

District I
25 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.

2647 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.

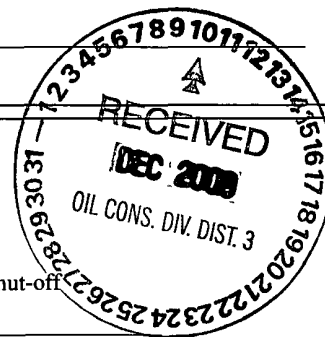
1.
Operator: Black Hills Gas Resources OGRID #: 013925
Address: P.O. Box 249 / 3200 North First Street Bloomfield, NM 87413
Facility or well name: Carson 29-04-11 #2H
API Number: 30-039-20649 OCD Permit Number: _____
U/L or Qtr/Qtr Unit H / SE/NE Section 11 Township 29 North Range 4 West County: Rio Arriba
Center of Proposed Design: Latitude 36.74144° N Longitude 107.21786° W 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 ☐ 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.	<p>Fencing: Subsection D of 19.15.17.11 NMAC (<i>Applies to permanent pits, temporary pits, and below-grade tanks</i>)</p> <p><input type="checkbox"/> Chain link, six feet in height, two strands of barbed wire at top (<i>Required if located within 1000 feet of a permanent residence, school, hospital, institution or church</i>)</p> <p><input type="checkbox"/> Four foot height, four strands of barbed wire evenly spaced between one and four feet</p> <p><input type="checkbox"/> Alternate. Please specify: _____</p>																				
7.	<p>Netting: Subsection E of 19.15.17.11 NMAC (<i>Applies to permanent pits and permanent open top tanks</i>)</p> <p><input type="checkbox"/> Screen <input type="checkbox"/> Netting <input type="checkbox"/> Other _____</p> <p><input type="checkbox"/> Monthly inspections (If netting or screening is not physically feasible)</p>																				
8.	<p>Signs: Subsection C of 19.15.17.11 NMAC</p> <p><input type="checkbox"/> 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers</p> <p><input type="checkbox"/> Signed in compliance with 19.15.3.103 NMAC</p>																				
9.	<p>Administrative Approvals and Exceptions:</p> <p>Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.</p> <p>Please check a box if one or more of the following is requested, if not leave blank:</p> <p><input type="checkbox"/> Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval.</p> <p><input type="checkbox"/> Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.</p>																				
10.	<p>Siting Criteria (regarding permitting): 19.15.17.10 NMAC</p> <p>Instructions: <i>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.</i></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 85%;"> <p>Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.</p> <p>- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells</p> </td> <td style="width: 15%; text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td> <p>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).</p> <p>- Topographic map; Visual inspection (certification) of the proposed site</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td> <p>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to temporary, emergency, or cavitation pits and below-grade tanks</i>)</p> <p>- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA </td> </tr> <tr> <td> <p>Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to permanent pits</i>)</p> <p>- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA </td> </tr> <tr> <td> <p>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.</p> <p>- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td> <p>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.</p> <p>- Written confirmation or verification from the municipality; Written approval obtained from the municipality</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td> <p>Within 500 feet of a wetland.</p> <p>- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td> <p>Within the area overlying a subsurface mine.</p> <p>- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td> <p>Within an unstable area.</p> <p>- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td> <p>Within a 100-year floodplain.</p> <p>- FEMA map</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> </table>	<p>Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.</p> <p>- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>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).</p> <p>- Topographic map; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to temporary, emergency, or cavitation pits and below-grade tanks</i>)</p> <p>- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA	<p>Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to permanent pits</i>)</p> <p>- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA	<p>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.</p> <p>- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>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.</p> <p>- Written confirmation or verification from the municipality; Written approval obtained from the municipality</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Within 500 feet of a wetland.</p> <p>- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Within the area overlying a subsurface mine.</p> <p>- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Within an unstable area.</p> <p>- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Within a 100-year floodplain.</p> <p>- FEMA map</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.</p> <p>- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No																				
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<p>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to temporary, emergency, or cavitation pits and below-grade tanks</i>)</p> <p>- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA																				
<p>Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to permanent pits</i>)</p> <p>- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA																				
<p>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.</p> <p>- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No																				
<p>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.</p> <p>- Written confirmation or verification from the municipality; Written approval obtained from the municipality</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No																				
<p>Within 500 feet of a wetland.</p> <p>- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No																				
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<p>Within an unstable area.</p> <p>- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No																				
<p>Within a 100-year floodplain.</p> <p>- FEMA map</p>	<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: _____

20.

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

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

Title: Compliance Officer OCD Permit Number: _____

21.

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: November 15, 2008

22.

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 identify 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 36.701214° N Longitude 107.218246° W 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): Daniel Manus Title: Regulatory Technician

Signature: Daniel Manus Date: Dec 9, 2008

e-mail address: daniel.manus@blackhillscorp.com Telephone: 505-634-1111 ext 28



Black Hills Gas Resources

Carson 29-04-11 #2H

Surface Location: 1,770' FNL 944' FEL (SE/NE) Unit H

Sec.11 T29N R04W

Rio Arriba County, New Mexico Lease: NM18316

Closure Report Compliance Demonstrations

- **Pit closure date**
 - Pit was closed on November 15, 2008
- **Proof of Closure Notification**
 - See attached letter and certified mail return receipt
- **Proof of Deed Notice**
 - The pit is located on the Carson National Forest Service Land.
- **Plot Plan**
 - See attached Plot Plan for the pit and the well location map.
- **Confirmation Sampling**
 - See attached supporting analytical results
 - Benzene measured ND below the *detection limit of 0.2 mg/kg*
 - BTEX measured ND mg/kg total, below the *detection limit of 50 mg/kg total*
 - TPH measured 500 mg/kg below the *detection limit of 2500 mg/kg*
 - GRO measured ND mg/kg below the *detection limit of 500 mg/kg*
 - DRO measured 130 mg/kg below the *detection limit of 500 mg/kg*
 - Chloride measured 165 below the *detection limit of 1000 mg/kg*
- **Soil Backfilling and Cover Installation**
 - The pit was closed using BHGR previously approved closure plan.
 - Highlights
 - The pit contents were blended 3 to 1 and sampled
 - Four-foot of soil cover was used to cover the pit contents.
 - Topsoil was applied to the thickness of background topsoil.
 - Seeds were applied using a Land Pride drill seeder set at approximately 20 pounds per acre. Approximately 1.5 acres including the pit were reclaimed and re-seeded with a total of approximately 30 pounds of seed used.
 - See BHGR typical pit closure design
- **Re-vegetation Application Rate**
 - The approved Forest Service seed mix was applied at a rate of 20 pounds per acre.
 - See attached Forest Service seed mixture and application rates.
- **Site Reclamation**
 - See attached before and after photos of the pit.
- **Pit inspection**
 - See attached.

Siting Criteria for Carson 29-04-11 #2H



Black Hills Gas Resources, Inc.

A subsidiary of Black Hills Exploration and Production, Inc.

3200 N 1st Street – PO Box 249 Bloomfield, NM 87413

Daniel Manus
Regulatory Technician

Bus: (505) 634-1111 ext. 28
Fax: (505) 634-1116
daniel.manus@blackhillscorp.com

November 19, 2008

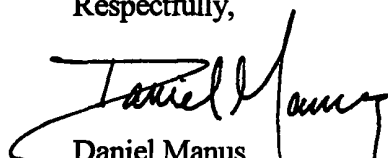
Carson National Forest Service
Jicarilla Ranger District
664 East Broadway
Bloomfield, NM 87413

Mark Catron:

In accordance with the State of New Mexico Rule 19.15.17.12 NMAC, Surface Owner Notification, Black Hills Gas Resources (BHGR) has closed the drilling pit for the Carson 29-04-11 #2H gas well. The pit was closed on November 15, 2008. Attached are a site map and the Plot Plan indicating the location and the closed pit in reference to the well-head.

If there are any questions contact Daniel Manus (505) 634-1111 extensions 28.

Respectfully,

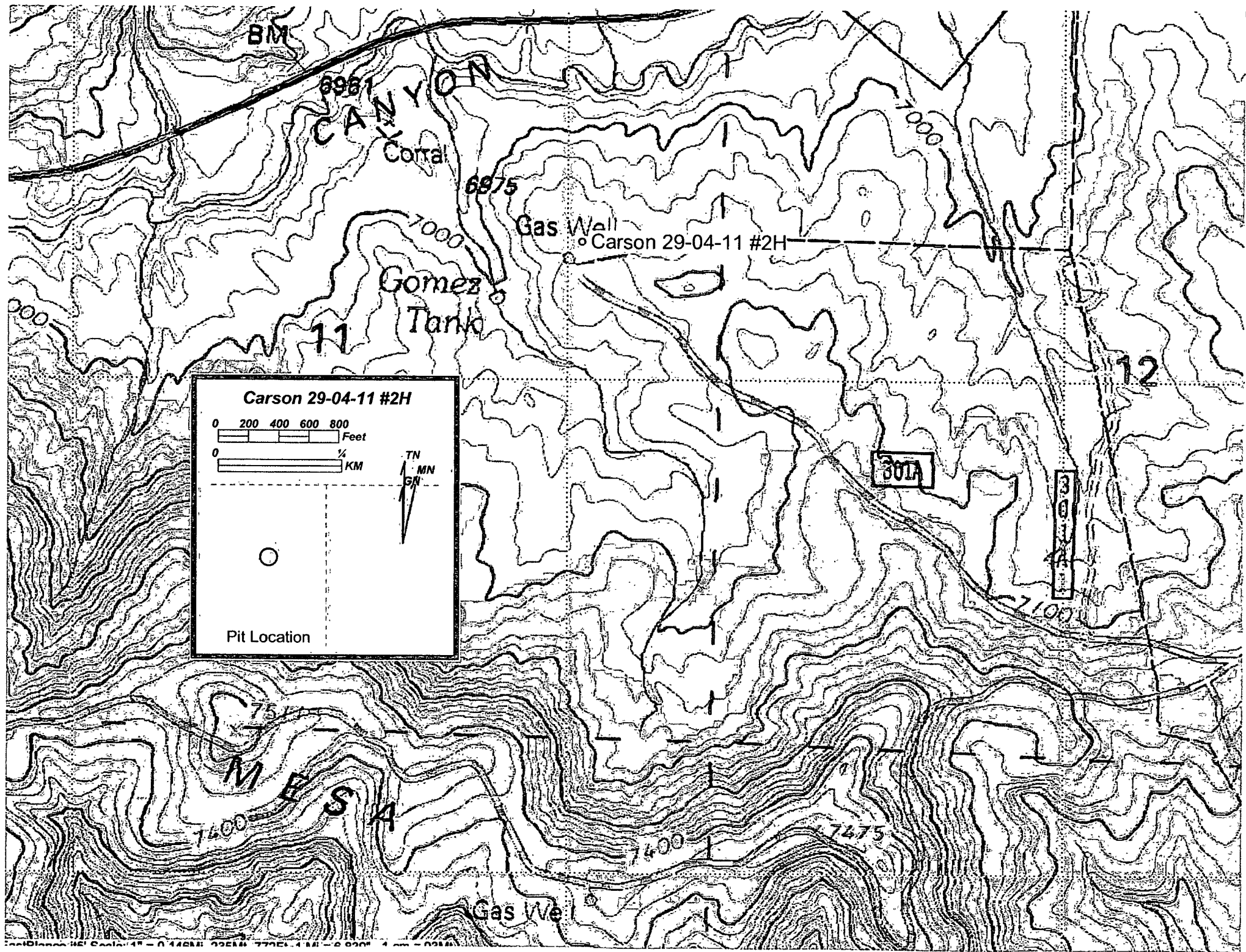

Daniel Manus
Regulatory Technician

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.		<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
1. Article Addressed to:		3. Service Type:	
Carson National Forest Service Jicarilla Ranger Dist. 664 East Broadway Bloomfield NM 87413		<input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
2. 7007 0220 0004 0187 5003		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

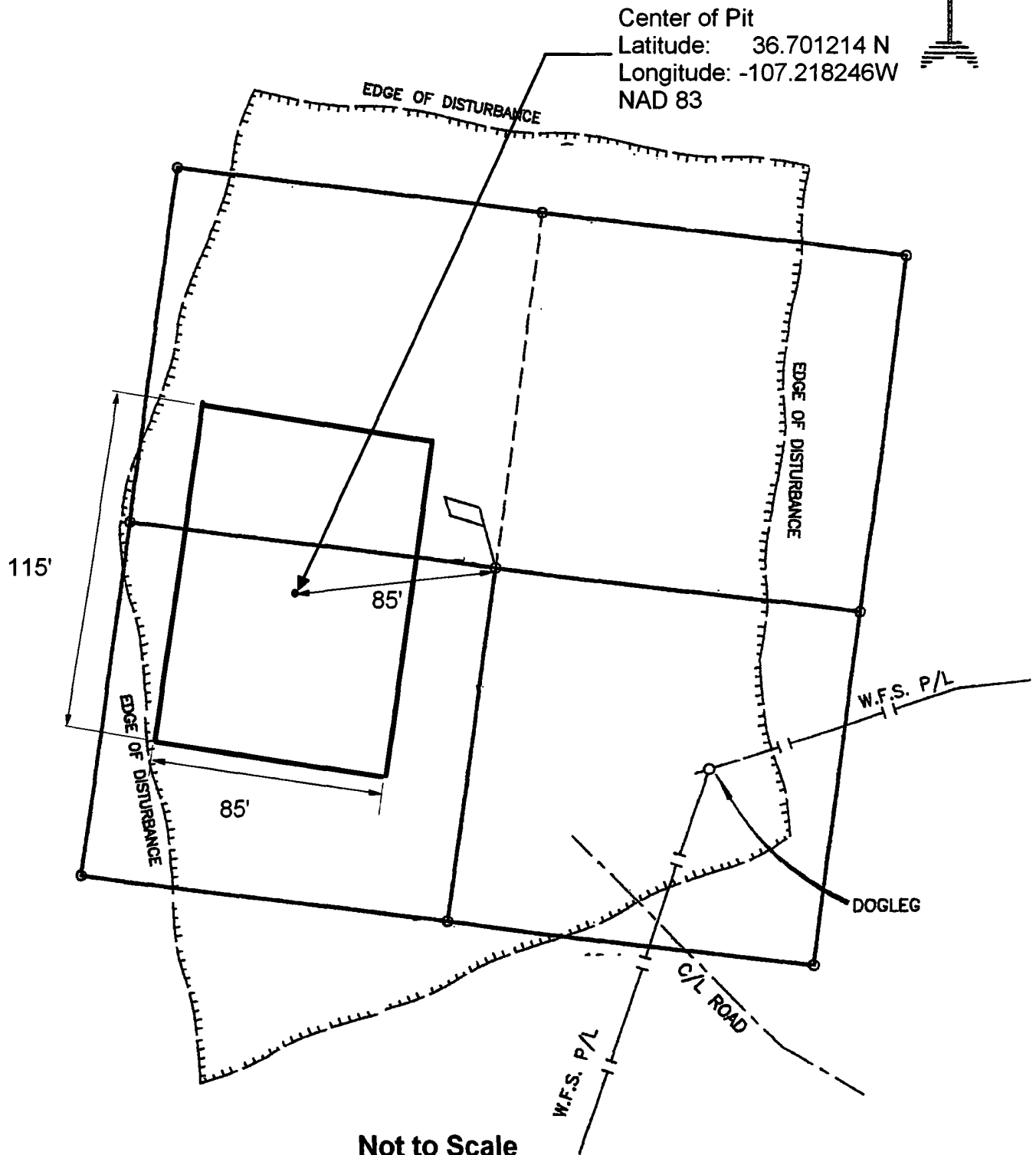
CERTIFIED MAIL 7007 0220 0004 0187 5003

CC File
Brandon Powell NMOCD



WELL PAD DIAGRAM

COMPANY: BLACK HILLS GAS RESOURCES
LEASE: 29-4 CONOCO 11 No. 2 (aka CARSON 29-04-11 No. 2H)
FOOTAGE: 1770 FNL 944 FEL
SEC.: 11 , TWN: 29-N , RNG: 4-W , NMPPM
ELEVATION: 7066





Inter-Mountain Laboratories

Date: 16-Oct-08

CLIENT: Black Hills Gas Resources
Project: MC 29-02-11#2
Lab Order: O0810012

CASE NARRATIVE

Report ID: O0810012001

This data package consists of the following:

Case Narrative - 1 page
Sample Analysis Reports - 1 pages
Quality Control Reports - 6 pages
Inorganic Case Narrative - 1 page
Inorganic Sample Analysis Reports - 1 page
Copy of the Chain of Custody Record - 1 page
Condition Upon Receipt form - 1 page

Samples were analyzed for organic constituents using the methods outlined in the following references:

- Test Methods for Evaluating Solid Waste, Physical/Chemical Methods, SW846, 3rd Edition, United States Environmental Protection Agency (USEPA).

All method blanks, duplicates, laboratory spikes, and/or matrix spikes met quality assurance objectives with the following exceptions. The sample O0810009-001ADUP is out of acceptance for surrogate recovery with the DRO analysis. The sample O0810009-001AMS is out of acceptance for spike recovery for Toluene and O-Xylene with the 8021 analysis.

Data qualifiers are defined at the bottom of each page.



Sample Analysis Report

CLIENT: Black Hills Gas Resources

3200 North 1st Street

PO Box 249

Bloomfield, NM 87413

Date Reported: 10/16/2008

Report ID: O0810012001

Project: MC 29-02-11#2

Lab ID: O0810012-001

Client Sample ID: MC 29-02-11#2 Pit Mix

Matrix: Soil

Work Order: O0810012

Collection Date: 10/8/2008 10:30:00 AM

Date Received: 10/9/2008 10:30:00 AM

COC: 116885

Analyses	Result	PQL	Limits	Qual	Units	Date Analyzed/Init
8021B MBTEXN-Soil						Prep Date: 10/13/2008
Benzene	ND	0.50			mg/Kg	10/14/2008 MAB
Toluene	ND	0.50			mg/Kg	10/14/2008 MAB
Ethylbenzene	ND	0.50			mg/Kg	10/14/2008 MAB
m,p-Xylenes	ND	1.0			mg/Kg	10/14/2008 MAB
o-Xylene	ND	0.50			mg/Kg	10/14/2008 MAB
Surr: 4-Bromofluorobenzene	103		80-138		%REC	10/14/2008 MAB
8015B Gasoline Range Organics-Soil						Prep Date: 10/13/2008
Gasoline Range Organics (nC6-nC10)	ND	10			mg/Kg	10/14/2008 MAB
Surr: 4-Bromofluorobenzene	109		65-141		%REC	10/14/2008 MAB
8015B Diesel Range Organics-Soil						Prep Date: 10/13/2008
Diesel Range Organics (nC10-nC32)	130	20			mg/Kg	10/15/2008 ECS
Surr: o-Terphenyl	66.0		56-117		%REC	10/15/2008 ECS

These results apply only to the samples tested.

Qualifiers:

- * Value exceeds Maximum Contaminant Level
- D Diluted out of recovery limit
- H Holding times for preparation or analysis exceeded
- M Matrix Effect
- S Spike Recovery outside accepted recovery limits

- B Analyte detected in the associated Method Blank
- E Value above quantitation range
- J Analyte detected below quantitation limits
- ND Not Detected at the Reporting Limit

Reviewed by:

Tom Patten, Laboratory Manager



Date: 15-Oct-08

CLIENT: Black Hills Gas Resources
Project: MC 29-02-11 #2
Lab Order: S0810248

CASE NARRATIVE
Report ID: S0810248001

Sample MC 29-02-11 #2 Pit Mix was received on October 9, 2008.

All samples were received and analyzed within the EPA recommended holding times, except those noted in this case narrative. Samples were analyzed using the methods outlined in the following references:

U.S.E.P.A. 600 "Methods for Chemical Analysis of Water and Wastes", 1993
"Standard Methods For The Examination of Water and Wastewater", 20th ed., 1998
Test Methods for Evaluating Solid Waste, Physical/Chemical Methods, SW846, 3rd Edition

All Quality Control parameters met the acceptance criteria defined by EPA and Inter-Mountain Laboratories except as indicated in this case narrative.



Sample Analysis Report

CLIENT: Black Hills Gas Resources
3200 North 1st Street; P.O. Box 249
Bloomfield, NM 87413

Date Reported: 10/15/2008
Report ID: S0810248001

Project: MC 29-02-11 #2
Lab ID: S0810248-001
Client Sample ID: MC 29-02-11 #2 Pit Mix
COC: 116885

Work Order: S0810248
Collection Date: 10/8/2008 10:30:00 AM
Date Received: 10/9/2008
Sampler:
Matrix: Soil

Analyses	Result	PQL	Qual	Units	Date Analyzed/Init	Method
General Parameters-Soil						
TPH 418.1	500	100		ppm	10/09/2008 000 LJK	418.1
Soil Anions						
Chloride	165	0.01		ppm	10/14/2008 000 LK	USDA 60-3a

These results apply only to the samples tested.

Qualifiers:

- * Value exceeds Maximum Contaminant Level
- E Value above quantitation range
- J Analyte detected below quantitation limits
- M Value exceeds Monthly Ave or MCL
- S Spike Recovery outside accepted recovery limits

- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded
- L Analyzed by a contract laboratory
- ND Not Detected at the Reporting Limit

Reviewed by: Karen A Secor
Karen Secor, Soil Lab Supervisor



Inter-Mountain Laboratories, Inc.

Sheridan, WY and Gillette, WY

- CHAIN OF CUSTODY RECORD -

This is a LEGAL DOCUMENT. All shaded fields must be completed.

116885

Client Name BHGR		Project Identification MC 29-02-11 #2		Sampler (Signature/Printed) <i>[Signature]</i>		Telephone # 505-634-1111																	
Report Address P.O. Box 249 Bloomfield, NM 87413		Contact Name and Email Lynn H. Benally Lynn.H.Benally@state.nm.us		ANALYSES / PARAMETERS																			
Invoice Address Same #		Voice 505-634-1111		<table border="1"><tr><td>BTX</td><td>DDO</td><td>GRO</td><td>TPH 418.1</td><td>CE</td><td></td><td></td><td></td></tr><tr><td>X</td><td>X</td><td>X</td><td>X</td><td>X</td><td></td><td></td><td></td></tr></table>				BTX	DDO	GRO	TPH 418.1	CE				X	X	X	X	X			
BTX	DDO	GRO	TPH 418.1					CE															
X	X	X	X	X																			
		FAX 505-634-1114																					
		Purchase Order #		Quote #																			
ITEM	LAB ID (Lab Use Only)	DATE SAMPLED	TIME	SAMPLE IDENTIFICATION	Matrix	# of Containers	REMARKS																
1		10/8/08	1030	MC 29-02-11 #2 Bit mix	SL	4	1 Duplicate																
2																							
3																							
4																							
5																							
6																							
7																							
8																							
9																							
10																							
11																							
12																							
13																							
14																							
LAB COMMENTS		Relinquished By (Signature/Printed)		DATE	TIME	Received By (Signature/Printed)																	
		<i>[Signature]</i>		10/8/08	1300	<i>[Signature]</i>																	
SHIPPING INFO		MATRIX CODES		TURN AROUND TIMES		COMPLIANCE INFORMATION																	
<input type="checkbox"/> UPS		Water WT		<input type="checkbox"/> Check desired service		Compliance Monitoring ? Y/N																	
<input checked="" type="checkbox"/> Fed Express		Soil SL		<input type="checkbox"/> Standard turnaround		Program (SDWA, NPDES, ...)																	
<input type="checkbox"/> US Mail		Solid SD		<input checked="" type="checkbox"/> RUSH - 5 Working Days		PWSID / Permit #																	
<input type="checkbox"/> Hand Carried		Trip Blank TB		<input checked="" type="checkbox"/> URGENT - < 2 Working Days		Chlorinated?																	
<input type="checkbox"/> Other		Other OT		Rush & Urgent Surcharges will be applied		Sample Disposal: Lab X Client Y/N																	
						ADDITIONAL REMARKS																	



Condition Upon Receipt (Attach to COC)

Sample Receipt

1 Number of ice chests/packages received: 1

Note as "OTC" if samples are received over the counter, unpackaged

2 Temperature of cooler/samples.

Temps (°C): 3.7

Acceptable is 0.1 to 6°C. Also acceptable is "Received on Ice" (ROI) for samples received on the same day as sampled or "Received at Room Temperature" (RRT) for samples received within one hour of sampling.

Client contact for temperature failures must be documented below.

3 COC Number (If applicable): 116885

4 Do the number of bottles agree with the COC?

Yes

No

N/A

5 Were the samples received intact? (no broken bottles, leaks, etc.)

Yes

No

N/A

6 Were the sample custody seals intact?

Yes

No

N/A

7 Is the COC properly completed, legible, and signed?

Yes

No

Sample Verification, Labeling & Distribution

1 Were all requested analyses understood and appropriate?

Yes

No

2 Did the bottle labels correspond with the COC information?

Yes

No

3 Samples collected in proper containers?

Yes

No

4 Were all containers properly preserved?

Yes

No

N/A

**Added
at Lab**

Client contact for preservation failures must be documented below.

5 VOA vials have <6mm headspace?

Yes

No

N/A

6 Were all analyses within holding time at the time of receipt?

Yes

No

7 Have rush or project due dates been checked and accepted?

Yes

No

N/A

Attach Lab ID labels to the containers and deliver to appropriate lab section.

Set ID: 00810012

8 Login verification

Client Name: Yes - No

Project Name: Yes - No

Matrix: Yes - No

Sample Receipt, Verification, Login, Labeling & Distribution completed by (initials):

[Signature]

Discrepancy Documentation (use back of sheet for notes on discrepancies)

Any items listed above with a response of "No" or do not meet specifications must be resolved.

Person Contacted: _____

Telephone Number: _____

Initiated By: _____

Date/Time: _____

Problem: _____

Resolution: _____

Person Contacted: _____

Telephone Number: _____

Initiated By: _____

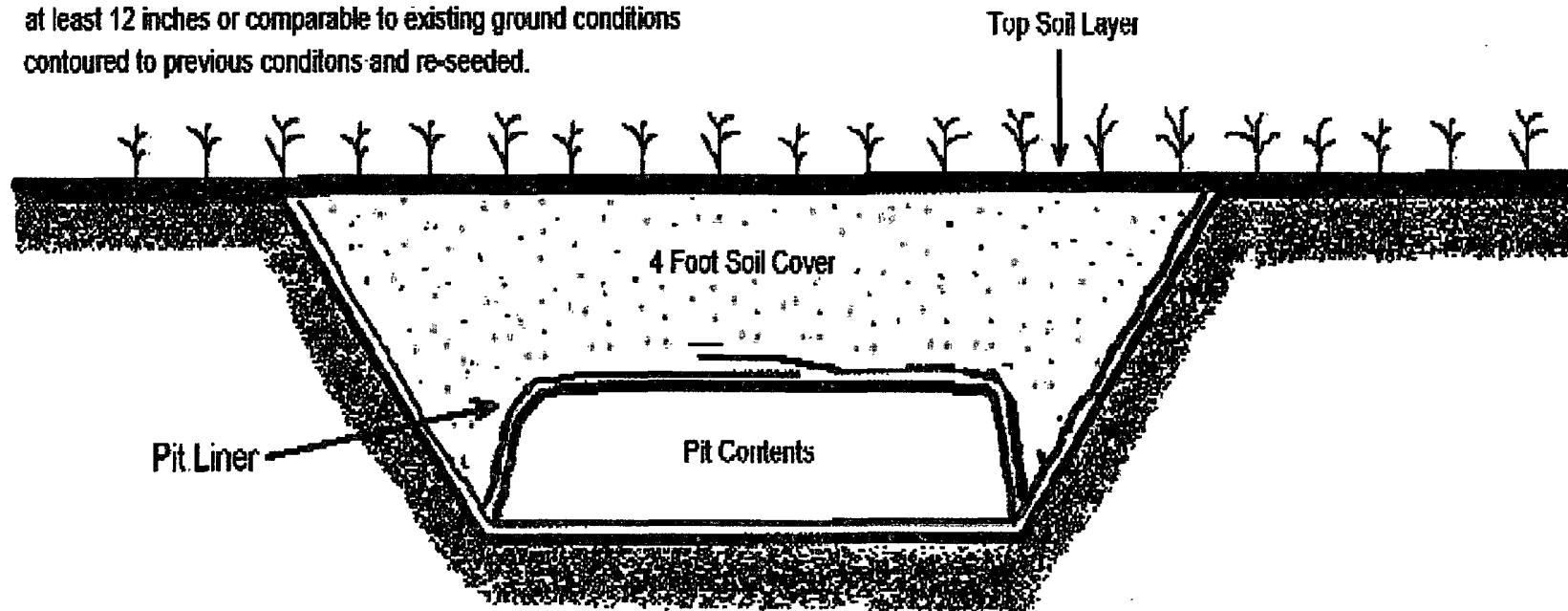
Date/Time: _____

Problem: _____

Resolution: _____

Black Hills Gas Resources Pit Closure Diagram

Minimum 4 foot soil cover compacted with a topsoil layer at least 12 inches or comparable to existing ground conditions contoured to previous conditions and re-seeded.



crimped in at 2 tons per acre or excelsior mats or equivalent will be used), and seeded with the required seed mix. Slopes will be contour ripped, pocked, or waterbarred to prevent erosion on the location and designed in a manner that excessive erosion does not occur off-site. Cut and fill slopes will be topsoiled and mulched, as specified above, and revegetated.

- C. Recommended seeding date is between September 15 and November 1. Seeding shall be completed prior to November 1 of the year the well is drilled unless waived by the Forest Service. Seeding will be done with a disc-type drill with two boxes for various seed sizes. The drill rows will be eight (8) to ten (10) inches apart. The seed will be planted between one-half (1/2) and three-fourths (3/4) of an inch deep. The seeder will be followed with a drag, packer or roller to insure uniform coverage of the seed, and adequate compaction. Drilling of the seed will be done on the contour where possible. Where slopes are too steep for contour drilling a "cyclone" hand-seeder or similar broadcast seeder will be used, using twice the recommended seed per acre. Seed will then be covered to a depth described above by whatever means is practical. Alternative seeding methods may be authorized with approval of the Forest Service.

Forest Service Required Seed Mixture

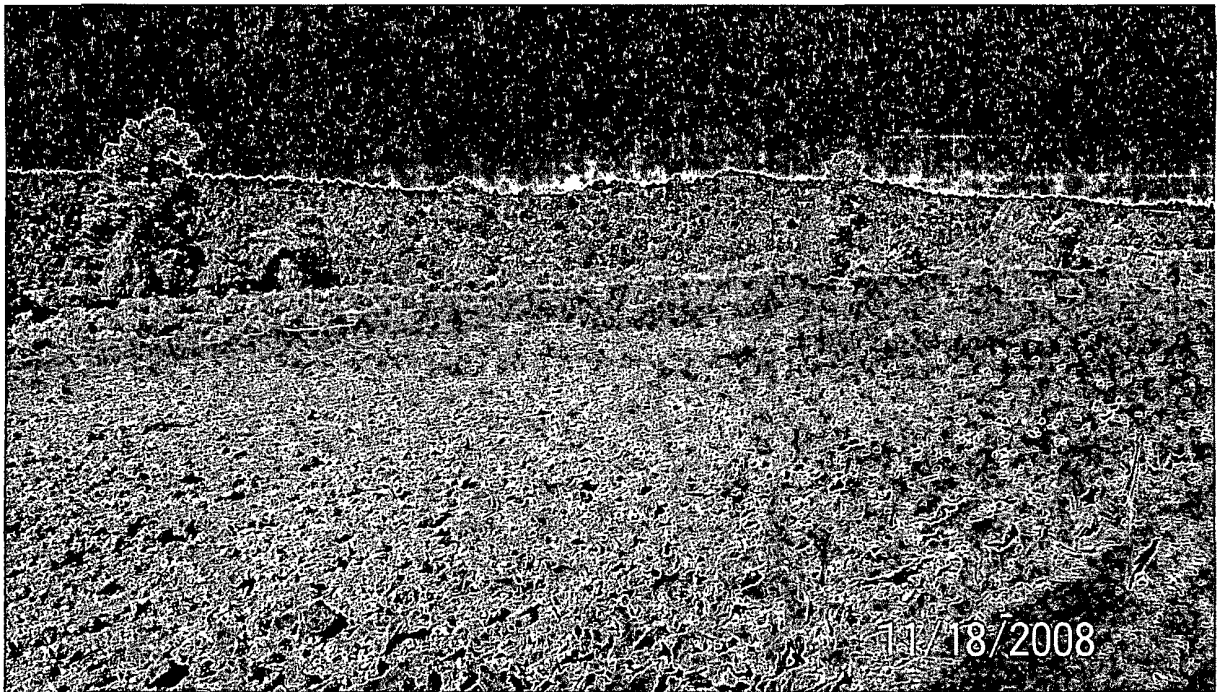
Species to be planted in pounds pure-live-seed per acre: Pure Live Seed = Germination x Purity

Forest Service Seed Mix	Variety	Pounds/Acre
Indian ricegrass	Paloma	1.0
Western wheatgrass	Arriba	2.0
Blue Gramma	Hacheta or Alma	1.0
Antelope Bitterbrush	Unknown	0.10
Four-wing saltbush	Unknown	0.25
Pubescent wheatgrass	Luna	2.0
Intermediate wheatgrass	Oahe	2.0
Small burnet	Delar	1.0

- D. In order for revegetation to be accepted, it must meet current Forest Service Standards. Reclamation will be approved (minimum timeframe of two growing seasons) when the established vegetative cover is equal to 70% of the adjacent areas and the soil is stabilized. There should be no indicators of active erosion including rills and gullies. Seeding should be repeated annually after two growing seasons until reclamation is accepted by the Forest Service. Where vegetation is re-disturbed after establishment it shall be reseeded annually until vegetation is re-established.
- E. To maintain purity and quality, certified seed is required.
- F. All disturbed areas will be mulched at the rate of 2 tons/acre of certified weed free grass hay/straw. The mulch must be crimped into the surface.
- G. The operator will provide verification of seed mixture and weed free mulch certification within 30 days of completion.



Carson 29-4-11 #2H Drilling Pit Before Closure



Carson 29-4-11 #2H Drilling Pit After Closure



Black Hills Gas Resources

Carson 29-04-11 #2H

Surface Location: 1770' FNL 944' FEL SE/NE Unit H

Sec. 11 T29N R04W

Rio Arriba County, New Mexico Lease: NM18316

Inspection report for Carson 29-04-11 #2H

- Information taken from daily drilling logs
- Information taken from daily completion logs

**Carson 29-04-11 #2
DRILLING RIG**

DATE	PIT LEVEL DATA
9/17/2008	RESERVE PIT IS 7' FROM TOP, 5' FROM MAX LEVEL
9/18/2008	RESERVE PIT IS 5' FROM TOP, 3' FROM MAX LEVEL
9/19/2008	RESERVE PIT IS 6" FROM TOP, 4' FROM MAX LEVEL
9/20/2008	RESERVE PIT IS 6" FROM TOP, 4' FROM MAX LEVEL
9/21/2008	RESERVE PIT IS 6" FROM TOP, 4' FROM MAX LEVEL
9/22/2008	RESERVE PIT IS 5' FROM TOP, 3' FROM MAX LEVEL
9/23/2008	RESERVE PIT IS 5' FROM TOP, 3' FROM MAX LEVEL
9/24/2008	RESERVE PIT IS 5' FROM TOP, 3' FROM MAX LEVEL
9/25/2008	RESERVE PIT IS 5' FROM TOP, 3' FROM MAX LEVEL
9/26/2008	RESERVE PIT IS 5' FROM TOP, 3' FROM MAX LEVEL
9/27/2008	RESERVE PIT IS 5' FROM TOP, 3' FROM MAX LEVEL
9/28/2008	RESERVE PIT IS 4' FROM TOP, 2' FROM MAX LEVEL
9/29/2008	RESERVE PIT IS 4' FROM TOP, 2' FROM MAX LEVEL
9/30/2008	RESERVE PIT IS 4' FROM TOP, 2' FROM MAX LEVEL
10/1/2008	RESERVE PIT IS 5' FROM TOP, 3' FROM MAX LEVEL
10/2/2008	RESERVE PIT IS 5' FROM TOP, 3' FROM MAX LEVEL
10/3/2008	RESERVE PIT IS 5' FROM TOP, 3' FROM MAX LEVEL
10/4/2008	RESERVE PIT IS 7' FROM TOP, 5' FROM MAX LEVEL
10/5/2008	RESERVE PIT IS 6' FROM TOP, 4' FROM MAX LEVEL
10/6/2008	RESERVE PIT IS 6' FROM TOP, 4' FROM MAX LEVEL
10/7/2008	RESERVE PIT IS 7' FROM TOP, 5' FROM MAX LEVEL

PHIL HENSON

Completion Rig

DATE	PIT LEVEL DATA
10/17/2008	RESERVE PIT IS 6' 2" FROM TOP, 4' 2" FROM MAX LEVEL RESERVE PIT IS 6' 1" FROM TOP, 4' 1" FROM MAX LEVEL
10/18/2008	
10/19/2008	RESERVE PIT IS 6' FROM TOP, 4' FROM MAX LEVEL
10/20/2008	RESERVE PIT IS 6' FROM TOP, 4' FROM MAX LEVEL
10/21/2008	RESERVE PIT IS 6' FROM TOP, 4' FROM MAX LEVEL
10/22/2008	RESERVE PIT IS 6' FROM TOP, 4' FROM MAX LEVEL
10/23/2008	RESERVE PIT IS 6' FROM TOP, 4' FROM MAX LEVEL
10/24/2008	RESERVE PIT IS 6' FROM TOP, 4' FROM MAX LEVEL

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.

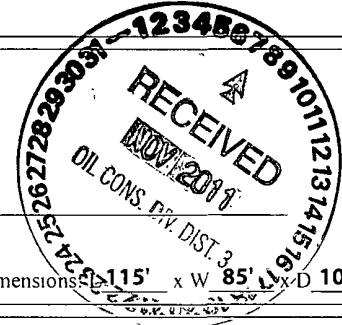
Pit, Closed-Loop System, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application

- 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 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: Black Hills Gas Resources OGRID #: 013925	
Address: 3200 N 1st St Bloomfield, NM 87413	
Facility or well name: Carson 29-04-11 #2H	
API Number: 30-039-20649 OCD Permit Number: _____	
U/L or Qtr/Qtr Unit H Section 11 Township 29N Range 4W County: Rio Arriba	
Center of Proposed Design: Latitude 36.74144 N Longitude 107.21786 W NAD. <input type="checkbox"/> 1927 <input checked="" type="checkbox"/> 1983	
Surface Owner: <input type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Tribal Trust or Indian Allotment	
2.	
<input checked="" type="checkbox"/> Pit: Subsection F or G of 19.15.17.11 NMAC	
Temporary: <input checked="" type="checkbox"/> Drilling <input type="checkbox"/> Workover	
<input type="checkbox"/> Permanent <input type="checkbox"/> Emergency <input type="checkbox"/> Cavitation <input type="checkbox"/> P&A	
<input checked="" type="checkbox"/> Lined <input type="checkbox"/> Unlined Liner type: Thickness 20 mil <input checked="" type="checkbox"/> LLDPE <input type="checkbox"/> HDPE <input type="checkbox"/> PVC <input type="checkbox"/> Other _____	
<input type="checkbox"/> String-Reinforced	
Liner Seams: <input type="checkbox"/> Welded <input checked="" type="checkbox"/> Factory <input type="checkbox"/> Other _____ Volume: ≈ 19,000 bbl Dimensions: 115' x W 85' x D 10'	
3.	
<input type="checkbox"/> Closed-loop System: Subsection H of 19.15.17.11 NMAC	
Type of Operation: <input type="checkbox"/> P&A <input type="checkbox"/> Drilling a new well <input type="checkbox"/> Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)	
<input type="checkbox"/> Drying Pad <input type="checkbox"/> Above Ground Steel Tanks <input type="checkbox"/> Haul-off Bins <input type="checkbox"/> Other _____	
<input type="checkbox"/> Lined <input type="checkbox"/> Unlined Liner type: Thickness _____ mil <input type="checkbox"/> LLDPE <input type="checkbox"/> HDPE <input type="checkbox"/> PVC <input type="checkbox"/> Other _____	
Liner Seams: <input type="checkbox"/> Welded <input type="checkbox"/> Factory <input type="checkbox"/> Other _____	
4.	
<input type="checkbox"/> Below-grade tank: Subsection I of 19.15.17.11 NMAC	
Volume: _____ bbl Type of fluid: _____	
Tank Construction material: _____	
<input type="checkbox"/> Secondary containment with leak detection <input type="checkbox"/> Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off	
<input type="checkbox"/> Visible sidewalls and liner <input type="checkbox"/> Visible sidewalls only <input type="checkbox"/> Other _____	
Liner type: Thickness _____ mil <input type="checkbox"/> HDPE <input type="checkbox"/> PVC <input type="checkbox"/> Other _____	
5.	
<input type="checkbox"/> Alternative Method:	
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	



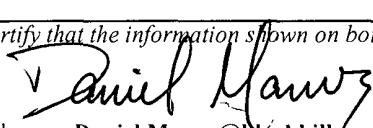
Submit To Appropriate District Office Two Copies District I 1625 N French Dr., Hobbs, NM 88240 District II 811 S First St., Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised August 1, 2011 1. WELL API NO. 30-039-20649 2. Type of Lease <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> FED/INDIAN 3. State Oil & Gas Lease No
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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 NM-18316 6. Well Number Carson 29-04-11 #2H				
7. 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 Convert Vertical to Horizontal										
8. Name of Operator Black Hills Gas Resources						9. OGRID 013925				
10. Address of Operator 3200 N 1st Street Bloomfield, NM 87413						11. Pool name or Wildcat				
12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County
Surface:	H	11	29N	4W		1770'	North	944'	East	Rio Arriba
BH:										
13. Date Spudded	14. Date T.D. Reached	15. Date Rig Released October 06, 2008		16. Date Completed (Ready to Produce)		17. Elevations (DF and RKB, RT, GR, etc.)				
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 _____ _____ _____			
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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. Plat on closure attachment							
33. If an on-site burial was used at the well, report the exact location of the on-site burial							
Latitude		Longitude		NAD 1927 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			Printed Name	Daniel Manus	Title	Regulatory Technician	Date
E-mail Address	Daniel.Manus@blackhillscorp.com						



Black Hills Gas Resources, Inc.

A subsidiary of Black Hills Exploration and Production, Inc.

3200 N 1st Street – PO Box 249 Bloomfield, NM 87413

Daniel Manus
Regulatory Technician II

Bus: (505) 634-5104

Fax: (505) 634-1116

daniel.manus@blackhillscorp.com

November 7, 2011

New Mexico Oil Conservation Division
Aztec Office
1000 Rio Brazos Road
Aztec, NM 87410

Subject: Carson 29-04-11 #2H temporary drilling pit closure

Dear Sir or Madam

Black Hills Gas Resources' (BHGR) Carson 29-04-11 #2H temporary drilling pit was closed on November 15, 2008 and the rig was release on October 6, 2008.

As for the notification to the NMOCD of closure of the pit, it is unknown if the notification was made by phone or email. BHGR understands going forward that all contact will be made or followed up by email for documentation.

If you have any questions, please contact me.

Respectfully,

Daniel Manus

DISTRICT I
1825 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
1220 South 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 30-039-20649	² Pool Code 74960	³ Pool Name CHOZA MESA/PICTURED CLIFFS
⁴ Property Code 301947	⁵ Property Name CARSON 29-4-11	⁶ Well Number 2H
⁷ GRID No. 013925	⁸ Operator Name BLACK HILLS GAS RESOURCES	⁹ Elevation 7066'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	11	29-N	4-W		1770	NORTH	944	EAST	RIO ARRIBA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	11	29-N	4-W		1770	NORTH	700	EAST	RIO ARRIBA

¹² Dedicated Acres N/2 = PROJECT AREA	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

16

17

CALC'D. CORNER BY DBL. PROP.	N 89-27-42 W 5163.4' (C)	CALC'D. CORNER BY DBL. PROP.
1770'	CENTER OF PIT: LAT: 36.74144° N. (NAD 83) LONG: 107.21786° W. (NAD 83) LAT: 36°44'29.18" N. (NAD 27) LONG: 107°13'02.14" W. (NAD 27)	1770' 1725'
700' B.H.L.	SURFACE: LAT: 36.74132° N. (NAD 83) LONG: 107.21800° W. (NAD 83) LAT: 36°44'28.76821" N. (NAD 27) LONG: 107°13'04.79128" W. (NAD 27)	C.O.P. 940' 944'
N 00-14-19 W 5255.91' (C)	BOTTOM HOLE: LAT: 36.74188° N. (NAD 83) LONG: 107.22992° W. (NAD 83) LAT: 36°44'30.78371" N. (NAD 27) LONG: 107°13'47.70407" W. (NAD 27)	S 00-04-14 E 5246.5' (C)
NOTE: SURFACE FOOTAGES SHOWN ARE OF RECORD PER REQUEST OF B.L.M. AND PRODUCER.		
CALC'D. CORNER BY DBL. PROP.		

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 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.

Daniel Manos 11/2/11
Signature Date
Daniel Manos
Printed Name

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 knowledge and belief.

MAY 24, 2005

Date of Survey

Signature and Seal of Professional Surveyor:

8894

Certificate Number

RECEIVED
OIL CONS. DIV. DIST 3
MAY 20 2005
B.H.L. FOOTAGES ARE APPROXIMATE
AND PROVIDED BY
C.G.R.
CLIENT

0350-20549
0350-20549
0350-20549
0350-20549
0350-20549

RCVD JAN 12 '12
OIL CONS. DIV.
DIST. 3