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 Sy	ystem, Below-Grade Tank, or
Proposed Alternative Metho	od 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: Williams Operating Co., LLC OGRID #: 120782
Address: PO Box 640 / 721 S Main Aztec, NM 87410
Facility or well name: Rosa Unit #006C
API Number: 3003930181 OCD Permit Number:
U/L or Qtr/Qtr M Section 27 Township 31N Range 5W County: Rio Arriba
Center of Proposed Design: Latitude 36.86542N Longitude -107.35564W NAD: □1927 ☑ 1983
Surface Owner: ☑ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment
□ Permanent □ Emergency □ Cavitation □ P&A □ Lined ☑ Unlined Liner type: Thickness mil □ LLDPE □ HDPE □ PVC □ Other □ String-Reinforced □ Welded ☒ Factory □ Other □ Volume: 20,000 bbl Dimensions: □ 12' 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 □ PVC □ Other
Below-grade tank: Subsection I of 19.15.17.11 NMAC Subsection I of 19.15.17.11 NMA
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.

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, institution or church) Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate. Please specifyBLM Stipulation in APD	hospital,			
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 approoffice or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to dry above-grade tanks associated with a closed-loop system.	priate district pproval.			
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☒ No			
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No			
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☒ No ☐ NA			
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No ☑ 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				

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 Poymit Application Attachment Checklists. Subsection P. of 10.15.17.0 NIMAC
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 ₂ 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 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)
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

C-144 Page 3 of 18 Rosa #361A 6 C

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if macilities are required.					
Disposal Facility Name: Disposal Facility Permit Number:	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					
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 provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate districtions of acceptable source and exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justif demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.	ict office or may be				
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 □ No □ 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	☐ 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 - WATERS 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	☐ 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 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 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 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	5.17.11 NMAC				

Rosa #361A 6C

Operator Application Certification: I hereby certify that the information subm	itted with this application	is true, accurate and comp	plete to the best	of my knowledge and belief.		
Name (Print): Michael K. L	ane	Titl	e: <u>Sr. EH</u>	& S Specialist		
Signature:		De Da	ate: 9/2	9/08		
e-mail address: myke.lane@wi	lliams.com	Telep	phone:	505-634-4219		
OCD Approval: Permit Application	including closure plan)	Closure Plan (only)	OCD Condi	tions (see attachment)		
OCD Representative Signature:	and Dell		A	Approval Date: <u>(0-10-08</u>		
OCD Representative Signature: 13		OCD Pern	nit Number:			
21. Closure Report (required within 60 days Instructions: Operators are required to o The closure report is required to be subm section of the form until an approved clos	btain an approved closure itted to the division within	e plan prior to implement a 60 days of the completion and the closure activiti	ing any closure on of the closur	ompleted.		
22. Closure Method: Waste Excavation and Removal If different from approved plan, please		☐ Alternative Closure	Method \[\bigve V	Waste Removal (Closed-loop systems only)		
23. Closure Report Regarding Waste Remo Instructions: Please indentify the facility				nd Steel Tanks or Haul-off Bins Only: s were disposed. Use attachment if more than		
two facilities were utilized.		. , 0,	8	•		
Disposal Facility Name:			acility Permit N	Number:		
Disposal Facility Name:		Disposal F	acility Permit N	Number:		
Were the closed-loop system operations an Yes (If yes, please demonstrate com			will not be use	d for future service and operations?		
Required for impacted areas which will no Site Reclamation (Photo Document		e and operations:				
Soil Backfilling and Cover Installati	on					
	1 Seeding Technique					
		following items must be	attached to the	closure report. Please indicate, by a check		
mark in the box, that the documents are a						
Proof of Closure Notice (surface ow Proof of Deed Notice (required for c				1		
Plot Plan (for on-site closures and te	mporary pits)			ļ		
☐ Confirmation Sampling Analytical F	Results (if applicable)			ļ		
Waste Material Sampling Analytical		site closure)		l		
Disposal Facility Name and Permit				ļ		
Soil Backfilling and Cover Installati Re-vegetation Application Rates and						
☐ Site Reclamation (Photo Documenta	tion)			ļ		
On-site Closure Location: Latitude		Longitude		NAD: 🔲 1927 🔲 1983		
25.			· · · · · · · · · · · · · · · · · · ·			
Operator Closure Certification:						
I hereby certify that the information and at belief. I also certify that the closure compl						
Name (Print):	me (Print): Title:					
Signature:	,	Da	ate:			
e-mail address:		Teleph	none:			

Rosa #361A-GC C-144 Page 5 of 18

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Gistrict II 1901 M. Grand America America (NJ 69215

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district în 1556 S St. Francis Gr., Santa fra, lei 0756

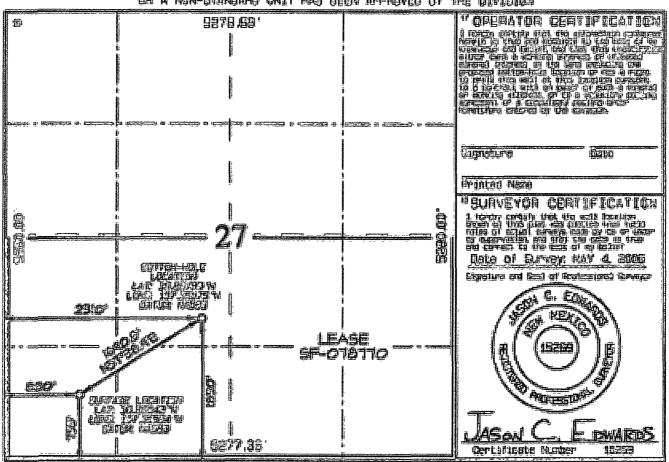
AMENTED REPORT

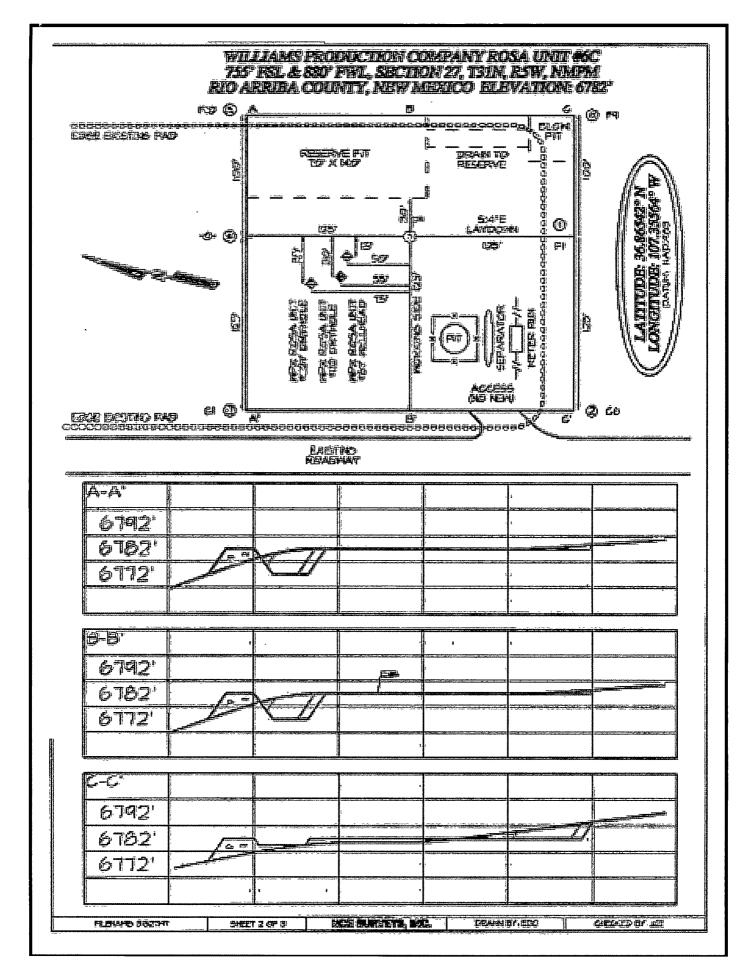
HELL LOCATION AND ACREAGE DEDUCATION PLAT

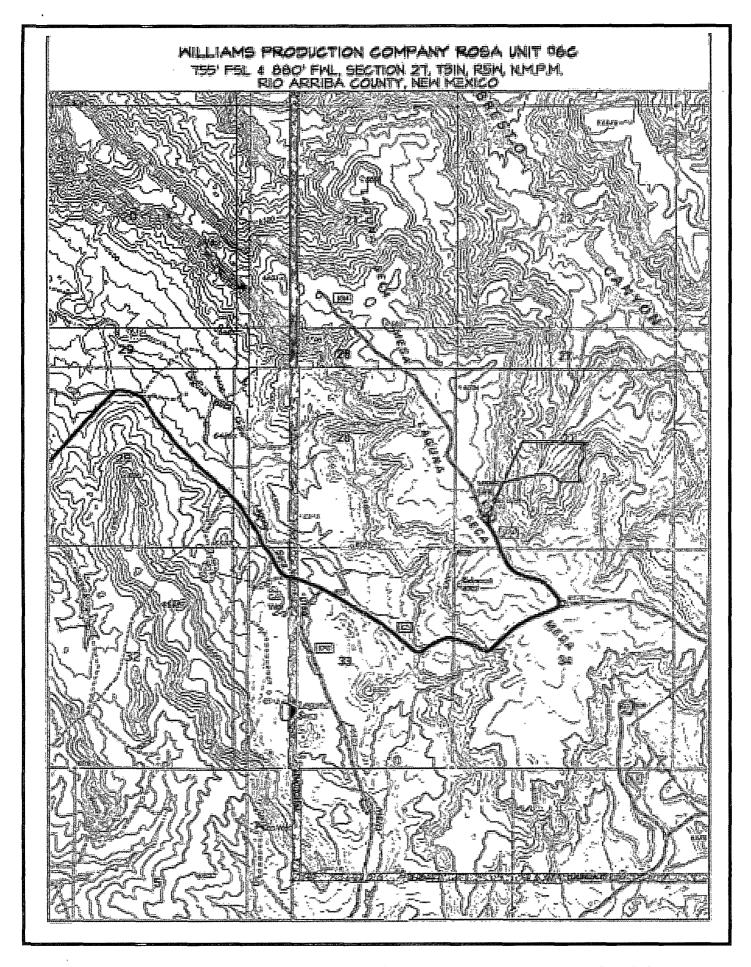
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Hydrogeological Report Williams Production Company, LLC Rosa #6C Regional Hydrological Context

Referenced Well Location:

The referenced well and pit is located in Carson National Forest's Jicarilla Ranger District in Rio Arriba County, New Mexico. This site is positioned in the northeastern portion of the San Juan Basin, an asymetrical syncline that extends from northwestern New Mexico into southwestern Colorado (Carson National Forest DEIS, 2007). Elevation of the referenced well is approximately 6782 feet MSL.

General Regional Groundwater Description:

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

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

Site Specific Information:

Surface Hydrology: The pit is located on a relative flat surface on top of Laguna Seca Mesa,

draining into a tributary of Cabresto Canyon is approximately 1 mile to

the northeast.

1st Water Bearing Formation:

Formation Thickness: Underlying Formation: San Jose, Tertiary Approximately 1,900 ft.

Nacimiento, Tertiary

Depth to Groundwater: Depth to groundwater is estimated at greater than 100 feet bgs. There are

no iWATERS wells with water depth data located within one mile of this

location. However, cathodic data associated with Rosas #257

(approximately 271 feet from the pit), 188A (approximately 1809 feet

from the pit), shows a depth to moisture of 200 feet and 495 feet,

respectively (see Siting Criteria Map I for details).

References:

Allen, Erin. Undated. Colorado Plateau Aquifers.

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

New Mexico Energy, Minerals and Natural Resources Department, Division of Mining and Minerals. Database. 2008. Internet accessed August 2008.

New Mexico Office of the State Engineer. August 2008. iWaters database. Internet accessed August 2008.

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

United States Department of Agriculture, Forest Service. 2007. Draft Environmental Impact Statement for Surface Management of Gas Leasing and Development. Jicarilla Ranger District, Carson National Forest, Rio Arriba County, New Mexico.

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

United States Geological Survey. 2001. Groundwater Atlas of the United States: Arizona, Colorado, New Mexico and Utah. USGS Publication HA 730-C; http://capp.water.usgs.gov.

New Mexico Office of the State Engineer POD Reports and Downloads

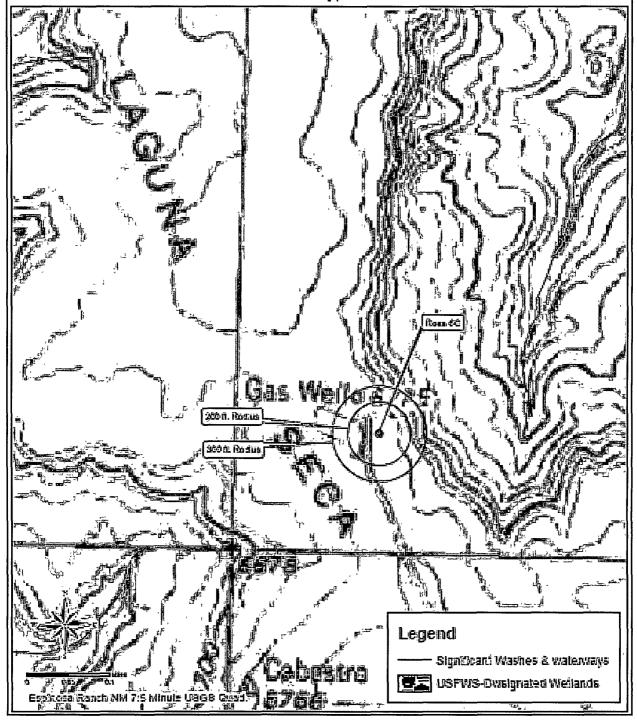
Township: 31N Range: 05W Sections:
NAD27 X: Y: Zone: Search Radius:
County: Basin: Number: Suffix:
Owner Name: (First) (Last) Non-Domestic Domestic
POD / Surface Data ReportAvg Depth to Water ReportWater Column Report
WATER COLUMN REPORT 08/26/2008
(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest) Depth Depth Water in feet)
OD Number Tws Rng Sec q q q Zone X Y Well Water Column O Records found, try again

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Rosa #6C

Siting Criteria Map I Water Wells, Cathodic Wells, & Springs Williams Exploration and Production Company Rosa Unit #6C T31N, R05W, Section 27, NMPM Rio Arriba County, New Mexico SOG ft. (Radius Ross/Unif #80 1000 ft. Radius Yosa 257 Dogënte noodena 495 B Digenos from Hosa 50, 27 Hose 1884 Capit to merebus Stel 6 Japan Sten Stel 64 1 800

Siting Criteria Map II Topographic Features Williams Exploration and Production Company Rosa Unit #6C T31N, R05W, Section 27, NMPM Rio Anriba County, New Mexico



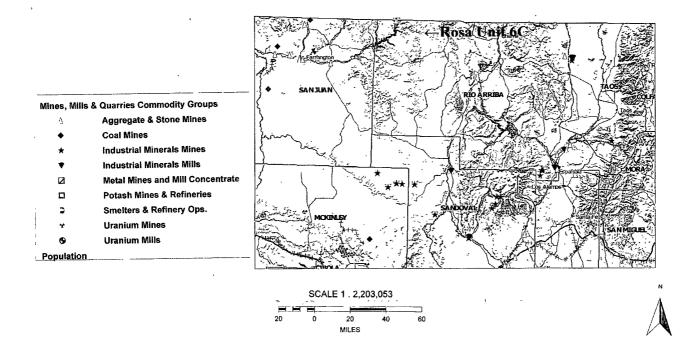
FEMA Map - 100-Year Floodplain:

As this location is within Carson National Forest, no FEMA maps are available. However, ortho and topographic maps indicate that this location is not within a floodplain.

Siting Criteria Compliance Demonstrations:

The Rosa #6C pit is not located in an unstable area. The pit is not situated over a mine or a steep slope (see attached New Mexico Mines, Mills, and Quarries Map). Excavated pit material will not be located within 300 feet of a continuously flowing water course; within 200 feet of another significant watercourse, lakebed, sinkhole, or playa lake; or within 500 feet of any reported riparian areas or wetlands (see Siting Criteria Map II). The pit is not within 500 feet of any private, domestic fresh water well or spring or within 1000feet of any other fresh water well or spring (see Siting Criteria Map I). The pit will not be within any incorporated municipal boundaries or defined municipal freshwater well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. The location of the proposed pit is not within 300 feet of any permanent residence, school, hospital, institution, or church.

MMQonline Public Version



Rosa #6C

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

Temporary Pit Maintenance & Operating Plan Drilling/Completion and Workover

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

General Plan Requirements:

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

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

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

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

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

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

General Plan Requirements:

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

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Rosa #6C

- 19. Solidification of the remaining pit contents shall be achieved by mixing non-waste-containing, earthen material. The solidification process will be accomplished using a combination of natural drying and mechanical mixing. Pit contents will be mixed with non-waste, earthen material to a consistency that is deemed safe and stable. The mixing ratio shall not exceed 3 parts non-waste to 1 part pit contents.
- 20. A five-point composite sample will be taken of the pit using sampling tools; all samples will be tested per 19.15.17.13(B)(1)(b) NMAC. In the event that the criteria are not met (See Table 1), all contents will be handled per 19.15.17.13(B)(1)(a) (i.e. dig and haul to a Division-approved facility). Approval to haul will be requested of the Aztec District office prior to initiation.

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

Tuoid II. Clobale Cittella for Temporary I ito in I tem benefit to I in an					
Components	Testing Methods	Closure Limits (mg/Kg)			
Benzene	EPA SW-846 Method 8021B or 8260B	0.2			
BTEX	EPA SW-846 Method 8021B or 8260B	50			
TPH	EPA SW-846 Method 8015 M(Full Range)*	2500			
	or Method 418.1				
GRO/DRO	EPA SW-846 Method 8015M (GRO/DRO)	500			
Chlorides	EPA SW-846 Method 300.1	1000			

^{*} Preferred method

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

Lane, Myke (E&P)

From: Lane, Myke (E&P)

Sent: Saturday, September 27, 2008 11:13 PM

To: John Reidinger

Cc: Brandon.powell@state.nm.us

Subject: Land Owner Notice - Rosa 006C pit closure

John;

This correspondence is to notify the USFS-Carson Forest: Jicarilla District that Williams Production is planning to close the temporary pit associated with the drilling and completion of the reference wells on-site. The planned closure is consistent with the Surface Use Plan submitted with Williams APD, approved earlier.

This notice is to comply with the NMOCD Pit Rule 19.15.17 NMAC requirement to notify surface owners of the operator's intended closure method. If site conditions do not allow Williams to close in-place, we will provide your office with prior notice should the BLM have any concerns.

Please contact us if there are any questions or additional information is required.

Michael K. (Myke) Lane, PE EH&S Team Leader - San Juan Basin Operations 721 S. Main/PO Box 640, Aztec. NM 87410 (505) 634-4219(off); -4205(fax); 330-3198(cell)

"The problems we face cannot be resolved at the same level of thinking as that which gave rise to them!"---shared with me by Brent Hale