District I State of New Mexical Energy Minerals and Natura District II District III Oil Conservation Dividing In 1220 S. St. Francis Dr., Santa Fe, NM 87505 2010 OCT 29 D 12: 32	1 Resources 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		
Pit, Closed-Loop System, Belo			
☐ Modification to an existing permit ☐ Closure plan only submitted for an existing below-grade tank, or proposed alternative method	-grade tank, or proposed alternative method w-grade tank, or proposed alternative method ng permitted or non-permitted pit, closed-loop system,		
Instructions: Please submit one application (Form C-144) per individual pit, of Please be advised that approval of this request does not relieve the operator of liability should of environment. Nor does approval relieve the operator of its responsibility to comply with any of	perations result in pollution of surface water, ground water or the		
Operator: Lynx Petroleum Consultants, Inc.	OGRID#- 13645		
Address: P.O. Box 1708, Hobbs, NM 88241			
Facility or well name: Eddy 'BD' State #3			
API Number: 30-015-38144 OCD Perm			
U/L or Qtr/Qtr G Section 32 Township 20S Range			
Center of Proposed Design: Latitude Longitude			
Surface Owner: Federal XX State Private Tribal Trust or Indian Allotment	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
XX Pit: Subsection F or G of 19.15.17.11 NMAC Temporary: XX Drilling			
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: Thickness mil LLDPE HDPE PVC Other Liner Seams: Welded Factory Other Other			
4.			
Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume:bbl Type of fluid: Tank Construction material: Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift at Visible sidewalls and liner Visible sidewalls only Other	nd automatic overflow shut-off		
Liner type: Thickness mil D UDDE DDVC D Other			

Form C-144

Alternative Method:

Oil Conservation Division

Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

Page 1 of 5

Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)			
Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital,			
institution or church) XX Four foot height, four strands of barbed wire evenly spaced between one and four feet			
Alternate. Please specify			
7.			
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other			
XX Monthly inspections (If netting or screening is not physically feasible)			
Signs: Subsection C of 19.15.17.11 NMAC			
XX 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers	· ·		
Signed in compliance with 19.15.3.103 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:			
XX Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau	office for		
consideration of approval. XX 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 acce	ptable source		
material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appro-	opriate district		
office 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 dry	ipproval.		
above-grade tanks associated with a closed-loop system.	mg peus or		
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes XX 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).	☐ Yes XX No		
- Topographic map; Visual inspection (certification) of the proposed site	- The state of the		
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes XX No ☐ NA		
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	☐ Yes ☐ No		
(Applies to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	XX NA		
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock	☐ Yes XX 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			
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	☐ Yes XX No		
 adopted pursuant to NMSA 1978, Section 3-27-3, as amended. Written confirmation or verification from the municipality; Written approval obtained from the municipality 			
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes XX No		
Within the area overlying a subsurface mine.			
- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes XX No		
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes XX No		
Within a 100-year floodplain.			
- FEMA map	☐ YesXX No		

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 19.15.17.11 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: 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: (Applies only to closed-loop system that use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)
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
Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC
Quality Control/Quality Assurance Construction and Installation Plan
Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Nuisance or Hazardous Odors, including H₂S, Prevention Plan
Emergency Response Plan
☐ Oil Field Waste Stream Characterization ☐ Monitoring and Inspection Plan
Erosion Control Plan
Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
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: XXDrilling 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)
XX In-place Burial On-site Trench Burial
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)
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 I of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC
- Later a some management is that a passed in the properties of th

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:				
Will any of the proposed closed-loop system operations and associated activities of Yes (If yes, please provide the information below) \(\subseteq \) 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				
13. <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 provided below. Requests regarding changes to certain siting criteria may required considered an exception which must be submitted to the Santa Fe Environmental demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC	re administrative approval from the appropriate dist il 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; Database search; USG	ta obtained from nearby wells	Yes XX No		
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; Dat	a obtained from nearby wells	☐ Yes XX 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; Database search; US	a obtained from nearby wells	XX 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). - Topographic map; Visual inspection (certification) of the proposed site		☐ Yes XX No		
Within 300 feet from a permanent residence, school, hospital, institution, or church - Visual inspection (certification) of the proposed site; Aerial photo; Satellite	n in existence at the time of initial application. e image	☐ Yes XX 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 some NM Office of the State Engineer - iWATERS database; Visual inspection	spring, in existence at the time of initial application.	☐ Yes XX No		
Within incorporated municipal boundaries or within a defined municipal fresh water adopted pursuant to NMSA 1978, Section 3-27-3, as amended. Written confirmation or verification from the municipality; Written approve	•	☐ Yes XX 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 XX No		
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining	g and Mineral Division	Yes XX No		
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geolog Society; Topographic map 	y & Mineral Resources; USGS; NM Geological	Yes XX No		
Within a 100-year floodplain FEMA map		Yes XX No		
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection 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 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 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 cannot be achieved) Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC				

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): Larry R. Scott	Title: President		
Signature: Larryl Lott	Date: 4/15/10		
e-mail address:	Telephone: <u>575-392-6950</u>		
OCD Approval: Permit Application (including closure plan) Closure			
	Approval Date:		
Title:	OCD Permit Number:		
Closure Report (required within 60 days of closure completion): Subscinstructions: Operators are required to obtain an approved closure plan. The closure report is required to be submitted to the division within 60 days section of the form until an approved closure plan has been obtained and	prior to implementing any closure activities and submitting the closure report. ys of the completion of the closure activities. Please do not complete this the closure activities have been completed.		
	Closure Completion Date:		
Closure Method: Waste Excavation and Removal On-Site Closure Method A If different from approved plan, please explain.	lternative Closure Method		
two facilities were utilized.	s, drilling fluids and drill cuttings were disposed. Use attachment if more than		
Disposal Facility Name:			
Disposal Facility Name:			
Were the closed-loop system operations and associated activities performed Yes (If yes, please demonstrate compliance to the items below)	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 of Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	perations:		
14.			
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)	ing items must be attached to the closure report. Please indicate, by a check ure)		
On-site Closure Location: LatitudeL	ongitude NAD: ☐1927 ☐ 1983		
25.			
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.			
Name (Print):			
Signature:	Date:		
e-mail address:	Telephone:		

Eddy 'BD' State No. 3 Temporary Reserve Pit Application Checklist 1980' FNL & 1980' FEL Section 32, T-20S, R-30E Eddy County, New Mexico

iWATERS database search, topographic map, and satellite photo are included in the application. The location is inside of the R-111-P potash mine reserve area and outside of the buffer zone. No FEMA map is available for this area. Per the attached PRRC map, the closest fresh water source is approximately 3000' from the proposed location.

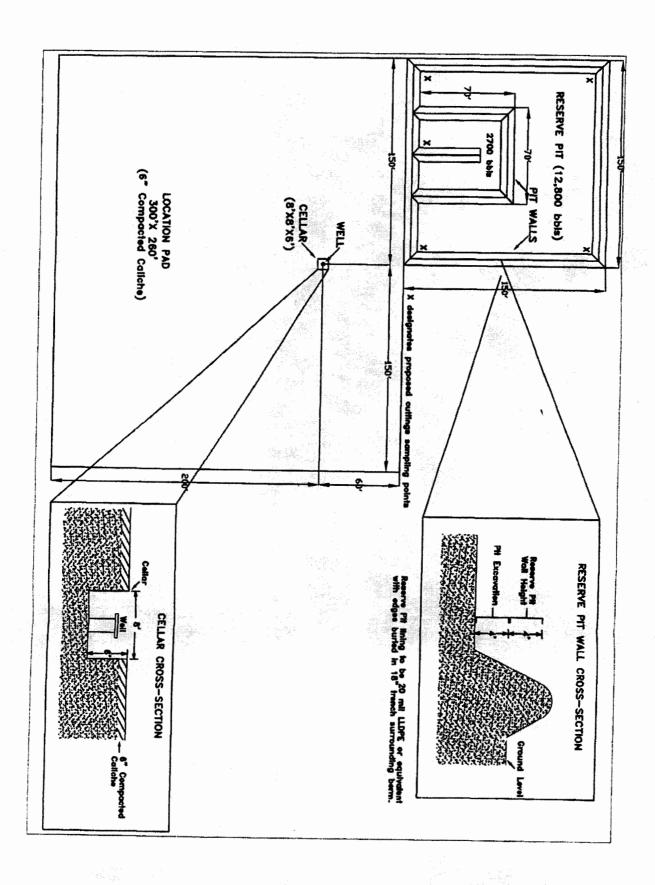
Laboratory analysis of five cuttings samples from the four corners and center section of the pit will be taken prior to closure. Prototype sample analysis forms are included with this application.

The surface is owned by the State of New Mexico erica and administered by the State Land Office. Notice of the intent to build a temporary pit and close on-site will be provided.

Due to our location's proximity to an active produced water surface disposal facility, we are requesting administrative approval for an exception to Part 17 to bury the drill cuttings on-site using the following procedure.

- 1. All free liquids will be removed from the pit within 30 days of the conclusion of drilling operations.
- 2. The 20 mil liner material along the edges of the pit will be folded inward and the dirt forming the berms will be pushed into the pit cavity.
- 3. 20 mil liner material will be used to completely cover the drill cuttings.
- 4. To the extent practicable, caliche that was removed from the pit to build the drilling location will be used to fill the pit to within three feet of the original topographic contour.
- 5. Topsoil that was pushed aside during pit construction will be used to provide a minimum of three feet of cover over the pit area.
- The area will be re-seeded using the seed mixture and procedures specified in the Bureau of Land Management Stipulations of APD approval as included with this application.

If the well is completed as a commercial producer, no further site reclamation will be proposed.



WWW.source3.com		Militares Antonio	3		Figure: 4	Mar 31, 2010
2000年の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の	28.7.20S.R.30E		33, T20S.R30E		Aerial Photo	Lynx Petroleum Cons., Inc./Eddy 'BD' State No. 3
	28 F0S.R30E		EDSNISTANTA		Research Center	
		in all contains an area of some agreement and a some and a some agreement agreement agreement and a some agreement agreement and a some agreement			0 500 1000R	

Jones, Brad A., EMNRD

From:

Larry Scott < lrscott@leaco.net>

Sent:

Friday, November 05, 2010 9:37 AM

To:

Jones, Brad A., EMNRD; Bratcher, Mike, EMNRD

Subject:

Eddy 'BD' State No. 3 C-144 dated April 15, 2010

Brad & Mike:

No one in my office knows anything about this submission. Please consider this my "oops" notification.

From: Randall Hicks [mailto:r@rthicksconsult.com]
Sent: Wednesday, November 03, 2010 2:06 PM

To: 'Larry R. Scott'

Subject: Eddy Bd #3 From Brad Jones

Larry

We did not send to NMOCD the C-144 that was signed by you on April 15, 2010. Perhaps

- 1. the document was to be your own permit submission before you contracted with us
- 2. you contracted with us to do the work and shelved this signed C-144
- 3. somebody in your office found the C-144 on the shelf and submitted it

All you need to do is send an email to Brad and Mike Bratcher saying "oops, please disregard that submission"

Randall Hicks 505-266-5004 505-238-9515 - cell 901 Rio Grande NW F-142 Albuquerque, NM 87104

CONFIDENTIALITY NOTICE

This message (including attachments) is subject a confidential communication and is intended solely for the use of the addressee. It is not intended for transmission to, or receipt by, any unauthorized person. If you are not the intended recipient or received these documents by mistake, please do not read it and immediately notify us by collect telephone call to (505) 266-5004 for instructions on its destruction or return. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, action or reliance upon the contents of the documents is strictly prohibited.

Jones, Brad A., EMNRD

From:

Jones, Brad A., EMNRD

Sent: To: Wednesday, November 03, 2010 11:29 AM 'Randall Hicks'; Bratcher, Mike, EMNRD

Cc:

'Larry R. Scott'

Subject: Attachments: RE: Lynx Petroleum Eddy BD State #3 2010 10-29 Lynx Eddy BD State #3.pdf

Randy and Larry,

Please review the attached document... It was received by OCD last Friday. If this is something that was submitted by either of you, please explain the submittal. If not, please inform Mike and I to disregard. Thank you both for your assistance in this matter.

Brad

Brad A. Jones

Environmental Engineer Environmental Bureau NM Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, New Mexico 87505 E-mail: brad.a.jones@state.nm.us

Office: (505) 476-3487 Fax: (505) 476-3462

From: Randall Hicks [mailto:r@rthicksconsult.com]
Sent: Wednesday, November 03, 2010 10:48 AM
To: Bratcher, Mike, EMNRD; Jones, Brad A., EMNRD

Cc: 'Larry R. Scott'

Subject: Lynx Petroleum Eddy BD State #3

Mike and Brad

We will be re-submitting a C-144 for the above referenced well in a format that is acceptable to NMOCD Santa Fe. So for now, please just hang on to the original submission.

The instant that NMOCD accepts a format of our permit application for the JC Williamson Ross Draw #32 well, we will reformat the Eddy BD State #3 C-144 to meet this same "template". Creating a template that works for operators in the Permian Basin and NMOCD should make the permitting process for drilling pits easy and quick. In looking at recently-approved C-144s from the Aztec and Santa Fe District Offices, it appears that NMOCD has accepted a standard "template" for pit permit applications. We tried our best to follow the format of these approved applications and we believe we included all of the same information submitted by Williams, Burlington and Hess with their C-144s.

We are scheduled to spud the Eddy BD #3 in mid-December. Please expect a new submission with no requests for administrative approvals or exceptions.

In the absence of a request for exceptions and with an approved "template", may we assume that the permit should be sent to the Artesia District?

Randall Hicks

505-266-5004 505-238-9515 - cell 901 Rio Grande NW F-142 Albuquerque, NM 87104

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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
2010

State of New Mexico Energy Minerals and Natural Resources Department

Oil Conservation Division OCD 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:	X 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	s, or proposed alternative method

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: Lynx Petroleum Consultants, Inc. OGRID #: 13645			
Address: P.O. Box 1708, Hobbs, NM 88241			
Facility or well name: Eddy 'BD' State #3			
API Number: OCD Permit Number:			
U/L or Qtr/Qtr G Section 32 Township 20S Range 30E County: Eddy			
Center of Proposed Design: Latitude Longitude NAD: 1927 1983			
Surface Owner: Tederal XX State Private Tribal Trust or Indian Allotment			
2. XX Pit: Subsection F or G of 19.15.17.11 NMAC			
Temporary: XX Drilling Workover			
Permanent Emergency Cavitation P&A			
XX Lined Unlined Liner type: Thickness			
XX String-Reinforced			
Liner Seams: XX 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			
Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other			
Liner Seams: Welded Factory Other			
4. Below-grade tank: Subsection I of 19.15.17.11 NMAC			
Volume:bbl Type of fluid:			
Tank Construction material:			
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off			
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other			
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.			

Form C-144

Oil Conservation Division

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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) XX Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate. Please specify			
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other XX Monthly inspections (If netting or screening is not physically feasible)			
Signs: Subsection C of 19.15.17.11 NMAC XX 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: XX Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval. XX 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. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes XX 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). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes XX No		
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes XX 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) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No XX 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. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes XX 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 XX No		
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes XX No		
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes XX No		
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes XX No		
Within a 100-year floodplain FEMA map	Yes XX No		

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. XX Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC XX Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC XX Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC XX Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC XX Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC XX 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:			
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: (Applies only to closed-loop system that use			
above ground steel tanks or haul-off bins and propose to implement waste removal for closure)			
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 Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Nuisance or Hazardous Odors, including H ₂ S, Prevention Plan Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC			
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: XXDrilling 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) XX On-site Closure Method (Only for temporary pits and closed-loop systems) XX In-place Burial On-site Trench Burial Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)			
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 Permit Number:			
Disposal Facility Name: Disposal Facility Permit Number:				
Will any of the proposed closed-loop system operations and associated activities oc ☐ 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				
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source 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 XX No		
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 XX 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	XX Yes No		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other sign lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	ificant watercourse or lakebed, sinkhole, or playa	☐ Yes XX No		
Within 300 feet from a permanent residence, school, hospital, institution, or church - Visual inspection (certification) of the proposed site; Aerial photo; Satellite		☐ Yes XX No		
Within 500 horizontal feet of a private, domestic fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or sp. NM Office of the State Engineer - iWATERS database; Visual inspection (or	oring, in existence at the time of initial application.	☐ Yes XX No		
Within incorporated municipal boundaries or within a defined municipal fresh water adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approve	•	☐ Yes XX No		
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visua	inspection (certification) of the proposed site	☐ Yes XX No		
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining	and Mineral Division	☐ Yes XX No		
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology Society; Topographic map	& Mineral Resources; USGS; NM Geological	Yes XX No		
Within a 100-year floodplain FEMA map		Yes XX No		
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection 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 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 Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC 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				

Operator Application Certification: I hereby certify that the information submitted with this application is true, as	occurate and complete to the best of my knowledge and belief.
Name (Print): Larry R. Scott	Title: President
Signature: Larry & Scott	Date: 4/15/10
e-mail address:	Telephone: <u>575-392-6950</u>
OCD Approval: Permit Application (including closure plan) Closu	re Plan (only) OCD Conditions (see attachment)
OCD Representative Signature:	Approval Date:
Title:	OCD Permit Number:
Closure Report (required within 60 days of closure completion): Subsect Instructions: Operators are required to obtain an approved closure plan pr The closure report is required to be submitted to the division within 60 days section of the form until an approved closure plan has been obtained and the	ior to implementing any closure activities and submitting the closure report. of the completion of the closure activities. Please do not complete this e closure activities have been completed.
	Closure Completion Date:
22. Closure Method: ☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alt ☐ If different from approved plan, please explain.	ernative Closure Method Waste Removal (Closed-loop systems only)
Closure Report Regarding Waste Removal Closure For Closed-loop Syst Instructions: Please indentify the facility or facilities for where the liquids, two facilities were utilized.	ems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: 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:
Were the closed-loop system operations and associated activities performed o Yes (If yes, please demonstrate compliance to the items below)	
Required for impacted areas which will not be used for future service and open Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	erations:
Closure Report Attachment Checklist: Instructions: Each of the following 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)	re)
On-site Closure Location: LatitudeLo	ngitude NAD:
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closubelief. I also certify that the closure complies with all applicable closure requirements. Name (Print):	irements and conditions specified in the approved closure plan.
	_
e-mail address:	
c-man address.	Telephone:

Eddy 'BD' State No. 3 Temporary Reserve Pit Application Checklist 1980' FNL & 1980' FEL Section 32, T-20S, R-30E Eddy County, New Mexico

iWATERS database search, topographic map, and satellite photo are included in the application. The location is inside of the R-111-P potash mine reserve area and outside of the buffer zone. No FEMA map is available for this area. Per the attached PRRC map, the closest fresh water source is approximately 3000' from the proposed location.

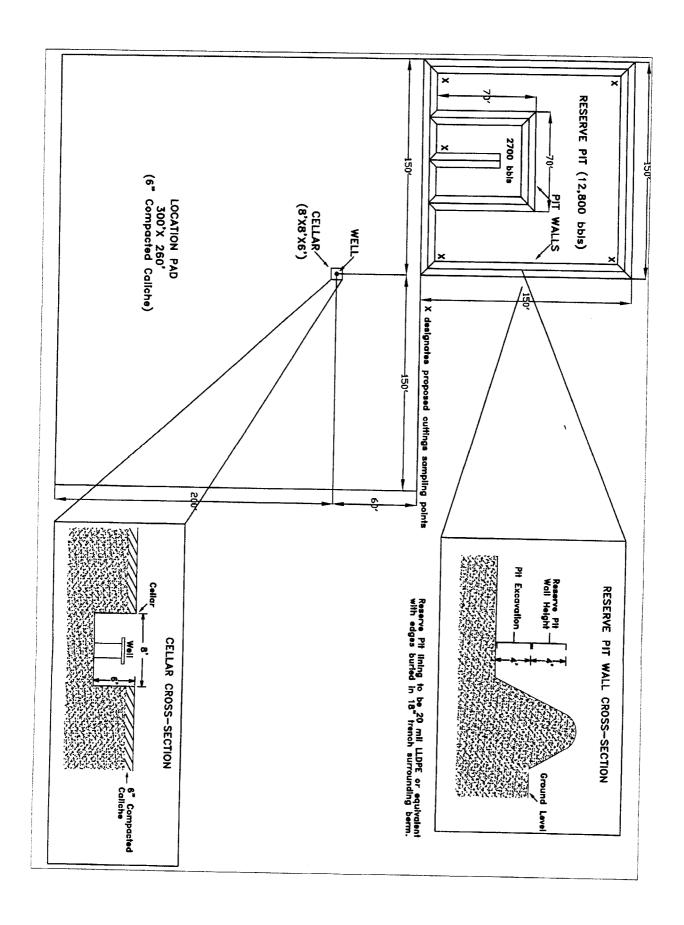
Laboratory analysis of five cuttings samples from the four corners and center section of the pit will be taken prior to closure. Prototype sample analysis forms are included with this application.

The surface is owned by the State of New Mexico erica and administered by the State Land Office. Notice of the intent to build a temporary pit and close on-site will be provided.

Due to our location's proximity to an active produced water surface disposal facility, we are requesting administrative approval for an exception to Part 17 to bury the drill cuttings on-site using the following procedure.

- 1. All free liquids will be removed from the pit within 30 days of the conclusion of drilling operations.
- 2. The 20 mil liner material along the edges of the pit will be folded inward and the dirt forming the berms will be pushed into the pit cavity.
- 3. 20 mil liner material will be used to completely cover the drill cuttings.
- 4. To the extent practicable, caliche that was removed from the pit to build the drilling location will be used to fill the pit to within three feet of the original topographic contour.
- 5. Topsoil that was pushed aside during pit construction will be used to provide a minimum of three feet of cover over the pit area.
- The area will be re-seeded using the seed mixture and procedures specified in the Bureau of Land Management Stipulations of APD approval as included with this application.

If the well is completed as a commercial producer, no further site reclamation will be proposed.



Jones, Brad A., EMNRD

From: VonGonten, Glenn, EMNRD

Sent: Wednesday, May 12, 2010 2:58 PM

To: LRSCOTT@LEACO.NET

Cc: Sanchez, Daniel J., EMNRD; Jones, Brad A., EMNRD

Subject: Lynx Eddy BD State No. 3 C-144

Mr. Scott,

As we discussed this today OCD's Environmental Bureau in Santa Fe has received a C-144 with an exception request from you dated April 15, 2010. We understand that you wish to withdrawn this C-144 at this time because another C-144 is being prepared to replace it. Please respond to this email and state that you wish the April 15, 2010 C-144 to be withdrawn. OCD will then enter this C-144 into OCD Online with the proper notation that was withdrawn by the operator's request.

For your information, OCD has determined that only operators may sign a C-144 with the exception that an agent may sign for a C-144 if the request is accompanied by a notarized Power of Attorney form (see Page 3 of the Pit Rule FAQ at http://www.emnrd.state.nm.us/ocd/documents/PitRuleBaseFAQ20081031.pdf).

If you have any questions, please call me at 505-476-3488.

Glenn von Gonten

Senior Hydrologist
Environmental Bureau
Oil Conservation Division
Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
505-476-3488
Fax-476-3462
glenn.vongonten@state.nm.us
http://www.emnrd.state.nm.us/ocd/

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

2010 12.Y 12 P 1: 13

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

Operator: Lynx Petroleum Consultants, Inc.				OGRID#:_			1364:	5			
Address: P.O. Box 1708, Hobbs, NM 882			241								
Facility or well na	ame:		Eddy 'BD'	State #3							
API Number:	30-0	115			OCD Perm	it Number:					
U/L or Qtr/Qtr _	<u>G</u> Section _	32	Township	<u>20S</u>	Range	30E		County: _	<u>Eddy</u>		
Center of Propose	ed Design: Latitud	e			Longitude _				N	NAD: 🗌 1927	□ 1983
Surface Owner: [] Federal XX Sta	ite 🗌 Private	Tribal Trus	t or Indian	Allotment						
	F. G. 610	15 15 11 22	4.0								
	tion F or G of 19.		AC								
-	Drilling Work										
	Emergency C						7 0.1				
	nlined Liner type	e: Thickness	<u>20</u> mi	. XILLDI	PE 🔲 HDPE	☐ PVC [_ Other				
XX String-Reinfo		_									
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Drying Pad	Above Ground	Steel Tanks	☐ Haul-off B	ins 🗌 Otl	ner		_				
	ned Liner type:					PE 🗌 PVC	☐ Oth	er			_
iner Seams: "	Welded Factor	ry 🗌 Other									
	tank: Subsection	1 of 19 15 I'	7.11 NMAC								
Below-grade t											
Below-grade t	<u></u>	obl Type of									
Below-grade to delivery delive	n material:	obl Type of		****							
Below-grade t /olume: Tank Construction Secondary con	n material:ntainment with lea	bbl Type of	☐ Visible side	ewalls, line	r, 6-inch lift a	nd automati	c overflo	w shut-of			
Volume: Fank Construction Secondary con Visible sidewa	n material:n material:ntainment with learalls and liner	bbl Type of a bk detection [☐ Visible side	ewalls, line	r, 6-inch lift a	nd automati	c overflo	w shut-of			
Below-grade to do lume: 'ank Construction Secondary con Visible sidewa	n material:ntainment with lea	bbl Type of a bk detection [☐ Visible side	ewalls, line	r, 6-inch lift a	nd automati	c overflo	w shut-of			
Below-grade t olume: ank Construction Secondary con Visible sidewa	n material:n material:n material:n materials and linern messn	bbl Type of a bk detection [☐ Visible side	ewalls, line	r, 6-inch lift a	nd automati	c overflo	w shut-of			

•	
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, institution or church) XX Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate. Please specify	hospital,
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other XX Monthly inspections (If netting or screening is not physically feasible)	
Signs: Subsection C of 19.15.17.11 NMAC XX 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: XX Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau consideration of approval. XX Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	office for
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 dry 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. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes XX 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). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes XX No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes XX 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) - 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 search; Visual inspection (certification) of the proposed site	Yes XX 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 XX No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes XX No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes XX No
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map 	Yes XX No
Within a 100-year floodplain FEMA map	☐ YesXX No

Emporary 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 intached. XX
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 ttached. 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:
Previously Approved Operating and Maintenance Plan API Number: (Applies only to closed-loop system that use
bove ground steel tanks or haul-off bins and propose to implement waste removal for closure)
Subsection B of 19.15.17.9 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. Sype: XX Drilling
Anternative elegate Method (Exceptions must be submitted to the same if the Drivinonmental Bareau for consideration)
Vaste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the losure 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

Form C-144 Oil Conservation Division Page 3 of 5

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Instructions: Please indentify the facility or facilities for the disposal of liquids, facilities are required.						
Disposal Facility Name:	Disposal Facility Permit Number:					
Disposal Facility Name:						
Will any of the proposed closed-loop system operations and associated activities o ☐ Yes (If yes, please provide the information below) ☐ No		vice and operations?				
Required for impacted areas which will not be used for future service and operation Soil Backfill and Cover Design Specifications based upon the appropriate Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection	e requirements of Subsection H of 19.15.17.13 NMA n I of 19.15.17.13 NMAC	С				
17. 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 XX 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; Database search;	ta obtained from nearby wells	Yes XX No				
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Database search; US	ta obtained from nearby wells	XX Yes No				
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	gnificant watercourse or lakebed, sinkhole, or playa	☐ Yes XX No				
Within 300 feet from a permanent residence, school, hospital, institution, or church - Visual inspection (certification) of the proposed site; Aerial photo; Satellit		☐ Yes XX 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 XX 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 approx	•	☐ Yes XX 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 XX No				
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining	g and Mineral Division	☐ Yes XX No				
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geolog Society; Topographic map 	y & Mineral Resources; USGS; NM Geological	☐ Yes XX No				
Within a 100-year floodplain FEMA map		Yes XX No				
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. Siting Criteria Compliance Demonstrations - 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	quirements of 19.15.17.10 NMAC f Subsection F of 19.15.17.13 NMAC ppropriate requirements of 19.15.17.11 NMAC pad) - based upon the appropriate requirements of 19. 5.17.13 NMAC quirements of Subsection F of 19.15.17.13 NMAC Subsection F of 19.15.17.13 NMAC drill cuttings or in case on-site closure standards cann H of 19.15.17.13 NMAC	15.17.11 NMAC				

Operator Application Certification: I hereby certify that the information submitted with this application is to	true, accurate and complete to the best of my knowledge and belief.
Name (Print): Larry R. Scott	Title: President
Signature: Larry & Scott	Date: 4/15/10
e-mail address: <u>lrscott@leaco.net</u>	Telephone: <u>575-392-6950</u>
OCD Approval: Permit Application (including closure plan)	Closure Plan (only) OCD Conditions (see attachment)
OCD Representative Signature:	Approval Date:
Title:	OCD Permit Number:
21. Closure Report (required within 60 days of closure completion): S Instructions: Operators are required to obtain an approved closure p	lan prior to implementing any closure activities and submitting the closure report. 0 days of the completion of the closure activities. Please do not complete this
22. Closure Method: Waste Excavation and Removal ☐ On-Site Closure Method ☐ If different from approved plan, please explain.	☐ Alternative Closure Method ☐ Waste Removal (Closed-loop systems only)
Instructions: Please indentify the facility or facilities for where the littuo facilities were utilized.	p Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: quids, drilling fluids and drill cuttings were disposed. Use attachment if more than Disposal Facility Permit Number:
Disposal Facility Name: Disposal Facility Name:	
•	rmed on or in areas that <i>will not</i> 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 a Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	nd operations:
Closure Report Attachment Checklist: Instructions: Each of the formark 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 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:	
· · · · · · · · · · · · · · · · · · ·	is closure report is true, accurate and complete to the best of my knowledge and re requirements and conditions specified in the approved closure plan.
Name (Print):	Title:
Signature:	Date:
e-mail address:	Telephone:

Eddy 'BD' State No. 3 Temporary Reserve Pit Application Checklist 1980' FNL & 1980' FEL Section 32, T-20S, R-30E Eddy County, New Mexico

iWATERS database search, topographic map, and satellite photo are included in the application. The location is inside of the R-111-P potash mine reserve area and outside of the buffer zone. No FEMA map is available for this area. Per the attached PRRC map, the closest fresh water source is approximately 3000' from the proposed location.

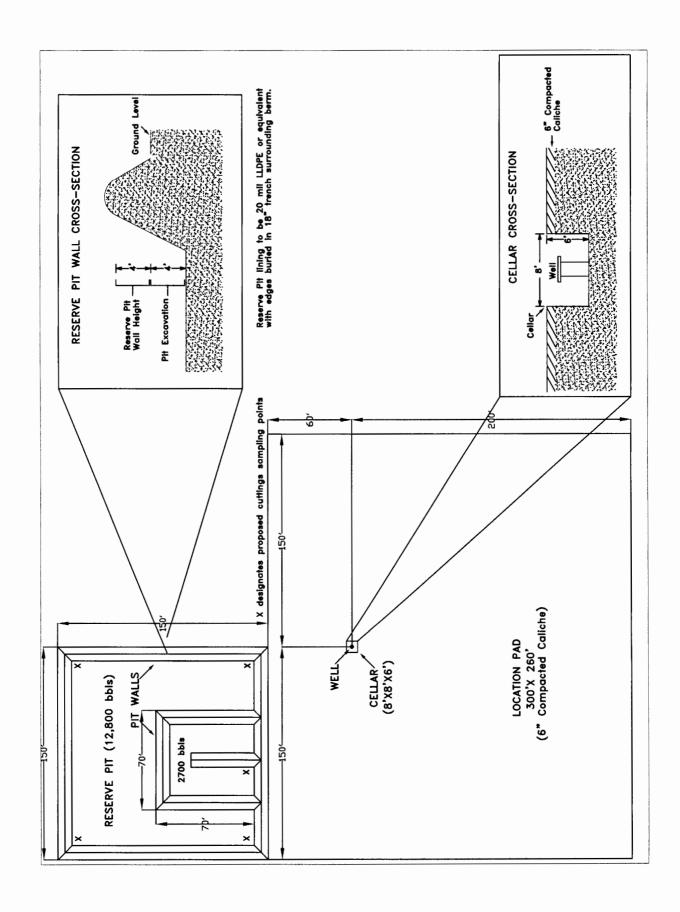
Laboratory analysis of five cuttings samples from the four corners and center section of the pit will be taken prior to closure. Prototype sample analysis forms are included with this application.

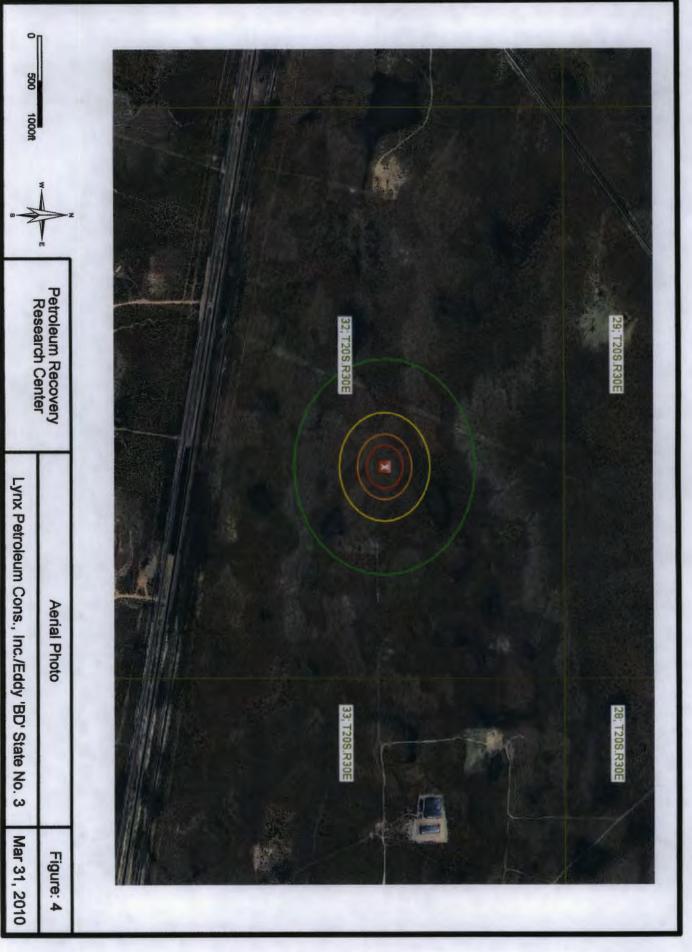
The surface is owned by the State of New Mexico erica and administered by the State Land Office. Notice of the intent to build a temporary pit and close on-site will be provided.

Due to our location's proximity to an active produced water surface disposal facility, we are requesting administrative approval for an exception to Part 17 to bury the drill cuttings on-site using the following procedure.

- 1. All free liquids will be removed from the pit within 30 days of the conclusion of drilling operations.
- 2. The 20 mil liner material along the edges of the pit will be folded inward and the dirt forming the berms will be pushed into the pit cavity.
- 3. 20 mil liner material will be used to completely cover the drill cuttings.
- 4. To the extent practicable, caliche that was removed from the pit to build the drilling location will be used to fill the pit to within three feet of the original topographic contour.
- 5. Topsoil that was pushed aside during pit construction will be used to provide a minimum of three feet of cover over the pit area.
- 6. The area will be re-seeded using the seed mixture and procedures specified in the Bureau of Land Management Stipulations of APD approval as included with this application.

If the well is completed as a commercial producer, no further site reclamation will be proposed.





<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Azte NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 777 11Y 12 7 1:13

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

For temporary below-grade to NMOCO Date add-163 systems, and 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	x, 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

operator.	Lynx Petroleum Consu	Itants, Inc.	OGRI	D#:	13	3645	
Address:	P.O. B	ox 1708, Hobbs, NM	88241				
Facility or well na	ame:	Eddy 'BD' State	e #3				
API Number:	30-015-		OCD Permit Nun	nber:			
U/L or Qtr/Qtr _	G Section 32	Township <u>20S</u>	Range	80E	County: <u>Eddv</u>		
Center of Propose	ed Design: Latitude		Longitude			NAD: □1	927 🗌 1983
Surface Owner:	☐ Federal XX State ☐ Priva	te 🗌 Tribal Trust or Ir	ndian Allotment				
	Size F as C - 610 15 17 11 N	NAC					
	etion F or G of 19.15.17.11 N	MAC					
	Drilling Workover						
	Emergency Cavitation		1 DAE	V0			
	nlined Liner type: Thicknes	ss <u>20</u> mil X l	TUPE HOPE P	VC 🔝 Othe	r		
XX String-Reinfo							
iner Seams: XX	Welded Factory Oth	ner	Volume:	bbl	Dimensions: L	x W	x D
. Closed-loop S	System: Subsection H of 19	15 17 11 NMAC				<u></u>	
	n: P&A Drilling a nev		r Drilling (Annlies to act	ivities which	require prior app	proval of a pern	nit or notice of
ntent)		well in order of	triming (Applies to det	Willes Willen	require prior upp	noval of a peri	nt of notice of
	☐ Above Ground Steel Tank						
🗌 Lined 🔲 Unli	ined Liner type: Thickness_	mil [LLDPE HDPE	PVC 🗆 C	ther		
.iner Seams:	Welded Factory Oth	er					
l.							
Dalam anada	tank: Subsection I of 19.15						
		0.0 1.1.					
/olume:	bbl Type o						
Volume: Tank Construction	n material:		**************************************				
Volume: Fank Construction Secondary co	n material:ontainment with leak detection	n □ Visible sidewalls	, liner, 6-inch lift and au	tomatic over	low shut-off		
Volume: Fank Construction Secondary co	n material:	n □ Visible sidewalls	, liner, 6-inch lift and au	tomatic over	low shut-off		
√olume:	n material:ontainment with leak detection	n ☐ Visible sidewalls	, liner, 6-inch lift and au	tomatic over	low shut-off		
Volume: Tank Construction Secondary co Visible sidew Liner type: Thick s.	n material: ontainment with leak detection valls and liner Visible sid kness	n ☐ Visible sidewalls	, liner, 6-inch lift and au	tomatic over	low shut-off		
Volume: Tank Construction Secondary co Visible sidew Liner type: Thick Alternative №	n material: ontainment with leak detection valls and liner Visible sid kness	n ☐ Visible sidewalls lewalls only ☐ Other mil ☐ HDPE ☐ PV	, liner, 6-inch lift and au	tomatic over	low shut-off		

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)				
XX Four foot height, four strands of barbed wire evenly spaced between one and four feet				
Alternate. Please specify				
7.				
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other				
XX Monthly inspections (If netting or screening is not physically feasible)				
8. Signs: Subsection C of 19.15.17.11 NMAC				
XX 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers				
Signed in compliance with 19.15.3.103 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: XX Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval.				
XX 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 appropriate or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to dryitabove-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. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes XX 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). - Topographic map; Visual inspection (certification) of the proposed site	Yes XX No			
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	Yes XX No			
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) - 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 search: Visual inspection (certification) of the proposed site	☐ Yes XX 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 XX No			
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	Yes XX No			
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes XX No			
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes XX No			
Within a 100-year floodplain FEMA map	☐ YesXX No			

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B o Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the boattached.	
XX Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15 XX Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection E XX Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC XX Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC XX Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC	3 of 19.15.17.9 NMAC
[XX] Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection 19.15.17.13 NMAC	ection 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 boattached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19 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 B of 19.15.17.12 NMAC	etion B of 19.15.17.9 .15.17.10 NMAC
and 19.15.17.13 NMAC Previously Approved Design (attach copy of design) API Number:	
Previously Approved Operating and Maintenance Plan API Number:	losad loop system that use
above ground steel tanks or haul-off bins and propose to implement waste removal for closure)	tosea-toop system that use
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 boattached. Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Nuisance or Hazardous Odors, including H ₂ S, Prevention Plan Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC	
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: XX 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) XX On-site Closure Method (Only for temporary pits and closed-loop systems)	
XX In-place Burial On-site Trench Burial	
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental	Bureau for consideration)
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following iter 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 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 I of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC	3 NMAC

Lorns ('-)-|-|-

16. Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if n	NMAC) nore than two		
facilities are required.	1		
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 server in Yes (If yes, please provide the information below) in No	rice and operations?		
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			
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 disting considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justif 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 XX 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 XX 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	XX 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). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes XX 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 XX 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 XX 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 XX No		
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map: Topographic map; Visual inspection (certification) of the proposed site	☐ Yes XX No		
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	Yes XX No		
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes XX No		
Within a 100-year floodplain FEMA map	Yes XX No		
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan 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 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 Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC 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		

19.			
Operator Application Certification:		to to the board of the second	
I hereby certify that the information submitted with this application is	s true, accurate and complete	ete to the best of my knowledge and belief.	ļ
	Titl	itle: President	
Signature: Lazyl Scott	Date:	e: <u>4/15/10</u>	
e-mail address: <u>lrscott@leaco.net</u>		Telephone: <u>575-392-6950</u>	
20. OCD Approval: ☐ Permit Application (including closure plan) ☐	Closure Plan (only)	OCD Conditions (see attachment)	
OCD Representative Signature:		Approval Date:	
Title:	OCD Permit	t Number:	
Closure Report (required within 60 days of closure completion): Instructions: Operators are required to obtain an approved closure The closure report is required to be submitted to the division within section of the form until an approved closure plan has been obtained	Subsection K of 19.15.17.13 plan prior to implementing 60 days of the completion of	g any closure activities and submitting the closure re of the closure activities. Please do not complete this	port.
	Closure	e Completion Date:	
22. Closure Method: Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain.	☐ Alternative Closure Me	Method Waste Removal (Closed-loop systems on	ly)
23. Closure Report Regarding Waste Removal Closure For Closed-lo Instructions: Please indentify the facility or facilities for where the two facilities were utilized.	liquids, drilling fluids and d	drill cuttings were disposed. Use attachment if more	
Disposal Facility Name:		cility Permit Number:	
Disposal Facility Name:		cility Permit Number:	
Were the closed-loop system operations and associated activities perficulty. Yes (If yes, please demonstrate compliance to the items below)		vill not be used for future service and operations?	
Required for impacted areas which will not be used for future service Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	and operations:		
24.	C. II		
Closure Report Attachment Checklist: Instructions: Each of the mark in the box, that the documents are attached. Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if applicable) Waste Material Sampling Analytical Results (required for on-s 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	ite closure)	ttached to the closure report. Please indicate, by a ch	eck
25.	Dongitude	NAD. [1927 [1905	
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 closure (Print):	ure requirements and condit	accurate and complete to the best of my knowledge and litions specified in the approved closure plan.	
		e:	
e-mail address:	Telephon	one:	

Eddy 'BD' State No. 3 Temporary Reserve Pit Application Checklist 1980' FNL & 1980' FEL Section 32, T-20S, R-30E Eddy County, New Mexico

iWATERS database search, topographic map, and satellite photo are included in the application. The location is inside of the R-111-P potash mine reserve area and outside of the buffer zone. No FEMA map is available for this area. Per the attached PRRC map, the closest fresh water source is approximately 3000' from the proposed location.

Laboratory analysis of five cuttings samples from the four corners and center section of the pit will be taken prior to closure. Prototype sample analysis forms are included with this application.

The surface is owned by the State of New Mexico erica and administered by the State Land Office. Notice of the intent to build a temporary pit and close on-site will be provided.

Due to our location's proximity to an active produced water surface disposal facility, we are requesting administrative approval for an exception to Part 17 to bury the drill cuttings on-site using the following procedure.

- 1. All free liquids will be removed from the pit within 30 days of the conclusion of drilling operations.
- 2. The 20 mil liner material along the edges of the pit will be folded inward and the dirt forming the berms will be pushed into the pit cavity.
- 3. 20 mil liner material will be used to completely cover the drill cuttings.
- 4. To the extent practicable, caliche that was removed from the pit to build the drilling location will be used to fill the pit to within three feet of the original topographic contour.
- 5. Topsoil that was pushed aside during pit construction will be used to provide a minimum of three feet of cover over the pit area.
- 6. The area will be re-seeded using the seed mixture and procedures specified in the Bureau of Land Management Stipulations of APD approval as included with this application.

If the well is completed as a commercial producer, no further site reclamation will be Moter to owner w/ application proposed.

The standing proposed or is it me sample for Z pite is with the Proposed for a 3' oner reduced of a 4' oner or x' you have the steel makes

