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.

Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application						
Type of action:    Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method   Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method   Modification to an existing permit   Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method						
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request						
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.						
Operator:        Elm Ridge Exploration         OGRID #:149052						
Address: P.O. Box 156, Bloomfield, NM 87413						
Facility or well name: Bisti Coal 2-1T						
API Number: 3004532835 OCD Permit Number: Not Applicable						
U/L or Qtr/Qtr C Section 2 Township 25N Range 12W County: San Juan						
Center of Proposed Design: Latitude 36.434229 Longitude -108.085129 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: Thicknessmil ☐ 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						
Secondary containment with leak detection   Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off						
Visible sidewalls and liner   Visible sidewalls only   Other   Secondary containment						
Linear target This knows mil UDDE DVC Other						

Page 1 of 5

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

Fencing: Subsection D of 19 15 17 11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)  Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church)  Four foot height, four strands of barbed wire evenly spaced between one and four feet  Alternate. Please specify				
Netting: Subsection E of 19 15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)  Screen Netting Other  Monthly inspections (If netting or screening is not physically feasible)				
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				
Administrative Approvals and Exceptions:  Justifications and/or demonstrations of equivalency are required Please refer to 19.15.17 NMAC for guidance.  Please check a box if one or more of the following is requested, if not leave blank:  Administrative approval(s). Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau consideration of approval  Exception(s) Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	office for			
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the approp office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of ap Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying 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.  - Attached iWATERS database search indicates a nearby water well has a depth to water of 210 feet. The well is approximately 1 mile to the SE of the oil well in question at approximately the same elevation. This indicates GW is greater than 50 feet.	☐ Yes ☒ No			
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).  - 1,355.9 ft. south per attached topographic map	☐ Yes ☑ No ☐ NA			
<ul> <li>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.</li> <li>(Applies to temporary, emergency, or cavitation pits and below-grade tanks         <ul> <li>The attached aerial illustrates a distance of approximately 1,300 feet to the north-south and 1,900 feet to the east-west from the well site.</li> </ul> </li> <li>Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.         <ul> <li>(Applies to permanent pits)</li> </ul> </li> </ul>	☐ Yes ☐ No ☑ NA			
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.  - iWATERS database search indicates that the site is more than 1000 feet from a water well	☐ Yes ☑ 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.  - According to the attached topographical map, the site is not within incorporated municipal boundaries.	☐ Yes ☑ No			
Within 500 feet of a wetland.  The USFWS data file, WetlandsData.kmz, dated July 2, 2008, was opened using Google Earth. Electronic data was not available. Wetland-type vegetation was not noted during the site visit.	☐ Yes ☒ No			
Within the area overlying a subsurface mine.  - The NM EMNRD web map was reviewed and attached. The map indicates the well site is not within an area overlying a subsurface mine.	☐ Yes ☑ No			
Within an unstable area.  The attached topographical map indicates the well site is not within an unstable area.	☐ Yes ☑ No			
Within a 100-year floodplain.  Attached FEMA man indicates that the well site is not within a 100 year flood plain.				

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: or Permit Number:					
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC  Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.  Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9  Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC  Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC  Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC  Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC					
and 19.15.17.13 NMAC  Previously Approved Design (attach copy of design) API Number:  Previously Approved Operating and Maintenance Plan API Number:  (Applies only to closed-loop system that use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)					
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC  Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.  Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC  Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC  Climatological Factors Assessment  Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC  Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC  Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC  Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC  Quality Control/Quality Assurance Construction and Installation Plan  Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC  Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC  Nuisance or Hazardous Odors, including H <sub>2</sub> S, Prevention Plan  Emergency Response Plan  Oil Field Waste Stream Characterization  Monitoring and Inspection Plan  Erosion Control Plan  Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC					
Proposed Closure: 19.15.17.13 NMAC   Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.    Type:   Drilling   Workover   Emergency   Cavitation   P&A   Permanent Pit   Below-grade Tank   Closed-loop System   Alternative					
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.  Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC  Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC  Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)  Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC  Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC					

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13. Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if n facilities are required.						
1	Pisposal Facility Permit Number:					
	Disposal Facility Permit Number:					
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations?  Yes (If yes, please provide the information below) No						
Required for impacted areas which will not be used for future service and operations:  Soil Backfill and Cover Design Specifications based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC  Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC  Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC						
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.						
Ground water is less than 50 feet below the bottom of the buried waste.  - NM Office of the State Engineer - iWATERS database search; USGS; Data of	obtained from nearby wells	Yes No				
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data of	obtained from nearby wells	☐ Yes ☐ No ☐ NA				
Ground water is more than 100 feet below the bottom of the buried waste.  - NM Office of the State Engineer - iWATERS database search; USGS; Data of	obtained from nearby wells	☐ Yes ☐ No ☐ NA				
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signifiake (measured from the ordinary high-water mark).  - Topographic map; Visual inspection (certification) of the proposed site	ficant watercourse or lakebed, sinkhole, or playa	☐ Yes ☐ No				
Within 300 feet from a permanent residence, school, hospital, institution, or church in Visual inspection (certification) of the proposed site; Aerial photo; Satellite in		☐ Yes ☐ No				
Within 500 horizontal feet of a private, domestic fresh water well or spring that less the watering purposes, or within 1000 horizontal feet of any other fresh water well or spring - NM Office of the State Engineer - iWATERS database; Visual inspection (ce	ing, in existence at the time of initial application.	☐ Yes ☐ No				
Within incorporated municipal boundaries or within a defined municipal fresh water adopted pursuant to NMSA 1978, Section 3-27-3, as amended.  - Written confirmation or verification from the municipality, Written approval	·	☐ Yes ☐ No				
Within 500 feet of a wetland.  - US Fish and Wildlife Wetland Identification map; Topographic map; Visual i	inspection (certification) of the proposed site	☐ Yes ☐ No				
Within the area overlying a subsurface mine.  - Written confirmation or verification or map from the NM EMNRD-Mining at	nd Mineral Division	☐ Yes ☐ No				
Within an unstable area.  - Engineering measures incorporated into the design; NM Bureau of Geology & Society; Topographic map	k Mineral Resources; USGS; NM Geological	☐ Yes ☐ No				
Within a 100-year floodplain FEMA map		☐ Yes ☐ No				
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.    Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC   Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC   Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC   Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.13 NMAC   Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC   Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC   Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC   Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)   Soil Cover Design - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC   Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC						

Operator Application Certification:			
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.			
Name (Print). Ms Amy Mackey Title Title Administrative Manages			
Signature: Date: 11508			
e-mail address: amackey@elmridge.net Telephone: (505) 632-3476 ext. 201			
OCD Approval: Permit Application (includint closure plan) Closure Plan (only) OCD Conditions (see attachment)			
OCD Representative Signature: 426/2012			
Title: OMPIGNCE OFFICE OCD Permit Number:			
Closure Report (required within 60 days of closure completion): Subsection K of 19.15 17 13 NMAC Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report.  The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.			
Closure Completion Date:			
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 indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than			
two facilities were utilized.			
Disposal Facility Name Disposal Facility Permit Number			
Disposal Facility Name: Disposal Facility Permit Number: Were the closed-loop system operations and associated activities performed on or in areas that <i>will not</i> be used for future service and operations?			
Yes (If yes, please demonstrate compliance to the items below) \(\sigma\) 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			
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			
On-site Closure Location: Latitude Longitude NAD: \[ \Boxed{1927} \Boxed{1983}			
25. Operator Closure Contification:			
Operator Closure Certification:  I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.			
Name (Print) Title			
Signature: Date:			
e-mail address Telephone:			

#### New Mexico Office of the State Engineer **Point of Diversion Summary**

Back

(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest)

POD Number

Tws Rng Secqqq

X

Y

SJ 01716

25N 12W 01 3 2

Zone

Driller Licence:

Driller Name: W.R. WEST DRILLING CO.

**Drill Start Date:** 06/20/1963

Log File Date:

Pump Type: WINDMI Casing Size: 6.63 Depth Well: 403

Source: Shallow

Drill Finish Date: 02/05/1964

PCW Received Date: Pipe Discharge Size: Estimated Yield: 40 Depth Water: 210

Search Radius:

## New Mexico Office of the State Engineer POD Reports and Downloads

Township: 25N Range: 12W Sections: 2

NAD27 X: Y: Zone:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) \* Non-Domestic • All

POD / Surface Data Report | Avg Depth to Water Report | Water Column Report |

Clear Form WATERS Menu Help.

POD / SURFACE DATA REPORT 09/01/2008

(quarters are 1=NW 2=NE 3=SW 4=SE)

(acre ft per annum)

(quarters are biggest to smallest X Y are in Feet UTM are in Berle Nbr Use Diversion Owner POD Number Source Two Rng Sec q q q Zone X Y UTM\_Zone

No Records found, try again

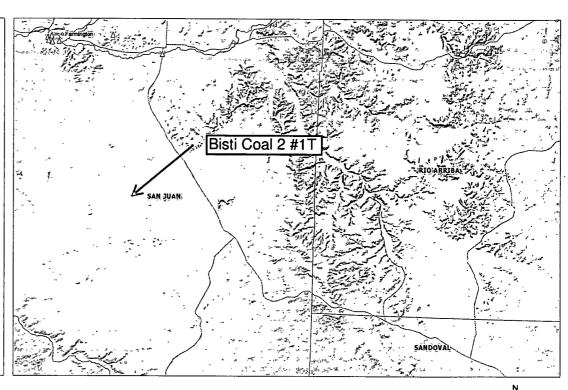


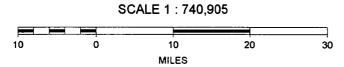
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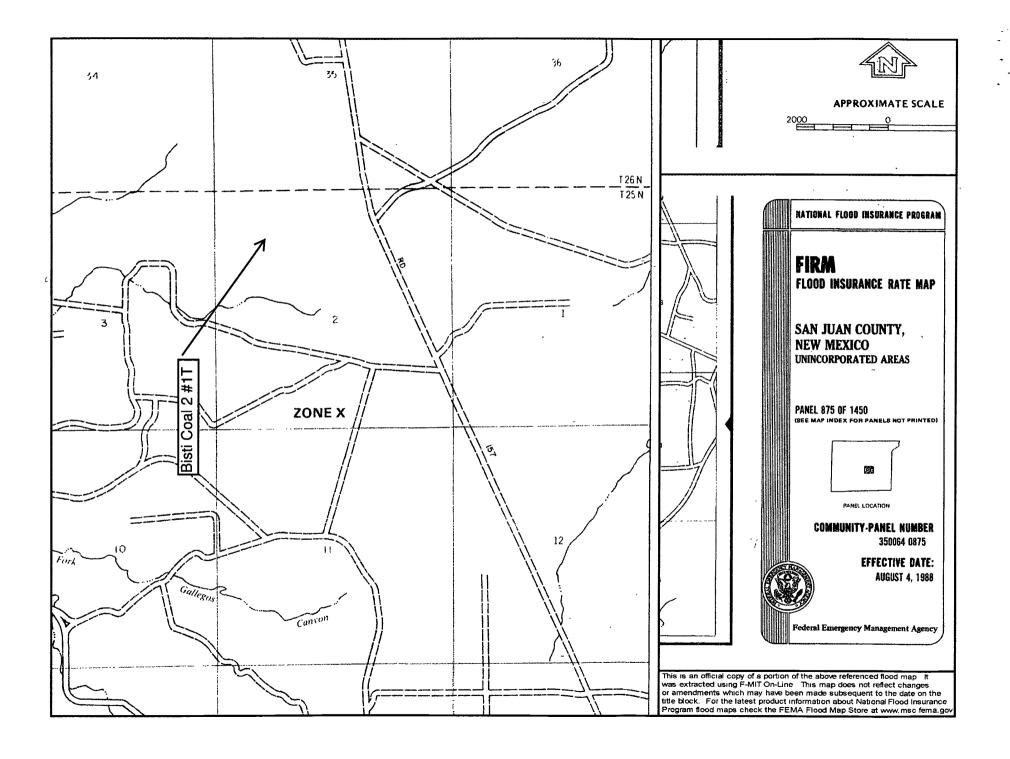
## Elm Ridge Exploration Mine Map

	Mines, Mills & Quarries Commodity Groups				
I	Δ	Aggregate & Stone Mines			
	•	Coal Mines			
I	*	Industrial Minerals Mines			
I	♥	Industrial Minerals Mills			
I		Metal Mines and Mill Concentrate			
		Potash Mines & Refineries			
	3	Smelters & Refinery Ops.			
	*	Uranium Mines			
	<b>⊕</b>	Uranium Mills			
	Mines, Mills & Quarries Status				
	×	Active Mining			
	Δ	Active Mining, Active Reclamation			
ĺ	0	Permanent Closure, Active Reclamation			
١	•	Permanent Closure, Reclaimed Awaiting Bond Release			
		Temporary Suspension			
t	i e e e e e e e e e e e e e e e e e e e				









## BELOW GRADE TANK (BGT) CLOSURE PLAN

#### SITE NAME:

BISTI COAL 2 #1T
UNIT LETTER C, SECTION 2, TOWNSHIP 25N, RANGE 12W
SAN JUAN COUNTY, NEW MEXICO
LATITUDE 36.434229 LONGITUDE -108.085129

#### SUBMITTED TO:

MR. WAYNE PRICE
NEW MEXICO OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
SANTA FE, NEW MEXICO 87505
(505) 476-3440

#### SUBMITTED BY:

Ms. Amy Mackey
ELM RIDGE EXPLORATION
P.O. Box 156
BLOOMFIELD, NEW MEXICO 87413
(505) 632-3476

**OCTOBER 2008** 

# BELOW GRADE TANK (BGT) CLOSURE PLAN ELM RIDGE EXPLORATION BISTI COAL 2 #1T SAN JUAN COUNTY, NEW MEXICO

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INTRODUCTION	l
SCOPE OF CLOSURE ACTIVITIES	1
REPORTING.	2

#### Introduction

Elm Ridge Exploration would like to submit a closure plan for the below grade tank (BGT) at the Bisti Coal 2 #1T well site located in the SW ¼ SE ¼ of Section 2, Township 25N, Range 12W, San Juan County, New Mexico. This closure plan has been prepared in conformance with New Mexico Oil Conservation Division (NMOCD) procedures.

#### **SCOPE OF CLOSURE ACTIVITIES**

The purpose of this closure plan is to provide the details of activities involved in the closure of the BGT at the Bisti Coal 2 #1T. The following scope of closure activities has been designed to meet this objective:

- 1) Elm Ridge Exploration or a contractor acting on behalf of Elm Ridge Exploration shall submit a closure plan to the division's environmental bureau. Upon receipt of this plan the division shall review the current closure plan for adequacy and accordance with 19.15.17.9 Subsection C NMAC and 19.15.17.13 NMAC.
- 2) No less than 72 hours and no greater than one (1) week prior to BGT removal Elm Ridge Exploration or a contractor acting on behalf of Elm Ridge Exploration will provide written notification to the appropriate division district office as well as a schedule of on-site activities, as in accordance with 19.15.17.13 Subsection J Paragraph (2) NMAC.
- 3) Elm Ridge Exploration or a contractor acting on behalf of Elm Ridge Exploration shall provide written notification to the surface owner no later than 72 hours prior to BGT removal by certified mail. BLM will receive notification per a Sundry Notice, as in accordance with 19.15.17.13 Subsection J Paragraph (1) NMAC.
- 4) Elm Ridge Exploration or a contractor acting on behalf of Elm Ridge Exploration will remove all liquids, and/or sludge, if applicable, prior to closure. Material will be disposed of at Envirotech's Landfarm #2, Permit # NM-01-0011 or Basin Disposal, depending on the consistence of the material removed, as in accordance with 19.15.17.13 Subsection E Paragraph (1) NMAC.
- 5) Elm Ridge Exploration or a contractor acting on behalf of Elm Ridge Exploration will remove the BGT and all on-site equipment associated with this BGT that cannot or will not be reused on-site, as in accordance with 19.15.17.13 Subsection E Paragraphs (2) and (3) NMAC.
- 6) Once the BGT is removed a five (5) point composite sample will be collected from directly below the tank or below the leak detection system if present. An additional discrete sample will be collected from any area that is wet, discolored, or showing other evidence of a release. All samples being collected will be analyzed for benzene and total BTEX via USEPA Method 8021, TPH via USEPA Method 418.1, and chlorides via USEPA 300.1, as in accordance with 19.15.17.13 Subsection E Paragraph (4) NMAC.
- 7) Depending on soil sample results the area will be either backfilled or the area will be excavated.
  - a. If soil samples pass the regulatory standards of 0.2 ppm benzene, 50 ppm

BTEX, 100 ppm TPH, and 250 ppm or background concentration of chlorides, as in accordance with 19.15.17.13 Subsection E Paragraph (4) NMAC.

- i. Elm Ridge Exploration or a contractor acting on behalf of Elm Ridge Exploration will backfill the excavation or impacted area with non-waste containing, earthen material, in accordance with 19.15.17.13 Subsection E Paragraph (6) NMAC.
- ii. Upon decommissioning of the well site Elm Ridge Exploration or a contractor acting on behalf of Elm Ridge Exploration will construct a division-prescribed soil cover, substantially restore, recontour and revegetate the site, in accordance with 19.15.17.13 Subsections G, H, and I NMAC. The soil cover for closures where the operator has removed the pit contents or remediated the contaminated soil to the division's satisfaction shall consist of the background thickness of topsoil or one foot of suitable material to establish vegetation at the site, whichever is greater. The operator shall construct the soil cover to the site's existing grade and prevent ponding of water and erosion of the cover material. The operator shall notify the division when it has been re-seeded and when it has achieved successful re-vegetation.
- b. If soil samples exceed the regulatory standards stated above.
  - i. Elm Ridge Exploration will submit a Release Notification by Form C-141 to the appropriate division district office, in accordance with 19.15.17.13 Subsection E Paragraph (4) NMAC.
  - ii. Activities beyond this point will be in accordance with 19.15.3.116 NMAC and 19.15.11.19 NMAC.

#### REPORTING

Reporting will occur within 60 days following the BGT closure and will consist of a form C-144 with all supporting data, and a form C-141 with all supporting data, if necessary. The supporting data will include analytical results, a site diagram, a copy of the site owner notification, and other information related to the onsite activities.

We appreciate the opportunity to be of service. If you have any questions or require further information, please do not hesitate to contact our office at (505) 632-3476 ext. 201.

Respectfully Submitted:

Elm Ridge Exploration

Ms. Amy Mackey Elm Ridge Exploration

#### **Elm Ridge Exploration**

#### San Juan Basin

#### **Below Grade Tank Maintenance and Operating Plan**

In accordance with Rule 19.15.17 the following information describes the operation and maintenance of a Below Grade Tank (BGT) on Elm Ridge Exploration's locations. This is Elm Ridge Exploration's standard procedure for all BGT's. A separate plan will be submitted for any BGT that Elm Ridge Exploration possesses, which does not conform to this particular plan.

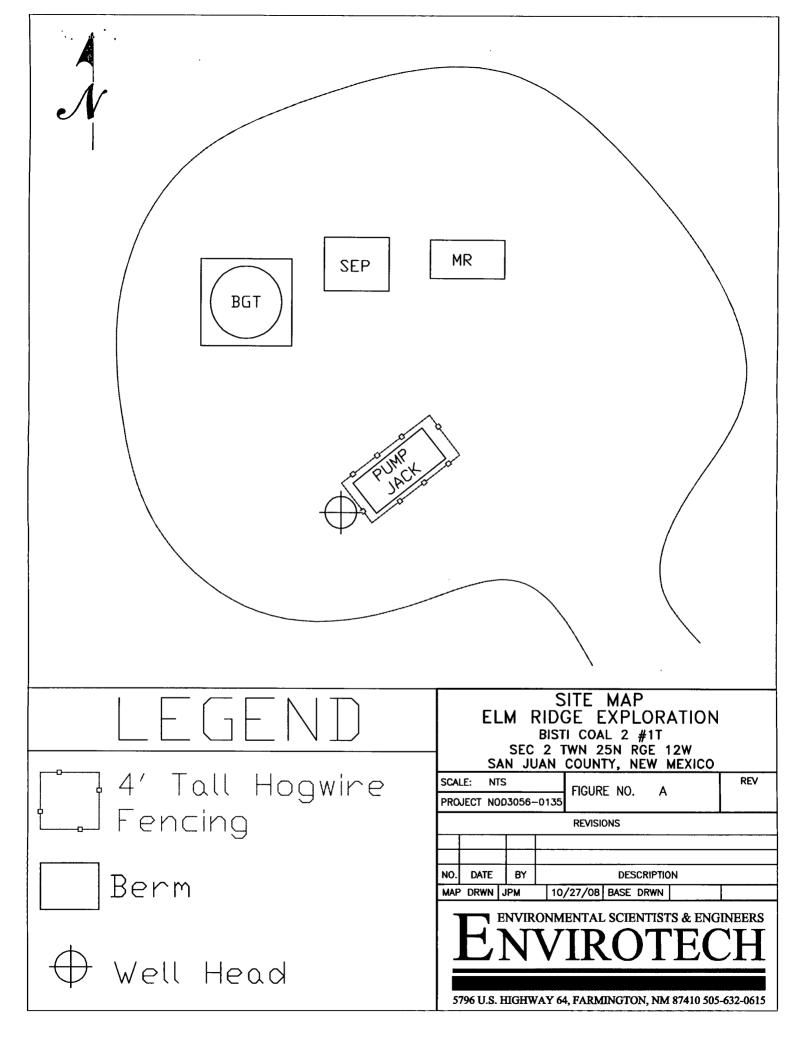
#### **GENERAL PLAN:**

· . . . . .

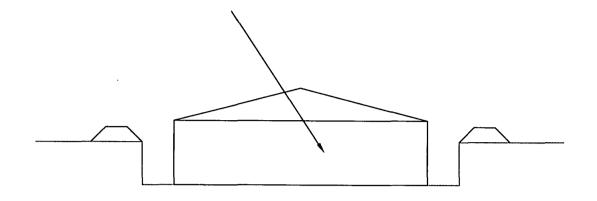
- Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, will operate
  and maintain a BGT to contain liquids and solids to prevent contamination of fresh
  water and to protect public health and the environment.
- Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, shall not
  allow a BGT to overflow or allow surface water run-on to enter the BGT. Figure A, Site
  Map and Figure B, Design Plan can be referenced for a visual representation of how this
  will be accomplished.
- 3. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, shall continuously remove any visible or measurable layer of oil from the fluid surface of a BGT in an effort to prevent the accumulation of oil over time.
- 4. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, shall inspect the BGT at least once monthly and maintain a written record of each inspection for at least five (5) years.
- 5. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, shall maintain adequate freeboard to prevent overtopping of the BGT.

Figure A, Site Map

Figure B, Design Plan



62 BBL Steel Tank



\*Berm completed around AST and BGT

Berm

## DESIGN PLAN ELM RIDGE EXPLORATION BISTI COAL 2 #1T SEC 2 TWN 25N RGE 12W SAN JUAN COUNTY, NEW MEXICO

SCALE: FIGURE NO. PROJECT NO03056-0135 REVISIONS NO. DATE DESCRIPTION MAP DRWN JPM 10/27/08 BASE DRWN

5796 U.S. HIGHWAY 64, FARMINGTON, NM 87410 505-632-0615

#### Elm Ridge Exploration

#### San Juan Basin

#### **Below Grade Tank Design and Construction Plan**

In accordance with Rule 19.15.17 the following information describes the design and construction of below grade tanks (BGTs) on Elm Ridge Exploration locations. This will be Elm Ridge Exploration's standard procedure for all BGTs. A separate plan will be submitted for any BGT which does not conform to this plan.

#### **GENERAL PLAN:**

. . . . . .

- 1. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, will design and construct a BGT to contain liquids and solids to prevent contamination of fresh water and to protect public health and the environment.
- 2. Elm Ridge Exploration will use a general location sign posted on location. If no general sign is posted, a separate sign at the location of the BGT will be provided.
- 3. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, shall construct fencing around the BGT using a four (4) foot hog wire fencing topped with two (2) strands of barbed wire, or with a pipe top rail. A six (6) foot chain link fence topped with three (3) strands of barbed wire will be used if the well location is within 1000 feet of a permanent residence, school, hospital, institution or a church.
- 4. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, will construct an expanded metal covering on the top of the BGT.
- 5. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, shall ensure that a BGT is constructed of materials resistant from damage by sunlight and the BGT's particular contents.
- 6. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, shall ensure that the BGT system has a properly constructed foundation consisting of a level base free of rocks, debris, sharp edges or irregularities to prevent punctures, cracks or indentations of the liner or tank bottom.

- 7. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, shall not allow a BGT to overflow or allow surface water run-on to enter the BGT.
- 8. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, will construct and use a BGT that does not have double walls. The BGT side walls will be open for visual inspection for leaks. The BGT bottom is elevated a minimum of six inches above the underlying ground surface and the BGT is underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected.
- Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, shall equip BGTs designed in this manner with a properly operating automatic high level shut-off control device and manual controls to prevent overflow.
- 10. Elm Ridge Exploration, or a contractor representing Elm Ridge Exploration, will ensure that the geomembrane liner consists of 30-mil flexible PVC of 60-mil HDPE liner, or an equivalent liner material that the appropriate division district office approves. The geomembrane liner shall have a hydraulic conductivity no greater than 1 x 10<sup>-9</sup> cm/sec. The geomembrane liner shall be composed of an impervious, synthetic material that is resistant to petroleum hydrocarbons, salts and acidic and alkaline solutions. The liner material shall be resistant to ultraviolet light. Liner compatibility shall comply with EPA SW-846 Method 9090A.
- 11. The general specification for design and construction is attached as *Figure C, BGT Design and Construction*.

Figure C, BGT Design and Construction

