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

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

1996	7	99	6
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Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application

Closure 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.
L. CONTRACTOR AND A LANCO
Operator:EnerVest Operating, LLCOGRID #:143199
Address:1001 Fannin St Ste 800 Houston, Texas 77002
Facility or well name: Jicarilla C No. 2N
API Number:30-039-29813 OCD Permit Number:
U/L or Qtr/Qtr P Section 14 Township 26N Range 05W County: Rio Arriba
Center of Proposed Design: Latitude 36.480120 Longitude 107.314738 NAD: □1927 ⋈ 1983
Surface Owner: Federal State Private Tribal Trust or Indian Allotment
Surface Owner: Federal State Private Tribal Trust or Indian Allotment Pit: Subsection F or G of 19.15.17.11 NMAC
Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume:bbl Type of fluid:Primarily produced water w/ compressor skid precipitation & incidental lubricating oil Tank Construction material:Steel w/ expanded metal cover Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off Visible sidewalls and liner Visible sidewalls only Other electronic monitoring Liner type: Thickness mil 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 42" Hog-wire fence with 2 strands barbed-wire on top					
Antemate. Flease specify 42 mog-wife fence with 2 straints barbet-wife on top					
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 <i>C</i> of 19.15.17.11 NMAC					
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers					
⊠ Signed in compliance with 19.15.3.103 NMAC					
9. Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance. Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	office for				
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate 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.	priate district pproval.				
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☒ No				
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No				
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☑ No ☐ NA				
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☑ No ☐ NA				
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No				
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ⊠ No				
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☒ No				
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ⊠ No				
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map 	☐ Yes ⊠ No				
Within a 100-year floodplain FEMA map					

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC Previously Approved Design (attach copy of design) API Number:
12. Closed lean State of Populit Amplication Attachment Checklists, Subscation D of 10.15.17.0 NIMAC
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
☐ Previously Approved Design (attach copy of design) API Number:
Previously Approved Operating and Maintenance Plan API Number: (Applies only to closed-loop system that use
above ground steel tanks or haul-off bins and propose to implement waste removal for closure)
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Nuisance or Hazardous Odors, including H ₂ S, Prevention Plan Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.
Type:
Us. 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 S Instructions: Please indentify the facility or facilities for the disposal of liquids, a facilities are required.		
•	Disposal Facility Permit Number:	
	Disposal Facility Permit Number:	
Will any of the proposed closed-loop system operations and associated activities oc ☐ 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 Subsecti	requirements of Subsection H of 19.15.17.13 NMAC I of 19.15.17.13 NMAC	C
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 Environmental demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC f	e administrative approval from the appropriate disti 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; Data	obtained from nearby wells	☐ Yes ☑ No ☐ NA
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data	obtained from nearby wells	☐ Yes ☒ No☐ NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data	obtained from nearby wells	⊠ Yes □ No □ NA
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signlake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	nificant 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; Satellite		☐ Yes ☐ No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less water well o	pring, in existence at the time of initial application.	☐ Yes ⊠ No
Within incorporated municipal boundaries or within a defined municipal fresh water adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approve	•	☐ Yes 🖾 No
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visua	al 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 Society; Topographic map 	& Mineral Resources; USGS; NM Geological	☐ Yes ⊠ No
Within a 100-year floodplain FEMA map		☐ Yes ⊠ No
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each 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 appropriate requirements of Construction/Design Plan of Temporary Pit (for in-place burial of a drying popular of Protocols and Procedures - based upon the appropriate requirements of 19.15 Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Disposal Facility Name and Permit Number (for liquids, drilling fluids and confirmation Sampling Plan - 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	uirements of 19.15.17.10 NMAC Subsection F of 19.15.17.13 NMAC propriate requirements of 19.15.17.11 NMAC ad) - based upon the appropriate requirements of 19. 5.17.13 NMAC uirements of Subsection F of 19.15.17.13 NMAC Subsection F of 19.15.17.13 NMAC lrill cuttings or in case on-site closure standards cann H of 19.15.17.13 NMAC I 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, accurately	ate and complete to the best of my knowledge and belief.			
Name (Print): <u>Janet M. Bienski</u>	Title: Regulatory Assistant			
Signature: Gant M Brench	Date: # - 1 - 1 /			
e-mail address:jbienski@enervest.net	Telephone:713-495-1571			
OCD Approval: Permit Application (including closure plan) Closure Plan	lan (only) OCD Conditions (see attachment)			
· · · · · · · · · · · · · · · · · · ·	Approval Date: 4-15-11			
Title: Envirolspec	OCD Permit Number:			
Closure Report (required within 60 days of closure completion): Subsection Instructions: Operators are required to obtain an approved closure plan prior to The closure report is required to be submitted to the division within 60 days of the section of the form until an approved closure plan has been obtained and the closure plan prior to the division within 60 days of the di	to implementing any closure activities and submitting the closure report. he completion of the closure activities. Please do not complete this			
Closure Method: Waste Excavation and Removal On-Site Closure Method Alternate If different from approved plan, please explain.	ative Closure Method			
Closure Report Regarding Waste Removal Closure For Closed-loop Systems Instructions: Please indentify the facility or facilities for where the liquids, dril two facilities were utilized.	lling fluids and drill cuttings were disposed. Use attachment if more than			
Disposal Facility Name:				
Disposal Facility Name: Disposal Facility Permit Number:				
Were the closed-loop system operations and associated activities performed on or Yes (If yes, please demonstrate compliance to the items below) \(\subseteq\) No	·			
Required for impacted areas which will not be used for future service and operate Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	ions:			
24. Closure Report Attachment Checklist: Instructions: Each of the following it	ems must be attached to the closure report. Please indicate by a check			
mark in the box, that the documents are attached.	one must be unuerically the crossite reports. I tense material, by a circum			
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 Longit	tude 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):	Title:			
Signature:	Date:			
e-mail address:	Telephone:			

Attachment to Form C-144 Below-grade Tank Permit Application Temporary Drill Pit Application

Introduction:

EnerVest Operating, LLC (EV) is submitting this permit application to operate a new below-grade tank at a well to be drilled under the authority of 19.15.17 NMAC. The tank is not currently permitted; therefore this document serves as supporting documentation referenced in the attached Form C-144. This tank will be used to capture small amounts of produced water from the primary and secondary separators.

This C-144 application also seeks permission to construct a Temporary Pit for the drilling phase of this well under the authority of 19.15.17 NMAC. Supporting documentation for this pit is included with this application.

This application is being submitted for the following well site:

Well Name: Jicarilla C #2N API No: 30-039-29818

Location: UL P, Sec 14, 26N, 05W

The supporting documentation contained in this C-144 attachment is organized as follows:

BELOW GRADE TANKS

Section I – Sitting Criteria Compliance Demonstration

Section II - Design Plan

Section III – Operating and Maintenance Plan

Section IV – Closure Plan

Section V – Hydrogeology Report

Appendices:

01 – USGS 7.5 Minute Topo Map

02 – Groundwater (water well search)

03 – Aerial Photo

04 – Municipal Boundary Map

05 - U.S. Fish & Wildlife Wetland Identification Map

06 - FEMA 100-year Floodplain map

07 – Mine Map

08 - C-102 Location Plat & Site Physical Inspection Sheet

09 – Karst Map for unstable areas

TEMPORARY DRILL PITS

Section VI – Design & Construction Plan Section VII – Operation and Maintenance Plan Section VIII – Closure Plan

Appendices:

10 – Design Plat 11 – Liner Specifications

All mapping and site hydrogeology report are under Below Grade Tank section.

References

Section I

Sitting Criteria Compliance Demonstration

Jicarilla C #2N

API No. 30-039-29813

Sitting Criteria Compliance Demonstration

Criteria as per 19.15.17.10.(A) (1)	In Compliance	Comments
Ground water less than 50' below bottom of tank	Yes	Refer to "Site Hydrology Report" in Section V
Within 300' of continuously flowing watercourse or 200 feet of other significant watercourse, lakebed, sinkhole, or playa lake (measured from ordinary high-water mark)	NO - Dry Wash 180' East	Refer to Observed Setting Requirements completed by field personnel in Appendix 08
Within 300 feet of a permanent residence, school, hospital, institution, or church	Yes	Refer to Observed Setting Requirements completed by field personnel in Appendix 08
Within 500 ft of a private, domestic freshwater well or spring or within 1000 ft of freshwater well or spring in existenance at time of application	Yes	Refer to Observed Setting Requirements completed by field personnel in Appendix 08
Within incorporated municipal boundary of defined municipal fresh water field	Yek NO	Refer to Observed Setting Requirements completed by field personnel in Appendix 08
Within 500 feet of a wetland	Yes	Refer to Observed Setting Requirements completed by field personnel in Appendix 08 and USF&W Map in Appendix 5
Within the area overlying a subsurface mine.	NO Yes	Refer to Observed Setting Requirements completed by field personnel in Appendix 08
Within an unstable area	Yes	Refer to Observed Setting Requirements completed by field personnel in Appendix 08 and Karst Map in Appendix 09
Within a 100-year floodplain	Yes	Refer to Observed Setting Requirements completed by field personnel in Appendix 08 and FEMA Map in Appendix 06

Section II

Design & Construction Plan

EnerVest Operating, LLC (EV)

BELOW-GRADE TANK DESIGN AND CONSTRUCTION SPECIFICATIONS

Rule 19.15.17.11

- C. Enervest Operating is the official operator of record for all wells which have below-grade tanks to be addressed in this specification. All below-grade tanks are located on these leases and will be in full compliance with 19.15.16.8 regarding signage.
- D. EV will ensure a fence shall be constructed and maintained in good repair with gates that are closed and locked when responsible personnel are not on site. EV shall insure that all gates are closed and locked when responsible personnel are not on-site.

If the below-grade tank is located within 1,000 feet of a permanent residence, school, hospital, institution or church, the fence shall be a chain link security fence at least 6 feet in height with at least two strands of barbed wire on top.

If the below-grade tank is not within 1,000 feet of the above mentioned structures, the fence shall constructed to exclude livestock with at least four strands of barbed wire evenly spaced between one foot from the ground and four foot above the ground.

EV is requesting administrative approval to use a 42" Hog wire fence with 2 strands barbed-wire on top in lieu of the required four strand barbed wire fence. This will be supported with iron posting at the corners and 10 - 12 feet apart. EV believes this will offer better protection for wildlife in these tank areas. Please refer to Exhibit 2.1 of this Section.

- E. EV shall ensure an open top tank is screened with expanded 3/16" metal screen or a fully closed top, both of which are welded on the top of the tank. Such screening will be painted to blend with the below-grade tank. EV believes this is sufficient strength to protect migratory birds or other wildlife.
- I. EV will ensure all below-grade tanks will be constructed of 3/16" steel, resistant to the tank's contents and to damage from sunlight. Based on water production and road condition for access during the winter months there are a choice of three different sizes which could be used:

CAPACITY DIAMETER HEIGHT 125 bbl 15' 4' 120 bbl 12' 6' 100 bbl 12' 5'

This tank will contain liquids and should prevent contamination of fresh water to protect the public health and environment.

The below-grade system will include a excavated area for the tanks which will be dependent upon the size of the tank used:

```
18' x 18' x 4' High Square excavated area
18' Diameter x 4' High Circular excavated area
18' Diameter x 5' High Circular excavated area
```

The particular area and well conditions will determine which design best for that particular well. EV will ensure that there will be room to walk around the tank inside the containment area which will better enable our field personnel to inspect for damage to liners or incidental leaks. Please refer to tank diagram under Exhibit 2.2 of this section for details.

All excavated areas will be reinforced with metal walls to prevent collapse. There will be sufficient open area on all sides of the tank to witness any incidental release that may occur. Please refer to tank diagram under Appendix 8.

EV will ensure the base of any excavated area containing a below-grade tank will be level and free of rocks, debris, sharp edges or irregularities to prevent punctures, cracks or indentations of the liner or tank bottom.

EV will ensure that any geomembrane liner used shall consist of 30-mil flexible PVC or 60-mil HDPE liner or equivalent liner material. The liner shall be composed of an impervious, synthetic material that is resistant to petroleum hydrocarbons, salt and acidic and alkaline solutions and shall be resistant to ultraviolet light. The liner shall have a hydraulic conductivity no greater than 1 x 10-9 cm/sec. The liner shall be compatible with EPA SW-846 method 9090A. EV will install the liner in such a manner as to divert any possible leak for visual inspection. EV will demonstrate to the OCD that the liner complies with the specifications within Subparagraph (a) of Paragraph (4) of Section I of 19.156.17.11 NMAC and obtain approval from the division prior to the installation of the new design.

EV is requesting administrative approval to use an equivalent liner. The "Dura-Skirm J45 BB" is a 45-mil reinforced liner which we feels offers the same or better protection as the required 60-mil liner as indicated above. Please refer to Exhibit 2.3 of this Section for the specification sheets for this liner.

EV will ensure the fluid levels of tanks will be monitored by automatic high level alarms at 24" from the top and shut-off devise at 10 1/2 inches from the top of the tank. The tanks will be also equipped with a manual shut-off valve in the event it is needed. Please see design specification sheet of this system in this section.

The majority of our below-grade tanks are within the berm around our tank battery and as so are protected from run-on water. Those outside this berm will be protected with an earthen berm which will extend at least 6" above surface ground level to divert run-on around the tank. The side walls of the excavated area will extend at least 6" above the ground level to divert run-on water around the tank. Any possible leak will be diverted, on the liner, in such a way can be visually inspected. Please refer to Exhibit 2.4 of this Section for details of this automatic shut-off system.

EV tank design will be a single walled tank constructed to ensure that the side walls are open for visual inspection for leaks; the bottom will be elevated six inches above the ground surface and will contain a geomembrane liner, as described above, directly on the ground level of the containment area.

Once a below-grade tank which was installed prior to June 16, 2008 does not demonstrate integrity, EV shall promptly repair or remove that below-grade tank and close the tank or install a below-grade tank that is in full compliance with Paragraph 1 thru 4 of Section I of 19.15.17.11 NMAC. EV shall comply with the operational requirements of 19.15.17.12 NMAC. Please refer to tank diagram under Appendix 8 for details

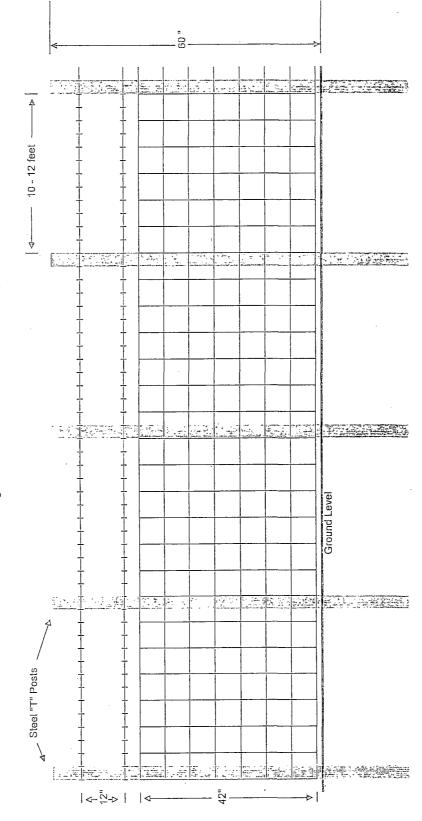
Any single walled below-grade tank installed before June 16, 2008 where any portion of the tank sidewall is below the ground surface and not totally visible shall be closed, retrofited or replaced before June 15, 2013. EV will fully comply with Paragraph 1 thru 4 of Section I of 19.15.17.11 NMAC for all retrofitting or replacement of below-grade tanks.

ENERVEST OPERATING, LLC

Proposed Alternative Fencing

Below-Grade Tank Construction

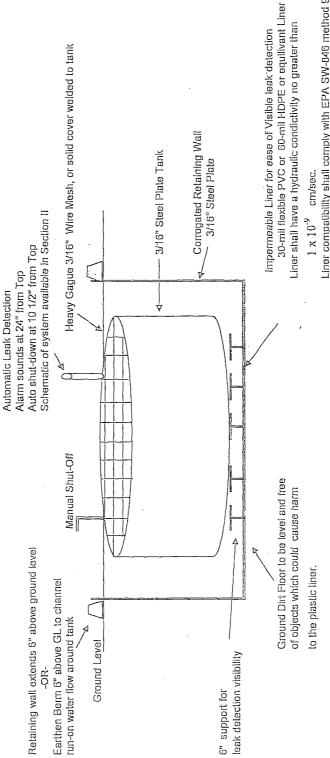
42" Hogwire Fence with 2 strands barbed-wire on top



EnerVest Operating, LLC Western Division

Below-Grade Tank System

Gravity Fed - Produced Water



Liner shall have a hydraulic condictivity no greater than

Liner compatibility shall comply with EPA SW-846 method 9090A. Liner to be impervious to hydrocarbons, salt & acidic and alkiline solutions.

Any liner installation will be done in such a way as to easily detect any possible leak.

> Tank size dependent upon water production & road conditions Excavation Area size dependent upon tank size

18' x 18' x 4' Square

18' x 4' Circular 18' x 5' Circular

15' x 4' 12' x 6' 12' x 5'

Excavation Areas

Dia x Height

Capacity 125 Bbi 120 Bbi 100 Bbi

Tank Size

Below-Grade System Components

Exhibit 2.2 pg 2

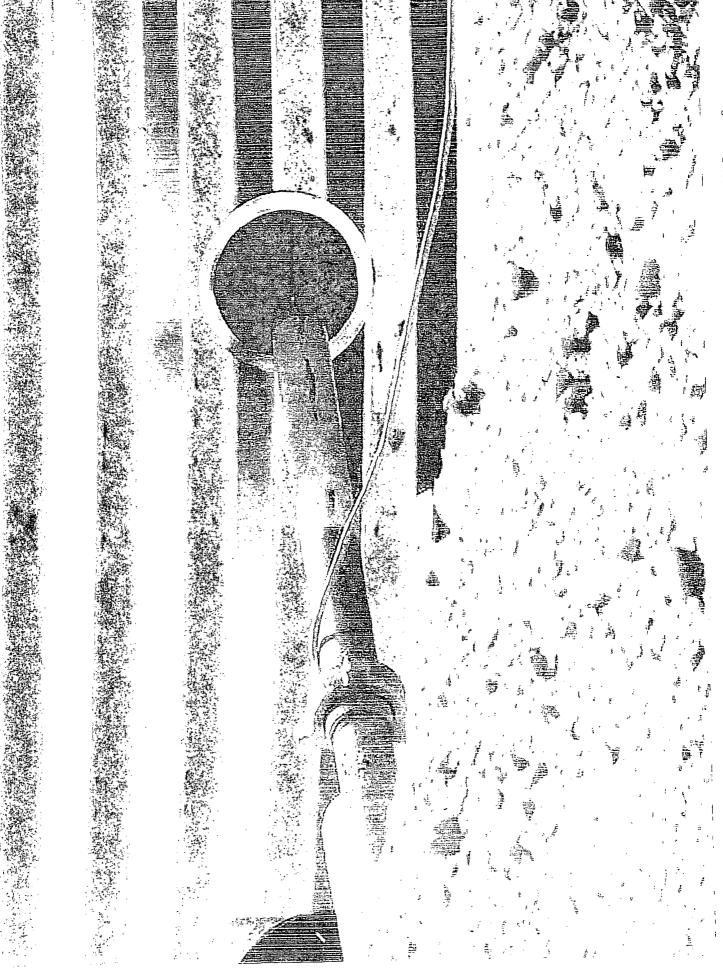


Exhibit 2.2 pg 3

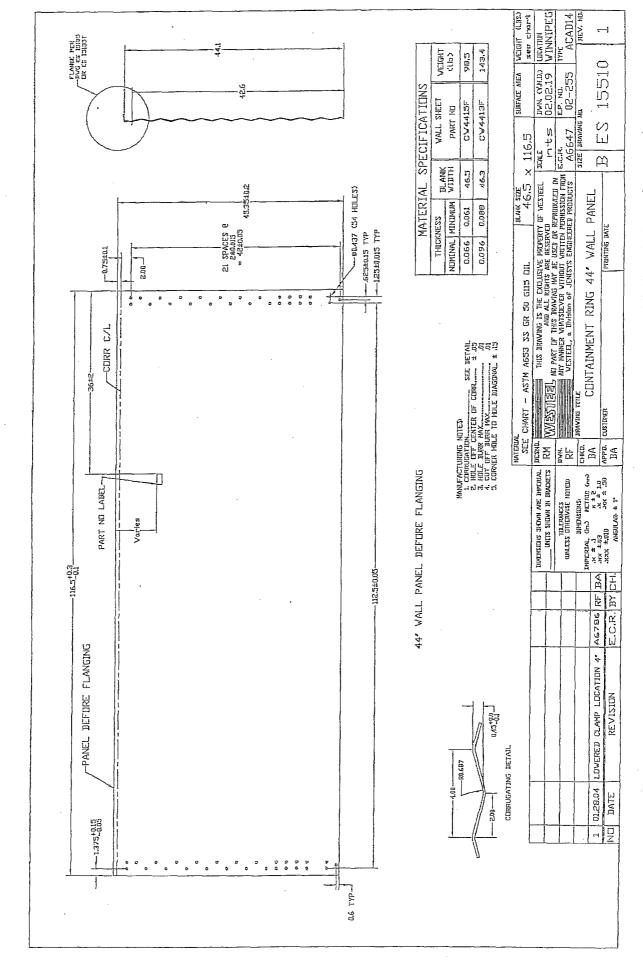


Exhibit 2,2 pg 4

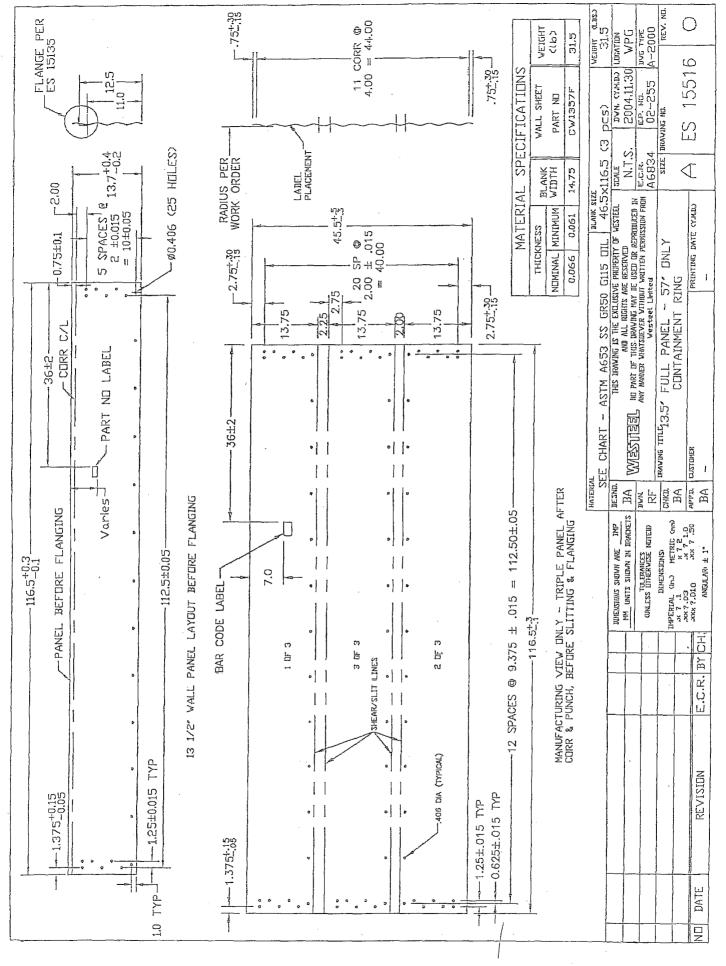


Exhibit 2.2 pg 5

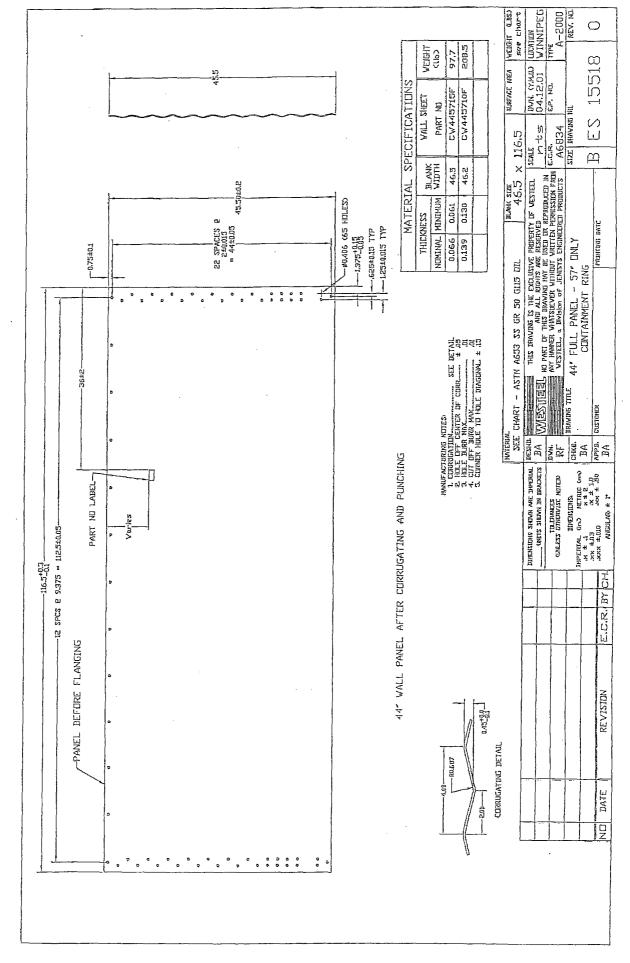


Exhibit 2.2 pg 6

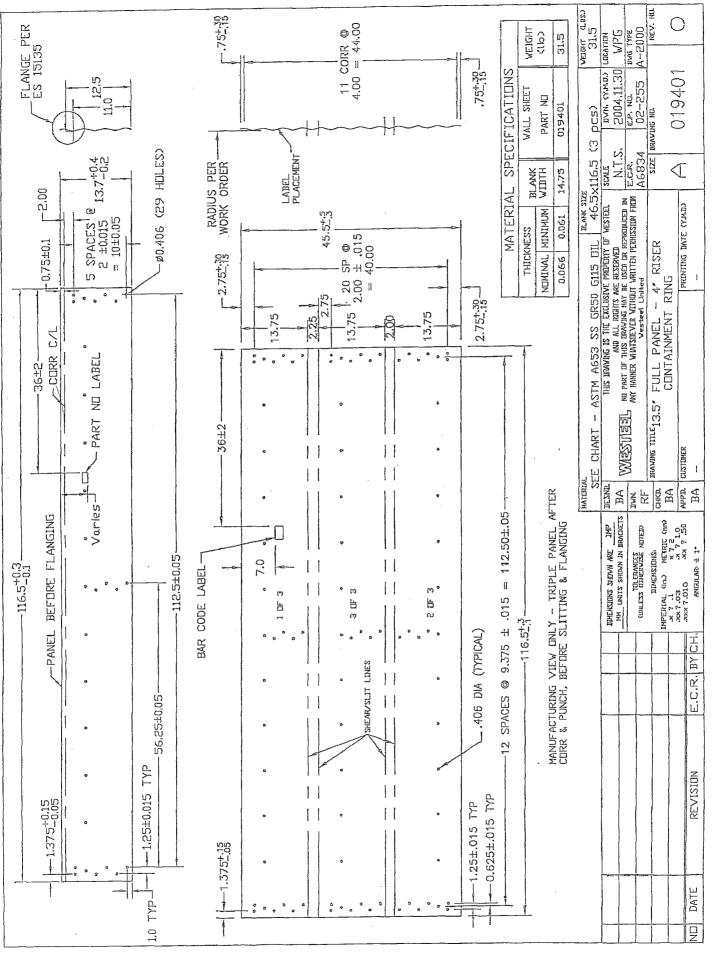


Exhibit 2.2 pg 7

Exhibit 2.2 pg 9

PRODUCT DESCRIPTION

DURASKRIM J30, J36 and **J45** are Linear Low Density Polyethylene geomembranes reinforced with a heavy encapsulated 1300 Denier polyester reinforcement. In addition to excellent dimensional stability the tri-directional reinforcement provides exceptional tear and tensile strength.

DURA SKRIM J-Series membranes are formulated with thermal and UV stabilizers to assure a long service life. Custom colors are available based on minimum volume requirements.

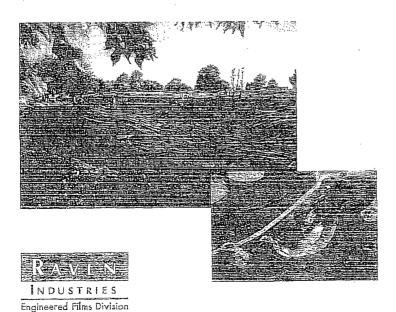
PRODUCT USE

DURA-SKRIM J30, J36 and **J45** are used in applications that require exceptional outdoor life and demand high tear strength and resistance to thermal expansion.

DURA-SKRIM 430, J35 and **J45** are manufactured from a very chemical-resistant, Linear Low Density Polyethylene with excellent cold crack performance.

SIZE & PACKAGING

DURA-SKRIM J30, J36 and **J45** are available in a variety of widths and lengths to meet the project requirements. Large diameter mill rolls are available to assure an efficient seaming process. Factory welded panels are accordion folded and tightly rolled on a heavy-duty core for ease of handling and time saving installation.



PRODUCT: NUMBER

DUFA SIGNM JBO JSOBB

DUFA SIGNM JBG JSOBB

DUFA SIGNM JAS JASBB

COMMON APPLICATIONS

- Wasie Lagoon Liners
- Floating Covers
- Daily Lancifil Covers
- Modular Tank Liners
- o unite Liners
- O Beingeleiten Einers

- o Renecialion Govers
- Official Regions
- C Brosione Connico EGOVARA
- O BETTO HEREITETE
- Ciganeli Bineis
- C DISPLACE DISE
- Cawaier Containment Pones





				· · · · · · · · · · · · · · · · · · ·			
PROPERTIES		BURACSKI	HAN JEIOEB	-DURACSK		ीतात्रतात <u>्</u>	
		Min. Roll Avəragəs	Typical Roll Averages	Min. Roll Avəragas	Typical Roil Averages	Min. Roll Averages	Typical Roll Averages
Appearance		Black/	Black	Black	/Black	Black	/Black
Thickness, Hominal	ASTM D5199	27 mil	30 mil	32 mil	36 mil	40 mil	45 mìl
WEIGHT bs/MSF [cz/yd]]	ASTM D5261	126 lbs (18.14)	140 lbs (20.16)	151 lbs (21.74)	168 lbs (24,19)	189 lbs (27.21)	210 lbs (30.24)
CONSTRUCTION		**Extrusio	on laminated v	with encapsula	ted tri-directio	nal scrim reinfo	prcement
PLY ROHESION	ASTM D413	16 lbs	20 lbs	19 lbs	27 lbs	25 lbs	33 lbs
1" Tensile Strength	ASTM D7003	88 lbf MD 63 lbf DD	110 lbf MD 79 lbf DD	90 lbf MD 70 lbf DD	113 lbf MD 87 lbf DD	110 lbf MD 84 lbf DD	138 lbf MD 105 lbf DD
1" Tensile Elongation @ Break % (Film Break)	ASTM D7003	550 MD 550 DD	750 MD 750 DD	550 MD 550 DD	750 MD 750 DD	550 MD 550 DD	750 MD 750 DD
1" Tensile Elongation @ P≘ak, % (Scrim Break)	ASTM D7003	20 MD 20 DD	33 MD 33 DD	20 MD 20 DD	30 MD 31 DD	20 MD 20 DD	36 MD 36 DD
Tongue Tear Strength	ASTM D5884	75 lbf MD 75 lbf DD	97 1bf MD 90 1bf DD	75 lbf MD 75 lbf DD	114 lbf MD 107 lbf DD	100 lbf MD 100 lbf DD	125 lbf MD 127 lbf DD
Grab Tensile	ASTM D7004	180 lbf MD 180 lbf DD	218 lbf MD 210 lbf DD	180 lbf MD 180 lbf DD	295 lbf MD 294 lbf DD	220 lbf MD 220 lbf DD	341 lbf MD 337 lbf DD
TRAPEZOID TEAR	ASTM D4533	120 lbf MD 120 lbf DD	146 lbf MD 141 lbf DD	130 lbf MD 130 lbf DD	189 lbf MD 172 lbf DD	160 lbf MD 160 lbf DD	193 ibf MD 191 lbf DD
DIMENSIONAL STABILITY	ASTM D1204	<1	<0.5	<1	<0.5	<1	<0.5
PUNCTURE RESISTANCE	ASTM D4833	50 lbf	64 lbf	65 lbf	83 lbf	80 lbf	99 lbf
Maximum Use Temperature		180°F	180°F	180°F	180°F	180°F	180°F
Agripum Use Temperature		-70°F	-70°F	-70°F	-70°F	-70°F	-70°F

MD = Machine Direction
DD = Diagonal Directions



Note: Minimum Roll Averages are set to take into account product variability in addition to testing variability between laboratories.

*Dimensional Stability Maximum Value

**DURA*SKRIM J30BB, J36BB and J45BB are a four layer reinforced laminate. The outer layers consist of a high strength polyethylene film manufactured using virgin grade resins and stabilizers for UV resistance in exposed applications.

DURA+SKRIM J30BB, J36BB and J45BB are reinforced with a 1300 denier tri-directional scrim reinforcement.

Note: To the best of our knowledge, unless otherwise stated, these are typical property values and are intended as guides only, not as specification limits. NO WARRANTIES ARE MADE AS TO THE FITNESS FOR A SPECIFIC USE OR MERCHANTABILITY OF PRODUCTS REFERRED TO, no guarantee of satisfactory results from reliance upon contained information or recommendations and disclaims all liability for resulting loss or damage.



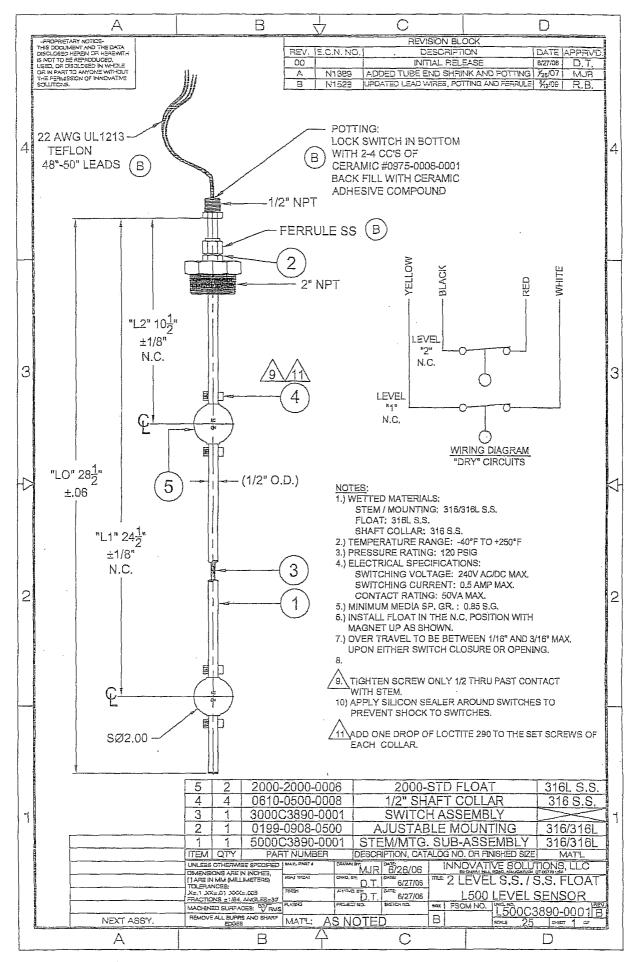
RAVEN INDUSTRIES, INC. / Engineered Films Division P.O. Box 5107 • Sioux Falls, SD 57117-5107 Ph: (605) 335-0174 • Fx: (605) 331-0333

Toll Free: 800-635-3456



www.ravengeo.com

8/09 EFD 1126



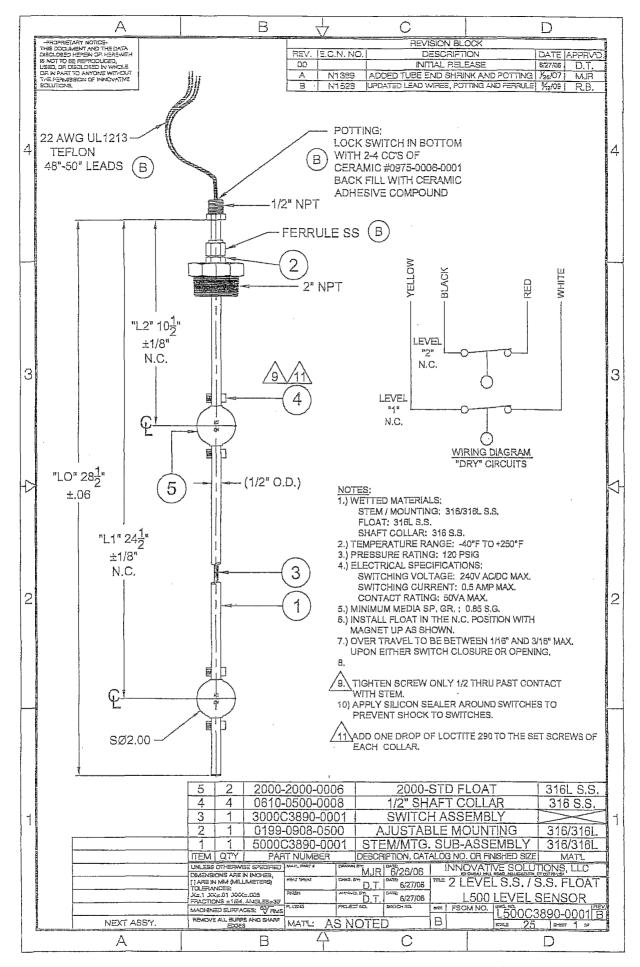


Exhibit 2.4

Section III

Operation & Maintenance Plan

EnerVest Operating, LLC (EV)

BELOW-GRADE TANK OPERATIONAL REQUIREMENTS

Rule 19.15.17.12

A. EV will operate and maintain Below-Grade Tanks to insure the integrity of the below-grade tank, liner, liner system or berms to prevent contamination of fresh water and protect public health and the environment.

EV will not discharge or store any hazardous waste material of any kind in any Below-Grade Tank.

Any penetration of the below-grade below the liquid's surface that may occur, EV shall remove all liquid above the damage or leak line within 48 hours of the discovery. EV shall notify the appropriate district office within 48 hours of the discovery and repair the damage or replace the liner or below-grade tank.

EV will insure the metal retaining walls of the below-grade system around each tank will extend at least 6" above ground level or be equipped with a 6" earthen berm in an effort to divert run-on water around the below-grade system.

D. EV will insure that a below-grade tank constructed and installed prior to June 16, 2008 that does not meet the requirements of 19.15.17.11 NMAC and does not demonstrate integrity or that the below-grade tank develops any conditions as identified in 19.15.17.12 NMAC shall close the existing below-grade tank pursuant to the closure requirements of 19.15.17.13 NMAC and install a below-grade tank that is in full compliance with our approved design. Please see below-grade system diagram in Appendix 8 for details.

EV will insure all Below-grade tanks will be equipped with automatic high-level alarm which sounds at 24" and than shut off devise to insure that flow will shut off at the freeboard height of 10 1/2 inches.

The majority of our below-grade tanks are within the berm around our tank battery and as so are protected from run-on water. Those outside this berm will be protected with an earthen berm which will extend at least 6" above surface ground level to divert run-on around the tank.

EV will remove any visible or measurable layer of oil from the fluid surface of a below-grade tank.

With any below-grade tank, installed before June 16, 2008, that is retrofitted or replaced with another tank, EV will insure that the soil beneath the removed soil is inspected for wet, discolored, or any other evidence of release, with photographic evidence. EV will report the results of all testing to the division on form C-141 and demonstrate to the division whether the evidence of contamination indicates at an imminent threat to fresh water, public health, safety of the environmental exists. If the division determines that the contamination does not pose an imminent threat to fresh water, public health, safety or the environment, EV shall complete the retrofit or the replacement of the below-grade tank as per our approved design program as indicated in Appendix 8. If EV or the division determines that the contamination poses an imminent threat to fresh water, public health, safety or the environment, then EV shall close the existing below-grade tank pursuant to the closure requirements of 19.17.15.13 NMAC prior to initiating the retrofit or replacement.

TESTED PROPERTY	TESTMETHOD	FREQUENCY		MINHAUM	AVERAGE	VALUE	erijarijaren 1. aŭ Grasjeto de 1. aŭ
			30 mil	40 mil	.60 mil	80 mil	100 mil
Thickness, (minimum average) mil (mm) Lowest individual reading (-10%)	ASTM D 5199	every roll	30 (0.75) 27 (0.69)	40 (1.00) 36 (0.91)	60 (1.50) 54 (1.40)	80 (2.00) 72 (1.80)	100 (2.50) 90 (2.30)
Density, g/cm ³ .	ASTM D 1505	200,000 lb	0.94	0.94	0.94	* 0.94	0.94
Tensile Properties (each direction) Strength at Break, lb/in-width (N/mm) Strength at Yield, lb/in-width (N/mm) Elongation at Break, % Elongation at Yield, %	ASTM D 6693, Type IV Dumbell, 2 ipm G.L. 2.0 in (51 mm) G.L. 1.3 in (33 mm)	20,000 lb	120 (21) 66 (11) 700 13	152 (26) 84 (14) 700 . 13	243 (42) 132 (23) 700 13	327 (57) 177 (30) 700 13	410 (71) 212 (37) 700 13
Tear Resistance, lb (N)	ASTM D 1004	45,000 lb	21 (93)	28 (124)	42 (186)	58 (257)	73 (324)
Puncture Resistance, lb (N)	ASTM D 4833	45,000 lb	65 (289)	85 (378)	125 (556)	160 (711)	195 (867)
Carbon Black Content, % (Range)	ASTM D 1 603*/421 8	20,000 lb	2.0 - 3.0	2.0 - 3.0	2.0 - 3.0	2.0 - 3.0	2.0 - 3.0
Carbon Black Dispersion	ASTM D 5596	45,000 lb	Note ⁽¹⁾	Note(1)	Note ⁽¹⁾	*Note ⁽¹⁾	Note ⁽¹⁾
Notched Constant Tensile Load, hr	ASTM D 5397, Appendix	200,000 lb	1000	1000	1000	1000	1000
Oxidative Induction Time, min	ASTM D 3895, 200°C; Oz, 1 atm	200,000 lb	>140	>140	>140	>140	>140
TYPICAL ROLL DIMENSIONS					901 11		
Roll Length ⁽²⁾ , ft (m)			1,120 (341)	870 (265)	560 (171)	430 (131)	340 (104)
Rol! Width ⁽²⁾ , ft (m)			22.5 (6.9)	22.5 (6.9)		22.5 (6.9)	
Roll Area, fi ² (m ²)			25,200 (2,341)	19,575 (1,819)	12,600 (1,171)	9,675 (899)	7,650 (711)

- NOTES:

 **(1)Dispersion only applies to near spherical agglomerates. 9 of 10 views shall be Category 1 or 2. No more than 1 view from Category 1.

- **Dispersion only applies to near spiral road augmented account in visits a state of designs, to the control of the control of

O.R.E. SYSTEMS P.O. Box 3577 Farmington, NM 87499 (505) 327-2161

Section IV

Closure Plan

EnerVest Operating, LLC (EV)

BELOW-GRADE TANK CLOSURE REQUIREMENTS

Rule 19.15.17.13

Before June 15, 2013, EV shall close, retrofit, or replace an existing below-grade tank that has not demonstrated integrity.

EV shall close a below-grade tank within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the division requires because of imminent danger to fresh water, public health or the environment.

A. EV shall close an existing below-grade tank that does not meet the requirements of Subsection I, paragraphs (1) through (4), of 19.15.17.11 NMAC if not retrofitted to comply with said requirements prior to any sale or change of operator to 19.15.9.9 NMAC.

Any below-grade tank installed prior to June 16, 2008 that is single walled and where any portion of the tank sidewall is below the ground surface and not visible shall equip or retrofit the below-grade tank to comply with paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC, or close it, within 5 years after June 16, 2008.

Within 60 days of cessation of the permitted below-grade tanks operation or as required by Subsection B of 19.15.17.17 NMAC, EV shall close the below-grade tank in accordance with a closure plan that the appropriate division district office approves.

J. Prior to implementing any closure operations EV shall research county tax records to determine the name and address of the surface owner of the properties involved. EV shall notify this surface owner via Certified U.S. Mail, return receipt requested, of their intent to close said below-grade tank.

Upon determination, EV will notify the appropriate district office prior to any closure operations beginning. Such notification shall be at least 72 hours, via U.S. Mail, prior to beginning work but not more than one week prior to beginning work. Such notice shall contain at a minimum the following:

Operators Name Unit letter, Section, Township, & Range of well Well name and well number API Number of well E. All free standing liquids and sludge will be removed at the start of the below-grade tank closure process from the below-grade tank and disposed of in one of the below division-approved facility as indicated below:

TNT Land Farm

Permit # NM-01-0008

Liquids & Sludge

Environtech Land Farm AguaMoss I

Permit # NM-01-0011 Permit # 247130 Solids Liquids

EV will obtain prior approval from the division to dispose, recycle, reuse, or reclaim the below-grade tanks and provide documentation of the final disposition of the below-grade tank in the closure report.

Existing liners that are removed as a result of closure will be wiped cleaned and disposed of at a solid waste facility listed below in compliance with Subparagraph (M) of Paragraph (I) of Subsection C 19.15.35.8 NMAC.

San Juan Regional Landfill Permit # SWM 052426 or Special Waster Permit # SWM052433 "sp"

If there is any on-site equipment associated with a below0grade tank, EV shall remove the equipment, unless the equipment is required for some other purpose.

Upon removal of the below-grade tank, EV will take, at a minimum, a five point composite sample from where the tank was sitting. EV shall collect individual grab samples will be taken from any area that is wet, discolored or showing other evidence of a release. All samples will be analyzed for the following:

Components	Test Method	Limits (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	100
Chlorides	EPA 300.1	250 or background,
		whichever is greater

EV will insure that the results of all sampling shall be reported to the division on approved form C-141. EV understands that the division may require additional delineation upon review of the results.

If sampling demonstrates that concentrations specified above have NOT been exceeded, or that a release has NOT occurred, EV will backfill the excavation with compacted, non-waste containing, earthen material, construct a division prescribed soil cover, and recontour and re-vegetate the site. The division prescribed soil cover, recontouring, and re-vegetation shall comply with 19.15.17.13.

If EV or the division determines that a release has occurred, EV shall fully comply with 19.15.29 NMAC and 19.15.30 NMAC as appropriate.

G. Once EV has closed a below-grade tank, we shall reclaim the site to a safe and stable condition that blends with the surrounding undisturbed area. When possible, EV will restore the impacted surface area to the condition that existed prior to oil and gas operations by the placement of soil cover.

If the closed area is within the confines of the pad location EV will blend the site to match the pad location as much as possible. Such activities shall prevent erosion, protect fresh water, human health and the environment. EV will obtain written agreement from the surface owner for any alternate re-vegetation proposals and submit to the division for final approval.

- H. The soil cover design will be consistent with the requirements of 19.15.17.13(H)(1) and (3). The soil cover will consist of the background thickness of topsoil or one foot of suitable material to establish vegetation at the site, whichever is greater. The soil cover will be constructed to the site's existing grade and prevent ponding of water and erosion of the cover material.
- I. EV will seed the disturbed areas the first growing season after closing the below grade tank. Seeding will be accomplished via drilling on the contour whenever practical or by other division-approved methods. BLM or Forest Service stipulated seed mixes will 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 through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs. During the two growing seasons that prove viability, there shall be no artificial irrigation of the vegetation.

EV shall notify the division when it has seeded or planted and when it successfully achieves re-vegetation by U.S. Mail.

K. Within 60 days of completion of closure operations, EV will file Form C-144, with attachments, outlining the detailed operations of the closing operations. Such attachments shall include, but not limited to, proof of surface owner and division notifications, confirmation of sampling analysis, disposal facility names and permit numbers, soil backfilling and cover installation, re-vegetation application rates and seeding techniques, and photo documentations.

Section V

Hydrogeology Report

Regional Hydrogeology Report

The San Jose Formation of Eocene age occurs in New Mexico and Colorado, and its outcrop forms the land surface over much of the eastern half of the central San Juan Basin. It overlies the Nacimiento Formation in the area generally sourth of the Colorado-New Mexico state line and overlies the Animas Formation in the area generally north of the State line.

The San Jose Formation was deposited in various fluvial-type environments. In general, the unit consists of an interbedded sequence of sandstone, siltstone, and variegated shale. Thickness of the San Jose Formation generally increases from west to east, ranging from 200 feet in the west and south to almost 2,700 feet in the center of the structural basin.

Ground water is associated with alluvial and fluvial sandstone aquifers. Therefore the occurrence of ground water is mainly controlled by the distribution of sandstone in the formation. The distribution of such sandstone is the results of original depositional extend plus any post-depositional modifications, namely erosion and structural deformation.

Transmissivity data for the San Jose Formation are minimal. Values of 40 and 120 feet squared per day were determined from two aquifer tests (Stone et al, 1983. table 5). The reported or measured discharge from 46 water wells completed in San Jose Formation ranges from 0.15 to 61 gallons per minute and the median is 5 gallons per minute. Most of the wells provide water for livestock and domestic use.

The San Jose Formation is a very suitable unit for recharge from precipitation because soils that form on the unit are sandy and highly permeable and therefore readily absorb precipitation. However, low annual precipitation, relatively high transpiration and evaporation rates, and deep dissection of the San Jose Formation by the San Juan River and its tributaries all tend to reduce the effective recharge to the unit.

Stone et al., 1983, Hydrogeology and Water Resources of the San Juan Basin, New Mexico; Socorro, New Mexico Bureau of Mines and Mineral Resources Hydrologic Report 6, 70 p.

Site Specific Hydro Geologic Analysis

Jicarilla C #2N API 30-039-29813

The above referenced well is proposed to be drilled at UL P, Sec. 14, 26N, 05W at an elevation of 6,661'. Surface casing is proposed to be set at 250' or at a depth of 6,411.

According to the Office of State Engineer, the closest water well drilled was SJ 01205 about 4 miles NE of our location. Drilled to 3054 feet at an elevation of 6,848, it shows water encountered at 750 feet or at a depth of 6,098 feet. This would be 248 feet shallower than the surface casing depth of our well.

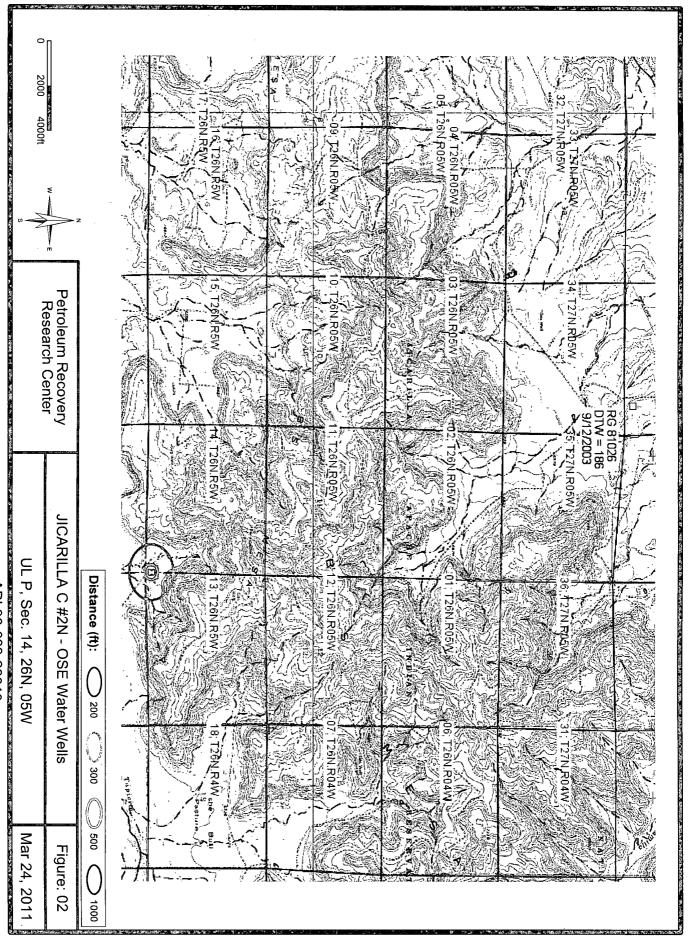
In 2006, CDX Rio drilled their Jicarilla C #4F (30-039-29590) about 900 feet West of our location. It was at an elevation of 6,588 with no indication of water being encountered. Surface casing was set at 316 feet which would be at 6,272. This would be 139 feet shallower than our well.

We believe the shale and sandstone would prevent any migration of groundwater at our well site. This should allow ample protection for any groundwater in the area.

U.S. 7.5 Minute TOPO Map

www.source3.com

Ground Water Depth



API 30-039-29813

www.source3.com

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API 30-039-29813

www.source3.com

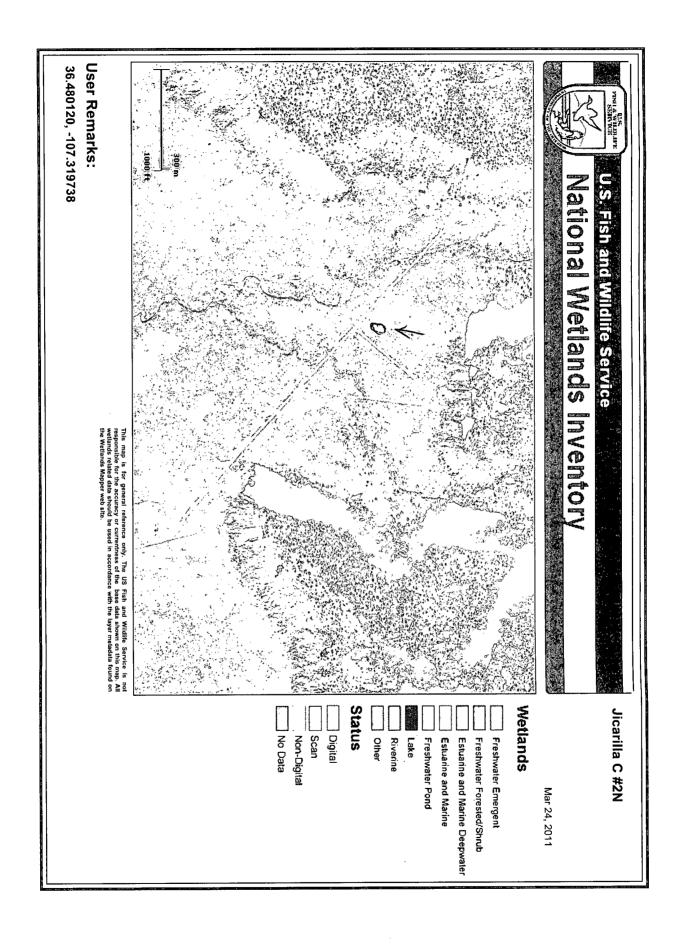
Municipality Boundary Map

Appendix 04

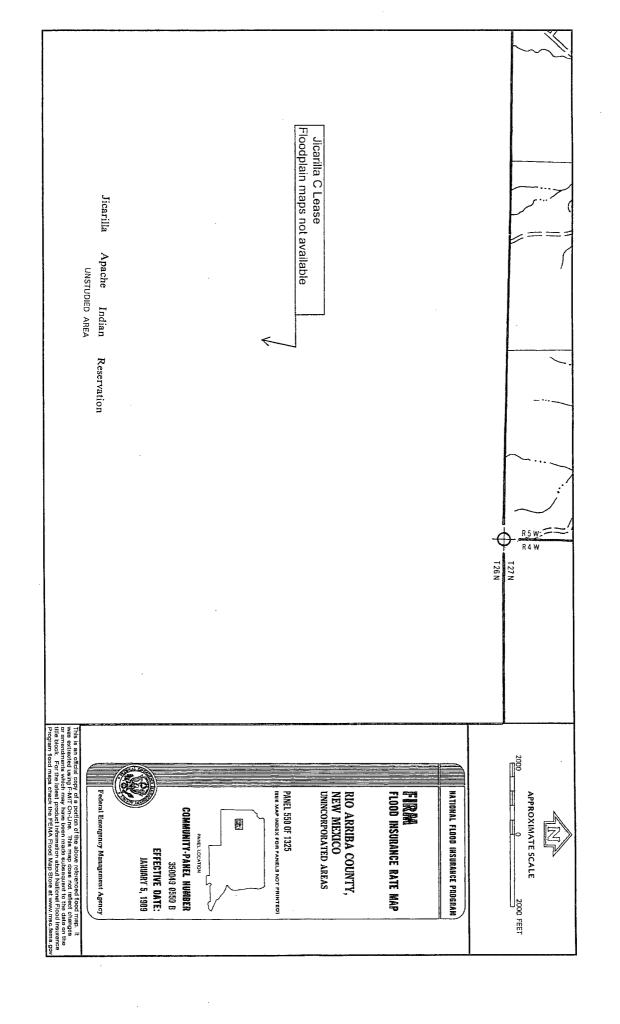
API 30-039-29813

www.source3.com

U.S. Fish & Wildlife Wetland Identification Map



FEMA 100-year Floodplain Map



Mines, Mills, & Quarires Map

API 30-039-29813

www.source3.com

C-203 Location Plat Site Physical Inspection Sheet

ENERVEST OPERATING LLC

Below Grade Tank Observed Sitting Requirements

Lease Name & Well Nur	mber <u>C 2 N</u>
AP	1 No
Observe	dby LEE GARDNER
Date Obse	rved 3-\7-\\
La	1780120 edutite
Lon	gitude 107, 319738 EL6637
MEASURED FROM THE BELOW-GRADE TAN	NK: Yes No If not within limits, explain:
Continiously flowing water course > 300 ft.	X
Significant Watercourse, lakebed, sinkhole or playa lake > 200 feet	
Permanent Residence > 200 feet	X
School > 200 feet	x
Hospital > 200'	X
Institution or Church > 200'	X
Private, domestic fresh water well or spring > 500 feet	X
Any other fresh water well or spring > 1000 feet	
Within incorporated municipal boundary of defined municipal fresh water field	X
Wetland area > 500 feet	X
Overhing a subsurface mine	· · · · · · · · · · · · · · · · · · ·

Distance to watercourse or dry wash should be to nearest edge

Please include distance & direction to all waterwells and/or wetland areas

Each Below-Grade Tank needing to be permitted, needs a visual inspection of the above Criteria as per Rule 19.15.17.10

ROVO JANGITOT

GIL CONS. DIV.

DIST. 9

DISTRICT I 1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II 1301 W. Grand Ave., Artesia, N.M. 88210

STRICT III 1000 Rto Brozos Rd., Aztec, N.M. 87410 State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

*Pool Code

72319/71599

Form C-102 Revised June 10, 2003

Submit to Appropriate District Office

³Pool Name

Bianco Mesaverde/Basin Dakoto

State Lease - 4 Copies Fee Lease - 3 Copies

☐ AMENDED REPORT

DISTRICT IV 1220 South St. Francis Dr., Santa Fe, NM 87505

30-039- 29013

WELL LOCATION AND ACREAGE DEDICATION PLAT

⁴ Property Cod	le T				⁶ Property N	œn o			o We	Number
33461		JICARILLA C					2N			
70GRID No.			*Operator Name ** Elevation					Jevotion		
222374			CDX RIO, LLC.				D, LLC. 6661'			
····					10 Surface	Location				· · · · · · · · · · · · · · · · · · ·
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Wes		County
Р	14	26-N	5-W		175	SOUTH	130	EAS	डा	RIO ARRIBA
			¹¹ Bottom Hole Location If Different From Surface							
UL or lot no.	Section	Township	Renga	Lot Idn	Feet from the	North/South line	Feet from the	East/Wes	rt libne	County
Dedicated Acres	L	100	oint or infill	L	⁹⁴ Consolidation Cod	de	⁸⁵ Order No.	L		<u> </u>
MV - S/320 DK - S/320		Y	•				NS	L:	541	7
NO ALLOW	ABLE W	ALL BE A	SSIGNED	TO THIS	S COMPLETIO	N UNTIL ALL I	NTERESTS HA	VE BE	N CON	SOLIDATED
		OR A N	ION-STA	NDARD	UNIT HAS BE	EN APPROVED	BY THE DIV	ISION		
	T					FD 5/8" RE W/ ST	BAR 17 C	PERAT	OR CER	TIFICATION
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ALC'D COR. TY DRI PORD				39.4' (C)	· .	CALC'D COR.	Cortificate Nam	DO:	:	

4. CASING AND CEMENTING DESIGN:

Casing Program:

Hole Size **Depth** Casing Size 12 1/4" 250' 9 5/8" 8 3/4" 3582' +/- Lewis seat 6 1/4" 4 1/2" 7660'

Csg Size	Casing Type	Top (MD)	Bottom (MD)	Wt. (lb./ ft)	Grade	Thread	Condition
9-5/8"	Surface	0'	250'	36.0	J55	STC	New
7"	Intermediate	0'	3582' +/-	23.0	N80	LTC	New
4 ½"	Prod Liner	3462'	<u>7660</u> '	11.6	N80	LTC	New

		ng Data	Collapse	Burst	Min. Tensile	
OD	Wt/Ft	Grade	Thread	(psi)	(psi)	(Lbs.)
9-5/8"	36.0 lbs.	J55	STC	2,020	3,520	394,000
7"	23.0 lbs.	N80	LTC	3,830	6,340	442,000
4 1/2"	11.6 lbs.	N80	LTC	6,350	7,780	223,000

MINIMUM CASING DESIGN FACTORS:

COLLAPSE: 1.125 BURST: 1.00 TENSION: 1.80

Area Fracture Gradient Range:

0.7 - 0.8 psi/foot

Maximum anticipated reservoir pressure:

2,500 psi

Maximum anticipated mud weight:

9.0 ppg

Maximum surface treating pressure:

3,500 - 3,750 psi

Karst Map

www.source3.com

REFERENCES

Wetland Map:

U. S. Fish and Wildlife Service National Wetlands Inventory Wetlands Mapper www.fws/gov/wetlands/data/mapper

Floodplains map:

Federal Emergency Management Agency
National Flood Insurance Program
FIRM (Flood Insurance Rate Map)
Map Service Center
http://msc.fema.gov/webapp/wcs/stores/servlet/FemaWelcomeView?storeId=10001&catalogId=10001&langId=-1

Depth to Ground Water: Individual water well documentation.

State of New Mexico
Office of the State Engineer
New Mexico Water Rights Reporting System
http://www.ose.state.nm.us/waters_db_index.html

Subsurface Mines:

EMNRD
Mining & Minerals Division
Mines, Mills & Quarries Commodity Group
http://www.emnrd.state.nm.us/MMD/index.htm

Regional Hydrogeology:

Stone et al., 1983, Hydrogeology and Water Resources of the San Juan Basin, New Mexico; Socorro, New Mexico Bureau of Mines and Mineral Resources Hydrologic Report 6, 70 p.

Base Maps:

Petroleum Recovery Research Center PRRC PitRule Web Mapping Portal USGS Topo TerraServer – US www.pitrule.source3.com

Section VI

Temporary Drill Pit
Design & Construction Plan

ENERVEST OPERATING, LLC (EV)

TEMPORARY PIT Design and Construction Specifications

Rule 19.15.17.11 NMAC

In accordance with the above mentioned rule, EV submits this design and construction program for all EV locations where a Temporary Pit is required. This will be our plan for all Temporary Pits unless a special condition warrants. In that case another plan will be submitted for that particular Temporary Pit.

- 1. EV will design and construct an approved Temporary Pit to fit the particular well it is designed to accommodate. It will contain liquids and solids from the drilling of that particular well only and should prevent contamination of fresh water and protect public health, and the environment.
- 2. Any topsoil disturbed in the building of the location pad will be stockpiled on location for later use in restoring the site.
- 3. All Temporary Pits will be located on pad sites for drilling wells and EV will insure signage on location is in full compliance with 19.15.16.8 NMAC.
- 4. EV is requesting permission to use the same fencing diagram as approved for our below-grade tanks. This is a 4' hog wire fence with 2 strands barbed-wire on top in lieu of the required 4 strand barbed-wire fence. This will be supported by iron posting at the corners and 10 12 feet apart. It is our belief this will offer better protection for wildlife around these pits. Temporary Pits will be fenced at all times excluding drilling or workover operations, when the front side will be temporarily removed for operational purposes.
- 5. EV will construct the Temporary Pit to insure the foundation and interior slopes are firm and free of rocks, debris, sharp objects to prevent liner failure.
- 6. EV will construct the Temporary Pit so that the slopes are no steeper than two horizontal feet to one vertical foot (2H:1V).
- 7. The walls of the Temporary Pit will be walked down by a crawler type tractor following construction to insure proper solidity.

- 8. All Temporary Pits will be lined with a 20-mil, reinforced LLDPE liner, or equivalent liner material that the division district office approves, complying with EPA SW-846 method 9090A requirements. The liner shall be composed of an impervious, synthetic material that is resistant to petroleum hydrocarbons, salts and acidic and alkaline solutions, and shall be resistant to ultraviolet light.
- 9. Geotextile will be installed beneath the liner where rocks, debris, sharp objects cannot be avoided.
- 10. All liners will be anchored in the bottom of a compacted earth-filled trench at least 18 inches deep.
- 11. EV will minimize liner seams and orient them up and down, not across a slope. EV will use factory welded seams where possible, but where field seaming is required we shall overlap liners four to six inches and orient seams parallel to the liner of maximum slope and use qualified personnel to perform field seaming. EV 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 Temporary Pit shall be protected from run-off by constructing and maintaining diversion ditches or berms around the location or around the perimeter of the pit, if necessary.
- 14. The volume of the Temporary Pit shall not exceed 10-acre-feet, including freeboard.
- 15. Temporary blow pits will be constructed to allow gravity flow to discharge into lined drill pit.
- 16. The lower half of the blow pit (nearest lined pit) will be lined with a 20-mil, string reinforced, LLDPE liner. The upper half of the blow pit will remain unlined as allowed in Rule 19.15.17.11.F.11.
- 17. EV will not allow freestanding liquids to remain on the unlined portion of a Temporary Pit used to vent or flare gas.

Section VII

Temporary Drill Pit
Operation & Maintenance Plan

ENERVEST OPERATING, LLC (EV)

TEMPORARY PIT Maintenance and Operation Specifications

Rule 19.15.17.12 NMAC

In accordance with the above mentioned rule, EV submits this maintenance and operation program for all EV locations where a Temporary Pit is required. This will be our plan for all Temporary Pits unless a special condition warrants. In that case another plan will be submitted for that particular Temporary Pit.

- 1. EV will operate and maintain a Temporary Pit to contain liquids and solids and maintain the integrity of the liner and liner system to prevent contamination of fresh water and protect public health and the environment.
- 2. EV will conserve drilling fluids by transferring liquids to pits ahead of the rigs whenever possible. All other drilling fluids will be disposed of at:

TNT Land Farm

Permit #NM-01-0008

Aqua Moss

Permit #247130

- 3. EV 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 liquids surface, EV will notify the appropriate division district office by phone or e-mail within 48 hours of the discovery. EV will repair the damage or replace the liner.
- 5. If a leak develops below the liquid's level, EV shall remove all liquids above said leak within 48 hours and repair the damage or replace the liner. EV shall notify the appropriate district office by phone or e-mail within 48 hours of the discovery for leaks less than 25 barrels. EV shall notify the appropriate district office as required as per Subsection B of 19.15.3.116 NMAC shall be reported within 24 hours of discovery of leaks greater than 25 barrels. In addition, immediate verbal notification as per 19.15.3.116 B (1) (d) shall be reported to the division's Environmental Bureau Chief.
- 6. The liner shall be protected from any fluid force or mechanical damage through the use of mud pit slides, or a manifold system.
- 7. The Temporary 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. EV will immediately remove any visible layer of oil from the surface of the Temporary Pit after cessation of a drilling or workover operation. Oil absorbent booms will be stored on-site until closure of Temporary Pit for this purpose.
- 9. Only fluids generated during the drilling or workover process may be discharged into a Temporary Pit.
- 10. EV will maintain the Temporary Pit free of miscellaneous solid waste or debris.
- 11. EV shall inspect the Temporary Pit at least daily while the drilling or workover rig is on site. Thereafter, EV shall inspect the Temporary Pit weekly, so long as liquids remain in the Temporary Pit. EV shall maintain a log of all inspections and file a copy of this log with the appropriate division district office when the Temporary Pit is closed.
- 12. EV will maintain at least two feet of freeboard for a Temporary Pit.
- 13. EV shall remove all free liquids from a Temporary Pit within 30 days from the date the operator releases the drilling rig.
- 14. EV shall remove all free liquids from a Cavitation Pit within 48 hours after completing cavitation. EV may request additional time to remove liquids from the appropriate division district office if it is not feasible to remove liquids within 48 hours.

ENERVEST OPERATING, LLC (EV)

TEMPORARY PIT Closure Specifications

Rule 19.15.17.13 NMAC

In accordance with the above mentioned rule, EV submits this closure program for all EV locations where a Temporary Pit is required. This will be our plan for all Temporary Pits unless a special condition warrants. In that case another plan will be submitted for that particular Temporary Pit.

All closure activities will include proper documentation and be available for review upon request and will be submitted to the appropriate division district office within 60 days of closure of all Temporary Pits. Closure report will be filed on OCD Form C-144 and will include the following:

- Details on Capping and Covering, where applicable
- Plat Plan (Pit Diagram)
- Inspection Reports
- Sampling Results
- OCD Form C-105
- Copy of Deed Notice filed with County Clerk, where applicable
- 1. EV shall notify the surface owner by certified mail, return receipt requested that we plan to close a Temporary Pit. Evidence of mailing of this notice to the surface owner shall be as in the county tax records.
- 2. EV shall notify the appropriate division district office verbally or by other means at least 72 hours, but not more than one week, prior to closing a Temporary Pit. Such notice will include the location to be closed by unit letter, section, township and range, well name and number, and appropriate API number of the well on which the Temporary Pit exists.
- 3. EV shall remove all free standing liquids at the start of the closure process for all division approved Temporary Pits. Such liquids will be disposed of in an approved facility or they shall be reclaimed in a manner that the appropriate division office approves. The facilities to be used will be:

TNT Land Farm

Permit #NM-01-0008

Aqua Moss

Permit #247130

- 4. Within 6 months of the date the rig is released, EV will ensure that the associated temporary pit is closed, re-contoured, and reseeded.
- 5. Liner of Temporary Pits 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 to remove all of liner. All, if any, excessive liner will be disposed of at:

San Juan Regional Landfill

Permit #SWM 052426

- 6. Pit contents shall be mixed with non-waste containing, earthen material in order to achieve 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.
- 7. A five point composite sample will be taken of the pit using sampling tools and all samples tested per 19.15.17.13(B)(1)(b) NMAC. In the event that the criteria are not met, all contents will be handled per 19.15.17.13 (B)(1)(a).

Sample	Determined By:	Maximum Limit	
Benzene	EPA SW-846 method 8021B or 8260B	0.2 mg/kg	
BTEX	EPA SW-846 method 8021B or 8260B	50 mg/kg	
TPH	EPA SW-846 method 418.1 *	2500 mg/kg	
GRO & DRO combined	EPA SW-846 method 8015M	500 mg/kg	
chlorides	EPA method 300.1	500 mg/kg **	

^{*} or other EPA method that the division approves

- 8. Upon completion of solidification and testing standards being passed, the pit area will be backfilled with compacted, non-waste containing, earthen material. A minimum of four feet of fill at the site to include one foot of topsoil, or the background thickness of topsoil, whichever is greater. If standard testing fails, EV will dig and haul all contents as per 19.15.17.13. After doing such, confirmation sampling will be conducted to ensure a release has not occurred.
- 9. During the stabilization process, if the liner is ripped by equipment the appropriate district office will be notified within 48 hours and the liner will be repaired if possible. If the liner cannot be repaired, then all contents will be excavated and removed.
- 10. Dig and Haul Material will be transported to:

TNT Land Farm Permit # NM-01-0008
Environtech Land Farm Permit # NM-01-0011

Aqua Moss Permit # 247130

11. Re-contouring of location will match fit, shape, line, form and texture of the surrounding. Re-shaping 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.

^{**} or the background concentration, whichever is greater

- 12. Notification will be sent to OCD when the reclaimed area is seeded.
- 13. EV shall seed the disturbed 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 federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (unimpacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. Repeat seeding or planting will be contoured until successful vegetative grown occurs.

TYPE	VARIETY OR CULTIVATOR	PLS/A 3.0	
Western Wheatgrass	Arriba		
Indian Ricegrass	Paloma or Rimrock	3.0	
Slender Wheatgrass	San Luis	2.0	
Crested Wheatgrass	Hy-Crest	3.0	
Bottlebrush Squirreltail	Unknown	2.0	
Four-wing Saltbrush	Delar	0.25	

Species shall be planted in pounds of pure live seek per acre: Present Pure Live Seed (PLS) = Purity x Germination/100 Two lots of seed can be compared on the basis of PLS:

	Source 1	Source 2	
	(poor	(Better	
	quality	quality)	
Purity	50 %	80%	
Germination	40%	63%	
Percent PLS	20%	50%	

14. 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 flush with the ground to allow access of the active well pad for safety concerns. The marker will include a threaded collar to be used for future abandonment. The top of the marker will contain a welded steel 12" square plate that indicates the onsite burial of the temporary pad. The plate will be easily removed and a four foot tall riser will be threaded into the top of the collar marker and welded around the base with the operators 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.

Temporary Drill Pit Design Plat

