District I	
1625 N. French Dr., Hobbs, NM 88240	
District II	
1301 W. Grand Avenue, Artesia, NM 88210-	0
District III	()
1000 Rio Brazos Road, Aztec, NM 87410	5
District IV	
1220 S. St. Francis Dr. Santa Fe, NM 87505,	26
TOOL TO TI III 3	20

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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, 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.

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 m Closure of a pit, closed-loop system, below-grade tank, or proposed alternative r Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed	method
below-grade tank, or proposed alternative method	1 ,
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or al	lternative request
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules.	ground water or the , regulations or ordinances.
Operator:       Elm Ridge Exploration         OGRID #:       149052	
Address:P.O. Box 156; Bloomfield, NM 87413	
Facility or well name: State 16-6	
API Number:         3003926984         OCD Permit Number :	
U/L or Qtr/Qtr <u>E</u> Section <u>16</u> Township <u>23N</u> Range <u>6W</u> County: <u>Rio Arriba</u>	
Center of Proposed Design: Latitude <u>36.226462</u> Longitude <u>-107.480823</u> 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: Thicknessmil LLDPE HDPE PVC Other	
String-Reinforced	
Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x	Wx D
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 or intent)	of a permit or notice of
Drying Pad Above Ground Steel Tanks Haul-off Bins Other	
Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other	
Liner Seams: Welded Factory Other	
<sup>4.</sup> <b>Below-grade tank:</b> Subsection I of 19.15.17.11 NMAC	
Volume: <u>18</u> bbl Type of fluid: <u>Produced water</u>	
Tank Construction material: <u>Galvanized tank</u>	
Secondary containment with leak detection 🗌 Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off	
□ Visible sidewalls and liner ⊠ Visible sidewalls only ⊠ Other single walled tank	
Liner type: Thicknessmil	
5.	
Alternative Method:	
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for cons	sideration of approval.

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

4 foot tall hogwire fencing with pipe railing Alternate. Please specify

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

Screen 🗌 Netting 🗌 Other

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10.

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

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 19.15.3.103 NMAC

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.

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. iWATERS database search shows a water well approximately 1.75 miles to the north-west with a depth to groundwater of 200 feet. This water well is at an elevation approximately 30 feet higher than the well site, indicating that groundwater is over 50 feet from the bottom of the BGT.	🗋 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). The nearest watercourse is 231 ft. east per attached topographic map. The attached visual inspection sheet indicates that the well site is greater than 1000 feet from any significant watercourses.	🗋 Yes 🛛 No					
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. The attached aerial photograph and visual inspection sheet indicates that none of the above locations are within 1000 feet of the well site.	□ 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)	□ 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. The attached iWATERS database search and visual inspection sheet indicate that there are no water wells within 1000 feet of the well 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. The site is not within incorporated municipal boundaries per the attached topographical map and visual inspection sheet.	🗋 Yes 🖾 No					
Within 500 feet of a wetland. The USFWS data file, WetlandsData.kmz, dated July 2, 2008 was opened using Google Earth. Electronic data was not available. Wetland-type vegetation was not noted during the site visit.	🗋 Yes 🛛 No					
Within the area overlying a subsurface mine. The attached NM EMNRD web map was indicates that the well site is not within an area overlying a subsurface mine.	🗌 Yes 🛛 No					
Within an unstable area. The attached topographical map and visual inspection sheet indicates that the well site is not within an unstable area.	🗌 Yes 🛛 No					
Within a 100-year floodplain. The attached FFMA man indicates that the site is not within a 100 year flood plain	🗌 Yes 🛛 No					

Form C-144

Oil Conservation Division

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 19.15.17.10 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. <u>Closed-loop Systems 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.
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:
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         Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC         Liner Specifications and Compatibility Assurance Construction and Installation Plan         Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.11 NMAC         Remergency 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
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)
<ul> <li><sup>15.</sup> 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.</li> <li>△ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC</li> <li>△ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC</li> <li>△ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)</li> <li>△ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC</li> <li>△ Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC</li> <li>△ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC</li> </ul>

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16. Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.1	NMAC)						
Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if i facilities are required.	nore than two						
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 <i>will not</i> 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							
<sup>17.</sup> <u>Siting Criteria (regarding on-site closure methods only)</u> : 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						
<ul> <li>Ground water is between 50 and 100 feet below the bottom of the buried waste</li> <li>NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells</li> </ul>	□ Yes □ No □ NA						
<ul> <li>Ground water is more than 100 feet below the bottom of the buried waste.</li> <li>NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells</li> </ul>	□ Yes □ No □ NA						
<ul> <li>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).</li> <li>Topographic map; Visual inspection (certification) of the proposed site</li> </ul>	🗌 Yes 🗌 No						
<ul> <li>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.</li> <li>Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</li> </ul>	🗌 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							
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							
<ul> <li>Within 500 feet of a wetland.</li> <li>US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</li> </ul>	🗋 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						
<ul> <li>Within an unstable area.</li> <li>Engineering measures incorporated into the design; NM Bureau of Geology &amp; Mineral Resources; USGS; NM Geological Society; Topographic map</li> </ul>	🗋 Yes 🗌 No						
Within a 100-year floodplain. - FEMA map	🗌 Yes 🗌 No						

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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): Ms. Amy Mackey	Title: <u>Administrative Manager</u>
Signature: Mache	Date: 21309
E-mail address:amackey1@elmridge.net	Telephone: <u>505-632-3476 Ext. 201</u>
<b><u>OCD Approva</u>l:</b> Permit Application (including closure plan) Clos	sure Plan (only) OCD Conditions (see attachment)
OCD Representative Signature:	Approval Date:
Title:	OCD Permit Number:
<sup>21.</sup> Closure Report (required within 60 days of closure completion): Subse Instructions: Operators are required to obtain an approved closure plan The closure report is required to be submitted to the division within 60 day section of the form until an approved closure plan has been obtained and	prior to implementing any closure activities and submitting the closure reportives of the completion of the closure activities. Please do not complete this the closure activities have been completed.
	Closure Completion Date:
<ul> <li>22.</li> <li>Closure Method:</li> <li>Waste Excavation and Removal On-Site Closure Method A</li> <li>If different from approved plan, please explain.</li> </ul>	Alternative Closure Method 🗌 Waste Removal (Closed-loop systems only)
two facilities were utilized.	ds, drilling fluids and drill cuttings were disposed. Use attachment if more th
Disposal Facility Name:	Disposal Facility Permit Number:
Disposal Facility Name:	
Disposal Facility Name: Disposal Facility Name: Were the closed-loop system operations and associated activities performed Section 2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.	Disposal Facility Permit Number: d on or in areas that <i>will not</i> be used for future service and operations?
Disposal Facility Name: Were the closed-loop system operations and associated activities performed	Disposal Facility Permit Number: d on or in areas that <i>will not</i> be used for future service and operations? No
Disposal Facility Name:	Disposal Facility Permit Number: d on or in areas that <i>will not</i> be used for future service and operations? No operations:
Disposal Facility Name:	Disposal Facility Permit Number: d on or in areas that <i>will not</i> be used for future service and operations? No operations:
Disposal Facility Name:	Disposal Facility Permit Number: d on or in areas that <i>will not</i> be used for future service and operations? No operations:
Disposal Facility Name:         Were the closed-loop system operations and associated activities performed         Yes (If yes, please demonstrate compliance to the items below)         Required for impacted areas which will not be used for future service and o         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 follow         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)         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         Re-vegetation Application Rates and Seeding Technique         Site Reclamation (Photo Documentation)         On-site Closure Location: Latitude         Image: Ste Reclamation (Photo Documentation)         On-site Closure Location: Latitude         Image: Ste Reclamation (Photo Documentation)         On-site Closure Location: Latitude	Disposal Facility Permit Number: d on or in areas that <i>will not</i> be used for future service and operations? No operations: wing items must be attached to the closure report. Please indicate, by a check osure)
Disposal Facility Name:         Were the closed-loop system operations and associated activities performed         Yes (If yes, please demonstrate compliance to the items below)         Required for impacted areas which will not be used for future service and o         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 follow         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)         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         Re-vegetation Application Rates and Seeding Technique         Site Reclamation (Photo Documentation)         On-site Closure Location: Latitude         Image: Ste Reclamation (Photo Documentation)         On-site Closure Location: Latitude	Disposal Facility Permit Number: d on or in areas that <i>will not</i> be used for future service and operations? No operations: wing items must be attached to the closure report. Please indicate, by a check osure) Longitude NAD:1927 1983
Disposal Facility Name:	Disposal Facility Permit Number:
Disposal Facility Name:         Were the closed-loop system operations and associated activities performed         Yes (If yes, please demonstrate compliance to the items below)         Required for impacted areas which will not be used for future service and o         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 follow         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)         Plot Plan (for on-site closures and temporary pits)         Confirmation Sampling Analytical Results (if applicable)         Waste Material Sampling Analytical Results (required for on-site clo         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         25.         Operator Closure Certification:         I hereby certify that the information and attachments submitted with this clobelief. I also certify that the closure complies with all applicable closure reported for the closure complies with all applicable closure reported for the closure com	Disposal Facility Permit Number:d on or in areas that <i>will not</i> be used for future service and operations? No  operations: wing items must be attached to the closure report. Please indicate, by a check osure) Longitude NAD:1927 1983 osure report is true, accurate and complete to the best of my knowledge and equirements and conditions specified in the approved closure plan Title:

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New Mexico Office of the State Engineer

New Mexico	Office of t	he State Eng	zineer
Point a	f Diversio	n Summary	

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POD Number	Tws Ri	ng Sec q q	q Zone	x	Y
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Driller Licence: Driller Name:	WESTERN DRII			Source	
Drill Start Date:					e: 04/20/1980
Log File Date:	06/16/1980		- + · · · - ·	eceived Date	
Pump Type:			-	scharge Size	
Casing Size:	7		Est	imated Yiel	1:
Depth Well:	1500.			Depth Wate:	<b>r:</b> 200

http://iwaters.ose.state.nm.us:7001/iWATERS/WellAndSurfaceDispatcher?email\_address... 10/31/2008

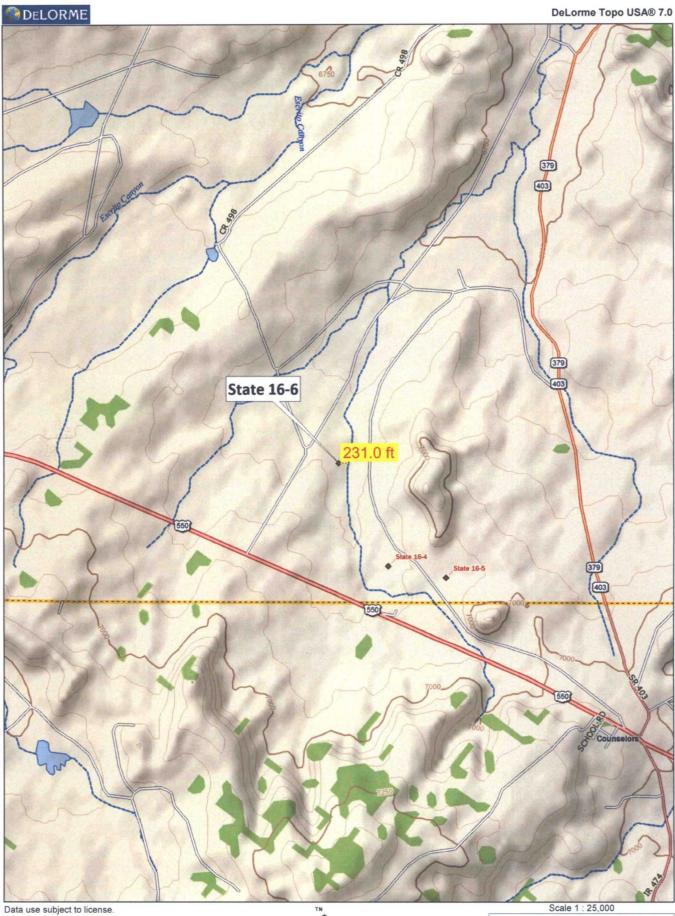
New Mexico Office of the State Engineer

http://iwaters.ose.state.nm.us:7001/iWATERS/WellAndSurfaceDispatcher

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POD / SURFACE DATA REPORT	09/29/2008	(	rs are 1-3W		4-57											
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ecords found, try again																
												-				



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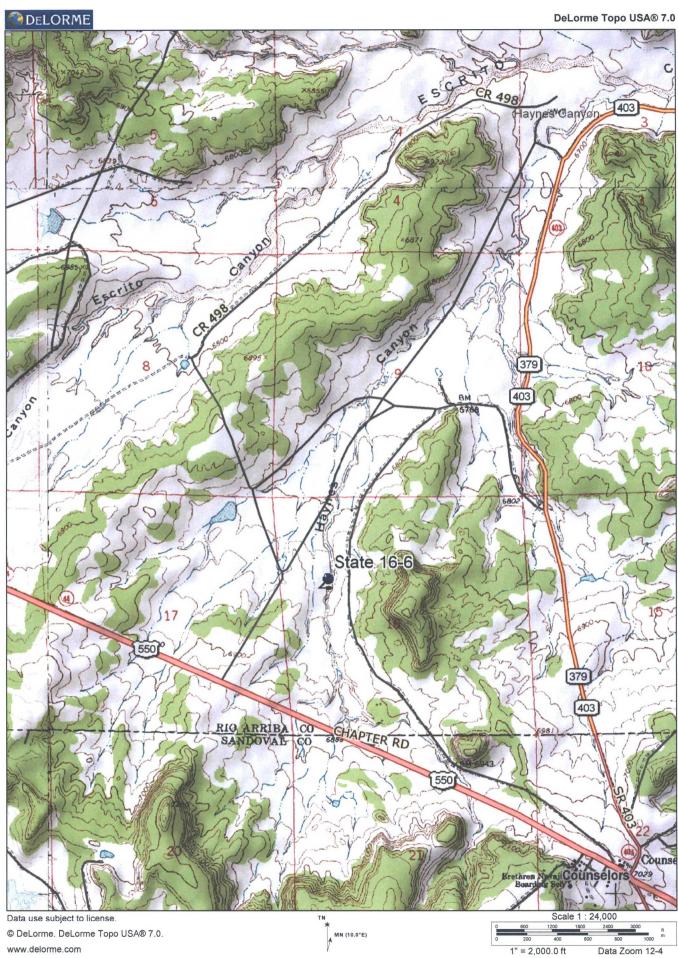
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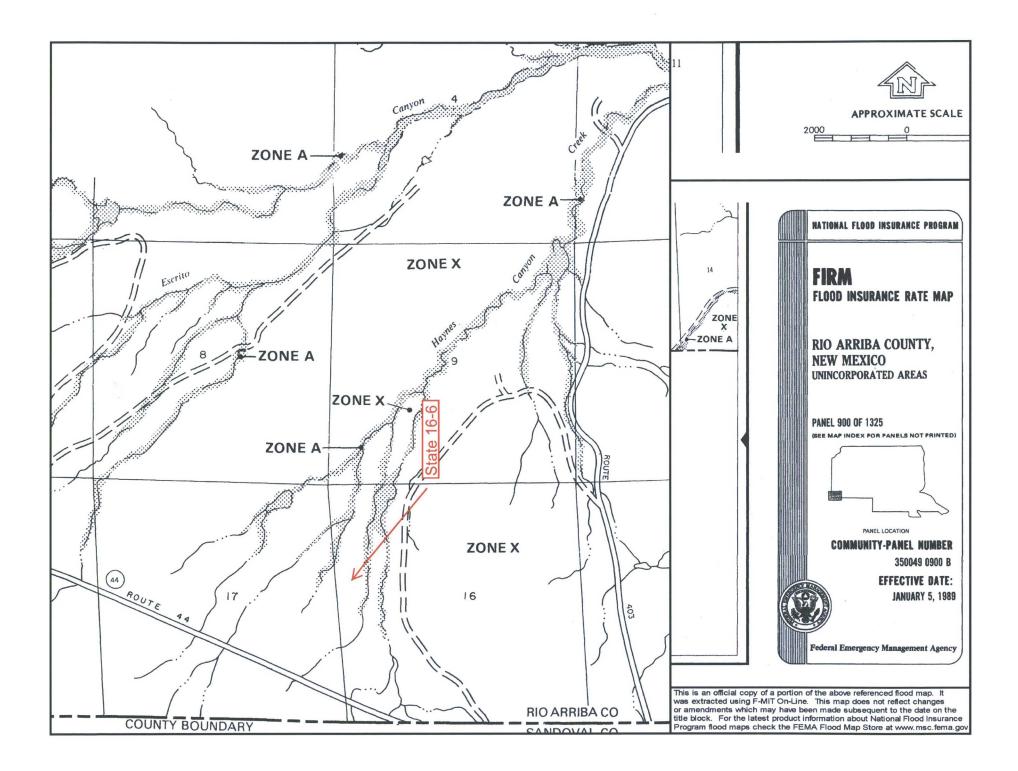
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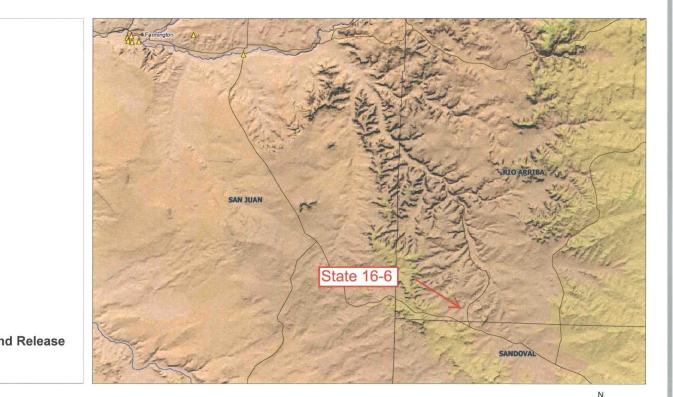




# Elm Ridge Exploration Mine Map

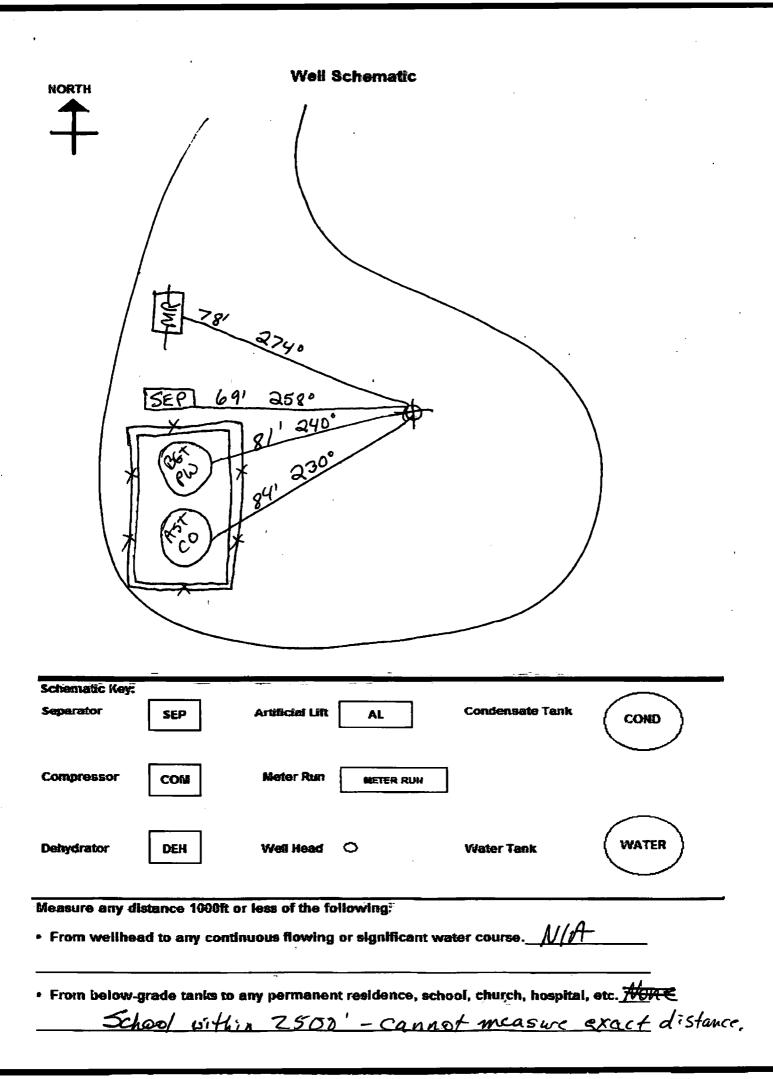
Mines, Mills &	Quarries Commodity Groups
Δ	Aggregate & Stone Mines
*	Coal Mines
*	Industrial Minerals Mines
•	Industrial Minerals Mills
	Metal Mines and Mill Concentrate
	Potash Mines & Refineries
2	Smelters & Refinery Ops.
*	Uranium Mines
•	Uranium Mills
Mines, Mills &	Quarries Status
×	Active Mining
A	Active Mining, Active Reclamation
	Permanent Closure, Active Reclamation
۲	Permanent Closure, Reclaimed Awaiting Bond
	Temporary Suspension







		Elm Ridge Site Inventory Sheet
٠	Date:	Initials: <u>Sla</u>
٠	Well Name & Number:	State 16-6
٠	API#: 30039	
٠	Lease #: (149052	
٠	Quarter/Quarter: E	Section: $16$ Township: $23N$ Range: $6\omega$
٠	Lat: 36,226462	Long: 107,480823 GPS Point ID: State 16-6
	Pit Tank #1: Manufacturer:	HW Brand
	Serial #: $\mathcal{N}/\mathcal{W}$	
•	• If N/A - Dimensions:	
•		Galvanized Fiberglass
•		Wall Single Wall (Buried or Exposed)
•		
	Contents: Produced Water	Leak Detection: YN_X No Lobe I XCondensateRecycled Oll
•		one-top Netting X (Solid ////Fiber ///) Chicken Wire
•	Secondary Containment: Ye	
•	Fencing around berm: Yes	
		Panel Field Fence_X Barbwire
	Pit Tank #2: Manufacturer:	
•	Serial #:	
•	Serial #: o If N/A - Dimensions:	Diameter Height
• •	Serial #: o If N/A - Dimensions: Material: Steel	DiameterHeight GalvanizedFiberglass
••••	Serial #: o If N/A - Dimensions: Material: Steel Tank Configuration: Double	Diameter Helght Galvanized Fiberglass Wall Single Wall(Buried or Exposed)
••••••	Serial #: o If N/A - Dimensions: Material: Steel Tank Configuration: Double Visible Walls: Y N	DiameterHeight GalvanizedFiberglass WallSingle Wall(Buried or Exposed) Leak Detection: Y N
••••••	Serial #:	Diameter Height Galvanized Fiberglass Wall Single Wall (Buried or Exposed) Leak Detection: Y N Condensate Recycled Oll
••••••	Serial #:	Diameter Height Galvanized Fiberglass Wall Single Wall (Buried or Exposed) Leak Detection: Y N Condensate Recycled Oll one-top Netting (Solid Fiber)
•••••••	Serial #: o If N/A - Dimensions: Material: Steel Tank Configuration: Double Visible Walls: Y N Contents: Produced Water Tank Top Covering: Setid/Co Secondary Containment: Ye	Diameter Height GalvanizedFiberglass WallSingle Wall(Buriedor Exposed) Leak Detection: Y N Condensate Recycled Oll one-top Netting(SolidFiber) as No
••••••••	Serial #:	Diameter Height Galvanized Fiberglass Wall Single Wall(Buried or Exposed) Leak Detection: Y N Condensate Recycled Oll one-top Netting(Solid Fiber) ss No ss No
•••••••	Serial #:	Diameter Height GalvanizedFtberglass WallSingle Wall(Buried or Exposed) Leat Detection: Y N Condensate Recycled Oll one-top Netting(SolidFlber) ss No panel Field Fence Barbwire
•••••••••••••••••••••••••••••••••••••••	Serial #:	Diameter     Galvanized     Galvanized
•••••••••••••••••••••••••••••••••••••••	Serial #:	Diameter Height   Galvanized Fitberglass   Wall Single Wall   (Buried or Exposed   Wall (Buried   Leek Detection: Y N   Condensate Recycled Oll   one-top Netting   (Solid Fiber_)   ss No   ss No   Panel Field Fence   Barbwire Size   DOM: 1/82   Size 300   bbl
•••••••••••••••••••••••••••••••••••••••	Serial #:	Diameter Height   Galvanized FitSerglass   Wall Single Wall   Galvanized FitSerglass   Wall Gent Detection: Y   Leat Detection: Y N   Condensate Recycled Oll   one-top Netting   Se_ No   Panel Fleid Fence   Barbwire Barbwire   nufacturer: Cim Accon Tank Co.   DOM: 1/82   Size 300   bbi
•••••••••••••••••••••••••••••••••••••••	Serial #:	Diameter Height   Galvanized Fitserglass   Wall Single Wall   (Buried or Exposed   Wall Isingle Wall   Leek Detection: Y N   Condensate Recycled Oll   one-top Netting   Solid Fiber   ss No   ss No   Panel Field Fence   Barbwire Image: Solid   nufacturer: Cirrank (O.   DOM: 1/82   Size 300   bbi   : Diameter 12'   Height 15'   Galvanized Fiberglass
· · · · · · · · · · · · · · · · · · ·	Serial #:	Diameter   Galvanized   Galvanized   Galvanized   Fiberglass   Wall   Galvanized   Gondensate   Recycled Oll   condensate   Recycled Oll   one-top   Netting   (Solid   Fiber   bs   No   Panel   Field Fence   Barbwire   nufacturer:   Cirra A(COn   Tank (O.   DOM:   1/82   Size   300   bbi   : Diameter   12'   Height   15'   Galvanized   Fiberglass   Condensate   (State #GT-10030)   Recycled Oil



# **BELOW GRADE TANK (BGT) CLOSURE PLAN**

SITE NAME:

STATE 16-6 UNIT LETTER E, SECTION 16, TOWNSHIP 23N, RANGE 6W RIO ARRIBA COUNTY, NEW MEXICO LATITUDE 36.226462 LONGITUDE -107.480823

**SUBMITTED TO:** 

MR. WAYNE PRICE New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505 (505) 476-3490

**SUBMITTED BY:** 

Ms. AMY MACKEY ELM RIDGE EXPLORATION P.O. BOX 156 BLOOMFIELD, NEW MEXICO 87413 (505) 632-3476 EXT. 201

FEBRUARY 2009

# BELOW GRADE TANK (BGT) CLOSURE PLAN ELM RIDGE EXPLORATION STATE 16-6 RIO ARRIBA COUNTY, NEW MEXICO

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#### **INTRODUCTION**

Elm Ridge Exploration would like to submit a closure plan for the below grade tank (BGT) at the State 16-6 well site located in the SW ¼ NW ¼ of Section 16, Township 23N, Range 6W, Rio Arriba County, New Mexico. This closure plan has been prepared in conformance with the closure requirements of 19.15.17.13 NMAC.

#### **SCOPE OF CLOSURE ACTIVITIES**

The purpose of this closure plan is to provide the details of activities involved in the closure of the BGT at the State 16-6 well site. The following scope of closure activities has been designed to meet this objective:

- Elm Ridge Exploration, or a contractor acting on behalf of Elm Ridge Exploration, will close all of the BGTs currently in service within the five (5) years allotted. Elm Ridge Exploration does not operate any BGTs which would qualify to be upgraded or retrofitted; as such they will be closing all their current BGTs and replacing them with above ground storage tanks.
- 2) Elm Ridge Exploration will close BGTs deemed to be an imminent danger to fresh water, public health, or the environment by an earlier date that the division requires as specified in Subsection A of 19.15.17.13 NMAC.
- 3) Elm Ridge Exploration will close any BGT which demonstrates a compromise of integrity before the five (5) years allotted by the division per Paragraph (6) of Subsection I of 19.15.17.11 NMAC.
- 4) Elm Ridge Exploration will close any BGT within 60 days of cessation of the BGTs operation per Subsection A of 19.15.17.13 NMAC.
- 5) No less than 72 hours and no greater than one (1) week prior to BGT removal Elm Ridge Exploration, or a contractor acting on behalf of Elm Ridge Exploration, will provide written notification to the appropriate division district office as well as a schedule of on-site activities, as in accordance with 19.15.17.13 Subsection J Paragraph (2) NMAC. Written notification will include the name of the well operator, the well's API number, the well's name and number, and the well's unit letter, section, township, and range.
- 6) No less than 24 hours and no greater than one (1) week prior to beginning BGT closure activities Elm Ridge Exploration, or a contractor acting on behalf of Elm Ridge Exploration, will provide written notification to the appropriate surface owner, as in accordance with 19.15.17.13 Subsection J Paragraph (1) NMAC. Elm Ridge Exploration, or a contractor acting on behalf of Elm Ridge Exploration, will notify the surface owner by certified mail, return receipt requested, that the operator plans to close a below-grade tank. The return receipt will be used to ensure that the surface owner has received written notification no less than 24 hours and no greater than one (1) week prior to the beginning of BGT closure activities. 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. Closure activities that will take place on tribal land will have notifications sent by certified mail, return

receipt requested, to the appropriate tribal office. Elm Ridge Exploration, or a contractor acting on behalf of Elm Ridge Exploration, will notify the Bureau of Land Management (BLM) of closure activities for wells located on federal land per a Sundry Notice, as in accordance with 19.15.17.13 Subsection J Paragraph (1) NMAC. All notices will be sent in such a way that the surface owner received notice at least 24 hours prior to the beginning of closure activities.

- 7) Elm Ridge Exploration, or a contractor acting on behalf of Elm Ridge Exploration, will remove all liquids, and/or sludge, if applicable, prior to closure. Material will be disposed of at Envirotech's Landfarm #2, Permit # NM-01-0011, TNT Environmental Inc. Landfarm, Permit # NM-01-0008, Industrial Ecosystems Inc. (IEI) Landfarm, Permit # NM-01-0010B or Basin Disposal, Permit # NM-01-0005, depending on the consistence of the material removed, as in accordance with 19.15.17.13 Subsection E Paragraph (1) NMAC.
- 8) Elm Ridge Exploration, or a contractor acting on behalf of Elm Ridge Exploration, will remove all on-site equipment associated with this BGT that is no longer required for some other purpose, as in accordance with 19.15.17.13 Subsection E Paragraphs (3) NMAC.
- 9) If applicable, any liners or leak detection systems removed from a BGT closure will be cleaned off and disposed of at San Juan County Regional Landfill in accordance with Subparagraph (m) of Paragraph (1) of Subsection D of 19.15.9.712 NMAC.
- 10) Elm Ridge Exploration, or a contractor acting on behalf of Elm Ridge Exploration, will obtain prior approval from the OCD to dispose, recycle, reuse, or reclaim the BGT. Elm Ridge Exploration, or a contractor acting on behalf of Elm Ridge Exploration, will provide the OCD with documentation concerning the final disposition of the BGT with the closure report.
- 11) Once the BGT is removed a five (5)-point composite sample will be collected from directly below the tank or below the leak detection system if present. Grab samples will be collected from any area that are wet, discolored, or showing other evidence of a release. All samples being collected will be analyzed for benzene and total BTEX via USEPA Method 8021B, TPH via USEPA Method 418.1, and chlorides via USEPA 300.1, as in accordance with 19.15.17.13 Subsection E Paragraph (4) NMAC.
- 12) Depending on soil sample results the area will be either backfilled or the area will be excavated.
  - a. If soil samples do not exceed the regulatory standards of 0.2 mg/kg benzene, 50 mg/kg BTEX, 100 mg/kg TPH, and 250 mg/kg or background concentration of chlorides, as in accordance with 19.15.17.13 Subsection E Paragraph (4) NMAC.
    - i. Elm Ridge Exploration, or a contractor acting on behalf of Elm Ridge Exploration, shall submit a Form C-141 with the laboratory results so that the division may review the results to determine if additional delineation is required in accordance with Paragraph (5) of Subsection E of 19.15.17.13 NMAC.
    - ii. Elm Ridge Exploration, or a contractor acting on behalf of Elm Ridge Exploration, will backfill the excavation or impacted area with non-waste containing, earthen material, in accordance with 19.15.17.13

Below Grade Tank (BGT) Closure Plan Elm Ridge Exploration State 16-6 Page 3

Subsection E Paragraph (6) NMAC. A soil cover shall be installed for all backfilled excavations consisting of the background thickness of topsoil or one foot of suitable material to establish vegetation at the site, whichever is greater in accordance with Subsections H of 19.15.17.13 NMAC. The operator shall construct the soil cover to the site's existing grade and prevent ponding of water and erosion of the cover material.

- iii. All areas of the well site that are no longer utilized on a day to day basis for the production of oil and/or gas, Elm Ridge Exploration, or a contractor acting on behalf of Elm Ridge Exploration, will substantially restore, re-contour and re-vegetate the areas, in accordance with 19.15.17.13 Subsections G and I NMAC. The operator shall notify the division when it has been re-seeded and when it has achieved successful re-vegetation. For re-vegetation methods, please see attached re-vegetation plan.
- b. If soil samples exceed the regulatory standards stated above.
  - i. Elm Ridge Exploration will submit a Release Notification by Form C-141 with the appropriate analytical laboratory results to the appropriate division district office, in accordance with 19.15.17.13 Subsection E Paragraph (4) NMAC.
  - ii. In accordance with Paragraph (5) of Subsection E of 19.15.17.13 NMAC, once the operator or the OCD has determined that a release has occurred, Elm Ridge Exploration, or a contractor acting on behalf of Elm Ridge Exploration, will comply with rule 19.15.3.116 NMAC and 19.15.1.19 NMAC as appropriate.

#### REPORTING

Elm Ridge Exploration will submit a closure report within 60 days following the BGT closure. The closure report will consist of a form C-144 with all supporting data and a form C-141 with all supporting data. The supporting data will include proof of closure notice to the surface owner and the OCD, confirmation sampling analytical results, a site diagram, soil backfilling and cover installation, re-vegetation rates, re-seeding techniques and site reclamation photo documentation if applicable, along with all other information related to the onsite activities.

We appreciate the opportunity to be of service. If you have any questions or require further information, please do not hesitate to contact our office at (505) 632-3476 Ext. 201.

Respectfully Submitted:

Elm Ridge Exploration Amy Mackey

Elm Ridge Exploration

### **Elm Ridge Exploration**

#### **Re-Seeding Techniques and Seed Mixture Ratios**

These applied practices by Elm Ridge Exploration will at a minimum comply with the New Mexico Oil Conservation Divisions rule 19.15.17.13, Subsection I NMAC Elm Ridge Exploration has adopted these re-seeding application techniques, ratios and mixtures as their standard operating procedures.

- 1. The first growing season after closure of a below grade tank or pit, all areas of the well site not utilized for the production of oil and/or gas on a daily basis will be re-seeded with the specified seed mixture.
- 2. The seed mixture used will be certified with no primary or secondary noxious weeds in seed mixtures. The seed labels from each bag shall be available for inspection while seed is being sown.
- 3. The operator shall accomplish seeding by drilling on the contour whenever practical or by other division-approved methods. The operator shall obtain vegetative cover that equals 70% of the native perennial vegetative cover (un-impacted by overgrazing, fire or other intrusion damaging to native vegetation) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. During the two growing seasons that prove viability, there shall be no artificial irrigation of the vegetation.
- 4. Hand seeding with hydro-mulch, excelsior netting or mulch with netting is required on the cut/fill slopes. Mulch will be spread at a rate of 2,000-3,000 pounds per acre.
- 5. Compacted areas determined by visual inspection will be ripped to a depth of twelve (12) inches below ground surface and disked to a depth of six (6) inches before seeding. Seeding shall be done with a disk type drill with two (2) boxes for various seed sizes. The drill rows shall be eight (8) to ten (10) inches apart. Seed shall be planted at no less than one-half (1/2) inch deep or more than one (1) inch deep. The seeder shall be followed with a drag, packer, or roller to ensure uniform coverage of the seed and adequate compaction. Drilling shall be done on the contour where possible, but not up and down the slope.
- 6. Where slopes are too steep for contour drilling a hand seeder shall be used. Seed shall be covered to the depth stated above by whatever means is practical. If the seed is unable to be covered by the means listed above, the prescribed seed mixture amount will be doubled.

- 7. Elm Ridge Exploration shall repeat seeding or planting until it successfully achieves the required vegetative cover of 70% of the native perennial vegetation cover.
- 8. Upon abandonment of a well site, if the retention of the access road is not considered necessary for the management and multiple uses of the natural resources, or by the surface owner, it will be ripped a minimum of twelve (12) inches in depth. After ripping, water bars will be installed. All ripped surfaces are to be protected from vehicular travel by construction of a dead end ditch and earthen barricade at the entrance to these ripped areas. Re-seeding of areas affected by the ditch and barriers will be re-seeded if necessary.
- 9. Elm Ridge Exploration, or a contractor acting on behalf of Elm Ridge Exploration, will inform the division once successful re-vegetation has occurred.

#### **Elm Ridge Exploration**

#### San Juan Basin

#### **Below Grade Tank Maintenance and Operating Plan**

In accordance with Rule 19.15.17 the following information describes the operation and maintenance of a Below Grade Tank (BGT) on Elm Ridge Exploration locations. This particular location does not meet the siting criteria to operate a BGT, and thus will be closing the BGT within five (5) years, or upon failure of integrity, and replacing it with an above ground storage tank.

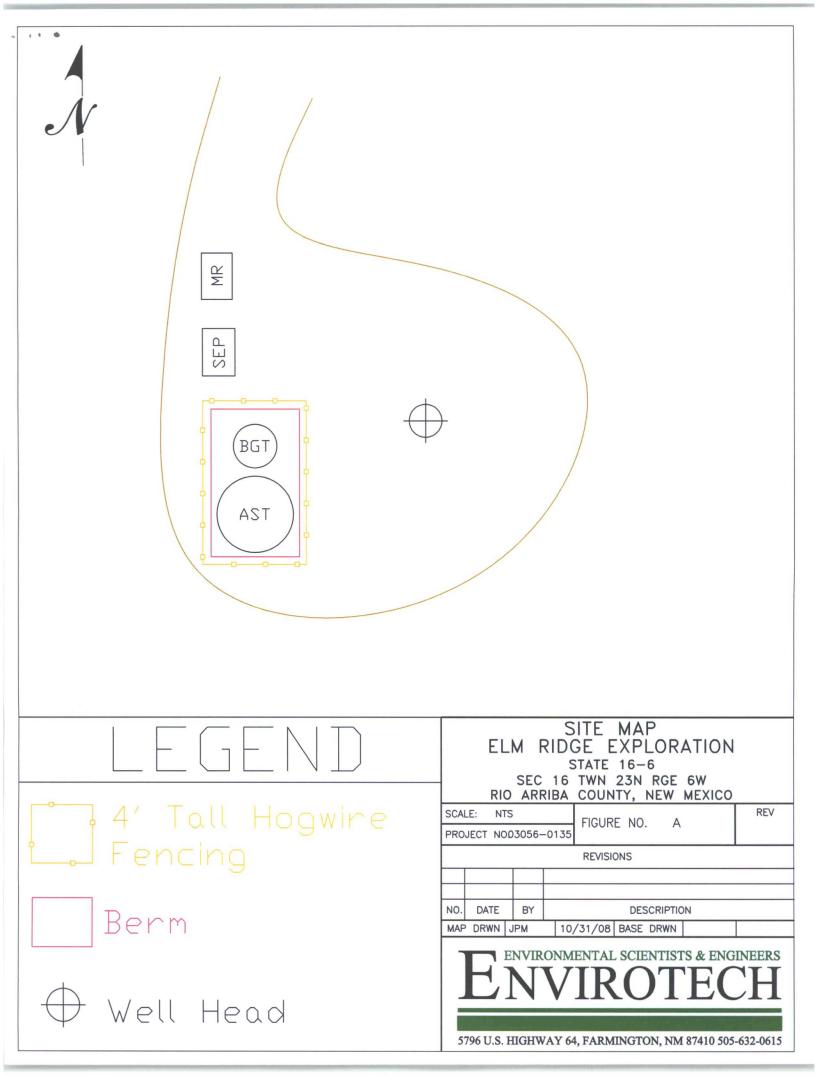
#### **GENERAL PLAN:**

- 1. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, will operate and maintain a BGT to contain liquids and solids to prevent contamination of fresh water and to protect public health and environment. This will be accomplished by performing monthly inspections of the BGT, any liners or leak detection if applicable, netting, secondary containment, fencing and maintaining adequate freeboard.
- 2. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, shall not allow a BGT to overflow or allow surface water run-on to enter the BGT. This will be accomplished by a secondary containment consisting of a soil berm around the BGT that will be monitored by monthly inspections. Overflowing will be prevented by maintaining an adequate freeboard of eight (8) inches, maintained by monthly inspections. This process will be performed on the current BGT located at this well site.
- 3. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, shall continuously remove any visible or measurable layer of oil from the fluid surface of a BGT in an effort to prevent the accumulation of oil over time.
- 4. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, shall inspect the BGT at least once monthly and maintain a written record of each inspection for at least five (5) years. The monthly inspection form to be used by Elm Ridge Exploration is attached to this document.
- 5. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, shall maintain adequate freeboard to prevent overtopping of the BGT. The standard freeboard to be maintained by Elm Ridge Exploration is eight (8) inches.
- 6. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, shall maintain an expanded metal covering on the BGT.

- 7. Elm Ridge Exploration will not discharge into or store any hazardous wastes into the BGT.
- 8. If Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, determines that a BGT has developed a leak below the liquid's surface, then Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, will notify the appropriate division office within 48 hours of discovering the leak. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, shall remove all liquids above the damage or leak line within 48 hours in accordance with Subsection A of 19.15.17.12 NMAC. The damaged tank will then be removed, and closure activities will begin in accordance with the submitted closure plan.
- 9. Elm Ridge Exploration will close any BGT within 60 days of cessation of the BGTs operation per Subsection A of 19.15.17.13 NMAC.
- 10. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, will close the BGT within the NMOCD allotted five (5) years, within 60 days of cessation of operation of the BGT or upon failure of integrity, and put into service an above ground storage tank to meet the needs previously fulfilled by the BGT.

Figure A, Site Map

Attachment 1, Monthly BGT Inspection Form



# **Elm Ridge Exploration, LLC**

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# Monthly Below Grade Tank Inspection Form

Inspection Performed By: Date: Date:
Well Site Name:
Unit: Section: Township: Range: County:
Quarter Footage:
Latitude: Longitude:
Below Grade Tank
Construction Material of BGT (circle one): Steel Fiberglass Galvanized Other:
Tank Capacity (BBLS):
Status of Tank (circle one): NA poor fair good excellent
Leaks Detected (circle one): Yes No Unknown
Liquid level in tank from the top:
Recent overflow detected (circle one): Yes No Unknown
BGT Cover present: Yes No NA
Cover Type (circle one): wire mesh steel mesh fibrous netting other:
Berm Present (circle one): Yes No
Secondary Containment
Type of secondary containment:
Status of secondary containment (circle one): NA poor fair good excellent
Fencing
Fencing Present (circle one): Yes No
Describe Fencing:
Status of Fencing (circle one): NA poor fair good excellent

\*Maintain this document on record for a minimum of five (5) years from the date performed.

# OCD Aztec District III ELM RIDGE Checklist Below Grade Tank Closure Plans

## **19.15.17.9 Permit application**

Signed C-144 (Page 5 of C-144) Site Specific Hydrogeology (Iwaters)

## **19.15.17.10** Siting requirements

Proximity to watercourses (Topo map)

Proximity to Permanent Structure (Aerial Map)

Proximity to Flood Plain Map (Aerial Map)

Proximity to Subsurface Mines Map (Aerial Map)

# **1**9.15.17.13 Closure Plan

Below Grade Tank Closure Plan

# 19.15.17.12 Operating and Maintenance Plan

Below Grade Tank Operating and Maintenance Plan

Requirements: (Application Marked Closure Plan Only

<u>cs) 5/16/14</u> Registration Date: <u>VF</u>