Form C-144 July 21, 2008

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
2009 MAR 16 PM 1 11
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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	

Proposed Alternative Method Permit or Closure Plan Application				
Type of action: Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method				
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank, or alternative request				
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water, or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations, or ordinances.				
Operator: Elm Ridge Exploration OGRID #: 149052				
Address: P.O. Box 156; Bloomfield, NM 87413				
Facility or well name: Wishing Well 35-7				
API Number: 3003924191 OCD Permit Number:				
U/L or Qtr/Qtr G Section 35 Township 24N Range 1W County: Rio Arriba				
Center of Proposed Design: Latitude36.268573 Longitude106.910966 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: Lx 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 of a permit or notice of intent)				
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other				
☐ Lined ☐ Unlined Liner type: Thicknessmil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other				
Liner Seams:				
4.				
Below-grade tank: Subsection I of 19.15.17.11 NMAC				
Volume:95bbl Type of fluid: Produced water				
Tank Construction material: Steel tank				
Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off				
☐ Visible sidewalls and liner ☑ Visible sidewalls only ☑ Other <u>Single-walled tank</u>				
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 consideration 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	
☐ Alternate. Please specify 4' tall hogwire fencing with pipe railing	
7.	
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen □ Netting □ Other	
Monthly inspections (If netting or screening is not physically feasible)	
8.	
Signs: Subsection C of 19.15.17.11 NMAC	
 ✓ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers ✓ Signed in compliance with 19.15.3.103 NMAC 	
Signed in compliance with 15.15.5.105 NMAC	
9. Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.	
Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau	office for
consideration of approval.	office for
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 accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the approoffice or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying above-grade tanks associated with a closed-loop system.	priate district pproval.
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.	☐ Yes ☑ No
The attached iWATERS database search shows a well approximately 4.51 miles to the north-east with a depth to groundwater of 75 feet. This water well is at an elevation approximately 220 feet lower than the Wishing Well 35-7 well site, indicating that groundwater is greater than 50 feet from the bottom of the BGT at this well site.	
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).	Yes □ No
The topographical map shows that the nearest watercourse is 128 ft. south of the well site. The visual inspection sheet indicates that the wash did not appear to be significant.	_ .
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 no wells are within 1000 feet of the 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 according to 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; however, no wetland vegetation was noted during the site visit.	☐ Yes ☑ No
Within the area overlying a subsurface mine. The attached NM EMNRD web map indicate 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 indicate that the well site is not within an unstable area.	☐ Yes ⊠ No
Within a 100-year floodplain.	☐ Yes ☑ No
There is no flood man coverage for this greet however the site is 2 ft, higher and 128 ft, from the negreet week	l

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 19.15.17.12 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 Previously Approved Design (attach copy of design) API Number: or Permit Number:
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Previously Approved Design (attach copy of design) API Number:
Previously Approved Operating and Maintenance Plan API Number:
13.
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Preeboard 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 Erosion Control Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Proposed Closure: 19.15.17.13 NMAC
Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan. Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System Alternative Proposed Closure Method: Waste Excavation and Removal Waste Removal (Closed-loop systems only) On-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial On-site Trench Burial Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)
15.
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. ☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC ☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC ☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings) ☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC ☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC) Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.			
Disposal Facility Name: Disposal Facility Permit Number:			
Disposal Facility Name: Disposal Facility Permit Number:			
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations? Yes (If yes, please provide the information below) No			
Required for impacted areas which will not be used for future service and operations: Soil Backfill and Cover Design Specifications based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC	c		
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 may require administrative approval from the appropriate districtions of exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justi demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.	rict office or may be		
Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA		
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA		
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No		
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No		
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	☐ Yes ☐ No		
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No		
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No		
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☐ No		
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map 	☐ Yes ☐ No		
Within a 100-year floodplain FEMA map	☐ Yes ☐ No		
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure ple by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cann 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 G of 19.15.17.13 NMAC	15.17.11 NMAC		

7			
Operator Application Certification: I hereby certify that the information submitted with this application is true, accurate a	and complete to the best of my knowledge and belief.		
Name (Print): Ms. Amy Mackey	Title: Administrative Manager		
Signature: Mu actus	Date: 3/10/09		
E-mail address: amackey1@elmridge.net	Telephone:(505) 632-3476 Ext. 201		
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)		
OCD Representative Signature:	Approval Date:		
Title:O	CD Permit Number:		
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.			
	Closure Completion Date:		
Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative If different from approved plan, please explain.	Closure Method Waste Removal (Closed-loop systems only)		
Closure Report Regarding Waste Removal Closure For Closed-loop Systems Th Instructions: Please indentify the facility or facilities for where the liquids, drilling two facilities were utilized.			
Disposal Facility Name: D	isposal Facility Permit Number:		
Disposal Facility Name:	isposal Facility Permit Number:		
Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations? Yes (If yes, please demonstrate compliance to the items below) No			
Required for impacted areas which will not be used for future service and operations Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique			
24. Closure Report Attachment Checklist: Instructions: Each of the following items 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 Longitude			
25.			
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure repobelief. I also certify that the closure complies with all applicable closure requirement			
Name (Print):	Title:		
Signature:	Date:		
E-mail address:	Telephone:		

New Mexico Office of the State Engineer **Point of Diversion Summary**

Back

(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest)

110

POD Number Tws Rng Sec q q q Zone

24N 01E 07 1 1 3 RG 77660

Driller Licence: 1394 INGRAM, LOYD A.

Driller Name: INGRAM, LOYD A. Source: Shallow Drill Start Date: 09/02/2002 Drill Finish Date: 09/16/2002

Log File Date: 09/23/2002 PCW Received Date: Pump Type: Pipe Discharge Size: Estimated Yield: 10 Casing Size: 4 Depth Well: 120 Depth Water: 75

Water Bearing Stratifications: Description Top Bottom Other/Unknown

100

Casing Perforations: Top Bottom

90 120

New Mexico Office of the State Engineer POD Reports and Downloads

Township: 24N Range: 01W Sections: 35,26

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) Non-Domestic

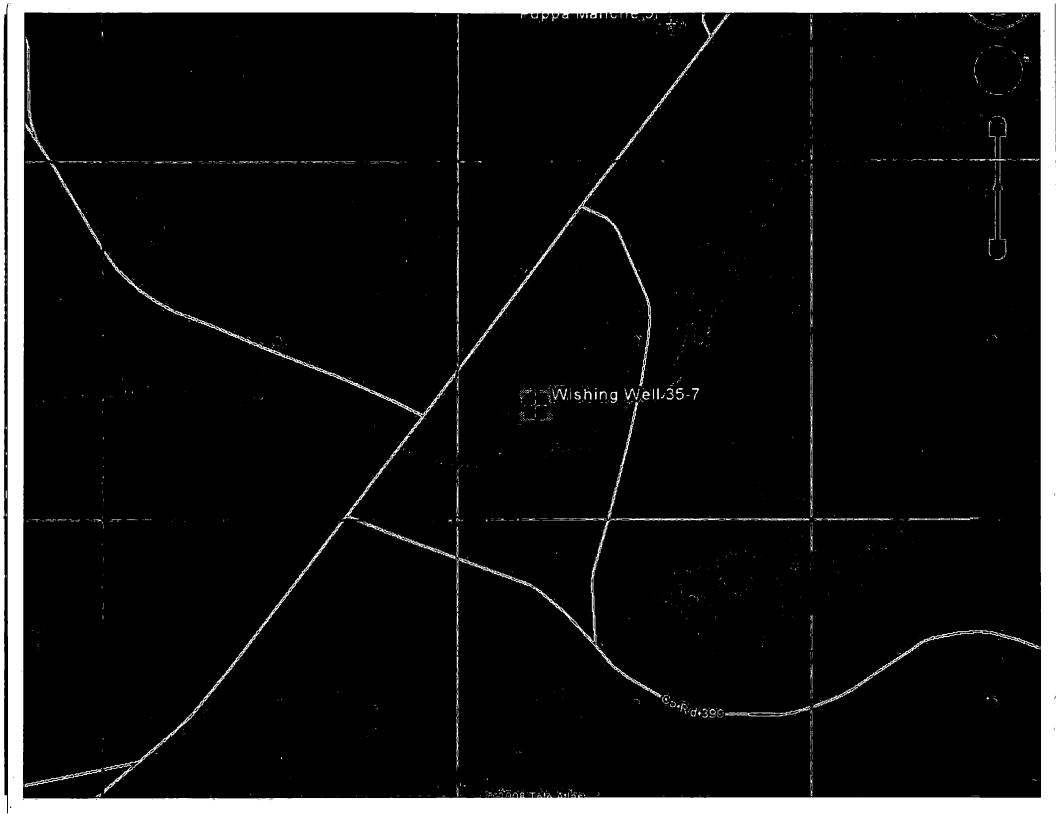
DomesticAll

Clear Form iWATERS Menu Help

AVERAGE DEPTH OF WATER REPORT 10/27/2008

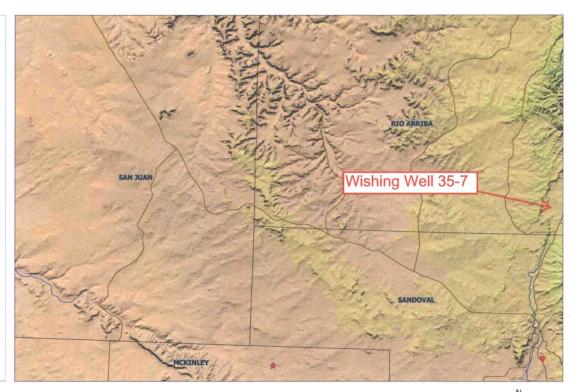
(Depth Water in Feet)
Bsn Tws Rng Sec Zone X Y Wells Min Max Avg

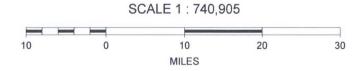
No Records found, try again



Elm Ridge Exploration Mine Map

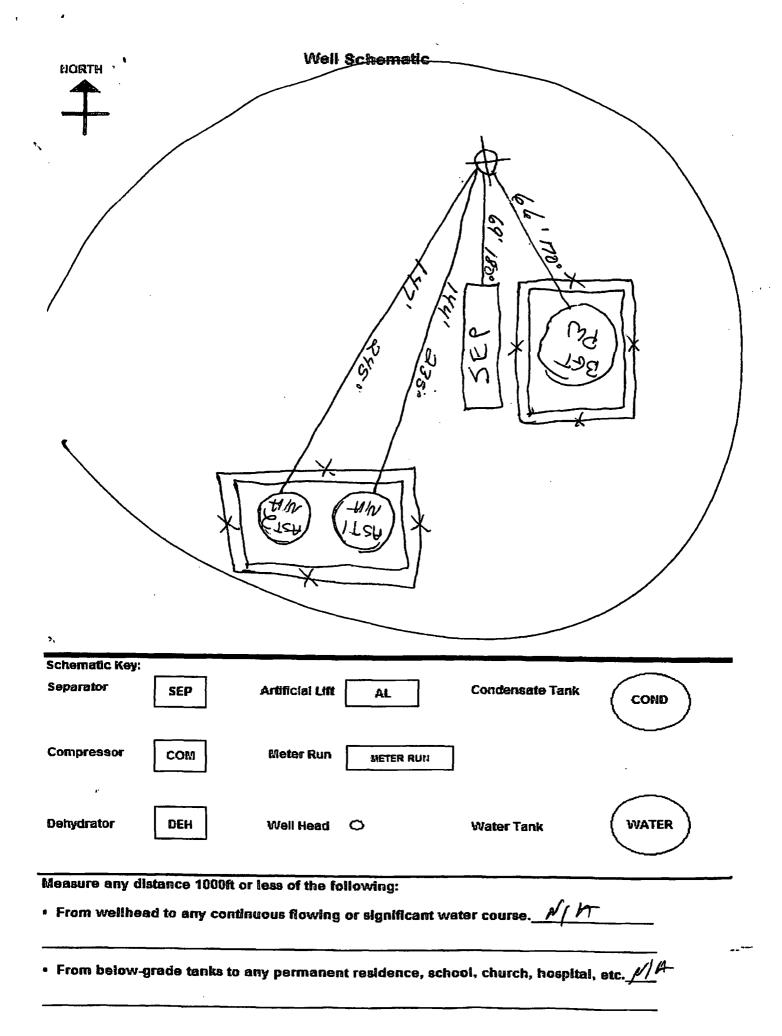
Mines, Mills	& Quarries Commodity Groups
Δ	Aggregate & Stone Mines
•	Coal Mines
*	Industrial Minerals Mines
•	Industrial Minerals Mills
	Metal Mines and Mill Concentrate
	Potash Mines & Refineries
2	Smelters & Refinery Ops.
*	Uranium Mines
•	Uranium Mills
Mines, Mills	& Quarries Status
×	Active Mining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







Elm Ridge Site Inventory Sheet
• Date: 8/26/8 Initials: Slo Time: Started: 10'.59 Ended: 11'.13
• Well Name & Number: Wishing Well 35 007
· API#: 3003924191
· Lease #: Fed. LS. NM 03451
• Quarter/Quarter: G Section: 85 Township: $24N$ Range: 1ω
• Lat: 36.268573° Long: 106.910966° GPS Point ID: WW 35-7
Pit Tank #1: Manufacturer: ROCKY 4N +n, Tank
• Serial #: <u>T-/800</u> DOM: <u>3-//-08</u> Size <u>95</u> bbl
o If N/A – Dimensions: Diameter 12' Height 5'
Material: Steel
Tank Configuration: Double Wall Single Wall(Burled or Exposed_\(\frac{\frac{1}{2}}{2} \)
Visible Walls: YX N Leak Detection: YX N Contents: Produced Water X Condensate Recycled Oil
Contents: Produced Water X No Condensate Recycled Oil
Tank Top Covering: Solid/Cone-top Netting_X (Solid_Y Fiber)
Secondary Containment: Yes No
• Fencing around berm: Yes_X No
o Fence Type: Cattle Panel Field Fence 'Barbwire
Pit Tank #2: Manufacturer:
Pit Tank #2: Manufacturer: DOM:
Serial #: DOM: Sizebbl
Serial #: DOM: Size bbl Height Height
Serial #: DOM: Size bbl Height Material: Steel Galvanized Fiberglass
Serial #: DOM: Size bbl Height Material: Steel Galvanized Fiberglass Tank Configuration: Double Wall Single Wall (Buried or Exposed)
Serial #: DOM: Size bbl Height Material: Steel Galvanized Fiberglass Tank Configuration: Double Wall Single Wall (Buried or Exposed) Visible Walls: Y N Leak Detection: Y N
Serial #: DOM: Size bbl Height Material: Steel Galvanized Fiberglass Tank Configuration: Double Wall Single Wall (Buried or Exposed) Visible Walls: Y N Leak Detection: Y N Contents: Produced Water Condensate Recycled Oil
Serial #: DOM: Size bb1 o if N/A - Dimensions: Diameter Height Material: Steel Galvanized Fiberglass Tank Configuration: Double Wall Single Wall (Buried or Exposed) Visible Walls: Y N Leak Detection: Y N N Contents: Produced Water Condensate Recycled Oil Tank Top Covering: Solid/Cone-top Netting (Solid Fiber)
Serial #:
Serial #: DOM: Size bbl If N/A - Dimensions: Diameter Height Material: Steel Galvanized Fiberglass Tank Configuration: Double Wall Single Wall (Buried or Exposed) Visible Walls: Y N Leak Detection: Y N N Contents: Produced Water Condensate Recycled Oil Tank Top Covering: Solid/Cone-top Netting (Solid Piser) Secondary Containment: Yes No Fencing around berm: Yes No Fencing around berm: Yes No
Serial #: DOM: Size bb1 o if N/A - Dimensions: Diameter Height Material: Steel Gaivanized Fiberglass Tank Configuration: Double Wall Single Wall (Buried or Exposed) Visible Walls: Y N Leak Detection: Y N Contents: Produced Water Condensate Recycled Oil Tank Top Covering: Solid/Cone-top Netting (Solid Fiber) Secondary Containment: Yes No Fencing around berm: Yes No o Fence Type: Cattle Panel Field Fence Barbwire
Serial #: DOM: Size bbl o If N/A - Dimensions: Diameter Height Material: Steel Galvanized Fiberglass Tank Configuration: Double Wall Single Wall (Buried or Exposed) Visible Walls: Y N Leak Detection: Y N Contents: Produced Water Condensate Recycled Oil Tank Top Covering: Solid/Cone-top Netting (Solid Piber) Secondary Containment: Yes No Fencing around berm: Yes No Fence Type: Cattle Panel Field Fence Barbwire Above-Ground Tank #1: Manufacturer: Black Sival 5 4 Bryson Two.
Serial #: DOM: Size bbl If N/A - Dimensions: Diameter Height Material: Steel Galvanized Fiberglass Tank Configuration: Double Wall Single Wall (Buried or Exposed) Visible Walls: Y N Leak Detection: Y N Contents: Produced Water Condensate Recycled Oil Tank Top Covering: Solid/Cone-top Netting (Solid Fiber) Secondary Containment: Yes No Fencing around berm: Yes No Fence Type: Cattle Panel Field Fence Barbwire Above-Ground Tank #1: Manufacturer: Black Six 11 5 4 Bryson Inc. Serial #: N/A DOM: 4/23/55 Size 400 bbl
Serial #: DOM: Size bbl o If N/A - Dimensions: Diameter Height Material: Steel Gaivanized Fiberglass Tank Configuration: Double Wall Single Wall (Burled or Exposed) Visible Walls: Y N Leak Detection: Y N OCONTENT OF TANK TOP Covering: Solid/Cone-top Netting (Solid Piber) Secondary Containment: Yes NO Fence Type: Cattle Panel Field Fence Barbwire Above-Ground Tank #1: Manufacturer: Black Sixils + Bryson Tencenter Field Fence Size 400 bbl o If N/A - Dimensions: Diameter 121 Height 701



AST Attachment

AS I Attachment	210
Wishing Well 35 00	282
Above-Ground Tank #2: Manufacturer: Black 5	ivalls + Bryson In
• Serial #: <u>N/H</u> DOM: <u>4/26/55</u>	Size 400 bbl
o If N/A − Dimensions: Diameter/Z '	Height_20'
Material: Steel Galvanized	_ 1
Contents: Produced Water / Condensate 4//	<u>A</u> (State # <u>GI-3313)</u>
Recycled Oil N/A	
Secondary Containment: Yes No	
Above-Ground Tank #: Manufacturer:	
• Serial #: DOM:	Sizejabl
o If N/A – Dimensions: Diameter	Height
Material: Steel Galvanized	Fiberglass
Contents: Produced Water Condensate	(State #)
Recycled Oil	
Secondary Containment: Yes No	
Above-Ground Tank #Manufacturer:	
• Serial #: DOM:	Sizebbl
o If N/A - Dimensions: Diameter	Height
Material: SteelGalvanized	Fiberglass
Contents: Produced Water Condensate	
Recycled Oil	
Secondary Containment: Yes No	
Above-Ground Tank #: Manufacturer:	
• Serial #: DOM:	Stzebbl
If N/A - Dimensions: Diameter	Height
Material: Steel Galvanized	Fiberglass
Contents: Produced Water Condensate	(State #)
Recycled Oil	
Secondary Containment: Yes No	
	\ \

BELOW GRADE TANK (BGT) CLOSURE PLAN

SITE NAME:

WISHING WELL 35-7
UNIT LETTER G, SECTION 35, TOWNSHIP 24N, RANGE 1W
RIO ARRIBA COUNTY, NEW MEXICO
LATITUDE 36.268573 LONGITUDE -106.910966

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

MARCH 2009

BELOW GRADE TANK (BGT) CLOSURE PLAN ELM RIDGE EXPLORATION WISHING WELL 35-7 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 Wishing Well 35-7 well site located in the SW ¼ NE ¼ of Section 35, Township 24N, Range 1W, 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 Wishing Well 35-7 well site. The following scope of closure activities has been designed to meet this objective:

- 1) 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 areas 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

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 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 12 inches in depth. After ripping, water bars will be installed. All ripped surfaces will 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. Elm Ridge Exploration will close this BGT within five (5) years, or upon failure of integrity, and replacing it with an above ground storage tank.

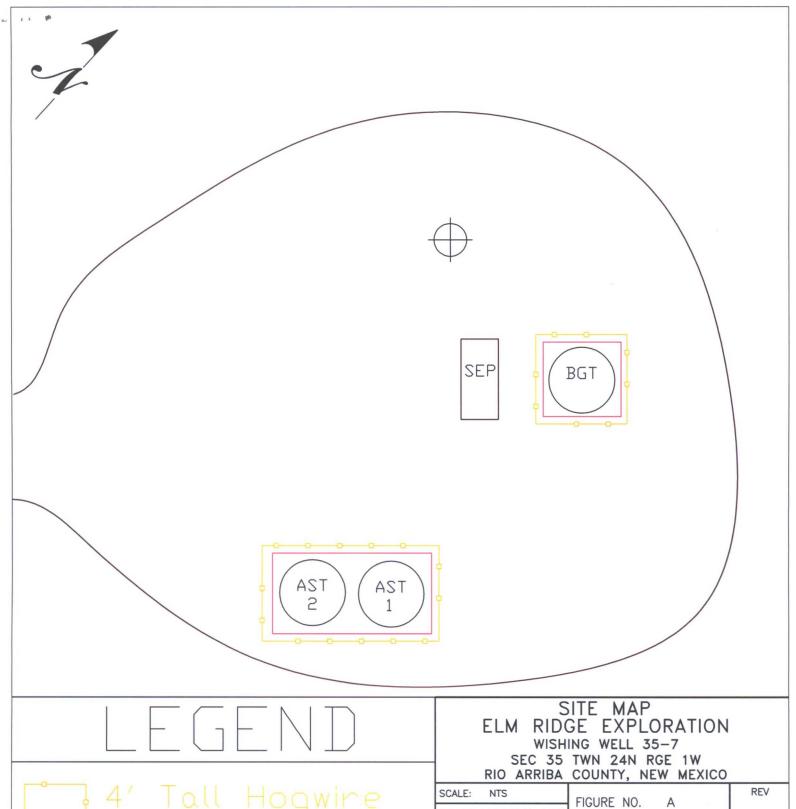
GENERAL PLAN:

- 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





4' Tall Hogwire Fencing



Berm



Well Head

FIGURE NO. PROJECT NOD3056-0135

REVISIONS DATE DESCRIPTION MAP DRWN TLM 12/18/08 BASE DRWN

5796 U.S. HIGHWAY 64, FARMINGTON, NM 87410 505-632-0615

Elm Ridge Exploration, LLC

Monthly Below Grade Tank Inspection Form

inspe	ction Performed E	у:		Date:	
	Well Site	Name:			-
Unit:	Section:	Township:	Range:	County	/:
	Quarter	Footage:			
	Latitude:		Longitude:		
Below Grade	Tank				
Construction Ma	terial of BGT (cir	cle one): Steel I	Fiberglass Galvan	nized Other:	
Tank Capacity (I	BBLS):			_	
Status of Tank (c	circle one):	IA poor	fair good	excellent	
Leaks Detected ((circle one):	Yes No	Unknown		
Liquid level in ta	ank from the top:				
Recent overflow	detected (circle o	ne): Yes	No Unknown	ı	
BGT Cover pres	ent: Yes	No NA			
Cover Type (circ	cle one): wire	e mesh steel m	esh fibrous ne	etting other:	
Berm Present (ci	rcle one):	Yes No			
Secondary Co	<u>ontainment</u>				
Type of secondar	ry containment: _				
Status of seconda	ary containment (ircle one): N	A poor fa	air good	excellent
Fencing					
Fencing Present	(circle one):	Yes No			
Describe Fencing	g:				
Status of Fencing	g (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