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

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 July 21, 2008

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 requires be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water nivironment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or	or the		
Operator: Williams Operating Co, LLC OGRID #: 120782			
Address: PO Box 640 / 721 S Main Aztec, NM 87410	1		
Facility or well name: Rosa Unit 166C API Number: 30-039-31068 OCD Permit Number: OCD Permit Number:			
U/L or Qtr/Qtr A Section 30 Township 31N Range 5W County: Rio Arriba			
Center of Proposed Design: Latitude 36.87476 Longitude 107.39850 NAD: ☐1927 ☐			
Surface Owner: ☑ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment			
Temporary: Drilling Workover Permanent Emergency Cavitation P&A Lined Unlined Liner type: Thickness 20 mil LLDPE HDPE PVC Other String-Reinforced Liner Seams: Welded Factory Other Volume: 20,000 bbl Dimensions: L 140 x W 70	x D <u>· 12</u> ,		
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 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 Control of the Interval of the Inte			
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: Thickness mil HDPE PVC Other	A 25 26 27 25 26 27 25 26 27 25 26 27 25 26 27 25 26 27 25 26 27 25 26 27 25 26 27 25 26 26 27 25 26 27 26 26 27 26 26 27 26 26 27 2		
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.

6. 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, hinstitution or church)	nospital,
Four foot height, four strands of barbed wire evenly spaced between one and four feet	
7.	
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)	
☐ Screen ☐ Netting ☐ Other Monthly inspections (If netting or screening is not physically feasible)	
Za Holitally inspections (if netting of selecting is not physically reasible)	
Signs: Subsection C of 19.15.17.11 NMAC	
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers	
Signed in compliance with 19.15.3.103 NMAC	
9.	
Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.	
Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau o	office for
consideration of approval.	
Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	
10. Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the approp office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of ap Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to dryin	oriate district oproval.
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 ⊠ 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 ⊠ 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 ⊠ 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 図 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 ⊠ 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 adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ⊠ No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ⊠ No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes 🛭 No
Within a 100-year floodplain FEMA map	☐ Yes ⊠ No

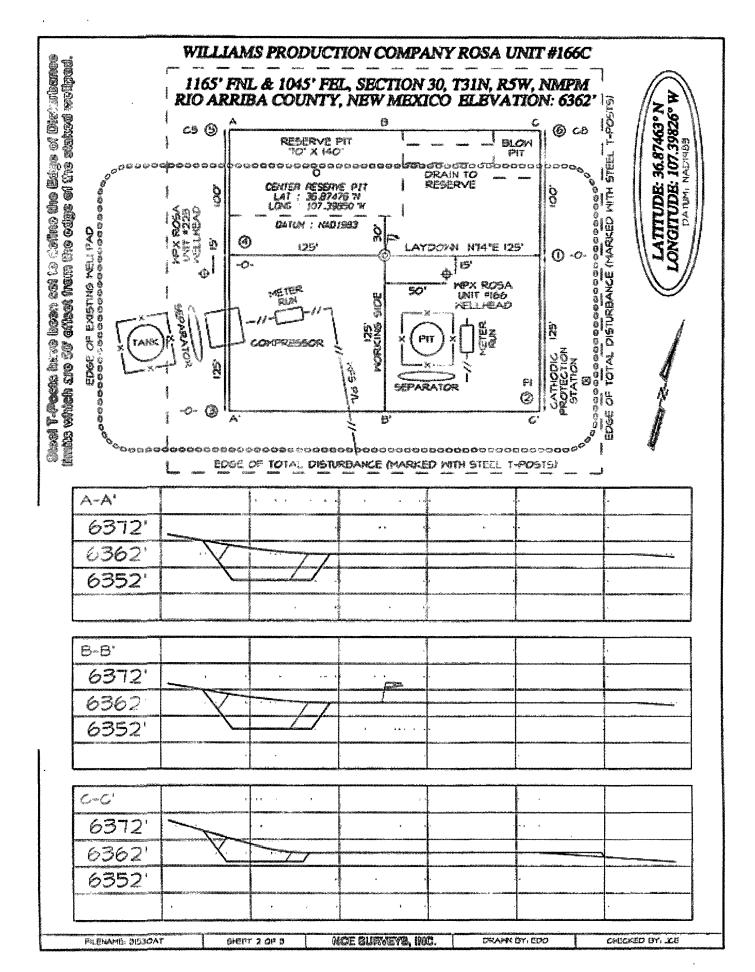
Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist Instructions: Each of the following items must be attached to the application. Please indicate, by a cheattached. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subs Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.1 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 19.15.17.13 NMAC Previously Approved Design (attach copy of design) API Number: or	seck mark in the box, that the documents are section B of 19.15.17.9 NMAC 2) of Subsection B of 19.15.17.9 NMAC 0 NMAC uirements of Subsection C of 19.15.17.9 NMAC
12. Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a che attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Parag Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate r 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 19.15.17.13 NMAC	graph (3) of Subsection B of 19.15.17.9 requirements of 19.15.17.10 NMAC
☐ Previously Approved Design (attach copy of design) API Number: ☐ Previously Approved Operating and Maintenance Plan API Number: above ground steel tanks or haul-off bins and propose to implement waste removal for closure)	(Applies only to closed-loop system that use
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 che attached. Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.11 Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMA Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.12 NMAC 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	9 NMAC 10 NMAC AC .17.11 NMAC D.15.17.11 NMAC
Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure. Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-Alternative Proposed Closure Method: Waste Excavation and Removal Waste Removal (Closed-loop systems only) On-site Closure Method (Only for temporary pits and closed-loop systems In-place Burial On-site Trench Burial Alternative Closure Method (Exceptions must be submitted to the Santa F	-grade Tank
Waste Excavation and Removal Closure Plan Checklist: (19.15 17.13 NMAC) Instructions: Each of 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 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 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 N	n F of 19.15.17.13 NMAC tion H of 19.15.17.13 NMAC C

Instructions: Please indentify the facility or facilities for the disposal of liquids, brilling fluids and drill cuttings. Use attachment if more than two facilities are required. Disposal Facility Name: Disposal Facility Permit Number: Disposal Facility Name: Disposal Facility Permit Number: Disposal Facility Name: Disposal Facility Permit Number: Disposal Facility Permi	16. Waste Removal Closure For Closed-loop Systems That Utilize Above Ground	Steel Tanks or Haul-off Bins Only: (19.15.17.13.	O NMAC)
Disposal Facility Name: Disposal Facility Permit Number:		drilling fluids and drill cuttings. Use attachment if n	nore than two
Disposal Facility Name: Disposal Facility Permit Number:	•	Disposal Facility Permit Number	
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations			
Soil Backfill and Cover Design Specifications based upon the appropriate requirements of Subsection 16 19.15.17.13 NMAC	Will any of the proposed closed-loop system operations and associated activities o		vice and operations?
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each sting orteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain sting criteria may require administrative approval from the appropriate district office or may considered an exception which must be submitted to the Sama Fe Eurivonmental 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 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 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 within 300 feet for any permanent residence, school, hospital, institution, or church in existence at the time of initial application. NM Office of the State Engineer - iWATERS databases earch will only the state of market 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 fesh water well or spring in cristence at the time of initial application. Within 500 feet of a welland. Eagineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Socie	Soil Backfill and Cover Design Specifications based upon the appropriate Re-vegetation Plan - based upon the appropriate requirements of Subsection	e requirements of Subsection H of 19.15.17.13 NMAC 1 of 19.15.17.13 NMAC	
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lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site 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 Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map Within a 100-year floodplain. - FEMA map 18. 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 19.15.17.11 NMAC Profocols and Procedures - based upon the appropriate requirements of 19.15.17.11 NMAC Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements		a obtained from nearby wells	= -
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Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division Within an unstable area. - Engineering measures incorporated into the design; NM Burcau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map Within a 100-year floodplain. - FEMA map 18. 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 19.15.17.13 NMAC Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements 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 Subsection F of 19.15.17.13 NMAC Waste Material 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 or in case on-site closure standards cannot be achieved)		al inspection (certification) of the proposed site	☐ Yes ⊠ No
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 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 I of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC 	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 Proof of Surface Owner Notice - based upon the appropriate requirements of Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate of a drying proceeding 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 Confirmation Plan - based upon the appropriate requirements of Subsection Re-vegetation 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 19.15.17.13 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 cannot H of 19.15.17.13 NMAC 1 of 19.15.17.13 NMAC	15.17.11 NMAC

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): Ben Mitchell Title: Regulatory Specialist		
Signature: Date: 7 18 9011		
e-mail address: ben.mitchell@williams.com Telephone: 505-634-4206		
20. OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)		
OCD Representative Signature: Approval Date: 7/27/2011		
Title: Compliance Office OCD Permit Number:		
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.		
Closure Completion Date:		
Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method Waste Removal (Closed-loop systems only) If different from approved plan, please explain.		
23. Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:		
Instructions: Please indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.		
Disposal Facility Name: Disposal Facility Permit Number:		
Disposal Facility Name: Disposal Facility Permit Number:		
Were the closed-loop system operations and associated activities performed 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 and operations		
☐ Site Reclamation (Photo Documentation) ☐ Soil Backfilling and Cover Installation		
Re-vegetation Application Rates and Sceding Technique		
24. <u>Closure Report Attachment Checklist</u> : Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check		
mark in the box, that the documents are attached. Proof of Closure Notice (surface owner and division)		
Proof of Deed Notice (required for on-site closure)		
Plot Plan (for on-site closures and temporary pits)		
☐ Confirmation Sampling Analytical Results (if applicable) ☐ Waste Material Sampling Analytical Results (required for on-site closure)		
☐ Disposal Facility Name and Permit Number		
☐ Soil Backfilling and Cover Installation ☐ Re-vegetation Application Rates and Seeding Technique		
Site Reclamation (Photo Documentation)		
On-site Closure Location: Latitude Longitude 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): Title:		
Signature: Date:		
e-mail address:Telephone:		

District I 1625 N French Dr., Hobbs, NM 88240 State of New Mexico Form C-102 Revised October 12, 2005 Energy, Minerals & Natural Resources Department District II 1301 W. Grand Avenue, Artesia, NM 88210 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies OIL CONSERVATION DIVISION District III 1000 Rio Brazos Rd., Aztec, NM 87410 1220 South St. Francis Dr. Santa Fe, NM 87505 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 AMENDED REPORT WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code Pool Name 72319 / 71599 BLANCO MESAVERDE / BASIN DAKOTA *Property Code Well Number Property Name 17033 ROSA UNTT 166C OGRID No. Elevation *Operator Name 120782 WILLIAMS PRODUCTION COMPANY 6362 ¹⁰ Surface Location UL or lot no Township Lot Idn Feet from the North/South line Feet from the East/West line RIO Α 30 31N 5W **NORTH** 1165 1045 **EAST** ARRIBA ¹¹Bottom Hole Location If From Surface Different UL or lot no. Sect ion Feet from the County RIO East/West line R 30 5W 31N NORTH 1675 EAST ARRIBA 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code ¹⁵ Order No. 232.69 Acres - (N/2)NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION 1198.56 2640.00 "OPERATOR CERTIFICATION OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location oursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. 15 165 LOT 1675 N48°20.7'W 1045 848.7 LEASE SF-078764 SURFACE LOCATION LAT: 36.87462 N LONG: 107.39765 W DATUM: NAD1927 BOTTOM-HOLE Signature Date LAT: 36.87618 N LONG: 107.39981 W DATUM: NAD1927 LOT Printed Name LAT: 36.87619 N LONG: 107.40041 W DATUM: NAD1983 LAT: 36.87463 "N LONG: 107.39826 "W DATUM: NAD1983 18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief 8 8 5280. 5280.0 Date Revised: JUNE 13, 2011 Date of Survey: MARCH 5, 2011 Signature and Seal of Professional Surveyor LOT SON C. EDWARDS MEXICO JEW PERSONAL PROPESSIONS SAME TOTAL LOT **DWARDS** 15269 2640.00 Certificate Number 1201.86



Hydrogeological Report Williams Production Company, LLC Rosa Unit #166C

RCVD JUL 27'11
OIL CONS. DIV.
DIST. 3

Regional Hydrological Context

Referenced Well Location:

The referenced well and pit is located on Bureau of Land Management land within Farmington Field Office (FFO) management jurisdiction in Rio Arriba County, New Mexico. This site is positioned in the northeastern portion of the San Juan Basin, an asymmetrical syncline that extends from northwestern New Mexico into southwestern Colorado (Carson National Forest FEIS, 2008). Elevation of the referenced well is approximately 6362 feet MSL.

General Regional Groundwater Description:

As a portion of the San Juan Basin, the Jicarilla Ranger District is underlain by sandstone aquifers of the Colorado Plateau. The primary aquifer of potential concern at this location is the Uinta-Animas Aquifer, composed primarily of Lower Tertiary rocks in the San Juan Basin. The aquifer consists of the San Jose Formation; the underlying Animas formation and its lateral equivalent, the Nacimiento formation; and the Ojo Alamo Sandstone. The thickness of the Uinta-Animas aquifer generally increases toward the central part of the basin. In this region, the maximum thickness of the aquifer is approximately 3500 feet (USGS, 2001). This aquifer contains fresh to moderately saline water.

Groundwater generally flows toward the San Juan River and it tributaries, where it becomes alluvial groundwater or is discharged to stream flow. Additional information regarding the hydrogeologic setting can be found in the provided references.

Site Specific Information:

Surface Hydrology: The pit is located on a mid-slope draining to the southwest into

Laguna Seca Draw tributary.

1st Water Bearing Formation:San Jose, TertiaryFormation Thickness:Approximately 1,900 ft.Underlying Formation:Nacimiento, Tertiary

Depth to Groundwater: Depth to groundwater is estimated at greater than 100' below pit

liner. Within a one-mile radius of this location, there were no iWATERS wells with recorded water depth information. However, cathodic data associated with the Rosa Unit Nos. 223 (approximately 247 feet from pit) & 166 (approximately 361 feet from pit), show depth to moisture at 240 feet (see Siting Criteria

Map I for details).

References:

Allen, Erin, Undated, Colorado Plateau Aquifers.

http://academic.emporia.edu/schulmem/hydro/TERM%20PROJECTS/2007/Allen/Aquifer.html.

New Mexico Energy, Minerals and Natural Resources Department, Division of Mining and Minerals. Database. 2010. Internet accessed January 2010.

New Mexico Office of the State Engineer. 2010. iWaters database. Internet accessed March 2010.

New Mexico WQCC. 2005. State of New Mexico Water Quality Act and the Water Control Commission Regulations.

United States Department of Agriculture, Forest Service. 2008. Final Environmental Impact Statement for Surface Management of Gas Leasing and Development. Jicarilla Ranger District, Carson National Forest, Rio Arriba County, New Mexico.

United States Department of the Interior. Bureau of Land Management. 2003. Final Farmington Resource Management Plan and Final Environmental Impact Statement. Farmington Field Office, Farmington, New Mexico.

United States Geological Survey. 2001. Ground Water 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 Water Column/Average Depth to Water

No records found.

PLSS Search:

Township: 31N Range: 05W

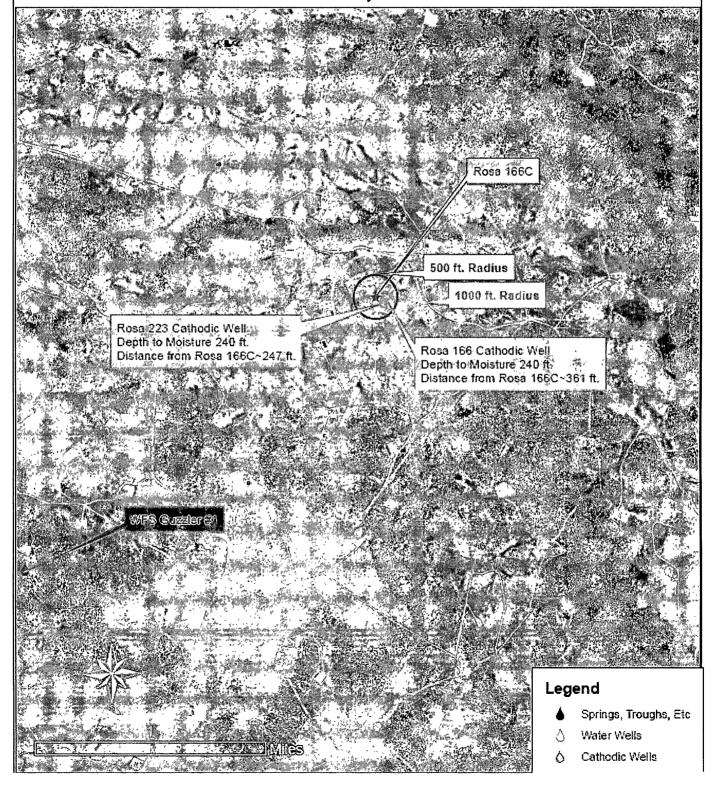
The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

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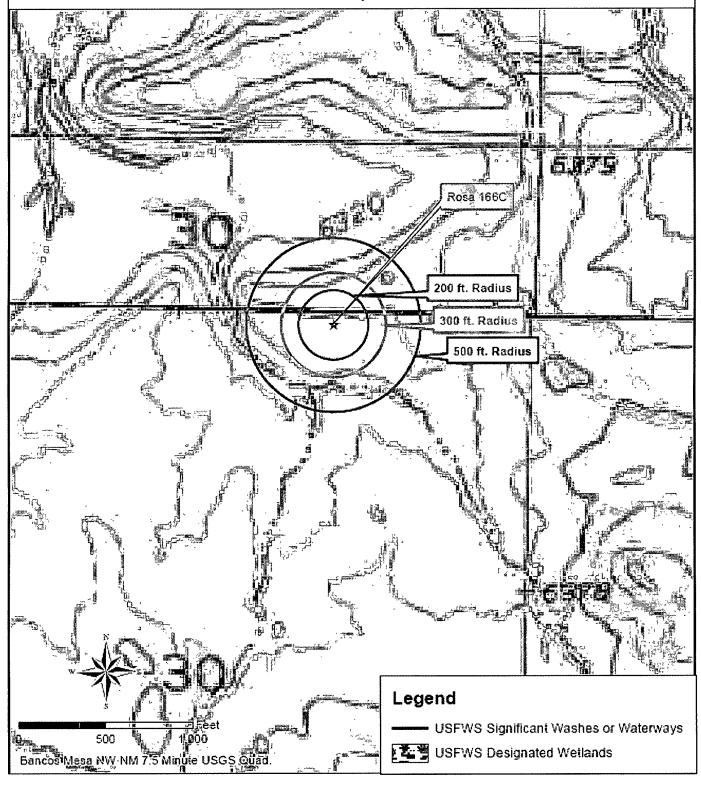
Page 1 of 1

WATER COLUMN/ AVERAGE DEPTH TO WATER

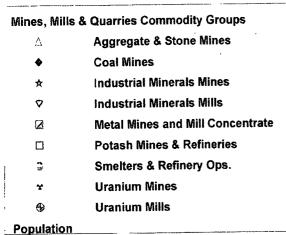
Siting Criteria Map I
Water Wells, Cathodic Wells, & Springs
Williams Production Company, LLC
Proposed Rosa Unit No. 166C
T31N, R05W, Section 30 NMPM
Rio Arriba County, New Mexico

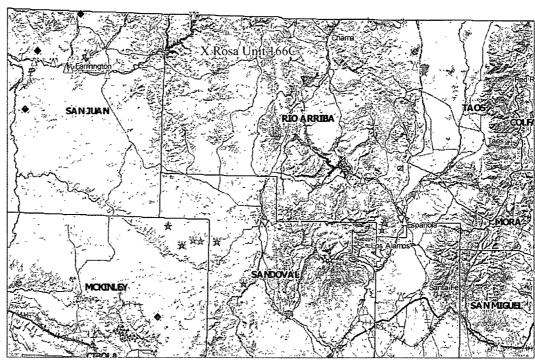


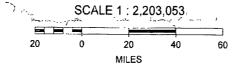
Siting Criteria Map II
Topographic Features
Williams Production Company, LLC
Rosa Unit No. 166C
T31N, R05W, Section 30 NMPM
Rio Arriba County, New Mexico



MMQonline Public Version







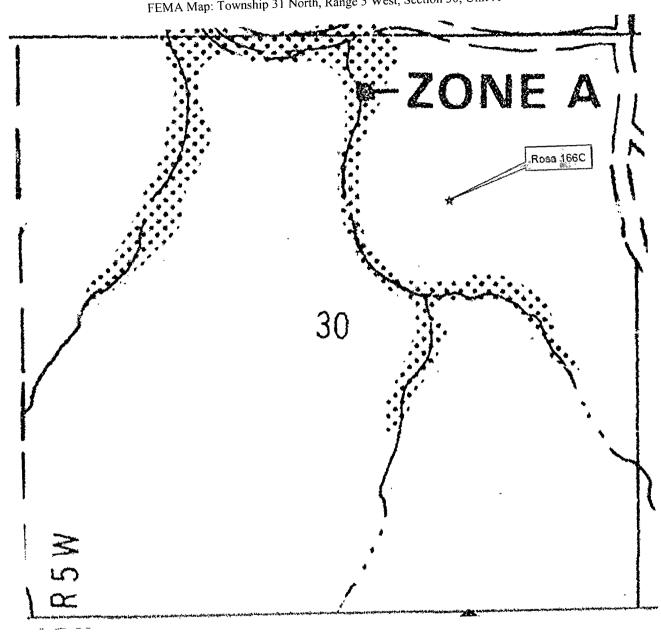


FEMA Map - 100-Year Floodplain:

This site is not located within a 100-year floodplain, according to FEMA maps (see attached FEMA map).

Siting Criteria Compliance Demonstrations:

The Rosa Unit #166C well is not located in an unstable area. The location is not situated over a mine or a steep slope. Excavated pit material will not be located within 300 feet of a continuously flowing water course or within 200 feet of any other significant water course, lakebed, sinkhole, or playa lake (see Siting Criteria Map II). The site is not within 500 feet of any reported riparian areas or wetlands; within 500 feet of any private, domestic fresh water well or spring; or within 1000 feet of any other fresh water well or spring (see Siting Criteria Map I). The proposed pit will not be within any incorporated municipal boundaries or defined municipal freshwater well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. The location of the proposed pit is not within 300 feet of any permanent residence, school, hospital, institution, or church.



Williams Production Co., LLC San Juan Basin: New Mexico Assets

Temporary Pit Design and Construction Plan Drilling/Completion and Workover

In accordance with Rule 19.15.17 NMAC, the following plan describes the general design and construction (D&C) of temporary pits on Williams Production Co, LLC (WPX) locations in the San Juan Basin of New Mexico. This is WPX's standard procedure for all temporary pits to be utilized for the drilling, completion and/or workover of oil and gas wells operated by WPX. For those temporary pits which do not conform to this standard plan, a separate well specific D&C plan will be developed and utilized.

General Plan Requirements:

- 1. WPX will design and construct a temporary pit to contain liquids and solids associated with drilling, completion and workover of oil and gas wells which will prevent contamination of fresh water resources and protect public health and the environment.
- 2. Prior to excavation of the pit, topsoil will be stripped and stockpiled within the construction zone for later use during restoration.
- 3. WPX will post a well sign, not less than 12" by 24", on the well site prior to construction of the temporary pit. This sign will list the operator on record, the location of the well site by unit letter/section/township/range, and emergency telephone number(s).
- 4. WPX shall construct all new fences utilizing 48" steel mesh field-fence (hogwire) on the bottom with a single strand of barbed wire on top. T-posts will be installed every 12 feet and corners shall be anchored utilizing a secondary T-post or similar bracing. Temporary pits will be fenced at all times excluding drilling/completion and/or workover operations when the rig is present on site, at which time the "front" side of the fence will be temporarily removed for operational purposes.
- 5. WPX shall construction the temporary pit so that the foundation and interior slopes are firm and free of rocks, debris, sharp edges or irregularities to meet manufacturers' specifications and potential liner failure.
- 6. WPX shall construct the pit so that the slopes are no steeper than two horizontal to one vertical. Where steeper slopes are required due to surface owner and right-a-way restriction, an engineers certification of stability will be provided with the well pit application.
- 7. Pit well will be walked down by a crawler type tractor following construction and prior to liner installation.
- 8. All temporary pits will be lined with a 20-mil, string reinforced, LLDPE liner, complying with EPA SW-846 method 9090A requirements.
- 9. Geotextile will be installed beneath the liner when rocks, debris, sharp objects or irregularities can not be avoided.
- 10. All liners will be anchored in the bottom of a compacted earth-filled trench consistent with manufacturer's specifications and at least 18 inches deep.
- 11. WPX will minimize liner seams and orient them up and down, not across slope faces. Factory seams will be used whenever possible. Field seams will be overlapped per manufacturers' specifications. WPX will minimize the number of field seams in corners and irregularly shaped areas.
- 12. The liner shall be protected from any fluid force or mechanical damage through the use of mud pit slides (secondary liner placed over the primary liner), and/or a manifold system.
- 13. The pit shall be protected from run-on by construction of diversion ditches around the location or around the perimeter of the pit in as necessary.
- 14. The volume of the pit shall not exceed 10 acre-feet, including freeboard
- 15. Temporary blow pits will be constructed to allow gravity flow to discharge into the lined reserve pit.
- 16. Only the upper portion of the blow pit will be unlined as allowed in the Rule 19.15.17.11.F(11) NMAC.
- 17. WPX will modify this design if field and/or operating conditions do not effectively allow drainage of the blow pit and freestanding liquids pose a potential concern.

Page 15 of 19 Rosa Unit 166C

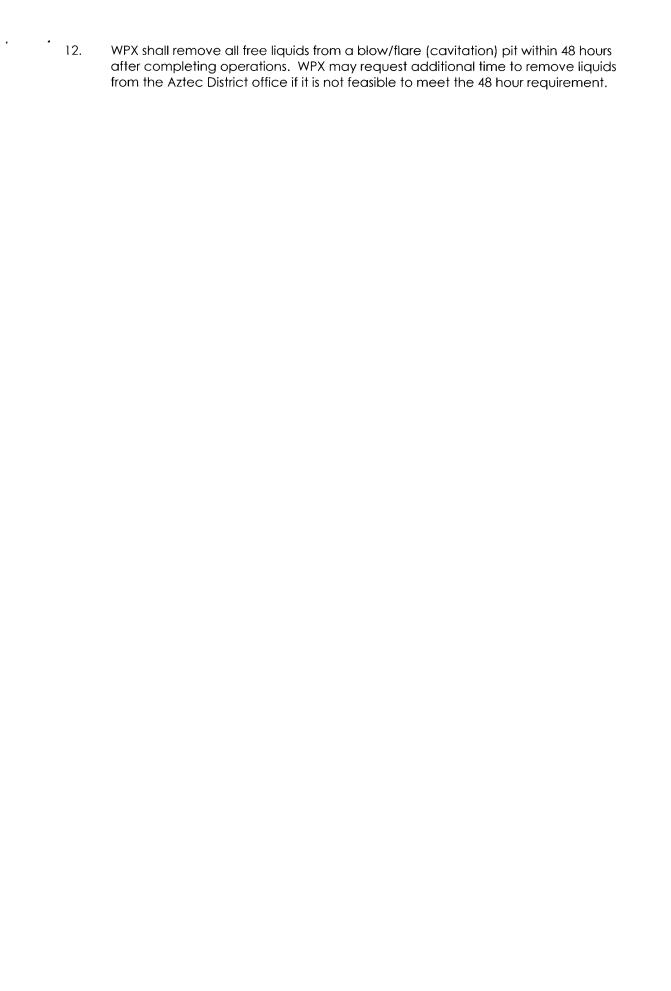
Williams Production Co., LLC San Juan Basin: New Mexico Assets

Temporary Pit Maintenance & Operating Plan Drilling/Completion and Workover

In accordance with Rule 19.15.17 NMAC, the following plan describes the general operations and maintenance (O&M)of temporary pits on Williams Production Co, LLC (WPX) locations in the San Juan Basin of New Mexico. This is WPX's standard procedure for all temporary pits to be utilized for the drilling, completion and/or workover of oil and gas wells operated by WPX. For those temporary pits which do not conform to this standard O&M plan, a separate well specific O&M plan will be developed and utilized.

General Plan Requirements:

- 1. WPX will operate and maintain a temporary pit to contain liquids and solids associated with drilling, completion and workover of oil and gas wells which will prevent contamination of fresh water resources and protect public health and the environment.
- 2. WPX will to the extent practical conserve drilling fluids for reuse by transferring liquids to pits ahead of the rigs. All other fluids will be disposed by evaporation or transport to Basin Disposal, Inc in Bloomfield, New Mexico (Permit # NM-01-005).
- WPX shall maintain at least two (2) feet of vertical freeboard for a temporary pit.
- 4. WPX shall remove all free liquids from a temporary pit within 30 days from the date the drilling or workover rig is released.
- 5. Only fluids and solids generated during the drilling/completion/workover process may be discharged into a temporary pit. Other miscellaneous soild waste or debris will not be allowed.
- 6. WPX will not discharge or store any hazardous waste as defined under RCRA 40CFR 261 and 19.15.1.7.W(3) NMA in any temporary pit.
- 7. If any pit liner's integrity is compromised, or if any penetration of the liner occurs:
 - a. Above the liquid's surface, WPX shall repair the damage or replace the liner as necessary. WPX will notify the NMOCD Aztec District Office by phone or email within 48-hours of discovery.
 - b. Leak below the liquid's surface, WPX shall suspend operations, remove all liquids above the damaged liner within 48 hours, and repair the damage or replace the liner. WPX will notify and report to NMOCD as follows:
 - i. If the release is less than 25 bbls, the Aztec District Office by phone or email within 48-hours of discovery and repair.
 - ii. If the release is suspected to be greater than 25 bbls, the Aztec District Office and the Environmental Bureau Chief by phone for immediate verbal notification pursuant to 19.15.3.116.B (1)(d).
 - c. Written Spill/Release reports will be submitted on Form C-141 per 19.15.3.116.C 'NMAC within 15 days to the Aztec District Office.
- 8. The liner shall be protected from any fluid force or mechanical damage through the use of mud pit slides (secondary liner placed over the primary liner), and/or a manifold system.
- 9. Diversion ditches, around the location or around the perimeter of the pit, shall be maintained as protection from run-on.
- 10. WPX shall immediately remove any visible layer of oil from the surface of a temporary pit following cessation of drilling/completion/workover operations. Oil absorbent booms will be utilized to contain and remove oil. An oil absorbent boom will stored on-site until the pit is covered.
- 11. WPX will inspect the temporary pits as follows to ensure compliance with this plan:
 - a. Daily during drilling or workover operations. Inspections will be included with the IADC reports.
 - b. Weekly as long as liquids remain in the pit. Electronic copies of the inspections will be kept at the WPX San Juan Basin office.
 - c. Copies of the inspections will be filed with the NMOCD Aztec District office upon pit closure.



Williams Production Co., LLC San Juan Basin: New Mexico Assets

Temporary Pit In-place Closure Plan Drilling/Completion and Workover (Groundwater >100 feet below pit liner)

In accordance with Rule 19.15.17.13 NMAC, the following plan describes the general in-place closure requirements of temporary pits on Williams Production Co, LLC (WPX) locations in the San Juan Basin of New Mexico. This is WPX's standard procedure for all temporary pits to be utilized for the drilling, completion and/or workovers of oil and gas wells operated by WPX. For those temporary pits which do not conform to this standard closure plan, a separate well/pit-specific closure plan will be developed and utilized.

All closure activities will include proper documentation and will be submitted to OCD within 60 days of the pit closure on a Closure Report using Division Form C-144. The Report will include the following:

- Details on Capping and Covering, where applicable
- Plot Plan (Pit Diagram)
- Inspection reports
- Sampling Results
- Division Form C-105: WELL COMPLETION OR RECOMPLETION REPORT AND LOG
- Copy of Deed Notice filed with the County Clerk (formatted to meet County requirements)

General Plan Requirements:

- 1. All free-standing liquids will be removed from the pit at the start of the closure process. Liquids will be removed in a manner that the appropriate District Office approves including: recycled, reused, reclaimed, evaporated, and/or disposed of in a Division-approved facility. Once all free liquids are removed, the sludge will be stabilized by one of the following methods depending on equipment availability: blending with clean stockpiled soils or dewatering using a Bowl Decanter Centrifuge, then blending with clean stockpiles soils.
- 2. The preferred method of closure for all temporary pits will be on-site closure by in-place burial, provided all the criteria in 19.15.17.13.B are met.
- 3. The surface owner shall be notified of WPX's proposed closure plan using a means that provides proof of notice (i.e. certified mail/return receipt requested).
- 4. Within six months of the "rig-off" status occurring, WPX will ensure that the temporary pit is covered and recontoured, and that reseeding is in progress.
- 5. Notice of Closure will be given to the Aztec District office between 72 hours and one week of the scheduled closure via email or phone. The notification of closure will include the following:
 - a. Operator's Name (WPX)
 - b. Well Name and API Number
 - c. Location (USTR)
- 6. The pit liner shall be removed above "mud level" after stabilization. Removal of the liner will consist of manually or mechanically cutting the liner at the mud level and removing all remaining liner. Care will be taken to remove "all" of the liner (i.e. anchored material). All excessive liner will be disposed of at a licensed disposal facility (probably San Juan Regional Landfill, operated by Waste Management under NMED Permit SWM-052426).

Page 18 of 19

7. A five-point composite sample will be taken of the pit using sampling tools; all samples will be tested per 19.15.17.13(B)(1)(b) NMAC. In the event that the criteria are not met (See Table 1), all contents will be handled per 19.15.17.13(B)(1)(a) (i.e. dig and haul to a Division-approved facility). Approval to haul will be requested of the Aztec District office prior to initiation.

Table 1: Closure Criteria for Temporary Pits in Non-sensitive Areas

Components	Testing Methods	Closure Limits (mg/Kg)
Benzene	EPA SW-846 Method 8021B or 8260B	0.2
BTEX	EPA SW-846 Method 8021B or 8260B	50
TPH	EPA SW-846 Method 8015 M(Full Range)*	2500
	or Method 418.1	
GRO/DRO	EPA SW-846 Method 8015M (GRO/DRO)	500
Chlorides	EPA SW-846 Method 300.1	1000

^{*} Preferred method

- 8. Upon completion of solidification and testing, the pit area will be backfilled with non-waste, earthen material compacted to native conditions to enable effective revegetation for successful evapotranspiration. A minimum of four feet of cover will be used, including replacement of one foot of suitable material to establish vegetation, or the background thickness of topsoil, whichever is greater.
- 9. Following cover, the site will be recontoured to meet the Surface Management Agency or surface owner requirements. Re-contouring will attempt to match fit, shape, line form, and texture of the surrounding geography. Re-shaping will provide drainage control, prevent ponding, and minimize erosion. Natural drainages will be unimpeded and stormwater Best Management Practices (BMPs) will be used to aid in soil stabilization and protect surface water quality.
- 10. Notification will be sent to the Aztec District office when the reclaimed area is seeded.
- 11. WPX shall seed the disturbed areas the first growing season after the pit is covered. Seeding will be accomplished via drilling on the contour whenever practical, or by other Division-approved methods. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted), consisting of at least three native plant species, including at least one grass, but not including noxious weeds. Cover will be maintained through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs. Note: WPX assumes the seeding stipulations, including mix and seeding methods, specified by the Surface Management Agency (BLM, BOR, USFS, Tribal, etc.) or Landowner as part of a surface use agreement or APD are Division-approved methods unless notified by the Division of their unacceptability.
- 12. Upon the abandonment of all wells on the pad, the temporary pit will be located with a steel marker no less than four inches in diameter, cemented in a hole three feet deep in the center of the on site burial. The marker will be flush with the ground to allow access of the active well pad and for safety concerns. The marker will include a threaded collar to be used for future abandonment. The top of the marker will contain a welded steel 12" square plate that indicates the on site burial of the temporary pit. The plate will be easily removable and a four-foot tall riser will be threaded into the top of the collar marker and welded around the base with the operations information at the time of all wells on the pad abandoned. The information will include Operator Name, Lease Name, Well Name and number, USTR, and an indicator that the marker is an onsite pit burial location.