Form C-144 July 21, 2008

District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III. 1000 Rio Brazos Road, Aztec, NM 87410 District IV. 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources Department Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.

For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Pit, Closed-Loop System, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application
Type of action: Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request
Please be advised that approval of this request does not relieve the operator of hability 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 OGRID#: 162928
Address: 2010 Afton Place, Farmington, NM 87401
Facility or well name: Phillips #3F
API Number: 30-045-34666 OCD Permit Number:
U/L or Qtr/Qtr SWSE Section 32 Township 28N Range 8W County: Rio Arriba
Center of Proposed Design: Latitude 36.61238 N Longitude 107.70088 W NAD: 1927 x 1983
Surface Owner: 🗷 Federal 🗌 State 🗋 Private 🗀 Tribal Trust or Indian Allotment
Pit: Subsection F or G of 19.15.17.11 NMAC
Temporary: 🗷 Drilling 🗌 Workover
Permanent Emergency Cavitation P&A
Initial ■ Unlined Liner type: Thickness
x String-Reinforced
Liner Seams: Welded Factory Other Volume: 1500 bbl Dimensions: L 155 x W 85 x D 10
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 PVC Other
Liner Seams: Welded Factory Other Other RECEIVED
I TU FARA

Alternative Method:

Liner type: Thickness_

Tank Construction material: _

Volume: ___

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

Below-grade tank: Subsection I of 19.15.17.11 NMAC

☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other

___ bbl Type of fluid: _____

Secondary containment with leak detection Usible sidewalls, liner, 6-inch lift and automatic overflow shut-off

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, scho institution or church)	ol, hospital,
Four foot height, four strands of barbed wire evenly spaced between one and four feet	
Alternate. Please specify	
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)	
☐ Screen ☐ Netting ☐ Other	`
Monthly inspections (If netting or screening is not physically feasible)	
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. Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bur	reau office for
consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	
Exception(s). Requests must be submitted to the Santa Fe Environmental Buleau 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 ac material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the application of the solution of the submitted to the Santa Fe Environmental Bureau office for consideration of Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drabove-grade tanks associated with a closed-loop system.	propriate district of approval.
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
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.	☐ 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:
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:
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 Leak Detection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC Leak Detection Bosign - based upon the appropriate requirements of 19.15.17.11 NMAC Climatological Factors Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC Climatological Factors and Compatibility Assessment - based upon Cloudity Control/Quality Assurance Construction and Installation Plan the appropriate requirements of 19.15.17.11 NMAC Coperating 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 Coll Field Waste Stream Characterization Monitoring and Inspection Plan Coll Field Waste Stream Characterization Monitoring and Inspection Plan Coll Field 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) Con-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

Waste Removal Closure For Closed-loop Systems That Utilize Above Grantstructions: Please indentify the facility or facilities for the disposal of liquidical facilities are required.	ound Steel Tanks or Haul-off Bins Only : (19.15.17.13.I ds, drilling fluids and drill cuttings. Use attachment if mor	NMAC) re than two
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 activity operations?	ties occur on or in areas that will not be used for future ser	vice and
Yes (If yes, please provide the information below) No		
Required for impacted areas which will not be used for future service and ope Soil Backfill and Cover Design Specifications based upon the appropriate requirements of Substitute Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requirements of Site Reclamation Plan - based upon the appropriate requ	ropriate requirements of Subsection H of 19.15.17.13 NMA section I of 19.15.17.13 NMAC	AC
Siting Criteria (regarding on-site closure methods only: 19.15.17.10 NM. Instructions: Each siting criteria requires a demonstration of compliance is provided below. Requests regarding changes to certain siting criteria may be considered an exception which must be submitted to the Santa Fe Environd/or demonstrations of equivalency are required. Please refer to 19.15.1	n the closure plan. Recommendations of acceptable sou. require administrative approval from the appropriate dist onmental Bureau office for consideration of approval. J	rict office or may
Ground water is less than 50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USG	S; Data obtained from nearby wells	☐ Yes 🗷 No ☐ NA
Ground water is between 50 and 100 feet below the bottom of the buried wast - NM Office of the State Engineer - iWATERS database search; USG		☐ 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; USG	S; Data obtained from nearby wells	Yes No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any oth lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed seems.		☐ Yes 🗷 No
Within 300 feet from a permanent residence, school, hospital, institution, or c - Visual inspection (certification) of the proposed site; Aerial photo; S	•••	☐ Yes 🗷 No
Within 500 horizontal feet of a private, domestic fresh water well or spring th watering purposes, or within 1000 horizontal feet of any other fresh water we - NM Office of the State Engineer - iWATERS database; Visual inspe	Il or spring, in existence at the time of initial application.	Yes 🗷 No
Within incorporated municipal boundaries or within a defined municipal fresh adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written	·	Yes 🗷 No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map	y; 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 C Society; Topographic map	Geology & Mineral Resources; USGS; NM Geological	Yes 🗷 No
Within a 100-year floodplain FEMA map		☐ Yes 🗷 No
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each by a check mark in the box, that the documents are attached.	of the following items must be attached to the closure pla	n. Please indicate,
x Siting Criteria Compliance Demonstrations - based upon the appropriate x Proof of Surface Owner Notice - based upon the appropriate requirement. Construction/Design Plan of Burial Trench (if applicable) based upon the Construction/Design Plan of Temporary Pit (for in-place burial of a dryin Protocols and Procedures - based upon the appropriate requirements of 1 Confirmation Sampling Plan (if applicable) - based upon the appropriate Waste Material Sampling Plan - based upon the appropriate requirements Disposal Facility Name and Permit Number (for liquids, drilling fluids at Soil Cover Design - based upon the appropriate requirements of Subsect Re-vegetation Plan - based upon the appropriate requirements of Subsect	s of Subsection F of 19.15.17.13 NMAC e appropriate requirements of 19.15.17.11 NMAC g pad) - based upon the appropriate requirements of 19.15 9.15.17.13 NMAC requirements of Subsection F of 19.15.17.13 NMAC of Subsection F of 19.15.17.13 NMAC ad drill cuttings or in case on-site closure standards cannot on H of 19.15.17.13 NMAC ion I of 19.15.17.13 NMAC	

WWW.		
Operator Application Certification: I hereby certify that the information submitted with this application is true, according to the control of the control	curate and complete to the	e best of my knowledge and belief.
Name (Print):Devin Mills	Title: _Drill	ing Engineer
Signature: No.	Date:	7/27/09
e-mail address: dmills@energen.com	Telephone:	505-324-4121
20		
OCD Approval: Permit Application (including closure plan)		
OCD Representative Signature: Snand Sell	Approval Da	te: 8 - 14 - 09
Title: Euriso spec	OCD Permit Number:	
Closure Report (required within 60 days of closure completion): Subsection Instructions: Operators are required to obtain an approved closure plan price report. The closure report is required to be submitted to the division within 6 complete this section of the form until an approved closure plan has been obtained.	or to implementing any c O days of the completion	losure activities and submitting the closure of the closure activities. Please do not
	Closure Compl	etion Date:
Closure Method: Waste Excavation and Removal On-Site Closure Method Alterna If different from approved plan, please explain.	tive Closure Method	Waste Removal (Closed-loop systems only)
Closure Report Regarding Waste Removal Closure For Closed-loop System Instructions: Please indentify the facility or facilities for where the liquids, de than two facilities were utilized. Disposal Facility Name:	rilling fluids and drill cu	attings were disposed. Use attachment if more
Disposal Facility Name:	Disposal Facility Permit	Number:
Were the closed-loop system operations and associated activities performed on Yes (If yes, please demonstrate compliance to the items below)		e used for future service and operations?
Required for impacted areas which will not be used for future service and oper Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	ations:	
Closure Report Attachment Checklist: Instructions: Each of the following to mark in the box, that the documents are attached. Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if applicable) Waste Material Sampling Analytical Results (required for on-site closure) Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique Site Reclamation (Photo Documentation) On-site Closure Location: Latitude Lon		
25		
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closu belief. I also certify that the closure complies with all applicable closure required.		
Name (Print):	Title:	
Signature:	Date:	
e-mail address	Telephone:	

Hydrogeologic Data:

Site Specific:

The Ojo Alamo 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 691' to a depth of 1816' in the Phillips #3F and ranges from 500' to 1000' in this township and range. Based on topographic maps and aerial photos, there did not appear to be any sandy areas located within drainages that may potentially hold shallow ground water. Drainages in the area with elevation changes suggest that ground water depths, if any, will be below 100'. The only potentially unstable areas in the region are over subsurface coal mines. This pit will not be located over a subsurface mine.

The New Mexico State Engineers Water Report shows no water wells in Sec. 32, Township 28N R08W.

Excavated 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 Ojo Alamo is a sequence of interbedded sandstones, conglomeratic sandstone, and shales 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.

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.



New Mexico Office of the State Engineer Water Column/Average Depth to Water

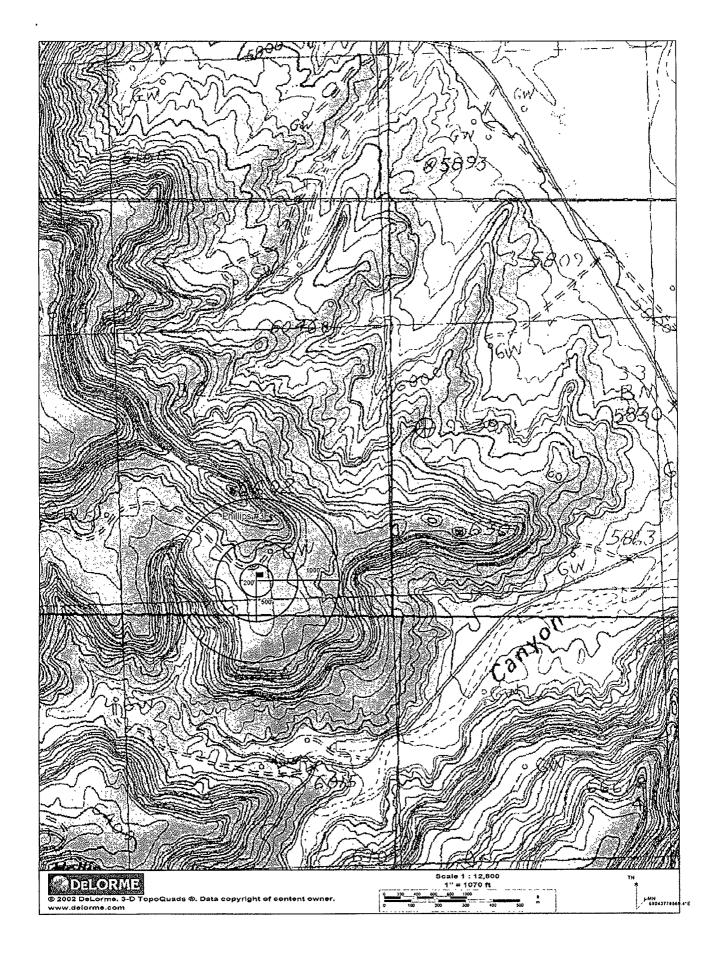
No records found.

PLSS Search:

Section(s): 32

Township: 28N

Range: 08W



<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 Rd., Aztec, NM 87410
<u>District IV</u>

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

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

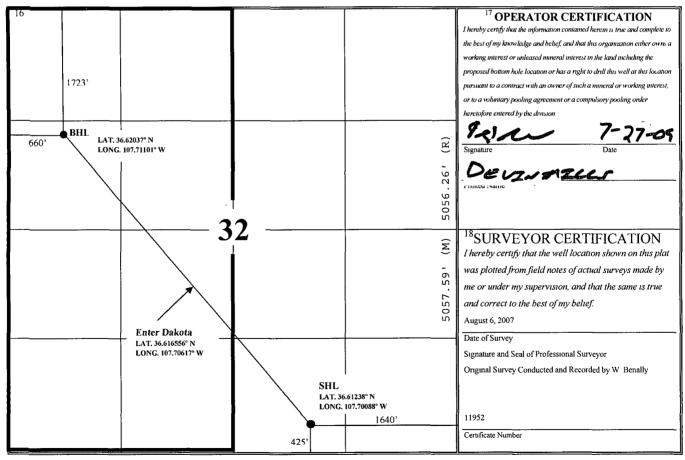
Form C-102 Revised October 12, 2005 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

MENDED REPORT

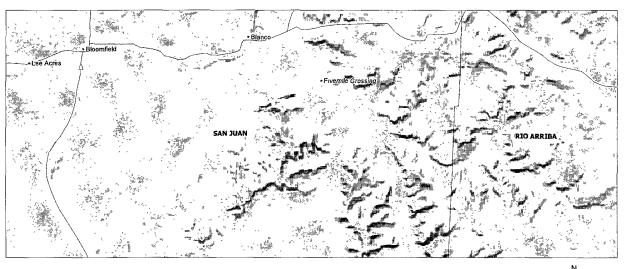
WELL LOCATION AND ACREAGE DEDICATION PLAT

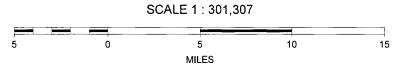
'API Number				² Pool Code		³ Pool Name				
3	0-045-34666		71599 Basin Dakota				Basin Dakota			
¹ Property Code				⁵ Property Name				'Well Number		
Phillips						#3F				
OGRID No. Operator Name					Name	'Elevation				
162928			Energen Resources Corporation						6379' GL	
					¹⁰ Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
0	32	28N	8W		425	South	1640	East	San Juan	
			11 Bo	ottom H	ole Location I	f Different From	m Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
E	32	28N	8W		1723	North	660	West	San Juan	
Dedicated Acres 305,87 W/2	" Joint or	Infill "C	Consolidation	Code 15 C	Order No.	L	L		1.	

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.



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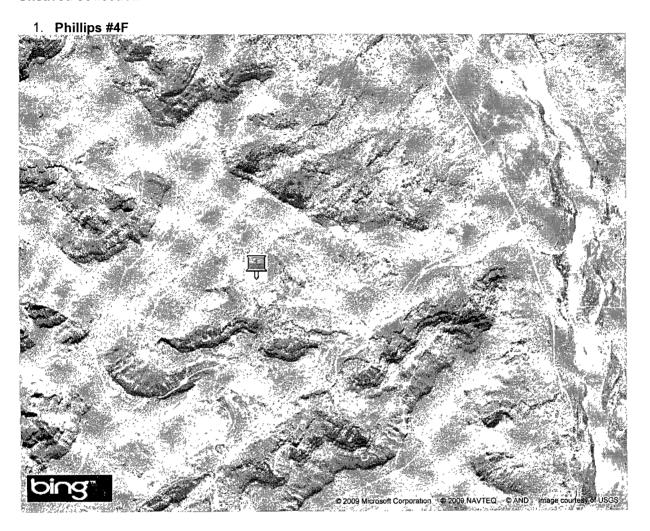




Print - Maps Page 1 of 1

Bing Maps

Unsaved collection



Phillips #3F

Closure Plan Addendum

This reserve pit closure plan is being submitted late due to an oversight on Energen's part. The pit was closed following Energen's approved standard pit closure plan, but a plan had not been submitted for this specific pit. Future reserve pit closures will comply with the requirement to have an approved closure plan prior to beginning actual closure work.

The reserve pit was permitted and constructed (not lined) prior to the effective date of the new Pit Rule, so a closure plan was not required to be included as part of the permit application. The drilling of the well was postponed due to pipeline concerns. So by the time the reserve pit was ready to be closed, everyone was familiar with the required procedures to close the pit. Everyone was also used to all pits already having an approved closure plan, so a verification check was not performed.

Again, the pit was closed following Energen's approved standard pit closure plan, but no closure plan paperwork had been submitted for this specific pit. Future pit closures will have approved closure plans prior to the closure work being performed.