 South St. Francis Drive Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1,1	API Numbe	r		*Pool Coo 42289		°Pool Name LYBROOK GALLUP			
Property	Code		°Property Name CHACO 2306-06L						11 Number 178H
'0GRID 1 12078		· ·				Operator Name *Elevation BY PRODUCTION, LLC 6933			
			-		¹⁰ Surface	Location			
UL or lot no.	Section 5	Township 23N	Range 6W	Lat Idn	Feet from the	North/South line SOUTH	Feet from the 572	East/West line WEST	RIO ARRIBA

¹¹Bottom Hole Location If Different From Surface LB or lot on Township Lot Idn Feet from the North/South line East/West line RIO М 23N 7W SOUTH 280 WEST ARRIBA 15 Order No. Dedicated Acres Joint or Infill 4 Consolidation Code 151.40 Acres N/2 S/2 - Section 1

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

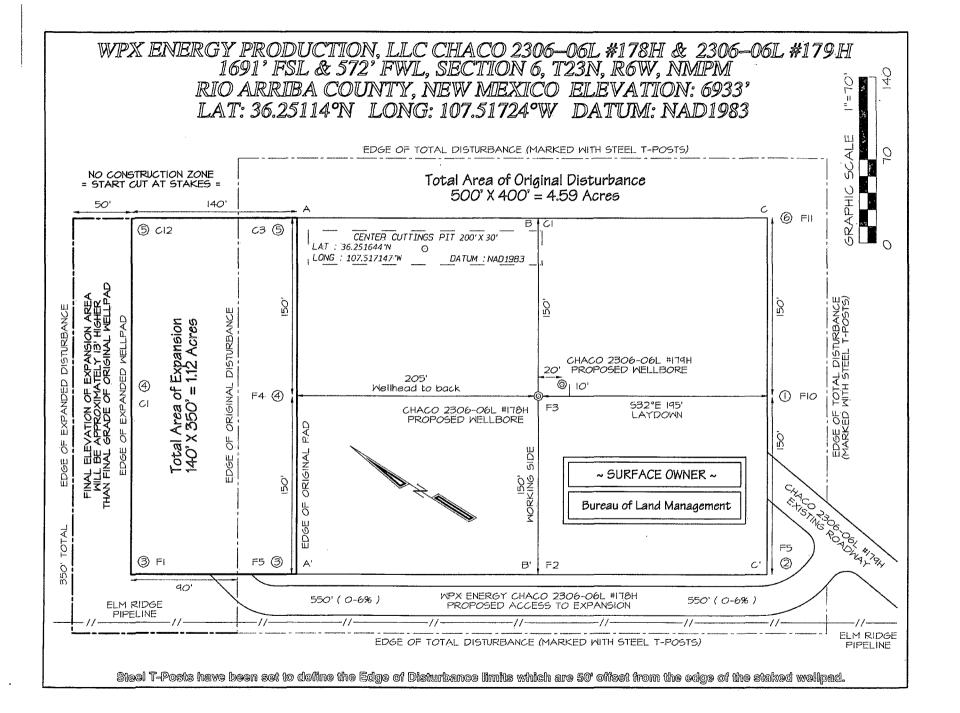


"UPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Oate Signature Printed Name E-mail Address *SURVEYOR CERTIFICATION SURVETUR CERTIFICATION
I hereby certify that the well location
shown on this plat was plotted from field
notes of actual surveys made by me or unde
my supervision, and that the same is true
and correct to the best of my belief.
Date Revised: SEPT 11, 2013
Survey Date: OCTOBER 1, 2012 Signature and Seal of Professional Surveyor EDWARDS JASON Ç, MEXICO SEW. AEGISTER O SAMENOR ADFESSIONAL. JASON DWARDS Certificate Number 15269

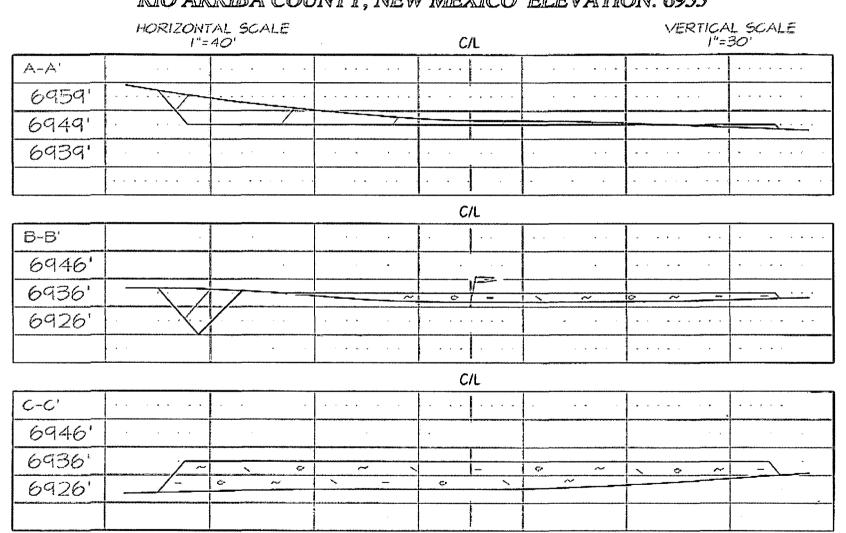
"OPERATOR CERTIFICATION

DATUM: NAD1927 LAT: 36.25301 N LONG: 107.53559 W DATUM: NAD1983 POINT-OF-ENTRY 2197 FSL 380 FEL SECTION 1, T23N, R7W LAT: 36.25255 N LONG: 107.51989 W DATUM: NAD1927 LAT: 36.25257 N LONG: 107.52050 W DATUM: NAD1983

SUPFACE LOCATION 1691 FSL 572 FWL 5ECTION 6, T23N, R6W LAT: 36.25112 N LONG: 107.51663 W DATUM: NAD1927 LAT: 36.25114 N LONG: 107.51724 W DATUM: NAD1983



WPX ENERGY PRODUCTION, LLC CHACO 2306-06L #178H & 2306-06L #179H 1691' FSL & 572' FWL, SECTION 6, T23N, R6W, NMPM RIO ARRIBA COUNTY, NEW MEXICO ELEVATION: 6933'



NCE SURVEYS IS NOT LIABLE FOR LOCATION OF UNDERGROUND UTILITIES OR PIPELINES.

CONTRACTOR SHOULD CONTACT ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED. UNDERGROUND UTILITIES OR PIPELINES ON WELLPAD AND/OR ACCESS ROAD AT LEAST TWO WORKING DAYS PRIOR TO CONSTRUCTION.

WPX Energy Production, LLC San Juan Basin: New Mexico Assets

Temporary Pit In-place Closure Plan

(Groundwater > 100 feet below bottom of pit liner)

In accordance with Rule 19.15.17.13 NMAC, the following plan describes the general requirements of temporary pits on WPX locations in the San Juan Basin of New Mexico. This is WPX's standard closure procedure for all temporary pits. For those closures which do not conform to this standard closure plan, a separate pit specific closure plan will be developed and utilized.

19.15.17.13 CLOSURE AND SITE RECLAMATION REQUIREMENTS:

- A. Closure plans shall describe the proposed closure method and the proposed procedures and protocols to implement and complete the closure.
- C. WPX closures where wastes are destined for disposal at division approved offsite facilities. This subsection applies to temporary pits, the operator of any temporary pit will not commence closure without first obtaining approval of the closure plan submitted with the permit application or registration pursuant to 19.15.17.9 NMAC.
- (2) WPX will close the temporary pit by first removing all contents and, if applicable, synthetic liners and transferring those materials to a division approved facility.
 - (3) WPX will test the soils beneath the temporary pit as follows.
 - (a) At a minimum, a five point composite sample to include any obvious stained or

wet soils, or other evidence of contamination shall be taken under the liner or the below-grade tank and that sample shall be analyzed for the constituents listed in Table I of 19.15.17.13 NMAC.

- (b) 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.
- (c) If all contaminant concentrations are less than or equal to the parameters listed in Table I of 19.15.17.13 NMAC, then WPX can proceed to backfill the pit or excavation with non-waste containing, uncontaminated, earthen material.
- D. WPX closures where wastes are destined for burial in place or into nearby division approved pits or trenches. This subsection applies to waste from temporary pits, when such waste may be disposed of in place in the existing temporary pit or disposed of at a nearby temporary pit or burial trench that is not a permitted commercial facility regulated under 19.15.36 NMAC. A nearby temporary pit or burial trench that receives waste from another temporary pit must be onsite within the same lease.
- (1) WPX will not commence closure without first obtaining approval of the closure plan submitted with the permit application.
- (2) WPX will demonstrate and comply with the siting criteria set forth in Subsection C of 19.15.17.10 NMAC.
- (3) WPXwillI remove all free liquids reasonably achievable from the pit and dispose of such liquids at a division approved facility.
- (4) WPX when closing a temporary pit will stabilize or solidify the remaining temporary pit contents to a capacity sufficient to support the final cover of the temporary pit. WPX will not mix the contents with soil or other material at a mixing ratio of greater than 3:1, soil or other material to contents. The waste mixture must pass the paint filter liquids test (EPA SW-846, Method 9095 or other test methods approved by the division).
- (5) WPX will collect, at a minimum, a five point composite of the contents of the temporary pit to demonstrate that, after the waste is solidified or stabilized with soil or other non-waste material at a ratio of no more than 3:1 soil or othernon-waste material to waste, the concentration of any contaminant in the stabilized waste is not higher than the parameters listed in Table II of 19.15.17.13 NMAC.
- (6) If, after appropriate stabilization, the concentrations of all contaminants in the contents from a temporary pit is less than or equal to the parameters of listed in Table II of 19.15.17.13 NMAC, WPX may either proceed to dispose of wastes in an existing temporary pit or construct a burial trench for disposal of these wastes.
- (7) If the concentration of any contaminant in the contents, after mixing with soil or non- waste material to a maximum ratio of 3:1, from a temporary pit or drying pad/tank associated with a closed-loop system is higher than constituent concentrations shown in Table II of 19.15.17.13 NMAC, then

closure must proceed in accordance with Subsection C of 19.15.17.13 NMAC.

- (8) Upon achieving all applicable waste stabilization in the temporary pit or transfer of stabilized wastes to the temporary pit or burial trench, WPX will:
- (a) fold the outer edges of the trench liner to overlap the waste material in the trench prior to the installation of the geomembrane cover;
- (b) install a geomembrane cover over the waste material in the lined trench or temporary pit; the operator shall install the geomembrane cover in a manner that prevents the collection of infiltration water in the lined trench or temporary pit and on the geomembrane cover after the soil cover is in place; the geomembrane cover shall consist of a 20-mil string reinforced LLDPE liner or equivalent cover that the appropriate division district office approves; the geomembrane cover shall be composed of

an impervious, synthetic material that is resistant to petroleum hydrocarbons, salts and acidic and alkaline

solutions; cover compatibility shall comply with EPA SW-846 Method 9090A;

(c) cover the pit/trench with non-waste containing, uncontaminated, earthen materials and construct a soil cover prescribed by the division in Paragraph (3) of Subsection H of 19.15.17.13

NMAC.

- (9) If WPX has removed the wastes and the liner to a burial trench pursuant to this subsection, the operator shall test the soils beneath the temporary pit as follows.
 - (a) At a minimum, a five point composite sample to include any obvious stained or

wet soils, or other evidence of contamination shall be taken under the liner or the below-grade tank and that sample shall be analyzed for the constituents listed in Table I of 19.15.17.13 NMAC.

- (b) 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.
- (c) If all contaminant concentration are less than or equal to the parameters listed in Table I of 19.15.17.13 NMAC, then WPX can proceed to backfill the pit, pad, or excavation with non-waste containing, uncontaminated, earthen material.
 - E. Closure notice.
- (1) WPX will notify the surface owner by certified mail, return receipt requested that the operator plans closure operations at least 72 hours, but not more than one week, prior to any closure operation. Notice shall include well name, API number and location. 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.
- (2) WPX will notify the appropriate division district office verbally and in writing at least 72 hours, but not more than one week, prior to any closure operation. The notice shall include the operator's name and the location to be closed by unit letter, section, township and range. If the closure is associated with a particular well, then the notice shall also include the well's name, number and API number.
- (4) When onsite burial occurs on private land, WPX will file a deed notice identifying the exact location of the onsite burial with the county clerk in the county where the onsite burial occurs.
 - F. Closure report and burial identification.
- (1) Within 60 days of closure completion, WPX will submit a closure report on form C-144, with necessary attachments to document all closure activities including sampling results; information required by 19.15.17 NMAC; and details on back-filling, capping and covering, where applicable. In the closure report, the operator shall certify that all information in the report and attachments

is correct and that the operator has complied with all applicable closure requirements and conditions specified in the approved closure plan. If the operator used a temporary pit, the operator shall provide a plat of the pit location on form C-l 05 within 60 days of closing the temporary pit.

- (2) If WPX elects to conduct onsite burial under Subsection D of 19.15.17.13 NMAC, we will report the exact location of the onsite burial on form C-105 filed with the division.
- (3) WPX will place a flush to grade steel marker at the center of an onsite burial. The steel marker shall be cemented in a three-foot deep hole at a minimum. The operator name, lease name and well number and location, including unit letter, section, township and range, and that the marker designates an onsite burial location shall be welded, stamped or otherwise permanently engraved into the metal of the steel marker. A person shall not build permanent structures over an onsite burial without the appropriate division district office's written approval.
 - G. Timing requirements for closure. WPX will close a temporary pit within the

following time periods.

- (1) WPX will close a permitted permanent pit within 60 days of cessation of operation of the pit in accordance with a closure plan approved by the appropriate office.
- (2) WPX will close a permitted temporary pit within 6 months from the date that the operator releases the drilling or workover rig from the first well using the pit. The operator shall note the date of the drilling or workover rig's release on form C-105 or C-103, filed with the division, upon the well's or work-over's completion. The appropriate division district office may grant an extension not to exceed three months.
 - H. Reclamation of pit locations, onsite burial locations and drying pad locations.
 - (1) Site contouring.
- (a) Once the operator has closed a pit or trench, the operator shall reclaim the pit location including associated access roads to a safe and stable condition that blends with the surrounding undisturbed area. The operator shall substantially restore the impacted surface area to the condition that existed prior to oil and gas operations by placement of the soil cover as provided in Paragraph (2) of Subsection H of 19.15.17.13 NMAC, recontour the location and associated areas to a contour that approximates the original contour and blends with the surrounding topography and revegetate according to Paragraph (5) in Subsection H of 19.15.17.13 NMAC.
- (b) WPX may propose an alternative to the re-vegetation or recontouring requirement if the operator demonstrates to the appropriate district office that the proposed alternative provides equal or better prevention of erosion, and protection of fresh water, public health and the environment. The proposed alternative shall be agreed upon by the surface owner. The operator shall

submit the proposed alternative, with written documentation that the surface owner agrees to the alternative, to the division for approval.

- (c) Areas reasonably needed for production operations or for subsequent drilling operations shall be compacted, covered, paved, or otherwise stabilized and maintained in such a way as to minimize dust and erosion to the extent practicable.
- (3) Soil cover designs for reclamation of pit locations and onsite burial locations. The soil cover for burial in-place or trench burial shall consist of a minimum of four feet of non-waste containing, uncontaminated, earthen material with chloride concentrations less than 600 mg/kg as analyzed by EPA Method 300.0. The soil cover shall include either the background thickness of topsoil or one foot of suitable material to establish vegetation at the site, whichever is greater.
- (4) The operator shall construct the soil cover to the site's existing grade and prevent ponding of water and erosion of the cover material.
 - (5) Reclamation and re-vegetation.
- (a) Reclamation of areas no longer in use. All areas disturbed by the closure of pits and below-grade tanks, except areas reasonably needed for production operations or for subsequent drilling operations, shall be reclaimed as early and as nearly as practicable to their original condition or their final land use and shall be maintained to control dust and minimize erosion to the extent practicable.
- (b) Topsoils and subsoils shall be replaced to their original relative positions and contoured so as to achieve erosion control, long-term stability and preservation of surface water flow patterns. The disturbed area then shall be reseeded in the first favorable growing season following closure of a pit.
- (c) Reclamation of all disturbed areas no longer in use shall be considered complete when all ground surface disturbing activities at the site have been completed, and 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.
- (d) Other regulatory requirements. The re-vegetation and reclamation obligations imposed by other applicable federal or tribal agencies on lands managed by those agencies shall supersede

these provisions and govern the obligations of any operator subject to those provisions, provided that the other requirements provide equal or better protection of fresh water, human health and the environment.

(e) The operator shall notify the division when reclamation and re-vegetation are complete.

Table I Closure Criteria for Soils Beneath Below-Grade Tanks, Drying Pads Associated with Closed-Loop Systems and Pits where Contents are Removed					
Depth below bottom of pit to groundwater less	Constituent	Method*	Limit**		
than 10,000 mg/l TDS					
	Chloride	EPA 300.0	20,000 mg/kg		
> 100 feet	ТРН	EPA SW-846 Method 418.1	2,500 mg/kg		
	GRO+	EPA SW-846	1,000 mg/kg		
_	DRO	Method 8015M			
	BTEX	EPA SW-846 Method	50 mg/kg		
_		8021B or 8260B			
	Benzene	EPA SW-846 Method 8021B or 8015M	10 mg/kg		

^{*}Or other test methods approved by the division
**Numerical limits or natural background level, whichever is greater

Table II Closure Criteria for Burial Trenches and Waste Left in Place in Temporary Pits					
Depth below bottom of pit to groundwater less than 10,000 mg/l TDS	Constituent	Method*	Limit**		
	Chloride	EPA Method 300.0	80,000 mg/kg		
> 100 feet	TPH	EPA SW-846 Method 418.1	2,500 mg/kg		
	GRO+ DRO	EPA SW-846 Method 8015M	1,000 mg/kg		
-	BTEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg		
	Benzene	EPA SW-846 Method 8021B or 8015M	10 mg/kg		

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^{*}Or other test methods approved by the division
**Numerical limits or natural background level, whichever is greater
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