State of New Mexico Energy Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 8705

District IV

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Reliant Exploration & Production, LLC. 10817 West County Road 60 Midland, Texas 79707							251905 API Number 30 - Q2/-20600					
Property Code Property Na 3 9 7 7 1 LIBBY MINERAL					Vame LS LL	ame Well No.						
⁹ Proposed Pool 1							¹⁰ Proposed Pool 2					
		Bra	vo Dome 9601		Surface Lo	ncatio	ın			·		
UL or lot no.	Section	Township	Range	Lot Jdn	Feet fro		T	outh line	Feet from the	East/West line	County	
K	9	20 North	31 East	t.ot idii	165		1401th South time		1650'	Lust West line	County	
	<u> </u>		NMPM			 	South			West	Harding	
		T	⁸ Propos	ed Bottom H	ole Location	n If Di	fferent F	rom Su	rface		<u>r</u>	
UL or lot no.	Section	Township	Range	Lot Idn	Feet fro	m the	North/So	outh line	Feet from the	East/West line	County	
	L	I		Additio	onal Well	Infor	mation			. 	I	
11 Work	Typé Code N		Well Type C		¹³ Cable	Rotary			⁴ Lease Type Code P		evel Elevation 573.0	
16 _λ	lultiple		17 Proposed De	nth	# Form				19 Contractor			
	NO		2600°	բա	TU				Reliant		²⁰ Spud Date 03/14/2014	
Depth to Gros	indwater 100'			Distance fro	om nearest fresl	h water v	weli		Distance fr	om nearest surface w	ater	
	: Synthetic	<u></u>	mils thick Cla	y Pit Volu	> 1000' me:850	bbls	·	Drilling	Method:	> 1000		
Close	d-Loop Sys	tém 🔲					Fresh	Water X	Brine Diese	l/Oil-hased 🔲 Gas/	Air 🔲	
			21]	Proposed (Casing and	l Cen	nent Pro	ogram			,	
Hole Si	ze	Casing	Size	Casing weight/	foot	Setting	ting Depth Sacks of Cement Estimated			d TOC		
12-1/-	4"	8-5/	8"	24#		70	700° 300SX		SURF	ACE		
7-7/8	2"	5-1/	2"	15.5#		260	2600' 400SX SU		SURF	ACE		
				·				+				
									· · · · · · · · · · · · · · · · · · ·			
zone. Describ	be the blow	out prevention	n program, if an	y. Use addition	al sheets if neo		the data o	on the pre	sent productive z	one and proposed ne	w productive	
of my knowle constructed	dge and be according	lief. I further to NMOCD	given above is to certify that the guidelines \(\sigma\), and the certify that \(\sigma\).	e drilling pit v	vill be		0	IL CO	NSERVAT	ION DIVISIO)N	
(attached) alternative OCD-approved plan					Ap	Approved by: Ap						
Printed name	Printed name: Vance S. Vanderburg					Tit	le:		SIKILIS	UPEKAISC	n	
Title: Manag	er					Ap	proval Da	te: 3 /	10/2014	Expiration Date:	3/10/2018	
E-mail Addre	ss: vance@	reliantholdin	gsltd.com									
	9-20-	. 1)	T 5.	ne: 432-559-70	0.5	Co	uditions of	F'A	Attached [

ATTACHMENT C-101 RELIANT EXPLORATION & PRODUCTION WELL 2031 9-1-K.

PROPOSED TD: 2600'

BOP PROGRAM:

0-700' None

700 - 2600' 9" annular 3000# Ragan Tuaras

Casing:

Surface: 8-5/8" OD 2

8-5/8" OD 24# J55 8rd ST&C new casing set at

700' 12-1/4" hole Centralizers from TD – Surface, every fourth

joint

Production:

5 -1/2" OD new casing from 0-2600'

2600' - 15.5# J55 8rd LTC 7 -7/8" hole - 5 centralizers

* This well will have fiberglass tubing/packer assembly. The fiberglass tubing will at a minimum penetrate the Cimarron formation, with the optimum setting point being the midpoint of the Cimarron formation.

Cement:

Surface - Circulate cement with 300sx class C - additives 2# C45,

weight of 12.4# per gallon. Yield 2.14 and 1/8# of Celaflake per

sx. Tail Cement 100sx class C 2%CACl with 1/8# per sx Celaflake Yield of 1.32# with weight of 14.8# per gallon

Production- Circulate cement with 400sx class C – additives 2# C45, weight of 12.4# per gallon. Yield 2.14 and 1/8# of Celaflake per sx. Tail Cement 100sx class C 2%CACl with 1/8# per sx Celaflake Yield of 1.32# with weight of 14.8# per gallon

Mud

0-700'

Fresh water/native mud. Wt 8.6-9.2ppg,

Vis $32 = -36 \sec$

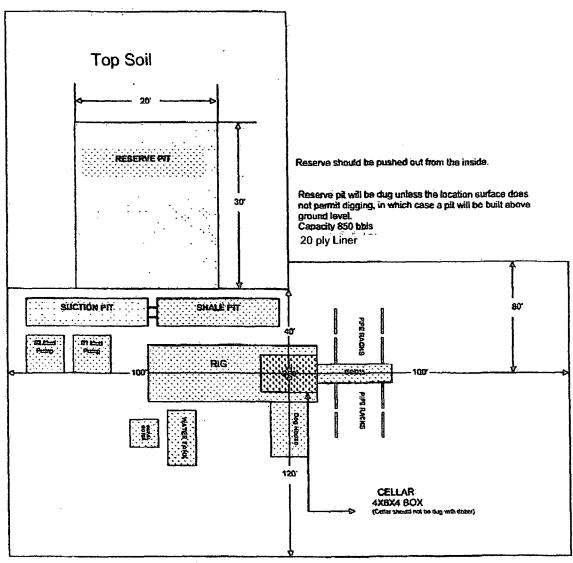
700-2600'

Fresh water/ Starch/Gel with ph control as needed.

Wt 9.0-9.2ppg, Vis 28-29 sec

Utilizing Metal Pits with a 30' by 20' reserve lined pit with 20 ply liner

LOCATION SPECIFICATION AND RIG LAYOUT FOR STEEL PITS (PICTURE NOT TO SCALE)



Cellar can be 4X4X4 if using a screw-on wellhoad

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. Fixts St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazza Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (305) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WO# 140113WL-d (KA)

WELL LOCATION AND ACREAGE DEDICATION PLA	T
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			V	A TITL T	CCAII	CIA VIIAT	ACI	LAULD	CDICATIO	IVILICII			
	API	Number	•		Pool	Code			*	Pool Name			
30-6	21-	20	600		960	10			Bruu	o Dom	e		
Property Code					Property			Well Number					
39771				LIBBY MINERALS LLC 2031							9-1-K		
OGRID No.					Operator	Name				Elevation			
2519	05			RELI	ANT E	XPLORA	TION	& PRO	DUCTION,	LLC.		4	573.0'
								ocation					
UL or lot no.	Section	To	wnship	T	Range	Sun			North/South line	Feet from the	East/We	est line	County
				21	_	W D W	Lot tub			1650'	WES		HARDING
K	9	20 .	NORTH	31 1	EAST, N.	M. P. M.		1650'	SOUTH	1650	WE3	1	HARDING
Bottom Hole Location If Different From Surface													
UL or lot no.	Section	To	wnship	T	Range		Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line	County
70 II I		T	1 CH T	0 111		T 0.1							
Dedicated	Acres	Joint	or Infill	Consolidi	ation Code	Order No.							
No allowa	ble wi	Il be as	ssigned to	this con	pletion m	ntil all inter	ests ha	ve been con	solidated or a	non-standard	unit has h	een app	roved by the
division.			9		4								
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										organization	either owns a wo	viking interest o	or unleased mineral
			1							inserest in ti	he land including i	the proposed bo	attam hale location or
			1		1			1		has a right i	o drill this well as	this location p	wriwant to a contract
										with an own	er of such a miner	ral or working i	interest, or to a
	-	-	1	-				1		voluntary pe	ooling agreemens	or a compulsor,	y pooling order
										heretofore e	nsered by the divid	tion.	
											//	//	2-10-14
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<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Form C-144 Revised June 6, 2013

For temporary pits, below-grade tanks, and multi-well fluid management pits, submit to the appropriate NMOCD District Office.

For permanent pits submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Pit Below-Grade Tank or

Dranged Alternative Method Domnit on Clasure Dlan Application					
Proposed Alternative Method Permit or Closure Plan Application					
Type of action: Below grade tank registration Permit of a pit or proposed alternative method Closure of a pit, below-grade tank, or proposed alternative method					
☐ Modification to an existing permit/or registration					
Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank, or proposed alternative method					
Instructions: Please submit one application (Form C-144) per individual pit, below-grade tank or alternative request					
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: Reliant Exploration & Production, LLC OGRID #: 251905					
Address: 10817 West County Road 60 Midland, TX 79707					
Facility or well name: Libby Minerals LLC 2031 9-1-K					
API Number: 30-02/-20600 OCD Permit Number:					
U/L or Qtr/Qtr K Section 9 Township 20N Range 31E County: Harding					
Center of Proposed Design: Latitude 35.9766568° North Longitude 103.6546061° West					
NAD: ⊠1927 ☐ 1983					
Surface Owner: Federal State Private Tribal Trust or Indian Allotment					
2					
Temporary: Drilling Workover					
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A ☐ Multi-Well Fluid Management Low Chloride Drilling Fluid ☒ yes ☐ no					
 ☑ Lined ☐ Unlined Liner type: Thickness 20 mil ☑ LLDPE ☐ HDPE ☐ PVC ☐ Other ☑ String-Reinforced 					
Liner Seams: Welded Factory Other Volume: 850 bbl Dimensions: L 80" x W 80" x D 6"					
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					
4.					
Alternative Method:					
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.					
Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)					
Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church)					
☑ Four foot height, four strands of barbed wire evenly spaced between one and four feet					
Alternate. Please specify					

Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)					
Screen Netting Other					
Monthly inspections (If netting or screening is not physically feasible)					
7.	·				
Signs: Subsection C of 19.15.17.11 NMAC					
☑ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers					
Signed in compliance with 19.15.16.8 NMAC					
8.					
<u>Variances and Exceptions:</u> 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:					
☐ Variance(s): Requests must be submitted to the appropriate division district for consideration of approval.					
Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.					
	,				
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptant must demonstrate does not apply to drying pads or above-grade tanks.	otable source				
manerial are provided below. String criteria does not appry to drying pads of above-grade tanks.					
General siting					
Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank.	☐ Yes ☐ No				
- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	□ NA				
Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit.	Unknown				
NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes No				
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	□ NA Unknown				
adopted pursuant to NMSA 1978, Section 3-27-3, as amended. (Does not apply to below grade tanks) - Written confirmation or verification from the municipality, Written approval obtained from the municipality	☐ Yes ☑ No				
Within the area overlying a subsurface mine. (Does not apply to below grade tanks) - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☑ No				
Within an unstable area. (Does not apply to below grade tanks) - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ☑ No				
Within a 100-year floodplain. (Does not apply to below grade tanks) - FEMA map	☐ Yes ☑ No				
Below Grade Tanks					
Within 100 feet of a continuously flowing watercourse, significant watercourse, lake bed, sinkhole, wetland or playa lake (measured	,				
from the ordinary high-water mark).	☐ Yes ☐ No				
- Topographic map; Visual inspection (certification) of the proposed site					
Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption; - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☐ No				
Temporary Pit using Low Chloride Drilling Fluid (maximum chloride content 15,000 mg/liter)					
Within 100 feet of a continuously flowing watercourse, or any other significant watercourse or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.) - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☑ No				
Within 300 feet from a occupied permanent residence, school, hospital, institution, or church in existence at the time of initial	☐ Yes ☑ No				
application Visual inspection (certification) of the proposed site; Aerial photo; Satellite image					
Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 300feet of any other fresh water well or spring, in existence at the time of the initial application. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☑ No				

Within 100 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☑ No			
Temporary Pit Non-low chloride drilling fluid				
Within 300 feet of a continuously flowing watercourse, or any other significant watercourse, or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	Yes No			
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No			
Within 500 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 1000 feet of any other fresh water well or spring, in the existence at the time of the initial application; - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☐ No			
Within 300 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	Yes No			
Permanent Pit or Multi-Well Fluid Management Pit				
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).				
- Topographic map; Visual inspection (certification) of the proposed site	Yes No			
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No			
Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of initial application.				
- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	Yes No			
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No			
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:				
Multi-Well Fluid Management Pit Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the do attached. Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC A List of wells with approved application for permit to drill associated with the pit. Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19 and 19.15.17.13 NMAC Hydrogeologic Data - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Previously Approved Design (attach copy of design) API Number: or Permit Number:	0.15.17.9 NMAC			

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: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Multi-well Flank Alternative Proposed Closure Method: Waste Excavation and Removal Waste Removal (Closed-loop systems only) On-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial On-site Trench Burial Alternative Closure Method	luid Management Pit
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be 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 C 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 H of 19.15.17.13 NMAC □ Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC	attached to the
15. Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable sour provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. F 19.15.17.10 NMAC for guidance.	
Ground water is less than 25 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Ground water is between 25-50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Within 100 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No
Within 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database, Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Written confirmation or verification from the municipality, Written approval obtained from the municipality	Yes No
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; 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 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	☐ Yes ☐ No					
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☐ No					
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological						
Society; Topographic map	☐ Yes ☐ No					
Within a 100-year floodplain FEMA map	☐ Yes ☐ No					
16.						
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection E of 19.15.17.13 NMAC Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Subsection K of 19.15.17.11 NMAC Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of 19.15.17.13 NMAC Waste Material Sampling Plan - based upon the appropriate requirements of 19.15.17.13 NMAC Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC						
17. Operator Application Certification:						
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and believes	ef.					
Name (Print): Vance Vanderburg Title: Manager						
Signature: 2-20-14						
e-mail address: vance@reliantholdingsltd.com Telephone: 432-559-7085						
OCD Approval: Permit Application (including closure plan) Closure Plan (only) CCD Conditions (see attachment)	;					
OCD Representative Signature: Approval Date: 3/1	0/2014					
Title: DISTRICT SUPERVISOR OCD Permit Number:						
19. Closure Report (required within 60 days of closure completion): 19.15.17.13 NMAC Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed. Closure Completion Date:						
Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method Waste Removal (Closed-log) If different from approved plan, please explain.	oop systems only)					
Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please in mark in the box, that the documents are attached. Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure for private land only) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if applicable) Waste Material Sampling Analytical Results (required for on-site closure) Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique Site Reclamation (Photo Documentation) On-site Closure Location: Latitude Longitude NAD: 1927						

Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report belief. I also certify that the closure complies with all applicable closure requirements	
Name (Print):	Title:
Signature:	Date:
e-mail address:	Telephone:



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Hydrogeological Data

Well Name:

Libby Minerals LLC 2031 9-1-K

Topography:

This location is within the Great Plains Physiographic Province, with flat to rolling prairie and scattered hills and bluffs. The land gradually rises westward, giving way to the frontal ranges of the Rocky Mountains. Elevation of the referenced well is approximately 4573 feet above mean sea level. The location appears to be on a gentle eastern slope.

Soils:

There are two soil types within 100 feet of the proposed well pad area:

- Amarillo fine sandy loam is found on plains. It is a well-drained soil, and the depth to the water table is more than 80 inches. There is no frequency of ponding or flooding.
- Springer loamy fine sand, 1- to 9-percent slopes are found on backslopes. They are well-drained soils, and the depth to the water table is more than 80 inches. There is no frequency of ponding or flooding.

Source:

Natural Resources Conservation Service. No Date. Web Soil Survey. http://websoilsurvey.nrcs.usda.gov/app/WebSoilSurvey.aspx. Accessed January 2013.

Natural Resources Conservation Service (NRCS). 1973. Soil Survey of Harding County, New Mexico.

Geology:

The surface geology within the proposed project area is Jurassic Entrada Sandstone, a formation of the San Rafael group. Entrada sandstone consists of fine-grained sandstone in regular beds less than a foot thick. It includes thin sheets and small aggregates of gypsum, many lenticular beds of gypsiferous shale, some calcareous shales, and small amounts of conglomerate made up of pellets of clay and fragments of quartz.

Sources:

U.S. Geological Survey (USGS). 2005. GIS shapefile: nmgeol_dd_polygon.

http://mrdata.usgs.gov/geology/state/metadata/nm.html.

U.S. Geological Survey (USGS). No Date. Correlation of Map Units. http://cogcc.state.co.us/infosys/Maps/images/Geology250MapLegends/lamarLegend.pdf.

Surface Hydrology:

The proposed well pad appears to be on a gentle, eastern slope. Salado Creek is approximately 0.35 miles northwest of the proposed well pad, and Del Muerto Creek is approximately 0.5 miles south of the proposed well pad.

Ground Water Hydrology:

This location is within central Harding County, New Mexico, within the Great Plains Physiographic Province. The High Plains aquifer extends westward into eastern Harding County, but in the proposed project region there is no principal aquifer. Aquifers do not exist here, yield too little water to wells to be significant, or yield sufficient water to supply local requirements but are not extensive enough to be classified as a major aquifer.

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Depth to groundwater is unknown at this location, because the nearest recorded well with available water-depth information is approximately 3.4 miles from the location (see Siting Criteria Map I, attached). The nearest water wells identified on the OSE shapefile are listed below:

Well	Distance/Direction from Proposed Project Area	Elevation	Depth to Water
9 TU Wells	~2.4 to 5.1 miles in various directions	varied	No Data
TU 01361	~3.5 miles west	4580 feet	33 feet
TU 01363	~3.4 miles southwest	4480 feet	24 feet

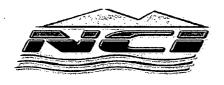
Sources:

United States Geological Survey. 2001. Groundwater Atlas of the United States: Arizona, Colorado, New Mexico and Utah. USGS Publication HA 730-C. http://capp.water.usgs.gov.

New Mexico Office of the State Engineer. 2011. GIS shapefile: ose_wells_July2011. http://www.ose.state.nm.us/water_info_data.html.

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Siting Criteria Compliance Demonstrations

1. Depth to groundwater (should not be less than 25 feet):

Depth to groundwater is unknown at this location, because the nearest recorded well with available water-depth information is approximately 3.4 miles from the location (see Siting Criteria Map I, attached). The nearest water wells identified on the OSE shapefile are listed below:

Well	Distance/Direction from Proposed Project Area	Elevation	Depth to Water
9 TU Wells	~2.4 to 5.1 miles in various directions	varied	No Data
TU 01361	~3.5 miles west	4580 feet	33 feet
TU 01363	~3.4 miles southwest	4480 feet	24 feet

2. Presence within incorporated area (should not be within incorporated municipal boundaries or within defined municipal fresh water well field covered under municipal ordinance):

Topographic maps, aerial photos, and OSE shapefiles indicate the pit would not be within an incorporated area or municipal fresh water well field (see Siting Criteria Maps 1 and 2).

3. Location above subsurface mine (should not overlie a subsurface mine):

The pit would not overlie a mine. The New Mexico Energy, Minerals, and Natural Resources Department, Mining and Minerals Division, provides a spreadsheet of active (last updated August 2013) Mines, Mills, and Quarries along with their geographic locations. These locations were downloaded and placed into a geographic information system (GIS). A topographic map; aerial photo; and the Mines, Mills, and Quarries Map indicate that there are no subsurface mines in the area (see Mines, Mills, and Quarries Map).

4. Presence within unstable area (should not be within an unstable area):

A topographic map and aerial photo indicate the location would not be within an unstable area. The location would be on a gentle slope (See Siting Criteria Maps 1 and 2).

5. Presence within floodplain (should not be within a 100-year floodplain):

The location has not been mapped by FEMA (see FEMA Map Service Center screenshot, attached). Therefore, the proposed pit is not located within a FEMA-designated 100-year floodplain.

6. Distance to watercourse (should not be within 100 feet of a continuously flowing watercourse or any other significant watercourse, or within 200 feet of a lakebed, sinkhole, or playa lake):

According to a topographic map and aerial photo, there are no significant watercourses, lakebeds, sinkholes, or playa lakes within 200 feet of the proposed pit (see Siting Criteria Maps 1 and 2).

7. Distance to buildings (should not be within 300 feet of an occupied permanent residence, school, hospital, institution, or church):

An aerial photo indicates that the pit would not be within 300 feet of any buildings (see Siting Criteria Map 2).

8. Distance to springs or wells (should not be within 200 feet of a spring or private, domestic fresh water well used by less than five households, or within 300 feet of any other fresh water well or spring):

Topographic maps and OSE shapefiles indicate the pit would not be within 300 feet of any recorded well or spring (see Siting Criteria Maps 1 and 2).

9. Distance to wetlands (should not be within 100 feet):

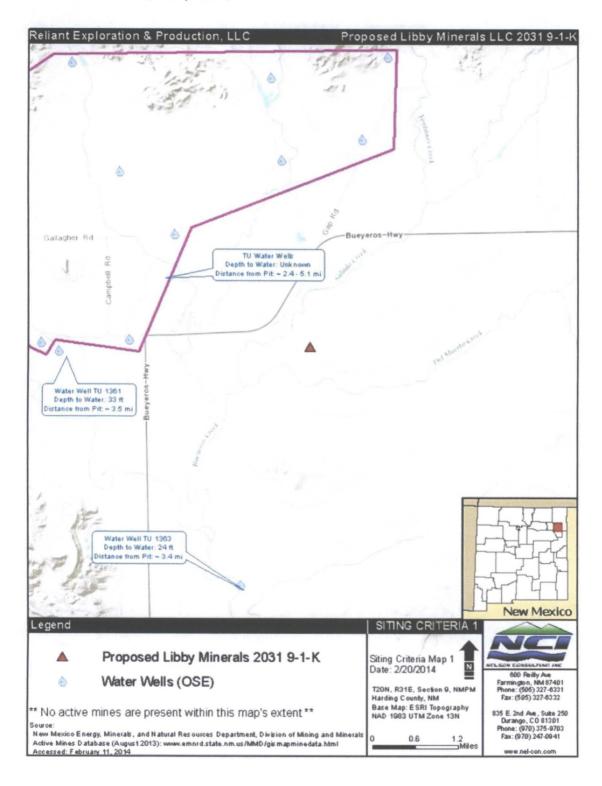
The U.S. Fish and Wildlife Service National Wetlands Inventory indicates that there are no wetlands within 100 feet of the proposed well pad. Topographic maps, aerial photos, and soil data also indicate that there are no wetlands within 100 feet of the proposed pit (see National Wetlands Inventory Map, Hydrogeological Data – Soils, and Siting Criteria Maps 1 and 2).

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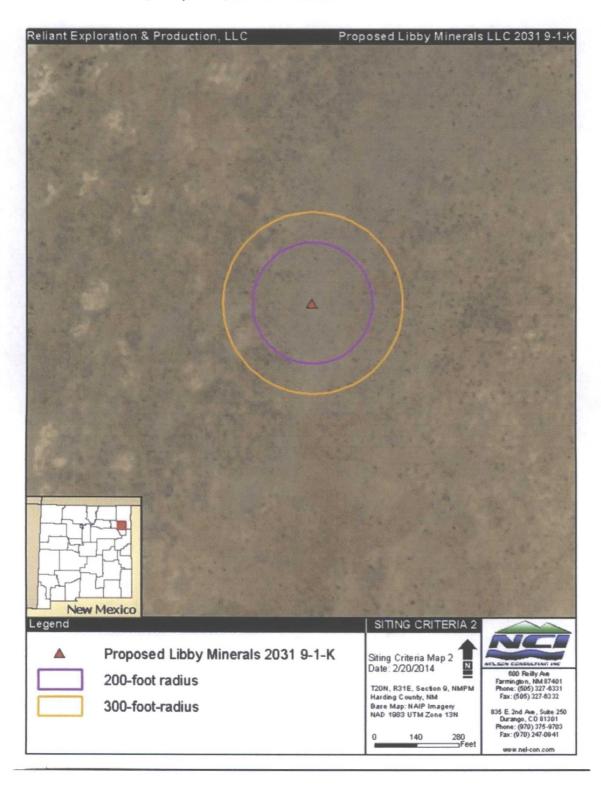


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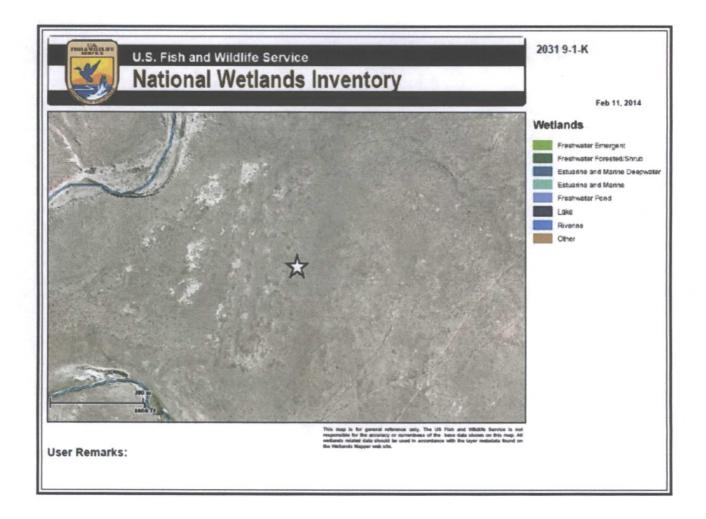


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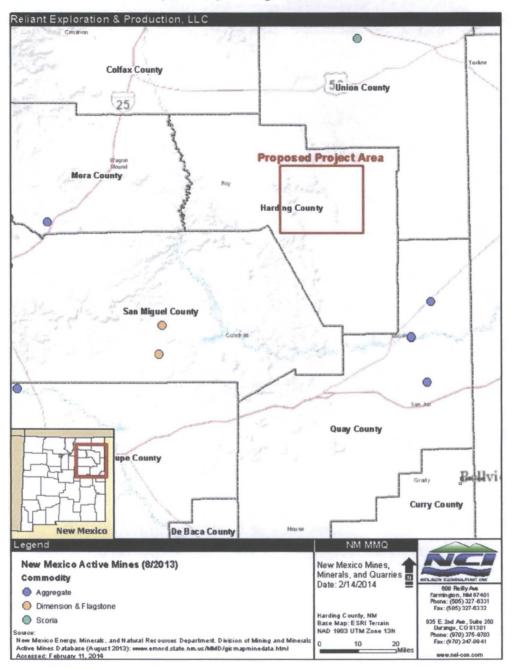
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MINES, MILLS, AND QUARRIES IN NEW MEXICO

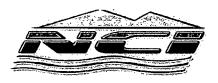


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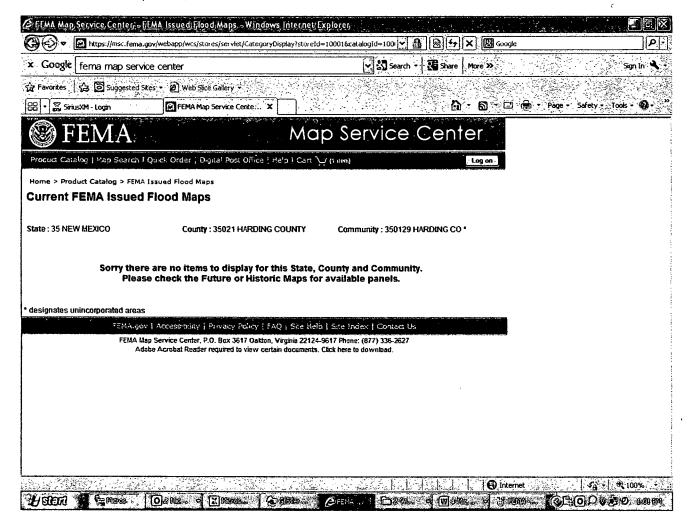
New Mexico Energy, Minerals and Natural Resources Department, Division of Mining and Minerals. Active Mines Database. 2013. www.emnrd.state.nm.us/MMD/gismapminedata.html. Accessed February 2013.

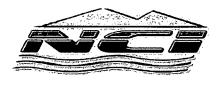
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Reliant Temporary Pit Design Plan (Based on Appropriate Requirements of 19.15.17.11 NMAC)

The pit would be designed and constructed to ensure the confinement of liquids.

Prior to constructing the pit, topsoil would be stripped and stockpiled for use as final cover or fill at the time of closure.

The pit would be designed to prevent run-on of surface water. A berm, ditch, proper sloping, or other diversion would be constructed around the pit to prevent run-on of surface water. During drilling operations, the edge of the pit adjacent to the drilling or workover rig may not have protection if the pit is being used to collect liquids escaping from the rig and run-on will not result in a breach of the pit.

The volume of the pit would not exceed 10 acre-feet, including freeboard.

The pit would have a properly constructed foundation and interior slopes consisting of a firm, unyielding base. The base would be smooth and free of rocks, debris, sharp edges, or irregularities to prevent the rupture or tearing of the liner. Slopes would be no steeper than two horizontal feet to one vertical foot (2H:1V). If an alternative slope is needed, the NMOCD district office would need to approve the alternative, based on Reliance's demonstration that it could construct and operate the pit in a safe manner to prevent contamination of fresh water and protect public health and the environment.

Excavated materials from the pit would not be placed within 100 feet of a significant watercourse; within 200 feet of a lakebed, sinkhole, or playa lake; within 100 feet of a wetland; or within a 100-year floodplain.

Pit liner:

- The pit would have a geomembrane liner with 20-mil, string-reinforced LLDPE or its equivalent (approved by the NMOCD district office). This liner would be composed of an impervious, synthetic material resistant to petroleum hydrocarbons, salts, acidic and alkaline solutions, and ultraviolet light. The liner would comply with EPA SW-846 method 9090A.
- Liners would be oriented up and down, not across, slopes.
- Prior to field seaming, liners would be overlapped four to six inches. Liner seams would be minimized in corners
 and irregularly shaped areas. Qualified personnel would perform field-welding and testing of liner seams. Factorywelded seams would be used where possible.
- Construction would avoid excessive stress-strain on the liner.
- Geotextile would be used under the liner where needed to reduce localized stress-strain or protuberances that may compromise the liner's integrity.
- The edges of all liners would be anchored in the bottom of a compacted, earth-filled trench that is at least 18 inches
 deep (unless anchoring to encountered bedrock provides equivalent anchoring).
- The liner would be protected from any fluid force or mechanical damage at any point of discharge into or suction-from the pit.

If an adequate perimeter fence does not already prevent unauthorized access to the well site, the pit would be fenced or enclosed in a manner that deters unauthorized access. The fence would be at least four foot high with at least four strands of barbed wire evenly spaced between 1 and 4 feet. Fences would be maintained in good repair. During drilling or workover operations, three sides of the pit would be fenced; the side adjacent to the drilling or workover rig would remain open only during such operations.

An upright sign (at least 12-by-24 inches with lettering at least 2 inches high) would be placed conspicuously on the fence surrounding the pit, unless the site has an existing well sign (complying with 19.15.16.8 NMAC). The sign would be posted in a manner and location such that the legend could be easily read, and would contain the following information: operator's name, legal location (quarter-quarter or unit letter, section, township, and range), and emergency telephone number(s).

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Form C-144



Environmental, Compliance, and GIS Services

Reliant Temporary Pit Operating & Maintenance Plan (Based on Appropriate Requirements of 19.15.17.12 NMAC)

The pit would be maintained to contain liquids and solids, maintain the integrity of the liner, prevent contamination of fresh water, and protect public health and the environment.

Pit operation would prevent the collection of surface water run-on.

All drilling fluids would be recycled, reused, reclaimed, or disposed of in a manner approved by NMOCD rules.

Only fluids used or generated during the drilling, completion, or workover processes would be discharged into the pit. Hazardous waste would not be discharged into or stored in the pit. The pit would remain free of miscellaneous solid waste or debris. If the pit liner's integrity is compromised above the liquid's surface, Reliant would repair or initiate liner replacement within 48 hours of discovery; alternatively, a variance would be sought from the NMOCD district office.

If the pit develops a leak or if any penetration of the liner occurs below the liquid's surface, all liquid above the damage or leak line would be removed within 48 hours, the NMOCD district office would be notified, and the liner would be repaired or replaced.

The injection or withdrawal of liquids from the pit would be accomplished via a header, diverter, or other hardware that prevents damage to the liner by erosion, fluid jets, or the impact from installation and removal of hoses or pipes.

An oil-absorbent boom or other device would be installed and maintained onsite to contain an unanticipated release.

At least two feet of freeboard would be maintained. In temporary, extenuating circumstances, a freeboard of less than two feet could be maintained; in such a circumstance, a log would be maintained describing the situation. This log would be made available to the NMOCD, upon request.

The pit would be inspected at least once daily while the drilling or workover rig is onsite. Thereafter, the pit would be inspected weekly as long as liquids remain within it. An inspection log would be maintained and made available to the NMOCD district office upon request.

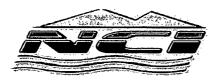
Immediately after cessation of a drilling or workover operation, any visible layer of oil would be removed from the surface of the pit.

All free liquids would be removed from the pit within 60 days from release of the drilling or workover rig. On form C-105 or C-103, the date of the drilling or workover rig's release would be noted. If necessary, an extension of up to two months could be requested from the NMOCD district office, not to exceed the temporary pit life span (defined in 19.15.17.7.R NMAC).

Any liquids used for cavitation would be removed from the pit within 48 hours after completing cavitation. If it is not feasible to access the location within 48 hours, this would be demonstrated to the NMOCD district office's satisfaction and additional time would be requested.

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Environmental, Compliance, and GIS Services

Reliant Temporary Pit Closure Plan

(Based on Appropriate Requirements of Subsection C, 19.15.17.9 NMAC & 19.15.17.13 NMAC)

The pit would be closed within six months of the date that the drilling or workover rig is released. The release date would be noted on Form C-105 or C-103, filed with the NMOCD upon the well or workover's completion. The NMOCD district office could grant an extension not to exceed three months.

Closure Notice:

At least 72 hours but not more than one week before closure operations begin:

- The surface owner would be notified of the closure by certified mail with return receipt requested; the address indicated on county tax records would be used. The notice would include the operator's name, well name and number, well API number, and well location (unit letter, section, township, and range).
- The NMOCD district office would be notified of the closure verbally and in writing. The notice would include the
 operator's name, well name and number, well API number, and well location (unit letter, section, township, and
 range).

Approval of the closure plan would be obtained prior to closing the pit.

All contents and, if applicable, synthetic liners from the pit would be removed prior to closure. Liquids would be disposed of at the Sundance Services, Inc. Parabo Disposal Facility (Permit No. 010003).

Soil Testing:

The soils beneath the pit would be tested. A minimum five-point composite sample would be collected under the liner. The sample would include any area that is obviously stained, wet, or showing evidence of contamination. The samples would be sent to an approved laboratory and analyzed for benzene, total BTEX, TPH, the GRO and DRO combined fraction, and chlorides. Per Table I of 19.15.17.13 NMAC, the following constituents, methods, and constituent limits would apply:

- Benzene (as determined by EPA SW-846 method 8021B or 8015M or other NMOCD-approved EPA method): 10 mg/kg (numerical limits or background concentration, whichever is greater)
- BTEX (as determined by EPA SW-846 method 8021B or 8260B or other NMOCD -approved EPA method): 50 mg/kg (numerical limits or background concentration, whichever is greater)
- TPH (as determined by EPA SW-846 method 418.1 or other NMOCD -approved EPA method): 2500 mg/kg (numerical limits or background concentration, whichever is greater)
- GRO and DRO combined fraction (as determined by EPA SW-846 method 8015M): 500 mg/kg (numerical limits or background concentration, whichever is greater)
- Chlorides (ads determined by EPA method 300.0): 10,000 mg/kg (numerical limits or background concentration, whichever is greater)

If the above constituent limits are met, the pit would be backfilled with non-waste-containing, uncontaminated, earthen material. If any of the above constituents exceeds the limits, the NMOCD would review the results and could require additional delineation; in such a case, Reliant would await NMOCD approval before proceeding with pit closure.

Areas reasonably needed for production or subsequent drilling operations would be compacted and covered, paved, or otherwise stabilized. These areas would be maintained in such a way as to minimize dust and erosion.

Reclamation:

Per Subsection H of 19.15.17.13 NMAC, all areas associated with the pit that would not be needed for production or subsequent drilling operations would be substantially restored to a safe and stable condition that blends with the

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surrounding, undisturbed area. These areas would be reclaimed as early and as nearly as practicable to their original condition and maintained to control dust and minimize erosion. If an alternative to these requirements is necessary to prevent erosion or to protect fresh water, human health, and the environment, this alternative would be proposed to the surface owner. The proposed alternative, with written documentation demonstrating that the surface owner approves the alternative, would be submitted to the NMOCD for approval. Otherwise, the following steps would be followed:

- The location would be recontoured so as to approximate the original contour and blend with the surrounding topography.
- Soil cover would consist of the background thickness of topsoil or one foot of material suitable for establishing vegetation at the site, whichever is greater. Topsoils and subsoils would be replaced in their original relative positions. Soil cover would be constructed to the site's existing grade and would be contoured so as to achieve erosion control, long-term stability, and preservation of surface water flow patterns.
- In the first favorable growing season following pit closure, the disturbed area would be seeded.
- Reclamation would be considered complete when all surface-disturbing activities at the site are completed and a uniform vegetative cover has been established. This cover would have a life-form ratio of plus or minus 50% of pre-disturbance levels and a total percent plant cover of at least 70% of pre-disturbance levels (excluding noxious weeds).

Oil Conservation Division

The NMOCD would be notified when reclamation and successful revegetation has been achieved.