

July 21, 2008

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

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

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.
For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

1869

Pit, Closed-Loop System, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application

- Type of action: ☐ Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method
☒ Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method
☐ Modification to an existing permit
☐ Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances

1
Operator: Energen Resources Corporation OGRID #: 162928
Address: 2010 Afton Place, Farmington, NM 87401
Facility or well name: Central Basin SWD #1
API Number: 30-045-34426 OCD Permit Number: _____
U/L or Qtr/Qtr N Section 09 Township 28N Range 13W County: Rio Arriba
Center of Proposed Design: Latitude 36.67145 Longitude -108.22770 NAD: ☐ 1927 ☐ 1983
Surface Owner: ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2
☐ Pit: Subsection F or G of 19.15.17.11 NMAC
Temporary: ☒ Drilling ☐ Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A
☒ Lined ☐ Unlined Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
☐ String-Reinforced
Liner Seams: ☐ Welded ☐ Factory ☐ Other _____ Volume: _____ bbl Dimensions: L _____ x W _____ x D _____

3
☐ Closed-loop System: Subsection H of 19.15.17.11 NMAC
Type of Operation: ☐ P&A ☐ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other _____
☐ Lined ☐ Unlined Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
Liner Seams: ☐ Welded ☐ Factory ☐ Other _____

4
☐ Below-grade tank: Subsection I of 19.15.17.11 NMAC
Volume: _____ bbl Type of fluid: _____
Tank Construction material: _____
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other _____
Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____

5
☐ Alternative Method:
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

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, hospital, institution or church*)
- ☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet
- ☐ Alternate. Please specify _____

7

Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)

- ☐ Screen ☐ Netting ☐ Other
- ☐ Monthly inspections (If netting or screening is not physically feasible)

8

Signs: Subsection C of 19.15.17.11 NMAC

- ☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
- ☐ Signed in compliance with 19.15.3.103 NMAC

9

Administrative Approvals and Exceptions:

Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.

- ☐ Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau 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 acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.

- | | |
|--|---|
| Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.
- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | <input type="checkbox"/> Yes <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.
- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.
- Written confirmation or verification from the municipality; Written approval obtained from the municipality | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within 500 feet of a wetland.
- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within the area overlying a subsurface mine.
- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within an unstable area.
- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within a 100-year floodplain.
- FEMA map | <input type="checkbox"/> Yes <input type="checkbox"/> No |

11.

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC**Instructions:** Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ 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: _____

12.

Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC**Instructions:** Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9
- ☐ Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
- ☐ Previously Approved Design (attach copy of design) API Number: _____
- ☐ Previously Approved Operating and Maintenance Plan API Number: _____ (Applies only to closed-loop system that use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

13

Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC**Instructions:** Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC
- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☐ Climatological Factors Assessment
- ☐ Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ 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

14.

Proposed Closure: 19.15.17.13 NMAC**Instructions:** Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.

- Type: ☐ Drilling ☐ Workover ☐ Emergency ☐ Cavitation ☐ P&A ☐ Permanent Pit ☐ Below-grade Tank ☐ Closed-loop System
- ☐ Alternative
- Proposed Closure Method: ☐ Waste Excavation and Removal
- ☐ Waste Removal (Closed-loop systems only)
- ☐ On-site Closure Method (Only for temporary pits and closed-loop systems)
- ☐ In-place Burial ☐ On-site Trench Burial
- ☐ Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)

15.

Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) **Instructions:** Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
- ☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
- ☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
- ☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- ☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
- ☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

16.

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)

Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Will any of the proposed closed-loop system operations and associated activities occur on or in areas that *will not* be used for future service and operations?

☐ Yes (If yes, please provide the information below) ☐ No

Required for impacted areas which will not be used for future service and operations:

- ☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

17.

Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC

Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.

Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within a 100-year floodplain. - FEMA map	<input type="checkbox"/> Yes <input type="checkbox"/> No

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 Subsection F of 19.15.17.13 NMAC
☐ Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 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 - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)
☐ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

19

Operator Application Certification:

I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

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OCD Approval: ☐ Permit Application (including closure plan) ☒ Closure Plan (only) ☐ OCD Conditions (see attachment)

OCD Representative Signature: Gonath D Kelly Approval Date: 1/12/2012

Title: Compliance Officer OCD Permit Number: _____

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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: 08/08/08

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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 will not be used for future service and operations?

☐ Yes (If yes, please demonstrate compliance to the items below) ☐ No

Required for impacted areas which will not be used for future service and operations:

☐ Site Reclamation (Photo Documentation)
☐ Soil Backfilling and Cover Installation
☐ Re-vegetation Application Rates and Seeding Technique

24

Closure Report Attachment Checklist: *Instructions: Each of the following items 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 36.67132 Longitude -108.22800 NAD: ☐ 1927 ☒ 1983

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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): Vicki Donaghey Title: Regulatory Analyst

Signature: Vicki Donaghey Date: 10/03/08

e-mail address: vdonaghe@energy.com Telephone: 505.324.4136



July 17, 2008

Bureau of Land Management
1235 La Plata Highway
Farmington, New Mexico 87401
Attn: Mr. Jim Lavoto

Certified Mail: 0000 5397 3779

Re: In-place Reserve Pit Closure
Central Basin SWD #1

Dear Mr. Lavoto:

As stated in an E-mail to Mr. Steve Henke on July 8, 2008, Energen Resources plans to close a reserve pit located on the subject well location using in-place closure. The well is located in Unit Letter N, Section 9, Township 28N, Range 13W in San Juan County, New Mexico.

If there are any questions or concerns, please contact me at 505-330-3584.

Sincerely,

Ed Hasely
Sr. Environmental Engineer
Energen Resources

Cc: Well File
Correspondence

Central Basin SWD #1	
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none">Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.Print your name and address on the reverse so that we can return the card to you.Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature <input checked="" type="checkbox"/> X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee
	B. Received by (Printed Name) VERA FLO C. Date of Delivery 7/21
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
1. Article Addressed to: Bureau of Land Management 1235 La Plata Hwy Farmington, NM 87401 Attn: Jim Lavoto	3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
2. Article Number (Transfer from service label)	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes
7007 1490 0000 5397 3779	

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-15

COPY

NOTICE OF LOCATION OF ON-SITE BURIAL

State: New Mexico
County: San Juan
Operator: Energen Resources Corporation
Address: 2010 Afton Place
Farmington, New Mexico 87401
Date:

Pursuant to §19.15.17.13 F(1)(f) NMAC, notice is hereby given of the on-site burial of a drying pad associated with a closed-loop drilling system, a temporary pit, or a temporary pit in lieu of a drying pad for the well or facility and location identified below:

Facility or Well Name: Central Basin SWD # 1
API Number: 30-045-34426
U/L or Qtr/Qtr: N (SE/4SW/4)
Section: 9 Township 28 North , Range 9 West
Center of Location: Latitude 36.67132 ; Longitude -108.22800

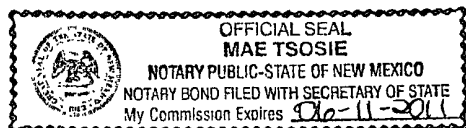
ENERGEN RESOURCES CORPORATION

By David M. Poage

Its: District Landman

STATE OF NEW MEXICO
COUNTY OF SAN JUAN

The foregoing instrument was acknowledged before me this 29th day of September, 2008, by David M. Poage, District Landman, of Energen Resources Corporation, an Alabama corporation, on behalf of said corporation.



Notary Public in and for the State of New Mexico

Mae Tsosie

Printed Name: Mae Tsosie

My Commission Expires: June 11, 2011

Submit to: Appropriate District Office District I 1625 N French Dr., Hobbs, NM 88240 District II 1301 W Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S St Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 July 17, 2008								
		1. WELL API NO. 30-045-34426								
		2. Type Of Lease <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN								
		3. State Oil & Gas Lease No.								
WELL COMPLETION OR RECOMPLETION REPORT AND LOG										
4 Reason for filing <input type="checkbox"/> COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) <input checked="" type="checkbox"/> C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33, attach this and the plat to the C-144 closure report in accordance with 19 15 17.13.K.NMAC)		5. Lease Name or Unit Agreement Name Central Basin SWD								
		6. Well Number #1								
9. Type of Completion <input type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input checked="" type="checkbox"/> OTHER Pit Closure										
8 Name of Operator Energen Resources Corporation		9. OGRID Number 162928								
10 Address of Operator 2010 Afton Place, Farmington, NM 87401		11. Pool name or Wildcat Entrada								
12 Location	Unit Letter	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County
Surface.										
BH.										
13 Date Spudded	14. Date T D Reached	15. Date Rig Released		16 Date Completed (Ready to Produce)		17. Elevations (DF & RKB, RT, GR, etc)				
		04/28/08								
18 Total Measured Depth of Well		19. Plug Back Measured Depth		20 Was Directional Survey Made		21. Type Electric and Other Logs Run				
22. Producing Interval(s), of this completion - Top, Bottom, Name										
23. CASING RECORD (Report all strings set in well)										
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD			AMOUNT PULLED			
24. LINER RECORD				25. TUBING RECORD						
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET			
26. Perforation record (interval, size, and number)					27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.					
					DEPTH INTERVAL		AMOUNT AND KIND MATERIAL USED			
28. PRODUCTION										
Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump)					Well Status (Prod. or Shut-in)			
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl	Gas - Oil Ratio			
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API -(Corr)				
29 Disposition of Gas (Sold, used for fuel, vented, etc.)							30. Test Witnessed By			
31 List Attachments										
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.										
33 If an on-site burial was used at the well, report the exact location of the on-site burial:										
Latitude 36.67132 Longitude -108.22800 NAD: 1927 X 1983										
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief										
Signature Vicki Donaghey			Printed Name Vicki Donaghey		Title Regulatory Analyst		Date 09/29/08			
E-mail address vdonaghe@energen.com										

42-10000-1

Southeastern New Mexico		Northeastern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp		T. Chinle	T.
T. Penn	T.	T. Permain	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

No. 1, from to No. 3, from to

No. 2, from to No. 4, from to

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from to feet

No. 2, from to feet

No. 3, from to feet

From	To	Thickness in Feet	Lithology

From	To	Thickness in Feet	Lithology

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

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 October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-34420	² Pool Code 96160	³ Pool Name SWD Mesa Verde
⁴ Property Code 36836	⁵ Property Name Central Basin SWD	⁶ Well Number # 1
⁷ OGRID No. 162 928	⁸ Operator Name ENERGEN RESOURCES CORPORATION	⁹ Elevation 6015'

¹⁰ Surface Location

U.I. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	9	28N	13W		690	SOUTH	1727	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

U.I. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

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.

<p>16</p> <p>RECEIVED</p> <p>SEP 12 2007</p> <p>Bureau of Land Management</p> <p>Farmington Field Office</p> <p>FD. 2 1/4" BRASS CAP GLO 1911</p> <p>FD. 3 1/4" BRASS CAP BLM 1961</p> <p>T29N</p> <p>T28N</p> <p>9</p> <p>SHL</p> <p>Lot: N36.67145°</p> <p>Long: W108.22770°</p> <p>NAD 83</p> <p>690'</p> <p>FD. 2 1/4" BRASS CAP GLO 1913</p> <p>FD. 2" ALUM. CAP PLS# 1999</p> <p>1727'</p> <p>N89°55'05"E 2661.17' (M) N89°58'55"E 2625.14' (M)</p> <p>S89°54'00"W 5289.90' (R)</p> <p>2306.70' (R) 2299.89' (M)</p> <p>N00°03'00"W N00°11'38"E</p>		<p>17 OPERATOR CERTIFICATION</p> <p>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 pursuant 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.</p> <p><i>Nathan Smith</i> 9/11/07</p> <p>Signature Date</p> <p>Nathan Smith</p> <p>Printed Name</p>	
		<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>8/29/07</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>W. BENALLY</p> <p>NEW MEXICO</p> <p>REGISTERED PROFESSIONAL SURVEYOR</p> <p>11952</p> <p>NM #11952</p> <p>Certificate Number</p>	

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

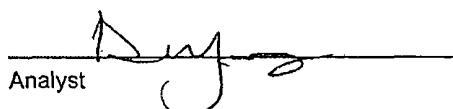
Client:	Energen Resources	Project #:	03022-0001
Sample ID:	Reserve Pit 1' Composite	Date Reported:	07-25-08
Laboratory Number:	46446	Date Sampled:	07-21-08
Chain of Custody No:	4823	Date Received:	07-21-08
Sample Matrix:	Soil	Date Extracted:	07-22-08
Preservative:	Cool	Date Analyzed:	07-23-08
Condition:	Intact	Analysis Requested:	8015 TPH

Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)
Gasoline Range (C5 - C10)	ND	0.2
Diesel Range (C10 - C28)	8.5	0.1
Total Petroleum Hydrocarbons	8.5	0.2

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: Central Basin SWD #1


Analyst


Review

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA Method 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

Quality Assurance Report

Client:	QA/QC	Project #:	N/A
Sample ID:	07-23-08 QA/QC	Date Reported:	07-25-08
Laboratory Number:	46429	Date Sampled:	N/A
Sample Matrix:	Methylene Chloride	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	07-23-08
Condition:	N/A	Analysis Requested:	TPH

	I-Cal Date	I-Cal RF	C-Cal RF	% Difference	Accept Range
Gasoline Range C5 - C10	05-07-07	1.0044E+003	1.0048E+003	0.04%	0 - 15%
Diesel Range C10 - C28	05-07-07	9.8504E+002	9.8544E+002	0.04%	0 - 15%

Blank Conc. (mg/L - mg/Kg)	Concentration	Detection Limit
Gasoline Range C5 - C10	ND	0.2
Diesel Range C10 - C28	ND	0.1
Total Petroleum Hydrocarbons	ND	0.2

Duplicate Conc. (mg/Kg)	Sample	Duplicate	% Difference	Accept Range
Gasoline Range C5 - C10	8.2	8.1	1.2%	0 - 30%
Diesel Range C10 - C28	160	159	0.6%	0 - 30%


Spike Conc. (mg/Kg)	Sample	Spike Added	Spike Result	% Recovery	Accept Range
Gasoline Range C5 - C10	8.2	250	254	98.5%	75 - 125%
Diesel Range C10 - C28	160	250	408	99.5%	75 - 125%

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: QA/QC for Samples 46429 - 46435 and 46446 - 46448.

Analyst



Christine M. Wacker
Review

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client:	Energen Resources	Project #:	03022-0001
Sample ID:	Reserve Pit 1' Composite	Date Reported:	07-24-08
Laboratory Number:	46446	Date Sampled:	07-21-08
Chain of Custody:	4823	Date Received:	07-21-08
Sample Matrix:	Soil	Date Analyzed:	07-23-08
Preservative:	Cool	Date Extracted:	07-22-08
Condition:	Intact	Analysis Requested:	BTEX

Parameter	Concentration (ug/Kg)	Det. Limit (ug/Kg)
Benzene	2.1	0.9
Toluene	2.3	1.0
Ethylbenzene	1.3	1.0
p,m-Xylene	8.3	1.2
o-Xylene	4.8	0.9
Total BTEX	18.8	

ND - Parameter not detected at the stated detection limit.

Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	97.0 %
	1,4-difluorobenzene	97.0 %
	Bromochlorobenzene	97.0 %

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: Central Basin SWD #1

Analyst

Review

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client:	N/A	Project #:	N/A
Sample ID:	07-23-BT QA/QC	Date Reported:	07-24-08
Laboratory Number:	46429	Date Sampled:	N/A
Sample Matrix:	Soil	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	07-23-08
Condition:	N/A	Analysis:	BTEX

Calibration and Detection Limits (ug/L)	I-Cal RF	C-Cal RF	%Diff	Blank Conc	Detect Limit
		Accept Range: 0 - 15%			
Benzene	1.1082E+008	1.1104E+008	0.2%	ND	0.1
Toluene	8.7519E+007	8.7694E+007	0.2%	ND	0.1
Ethylbenzene	6.7950E+007	6.8086E+007	0.2%	ND	0.1
p,m-Xylene	1.3882E+008	1.3909E+008	0.2%	ND	0.1
o-Xylene	6.6609E+007	6.6743E+007	0.2%	ND	0.1

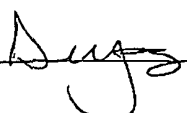
Duplicate Conc. (ug/Kg)	Sample	Duplicate	%Diff	Accept Range	Detect Limit
Benzene	4.1	4.0	2.4%	0 - 30%	0.9
Toluene	11.2	10.9	2.7%	0 - 30%	1.0
Ethylbenzene	115	115	0.0%	0 - 30%	1.0
p,m-Xylene	79.4	78.2	1.5%	0 - 30%	1.2
o-Xylene	7.6	7.3	3.9%	0 - 30%	0.9

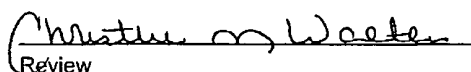
Spike Conc. (ug/Kg)	Sample	Amount Spiked	Spiked Sample	%Recovery	Accept Range
Benzene	4.1	50.0	53.7	99.3%	39 - 150
Toluene	11.2	50.0	59.2	96.7%	46 - 148
Ethylbenzene	115	50.0	162	98.1%	32 - 160
p,m-Xylene	79.4	100	173	96.5%	46 - 148
o-Xylene	7.6	50.0	52.6	91.3%	46 - 148

ND - Parameter not detected at the stated detection limit.

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.
Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996.

Comments: QA/QC for Samples 46429 - 46435 and 46446 - 46448.

Analyst 

Review 

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS

Client:	Energen Resources	Project #:	03022-0001
Sample ID:	Reserve Pit 1 Foot Composite	Date Reported:	07-22-08
Laboratory Number:	46446	Date Sampled:	07-21-08
Chain of Custody No:	4823	Date Received:	07-21-08
Sample Matrix:	Soil	Date Extracted:	07-21-08
Preservative:	Cool	Date Analyzed:	07-21-08
Condition:	Intact	Analysis Needed:	TPH-418.1

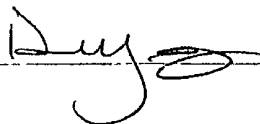
Parameter	Concentration (mg/kg)	Det. Limit (mg/kg)
Total Petroleum Hydrocarbons	86.3	5.0

ND = Parameter not detected at the stated detection limit.

References: Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water and Waste, USEPA Storet No. 4551, 1978.

Comments: Central Basin SWD #1.

Analyst



Review

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS QUALITY ASSURANCE REPORT

Client:	QA/QC	Project #:	N/A
Sample ID:	QA/QC	Date Reported:	07-22-08
Laboratory Number:	07-15-TPH.QA/QC 46228	Date Sampled:	N/A
Sample Matrix:	Freon-113	Date Analyzed:	07-21-08
Preservative:	N/A	Date Extracted:	07-21-08
Condition:	N/A	Analysis Needed:	TPH

Calibration	I-Cal Date	C-Cal Date	I-Cal RF:	C-Cal RF:	% Difference	Accept. Range
	07-02-08	07-21-08	1,440	1,330	7.6%	+/- 10%

Blank Conc. (mg/Kg)	Concentration	Detection Limit
TPH	ND	5.0

Duplicate Conc. (mg/Kg)	Sample	Duplicate	% Difference	Accept. Range
TPH	115	132	15.0%	+/- 30%

Spike Conc. (mg/Kg)	Sample	Spike Added	Spike Result	% Recovery	Accept Range
TPH	115	2,000	1,990	94.1%	80 - 120%

ND = Parameter not detected at the stated detection limit.

References: Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water and Waste, USEPA Storet No. 4551, 1978.

Comments: QA/QC for Samples 46429 - 46431 and 46446 - 46448.

Analyst

Review

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

Chloride

Client:	Energen Resources	Project #:	03022-001
Sample ID:	Reserve Pit 1 Foot Composite	Date Reported:	07-22-08
Lab ID#:	46446	Date Sampled:	07-21-08
Sample Matrix:	Soil	Date Received:	07-21-08
Preservative:	Cool	Date Analyzed:	07-22-08
Condition:	Intact	Chain of Custody:	4823

Parameter	Concentration (mg/Kg)
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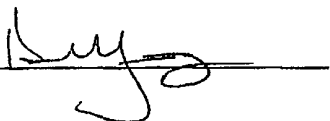
Total Chloride

304

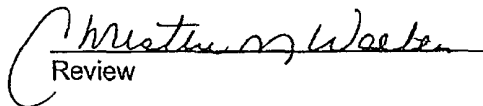
Reference: Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments: Central Basin SWD #1.

Analyst

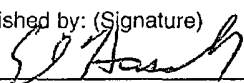
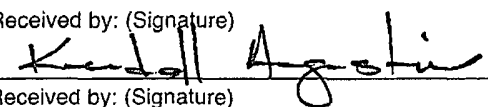


Review



CHAIN OF CUSTODY RECORD

4823

Client: Energen Resources			Project Name / Location: Central Basin SWD #1			ANALYSIS / PARAMETERS														
Client Address: 330-0342 mdeane@energen.com			Sampler Name: Hasely			TPH (Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	RCRA 8 Metals	Cation / Anion	FCl	TCLP with H/P	PAH	TPH (418.1)	Chloride				Sample Cool	Sample Intact
Client Phone No.:			Client No.: 03022-0001																	
Sample No./ Identification	Sample Date	Sample Time	Lab No.	Sample Matrix	No./Volume of Containers	Preservative														
						HgCl ₂	HNO ₃													
Reserve Pit 1 foot Composite	7/21	10a	46444	Soil	1															
Relinquished by: (Signature) 						Date	Time	Received by: (Signature) 						Date	Time					
						7/21	1:15							7/21/08	13:15					
Relinquished by: (Signature)								Received by: (Signature)												
Relinquished by: (Signature)								Received by: (Signature)												
ENVIROTECH INC. 5796 U.S. Highway 64 • Farmington, New Mexico 87401 • (505) 632-0615																				

Detail of Closure: completed by means of covering pit contents with a minimum of three feet of clean dirt and one foot of top soil.

Pit Inspection Log Sheet

Energen Resources Corporation

Well Name: Central Basin SWD #1 API #: 30-045-34426

Name (Print): MICHAEL L. DEAN Signature: Michael Dean Date: 6-18-08

Name (Print): MICHAEL L DEAN Signature: Michael L Dean Date: 7-1-08

Name (Print): John Harnatan Signature: [Signature] Date: 7-8-08

Name (Print): John Hampton Signature:  Date: 7-15-08

Name (Print): E. J. H. H. Signature: [Signature] Date: 7/21/08

Name (Print): Jess Markle Signature: [Signature] Date: 7-28-08

Name (Print): MICHAEL L DEAN Signature: [Signature] Date: 8-5-08

Name (Print): _____ Signature: _____ Date: _____

Name (Print): _____ Signature: _____ Date: _____

Name (Print): _____ Signature: _____ Date: _____

Name (Print): _____ Signature: _____ Date: _____

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Name (Print): _____ Signature: _____ Date: _____

Name (Print): _____ Signature: _____ Date: _____

Temporary Pit Closure Plan:

The pit will be closed with in place burial. The surface owner will be notified prior to closure by certified mail and the return receipt will be included in the closure packet. The OCD will be verbally or by other means notified at least 72 hours and not more than one week prior to the pit closing. The following process will be used to close the pit:

- 1) At time of closure, all free standing fluids will be removed and the contents will be solidified to a bearing capacity sufficient to support the final cover. This will be accomplished by mixing the contents with soil at a mixing ratio no greater than 3:1 soil to contents.
- 2) The liner will be cut off at the mudline.
- 3) Sampling will be done by collecting a minimum of a five-point composite sample of the contents after stabilization. If the ground water is less than 100 feet below the pit but greater than 50 feet, testing for Chlorides will be done to the lower limit. The sample will be analyzed for the following components;

Components	Tests Method	Limit (mg/Kg)
Benzene	EPA SW-846 8021B or 8260B	0.2
BTEX	EPA SW-846 8021B or 8260B	50
TPH	EPA SW-846 418.1	2500
GRO/DRO	EPA SW-846 8015M	500
Chlorides	EPA 300.1	1000/500

- 4) After demonstrating that the stabilized contents are under the limits listed above, the contents will be covered with compacted non-waste containing earthen material to a minimum of three feet. If stabilized contents exceed a volume that can be covered with three feet of earth and a foot of topsoil, the excess contents will be removed and sent to Envirotech (Permit NM-01-0011). If the stabilized contents do not meet the above stated limits, the stabilized contents will all be hauled to Envirotech pursuant to excavation and removal guidelines (19.15.17.13 B1)
- 5) After the stabilized contents have been covered, the stockpiled topsoil will be replaced to a minimum depth of one foot. Topsoil cover will be graded to prevent ponding of water and erosion of the cover material while matching pre-existing grade when possible. This will be accomplished within six months of rig release.
- 6) The exact location of the on-site burial will be reported to the Aztec field office on the C-105 form. A deed notice identifying the exact location of the on-site burial will be filed with the county clerk. The final closure report (C-144) will be filled within 60 days of closure completion and include sampling results, plot plan, details on back filling, covering and inspections during the life of the pit.
- 7) The disturbed area will be seeded or planted the first growing season after closing the pit. Seed will be drilled on the contour whenever practical or by other division-approved methods. The goal is to obtain vegetative cover that

equals 70% of the native cover (un-impacted by overgrazing, fire or other intrusion damaging to native vegetation) consisting of at least three native plant species, including at least one grass but not including noxious weeds. Cover will be maintained through two successive growing seasons. During the two growing seasons that prove viability there shall be no artificial irrigation of the vegetation. Seeding or planting will continue until the required cover is reached. If conditions are not favorable to establishment of vegetation due to periods of drought or similar problems then the Aztec office of the OCD will be notified. The Aztec office of the OCD will also be notified when the disturbed ground successfully achieves re-vegetation.

- 8) Until the abandonment of the wells on the pad where the pit is located, a steel marker no less than four inches in diameter will be cemented in a hole three feet deep in the center of the onsite burial. The top of this marker will be flush with the ground with a threaded collar for future abandonment use to allow access of the pad and for safety concerns. On top of this marker, a steel 12 inch square plate indicating onsite burial will be intermittent welded to the top of the collar to allow easy removal at time of the well being abandoned. Once all wells on the pad are abandoned a four foot tall riser will be threaded into the top of the marker and circumferential welded around the base with; operator name, lease name, well name and number, unit number, section, township and range, and a designation that it is an onsite burial location.

RCVD JAN 12'12

COVER PAGE

OIL CONS. DIV.
DIST. 3

ENERGEN RESOURCES
2010 AFTON PLACE
FARMINGTON NM 87401

OGRID # 162928

WELL NAME CENTRAL BASIN SWD^{#1}

API 30-045-34426

PERMIT 1869

MISSING DIAGRAM/PHOTO/DETAIL CLOSURE

Well Name: Central Basin SWD #1

Reserve Pit – Final Closure Report

The pit will be closed with in place burial. If the pit is located on private surface, the surface owner will be notified prior to closure by certified mail and the return receipt will be included in the closure packet. The OCD will be verbally or by other means notified at least 72 hours and not more than one week prior to the pit closing. The following process will be used to close the pit:

Notification to the OCD is included in this closure report package. Since the pit is located on private surface, the surface owner notification is included in this closure packet.

- 1) At time of closure, all free standing fluids will be removed and reused or disposed with Agua Moss LLC in the Pretty Lady #1 (Disposal API Number # 30-048-30922) or an Energen operated permitted disposal well. The contents will be solidified to a bearing capacity sufficient to support the final cover. This will be accomplished by mixing the contents with soil at a mixing ratio no greater than 3:1 soil to contents.

Fluids were removed and properly disposed in the Aqua Moss Pretty Lady #1(API 30-045-30922). The pit contents were solidified by mixing the contents with soil at a mixing ratio of approximately 3:1.

- 2) The liner will be cut off at the mud line of the stabilized contents.

The liner was cut off at the mud line of the stabilized contents.

- 3) Sampling will be done by collecting a minimum of a five-point composite sample of the contents after stabilization. The sample will be analyzed for the following components (if the groundwater is less than 100 feet below the pit but greater than 50 feet, testing for chlorides will be done to the lower limit);

Components	Tests Method	Limit (mg/Kg)	Results (mg/Kg)
Benzene	EPA SW-846 8021B or 8260B	0.2	.0021
BTEX	EPA SW-846 8021B or 8260B	50	.0188
TPH	EPA SW-846 418.1	2500	86.3
GRO/DRO	EPA SW-846 8015M	500	8.5
Chlorides	EPA 300.1	500/1000	304

Sampling results are listed in the above table.

- 4) After demonstrating that the stabilized contents are under the limits listed above, the contents will be covered with compacted non-waste containing earthen material to a minimum of three feet. If stabilized contents exceed a volume that can be covered with three feet of earth and a foot of topsoil the excess contents will be removed and sent to Envirotech (Permit NM-01-0011) or IEI Landfarm (Permit NM-01-0010B). If the stabilized contents do not meet the above stated limits the stabilized contents will all be hauled to Envirotech pursuant to excavation and removal guidelines (19.15.17.13 B1).

The contents were covered with three feet of compacted non-waste containing material.

- 5) After the stabilized contents have been covered, the stockpiled topsoil will be replaced to a minimum depth of one foot. Topsoil cover will be graded to prevent ponding of water and erosion of the cover material. This will be accomplished within six months of rig release.

The stockpiled topsoil was replaced to a depth of one foot and graded to prevent ponding and erosion.

- 6) The exact location of the on-site burial will be reported to the Aztec field office on the C-105 form. A deed notice identifying the exact location of the on-site burial will be filed with the county clerk if the pit is on private surface.

The C-105 form is attached. This pit is located on private property. Proof of Deed notice is required since the pit is located on private surface (per NMOCD FAQ dated 10/30/08.) A copy of the submittal to the county is attached.

- 7) The final closure report (C-144) will be filed within 60 days of closure completion and include sampling results, plot plan, details on backfilling, covering and inspections during the life of the pit.

This closure report includes sampling results, plot plan, closure details, inspections, and photos.

- 8) If the pit is located on federal or tribal surface, seeding will be deferred to BLM requirements per the BLM / OCD MOU. Otherwise, the disturbed area will be seeded or planted the first growing season after closing the pit. Seed will be drilled on the contour whenever practical or by other division-approved methods. The goal is to obtain vegetative cover that equals 70% of the native cover (un-impacted by overgrazing, fire or other intrusion damaging to native vegetation) consisting of at least three native plant species, including at least one grass but not including noxious weeds. Cover will be maintained through two successive

growing seasons. During the two growing seasons that prove viability, there shall be no artificial irrigation of the vegetation. Seeding or planting will continue until the required cover is reached. If conditions are not favorable to establishment of vegetation due to periods of drought or similar problems then the Aztec office of the OCD will be notified. The Aztec office of the OCD will also be notified when the disturbed ground successfully achieves re-vegetation.

The pit is located on private surface. Seeding was completed on 5/18/09. Seeding or planting will continue until the required cover is reached. The Aztec office of the OCD will also be notified when the disturbed ground successfully achieves re-vegetation.

- 9) Until the abandonment of the wells on the pad where the pit is located, a steel marker no less than four inches in diameter will be cemented in a hole three feet deep in the center of the onsite burial. The top of this marker will be flush with the ground. Once all wells on the pad are abandoned a four foot tall riser will be welded on top of the marker with; operator name, lease number, well name and number, unit number, section, township and range, and a designation that it is an onsite burial location.

The marker was installed in the center of the closed pit. The marker is set flush to the ground until final abandonment. At the time of abandonment, a four foot riser will be installed and marked as follows: Energen Resources – Lease # NMSF077968 – Central Basin SWD #1 – Unit N – Sec. 09, T28N, R13W – Pit Burial Site.

ENERGEN RESOURCES CORPORATION

Central Basin SWD #1

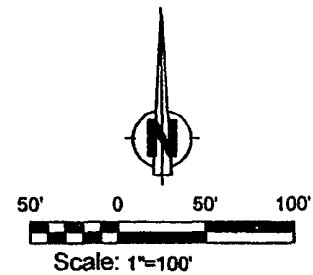
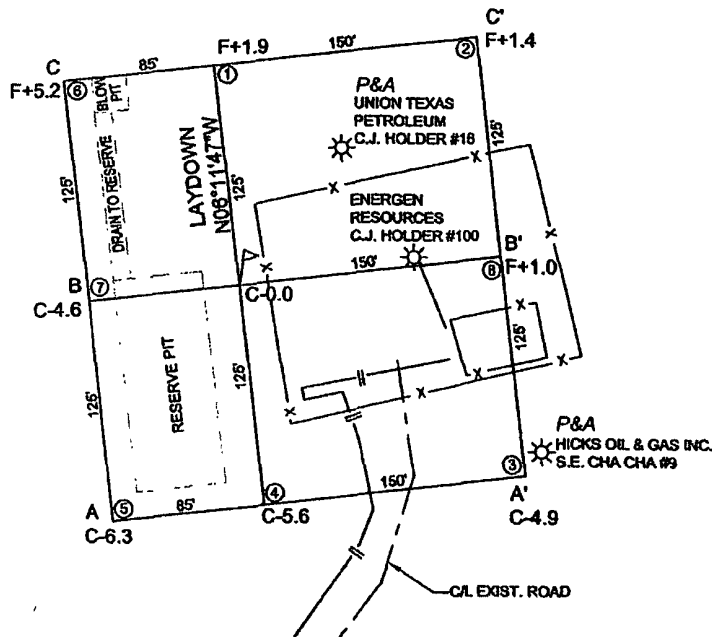
690' FSL & 1727' FWL

LOCATED IN THE SE/4 SW/4 OF SECTION 9,

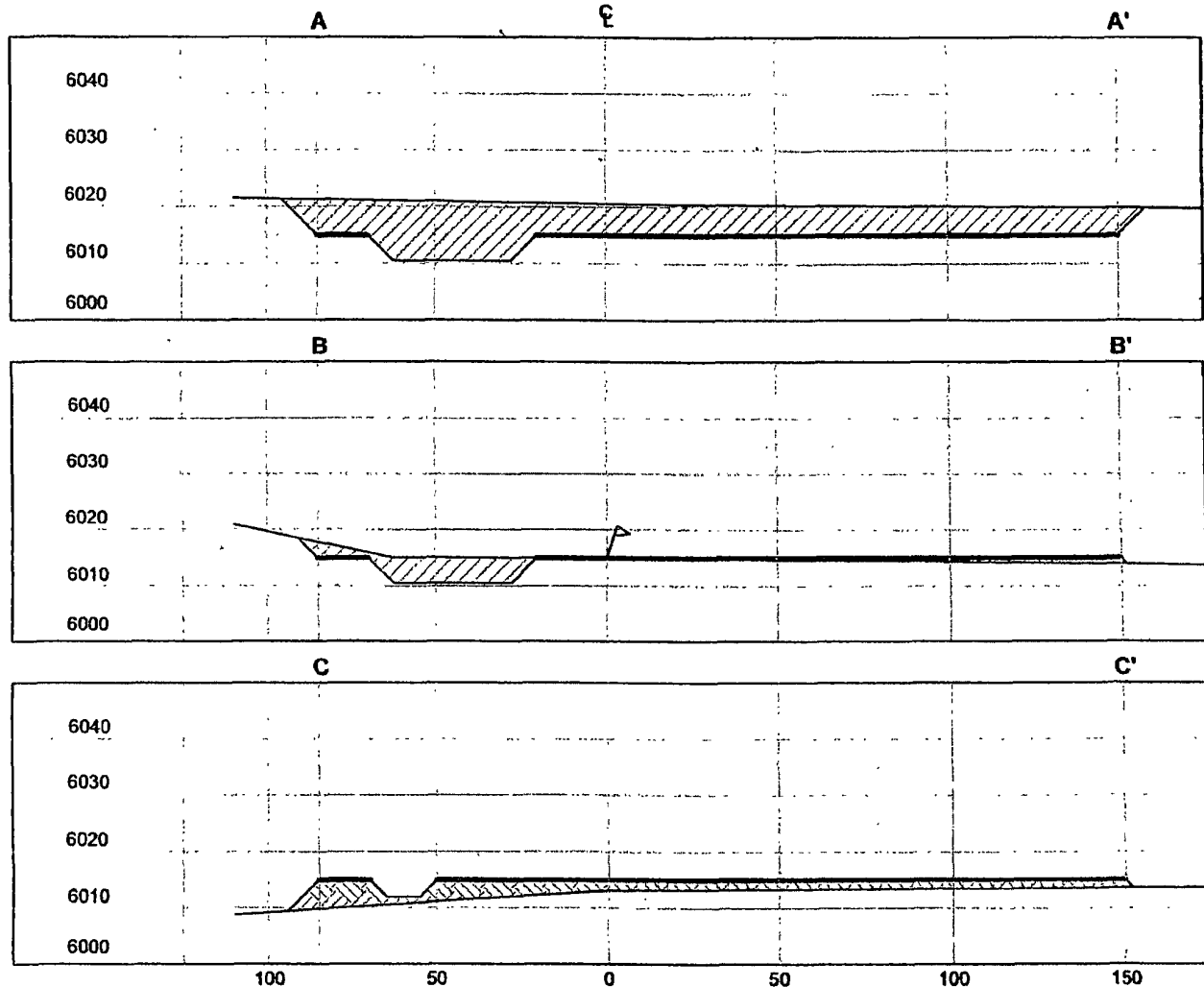
T28N, R13W, N.M.P.M.,

SAN JUAN COUNTY, NEW MEXICO

ELEVATION: 6015', NAVD 88



LATITUDE: 36.67145 N
LONGITUDE: 108.22770 W
DATUM: NAD 83



HORIZ. SCALE: 1"=50'
VERT. SCALE: 1"=30'

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A Native American Owned Company

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