<u>District I</u>
1625 N. French Dr., Hobbs, NM 88240
<u>District II</u>
1301 W. Grand Avenue, Artesia, NM 88210
<u>District III</u>
1000 Rio Brazos Road, Aztec, NM 87410
<u>District IV</u>
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 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: Energen Resources Corporation Address: 2010 Afton Place, Farmington, New Mexico 87401 Facility or well name: San Juan 32-5 Unit #110S API Number: 30039 · 30558 ___ OCD Permit Number: ___ U/L or Qtr/Qtr NESW Section 23 Township 32N Range 6W County: Rio Arriba _____Longitude <u>107.43119° W</u> AD: □1927 ⊠ 1983 Center of Proposed Design: Latitude 3696382° N Surface Owner: Federal State Private Tribal Trust or Indian Allotment Pit: Subsection F or G of 19.15.17.11 NMAC Closed-loop System: Subsection H of 19.15.17.11 NMAC Temporary:
☐ Drilling ☐ Workover ☐ Drying Pad ☐ Tanks ☐ Haul-off Bins ☐ Other Permanent Emergency Cavitation Steel Pit ☐ Lined ☐ Unlined □ Unlined Liner type: Thickness <u>20</u> mil ⊠ LLDPE ☐ HDPE ☐ PVC Other Other String-Reinforced Seams: Welded Factory Other Volume: _____bbl _____yd³ Seams: Welded Factory Other Dimensions: Length____x Width____ Volume: 2000 bbl Dimensions: L 125 x W 90 x D 15 Below-grade tank: Subsection I of 19.15.17.11 NMAC Fencing: Subsection D of 19.15.17.11 NMAC Volume: ______bbl Chain link, six feet in height, two strands of barbed wire at top Type of fluid: ☐ Four foot height, four strands of barbed wire evenly spaced between one and Tank Construction material: Secondary containment with leak detection Netting: Subsection E of 19.15.17.11 NMAC Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off Screen Netting Other ☐ Visible sidewalls and liner ☐ Monthly inspections ☐ Visible sidewalls only Signs: Subsection C of 19.15.17.11 NMAC Other 12'x24', 2' lettering, providing Operator's name, site location, and Liner type: Thickness ____ mil HDPE PVC emergency telephone numbers Other ☑ Signed in compliance with 19.15.3.103 NMAC Alternative Method: Administrative Approvals and Exceptions: Submittal of an exception request is required. Exceptions must be Justifications and/or demonstrations of equivalency are required. Please refer to submitted to the Santa Fe Environmental Bureau office for consideration 19.15.17 NMAC for guidance. of approval. Please check a box if one or more of the following is requested, if not leave Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval.

Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.						
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ⊠ No					
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site						
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	⊠ Yes □ No □ NA					
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No ☑ 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. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ 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. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ⊠ No					
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No					
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ⊠ No					
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ⊠ No					
Within a 100-year floodplain FEMA map	☐ Yes ⊠ No					
Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the de attached.	NMAC ocuments are					
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. 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 - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC	9 NMAC					
Previously Approved Design (attach copy of design) API 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 deattached. Geologic and Hydrogeologic Data (required for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of Siting Criteria Compliance Demonstrations (required for on-site closure) - based upon the appropriate requirements of 19.15.17.10 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 - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC NMAC Previously Approved Design (attach copy of design) API Number:	19.15.17.9					

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 doc	cuments are						
attached. ☐ Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC ☐ Climatological Factors Assessment							
☐ Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC ☐ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC ☐ Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC							
 ☐ Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC ☐ Quality Control/Quality Assurance Construction and Installation Plan ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC ☐ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC 							
 Nuisance or Hazardous Odors, including H₂S, Prevention Plan Emergency Response Plan Oil Field Waste Stream Characterization 							
 ☐ Monitoring and Inspection Plan ☐ Erosion Control Plan ☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC 							
Proposed Closure: 19.15.17.13 NMAC							
Type: ☑ Drilling ☐ Workover ☐ Emergency ☐ Cavitation ☐ 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 con	sideration)						
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	☐ Yes ⊠ No ☐ 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	☐ Yes ☑ No ☐ NA						
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes ☐ NoNA						
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No						
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ⊠ 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	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. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☒ No						
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No						
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ⊠ No						
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ⊠ No						
Within a 100-year floodplain FEMA map							

	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 docu							
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 app							
Re-vegetation Plan - based upon the appropriate requirements of Su							
Site Reclamation Plan - based upon the appropriate requirements of	Subsection G of 19.15.17.13 NMAC						
Wasta Ramoval Clasure For Clased-loop Systems That Utilize Haul-o	ff Bins Only: (19.15.17.13.D NMAC) Instructions: Please indentify the facility						
or facilities for the disposal of liquids, drilling fluids and drill cuttings.	in bins only. (17.13.17.13.b) (wine) instructions. Trease interney including						
• • • • • • • • • • • • • • • • • • • •	Disposal Facility Permit Number: 30-048-30922 / NM-01-0011						
	ach 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.	uen of the following tiems must be undersed to the crossive plant. I tende materials						
Siting Criteria Compliance Demonstrations - based upon the appro-	oriate requirements of 19.15.17.10 NMAC						
☑ Proof of Surface Owner Notice - based upon the appropriate require							
Construction and Design of Burial Trench (if applicable) based up							
Protocols and Procedures - based upon the appropriate requirement							
Confirmation Sampling Plan (if applicable) - based upon the appro							
Waste Material Sampling Plan - based upon the appropriate require	rids and drill cuttings or in case on-site closure standards cannot be achieved)						
Soil Cover Design - based upon the appropriate requirements of Su							
Re-vegetation Plan - based upon the appropriate requirements of Su							
Site Reclamation Plan - based upon the appropriate requirements of							
Operator Application Certification:							
I hereby certify that the information submitted with this application is tru	e, accurate and complete to the best of my knowledge and belief.						
Name (Print): Devin Mills	Title: <u>Drilling Engineer</u>						
$d \sim a \sim 1$							
Signature: (2)	Date: 7/29/08						
e-mail address: dmills@energen.com							
c-man address. <u>dimis@chergem.com</u>	Telephone: <u>505-324-4121</u>						
OCD Approval: Permit Application (including closure plan)	osure Plan (only)						
OCD Approval: Permit Application (including closure plan)	osure Plan (only)						
OCD Approval: Permit Application (including closure plan) Cl	osure Plan (only) Approval Date: 8/(/08						
OCD Approval: Permit Application (including closure plan)	osure Plan (only) Approval Date: 8/(/08						
OCD Approval: Permit Application (including closure plan) Color Color Representative Signature: Bull Full Title: Eurivo Spec	OCD Permit Number:						
OCD Approval: Permit Application (including closure plan) Cl	OCD Permit Number: section K of 19.15.17.13 NMAC						
OCD Approval: Permit Application (including closure plan) Clock Control of Co	OCD Permit Number:						
OCD Approval: Permit Application (including closure plan) Clock Closure Report (required within 60 days of closure completion): Sub-Closure Method:	Approval Date:						
OCD Approval: Permit Application (including closure plan) Clock Representative Signature: Bull Officeries Closure Report (required within 60 days of closure completion): Subscript Closure Method: Waste Excavation and Removal On-Site Closure Method	Approval Date:						
OCD Approval: Permit Application (including closure plan)	Approval Date:						
OCD Approval: Permit Application (including closure plan) Closure Report (required within 60 days of closure completion): Sub- Closure Method: Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain. Closure Report Attachment Checklist: Instructions: Each of the folious of the	Approval Date:						
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OCD Approval: Permit Application (including closure plan)	Approval Date:						
OCD Approval: Permit Application (including closure plan)	Approval Date:						
OCD Approval: Permit Application (including closure plan)	Approval Date: 6/(/08 OCD Permit Number: section K of 19.15.17.13 NMAC Closure Completion Date: Alternative Closure Method wing items must be attached to the closure report. Please indicate, by a check						
OCD Approval: Permit Application (including closure plan)	Approval Date:						
OCD Approval: Permit Application (including closure plan) Closure Report (required within 60 days of closure completion): Sub-Closure Method: Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain. Closure Report Attachment Checklist: Instructions: Each of the followark in the box, that the documents are attached. Proof of Closure Notice Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results Waste Material Sampling Analytical Results 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 Operator Closure Certification:	Approval Date:						
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OCD Approval: Permit Application (including closure plan)	Approval Date: 8/(/o8 OCD Permit Number:						
OCD Approval: Permit Application (including closure plan)	Approval Date:						
OCD Approval: Permit Application (including closure plan)	Approval Date:						

Hydrogeologic Data:

100-year Floodplain:

The location of the San Juan 32-5 Unit #110S wellsite is not within an area of a 100-year flood.

Site Specific:

The San Jose formation is the highest water bearing zone at this site with the exception of possible perched water. It is the youngest Tertiary bedrock unit in the San Basin. The formation occurs at the surface to a depth of 1,088' at the proposed San Juan 32-5 Unit #110S location and ranges from 900' to 1,400' in this township and range. The only potentially unstable areas in the region are over subsurface coal mines. This pit will not be located over a subsurface mine.

The Navajo Reservoir is 1,000 feet to the North and is 240 vertical feet below the pit location so the highest groundwater will be at least 240' below the pit bottom. A visual inspection was also conducted to identify the possibility of water wells with windmills or other pumping equipment or other visual indications and none were observed.

Excavated Pit Soil Storage

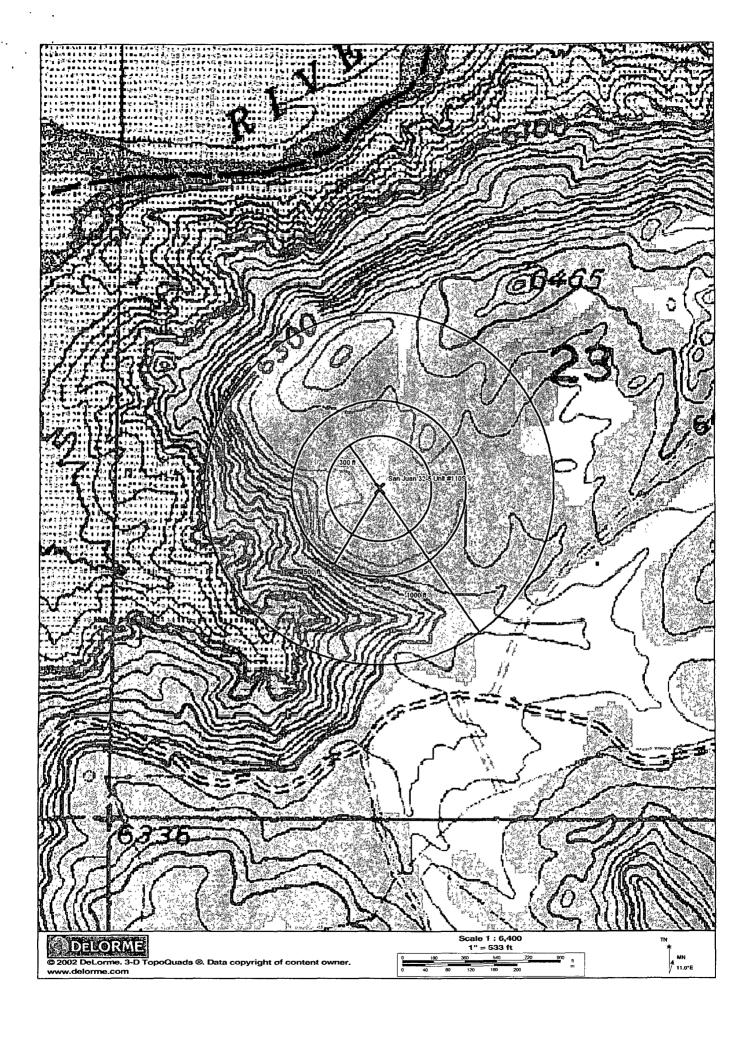
The soil excavated for the proposed temporary drilling reserve pit will be stored on location and will be more than 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake.

Geologic Summary:

The San Jose is a sequence of interbedded sandstones and mudstones deposited in an alluvial and fluvial environment. The formation accumulated in broad, wet, alluvial aprons. Groundwater is associated with the alluvial and fluvial sandstone aquifers, hence it is controlled by the distribution of these sands. The San Jose can further be broken into four members: Cuba Mesa, Regina, Llaves, and Tapicitos (in ascending order). The first two, Cuba Mesa and Regina, are predominately sandstone and the latter two, Llaves and Tapicitos, are predominately mudstone.

Reference:

Stone W.J., Lyford F.P., Frenzel P.F., Mizell N.H., and Padgett E.T.: Hydrology and water resources of San Juan Basin, New Mexico Hydrologic Report 6, 1983.

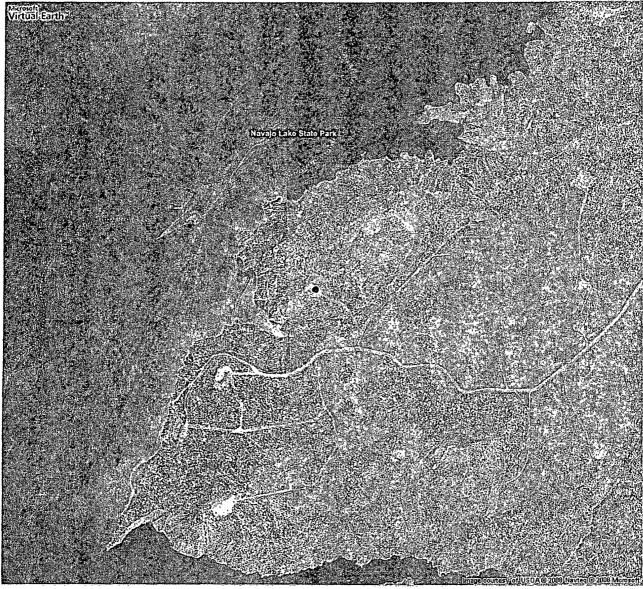


B Live Search Maps

San Juan 32-5 Unit #110S •

NEW! Try Live Search 411
Dial 1-800-CALL-411 for latest info





New Mexico Office of the State Engineer POD Reports and Downloads

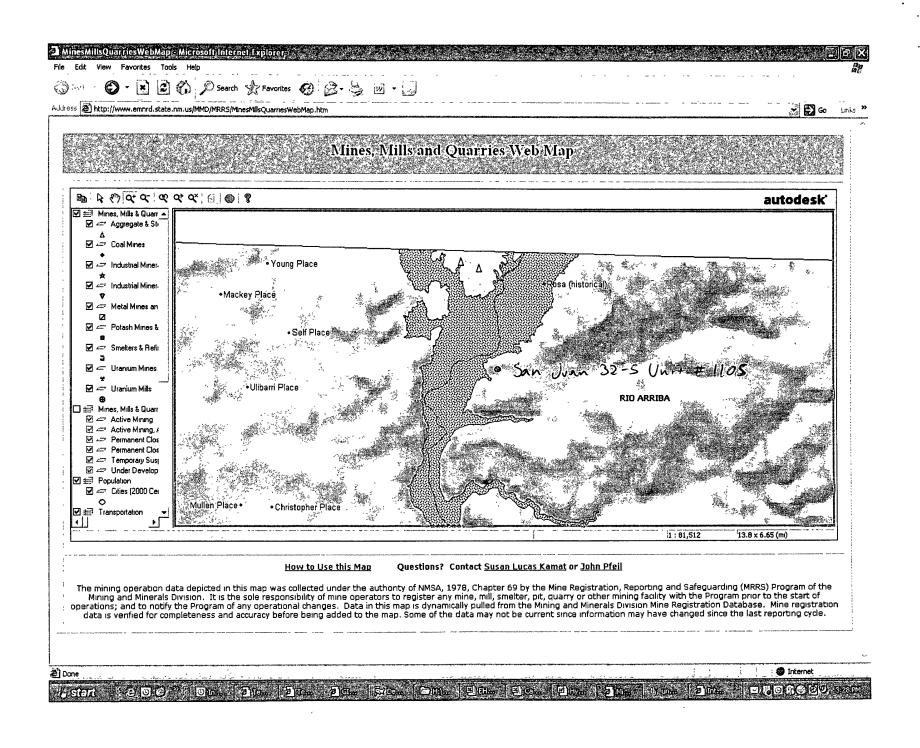
]	NAD27	X:	Y: .	Zone:	,	Search Radius:
County:			Basin:	;	Ü	Number: Suffix:
Owner Nan	ne: (Fir	rst)	(La	st)		⊙ Non-Domestic ⊙ Domestic ⊚ Al
Po[O./ Surfac	ce Data	Report	Avg Depth to Wa	ater F	ReportWater Column Report

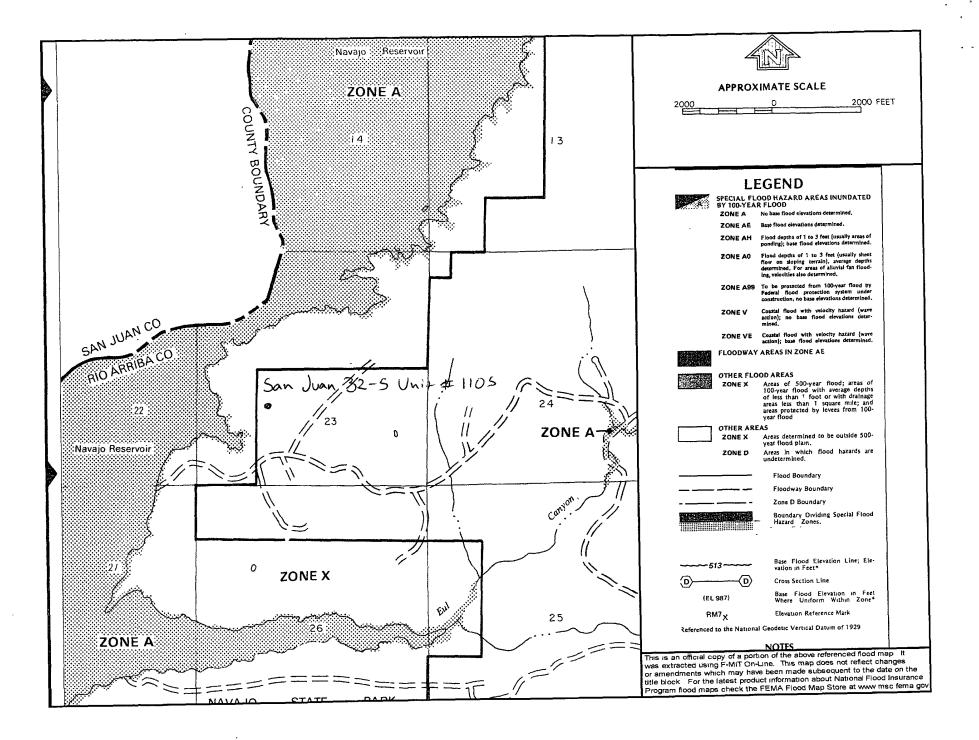
AVERAGE DEPTH OF WATER REPORT 07/21/2008

(Depth Water in Feet)

Bsn Tws Rng Sec Zone X Y Wells Min Max Avg

No Records found, try again





Temporary Pit Design Plan:

The pit will be designed and constructed in the following manner:

- 1) Top soil will be stripped, stockpiled and stored as designated on the attached well sight layout schematic. Storage will be in accordance with the requirements set forth as described in item B of the siting requirements of 19.15.17.11 NMAC.
- 2) A sign will be posted on location in accordance with 19.15.3.103 NMAC.
- 3) A four strand barbwire fence will be constructed around the perimeter of the pit with the strands evenly spaced between one and four feet from the ground. This fence will be used to excluded livestock from inadvertently entering the pit. The side of the fence adjacent to the rig will be removed during operations. This fence if located within 1000 feet of a permanent residence, school, hospital, institution or church will be a six foot chain link fence with two strands of barbed wire at the top.
- 4) The pit will be designed to confine liquids, prevent unauthorized releases by constructing a foundation with interior slopes consisting of a firm and unyielding base that are smooth and free of rocks, debris or other sharp edges to prevent liner damage.
- 5) The slopes will be constructed with a 2:1 ratio of vertical to horizontal with a changing slope within five feet of the shale shakers trending towards horizontal.
- 6) The volume of the pit will no exceed 10 acre feet including freeboard.
- 7) The pit will be lines with a LLDPE geomembrane liner with a thickness of no less then 20mm. The liner material will be compatible with EPA SW-846 method 9090A.
- 8) Liner seams will be orientated perpendicular to the largest slope with an overlap of four to six inches.
- 9) If needed a geotextile will be place under the liner to reduce localized stress-strain that may compromise liner integrity.
- 10) The edges of the liner will be anchored in the bottom of a compacted earthfilled trench no less the 18 inches deep.
- 11) To prevent runon of surface water a berm no less then 12 inches high will be constructed around the perimeter of the pit. With drainage ditches being directed to the runoff requirements set forth in the APD Condition of Approval.

5-2-08.

DISTRICT 1 1625 N. French Dr., Hobbs, N.M. 86240 State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised October 12, 2005

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

DISTRICT III 1000 Rio Brezos Rd., Aztec, N.M. 87410 OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

☐ AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30.039. 35.	² Pool Code	² Pool Code					
*Property Code		^d Property Name 32-5 UNIT					
OGRID No.	ENERGEN	° Elevation 6338'					

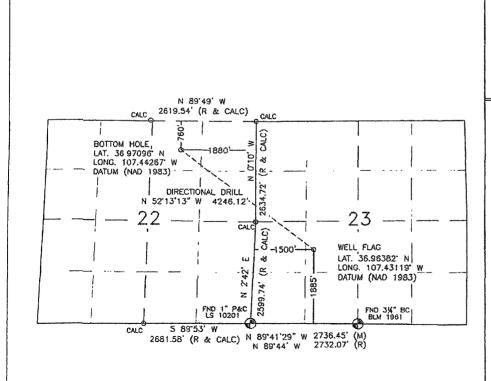
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	23	32N	6W		1885'	SOUTH	1500'	WEST	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
В	22	32N	6W		760'	NORTH	1880'	EAST	RIO ARRIBA
12 Dedicated Aores			is Joint or Infill		H Consolidation C	Consolidation Code			
1					İ				

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



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and betief, 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 localism pursuent to a contract with an owner or a compulsory pooling order heretofore entered by the division.

See 7/21/08Signature Date

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 belief.

SEPTEMBER 26, 2007

Date of Survey

Signature and Seal of Professional Surveyor

OF RUSSELL

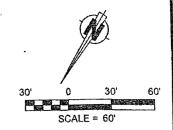
DAVID RUSSELL

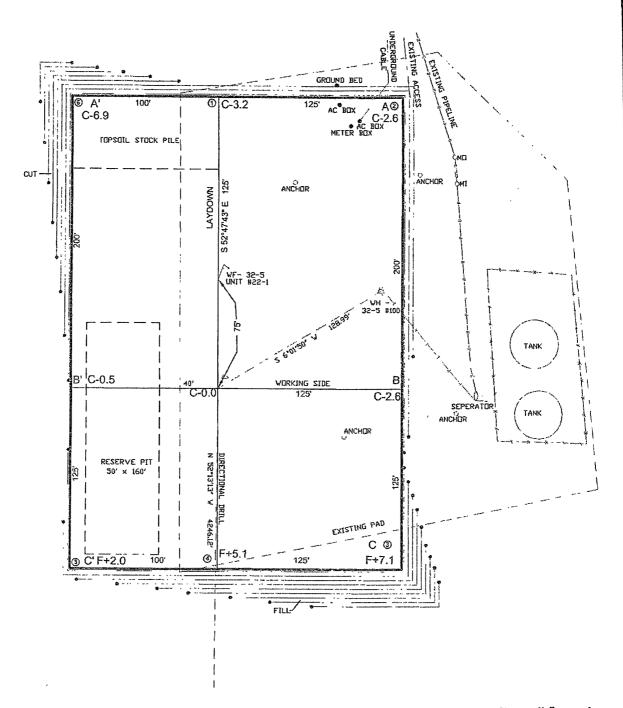
10201

LATITUDE: 36.96382°N LONGITUDE: 107.43119°W DATUM: NAD 83

ENERGEN RESOURCES CORPORATION

32-5 UNIT #110 S 1885' FSL & 1500' FWL LOCATED IN THE NE/4 SW/4 OF SECTION 23, T32N, R6W, N.M.P.M., RIO ARRIBA COUNTY, NEW MEXICO GROUND ELEVATION: 6338', NAVD 88 FINISHED PAD ELEVATION: 6338.3', NAVD 88





1 FOOT CONTOUR INTERVAL SHOWN

SCALE: 1" = 60' JOB No.: ERG182 DATE: 10/24/07



Russell Surveying 1409 W. Aztec Blvd. #2 Aztec, New Mexico 87410 (505) 334-8637

Temporary Pit Operations Plan:

The pit will be operated and maintained; to contain liquids and solids, to insure liner and secondary containment integrity, to aid in the prevention of contamination of fresh water sources, in order to protect public health and the environment. To attain this goal the following steps will be followed;

- 1) The fluids in the pit remaining after rig release will be vacuumed out and transported to active drilling locations to be reused or disposed of with Agua Moss LLC in the Pretty Lady #1 (Disposal API Number # 30-048-30922) within 30 days. Residual fluids after vacuuming will be allowed to evaporate.
- 2) No hazardous waste, miscellaneous solid waste or debris will be discharged into or stored in the pit. Only fluids or cuttings used or generated in the drilling process will be placed or stored in the pit.
- 3) The division district office will be notified within 48 hrs of the discovery of compromised liner integrity. Upon the discovery of the compromised liner repairs will be enacted immediately.
- 4) The division district office will be notified within 48 hrs of the discovery of compromised liner integrity below the fluid level unless more then 25 bbls is released in which case Rule 116's 24 hr notification will apply. All liquid above the damaged liner section will be removed to a level below the damage within 48 hrs and repairs will be enacted.
- 5) Precautionary measures will be taken to insure no liner damage is caused when adding or removing fluids and solids from the pit. This will be accomplished by gradually increasing the slope of the pit from negligible underneath the shale shakers to the 2:1 ratio required by 19.15.17.11 within five feet. A perforated pipe will be installed in the corner of the pit so that a vacuum hose can be run through it to remove fluids without damaging the liner.
- 6) Perimeter berms and ditches will be constructed around the exterior of the pit to prevent surface water run-on but the rig side may be left open to allow location drainage.
- 7) A oil absorbent boom will be maintained on site to remove oil from the pit's surface if necessary. Immediately on the cessation of drilling any accumulated oil will be removed from the surface of the pit.
- 8) A minimum of two feet of freeboard will be maintained at all times. Once fluid levels have the possibility of rising above the minimum freeboard fluid will be vacuumed out of the pit.
- 9) All of the above operations will be inspected and a log will be signed and dated. During drilling operations the inspection will be daily and after rig release they will be carried out weekly as log as there is fluid in the pit.

Temporary Pit Closure Plan:

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

- 1) The contents will be solidified to a bearing capacity sufficient to support the final cover. This will be accomplished by mixing the contents with soil at a mixing ratio no greater then 3:1 soil to contents.
- 2) At time of closure, all free standing fluids will be removed and the liner will be cut off at the mudline.

3) Sampling will be done by collecting a minimum of a five-point composite sample of the contents after stabilization. The sample will be analyzed for the following components;

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

- 4) After demonstrating that the stabilized contents are under the limits listed above the contents will be covered with compacted non-waste containing earthen material to a minimum of three feet. If stabilized contents exceed a volume that can be covered with three feet of earth and a foot of topsoil the excess contents will be removed and sent to Envirotech (Permit NM-01-0011). If the stabilized contents do no meet the above stated limits the stabilized contents will all be hauled to Envirotech.
- 5) After the stabilized contents have been covered, the stockpiled topsoil will replaced to a minimum depth of one foot. Topsoil cover will be graded to prevent ponding of water and erosion of the cover material. This will be accomplished within six months of rig release.
- 6) The precise location of the on-site burial will be reported to the Aztec field office on the C-105 form. A dead notice identifying the exact location of the on-site burial will be filed with the county clerk.
- 7) The disturbed area will be seeded or planted the first growing season after closing the pit. Seed will be drilled on the contour whenever practical or by other division-approved methods. The being to obtain vegetative cover that equals 70% of the native cover (un-impacted by overgrazing, fire or other intrusion damaging to native vegetation) consisting of at least three native plant species, including at least one grass but not including noxious weeds. Cover will be maintained through two successive growing seasons. During the two growing seasons that prove viability there shall be no artificial irrigation of the vegetation. Seeding or planting will continue until the required cover is reached. If conditions are not favorable to establishment of vegetation due to periods of drought or similar problems then the Aztec office of the OCD will

- be notified. The Aztec office of the OCD will also be notified when the disturbed ground successfully achieves re-vegetation.
- 8) The final closure report (C-144) will be filled within 60 days of closure completion and include sampling results, plot plan, details on back filling, covering and inspections during the life of the pit.
- 9) Until the abandonment of the wells on the pad where the pit is located a steel marker no less then four inches in diameter will be cemented in a hole three feet deep in the center of the onsite burial. The top of this marker will be flush with the ground. Once all wells on the pad are abandoned a four foot tall riser will be welded on top of the marker with; operator name, lease name, well name and number, unit number, section, township and rage, and a designation that it is an onsite burial location