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

For temporary pits, below-grade tanks, and multi-well fluid management pits, submit to the appropriate NMOCD District Office. For permanent pits submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

	Pit, Below-Grade Tank, or			
15873 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			
environment. Nor	that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or			
1. Operator: Ca	tamount Energy Partners, LLCOGRID #:308973OL CONS. DIV DIST. 3 1 Broadway , Suite 1000, Denver, CO 80202MAR 0 7 2017			
Addross: 180	1 Broadway, Suite 1000, Denver, CO, 80202			
Eacility or well r	MARO 7 200-			
	30-045-29076 OCD Permit Number:			
Arrivaniser.				
Center of Propo Surface Owner:	sed Design: Latitude <u>ろん、ササルマトラール</u> Longitude <u>しんな、パスしておろい。</u> NAD: 1927 🕱 1983			
2. Pit: Subsec	tion F, G or J of 19.15.17.11 NMAC			
	Drilling Workover			
Permanent	Emergency Cavitation P&A Multi-Well Fluid Management Low Chloride Drilling Fluid yes no			
Lined U	nlined Liner type: Thicknessmil 🗌 LLDPE 🗌 HDPE 🗌 PVC 🗌 Other			
String-Reinfo	prced			
Liner Seams:] Welded 🔲 Factory 🗌 Other Volume:bbl Dimensions: L x W x D			
3.				
	e tank: Subsection I of 19.15.17.11 NMAC			
	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 X Other				
Liner type: Thic	knessmil HDPE PVC Other			
4.	Method:			
	exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.			

5. •	a norman ant aits termorany aits and below arada tanks)			
Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)				
institution or church)	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			
X Alternate. Please specify	· · ·			
Netting: Subsection E of 19.15.17.11 NMAC (Applies to				
Monthly inspections (If netting or screening is not p				
7.Signs: Subsection C of 19.15.17.11 NMAC				
12"x 24", 2" lettering, providing Operator's name, s	ite location, and emergency telephone numbers			
Signed in compliance with 19.15.16.8 NMAC				
8.				
Variances and Exceptions:	e required. Please refer to 19.15.17 NMAC for guidance.			
Please check a box if one or more of the following is re				
Variance(s): Requests must be submitted to the	appropriate division district for consideration of approval.			
Exception(s): Requests must be submitted to the submit	e Santa Fe Environmental Bureau office for consideration of approval.			
9.				
Siting Criteria (regarding permitting): 19.15.17.10 NM. Instructions: The applicant must demonstrate complia	AC Ince for each siting criteria below in the application. Recommendations of acce	ptable source		
material are provided below. Siting criteria does not a				
General siting				
General sitting				
Ground water is less than 25 feet below the bottom of - NM Office of the State Engineer - iWATERS of	a low chloride temporary pit or below-grade tank. Database search; 🗌 USGS; 🗌 Data obtained from nearby wells	Yes No		
Ground water is less than 50 feet below the bottom of NM Office of the State Engineer - iWATERS database set	arch; USGS; Data obtained from nearby wells	Yes No		
Within incorporated municipal boundaries or within a d	lefined municipal fresh water well field covered under a municipal ordinance			
adopted pursuant to NMSA 1978, Section 3-27-3, as am	ended. (Does not apply to below grade tanks)	Yes No		
- Written confirmation or verification from the m	unicipality; Written approval obtained from the municipality			
Within the area overlying a subsurface mine. (Does not - Written confirmation or verification or map from		Yes No		
	le tanks) sign; NM Bureau of Geology & Mineral Resources; USGS; NM Geological	Yes No		
Society; Topographic map		Yes No		
Within a 100-year floodplain. (Does not apply to below - FEMA map	grade tanks)			
Below Grade Tanks				
Within 100 feet of a continuously flowing watercourse, from the ordinary high-water mark).	significant watercourse, lake bed, sinkhole, wetland or playa lake (measured	🗌 Yes 🔀 No		
- Topographic map; Visual inspection (certification) of the proposed site				
Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption;. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site				
Temporary Pit using Low Chloride Drilling Fluid (maximum chloride content 15,000 mg/liter)				
Temporary rit using Low Chloride Drilling	The maximum enonce content 13,000 mg/mer			
	or any other significant watercourse or within 200 feet of any lakebed,			
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 sinkhole, or playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.) Topographic map; Visual inspection (certification) of the proposed site 	Yes No	
Within 300 feet from a occupied permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes 🗌 No	
 Visual inspection (certification) of the proposed site; Aerial photo; Satellite image 		
Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 300feet of any other fresh water well or spring, in existence at the time of the initial application. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	Yes 🗌 No	
 Within 100 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site 	🗌 Yes 🗌 No	
Temporary Pit Non-low chloride drilling fluid		
Within 300 feet of a continuously flowing watercourse, or any other significant watercourse, or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).		
 Topographic map; Visual inspection (certification) of the proposed site 	Yes No	
 Within 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	
10. <u>Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist</u> : 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 19.15.17.12 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:
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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 attached. Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC A List of wells with approved application for permit to drill associated with the pit. Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C or and 19.15.17.13 NMAC Hydrogeologic Data - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.10 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Previously Approved Design (attach copy of design) API Number: or Permit Number:	
12. 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 Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Muisance 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 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 Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Multi-well Flui 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 14. Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attacted plan. Please indicate, by a check mark in the box, that the documents are attached. Y Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC Y Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.13 NMAC Y Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Y Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Y Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC	
 15. Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. 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 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 	□ NA □ Yes □ No □ NA

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Oil Conservation Division

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 obtain	ned from nearby wells	Yes No	
 Within 100 feet of a continuously flowing watercourse, or 200 feet of any other significe lake (measured from the ordinary high-water mark). Topographic map; Visual inspection (certification) of the proposed site 	ant watercourse, lakebed, sinkhole, or playa	🗌 Yes 🗌 No	
Within 300 feet from a permanent residence, school, hospital, institution, or church in - Visual inspection (certification) of the proposed site; Aerial photo; Satellite ima		Yes No	
Within 300 horizontal feet of a private, domestic fresh water well or spring used for do existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certific		🗌 Yes 🗌 No	
Written confirmation or verification from the municipality; Written approval obtained		Yes No	
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (o	ertification) of the proposed site	Yes No	
Within incorporated municipal boundaries or within a defined municipal fresh water w adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval ol		Yes No	
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and I		Yes No	
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & P Society; Topographic map 	Aineral Resources; USGS; NM Geological	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. Please indicate, by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection E of 19.15.17.13 NMAC Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Subsection K of 19.15.17.11 NMAC Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of 19.15.17.13 NMAC Waste Material Sampling Plan - based upon the appropriate requirements of 19.15.17.13 NMAC Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved) Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC 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 a	nd complete to the best of my knowledge and b	elief.	
Name (Print): TAUL THOM 750A	Title: AGENT		
Signature: Paul C. Thomas -	Date: 3/2/17		
e-mail address: PAUL @ WALSHENG, NET	Telephone: 505 -327 - 4892		
18. OCD Approval: Permit Application (including closure plan) X Closure Plan (enly)	OCD Conditions (see attachment)		
OCD Representative Signature:	Approval Date:	17	
Title: Environmental Spec. OCD P	ermit Number:		
^{19.} <u>Closure Report (required within 60 days of closure completion)</u> : 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	n Date:
20. Closure Method: Waste Excavation and Removal On-Site Closure Met If different from approved plan, please explain.	hod 🗌 Alternative Closure Metho	od 🔲 Waste Removal (Closed-loop systems only)
21. Closure Report Attachment Checklist: Instructions: Each of the 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 properties) Confirmation Sampling Analytical Results (if applicable) Waste Material Sampling Analytical Results (required for Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique Site Reclamation (Photo Documentation) On-site Closure Location: Latitude	rivate land only) or on-site closure)	
22. Operator Closure Certification: I hereby certify that the information and attachments submitted belief. I also certify that the closure complies with all applicab Name (Print):	le closure requirements and conditio	
Signature:	Date:	
e-mail address:	Telephone:	

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Catamount Energy Partners, LLC West Bisti State 26-13-36 #2 U/L: M, Section 36, T26N, R13W San Juan County, NM

Below Grade Tank Closure Plan

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

General Plan

- 1. CATAMOUNT will obtain approval of this closure plan prior to commencing closure of the below grade tank at this location pursuant to 19.15.17.13.C (1) NMAC
- 2. CATAMOUNT will notify the surface owner by certified mail, return receipt requested, that CATAMOUNT plans closure operations at least 72 hours, but no more than one week, prior to any closure operation. Notice will include:
 - a. Well Name
 - b. API #
 - c. Well Location
- 3. CATAMOUNT will notify the NMOCD Aztec Office by email that CATAMOUNT plans closure operations at least 72 hours, but no more than one week, prior to any closure operation. Notice will include:
 - a. Well Name
 - b. API #
 - c. Well Location
- 4. Within 60 days of cessation of operations, CATAMOUNT will remove liquids and sludge from below-grade tanks prior to implementing a closure method and will dispose of the liquids and sludge in a division-approved facility. Approved facilities and waste streams include:
 - Soils, tank bottoms, produced sand, pit sludge and other exempt wastes impacted by petroleum hydrocarbons will be disposed of at: *Envirotech: Permit #NM01-0011* and *IEI: Permit # NM01-0010B*
 - b. Produced Water will be disposed of at: Basin Disposal: Permit #NM01-005 and/or Aguamoss: Permit #NM-01-0009, LLC, Sunco Disposal Well #1

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

TABLE I			
Depth Below bottom of pit to groundwater less than 10,000 mg/l TDS	Constituent	Method	Limit
	Chloride	EPA 300.0	600 mg/kg
	TPH	Method 418.1	100 mg/kg
	BTEX	Method 8021B or 8260B	50 mg/kg
\leq 50 Feet	Benzene	Method 8021B or 8260B	10 mg/kg
	Chloride	EPA 300.0	10,000 mg/kg
	TPH	Method 418.1	2,500 mg/kg
	GRO + DRO	Method 8015	1,000 mg/kg
	BTEX	Method 8021B or 8260B	50 mg/kg
51 feet - 100 feet	Benzene	Method 8021B or 8260B	10 mg/kg
	Chloride	EPA 300.0	20,000 mg/kg
	TPH	EPA 418.1	2,500 mg/kg
	GRO + DRO	Method 8015	1,000 mg/kg
	BTEX	Method 8021B or 8260B	50 mg/kg
> 100 feet	Benzene	Method 8021B or 8260B	10 mg/kg

7. 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 CATAMOUNT must receive approval before proceeding with closure. If all contaminant concentrations are less than or equal to the parameters listed in Table I of 19.15.17.13 NMAC, then CATAMOUNT can proceed to backfill the pit, pad, or excavation with non-waste containing, uncontaminated, earthen material.

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- 8. After closure has occurred, CATAMOUNT will reclaim the former BGT area, if it is no longer being used for extraction of oil and gas, by substantially restoring the impacted surface area to the condition that existed prior to oil and gas operations. CATAMOUNT will construct the soil cover to the site's existing grade and prevent ponding of water and erosion of the cover materials. The soil cover shall consist of the background thickness of topsoil, or one foot of suitable materials to establish vegetation at the site, whichever is greater. All areas will be reclaimed as early as practicable, and as close to their original condition or land use as possible. They shall be maintained in a way as to control dust and minimize erosion.
- 9. CATAMOUNT will complete reclamation of all disturbed areas no longer in use when the ground disturbance activities at the site have been completed. The reseeding shall take place during the first favorable growing season after closure. Reclamation activities will be considered completed when a uniform vegetative cover has been established that reflects a life-form ratio of plus or minus fifty percent (50%) of pre-disturbance levels, and a total percent plant cover of at least seventy percent (70%) of pre-disturbance levels, excluding noxious weeds.

*Re-vegetation and reclamation obligations imposed by other applicable federal, state or tribal agencies on lands managed by those agencies shall supersede the above requirements, provided they provide equal or better protection of fresh water, human health and the environment.

- 10. CATAMOUNT will notify the Aztec Office of the NMOCD by email when reclamation and closure activities are completed.
- 11. Within 60 days of closure, CATAMOUNT will submit a closure report to the Aztec office of the NMOCD, filed on Form C-144. The report will include the following:
 - a. Proof of closure notice to NMOCD and surface owner
 - b. Confirmation sampling analytical results
 - c. Soil backfill and cover installation information
 - d. Photo documentation of site reclamation