District 1 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.

351)	Pit, Closed-Loop System, Below-Grade Tank, or osed Alternative Method Permit or Closure Plan Application
<u>-</u> -	Permit of a pit, closed-loop system, below-grade tank, or proposed alternative

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

Operator.	Williams Operating	Co, LLC			OGRID	#: <u> </u>	120	782
Address:	PO Box 640 / 721 S Main	Aztec,	NM 87410	0				
Facility or well n	name: Rosa Unit 138D							
API Number:	_30.045.3499	59	OCD	Permit Nur	nber:			
U/L or Qtr/Qtr	H Section 17	_ Township	<u>31N</u>	Range	6W_	County:	San Jua	1
Center of Propos	ed Design: Latitude36.90	0035 N	L	ongitude _		-107.47987 W		NAD: 🔲 1927 🖾 198
Surface Owner: [🛚 Federal 🗌 State 🗌 Private 🔲 Tr	ibal Trust or In-	dian Allotm	nent				
2.								
	tion F or G of 19.15.17.11 NMAC							
	Drilling Workover							
	Emergency Cavitation P&A							
	nlined Liner type: Thickness20	mil 🛛 I	LLDPE 📙	HDPE 📙	PVC _	Other		
String-Reinfo								
Liner Seams: 🛚	Welded ⊠ Factory ☐ Other			Volume:	20,000	bbl Dimension	ns: L <u>140'</u>	x W 70° x D 12
3.	System: Subsection H of 19.15.17.	LI NIMAC		·····				
Closea-loop	Subsection in or 19.13.17.							
Type of Operatio	n. Delling a new well		r Drilling (Annlies to	ootivities	which require pri	or opprovel a	fo namnit ar native of
Type of Operatio intent)	n: P&A Drilling a new well		or Drilling (Applies to	activities	which require pri	or approval o	of a permit or notice of
intent) Drying Pad	☐ Above Ground Steel Tanks ☐ I	☐ Workover o	Other _			_	139	of a permit or notice of
intent) Drying Pad		☐ Workover o	Other _				13	of a permit or notice of
intent) Drying Pad Lined Unl	☐ Above Ground Steel Tanks ☐ I	☐ Workover of Haul-off Bins [Other _	☐ HDPE			13	of a permit or notice of 3456789000000000000000000000000000000000000
intent) Drying Pad Lined Unl Liner Seams:	☐ Above Ground Steel Tanks ☐ I ined Liner type: Thickness Welded ☐ Factory ☐ Other	□ Workover of Haul-off Bins [mil [Other _	☐ HDPE		Other	RE	345678970775 CEIVED 15
intent) Drying Pad Lined Unl Liner Seams: Below-grade	Above Ground Steel Tanks	□ Workover of Haul-off Bins [mil [Other _	☐ HDPE	☐ PVC	Other	RE	345678970775 CEIVED 15
intent) Drying Pad Lined Unl Liner Seams: Below-grade Volume:	☐ Above Ground Steel Tanks ☐ I ined Liner type: Thickness Welded ☐ Factory ☐ Other tank: Subsection I of 19.15.17.11 bbl Type of fluid:	□ Workover of Haul-off Bins □ mil □ mil □	Other _ LLDPE	☐ HDPE	☐ PVC	Other	RE	345678970775 CEIVED 15
intent) Drying Pad Lined Unl Liner Seams: Below-grade Volume: Tank Construction	Above Ground Steel Tanks	□ Workover of Haul-off Bins [mil [NMAC	Other LLDPE	☐ HDPE	□ PVC	Other	RE	345678970775 CEIVED 15
intent) Drying Pad Lined Unl Liner Seams: Below-grade Volume: Tank Construction Secondary co	Above Ground Steel Tanks	□ Workover of Haul-off Bins □ mil □ mil □ MMAC	Other LLDPE	☐ HDPE	□ PVC	Other	011 CG	34567897070 CEIVED 25
intent) Drying Pad Lined Unl Liner Seams: Below-grade Volume: Tank Construction Secondary or Visible sidev	Above Ground Steel Tanks	□ Workover of Haul-off Bins □ mil □ MMAC Sisible sidewalls only □ Other	Other LLDPE	☐ HDPE	□ PVC	Other	SE 20 OIL CO	34567897070 CEIVED 33

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,				
nstitution or church) ☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet ☑ Alternate. Please specify <u>As per BLM specifications</u>					
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)					
Minimal inspections (if feeting of severing is not physically reasone)					
Signs: Subsection C of 19.15.17.11 NMAC					
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers					
⊠ Signed in compliance with 19.15.3.103 NMAC					
9. Administrative Approvals and Exceptions:					
Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.					
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	office for				
consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.					
10.					
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate 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 drying a great tends associated with a closed lean system.	priate district pproval.				
above-grade tanks associated with a closed-loop system.	☐ Yes ⊠ No				
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					
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).	☐ Yes 🛭 No				
- Topographic map; Visual inspection (certification) of the proposed site	□ v⊠ N-				
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.	Yes No				
 (Applies to permanent pits) Visual inspection (certification) of the proposed site; Aerial photo; Satellite image 	⊠ 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 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. <u>Closed-loop Systems Permit Application Attachment Checklist</u> : Subsection B of 19.15.17.9 NMAC <u>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.</u>
☐ 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
14. Proposed Closure: 19.15.17.13 NMAC
Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.
Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System Alternative
Proposed Closure Method: Waste Excavation and Removal Waste Removal (Closed-loop systems only)
On-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial On-site Trench Burial
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the
closure plan. Please indicate, by a check mark in the box, that the documents are attached. Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC ☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17). Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment facilities are required.			
Disposal Facility Name: Disposal Facility Permit Number:			
Disposal Facility Name: Disposal Facility Permit Number:			
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future 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 N 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	ИAC		
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 provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Jemonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.	district 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		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or play lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	a ☐ 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	n. 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		
18. On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure	o 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 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 c 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	19.15.17.11 NMAC		

Operator Applicatio				
I hereby certify that t	he information submitted with this applicat	ion is true, accurate and comp	lete to the best	of my knowledge and belief.
Name (Print):	Michael K. Lane			I & S Specialist
Signature:		ODO DA	ate: 5/5	7/09
e-mail address:	myke.lane@williams.com	Tele	ohone:	505-634-4219
OCD Approval:	Permit Application (including closure plan	n) Closure Plan (only)	OCD Condi	itions (see attachment)
	e Signature:			Approval Date: 5-5-09
Title:E	nulso/spec	OCD Pern	nit Number:	
Instructions: Operat The closure report is	uired within 60 days of closure completion fors are required to obtain an approved clo required to be submitted to the division wi ntil an approved closure plan has been obt	sure plan prior to implement thin 60 days of the completio ained and the closure activiti	ing any closure n of the closur	e activities. Please do not complete this completed.
	n and Removal	od	Method 🔲 V	Waste Removal (Closed-loop systems on
Instructions: Please two facilities were uti Disposal Facility Na Disposal Facility Na Were the closed-loop Yes (If yes, ple Required for impacted	ame: system operations and associated activities ease demonstrate compliance to the items be d areas which will not be used for future ser	Disposal F	nd drill cutting: acility Permit N acility Permit N	s were disposed. Use attachment if more Number: Number:
Soil Backfilling	on (Photo Documentation) g and Cover Installation Application Rates and Seeding Technique			
mark in the box, that Proof of Closur Proof of Deed 1 Plot Plan (for o Confirmation S Waste Material Disposal Facili Soil Backfilling Re-vegetation	chment Checklist: Instructions: Each of the documents are attached. re Notice (surface owner and division) Notice (required for on-site closure) on-site closures and temporary pits) Sampling Analytical Results (if applicable) I Sampling Analytical Results (required for ty Name and Permit Number g and Cover Installation Application Rates and Seeding Technique on (Photo Documentation)	on-site closure)		
On-site Closure	e Location: Latitude	Longitude		NAD: 1927 1983
belief. I also certify the	ertification: the information and attachments submitted what the closure complies with all applicable	closure requirements and con	ditions specifie	
Signature:		Da	nte:	
e-mail address:		Telepl		

Lage, o.

District I 1525 N French Dr., Hobbs, NM 88240

District II

State of New Mexico

Energy, Minerals & Natural Resources Department

Form C-102 Pevised October 12, 2005 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

1301 W. Grand Avenue, Antesia, NM B3210 District IEI 1000 Rid Brazos Rd., Aztec, NM 87410

District IV 1220 S St Francis Or., Santa Fe. NM 87505 OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe. NM 87505

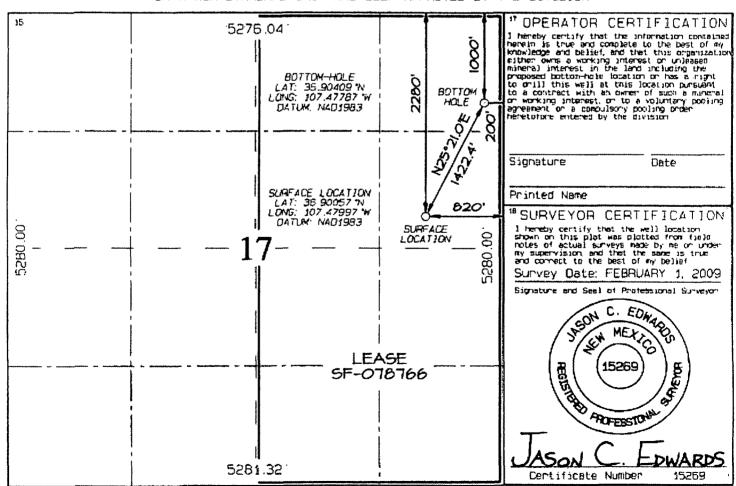
AMENDED REPORT

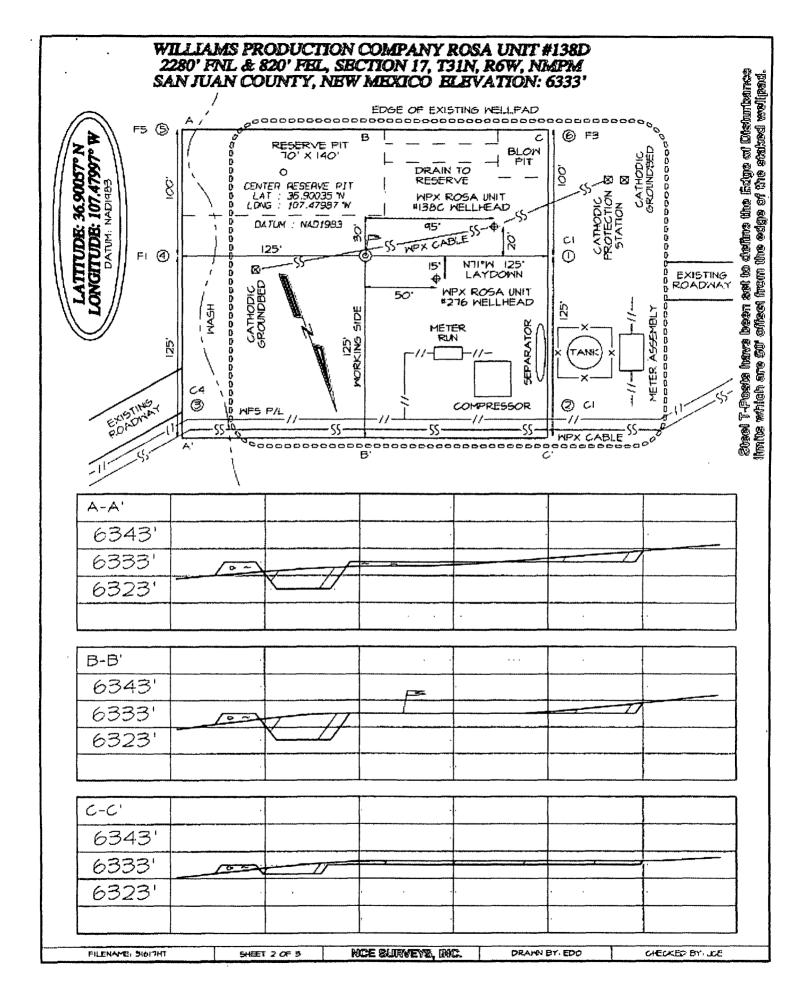
WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number	*Poal Cade	'Pool Nama	
	97232 / 72319 / 71599	BASIN MANCOS / BLANCO MESAVERDE	/ BASIN DAKOTA
'Property Code		"Wel) Number	
17033		135D	
'OGRIO No.		Elevation	
120782	WILLIAMS	PRODUCTION COMPANY	6333 '

¹⁰ Surface Location Feet from the VL or Jut hu SHEL IN Townshipp Fla O Lot 1th North/South line Fest trad the East /West land Danta 2280 NORTH Н 17 31N 6W 820 EAST SAN JUAN ³¹Bottom Hole Location If Different From Surface Sect ion Parge Fort from the UL or lot no. Foot from the North/South line Ents (Mest Live Courte 17 31N FW 1000 NORTH 500 EAST SAN JUAN А O Joint or Infall Concoladation Code ⁸⁵ Order No. Dedicated Arres 320.0 Acres - (E/2)

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





Hydrogeological Report Williams Production Company, LLC Rosa Unit #138D

Regional Hydrological Context

Referenced Well Location:

The referenced well and pit is located on Bureau of Land Management land within Farmington Field Office (FFO) management jurisdiction in San Juan County, New Mexico. This site is positioned in the northeastern portion of the San Juan Basin, an asymmetrical syncline that extends from northwestern New Mexico into southwestern Colorado (Carson National Forest FEIS, 2008). Elevation of the referenced well is approximately 6333 feet MSL.

General Regional Groundwater Description:

As a portion of the San Juan Basin, the FFO administrative area 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 this region, 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 mid-elevation southwestern facing mesa,

approximately ½ mile east of a side tributary to the San Juan

River Arm of Navajo Reservoir.

1st Water Bearing Formation:

Formation Thickness: Underlying Formation: Depth to Groundwater: San Jose, Tertiary

Approximately 1,900 ft. Nacimiento, Tertiary

Depth to groundwater is estimated at greater than 100 feet bgs.

Within a one-mile radius of this location, there were no iWATERS wells with recorded water depth information.

However, cathodic data associated with the Rosa Unit Nos. 276 (approximately 71 feet from pit), and 138A (approximately 513 feet from pit) both show depth to moisture between 115 and 190

feet (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. 2009. Internet accessed February 2009.

New Mexico Office of the State Engineer. 2009. iWaters database. Internet accessed April 2009.

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

United States Department of Agriculture, Forest Service. 2008. Final 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. Ground Water Atlas of the United States: Arizona, Colorado. New Mexico and Utah. USGS Publication HA 730-C: http://capp.water.usgs.gov.

er er ikosa tap

New Mexico Office of the State Engineer POD Reports and Downloads

Township: 31N Ran	ge: O6W Sections:
NAD27 X: Y:	Zone: Search Radius:
County:	Basin: Number:
Owner Name: (First)	(Last) Non-Domestic Domestic All
POD / Surface Data Rep	ortAvg Depth to Water ReportWater Column Report

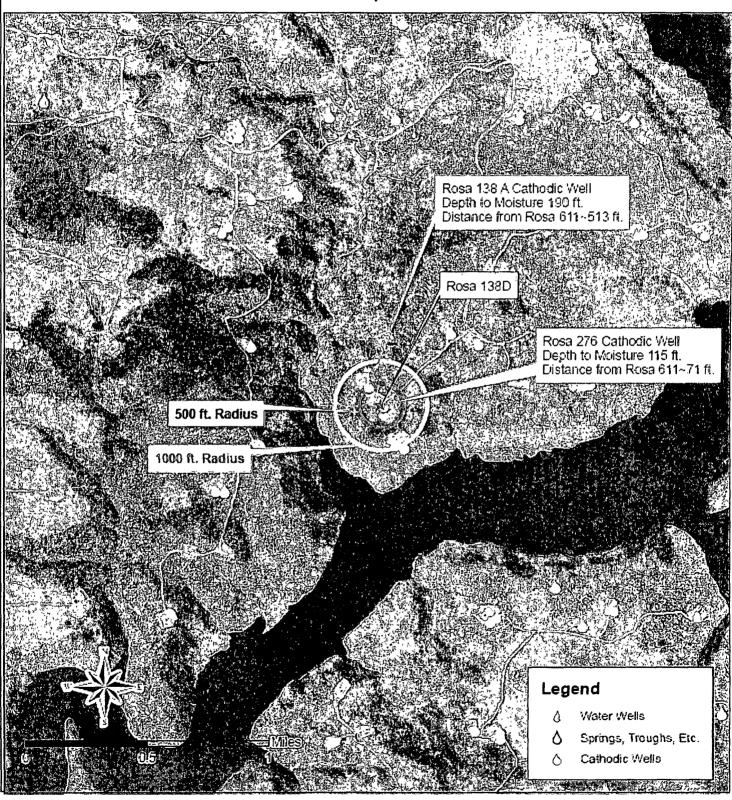
WATER COLUMN REPORT 02/20/2009

	(quarter	s are 1=NW 2=1	NE 3=SW 4=SE)					
	(quarter	s are biggest	to smallest)		Depth	Depth	Water	(in feet)
'OD Number	Tws	Rng Sec q q	q Zone	X Y	Well	Water	Column	
J 03685 POD1	31N	06W 07 1 2 4	4		460	310	150	
J 00011	31N	06W 32			138D			

Record Count: 2

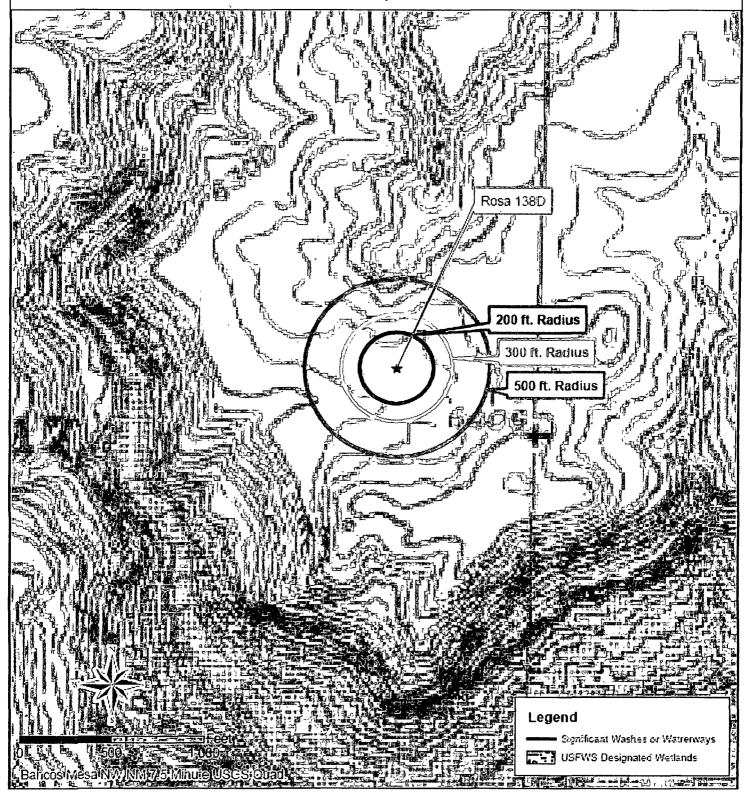
1 C Kosp Co

Siting Criteria Map I Water Wells, Cathodic Wells, & Springs Williams Production Company, LLC Proposed Rosa Unit No. 138D T31N, R06W, Section 17 NMPM San Juan County, New Mexico

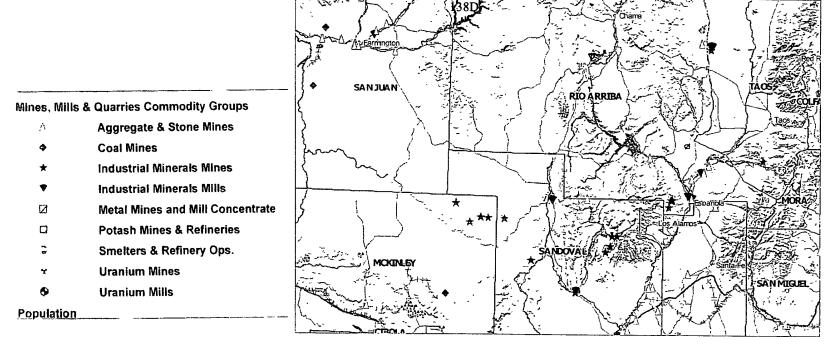


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Siting Criteria Map II
Topographic Features
Williams Production Company, LLC
Rosa Unit No. 138D
T31N, R06W, Section 17 NMPM
San Juan County, New Mexico



MMQonline Public Version



SCALE 1: 2.203.053

MILES

60

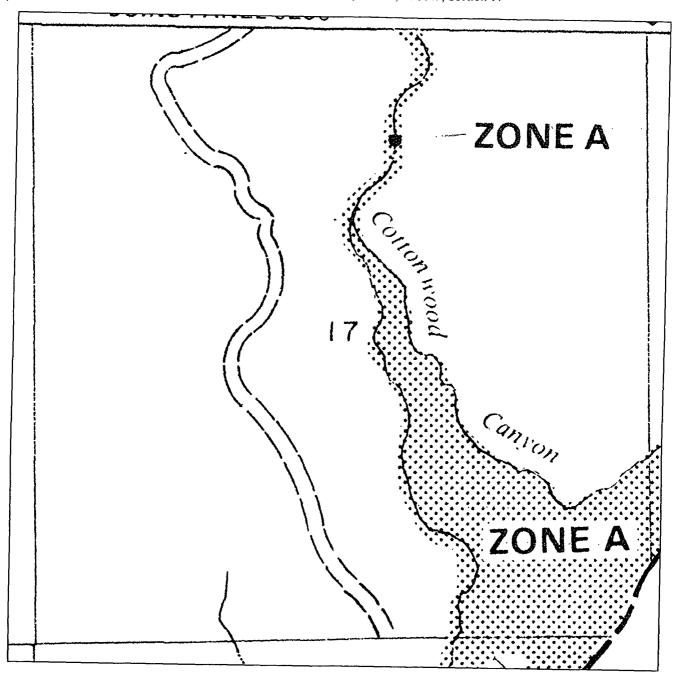


FEMA Map - 100-Year Floodplain:

According to FEMA records, this site is not located in a 100-year floodplain (see attached FEMA map).

Siting Criteria Compliance Demonstrations:

The Rosa Unit #138D well is not located in an unstable area. The location is not situated over a mine or a steep slope. Excavated pit material will not be located within 300 feet of a continuously flowing water course or within 200 feet of any other significant water course, lakebed, sinkhole, or playa lake (see Siting Criteria Map II). The site is not within 500 feet of any reported riparian areas or wetlands (see attached USFWS wetland map); within 500 feet of any private, domestic fresh water well or spring; or within 1000 feet of any other fresh water well or spring (see Siting Criteria Map I). The proposed 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.



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 followina:

- 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 (format to meet County requirements)

General Plan Requirements:

- 1. 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.
- 2. 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.
- 3. 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)
- 4. Within six months of the "rig-off" status occurring WPX will ensure that the temporary pit is covered, recontoured and reseeding in progress.
- 5. 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. Operators Name (WPX)
 - b. Well Name and API Number
 - c. Location (USTR)
- 6. 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).
- 7. Solidification of the remaining pit contents shall be achieved by mixing non-waste containing, earthen material. The solidification process will be accomplished use 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.
- 8. A five-point composite sample will be taken of the pit using sampling tools and all samples 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

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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

- 9. 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 including replacement of one foot of suitable material to establish vegetation, or the background thickness of topsoil, whichever is greater.
- 10. 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 include 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 protection surface water quality.
- 11. Notification will be sent to the Aztec District office when the reclaimed area is seeded.
- 12. 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, and maintained that cover 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 Land owner as part of a surface use agreement or APD are Division-approved methods unless notified by the Division of their unacceptability.
- 13. 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 upon the abandonment of all wells on the pad. 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.

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

Temporary Pit Design and Construction Plan Drilling/Completion and Workover

In accordance with Rule 19.15.17 NMAC, the following plan describes the general design and construction (D&C)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 plan, a separate well specific D&C plan will be developed and utilized.

General Plan Requirements:

- 1. WPX will design and construct 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. Prior to excavation of the pit, topsoil will be stripped and stockpiled within the construction zone for later use during restoration.
- 3. WPX will post a well sign, not less than 12" by 24", on the well site prior to construction of the temporary pit. This sign will list the operator on record, the location of the well site by unit letter/section/township/range, and emergency telephone number(s).
- 4. WPX shall construct all new fences utilizing 48" steel mesh field-fence (hogwire) on the bottom with a single strand of barbed wire on top. T-posts will be installed every 12 feet and corners shall be anchored utilizing a secondary T-post or similar bracing. Temporary pits will be fenced at all times excluding drilling/completion and/or workover operations when the rig is present on site, at which time the "front" side of the fence will be temporarily removed for operational purposes.
- 5. WPX shall construction the temporary pit so that the foundation and interior slopes are firm and free of rocks, debris, sharp edges or irregularities to meet manufacturers' specifications and potential liner failure.
- 6. WPX shall construct the pit so that the slopes are no steeper than two horizontal to one vertical. Where steeper slopes are required due to surface owner and right-a-way restriction, an engineers certification of stability will be provided with the well pit application.
- 7. Pit well will be walked down by a crawler type tractor following construction and prior to liner installation.
- 8. All temporary pits will be lined with a 20-mil, string reinforced, LLDPE liner, complying with EPA SW-846 method 9090A requirements.
- 9. Geotextile will be installed beneath the liner when rocks, debris, sharp objects or irregularities can not be avoided.
- 10. All liners will be anchored in the bottom of a compacted earth-filled trench consistent with manufacturer's specifications and at least 18 inches deep.
- 11. WPX will minimize liner seams and orient them up and down, not across slope faces. Factory seams will be used whenever possible. Field seams will be overlapped per manufacturers' specifications. WPX will minimize the number of field seams in corners and irregularly shaped areas.
- 12. 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.
- 13. The pit shall be protected from run-on by construction of diversion ditches around the location or around the perimeter of the pit in as necessary.
- 14. The volume of the pit shall not exceed 10 acre-feet, including freeboard
- 15. Temporary blow pits will be constructed to allow gravity flow to discharge into the lined reserve pit.
- 16. Only the upper portion of the blow pit will be unlined as allowed in the Rule 19.15.17.11.F(11)
- 17. WPX will modify this design if field and/or operating conditions do not effectively allow drainage of the blow pit and freestanding liquids pose a potential concern.

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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:

- 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.
- 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.
- 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:
 - 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:
 - If the release is less than 25 bbls, the Aztec District Office by phone or email within 48hours 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:
 - 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.
 - 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.

Lane, Myke

From: Lane, Myke

Sent: Tuesday, May 05, 2009 3:04 PM

To: Mark Kelly (Mark_Kelly@nm.blm.gov)

Subject: Land Owner Notice - Rosa 138D

Mark;

This correspondence is to notify the BLM-FFO that Williams Production is planning to close the temporary pit associated with the drilling and completion of the reference well 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