District 1 --1625 N French Dr , Hobbs, NM 88240 District II 1301 W Grand Avenue, Artesia, NM 88210 District III
1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S St Francis Dr , Santa Fe, NM 87505

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

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

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

Pit Closed I oon System Relow Grade Tank or

Proposed Alternative Method Permit or Closure Plan Application				
Type of action: Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method				
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request				
Please be advised that approval of this request does not relieve theoperator 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				
Operator: Energen Resources OGRID #: 162928				
Address: 2010 Afton Place, Farmington, New Mexico 87401				
Facility or well name:				
API Number: 3003906622 OCD Permit Number				
U/L or Qtr/Qtr A Section 10 Township 26N Range 03W County: R10 Arriba .				
Center of Proposed Design Latitude 36.50533 Longitude -107.1257 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				
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				
X Below-grade tank: Subsection I of 19 15.17 11 NMAC				
Volume:bbl Type of fluidProduced Water				
Tank Construction material: Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off				
Visible sidewalls and liner X Visible sidewalls only Other				
Liner type: Thickness mil				

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

Alternative Method:

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) Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate. Please specify	hospītāl,
Netting: Subsection E of 19.15.17 11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other Monthly inspections (If netting or screening is not physically feasible)	
Signs: Subsection C of 19.15.17.11 NMAC 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers Signed in compliance with 19.15.3 103 NMAC	
Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19 15.17 NMAC for guidance. 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 a 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	☐ 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 Preeboard 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 Gil 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) On-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial On-site Trench Burial Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. Protocols and Procedures - based upon the appropriate requirements of 19 15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings) Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17 13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Instructions: Please indentify the facility or facilities for the disposal of liquids, facilities are required.		
Disposal Facility Name.	Disposal Facility Permit Number	
Disposal Facility Name.	Disposal Facility Permit Number:	
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations? Yes (If yes, please provide the information below) No		
Required for impacted areas which will not be used for future service and operations: Soil Backfill and Cover Design Specifications based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17 13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17 13 NMAC		
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 required 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 dist al 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; Da	ta 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; Da	ta 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; Da	ta obtained from nearby wells	☐ Yes ☐ No ☐ NA
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other sillake (measured from the ordinary high-water mark). - Topographic map, Visual inspection (certification) of the proposed site	gnificant watercourse or lakebed, sinkhole, or playa	☐ Yes ☐ No
Within 300 feet from a permanent residence, school, hospital, institution, or churc - 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 - 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 was adopted pursuant to NMSA 1978, Section 3-27-3, as amended - Written confirmation or verification from the municipality; Written appro		☐ Yes ☐ No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map, Topographic map, Viso	nal 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-Minin	g and Mineral Division	☐ Yes ☐ No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geolog Society; Topographic map	gy & 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 Protocols and Procedures - based upon the appropriate requirements of 19 In Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Disposal Facility Name and Permit Number (for Iquids, 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 of Subsection F of 19.15.17.13 NMAC appropriate requirements of 19.15.17.11 NMAC pad) - based upon the appropriate requirements of 19. 5 17.13 NMAC quirements of Subsection F of 19 15.17.13 NMAC of Subsection F of 19.15.17.13 NMAC drill cuttings or in case on-site closure standards cannot 1 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) Title				
Signature: Date:				
e-mail address Telephone				
20. OCD Approval: Permit Application (including closure plan) M Closure Plan (only) OCD Conditions (see attachment)				
OCD Representative Signature: Approval Date: Approval Date:				
Title: Complique Office OCD Permit Number:				
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.				
Closure Completion Date: 8/19/11				
22. Closure Method: Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-loop systems only) ☐ If different from approved plan, please explain.				
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: Instructions: Please indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized. Disposal Facility Name:				
On-site Closure Location Latitude Longitude NAD: 1927 1983				
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) Ed Hasely Title: Sr. Environmental Engineer				
Signature. Date: 10/18/11				
e-mail address: ed hasely@energen.com Telephone: (505) 324-4131				

BELOW-GRADE TANK CLOSURE REPORT

ENERGEN RESOURCES Jicarilla 115E #14

CLOSURE STEPS: (Closure Report information is in **bold**)

- (1) Notify the surface owner by certified mail, return receipt requested, of the plans to close the below-grade tank.

 Attached
- (2) Notify the Aztec OCD office (Brandon Powell 334-6178, Ext 15) verbally or by other means at least 72 hours, but not more than one week, prior to the planned closure operation.

Attached

- (3) Remove liquids from the below-grade tank. Dispose of the liquids and sludge in a division-approved facility. No disposal of liquids was required.
- (4) Remove the below-grade tank for re-use in an above-ground setup or for disposal in a division-approved manner. **Tank removed.**
- (5) Unless the equipment is required for some other purpose, remove any on-site equipment associated with the below-grade tank.

All remaining equipment is required for operations.

- (6) Test the soils beneath the below-grade tank to determine whether a release has occurred.
 - Collect, at a minimum, a five point, composite sample;
 - Collect individual grab samples from any area that is wet, discolored or showing other evidence of a release:

Visual observation and odor indicated that the soils were impacted w/ hydrocarbons. No soil samples were collected until after excavation of impacted soils.

Analyze for BTEX, TPH and chlorides to demonstrate:

- Benzene concentration does not exceed 0.2 mg/kg, as determined by EPA SW-846 methods 8021B or 8260B
- Total BTEX concentration does not exceed 50 mg/kg, as determined by EPA SW-846 methods 8021B or 8260B
- TPH concentration does not exceed 100 mg/kg, as determined by EPA method 418.1
- Chloride concentration does not exceed 250 mg/kg, as determined by EPA method 300.1 or the background concentration, whichever is greater.

Constituent	Limit (mg/kg)	Actual Results (mg/kg)
Benzene	0.2	NA
Total BTEX	50.0	NA
TPH (418.1)	100	NA
Chlorides	250	NA

(7) <u>IF the soil analyses show that the soils meet the concentrations specified in (6) above,</u> backfill the excavation with compacted, non-waste containing, earthen material in a manner that will prevent ponding or erosion. If the area will not be needed for operations, reclaim the area as described in the "RECLAMATION" section.

Not applicable.

(8) IF the soil analyses show that the soils exceed one or more of the concentrations specified in (6) above, notify the Aztec OCD office (Brandon Powell – 334-6178, Ext 15) and proceed per 19.15.3.116 NMAC.

Proceeded per 19.15.29 and 19.15.30.

NOTE: If groundwater is encountered at any time during the closure process, the OCD office will be notified and a specific closure plan will be submitted to the Aztec and Santa Fe OCD offices for approval.

Not applicable.

FINAL CLOSURE REPORT:

Within 60 days of closure completion, submit a closure report on form C-144, with necessary attachments to document all closure activities including sampling results.

This submittal is the closure report.

RECLAMATION:

If the area is not needed for operations, reclaim the area to a safe and stable condition that blends with the surrounding undisturbed area. Restore the impacted surface area to the condition that existed prior to oil and gas operations by placement of the soil cover, recontour the location and associated areas to a contour that approximates the original contour and blends with the surrounding topography and re-vegetate.

- (A) Construct the soil cover to the site's existing grade and prevent ponding of water and erosion of the cover material. The soil cover shall consist of the background thickness of topsoil or one foot of suitable material to establish vegetation at the site, whichever is greater.
- (B) Seed or plant the disturbed areas the first growing season after closing the below-grade tank. Drill on the contour whenever practical or by other division-approved methods. The goal is to obtain vegetative cover that equals 70% of the native perennial vegetative cover (un-impacted by overgrazing, fire or other intrusion damaging to native vegetation) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. During the two successive growing seasons that prove viability, there shall be no artificial irrigation of the vegetation.
 - (C) Repeat seeding or planting until it successfully achieves the required vegetative cover.
- (D) If conditions are not favorable for the establishment of vegetation, such as periods of drought, contact the Aztec OCD office to discuss possibly delaying seeding or planting until soil moisture conditions become favorable or using additional techniques such as mulching, fertilizing, irrigating, fencing or other practices.
- **(E)** Notify the Aztec OCD office (Brandon Powell 334-6178, Ext 15) when the area has been seeded or planted and when it successfully achieves re-vegetation.

Area is needed for operations. Upon abandonment, seeding will be deferred to the BLM / Tribal requirements per the BLM / OCD MOU.

Ed Hasely

From:

Ed Hasely

Sent:

Friday, July 15, 2011 3:28 PM

To:

Brandon Powell

Cc:

'Dixon Sandoval'; 'hsandoval_99@yahoo.com'; Billy Stalcup

Subject:

BGT Closure - Jicarilla 115E #14

Brandon – Energen plans to close the below listed BGT in the near future. Let me know if you have questions. Thanks.

Jicarilla 115E #14 - Unit Letter A, Section 10, Township 26N, Range 3W

Ed Hasely

Energen Resources Corporation

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



July 15, 2011

Jicarilla Apache Nation Environmental Protection Office P.O. Box 507 Dulce, NM 87528 Attn: Mr. Hobson Sandoval

Re:

Below Grade Tank Closure

Jicarilla 115E #14

Dear Sirs:

Energen Resources plans to close the below grade tank located on the well location listed below. You are on record as the surface owner where this well is located. New Mexico Oil Conservation Division (NMOCD) rules require notification to the surface owner of our plans to close the below grade tanks. NMOCD rules and guidelines will be followed. The well is located in Rio Arriba County, New Mexico.

Certi

Jicarilla 115E #14 - Unit Letter A, Section 10, Township 26N, Range 3W

If there are any questions or concerns, please contact me at 505-324-4131.

Sincerely,

Ed Hasely

1 Hasely

Sr. Environmental Engineer Energen Resources

Cc: Well File Correspondence

SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.

Print your name and address on the reverse so that we can return the card to you.

Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Vicarilla Apacha Nection Envi Protection Office PO Box 507 Dulce NM 87528

Attn: Hobson Sandour

COMPLETE THIS SECTION ON DELIVERY

D. Is delivery address different from item 1?
If YES, enter delivery address below:

3. Service Type

U.S. Postal Service

Certified Fee

Return Receipt Fee (Endorsement Required)

Restricted Delivery Fee (Endorsement Required)

Total Postage & Fees

or PO Box No. City, State, ZIP+4

CERTIFIED MAIL... RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided

Postmark

☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mall ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number 7009 2820 0000 5800 5934

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-18