

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.

4785

**Pit, Closed-Loop System, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application**

- Type of action: ☐ Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method
☒ Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method
☐ Modification to an existing permit
☐ Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method

Instructions Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

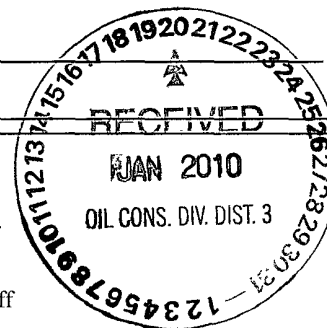
1
Operator: Energen Resources Corporation OGRID #: 162928
 Address: 2010 Afton Place, Farmington, NM 87401
 Facility or well name: McCroden 8B
 API Number: 30-039-30502 OCD Permit Number: _____
 U/L or Qtr/Qtr SWSW Section .03 Township 25N Range 03W County: Rio Arriba
 Center of Proposed Design: Latitude 36.42264 Longitude 107.13824 NAD: ☐ 1927 ☒ 1983
 Surface Owner: ☐ Federal ☐ State ☒ Private ☐ Tribal Trust or Indian Allotment

2
☒ **Pit:** Subsection F or G of 19.15.17.11 NMAC
 Temporary: ☒ Drilling ☐ Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A
☒ Lined ☐ Unlined Liner type: Thickness 20 mil ☒ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
☒ 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 ☐ HDPE ☐ PVC ☐ Other _____
 Liner Seams: ☐ Welded ☐ Factory ☐ Other _____

4
☐ **Below-grade tank:** Subsection I of 19.15.17.11 NMAC
 Volume: _____ bbl Type of fluid: _____
 Tank Construction material: _____
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other _____
 Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____

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.



6
Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)

☐ Chain link, six feet in height, two strands of barbed wire at top (*Required if located within 1000 feet of a permanent residence, school, hospital, institution or church*)

☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet

☐ Alternate. Please specify _____

7
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

9
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 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 acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.

| | |
|--|---|
| Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | <input type="checkbox"/> Yes <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within a 100-year floodplain. - FEMA map | <input type="checkbox"/> Yes <input type="checkbox"/> No |

11

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 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)

13

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
- ☐ Quality Control/Quality Assurance Construction and Installation Plan the appropriate requirements of 19.15.17.11 NMAC
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Nuisance or Hazardous Odors, including H₂S, Prevention Plan
- ☐ Emergency Response Plan
- ☐ Oil Field Waste Stream Characterization
- ☐ Monitoring and Inspection Plan
- ☐ Erosion Control Plan
- ☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

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)

15

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: (19.15.17.13.D NMAC)

Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two 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 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

17

Siting Criteria (regarding on-site closure methods only: 19.15.17.10 NMAC

Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.

- | | |
|---|--|
| Ground water is less than 50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> 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 | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within a 100-year floodplain. - FEMA map | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

18

On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☐ Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☐ Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)
☐ Soil Cover Design - based upon the appropriate requirements of Subsection 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

19

Operator Application Certification:
 I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

20

OCD Approval: ☐ Permit Application (including closure plan) ☐ Closure Plan (only) ☐ OCD Conditions (see attachment)

OCD Representative Signature: _____ **Approval Date:** _____

Title: _____ **OCD Permit Number:** _____

21

Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC
Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☒ Closure Completion Date: 11/04/09

22

Closure Method:
☐ Waste Excavation and Removal ☒ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-loop systems only)
☐ If different from approved plan, please explain.

23

Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:
Instructions: Please indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations?
☐ Yes (If yes, please demonstrate compliance to the items below) ☐ No

Required for impacted areas which will not be used for future service and operations.
☐ Site Reclamation (Photo Documentation)
☐ Soil Backfilling and Cover Installation
☐ Re-vegetation Application Rates and Seeding Technique

24

Closure Report Attachment Checklist: *Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.*

☒ Proof of Closure Notice (surface owner and division)
☒ Proof of Deed Notice (required for on-site closure)
☒ Plot Plan (for on-site closures and temporary pits)
☒ Confirmation Sampling Analytical Results (if applicable)
☒ Waste Material Sampling Analytical Results (required for on-site closure)
☒ Disposal Facility Name and Permit Number
☒ Soil Backfilling and Cover Installation
☒ Re-vegetation Application Rates and Seeding Technique
☒ Site Reclamation (Photo Documentation)

On-site Closure Location: Latitude 36.42264 Longitude 107.13824 NAD: ☐ 1927 ☒ 1983

25

Operator Closure Certification:
 I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): Vicki Donaghey Title: Regulatory Analyst

Signature: *Vicki Donaghey* Date: vdonaghe@energ

e-mail address: 505.325.6800 Telephone: 11/24/09

Well Name: McCroden #8B

Reserve Pit – Final Closure Report

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

Notification to the OCD is included in this closure report package. Since the pit is located on private surface, the surface owner notification is included in this closure packet.

- 1) At time of closure, all free standing fluids will be removed and reused or disposed with Agua Moss LLC in the Pretty Lady #1 (Disposal API Number # 30-048-30922) or an Energen operated permitted disposal well. The contents will be solidified to a bearing capacity sufficient to support the final cover. This will be accomplished by mixing the contents with soil at a mixing ratio no greater then 3:1 soil to contents.

Fluids were removed and properly disposed in the Aqua Moss Pretty Lady #1. The pit contents were solidified by mixing the contents with soil at a mixing ratio of approximately 3:1.

- 2) The liner will be cut off at the mud line of the stabilized contents.

The liner was cut off at the mud line of the stabilized contents.

- 3) Sampling will be done by collecting a minimum of a five-point composite sample of the contents after stabilization. The sample will be analyzed for the following components (if the groundwater is less than 100 feet below the pit but greater than 50 feet, testing for chlorides will be done to the lower limit);

| Components | Tests Method | Limit (mg/Kg) | Results (mg/Kg) |
|------------|---------------------------|----------------------|-----------------|
| Benzene | EPA SW-846 8021B or 8260B | 0.2 | .0010 |
| BTEX | EPA SW-846 8021B or 8260B | 50 | .098 |
| TPH | EPA SW-846 418.1 | 2500 | 155 |
| GRO/DRO | EPA SW-846 8015M | 500 | 73 |
| Chlorides | EPA 300.1 | 500 /1000 | 105 |

Sampling results are listed in the above table.

- 4) After demonstrating that the stabilized contents are under the limits listed above, the contents will be covered with compacted non-waste containing earthen material to a minimum of three feet. If stabilized contents exceed a volume that can be covered with three feet of earth and a foot of topsoil the excess contents will be removed and sent to Envirotech (Permit NM-01-0011) or IEI Landfarm (Permit NM-01-0010B). If the stabilized contents do not meet the above stated limits the stabilized contents will all be hauled to Envirotech pursuant to excavation and removal guidelines (19.15.17.13 B1).

The contents were covered with three feet of compacted non-waste containing material.

- 5) After the stabilized contents have been covered, the stockpiled topsoil will be replaced to a minimum depth of one foot. Topsoil cover will be graded to prevent ponding of water and erosion of the cover material. This will be accomplished within six months of rig release.

The stockpiled topsoil was replaced to a depth of one foot and graded to prevent ponding and erosion.

- 6) The exact location of the on-site burial will be reported to the Aztec field office on the C-105 form. A deed notice identifying the exact location of the on-site burial will be filed with the county clerk if the pit is on private surface.

The C-105 form is attached. This pit is located on private property. Proof of Deed notice is required since the pit is located on private surface (per NMOCD FAQ dated 10/30/08.) A copy of the submittal to the county is attached.

- 7) The final closure report (C-144) will be filed within 60 days of closure completion and include sampling results, plot plan, details on backfilling, covering and inspections during the life of the pit.

This closure report includes sampling results, plot plan, closure details, inspections, and photos.

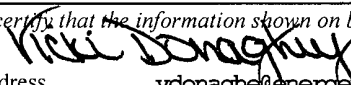
- 8) If the pit is located on federal or tribal surface, seeding will be deferred to BLM requirements per the BLM / OCD MOU. Otherwise, the disturbed area will be seeded or planted the first growing season after closing the pit. Seed will be drilled on the contour whenever practical or by other division-approved methods. The goal is to obtain vegetative cover that equals 70% of the native cover (un-impacted by overgrazing, fire or other intrusion damaging to native vegetation) consisting of at least three native plant species, including at least one grass but not including noxious weeds. Cover will be maintained through two successive

growing seasons. During the two growing seasons that prove viability, there shall be no artificial irrigation of the vegetation. Seeding or planting will continue until the required cover is reached. If conditions are not favorable to establishment of vegetation due to periods of drought or similar problems then the Aztec office of the OCD will be notified. The Aztec office of the OCD will also be notified when the disturbed ground successfully achieves re-vegetation.

The pit is located on private surface. Seeding was completed on 11/20/09. Seeding or planting will continue until the required cover is reached. The Aztec office of the OCD will also be notified when the disturbed ground successfully achieves re-vegetation.

- 9) Until the abandonment of the wells on the pad where the pit is located, a steel marker no less than four inches in diameter will be cemented in a hole three feet deep in the center of the onsite burial. The top of this marker will be flush with the ground. Once all wells on the pad are abandoned a four foot tall riser will be welded on top of the marker with; operator name, lease number, well name and number, unit number, section, township and range, and a designation that it is an onsite burial location.

The marker was installed in the center of the closed pit. The marker is set flush to the ground until final abandonment. At the time of abandonment, a four foot riser will be installed and marked as follows: Energen Resources – Lease # NMNM 03779 – McCroden #8B – Unit P – Sec.26, T32N, R06W – Pit Burial Site.

| | | | | | | | | | | |
|---|---|--|------------------------|--------------------------------------|-----------------|---|---|--------------------------------|----------|---------------|
| Submit to Appropriate District Office Five Copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 | State of New Mexico Energy, Minerals and Natural Resources OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 | Form C-105 July 17, 2008 | | | | | | | | |
| | | 1. WELL API NO. 30-045-30502 | | | | | | | | |
| | | 2. Type Of Lease <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN | | | | | | | | |
| | | 3. State Oil & Gas Lease No. | | | | | | | | |
| WELL COMPLETION OR RECOMPLETION REPORT AND LOG | | | | | | | | | | |
| 4 Reason for filing <input type="checkbox"/> COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) <input checked="" type="checkbox"/> C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC) | | 5. Lease Name or Unit Agreement Name McCroden | | | | | | | | |
| | | 6. Well Number # 8B | | | | | | | | |
| 9 Type of Completion <input type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input checked="" type="checkbox"/> OTHER pit closure | | | | | | | | | | |
| 8 Name of Operator Energen Resources Corporation | | 9 OGRID Number 162928 | | | | | | | | |
| 10 Address of Operator 2010 Afton Place, Farmington, NM 87401 | | 11. Pool name or Wildcat Blanco Mesaverde | | | | | | | | |
| 12. Location | Unit Letter | Section | Township | Range | Lot | Feet from the | N/S Line | Feet from the | E/W Line | County |
| Surface. | M | 03 | 25N | 03W | | | | | | |
| BH | | | | | | | | | | |
| 13. Date Spudded | 14 Date T.D. Reached | 15 Date Rig Released | | 16 Date Completed (Ready to Produce) | | | 17. Elevations (DF & RKB, RT, GR, etc.) | | | |
| | | 04/16/09 | | | | | | | | |
| 18 Total Measured Depth of Well | | 19 Plug Back Measured Depth | | 20 Was Directional Survey Made | | | 21. Type Electric and Other Logs Run | | | |
| | | | | | | | | | | |
| 22 Producing Interval(s), of this completion - Top, Bottom, Name | | | | | | | | | | |
| 23. CASING RECORD (Report all strings set in well) | | | | | | | | | | |
| CASING SIZE | | WEIGHT LB /FT | | DEPTH SET | | HOLE SIZE | | CEMENTING RECORD | | AMOUNT PULLED |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| 24. LINER RECORD | | | | | | 25. TUBING RECORD | | | | |
| SIZE | TOP | BOTTOM | SACKS CEMENT | | SCREEN | SIZE | DEPTH SET | PACKER SET. | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| 26. Perforation record (interval, size, and number) | | | | | | 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. | | | | |
| | | | | | | DEPTH INTERVAL | | AMOUNT AND KIND MATERIAL USED | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| 28. PRODUCTION | | | | | | | | | | |
| Date First Production | | Production Method (Flowing, gas lift, pumping - Size and type pump) | | | | | | Well Status (Prod. or Shut-in) | | |
| | | | | | | | | | | |
| Date of Test | Hours Tested | Choke Size | Prod'n For Test Period | Oil - Bbl. | Gas - MCF | Water - Bbl | Gas - Oil Ratio | | | |
| | | | | | | | | | | |
| Flow Tubing Press | Casing Pressure | Calculated 24-Hour Rate | Oil - Bbl | Gas - MCF | Water - Bbl | Oil Gravity - API -(Corr.) | | | | |
| | | | | | | | | | | |
| 29. Disposition of Gas (Sold, used for fuel, vented, etc.) | | | | | | | 30. Test Witnessed By | | | |
| | | | | | | | | | | |
| 31 List Attachments | | | | | | | | | | |
| 32 If a temporary pit was used at the well, attach a plat with the location of the temporary pit. | | | | | | | | | | |
| 33 If an on-site burial was used at the well, report the exact location of the on-site burial | | | | | | | | | | |
| | | | | Latitude | 36.42264 | Longitude | 107.13824 | NAD: 1927 X 1983 | | |
| I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief | | | | | | | | | | |
| Signature | | Printed Name | | Title | | Date | | | | |
|  | | Vicki Donaghey | | Regulatory Analyst | | 11/24/09 | | | | |
| E-mail address | | | | | | | | | | |
| vdonaghe@energen.com | | | | | | | | | | |

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
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

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|---|--------------------------------------|
| ¹ API Number 30-039-30502 | ² Pool Code 72319 | ³ Pool Name Mesa Verde |
| ⁴ Property Code 21976 | ⁵ Property Name McCroden | ⁶ Well Number 8B |
| ⁷ OGRID No. 162928 | ⁸ Operator Name Energen Resources Corporation | ⁹ Elevation 7243' GL |

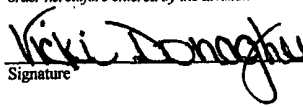
¹⁰ Surface Location

| | | | | | | | | | |
|--------------------|--------------|-----------------|-------------|---------|-----------------------|---------------------------|-----------------------|------------------------|----------------------|
| UL or lot no. M | Section 3 | Township 25N | Range 3W | Lot Idn | Feet from the 995' | North/South line South | Feet from the 965' | East/West line West | County Rio Arriba |
|--------------------|--------------|-----------------|-------------|---------|-----------------------|---------------------------|-----------------------|------------------------|----------------------|

¹¹ Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|--|-------------------------------|----------------------------------|-------------------------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| ¹² Dedicated Acres 320 S/2 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. | | | | | | |

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.

| | | | | | | | | |
|---------------|--|--|--|--|--|--|--|---|
| ¹⁶ | | | | | | | | ¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</i>  Signature 4/23/2009 Date Vicki Donaghey Printed Name |
| | | | | | | | | ¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> November 13, 2007 Date of Survey Signature and Seal of Professional Surveyor Original Survey Conducted and Recorded By: David R. Russell |
| | | | | | | | | 10201 Certificate Number |

1320 00'

2640.00'

2640 66'

2640.66'

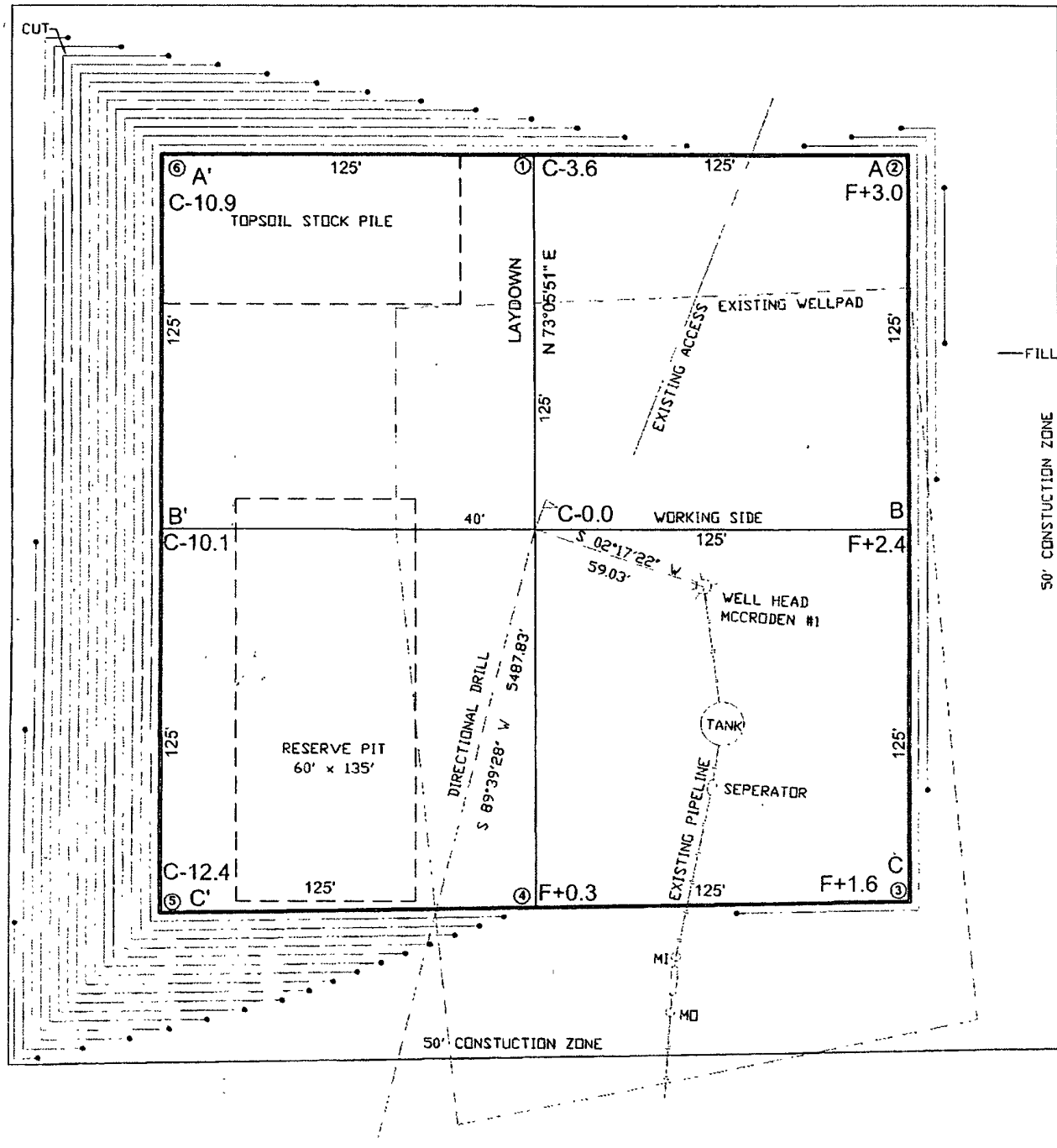
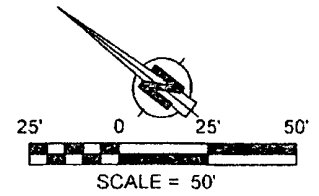
965'

995'

12243°N
107.13810°W
NAD 83

ENERGEN RESOURCES CORPORATION

McCRODEN B #3B
995' FSL & 965' FWL
LOCATED IN THE SW/4 SW/4 OF
SECTION 3, T25N, R3W, N.M.P.M.,
RIO ARRIBA COUNTY, NEW MEXICO
GROUND ELEVATION: 7248'. NAVD 88
FINISHED PAD ELEVATION: 7247.9'. NAVD 88



1 FOOT CONTOUR INTERVAL SHOWN
SCALE: 1" = 50'
JOB No.: ERG142
DATE: 12/13/07



Russell Surveying
1409 W. Aztec Blvd. #5
Aztec, New Mexico 87410
(505) 334-8637

ENERGEN RESOURCES CORPORATION

McCRODEN B #3B

995' FSL & 965' FWL

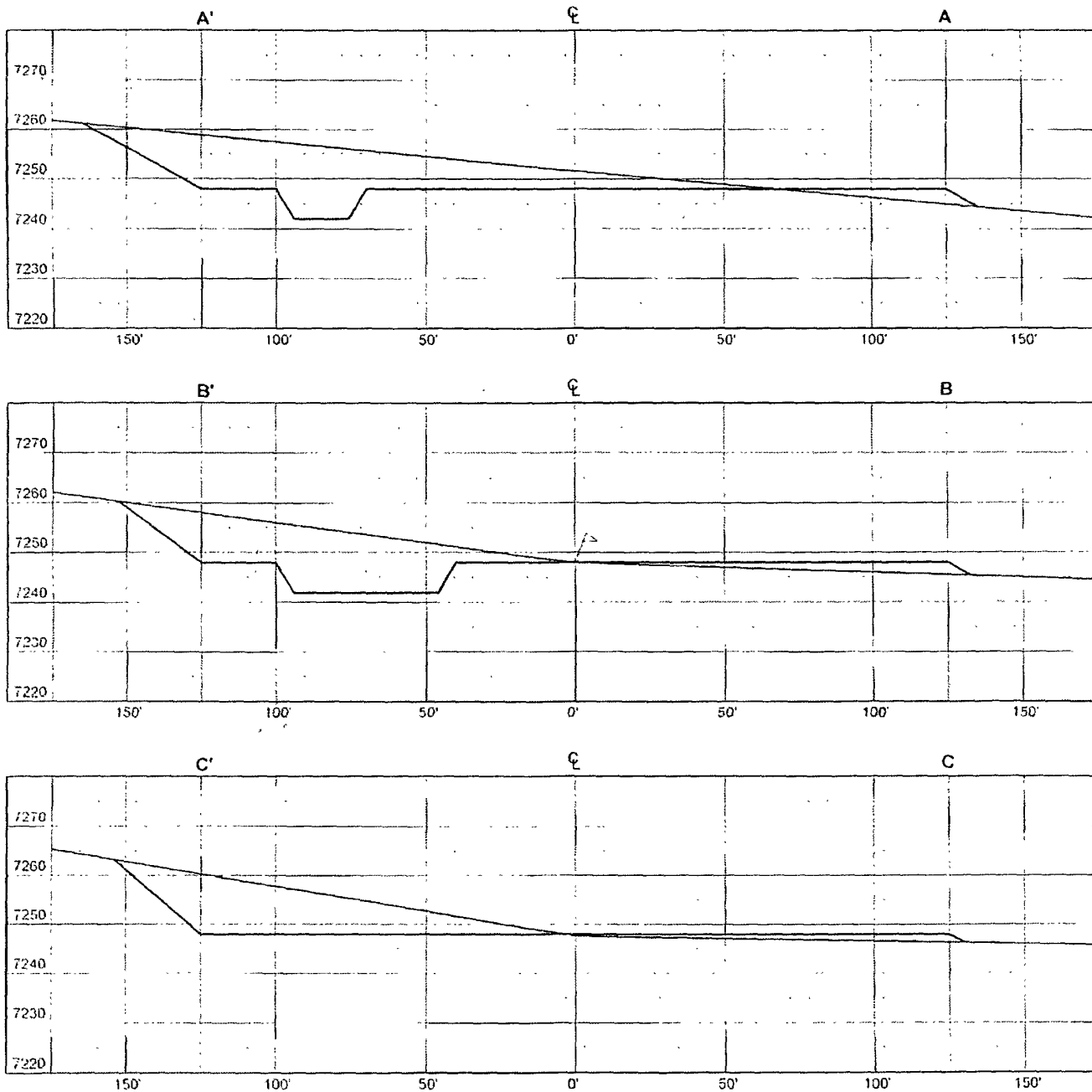
LOCATED IN THE SW/4 SW/4 OF

SECTION 3, T25N, R3W, N.M.P.M.,

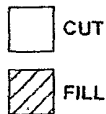
RIO ARriba COUNTY, NEW MEXICO

GROUND ELEVATION: 7248', NAVD 88

FINISHED PAD ELEVATION: 7247.9', NAVD 88



VERT. SCALE: 1" = 30'
HORZ. SCALE: 1" = 50'
JOB No.: ERG142
DATE: 12/13/07



Russell Surveying
1409 W. Aztec Blvd. #5
Aztec, New Mexico 87410
(505) 334-8637



July 23, 2009

Certified Mail: 0000 5579 6068

Schmitz Land Company, LLC
HCR 74, Box 113
Lindrith, NM 87029-0113

**Subject: Reserve Pit In-Place Closure
McCroden #8B**

Dear Sir or Madam:

Energen Resources plans to close a reserve pit located on the subject well location. You are on record as the surface owner where this well is located and the New Mexico Oil Conservation Division (NMOCD) rules require notification to the surface owner of our plans to close the reserve pit. NMOCD rules and guidelines will be followed. The well is located in Unit Letter M, Section 03, Township 25N, Range 03W in Rio Arriba County, New Mexico.

If there are any questions or concerns, please contact me at 505.324.4136.

Sincerely,

Vicki Donaghy

Vicki Donaghy
Regulatory Affairs
Energen Resources

Cc: Well File

Energen Resources Co

U.S. Postal ServiceTM
CERTIFIED MAIL[®] RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com

| OFFICIAL USE | |
|---|---------|
| Postage | \$ 4.40 |
| Certified Fee | 2.80 |
| Return Receipt Fee (Endorsement Required) | 2.30 |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ 5.64 |

Sent to
Schmitz Land Co. LLC
Street, Apt. No.,
or PO Box No. HCR 74 - Box 113
City, State, ZIP+4 Lindrith NM 87029

PS Form 3800, August 2006
PS Form 3800, August 2006
See Reverse for Instructions

7007 2680 0002 5579 6068

McCroden #8B

| SENDER: COMPLETE THIS SECTION | | COMPLETE THIS SECTION ON DELIVERY | |
|--|--|--|--|
| <ul style="list-style-type: none">Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.Print your name and address on the reverse so that we can return the card to you.Attach this card to the back of the mailpiece, or on the front if space permits. | | <p>A. Signature x Darlene Schmitz <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) Darlene Schmitz</p> <p>C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p> | |
| 1. Article Addressed to: Schmitz Land Company LLC HCR 74 - Box 113 Lindrith, NM 87029-0113 | | 3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. | |
| 2. Article Number (Transfer from service label) | | 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes | |

7007 2680 0002 5579 6068

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-15

NOTICE OF LOCATION OF ON-SITE BURIAL

State: New Mexico
County: Rio Arriba
Operator: Energen Resources Corporation
Address: 2010 Afton Place
Farmington, New Mexico 87401
Date:

Pursuant to §19.15.17.13 F(1)(f) NMAC, notice is hereby given of the on-site burial of a drying pad associated with a closed-loop drilling system, a temporary pit, or a temporary pit in lieu of a drying pad for the well or facility and location identified below:

Facility or Well Name: McCroden # 8B
API Number: 30-039-30502
U/L or Qtr/Qtr: M (SWSW)
Section:3 Township25N , Range3W
Center of Location: Latitude 36.42243 N ; Longitude 107.13810 W

ENERGEN RESOURCES CORPORATION

By David M. Poage

Its District Landman

STATE OF NEW MEXICO
COUNTY OF RIO ARRIBA

The foregoing instrument was acknowledged before me this 2nd day of December 2009, by David M. Poage, District Landman, of Energen Resources Corporation, an Alabama corporation, on behalf of said corporation.



Notary Public in and for the State of New Mexico

Printed Name: Gillian Black Gillian Black

Commission Expires: October 2, 2011

Vicki Donaghey

From: Ed Hasely
Sent: Friday, October 23, 2009 8:58 AM
To: Vicki Donaghey; Doug Thomas; Robert Schmidt
Subject: FW: pit closure on the McCroden #8A8

Ed Hasely
Energen Resources Corporation

From: Lutisha Schmitz [mailto:schmitzent@yahoo.com]
Sent: Friday, October 23, 2009 8:06 AM
To: brandon.powell@state.nm.us
Cc: Ed Hasely
Subject: pit closure on the McCroden #8A8

Brandon we are going to start on this location on monday the 26th.

Thanks.
Craig Schmitz

10/23/2009

Robert Schmidt

From: Ed Hasely
Sent: Thursday, October 22, 2009 10:45 AM
To: Robert Schmidt
Subject: McCroden #8B

I spoke w/ Brandon Powell (OCD) this morning and he informed me that the pit on this location can be closed - he approved the closure plan yesterday. Please make sure that the proper notifications (email to the OCD) are made. Thanks.

Ed Hasely
Energen Resources Corporation
Sr. Environmental Engineer
ed.hasely@energen.com
Office: (505) 324-4131
Cell: (505) 330-3584

10/22/2009



**EPA METHOD 8015 Modified
Nonhalogenated Volatile Organics
Total Petroleum Hydrocarbons**

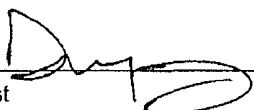
| | | | |
|----------------------|-------------|---------------------|------------|
| Client: | Energen | Project #: | 03022-0001 |
| Sample ID: | Reserve Pit | Date Reported: | 08-31-09 |
| Laboratory Number: | 51426 | Date Sampled: | 08-26-09 |
| Chain of Custody No: | 7831 | Date Received: | 08-26-09 |
| Sample Matrix: | Soil | Date Extracted: | 08-27-09 |
| Preservative: | Cool | Date Analyzed: | 08-28-09 |
| Condition: | Intact | Analysis Requested: | 8015 TPH |

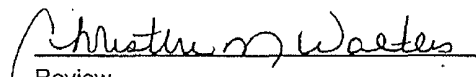
| Parameter | Concentration (mg/Kg) | Det. Limit (mg/Kg) |
|------------------------------|--------------------------|--------------------------|
| Gasoline Range (C5 - C10) | ND | 0.2 |
| Diesel Range (C10 - C28) | 73.0 | 0.1 |
| Total Petroleum Hydrocarbons | 73.0 | 0.2 |

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: **McCroden #8B.**


Analyst


Review



EPA METHOD 8021
AROMATIC VOLATILE ORGANICS

| | | | |
|--------------------|-------------|---------------------|------------|
| Client: | Energen | Project #: | 03022-0001 |
| Sample ID: | Reserve Pit | Date Reported: | 08-31-09 |
| Laboratory Number: | 51426 | Date Sampled: | 08-26-09 |
| Chain of Custody: | 7831 | Date Received: | 08-26-09 |
| Sample Matrix: | Soil | Date Analyzed: | 08-28-09 |
| Preservative: | Cool | Date Extracted: | 08-27-09 |
| Condition: | Intact | Analysis Requested: | BTEX |

| Parameter | Concentration (ug/Kg) | Det. Limit (ug/Kg) |
|--------------|--------------------------|--------------------------|
| Benzene | 1.0 | 0.9 |
| Toluene | 13.7 | 1.0 |
| Ethylbenzene | 7.9 | 1.0 |
| p,m-Xylene | 45.0 | 1.2 |
| o-Xylene | 31.2 | 0.9 |
| Total BTEX | 98.8 | |

ND - Parameter not detected at the stated detection limit.

| Surrogate Recoveries: | Parameter | Percent Recovery |
|-----------------------|---------------------|------------------|
| | Fluorobenzene | 98.0 % |
| | 1,4-difluorobenzene | 98.0 % |
| | Bromochlorobenzene | 98.0 % |

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: McCroden #8B

Analyst

Review



EPA METHOD 418.1
TOTAL PETROLEUM
HYDROCARBONS

| | | | |
|----------------------|-------------|------------------|------------|
| Client: | Energen | Project #: | 03022-0001 |
| Sample ID: | Reserve Pit | Date Reported: | 08-31-09 |
| Laboratory Number: | 51426 | Date Sampled: | 08-26-09 |
| Chain of Custody No: | 7831 | Date Received: | 08-26-09 |
| Sample Matrix: | Soil | Date Extracted: | 08-27-09 |
| Preservative: | Cool | Date Analyzed: | 08-27-09 |
| Condition: | Intact | Analysis Needed: | TPH-418.1 |

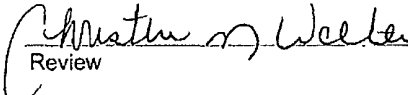
| Parameter | Concentration (mg/kg) | Det. Limit (mg/kg) |
|------------------------------|--------------------------|--------------------------|
| Total Petroleum Hydrocarbons | 155 | 11.6 |

ND = Parameter not detected at the stated detection limit.

References: Method 418.1; Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water and Waste, USEPA Storet No. 4551, 1978.

Comments: **McCroden #8B.**

Analyst 

Review 



Chloride

| | | | |
|----------------|-------------|-------------------|------------|
| Client: | Energen | Project #: | 03022-0001 |
| Sample ID: | Reserve Pit | Date Reported: | 08-31-09 |
| Lab ID#: | 51426 | Date Sampled: | 08-26-09 |
| Sample Matrix: | Soil | Date Received: | 08-26-09 |
| Preservative: | Cool | Date Analyzed: | 08-28-09 |
| Condition: | Intact | Chain of Custody: | 7831 |

| Parameter | Concentration (mg/Kg) |
|-----------|-----------------------|
|-----------|-----------------------|

Total Chloride

105

Reference: U.S.E.P.A., 4500B, "Methods for Chemical Analysis of Water and Wastes", 1983.
Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments: **McCroden #8B.**

Analyst

Review

Pit Inspection Log Sheet

Well Name: MC Roden B #3B

Name (Print): D. Blance Signature: D. Blance Date: 10-7-08

Name (Print): D. Blaneett Signature: D. Blaneett Date: 10-8-08

Name (Print): D. Blance Signature: D. Blance Date: 10-9-08

Name (Print): D. Blancett Signature: D. Blancett Date: 10-10-08

Name (Print): D. Blance Signature: D. Blance Date: 10-11-08

Name (Print): D. Plancett Signature: D. Plancett Date: 10-12-08

Name (Print): D. Blawett Signature: D. Blawett Date: 10-13-08

Name (Print): D. Blaneett Signature: D. Blaneett Date: 10-14-08

Name (Print): D. Blonett Signature: D. Blonett Date: 10-15-08

Name (Print): D. Blancett Signature: D. Blancett Date: 10-16-08

Name (Print): D. Blaneett Signature: D. Blaneett Date: 10-17-08

Name (Print): D. Blaneett Signature: D. Blaneett Date: 10-18-08

Name (Print): D. Blance Signature: D. Blance Date: 10-19-08

Name (Print): D. Blance Signature: D. Blance Date: 10-20-08

Name (Print): D. Blawett Signature: D. Blawett Date: 12-21-08

Name (Print): D. R. Plancett Signature: D. Plancett Date: 10-22-08

Name (Print): D. Blanceff Signature: D. Blanceff Date: 10-23-08

Name (Print): Blancett Signature: Blancett Date: 10-24-08

Name (Print): D. Blawett Signature: D. Blawett Date: 10-25-08

Name (Print): D. Blance Signature: D. Blance Date: 10-26-08

Name (Print): D. Bloncel Signature: D. Bloncel Date: 10-27-08

Name (Print): D. Blance Signature: D. Blance Date: 10.28.08

Name (Print): D. Blamett Signature: D. Blamett Date: 10-29-08

Name (Print): D. Blance Signature: D. Blance Date: 10-30-08

Name (Print): D. Blawie Signature: D. Blawie Date: 10-31-08

Name (Print): D. Blawie Signature: D. Blawie Date: 11-1-08

Name (Print): D. Blansett Signature: D. Blansett Date: 11-2-08

Name (Print): D. Blance Signature: D. Blance Date: 11-3-08

Name (Print): Blancett Signature: D. Blancett Date: 11-4-0

Name (Print): _____ Signature: _____ Date: _____

Name (Print): _____ Signature: _____ Date: _____

Name (Print): _____ Signature: _____ Date: _____

Name (Print): _____ Signature: _____ Date: _____

Name (Print): _____ Signature: _____ Date: _____

Name (Print): _____ Signature: _____ Date: _____

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Name (Print): _____ Signature: _____ Date: _____

Name (Print): _____ Signature: _____ Date: _____

Name (Print): _____ Signature: _____ Date: _____

Name (Print): _____ Signature: _____ Date: _____

MCC Roden B #

AFE
5508-16
WEN ID #

3120816A

| | | |
|---------------------------|-------------------------|---------------|
| Name (Print): JACK Couler | Signature: Jack Couler | Date: 11-5-08 |
| Name (Print): JACK | Signature: Jack Couler | Date: 11-10 |
| Name (Print): JACK | Signature: Jack Couler | Date: 11-7 |
| Name (Print): JACK | Signature: Jack Couler | Date: 11-8 |
| Name (Print): JACK | Signature: Jack Couler | Date: 11-9 |
| Name (Print): JACK | Signature: Jack Couler | Date: 11-10 |
| Name (Print): JACK | Signature: Jack Couler | Date: 11-11 |
| Name (Print): JACK | Signature: Jack Couler | Date: 11-13 |
| Name (Print): JACK | Signature: Jack Couler | Date: 11-13 |
| Name (Print): JACK | Signature: Jack Couler | Date: 11-14 |
| Name (Print): JACK | Signature: Jack Couler | Date: 11-15 |
| Name (Print): JACK | Signature: Jack Couler | Date: 11-16 |
| Name (Print): JACK | Signature: Jack Couler | Date: 11-17 |
| Name (Print): JACK | Signature: Jack Couler | Date: 11-18 |
| Name (Print): JACK | Signature: Jack Couler | Date: 11-19 |
| Name (Print): JACK | Signature: Jack Couler | Date: 11-20 |
| Name (Print): JACK | Signature: Jack Couler | Date: 11-21 |
| Name (Print): J Couler | Signature: J Couler | Date: 11-22 |
| Name (Print): J Couler | Signature: J Couler | Date: 11-23 |
| Name (Print): J Couler | Signature: J Couler | Date: 11-24 |
| Name (Print): J Couler | Signature: J Couler | Date: 11-25 |
| Name (Print): J Couler | Signature: J Couler | Date: 11-26 |
| Name (Print): J Couler | Signature: J Couler | Date: 11-27 |
| Name (Print): J Couler | Signature: J Couler | Date: 11-28 |
| Name (Print): J Couler | Signature: J Couler | Date: 11-29 |
| Name (Print): J Couler | Signature: J Couler | Date: 11-30 |
| Name (Print): J Couler | Signature: J Couler | Date: 12-1 |
| Name (Print): J Couler | Signature: J Couler | Date: 12-2 |
| Name (Print): J Couler | Signature: J Couler | Date: 12-3 |
| Name (Print): J Couler | Signature: J Couler | Date: 12-4 |
| Name (Print): J Couler | Signature: J Couler | Date: 12-5 |
| Name (Print): J Couler | Signature: J Couler | Date: 12-6 |
| Name (Print): J Couler | Signature: J Couler | Date: 12-7 |
| Name (Print): J Couler | Signature: J Couler | Date: 12-8 |
| Name (Print): J Couler | Signature: J Couler | Date: 12-9 |
| Name (Print): J Couler | Signature: J Couler | Date: 12-10 |
| Name (Print): J Couler | Signature: J Couler | Date: 12-11 |
| Name (Print): J Couler | Signature: J Couler | Date: 12-13 |
| Name (Print): J Couler | Signature: J Couler | Date: 12-14 |
| Name (Print): J Couler | Signature: Jack Couler | Date: 12-15 |
| Name (Print): D. BLANCETT | Signature: D. Blanchett | Date: 12-16 |
| Name (Print): D. BLANCETT | Signature: D. Blanchett | Date: 12-17 |
| Name (Print): D. BLANCETT | Signature: D. Blanchett | Date: 12-18 |
| Name (Print): D. BLANCETT | Signature: D. Blanchett | Date: 12-19 |
| Name (Print): D. BLANCETT | Signature: D. Blanchett | Date: 12-20 |
| Name (Print): D. BLANCETT | Signature: D. Blanchett | Date: 12-21 |
| Name (Print): D. BLANCETT | Signature: D. Blanchett | Date: 12-22 |
| Name (Print): D. BLANCETT | Signature: D. Blanchett | Date: 12-23 |
| Name (Print): D. BLANCETT | Signature: D. Blanchett | Date: 12-24 |

[illegible]

Reg Release

Pit Inspection Log Sheet

(daily while rig is on-site, then weekly as long as liquids remain in the pit)

| | | |
|--------------------------------|-----------------------|--------------------------|
| Well Name: McCraden B3B | | API: 30-039-30502 |
| Name (Print): B. R. Ivey | Signature: B. R. Ivey | Date: 2-24-9 |
| Note Any Deficiencies: | | |
| Name (Print): B. R. Ivey | Signature: B. R. Ivey | Date: 2-26-9 |
| Note Any Deficiencies: | | |
| Name (Print): B. R. Ivey | Signature: B. R. Ivey | Date: 2-27-9 |
| Note Any Deficiencies: | | |
| Name (Print): B. R. Ivey | Signature: B. R. Ivey | Date: 3-2-9 |
| Note Any Deficiencies: | | |
| Name (Print): B. R. Ivey | Signature: B. R. Ivey | Date: 3-3-9 |
| Note Any Deficiencies: | | |
| Name (Print): B. R. Ivey | Signature: B. R. Ivey | Date: 3-4-9 |
| Note Any Deficiencies: | | |
| Name (Print): B. R. Ivey | Signature: B. R. Ivey | Date: 3-5-9 |
| Note Any Deficiencies: | | |
| Name (Print): B. R. Ivey | Signature: B. R. Ivey | Date: 3-6-9 |
| Note Any Deficiencies: | | |
| Name (Print): B. R. Ivey | Signature: B. R. Ivey | Date: 3-7-9 |
| Note Any Deficiencies: | | |
| Name (Print): B. R. Ivey | Signature: B. R. Ivey | Date: 3-8-9 |
| Note Any Deficiencies: | | |
| Name (Print): B. R. Ivey | Signature: B. R. Ivey | Date: 3-10-9 |
| Note Any Deficiencies: | | |
| Name (Print): B. R. Ivey | Signature: B. R. Ivey | Date: 3-11-9 |
| Note Any Deficiencies: | | |
| Name (Print): B. R. Ivey | Signature: B. R. Ivey | Date: 3-12-9 |
| Note Any Deficiencies: | | |
| Name (Print): B. R. Ivey | Signature: B. R. Ivey | Date: 3-13-9 |
| Note Any Deficiencies: | | |
| Name (Print): B. R. Ivey | Signature: B. R. Ivey | Date: 3-16-9 |
| Note Any Deficiencies: | | |
| Name (Print): B. R. Ivey | Signature: B. R. Ivey | Date: 3-17-9 |
| Note Any Deficiencies: | | |



Pit Inspection Log Sheet

(daily while rig is on-site, then weekly as long as liquids remain in the pit)

| | | | |
|--------------------------------|---------|--------------------------|---------|
| Well Name: McCADDEN B3B | | API: 30-039-30502 | |
| Name (Print): | B. Ivey | Signature: | B. Ivey |
| Note Any Deficiencies: | | Date: | 3-18-9 |
| Name (Print): | B. Ivey | Signature: | B. Ivey |
| Note Any Deficiencies: | | Date: | 3-19-9 |
| Name (Print): | B. Ivey | Signature: | B. Ivey |
| Note Any Deficiencies: | | Date: | 3-20-9 |
| Name (Print): | B. Ivey | Signature: | B. Ivey |
| Note Any Deficiencies: | | Date: | 3-23-9 |
| Name (Print): | B. Ivey | Signature: | B. Ivey |
| Note Any Deficiencies: | | Date: | 3-24-9 |
| Name (Print): | B. Ivey | Signature: | B. Ivey |
| Note Any Deficiencies: | | Date: | 3-25-9 |
| Name (Print): | B. Ivey | Signature: | B. Ivey |
| Note Any Deficiencies: | | Date: | 3-26-9 |
| Name (Print): | B. Ivey | Signature: | B. Ivey |
| Note Any Deficiencies: | | Date: | 3-27-9 |
| Name (Print): | B. Ivey | Signature: | B. Ivey |
| Note Any Deficiencies: | | Date: | 3-30-9 |
| Name (Print): | B. Ivey | Signature: | B. Ivey |
| Note Any Deficiencies: | | Date: | 3-31-9 |
| Name (Print): | B. Ivey | Signature: | B. Ivey |
| Note Any Deficiencies: | | Date: | 4-1-9 |
| Name (Print): | B. Ivey | Signature: | B. Ivey |
| Note Any Deficiencies: | | Date: | 4-2-9 |
| Name (Print): | B. Ivey | Signature: | B. Ivey |
| Note Any Deficiencies: | | Date: | 4-3-9 |
| Name (Print): | B. Ivey | Signature: | B. Ivey |
| Note Any Deficiencies: | | Date: | 4/6/9 |
| Name (Print): | B. Ivey | Signature: | B. Ivey |
| Note Any Deficiencies: | | Date: | 4/7/9 |
| Name (Print): | B. Ivey | Signature: | B. Ivey |
| Note Any Deficiencies: | | Date: | 4/8/9 |

Mc Croden 3B

ENERGEN
RESOURCES

APT 30-039-30502

| | |
|---------|---------|
| | 4/9/09 |
| BRTuy | B&Luy |
| B.R.Tuy | 4/10/09 |
| | B&Luy |
| | 4/13/09 |
| BRTuy | B&Luy |
| | 4/14/09 |
| BRTuy | B&Luy |
| | 4/15/09 |
| B.R.Tuy | B&Luy |
| | 4/16/09 |
| B.R.Tuy | B&Luy |



Pit Inspection Log Sheet

(daily while rig is on-site, then weekly as long as liquids remain in the pit)

| | | | |
|---|-------------|---------------------------------|--|
| Well Name: <u>McCraden # 8 B</u> | | API: <u>30-039-30502</u> | |
| Name (Print): | Bob Schmidt | Signature: | <u>Bob Schmidt</u> Date: <u>2-9-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: | <u>Bob Schmidt</u> Date: <u>2-16-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: | <u>moving in completion</u> Date: <u>Rig</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: | <u>Bob Schmidt</u> Date: <u>4-17-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: | <u>Bob Schmidt</u> Date: <u>4-23-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: | <u>Bob Schmidt</u> Date: <u>5-1-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: | <u>Bob Schmidt</u> Date: <u>5-7-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: | <u>Bob Schmidt</u> Date: <u>5-15-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: | <u>Bob Schmidt</u> Date: <u>5-21-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: | <u>Bob Schmidt</u> Date: <u>5-28-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: | <u>Bob Schmidt</u> Date: <u>6-4-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: | <u>Bob Schmidt</u> Date: <u>6-11-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: | <u>Bob Schmidt</u> Date: <u>6-19-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: | <u>Bob Schmidt</u> Date: <u>6-25-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: | <u>Bob Schmidt</u> Date: <u>7-7-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: | <u>Bob Schmidt</u> Date: <u>7-16-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |



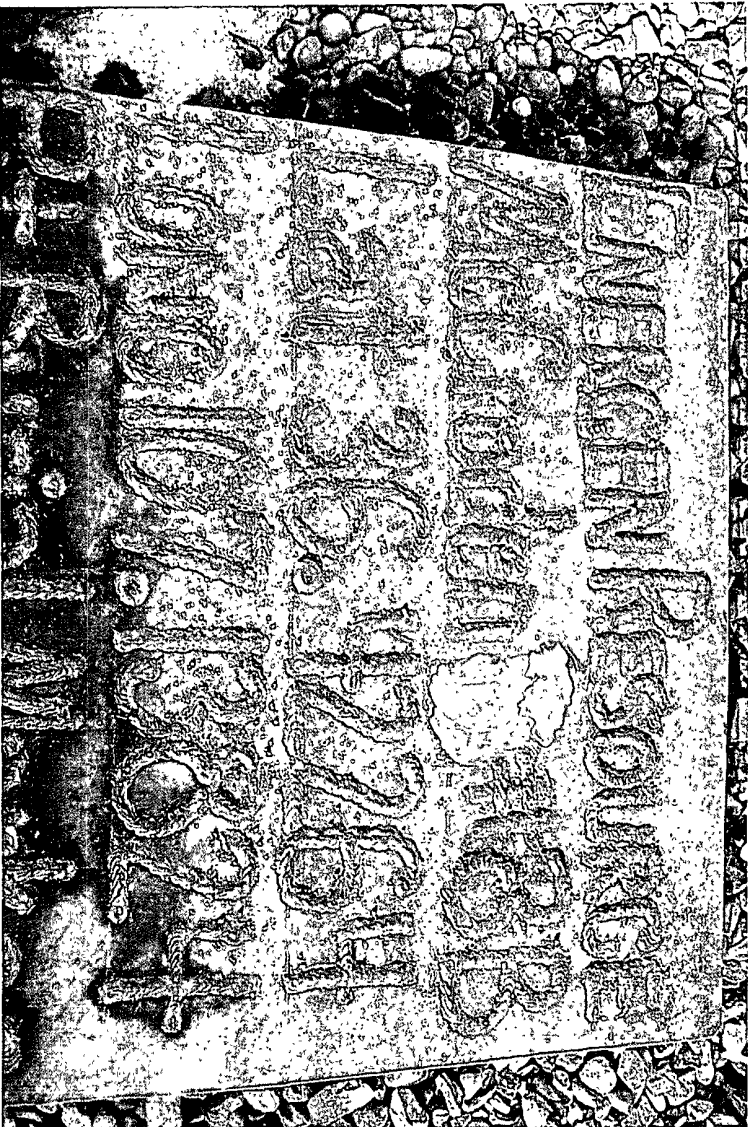
Pit Inspection Log Sheet

(daily while rig is on-site, then weekly as long as liquids remain in the pit)

Well Name: M^cCraden #8-B

API: 30-039-3052

| | | | |
|------------------------|--|-------------------------------|-----------------------|
| Name (Print): | Bob Schmidt | Signature: <u>Bob Schmidt</u> | Date: <u>7-22-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: <u>Bob Schmidt</u> | Date: <u>7-30-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: <u>Bob Schmidt</u> | Date: <u>8-16-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: <u>Bob Schmidt</u> | Date: <u>8-13-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: <u>Bob Schmidt</u> | Date: <u>8-21-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: <u>Bob Schmidt</u> | Date: <u>8-27-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: <u>Bob Schmidt</u> | Date: <u>9-2-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: <u>Bob Schmidt</u> | Date: <u>9-11-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: <u>Bob Schmidt</u> | Date: <u>9-18-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: <u>Bob Schmidt</u> | Date: <u>9-24-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: <u>Bob Schmidt</u> | Date: <u>10-2-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: <u>Bob Schmidt</u> | Date: <u>10-8-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: <u>Bob Schmidt</u> | Date: <u>10-15-09</u> |
| Note Any Deficiencies: | <u>none</u> | | |
| Name (Print): | Bob Schmidt | Signature: <u>Bob Schmidt</u> | Date: <u>10-22-09</u> |
| Note Any Deficiencies: | <u>none</u> <u>Reviewed OK to Close Pit Called Craig Schmitz</u> | | |
| Name (Print): | Bob Schmidt | Signature: | Date: <u>11-4-09</u> |
| Note Any Deficiencies: | <u>none</u> <u>Pit Closed</u> | | |
| Name (Print): | Bob Schmidt | Signature: | Date: |
| Note Any Deficiencies: | <u>none</u> | | |



ENERGEAN

**RESOURCES
CORPORATION**

MC CRODEN #8B

995' FSL 965' FWL

UNIT M SEC 03 T25N R03W

LATITUDE 36.42243°

LONGITUDE -107.13810°

API # 30-039-30502 ELEV. 7243'

LEASE # NMNM-03779

RIO ARriba COUNTY, NEW MEXICO

BLANCO MESAVERDE

