District 1
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources Department Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

For temporary pits, 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 method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method		
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request		
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.		
1. Operator: Fasken Oil and Ranch, Ltd. OGRID # 151416		
Address:6101 Holiday Hill Road, Midland Texas 79701-5116		
Facility or well name: Quail 16 State No. 3-H		
API Number: <u>30-025-40361</u> OCD Permit Number:		
U/L or Qtr/Qtr <u>M</u> Section: <u>16</u> Township: <u>20S</u> Range: <u>34E</u> County: <u>Lea</u>		
Center of Proposed Design: Latitude <u>N 32° 43' 05.12"</u> Longitude: <u>W 103° 34' 23.38"</u> NAD: [1927] 1983		
Surface Owner: Federal State Private Tribal Trust or Indian Allotment		
2.		
2.       Dilling Pit: Subsection F or G of 19.15.17.11 NMAC       Depth to groundwater 135'         Temporary:       Drilling Workover       Vorkover         Permanent       Emergency       Cavitation       P&A         Lined       Unlined       Liner type: Thickness       mil       LLDPE       HDPE       PVC       Other		
String-Reinforced		
Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x 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		
4.         Below-grade tank:       Subsection I of 19.15.17.11 NMAC         Volume:		
Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off		
Visible sidewalls and liner Visible sidewalls only Other		
Liner type: Thickness mil DPE PVC Other		
5.		
Alternative Method:		
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.		

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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\_\_\_\_

6.

7.

Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)		
Screen Netting Other		
Monthly inspections (If netting or screening is not physically feasible)		
8.		
Signs: Subsection C of 19.15.17.11 NMAC		
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers		
Signed in compliance with 19.15.16.8 NMAC		
9.		
Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.		
Please check a box if one or more of the following is requested, if not leave blank:		
Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau	a office for	
consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.		
10.		
Siting Criteria (regarding permitting): 19.15.17.10 NMAC		
Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of accommeterial are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appr		
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 dry above-grade tanks associated with a closed-loop system.	ying pads or	
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.	Yes No	
- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa	Yes No	
<ul> <li>lake (measured from the ordinary high-water mark).</li> <li>Topographic map; Visual inspection (certification) of the proposed site</li> </ul>	a contractor	
	Yes No	
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. <i>(Applies to temporary, emergency, or cavitation pits and below-grade tanks)</i>		
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image		
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	☐ Yes ☐ No ☐ NA	
<ul> <li>(Applies to permanent pits)</li> <li>Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</li> </ul>		
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock	Yes No	
watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.		
- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	1	
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.	Yes No	
<ul> <li>Written confirmation or verification from the municipality; Written approval obtained from the municipality</li> </ul>		
Within 500 feet of a wetland.	Yes No	
- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site		
Within the area overlying a subsurface mine.	Yes No	
<ul> <li>Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division</li> </ul>	199	
<ul> <li>Within an unstable area.</li> <li>Engineering measures incorporated into the design; NM Bureau of Geology &amp; Mineral Resources; USGS; NM Geological</li> </ul>	Yes No	
Society; Topographic map		
Within a 100-year floodplain.	Yes No	
- FEMA map		

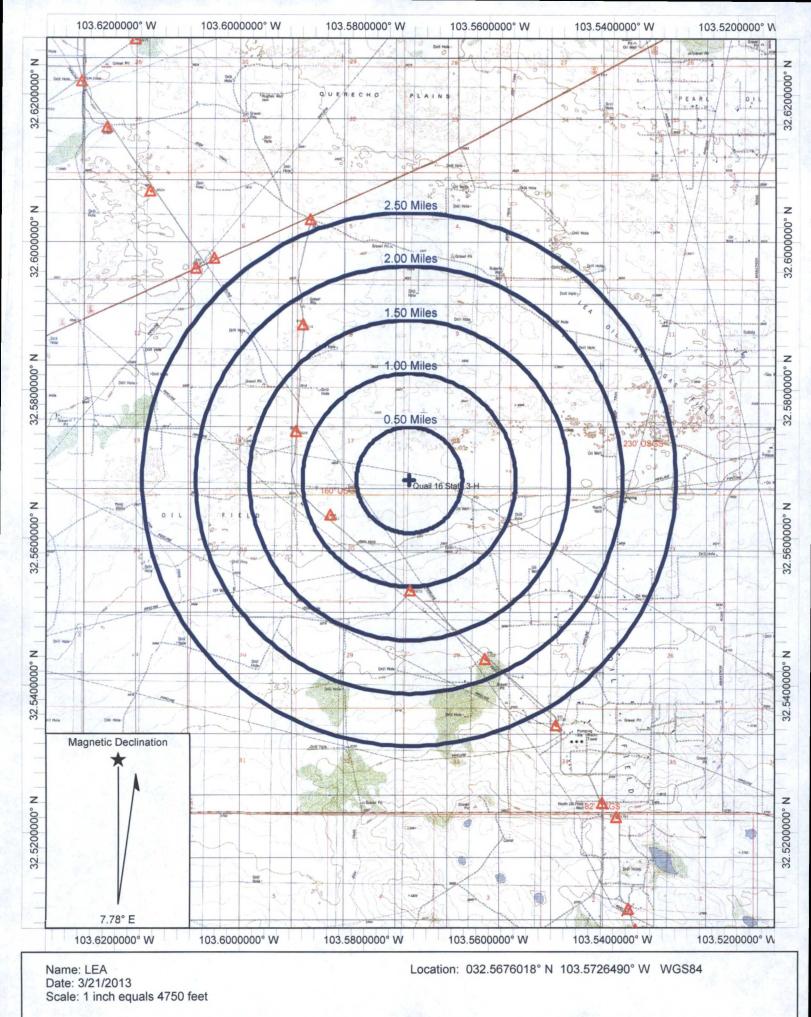
11.       Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist:       Subsection B of 19.15.17.9 NMAC         Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.         Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC         Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC         Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC         Design Plan - based upon the appropriate requirements of 19.15.17.12 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         number:       or Permit Number:	
12.         Closed-loop Systems Permit Application Attachment Checklist:       Subsection B of 19.15.17.9 NMAC         Instructions:       Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.            Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9            Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC            Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC            Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC            Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC            Previously Approved Design (attach copy of design)          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 19.15.17.0 NMAC         Climatological Factors Assessment         Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC         Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC         Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC         Quality Control/Quality Assurance Construction and Installation Plan         Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.11 NMAC         Revesponse Plan         Oil Field Waste Stream Characterization         Monitoring and Inspection Plan         Errosion Control Plan         Errosion Control Plan         Closure Plan - based upon the appropriate requirements of 19.15.17.9 NMAC and 19.15.17.13 NMAC	
14.         Proposed Closure:       19.15.17.13 NMAC         Instructions:       Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.         Type:       Drilling       Workover         Waste Excavation and Removal       Permanent Pit       Below-grade Tank         Waste Removal (Closed-loop systems only)       Waste Removal (Closed-loop systems only)         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.	
<ul> <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 I 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>	

16. <u>Waste Removal Closure For Closed-loop Systems That Utilize Above Ground</u> <i>Instructions: Please indentify the facility or facilities for the disposal of liquids</i> ,	Steel Tanks or Haul-off Bins Only: (19.15.17.13.1 drilling fluids and drill cuttings. Use attachment if	D NMAC) 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 of Yes (If yes, please provide the information below) No	ccur on or in areas that will not be used for future services	vice and operations?
<ul> <li>Required for impacted areas which will not be used for future service and operating</li> <li>Soil Backfill and Cover Design Specifications based upon the appropriate</li> <li>Re-vegetation Plan - based upon the appropriate requirements of Subsection</li> <li>Site Reclamation Plan - based upon the appropriate requirements of Subsection</li> </ul>	e requirements of Subsection H of 19.15.17.13 NMA 1 I of 19.15.17.13 NMAC	С
<sup>17.</sup> Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the provided below. Requests regarding changes to certain siting criteria may requi considered an exception which must be submitted to the Santa Fe Environmenta demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC	re administrative approval from the appropriate dist al Bureau office for consideration of approval. Justi	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; Da	ta 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; Da	ta 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; Da	ta obtained from nearby wells	Yes No
<ul> <li>Within 300 feet of a continuously flowing watercourse, or 200 feet of any other siglake (measured from the ordinary high-water mark).</li> <li>Topographic map; Visual inspection (certification) of the proposed site</li> </ul>	gnificant watercourse or lakebed, sinkhole, or playa	🗌 Yes 🗌 No
Within 300 feet from a permanent residence, school, hospital, institution, or churc - Visual inspection (certification) of the proposed site; Aerial photo; Satellit		Yes No
Within 500 horizontal feet of a private, domestic fresh water well or spring that les watering purposes, or within 1000 horizontal feet of any other fresh water well or - NM Office of the State Engineer - iWATERS database; Visual inspection	spring, in existence at the time of initial application.	🗌 Yes 🗌 No
Within incorporated municipal boundaries or within a defined municipal fresh wat adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approv		🗌 Yes 🗌 No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visu	al 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-Minin	g and Mineral Division	🗌 Yes 🗌 No
<ul> <li>Within an unstable area.</li> <li>Engineering measures incorporated into the design; NM Bureau of Geolog Society; Topographic map</li> </ul>	y & Mineral Resources; USGS; NM Geological	🗌 Yes 🗌 No
Within a 100-year floodplain. - FEMA map		🗌 Yes 🗌 No
<ul> <li>18.</li> <li>On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the by a check mark in the box, that the documents are attached.</li> <li>Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of Proof of Surface Owner Notice - based upon the appropriate requirements of Construction/Design Plan of Burial Trench (if applicable) based upon the a Construction/Design Plan of Temporary Pit (for in-place burial of a drying Protocols and Procedures - based upon the appropriate requirements of 19.1 Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Disposal Facility Name and Permit Number (for liquids, drilling fluids and Soil Cover Design - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection</li> </ul>	puirements of 19.15.17.10 NMAC f Subsection F of 19.15.17.13 NMAC ppropriate requirements of 19.15.17.11 NMAC oad) - based upon the appropriate requirements of 19. 5.17.13 NMAC puirements of Subsection F of 19.15.17.13 NMAC f Subsection F of 19.15.17.13 NMAC drill cuttings or in case on-site closure standards canno H of 19.15.17.13 NMAC	15.17.11 NMAC

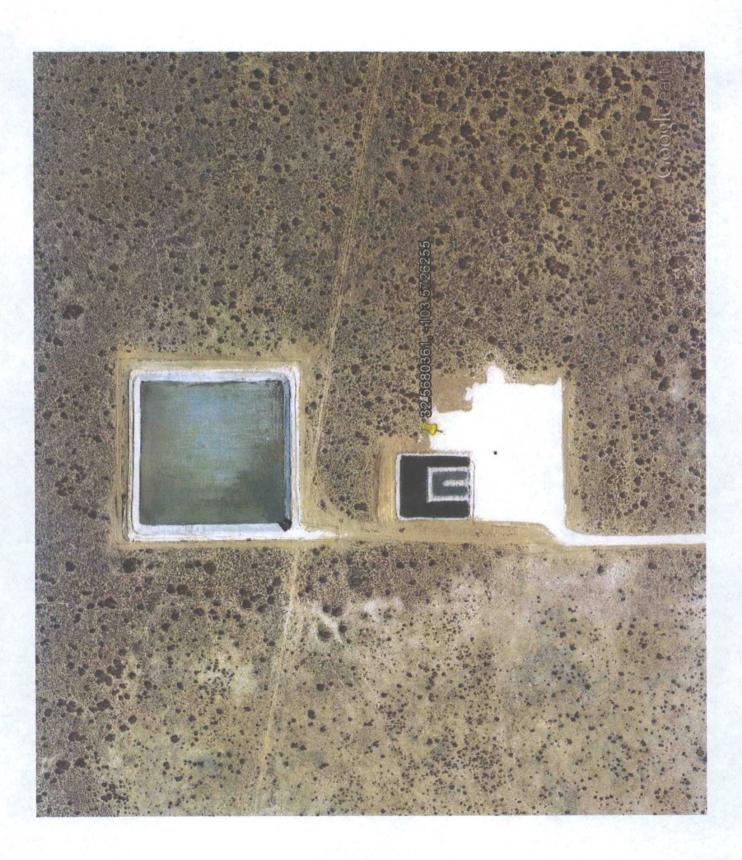
19. Operator Application Certification: I hereby certify that the information submitted with this application i	is true, accurate and complete to the best of my knowledge and belief.
Name (Print): Jimmy D. Carlile	
Signature: Mining & Carlier	Date: 3/21/13
e-mail address: jimmy caporl. com	Date: 3/21/13 Telephone: (432) 687-1777
20. OCD Approval: Permit Application (including closure plan)	
OCD Representative Signature:	Approval Date:
Title:	OCD Permit Number:
21. Closure Report (required within 60 days of closure completion): Instructions: Operators are required to obtain an approved closure	Subsection K of 19.15.17.13 NMAC e plan prior to implementing any closure activities and submitting the closure report. 60 days of the completion of the closure activities. Please do not complete this ed and 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</li> <li>If different from approved plan, please explain.</li> </ul>	Alternative Closure Method Waste Removal (Closed-loop systems only)
	oop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than
Disposal Facility Name:	Disposal Facility Permit Number:
Disposal Facility Name:	Disposal Facility Permit Number:
	formed on or in areas that will not be used for future service and operations?
Required for impacted areas which will not be used for future service	and operations:
<ul> <li>Site Reclamation (Photo Documentation)</li> <li>Soil Backfilling and Cover Installation</li> </ul>	
Re-vegetation Application Rates and Seeding Technique	
<ul> <li>mark in the box, that the documents are attached.</li> <li>Proof of Closure Notice (surface owner and division)</li> <li>Proof of Deed Notice (required for on-site closure)</li> <li>Plot Plan (for on-site closures and temporary pits)</li> <li>Confirmation Sampling Analytical Results (if applicable)</li> <li>Waste Material Sampling Analytical Results (required for on-site closures)</li> </ul>	following items must be attached to the closure report. Please indicate, by a check site closure)
<ul> <li>Disposal Facility Name and Permit Number</li> <li>Soil Backfilling and Cover Installation</li> <li>Re-vegetation Application Rates and Seeding Technique</li> <li>Site Reclamation (Photo Documentation)</li> </ul>	
On-site Closure Location: Latitude	Longitude NAD: 1927 1983
25. Operator Closure Certification: I hereby certify that the information and attachments submitted with the belief. I also certify that the closure complies with all applicable close	this closure report is true, accurate and complete to the best of my knowledge and sure requirements and conditions specified in the approved closure plan.
Name (Print):	Title:
Signature:	Date:
e-mail address:	Telephone:

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Datum: WGS84





## Leking, Geoffrey R, EMNRD

From:	David Davis <ddavis@sesi-nm.com></ddavis@sesi-nm.com>	
Sent:	Tuesday, July 23, 2013 10:30 AM	HOBBS OCD
To:	Leking, Geoffrey R, EMNRD	
Subject:	Fasken O&R, Quail State 16-4	JUL 2 3 2013

RECEIVED

Standing at the east end looking west...



Sent from my iPad:

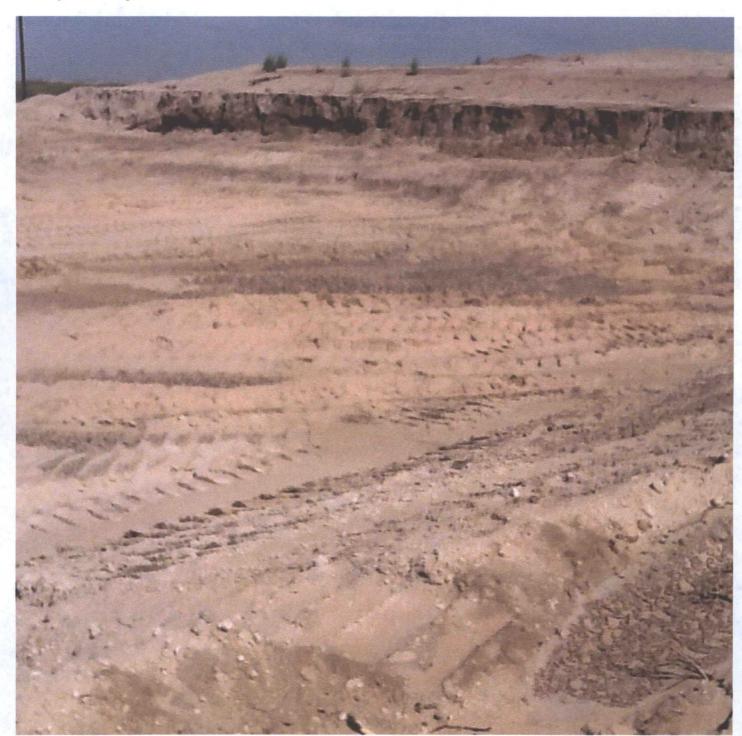
David M. Davis ddavis@sesi-nm.com (575) 390-8841

## Leking, Geoffrey R, EMNRD

From:	David Davis <ddavis@sesi-nm.com></ddavis@sesi-nm.com>	HOBBS OCD
Sent:	Tuesday, July 23, 2013 10:32 AM	10000 OCD
To:	Leking, Geoffrey R, EMNRD	
Subject:	Fasken O&R, Quail State 16-4	JUL 2 3 2013

RECEIVED

Standing east looking west ...



Sent from my iPad:

David M. Davis ddavis@sesi-nm.com (575) 390-8841

## Leking, Geoffrey R, EMNRD

From:	David Davis <ddavis@sesi-nm.com></ddavis@sesi-nm.com>	HOBBS OCD
Sent:	Tuesday, July 23, 2013 10:29 AM	
То:	Leking, Geoffrey R, EMNRD	JUL 2 3 2013
Subject:	Fasken O&R, Quail State 16-4	
		RECEIVED

Standing at the east end looking west. The pit is completely dug out. The dirt on the south is our topsoil for backfill. The lab just called to inform me that the highest ppm cl of the 9 samples taken in yesterday was 112 ppm cl. The rest were lower than that. Thanks, Dave



Sent from my iPad:

David M. Davis ddavis@sesi-nm.com (575) 390-8841

18 Somple chart for all confirmation somples deliver Pit Area 2 1 JUL 2 3 2013 4 5 W 6 RECEIVED 7 8 9 Depth Time Det Result A. H. # N/D ppmcl 10" 6930 7-16-13 10 " 7-16-13 N/D ggmcl 1015 80 ppm cl 10" 1515 7-16-13 3 10" N/D ppmcl 0830 7-22-13 4 192 ppmel 10" 0915 7-22-13 5 N/D ppm cl N/D ppm cl N/D ppm cl 10" 1000 7-22-13 6 7-22-13 10" 1230 7 10" 1315 7-22-13 8 10" 1400 7-22-13 N/D ppm 4 9 Will begin backfilling the sit area when bereinel reports a bost them 250 pm