<u>Ristrict I</u> 1625 N. French Dr., <u>Hobbs</u>, 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

Energy Minerals and Natural Resources Department Oil Conservation Division 2010 1220 South St. Francis Dr. Tor 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

1220 South St. Francis Dr.

the Santa Fe Environmental Bureau office a provide a copy to the appropriate NMOCD District Office.

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

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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:CBM Partners Corporation OGRID #:271017
Address:c/o Walsh Engineering, 7415 E. Main St., Farmington, NM 87402
Facility or well name:Smyslov H #2
API Number: 30.043-21100 OCD Permit Number:
U/L or Qtr/Qtr I Section 21 Township 29N Range 13W County: Sandoval
Center of Proposed Design: Latitude35.94553 N Longitude107.15100W NAD: ☐1927 ▼ 1983
Surface Owner: X Federal State Private Tribal Trust or Indian Allotment
2.
New Pit: Subsection F or G of 19.15.17.11 NMAC
Temporary: Drilling Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A
☑ Lined ☐ Unlined Liner type: Thickness _20mil ☑ LLDPE ☐ HDPE ☐ PVC ☐ Other
☐ String-Reinforced
Liner Seams: Welded X Factory Other Volume: 7130_bbl Dimensions: L_100_xW_50 x_D 12
3. Closed-loop System: Subsection H of 19.15.17.11 NMAC
Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of
intent)
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other
Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other
Liner Seams: Welded Factory Other RECEIVED
4. Aug 2010 🚊
4. Aug 2010 Below-grade tank: Subsection I of 19.15.17.11 NMAC
Volume:bbl Type of fluid: OIL CONS. DIV. DIST.3
Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume:
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
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
Submittal of an exception request is required. Exceptions must be submitted to the saftla re environmental dureau 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, institution or church)	hospital,
Four foot height, four strands of barbed wire evenly spaced between one and four feet	
★ Alternate. Please specify4' Hog Wire w/ one strand of barbed wire on top	
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)	
☐ Monthly hispections (if hething of screening is not physically leasible)	
8. Signs: Subsection C of 19.15.17.11 NMAC	
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers	
☑ Signed in compliance with 19.15.3.103 NMAC	
Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance. Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau of	office for
consideration of approval. [Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of accep material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the approproacy office or may be considered an exception which must be 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 drying above-grade tanks associated with a closed-loop system.	oriate district oproval.
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, sınkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	Yes 🔀 No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes 🔀 No ☐ NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No ☑ NA
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes 🗷 No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes 🛛 No
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes 🗷 No
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes 🛛 No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes 🏿 No
Within a 100-year floodplain FEMA map	☐ 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: (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 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 Onl Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.
Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System Alternative Proposed Closure Method: Waste Excavation and Removal Waste Removal (Closed-loop systems only) 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 Ground Instructions: Please identify the facility or facilities for the disposal of liquids, defacilities are required.	Steel Tanks or Haul-off Bins Only: (19.15.17.13.L rilling fluids and drill cuttings. Use attachment if m	NMAC) ore 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 activities occur on or in areas that will not be used for future service and operation Yes (If yes, please provide the information below) No						
Required for impacted areas which will not be used for future service and operation Soil Backfill and Cover Design Specifications based upon the appropriate Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection	e requirements of Subsection H of 19.15.17.13 NMA I of 19.15.17.13 NMAC	2				
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the provided below. Requests regarding changes to certain siting criteria may require considered an exception which must be submitted to the Santa Fe Environmenta demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC	re administrative approval from the appropriate disti I Bureau office for consideration of approval. Justi	rict 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; Dat	a 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; Database search;	a obtained from nearby wells	☐ Yes X 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; Database search;	a obtained from nearby wells	¥ Yes □ No □ NA				
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	mificant watercourse or lakebed, sinkhole, or playa	☐ Yes 🛛 No				
Within 300 feet from a permanent residence, school, hospital, institution, or church - Visual inspection (certification) of the proposed site; Aerial photo; Satellit		☐ Yes 🗷 No				
Within 500 horizontal feet of a private, domestic fresh water well or spring that les watering purposes, or within 1000 horizontal feet of any other fresh water well or see NM Office of the State Engineer - iWATERS database; Visual inspection	spring, in existence at the time of initial application.	☐ Yes 🗷 No				
Within incorporated municipal boundaries or within a defined municipal fresh wat adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approx	•	☐ Yes 🛛 No				
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site						
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division						
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map						
Within a 100-year floodplain FEMA map						
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of Construction/Design Plan of Burial Trench (if applicable) based upon the a Construction/Design Plan of Temporary Pit (for in-place burial of a drying protocols and Procedures - based upon the appropriate requirements of 19.1 Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Disposal Facility Name and Permit Number (for liquids, drilling fluids and Soil Cover Design - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection	quirements of 19.15.17.10 NMAC f Subsection F of 19.15.17.13 NMAC ppropriate requirements of 19.15.17.11 NMAC oad) - based upon the appropriate requirements of 19. 5.17.13 NMAC quirements of Subsection F of 19.15.17.13 NMAC f Subsection F of 19.15.17.13 NMAC drill cuttings or in case on-site closure standards cann H of 19.15.17.13 NMAC	15.17.11 NMAC				

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):Paul C. Thompson, P.E	
Signature: Paul C. Thomps	Date:7/7/10
e-mail address:paul@walsheng.net	Telephone:505.327.4892
\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	ure plan)
OCD Representative Signature:	Approval Date: 8/23/10
Title: Enviso (space	OCD Permit Number:
21. Closure Report (required within 60 days of closure constructions: Operators are required to obtain an approach the closure report is required to be submitted to the div	
	Closure Completion Date:
22. Closure Method: Waste Excavation and Removal On-Site Closu If different from approved plan, please explain.	e Method
Instructions: Please identify the facility or facilities for two facilities were utilized.	or Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than
Disposal Facility Name:	
Disposal Facility Name:	
Were the closed-loop system operations and associated a Yes (If yes, please demonstrate compliance to the	tivities performed on or in areas that will not be used for future service and operations? tems below) \(\sum_{\text{No}}\) No
Required for impacted areas which will not be used for fi Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Tecl	
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 of Deed Notice (required for on-site closure) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if appl waste Material Sampling Analytical Results (required Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Tech Site Reclamation (Photo Documentation)	n) cable) red for on-site closure) nique
On-site Closure Location: Latitude	Longitude NAD:
	nitted with this closure report is true, accurate and complete to the best of my knowledge and blicable closure requirements and conditions specified in the approved closure plan
Name (Print):	Title:
Signature:	Date:
e-mail address:	Telephone:

District I 1625 N. French Dr., Hobbs, NM 88240

1000 Rio Brazos Rd., Aztec, NM 87410

1301 W. Grand Avenue, Artesia. NM 88210

District II

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 Instructions on back Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

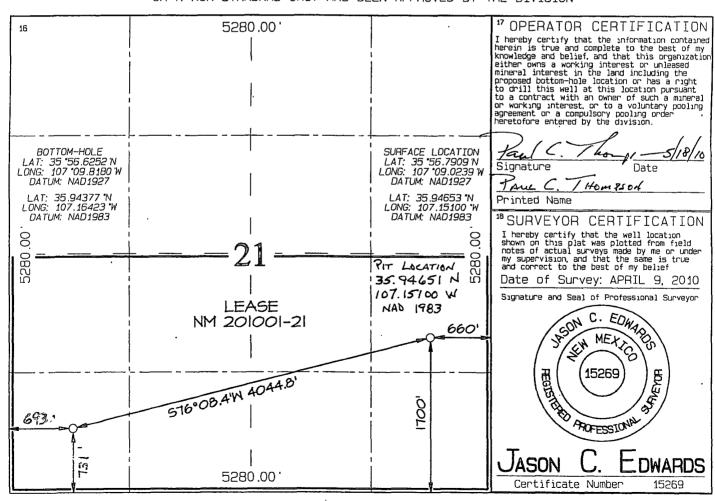
AMENDED REPORT

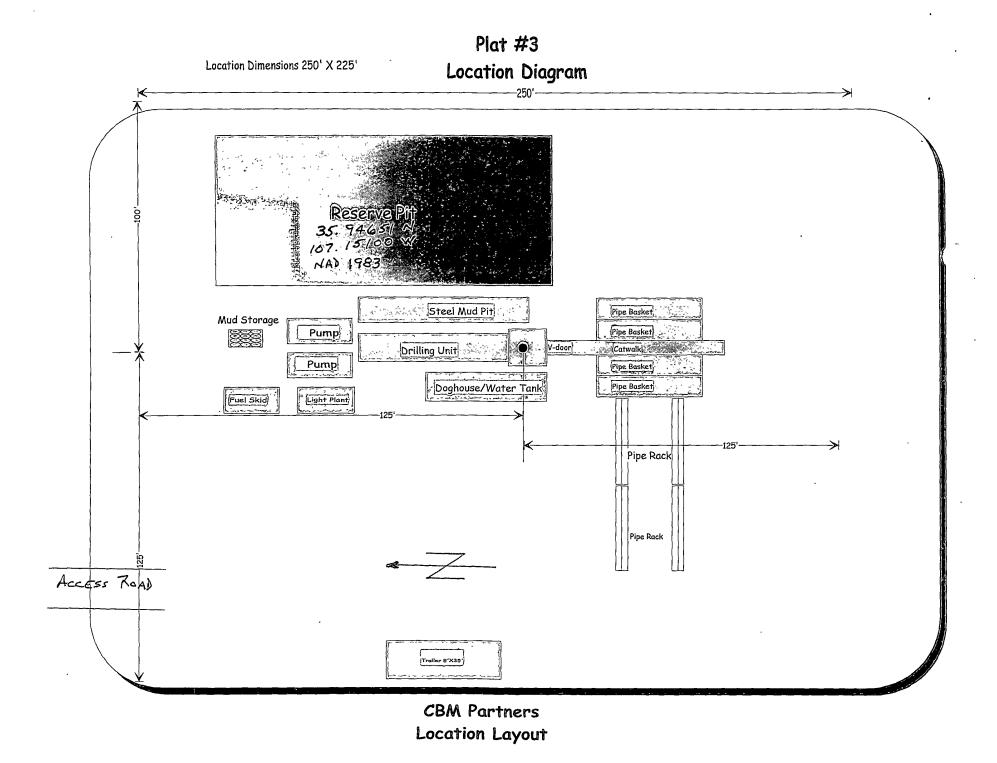
District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

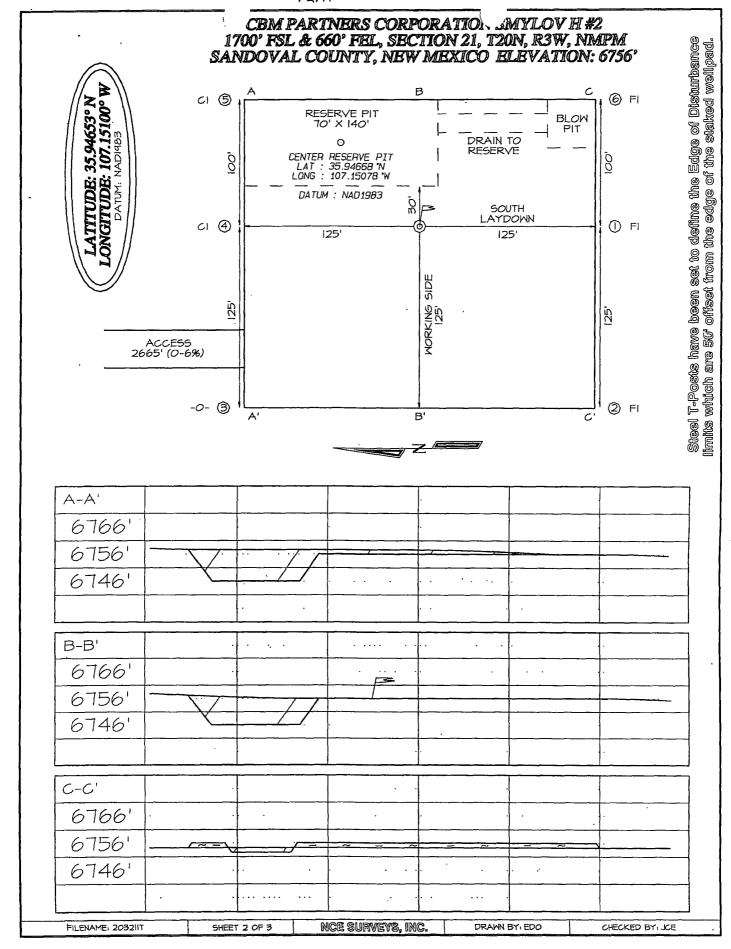
WELL LOCATION AND ACREAGE DEDICATION PLAT

'	API Numbe	Γ _.		¹ Pool Coo		RIO PUERCO MANCOS					
'Property	Code			°₩	⁵Well Number						
	,			ļ	2						
'OGRID	Vo.				*Operator	Name		71	'Elevation		
27101	.7			CBM PARTNERS CORPORATION 6756							
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		
I	21	50N	3W		1700	SOUTH	660	EAST	SANDOVAL		
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		
М	21	20N	3W		700 .	SOUTH	700	WEST	SANDOVAL		
12 Oedicated Acres		0.0 Acre	es - S/		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







Hydrogeological Report for Smyslov H #2

Regional Geological context:

The Smyslov H #2 is located on Federal land between two forks of the San Isidro wash in a large flat valley floor. This area drains in a south westerly direction into the Rio Puerco river basin in Sandoval County, New Mexico. The area around the location is flat shaley soil with sparse vegetation. There are numerous small arroyos which drain to the southwest to the San Isidro Wash approximately one half mile away.

A records search of the NM Office of the State Engineer – iWATERS database indicated that there was no depth to ground water data available in this township. The closest water well reported was in the Section 7, T21N, R7W which is approximately twenty miles northwest of the proposed location. This well reported a depth to ground water of 240'. The water from this well is used for livestock.

Geologic maps of the area indicate that the surface formation at the proposed well site is the Nacimiento formation. The Nacimiento Formation is of Paleocene age (Baltz, 1967, p. 35). It crops out in a broad band inside the southern and western margins of the central basin and in a narrow band along the west face of the Nacimiento Uplift. The Nacimiento is a nonresistant unit and typically erodes to low, rounded hills or forms badland topography.

The Nacimiento Formation occurs in approximately only the southern two-thirds of the San Juan Basin where it conformably overlies and intertongues with the Ojo Alamo Sandstone (Fassett, 1974, p. 229). The Nacimiento Formation grades laterally into the main part of the Animas Formation (Fassett and Hinds, 1971, p. 34); thus, in this area, the two formations occupy the same stratigraphic interval. Strata of the Nacimiento Formation were deposited in lakebeds in the central basin area with lesser deposition in stream channels (Brimhall, 1973, p. 201). In general, the Nacimiento consists of drab, interbedded black and gray shale with discontinuous, white, medium- to very coarse grained arkosic sandstone (Stone e al., 1983, p.30). Stone et al. indicated that the formation may contain more sandstone than commonly reported because some investigators assume the slope- forming strata in the unit area shales, whereas in many places the strata actually are poorly consolidated sandstones. Total thickness of the Nacimiento Formation ranges from about 500 to 1,300 feet. The unit generally thickens from the basin margins toward the basin center (Steven et al., 1974). The sandstone deposits within the Nacimiento Formation are much thinner than the total thickness of the formation because their environment of deposition was localized stream channels (Brimhall, 1973, p. 201). The thickness of the combined San Jose, Animas, and Nacimiento Formations ranges from 500 to more than 3.500 feet.

Hydraulic Properties:

Reported well yields for 53 wells completed in either the Animas or Nacimiento Formations range from 2 to 90 gallons per minute and the median yield is 7.5 gallons per minute. The primary use of water from Nacimiento and Animas Formations is domestic and livestock supplies. There are no known aquifer tests for the Animas or Nacimiento Formations, but specific capacities reported for six wells range from 0.24 to 2.30 gallons per minute per foot of drawdown (Levings et al., 1990).

The Animas and Nacimiento Formations are in many ways hydrologically similar to the San Jose Formation because sands in both units produce approximately the same quantities of water. However, the greater percentage of fine materials in the Animas and Nacimiento Formations may restrict downward vertical leakage to the Ojo Alamo Sandstone or Kirtland Shale. The poorly cemented fine material is highly erodible, forms a badland terrain, and supports only spotty vegetation. These conditions are more conductive to runoff than retention of precipitation.

References:

Baltz, E.H., 1967, Stratigraphy and regional tectonic implications of part of Upper Cretaceous rocks, east-central San Juan Basin, New Mexico: USGS Professional Paper

FEMA Map - 100 year floodplain

According to the attached FEMA map the area is outside a 100 year floodplain.

Sitting Criteria Compliance Demonstrations

The Smyslov H #2 is not located in an unstable area. The location is not over a mine and is not on the side of a steep hill. The location of the excavated pit material will not be located within 300' of any continuously flowing watercourse or 200' from any other watercourse.

CBM Partners Corporation Smyslov H #2 Temporary Reserve Pit Application Siting Criteria

- 1. According to the iWaters Database from the State Engineers Office, there are no water wells in this Township. The closest water well is in Section 7, T21N, R7W (approximately eight miles northwest). The minimum depth to ground water listed is 240'. See attached printout.
- 2. As shown on the attached topographic map and aerial photos, there are no continuously flowing watercourses within 300' of the well, or any significant watercourses, lakebeds, sinkholes, or playa lakes within 200' of the well.
- 3. There are no permanent residences, schools, hospitals, institutions, churches within 300' of the well.
- 4. There are no domestic water wells or springs within 500' of the well. See iWaters Database printout.
- 5. The well is not located within any municipal boundaries.
- 6. The well is not within 500' of any wetlands. See attached topographic map and aerial photos.
- 7. There are no subsurface mines in Section 21, T20N, R6W. See attached map from the NMEMNRD Mining and Mineral Division.
- 8. The Smyslov H #2 is not located in an "unstable" area. The location is not over a mine and is not on the side of a hill. The location of the excavated pit material will not be located within 300' of a continuously flowing watercourse or 200' from any other watercourse.
- 9. The well is not located in a 100-year floodplain as visible on the topographic map.
- 10. In the event that the composite pit sample that is mixed 3:1 with native soils does not meet the requirements for onsite burial, the pit contents will be removed and disposed of at the Envirotech Landfarm #2 (NMOCD Permit #11).



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

(quarters are 1=NW 2=NE 3=SW 4=SE)

	روجه حرين	an and also have	79.71	313	4.54	malle	est to l	argest)	(NAD8	3 UTM in mete	rs)	(In	feet)	4. (B ^{**} .
Sub POD Number basin	Use C	341 3/4	~~~~~	Q 16	. 8. 1	Sec	Tws	Ring	TO X	Y Di	stance	Depth De Well W	epth Wa aterColu	iter umn
SJ 00274 S-3	HWY	SA		4	4	16	22N	05W	287567	4001050*	27001	1313		
SJ 00274 S-2	HWY	SA		3	3	16	23N	05W	286665	4010877*	35307	600		
SJ 01506	SCH	SA	1	1	3	22	23N	06W	278535	4010015*	39722	280		
SJ 01824	MUL	SA	3	3	1	07	21N	07W	263575	3994603*	44494	100		
SJ 03562	SAN	SA	3	3	1	07	21N	07W	263575	3994603*	44494		240	440

Average Depth to Water:

240 feet

Minimum Depth:

240 feet

Maximum Depth:

240 feet

Record Count: 5

Basin/County Search:

Basin: San Juan

County: Sandoval

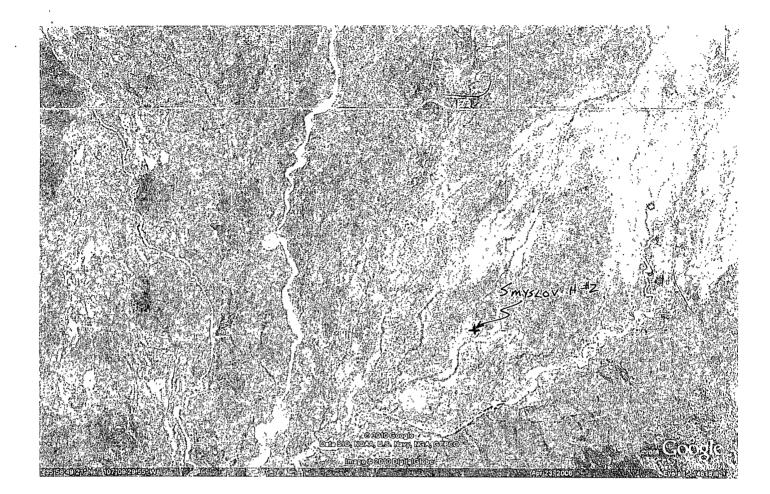
UTMNAD83 Radius Search (in meters):

Easting (X): 306057.34

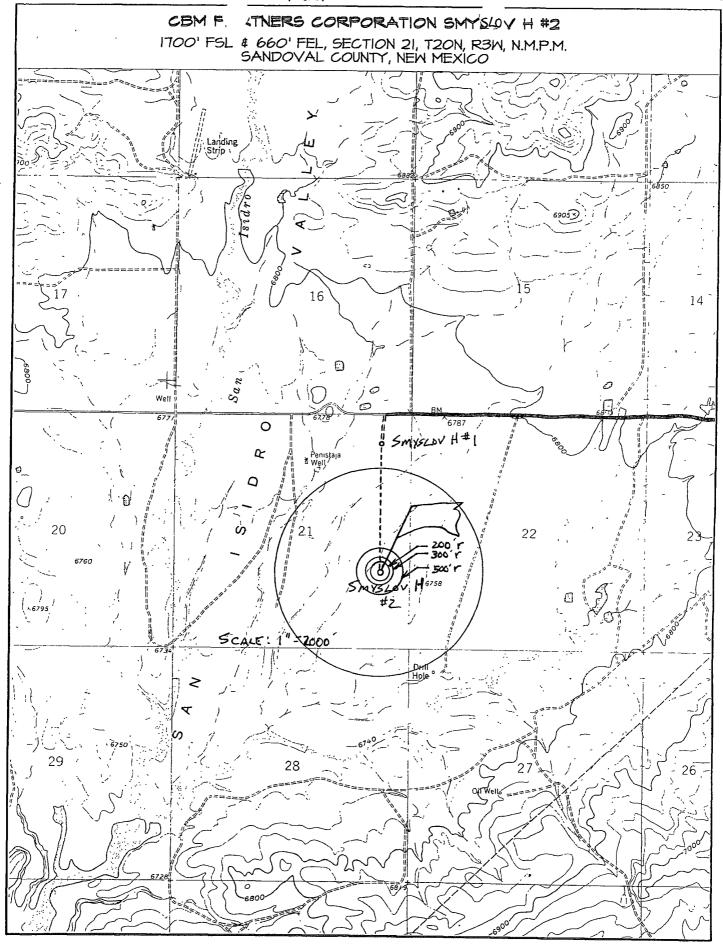
Northing (Y): 3981372.39

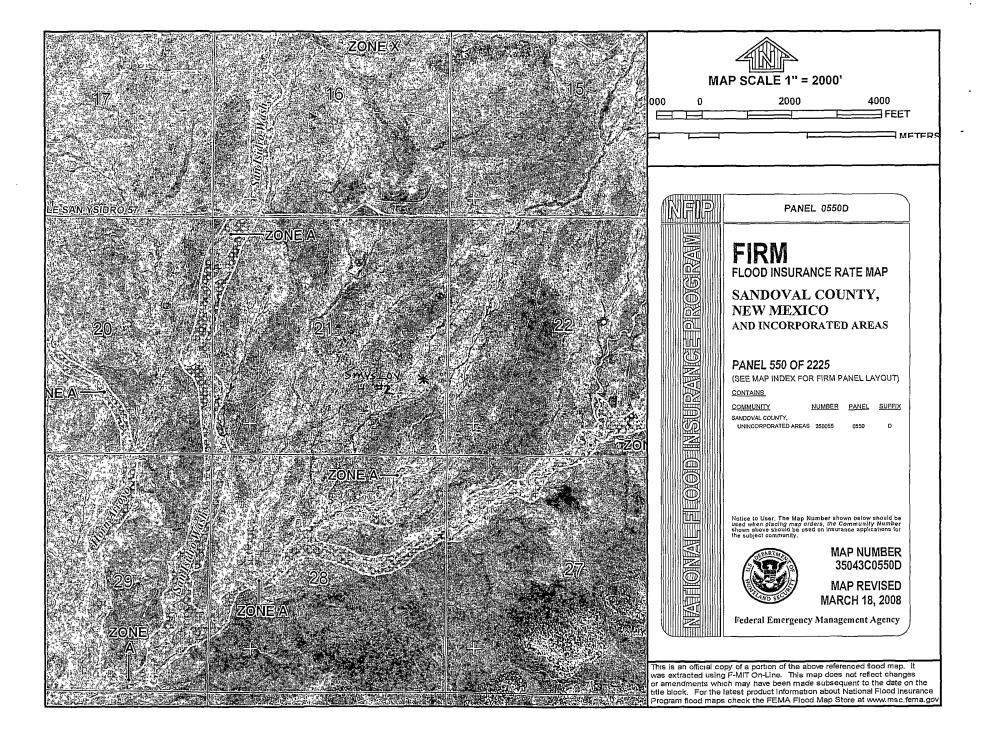
Radius: 50000

*UTM location was derived from PLSS - see Help

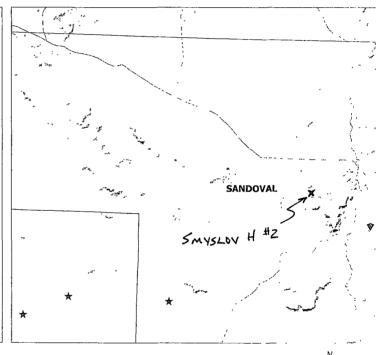


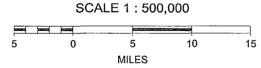
PLAT #1





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CBM Partners Corporation Smyslov H #2 Pit Design and Construction Plan

In accordance with Rule 19 15 17 the following information describes the design and construction for temporary pits on CBP Partners Corporation's locations; this is CBM Partners Corporation's standard procedure for all temporary pits. A separate plan will be submitted for any temporary pit which does not conform to this plan.

General Plan

- 1 CBM Partners Corporation will design and construct a temporary pit to contain liquids and solids and prevent contamination of fresh water and protect public health and environment
- 2 Prior to constructing the pit, topsoil will be stockpiled in the construction zone for later use in restoration
- 3 CBM Partners Corporation will post a well sign, not less than 12' by 14', on the well site prior to construction of the temporary pit. The sign will list the operator on record as the operator, the location of the well by unit letter, section, township rang, and emergency telephone numbers
- 4 CBM Partners Corporation shall construct all new fences unitizing 48" steel mesh field-fence (hogwire) on the bottom with a single strand of barbed wire on top. T-posts shall be installed every 12 feet and corners shall be anchored utilizing a secondary T-post. Temporary pits will be fenced at all times excluding drilling or workover operations, when the front side of the fence will be temporarily removed for operational purposes
- 5 CBM Partners Corporation shall construct the temporary pit so that the foundation and interior slopes are firm and free of rocks, debris, sharp edges or irregularities to prevent liner failure
- 6 CBM Partners Corporation shall construct the pit so that the slopes are no steeper than two horizontal feet to 1 vertical foot
- 7 Pit walls will be walked down by a crawler type tractor following construction
- 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 edges or irregularities cannot be avoided
- 10 All liners will be anchored in the bottom of a compacted earth-filled trench at least 18 inches deep
- 11 CBM Partners Corporation will minimize liner seams and orient them up and down, not across a slope. Factory seams will be used whenever possible. CBM Partners Corporation will ensure all field seams are welded by qualified personnel. Field seams will be overlapped four to six inches and will be oriented parallel to the line of maximum slope. CBM Partners Corporation 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, or a manifold system
- 13 The pit shall be protected from run-off by constructing and maintaining diversion ditches around the location or around the perimeter of the pit in some cases
- 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 drill pit
- 16 The lower half of the blow pit (nearest lined pit) will be lined with the same 20 mil liner. The upper half of the blow pit will remain unlined as allowed in Rule 19 15 17 11 F 11
- 17 CBM Partners Corporation will not allow freestanding liquids to remain on the unlined portion of temporary blow pit

CBM Partners Corporation Smyslov H #2 Maintenance and Operating Plan

In accordance with Rule 19 15 17 the following information described the operation and maintenance of temporary pits on CBM Partners Corporation locations. This is CBM Partners Corporation's standard procedure for all temporary pits. A separate plan will be submitted for any temporary pit which does not conform to this plan.

General Plan

- 1 CBM Partners Corporation will operate and maintain a temporary pit to contain liquids and solids and prevent contamination of fresh water and protect public health and environment
- 2 CBM Partners Corporation will conserve drilling fluids by transferring liquids to pits ahead of the rigs whenever possible. All other drilling fluids will be disposed at Basin Disposal, Inc. Permit # NM-01-005
- 3 CBM Partners Corporation will not discharge or store any hazardous waste in any temporary pit
- 4 If any pit liner's integrity is compromised or if any penetration of the liner occurs above the liquid's surface, then CBM Partners Corporation shall notify the Santa Fe Division office by phone or email within 48 hours of the discovery and repair the damage or replace the liner
- If a leak develops below the liquid's level, CBM Partners Corporation shall remove all liquids above the damaged liner within 48 hours and repair the damage or replace the liner. CBM Partners Corporation shall notify the Santa Fe Division office by phone or email within 48 hours of the discovery for leaks less than 25 barrels. CBM Partners Corporation shall notify the Santa Fe Division office as required pursuant to Subsection B of 19 15 3 116 NMAC shall be reported within twenty-four (24) hours of discovery of leaks greater than 25 barrels. In addition, immediate verbal notification pursuant to Subsection B, Paragraph (1) and Subparagraph (d) of 19 15 3 116 NMAC shall be reported to the division's Environmental Bureau Chief
- The liner shall be protected from any fluid force or mechanical damage through the use of mud pit slides, or manifold system
- 7 The pit shall be protected from run-off by constructing and maintaining diversion ditches around the location or around the perimeter of the pit in some cases
- 8 CBM Partners Corporation shall immediately remove any visible layer or oil from the surface of temporary pit after cessation of a drilling or workover operation. Oil absorbent booms will be utilized to contain and remove oil from the pit's surface. An oil absorbent boom will be stored on-site until closure of pit
- 9 Only fluids generated during the drilling or workover process may be discharged into a temporary pit
- 10 CBM Partners Corporation will maintain the temporary pit free of miscellaneous solid waste or debris
- 11 During drilling or workover operations, CBM Partners Corporation will inspect the temporary pit at least once daily to ensure compliance with this plan. Inspections will be logged in the IADC reports. CBM Partners Corporation will file this log with the Santa Fe Division office upon closure of the pit
- 12 After drilling or workover operations, CBM Partners Corporation will inspect the temporary pit weekly so long as liquids remain in the temporary pit. A log of the inspections will be stored at CBM Partners Corporation's office electronically and will be filed with the Santa Fe Division office upon closure of the pit
- 13 CBM Partners Corporation shall maintain at least two feet of freeboard for a temporary pit
- 14 CBM Partners Corporation shall remove all free liquids from a temporary pit within 30 days from the date the operator releases the drilling or workover rig
- 15 CBM Partners Corporation shall remove all free liquids from a cavitations pit within 48 hours after completing cavitations. CBM Partners Corporation may request additional time to remove liquids from the Santa Fe Division office if it is not feasible to remove liquids within 48 hours

CBM Partners Corporation Smyslov H #2 Closure Plan

In accordance with Rule 19.15.17.12 NMAC the following information describes the closure requirements of temporary pits on CBM Partners Corporation Company's locations. This is CBM Partners Corporation's standard procedure for all temporary pits. A Separate plan will be submitted for any temporary pit which does not conform to this plan.

All closure activities will include proper documentation and be available for review upon request and will be submitted to OCD within 60 days of the pit closure. Closure report will be filed on C-144 and incorporated the following:

- Detail on Capping and Covering, where applicable
- Plot Plan (Pit diagram)
- Inspection reports
- Sampling Results
- C-105
- Copy of Deed Notice will be filed with County Clerk

General Plan

- All free standing liquids will be removed at the start of the pit closure process from the pit and disposed of in a division-approved facility or recycle, reuse or reclaim the liquids in a manner that the appropriate division district office approves
- The preferred method of closure for all temporary pits will be on-site burial, assuming that all criteria listed in sub-section (B) of 19.15.17.13 are met
- 3 The surface owner shall be notified of CBM Partners Corporation's proposed closure plan using a means that provides proof of notice i.e., certified mail, return receipt requested
- Within 6 months of the Rig Off status occurring CBM Partners Corporation will ensure that temporary pits are closed, re-contoured, and reseeded
- Notice of Closure will be given to the Santa Fe Division office between 72 hours and one week of closure via email, or verbally. The notification of closure will include the following:
 - i. Operator's name
 - Location by Unit Letter, Section, Township, and Range. Well name and API Number
- 6 Liner of a temporary pit shall be removed above "mud level" after stabilization. Removal of liner will consist of manually or mechanically cutting liner at mud level and removing all remaining liner. Care will be taken or remove "All" of the liner i.e., edges of liner entrenched or buried. All excessive liver will be disposed of at a licensed disposal facility
- 7 Pit contents shall be mixed with non-waste containing, earthen material in order to achieve the solidification process. The solidification process will be accomplished using a combination of natural drying and mechanically mixing. Pit contents will be mixed with non-waste, earthen material to a consistency that is deemed a safe and stable. The mixing ratio shall not exceed 3 parts clean soil to 1 part pit contents
- A five point composite sample will be taken of the pit using sampling tools and all samples tested per Subsection B of 19.15.17.13(B)(1)(b). In the event that the criteria are not met, all contents will be handled per Subparagraph (a) of Paragraph (1) of Subsection B of 19.15.17.13 i.e., Dig and haul to the Envirotech, Inc. Landfarm (NMOCD Permit #11) or other NMOCD approved facility.

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

- 9 Upon completion of solidification and testing, the pit area will be backfilled with compacted, non-waste containing, earthen material. A minimum of four feet of cover shall be achieved and the cover shall include one foot of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater
- 10 Re-contouring of location will match fit, shape, line, form and texture of the surrounding area. Reshaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be placed in areas where needed to prevent erosion on a large scale. Final re-contour shall have a uniform appearance with smooth surface, fitting the natural landscape
- 11 Notification will be sent to OCD when the reclaimed area is seeded
- 12 CBM Partners Corporation shall seed the distributed areas the first growing season after the operator closes the pit. Seeding will be accomplished via drilling on the contour whenever practical or by other division-approved methods. BLM or Forest Service stipulated seed mixed will be used on federal lands. 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 maintain that cover thorough two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs
- 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 onsite burial upon the abandonment of all the wells on the pad. The marker will be a four foot tall riser with the operator's information at the time of all wells on the pad are abandoned. The operator's information will include the following: Operator Name, Lease Name, Well Name and Number, unit Number, Section, Township, Range and an indicator that the marker is an onsite burial location