Form C-144 July 21, 2008

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

	<i>T</i>		ed-Loop Systen							
Proposed Alternative Method Permit or Closure Plan Application										
(5)(0	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			an existing	permitted or non-p	permitted pit, c	losed-loop system,			
Instruc	tions Please submit	one application (Form C-144) per indiv	idual pit, clo	sed-loop system, beli	ow-grade tank o	r alternative request			
Please he advised convironment. Nor	that approval of this rec does approval relieve t	quest does not relie the operator of its r	eve the operator of liabilities on ply	ty should oper with any other	rations result in pollut r applicable governme	ion of surface wa ental authority's n	ter, ground water or the ules, regulations or ordinances			
Operator	DJ	Simmons, Inc	00	RID#	00557	78				
Address	1009 Ridgew	ay Place	Farmington, NM 87	7410	•	_				
Facility or well	name Simmons	E No 4								
			OCD Perm							
			Township							
			2989							
			bal Trust or Indian Allo		20. 757					
2										
☐ Permanent ☐ Lined ☐ U	forced	vitation P&A Thickness	_mil □ LLDPE□							
3		-								
	System: Subsection									
	ion 🗌 P&A 🔲 Dril	lling a new well	Workovei or Drillin	g (Applies to	activities which requ	uire prior approv	ral of a permit or notice of			
intent)	☐ Above Ground S	Steel Tanks 🗀 H	laul-off Bins ☐ Other				21314151677787830 RECEIVED			
☐ Lined ☐ Hr	nlined Linertyne Tl	hickness	mıl	ре 🗆 нове	PVC C Other	. /	2731410101787			
							S A S			
Emer Seams L						/2/	BECEIVED ?			
4	la de la la Colonada de la	1 -610 15 17 11 3	TRAAC			/ 00	SEP 2008			
	le tank: Subsection I					67				
Volume2			d Produced Wa	iter	*	/ \ \\\Z	OIL CONS. DIV. DIST 3			
	ion material. Steel				_	/4	يكي مريخ			
			isible sidewalls, liner, 6			shut-off	OIL CONS. DIV. DIST 3			
			only Other				•			
Liner type Thi	ckness 12	mıl	M HDPE □ PVC □	Other						
5					· · · · · · · · · · · · · · · · · · ·					
Alternative	Method:									
Submittal of an	exception request is re	equired Exception	ons must be submitted	to the Santa l	Fe Environmental Bu	reau office tor	consideration of approval			

Fencing: Subsection D of 19 15 17 11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)	
Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, institution or church)	hospital,
Four foot height, four strands of barbed wire evenly spaced between one and four feet	
Alternate Please specify	
Netting: Subsection E of 19 15 17 11 NMAC (Applies to permanent pits and permanent open top tanks)	
Screen □ Netting □ Other	
☐ Monthly inspections (If netting or screening is not physically feasible)	
8	
Signs: Subsection C of 19 15 17 11 NMAC	
☐ 12"\ 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers ☐ Signed in compliance with 19 15 3 103 NMAC	
Maighte in compliance with 19 15 3 103 NWAC	
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	office for
Exception(s) Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval	
Siting Criteria (regarding permitting): 19 15 17 10 NMAC	
Instructions The applicant must demonstrate compliance for each siting criteria below in the application Recommendations of acceptant material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appro	otable source
office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a	pproval.
Applicant must attach justification for request. Please refer to 19 15 17 10 NMAC for guidance. Siting criteria does not apply to dry above-grade tanks associated with a closed-loop system.	ing pads or
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)	☐ Yes ☑ No
- Topographic map, Visual inspection (certification) of the proposed site Within 300 feet from a permanent residence, school, hospital, institution or church in existence at the time of initial application	☐ Yes ☑ No
(Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site. Aerial photo, Satellite image	□ 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)	☐ Yes ☐ No ☑ NA
- Visual inspection (certification) of the proposed site. Aerial photo. Satellite image	☐ Yes ☑ No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application NM Office of the State Engineer - iWATERS database search, Visual inspection (certification) of the proposed site	
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	☐ Yes ☑ No
- Written confirmation or verification from the municipality. Written approval obtained from the municipality	
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 Ilydrogeologic Report (Below-grade I anks) - 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 30-04520030001 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 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 Hvdrogeologic 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 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 Circled Waste Stream Characterization Monitoring and Inspection Plan Erosion Control 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)
15
Waste Excavation and Removal Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each of the following items must be attached to the closure plan Please indicate, by a check mark in the box, that the documents are attached □ Protocols and Procedures - based upon the appropriate requirements of 19 15 17 13 NMAC □ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19 15 17 13 NMAC □ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings) □ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19 15 17 13 NMAC □ Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19 15 17 13 NMAC

16	
Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19 15 17 13 I Instructions Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if it	O NMAC) more than two
facilities are required	
Disposal Facility Name Disposal Facility Permit Number	
Disposal Facility Name Disposal Facility Permit Number	
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future services (If yes, please provide the information below) \(\begin{align*}\) No	vice and operations?
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	c
17	
Siting Criteria (regarding on-site closure methods only): 19 15 17 10 NMAC Instructions Each stung criteria requires a demonstration of compliance in the closure plan Recommendations of acceptable sous provided below Requests regarding changes to certain siting criteria may require administrative approval from the appropriate disting considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justic demonstrations of equivalency are required Please refer to 19 15 17.10 NMAC for guidance	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 significant watercourse or lakebed, sinkhole, or plava 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 - Visual inspection (certification) of the proposed site, Aerial photo, Satellite image	☐ Yes ☐ No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application - NM Office of the State Engineer - iWATERS database. 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
Dn-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions Each of the following items must be attached to the closure public a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15 17 10 NMAC Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19 15 17 13 NMAC Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19 15 17 11 NMAC Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19 Protocols and Procedures - based upon the appropriate requirements of 19 15 17 13 NMAC	

☐ Confirmation Sampling Plan (if applicable) - based upon the applicable of the appropriate requirements of the appropriate r	urements of Subsection F of 1915 g fluids and drill cuttings or in case Subsection H of 1915 1713 NMA f Subsection I of 1915 1713 NMA	17 13 NMAC on-site closure standards cannot be achieved) AC AC
19		
Operator Application Certification:		
I hereby certify that the information submitted with this application is	true, accurate and complete to the	best of my knowledge and belief
Name (Print) <u>John Byrom</u>	Title Piesic	
Signature J. M. M.	Date	15/08
c-mail address jbyrom@djsimmons.com	Telephone	505-326-3753
OCD Approval: Permit Application (including closure plan)	Chausa Plan (anks)	anditions (aga attachment)
OCD Approval: Permit Application (including closure plant)	Closure Plan (only) [] OCDC	onditions (see attachment)
OCD Representative Signature:	Us	Approval Date: 3/09/2012
		9 11 23
Title: Compliance Office	OCD Permit Numbe	r:
21	a.t	
Closure Report (required within 60 days of closure completion):		
Instructions. Operators are required to obtain an approved closure. The closure report is required to be submitted to the division within		
section of the form until an approved closure plan has been obtained		
section of the form until an approved Closure plan has been totalled		•
	☐ Closure Comple	etion Date:
22		
Closure Method: ☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ If different from approved plan, please explain	☐ Alternative Closure Method [Waste Removal (Closed-loop systems only)
☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ If different from approved plan, please explain	Alternative Closure Method [Waste Removal (Closed-loop systems only)
	op Systems That Utilize Above G	round Steel Tanks or Haul-off Bins Only:
☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ If different from approved plan, please explain Closure Report Regarding Waste Removal Closure For Closed-log Instructions Please indentify the facility or facilities for where the	op Systems That Utilize Above G	round Steel Tanks or Haul-off Bins Only:
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain Closure Report Regarding Waste Removal Closure For Closed-lo Instructions Please indentify the facility or facilities for where the two facilities were utilized	op Systems That Utilize Above G liquids, drilling fluids and drill cut	round Steel Tanks or Haul-off Bins Only: tungs were disposed. Use attachment if more than
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain Closure Report Regarding Waste Removal Closure For Closed-los Instructions Please indentify the facility or facilities for where the two facilities were utilized Disposal Facility Name	op Systems That Utilize Above G liquids, drilling fluids and drill cut Disposal Facility Peri	round Steel Tanks or Haul-off Bins Only: ttings were disposed. Use attachment if more than
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain Closure Report Regarding Waste Removal Closure For Closed-lose Instructions Please indentify the facility or facilities for where the two facilities were utilized Disposal Facility Name Disposal Facility Name	op Systems That Utilize Above G liquids, drilling fluids and drill cut Disposal Facility Peri Disposal Facility Peri	round Steel Tanks or Haul-off Bins Only: tings were disposed. Use attachment if more than mit Number mit Number
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain Closure Report Regarding Waste Removal Closure For Closed-los Instructions Please indentify the facility or facilities for where the two facilities were utilized Disposal Facility Name	op Systems That Utilize Above Gliquids, drilling fluids and drill cut Disposal Facility Peri Disposal Facility Periormed on or in areas that will not be	round Steel Tanks or Haul-off Bins Only: tings were disposed. Use attachment if more than mit Number mit Number
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain Closure Report Regarding Waste Removal Closure For Closed-log Instructions Please indentify the facility or facilities for where the two facilities were utilized Disposal Facility Name Disposal Facility Name Were the closed-loop system operations and associated activities performance.	op Systems That Utilize Above Grand drill cut liquids, drilling fluids and drill cut Disposal Facility Peri Disposal Facility Peri ormed on or in areas that will not be	round Steel Tanks or Haul-off Bins Only: tings were disposed. Use attachment if more than mit Number mit Number
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain Closure Report Regarding Waste Removal Closure For Closed-lose Instructions Please indentify the facility or facilities for where the two facilities were utilized Disposal Facility Name Disposal Facility Name Were the closed-loop system operations and associated activities perform Yes (If yes, please demonstrate compliance to the items below)	op Systems That Utilize Above Grand drill cut liquids, drilling fluids and drill cut Disposal Facility Peri Disposal Facility Peri ormed on or in areas that will not be	round Steel Tanks or Haul-off Bins Only: tings were disposed. Use attachment if more than mit Number mit Number
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain Closure Report Regarding Waste Removal Closure For Closed-lo- Instructions Please indentify the facility or facilities for where the two facilities were utilized Disposal Facility Name	op Systems That Utilize Above Grand drill cut liquids, drilling fluids and drill cut Disposal Facility Peri Disposal Facility Peri ormed on or in areas that will not be	round Steel Tanks or Haul-off Bins Only: tings were disposed. Use attachment if more than mit Number mit Number
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain Closure Report Regarding Waste Removal Closure For Closed-lo Instructions Please indentify the facility or facilities for where the two facilities were utilized Disposal Facility Name Disposal Facility Name Were the closed-loop system operations and associated activities perform Yes (If yes, please demonstrate compliance to the items below) Required for impacted areas which will not be used for future service Site Reclamation (Photo Documentation)	op Systems That Utilize Above Grand drill cut liquids, drilling fluids and drill cut Disposal Facility Peri Disposal Facility Peri ormed on or in areas that will not be	round Steel Tanks or Haul-off Bins Only: tings were disposed. Use attachment if more than mit Number mit Number
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain Closure Report Regarding Waste Removal Closure For Closed-lonstructions Please indentify the facility or facilities for where the two facilities were utilized Disposal Facility Name	op Systems That Utilize Above Gliquids, drilling fluids and drill cut Disposal Facility Peri Disposal Facility Peri Disposal Facility Peri Disposal Facility Peri Ormed on or in areas that will not be and operations	round Steel Tanks or Haul-off Bins Only: things were disposed. Use attachment if more than mit Number mit Number e used for future service and operations?
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain 23 Closure Report Regarding Waste Removal Closure For Closed-lo Instructions Please indentify the facility or facilities for where the two facilities were utilized Disposal Facility Name Disposal Facility Name Were the closed-loop system operations and associated activities performed yes (If yes, please demonstrate compliance to the items below) Required for impacted areas which will not be used for future service Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	op Systems That Utilize Above Gliquids, drilling fluids and drill cut Disposal Facility Peri Disposal Facility Peri Disposal Facility Peri Disposal Facility Peri Ormed on or in areas that will not be and operations	round Steel Tanks or Haul-off Bins Only: things were disposed. Use attachment if more than mit Number mit Number e used for future service and operations?
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain 23 Closure Report Regarding Waste Removal Closure For Closed-lo Instructions Please indentify the facility or facilities for where the two facilities were utilized Disposal Facility Name Disposal Facility Name Were the closed-loop system operations and associated activities performed yes (If yes, please demonstrate compliance to the items below) Required for impacted areas which will not be used for future service Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	op Systems That Utilize Above Gliquids, drilling fluids and drill cut Disposal Facility Peri Disposal Facility Peri Disposal Facility Peri Disposal Facility Peri Ormed on or in areas that will not be and operations	round Steel Tanks or Haul-off Bins Only: things were disposed. Use attachment if more than mit Number mit Number e used for future service and operations?
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain 23 Closure Report Regarding Waste Removal Closure For Closed-low Instructions Please indentify the facility or facilities for where the two facilities were utilized Disposal Facility Name Disposal Facility Name Were the closed-loop system operations and associated activities perform yes (If yes. please demonstrate compliance to the items below) Required for impacted areas which will not be used for future service Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique 24 Closure Report Attachment Checklist: Instructions Each of the mark in the box, that the documents are attached Proof of Closure Notice (surface owner and division)	op Systems That Utilize Above Gliquids, drilling fluids and drill cut Disposal Facility Peri Disposal Facility Peri Disposal Facility Peri Disposal Facility Peri Ormed on or in areas that will not be and operations	round Steel Tanks or Haul-off Bins Only: things were disposed. Use attachment if more than mit Number mit Number e used for future service and operations?
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain Closure Report Regarding Waste Removal Closure For Closed-low Instructions	op Systems That Utilize Above Gliquids, drilling fluids and drill cut Disposal Facility Peri Disposal Facility Peri Disposal Facility Peri Disposal Facility Peri Ormed on or in areas that will not be and operations	round Steel Tanks or Haul-off Bins Only: things were disposed. Use attachment if more than mit Number mit Number e used for future service and operations?
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain Closure Report Regarding Waste Removal Closure For Closed-lo Instructions Please indentify the facility or facilities for where the two facilities were utilized Disposal Facility Name Were the closed-loop system operations and associated activities performed Yes (If yes, please demonstrate compliance to the items below) Required for impacted areas which will not be used for future service Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique Closure Report Attachment Checklist: Instructions Each of the mark in the box, that the documents are attached Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if applicable)	op Systems That Utilize Above Glaunds, drilling fluids and drill cut Disposal Facility Periormed on or in areas that will not be No and operations	round Steel Tanks or Haul-off Bins Only: things were disposed. Use attachment if more than mit Number mit Number e used for future service and operations?
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain Closure Report Regarding Waste Removal Closure For Closed-lo Instructions Please indentify the facility or facilities for where the two facilities were utilized Disposal Facility Name	op Systems That Utilize Above Glaunds, drilling fluids and drill cut Disposal Facility Periormed on or in areas that will not be No and operations	round Steel Tanks or Haul-off Bins Only: things were disposed. Use attachment if more than mit Number mit Number e used for future service and operations?
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain Closure Report Regarding Waste Removal Closure For Closed-lo Instructions Please indentify the facility or facilities for where the two facilities were utilized Disposal Facility Name	op Systems That Utilize Above Glaunds, drilling fluids and drill cut Disposal Facility Periormed on or in areas that will not be No and operations	round Steel Tanks or Haul-off Bins Only: things were disposed. Use attachment if more than mit Number mit Number e used for future service and operations?
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain 23 Closure Report Regarding Waste Removal Closure For Closed-lo Instructions Please indentify the facility or facilities for where the two facilities were utilized Disposal Facility Name Disposal Facility Name Were the closed-loop system operations and associated activities performed for impacted areas which will not be used for future service Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique 24 Closure Report Attachment Checklist: Instructions Each of the imark in the box, that the documents are attached Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if applicable) Waste Material Sampling Analytical Results (required for on-site Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation	op Systems That Utilize Above Glaunds, drilling fluids and drill cut Disposal Facility Periormed on or in areas that will not be No and operations	round Steel Tanks or Haul-off Bins Only: things were disposed. Use attachment if more than mit Number mit Number e used for future service and operations?
Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain Closure Report Regarding Waste Removal Closure For Closed-lo Instructions Please indentify the facility or facilities for where the two facilities were utilized Disposal Facility Name	op Systems That Utilize Above Glaunds, drilling fluids and drill cut Disposal Facility Periormed on or in areas that will not be No and operations	round Steel Tanks or Haul-off Bins Only: things were disposed. Use attachment if more than mit Number mit Number e used for future service and operations?

X Note test result limit correction in Closure Plan

Operator Closure Certification:	
	submitted with this closure report is true, accurate and complete to the best of my knowledge and II applicable closure requirements and conditions specified in the approved closure plan
Name (Print)	Title
Signature	Date
e-mail address	Telephone

Hydrogeologic Report DJ Simmons, Inc Simmons E No. 4 T29N, R9W, Sec. 24

Regional Hydrological Context

Referenced Well Location:

The referenced well and BGT is located on Federal Bureau of Land Management land in San Juan County, New Mexico - This site is positioned in the northeastern portion of the San Juan Basin, an asymetrical syncline that extends from northwestern New Mexico into southwestern Colorado (Carson National Forest DEIS, 2007) - Elevation of the referenced well is approximately 6004 feet MSL

General Regional Groundwater Description:

As a portion of the San Juan Basin, this region is underlain by sandstone aquifers of the Colorado Plateau. The primary aquifer of potential concern at this location is the Unita-Animas Aquifer, composed primarily of Lower Tertiary rocks in the San Juan Basin. The aquifer consists of the San Jose Formation, the underlying Animas formation and its lateral equivalent, the Nacimiento formation, and the Ojo Alamo Sandstone. The thickness of the Unita-Animas aquifer generally increases toward the central part of the basin. In the northeastern part of the San Juan Basin, the maximum thickness of the aquifer is approximately 3500 feet (USGS, 2001). This aquifer contains fresh to moderately saline water.

Groundwater generally flows toward the San Juan River and it tributaries, where it becomes alluvial groundwater or is discharged to stream flow. Additional information regarding the Hydrogeologic setting can be found in the provided references.

Site Specific Information:

Surface Hydrology:

The below grade tank is located on relatively even terrain on an upland bench associated with Medina Mesa. The BGT and greater well pad area are 345ft to the nearest delineated significant waterway, a tributary drainage of Medina Canyon, which is a tributary of the Largo Canyon watershed.

1st Water Bearing Formation: Formation Thickness: Underlying Formation: Depth to Groundwater: San Jose, Tertiary Approximately 1,900- feet Nacimiento, Tertiary

Depth to groundwater is estimated to 100 feet bgs or greater. There are no iWATERS wells within a 1-5-mile radius of this location, with recorded water depth information. The Closest Well(s) with iWATERS data that are located within R9W are 2-5 miles distance, is the domestic San Juan 03185, T29N, 09W, Sec 16 has a depth to water of 100 feet bgs. The Closest Well(s) with iWATERS that is located 1-7 miles distance, in a similar upland location and elevation is the Manzaneras Meas No. 1-29N, 08W.

Sec 3 has a depth to water of 500 feet bgs

References:

Allen, Erin Undated Colorado Plateau Aquifers
http://academic.emporia.edu/schulmem/hydro/TERM%20PROJECTS/2007/Allen/Aquifer.html

New Mexico Energy, Minerals and Natural Resources Department, Division of Mining and Minerals Database 2008 Internet accessed August 2008

New Mexico Office of the State Engineer August 2008 (Waters database Internet accessed August 2008

New Mexico WQCC 2005 State of New Mexico Water Quality Act and the Water Control Commission Regulations

United States Department of Agriculture, Forest Service 2007 Draft Environmental Impact Statement for Surface Management of Gas Leasing and Development Jicarilla Ranger District, Carson National Forest, Rio Arriba County, New Mexico

- United States Department of the Interior Bureau of Land Management 2003 Final Farmington Resource Management Plan and Final Environmental Impact Statement Farmington Field Office, Farmington, New Mexico
- United States Geological Survey 2001 Groundwater Atlas of the United States Arizona, Colorado, New Mexico and Utah USGS Publication I-IA 730-C, http://capp.water.usgs.gov

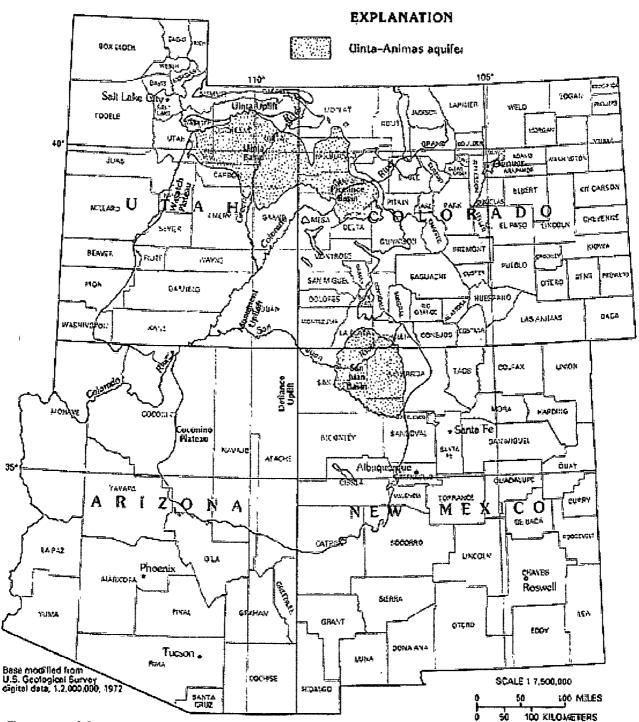
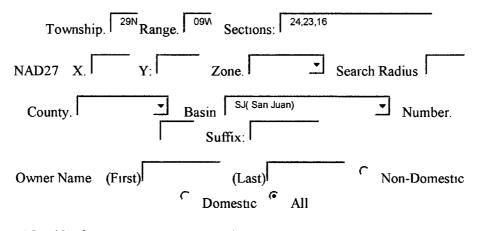


Figure 108. The Uinta-Animas aquifer is the shallowest of the Colorado Plaieaus aquifers and is present in the Uinta, Piceance, and San Juan Basins.

New Mexico Office of the State Engineer POD Reports and Downloads



POD / Surface Data ReportAvg Depth to Water ReportWater Column Report

POD / SURFACE DATA REPORT

09/13/2008

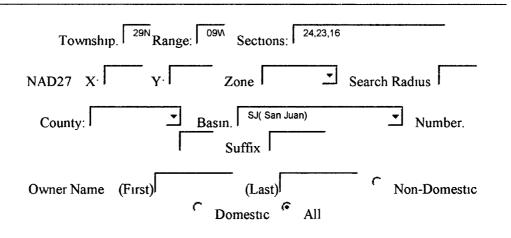
(quarters are 1=NW 2=NE 3=SW 4=SE)

(acre ft per annum)

(quar	cers are b	iggest to	smallest X	Y are in Feet		Ulm are in
Meter	s)	Start	Finish	Depth Dep	th (in	feet)
DB Fi	le Nbr	Use Div	ersion Owne	r		POD
Numbe	r	Source	Tws Rng Se	cqqq Zone	x	Y
UTM_Z	one Easti	ng Northi	ng Date	Date	Well	Water
SJ 0	2883	DOM	3 KENNI	ETH W. JOINER		SJ
02883		Shallow	29N 09W 16	2 3 3		_
13	251496	4068078	07/20/1998	07/31/1998	123	87
SJ 0	3185	DOM	3 MARC	IA MAGEE		SJ
03185	i	Shallow	29N 09W 16	3 4 4		_
13	251290	4067283	05/28/2002	06/01/2002	220	100

Record Count: 2

New Mexico Office of the State Engineer POD Reports and Downloads

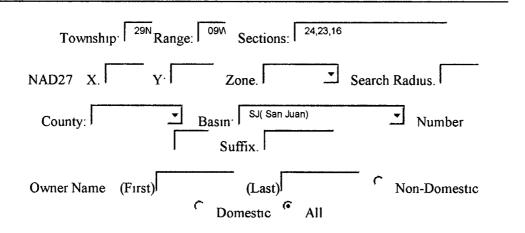


AVERAGE DEPTH OF WATER REPORT 09/13/2008

								(Depth	Water in	Feet)
Bsn	Tws	Rng	Sec	Zone	x	¥	Wells	Min	Max	Avg
SJ	29N	09W	16				2	87	100	94

Record Count: 2

New Mexico Office of the State Engineer POD Reports and Downloads



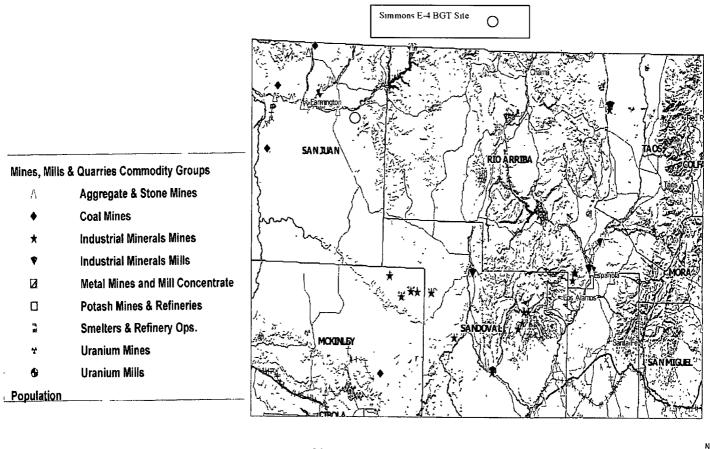
POD / Surface Data ReportAvg Depth to Water ReportWater Column Report

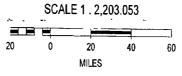
WATER COLUMN REPORT 09/13/2008

		(quarter:	s are	1=1	W	2=	≐NE	3=SW 4=S	Œ)		
		(quarter:	s are	e big	J G6	est	t	o smalles	t)		Depth
Depth	Water	(in feet)									-
POD Nur	nber	Tws	Rng	Sec	q	q	q	Zone	X	¥	Well
Water	Column										
SJ 0288	33	29N	09W	16	2	3	3				123
87	36										
SJ 0318	35	29N	09W	16	3	4	4				220
100	120										

Record Count: 2

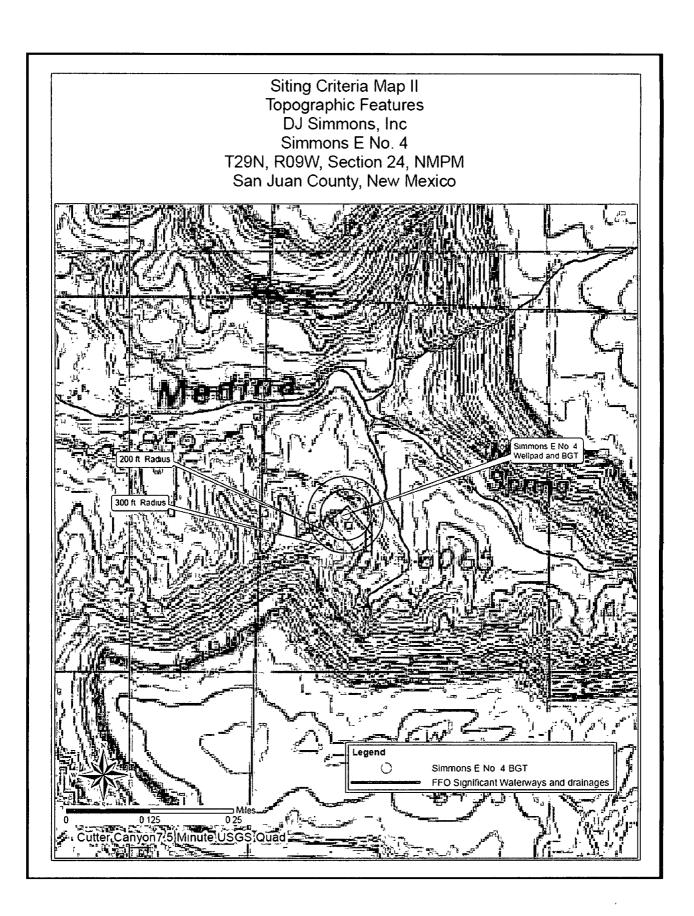
Simmons E No. 4 Mines, Mills and Quarries Web Vicinity Map







Siting Criteria Map I Existing Known Water Wells and Springs DJ Simmons, Inc Simmons E No. 4 T29N, R09W, Section 24, NMPM San Juan County, New Mexico Simmons E No. 4 Wellpad and BGT 1000 ft Radius Simmons E No 4 BGT FFO Surface Waters Springs Wells Toughs tanks FFO Surface Waters_impoundments 0 0 125 0 25 San Juan County Digital Orthophotography



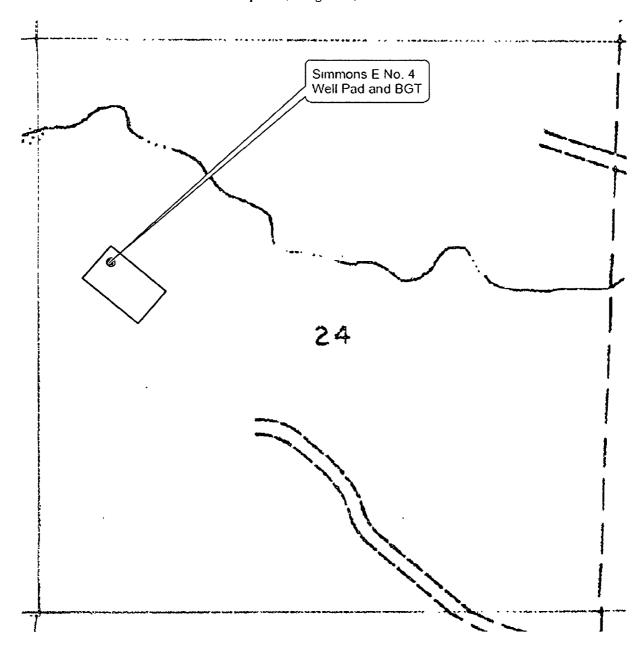
Siting Criteria Compliance Demonstrations:

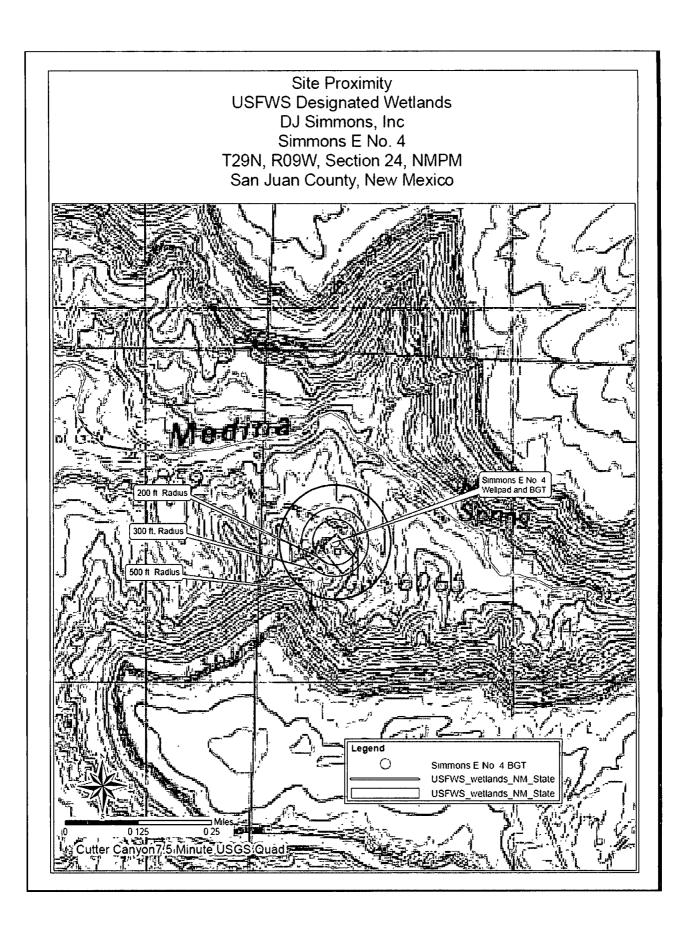
The Simmons E No. 4 well and BGT are not located in an unstable area. The location is not situated over a mine or a steep slope. The Below Grade Tank (BGT) is not located within 300 feet of a continuously flowing water course or within 200 feet of any other significant water course, lakebed, sinkhole, or playa lake (see Siting Compliance Map II). The site is not within 500 feet of a delineated and reported riparian area or wetland (see attached USFWS Wetland Map). The Below Grade Tank (BGT) is not within 500 feet of any private, domestic fresh water well or spring, or within 1000 feet of any other fresh water well or spring (see Siting Compliance Map I). The BGT is not within any incorporated municipal boundaries or defined municipal freshwater well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. The location of the existing BGT is not within 300 feet of any permanent residence, school, hospital, institution, or church.

FEMA Map - 100-Year Floodplain:

According to FEMA records, this site is not located in a 100-year floodplain (see attached FEMA map on the following page)

FEMA 100-year Floodplain Map: Township 29N, Range 9 W, Section 24





DJ Simmons, Inc San Juan Basin Below Grade Tank and Sump Operating and Maintenance Plan

In Accordance wit Rule 19 15 17, the following information describes the general operation and maintenance (O&M) of Below Ground Tanks (BGT) and Sumps on DJ Simmons, Inc (DJ Simmons) locations in the San Juan Basin of New Mexico. This is DJ Simmons standard operating and maintenance procedure for BGTs and Sumps. A Separate plan would be submitted and implemented for any BGT or sump which does not conform to DJ Simmons standard plan outlined hereafter pursuant to 19 15 17 11 Subsection I and 19 15 17 12 Subsection D.

General Operating and Maintenance:

- 1 DJ Simmons will operate and maintain a BGT to contain liquids and solids and would maintain the integrity of the liner, prevent contamination of fresh water and protect public health and the environment
- 2 DJ Simmons shall not store or discharge into any hazardous waste in the below ground tank or sump
- 3 DJ Simmons shall not allow a below grade tank to overflow or allow surface run-on to enter the below grade tank
- 4 DJ Simmons shall continuously remove any visible or measurable layer of oil from the fluid surface of a below grade tank in an effort to prevent significant accumulation of oil overtime
- 5 DJ Simmons shall inspect the below grade tank at least monthly, assessing tank and sump integrity, and would maintain a cumulative written record of each inspection for five years
- 6 DJ Simmons shall maintain adequate freeboard to prevent overtopping of the below grade tank
- If any DJ Simmons BGT, Sump or BGT liner's integrity is compromised, or if any penetration of the liner occurs or if penetration of the tank occurs above the liquid's surface, DJ Simmons shall repair the damage or replace the liner or tank as necessary. DJ Simmons will notify the NMOCD Aztec District Office by phone or email within 48-hours of discovery. Any leakage below the liquid's surface, DJ Simmons shall suspend operations, remove all liquids above the damaged tank area within 48 hours, and repair the damage or replace the tank. DJ Simmons will notify and report to NMOCD.
- 8 DJ Simmons shall visually inspect a sump's integrity annually and promptly repair or replace a sump that fails the inspections
- 9 DJ Simmons shall maintain records of sump inspection and make the records available for the appropriate division district offices review upon request

DG Simmons, Inc San Juan Basin Below Grade Tank Closure Plan

In Accordance with Rule 19 15 17 12 NMAC the following information describes the closure requirements of Below Grad Tanks (BGTs) on DJ Simmons. Inc locations, hereinafter known as DJ Simmons locations, in the San Juan Basin of New Mexico. This is DJ Simmons's standard procedure for all BGTs. A separate plan would be submitted and utilized for any BGT which does not conform to this plan.

All closure activities will include proper documentation as stipulated by 19 15 17 NMAC and will be submitted to the OCD within 60 days of the closure on a Closure Report using Division Form C-144 The Report will include the following

- Details on Capping and Covering, where applicable
- Plot Plan (Pit Diagram)
- Inspection reports
- Sampling Results

Copy of Deed Notice filed with the County Clerk (format to meet County requirements)

General Requirements

- 1 DJ Simmons shall close a below-grad tank within the time periods provided in 1915 1713 NMAC, or by an earlier date that, if the division requires due to any imminent danger to fresh water, public health or the environment
- DJ Simmons shall close an existing below grade tank that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19 15 17 11 NMAC or is not included in Paragraphs (5) of Subsection I of 19 15 17 11 NMAC within five years after 16 June 2008, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19 15 17 11 NMAC
- 3 DJ Simmons shall close a permitted below-grade tank within 60 days of cessation of the below-grade tank's operation or as required by the transitional provisions of Subsection B of 19 15 17 17 NMAC in accordance with a closure plan that the appropriate division district office approves The closure report would be filed on a C-144 form
- 4 DJ Simmons shall remove all free standing liquids and sludge from a below grade tank prior to implementation of a closure method. Liquids will be removed in a manner that the appropriate District Office approves including, recycled, reused, reclaimed, evaporated, and/or disposed of in a Division-approved facility.
- 5 DJ Simmons shall remove the below-grade tank and dispose of it at a licensed disposal facility (probably San Juan Regional Landfill operated by Waste Management under NMED Permit SWM-052426) and/or recycled, reused, or reclaimed in a manner that the appropriate division district office approves
- 6 If there is any on-site equipment associated with a below grade tank, DJ Simmons shall remove the equipment, unless the equipment is required for some other purpose(s)
- DJ Simmons shall test the soils beneath the below-grad tank to determine whether a release has occurred DJ Simmons shall collect, at a minimum, a five point, composite sample. The samples would be taken of the affected area using sampling tools and all samples tested per 19.15.17.13(B)(1)(b) NMAC. In the event that the enteria are not met (See Table 1), all contents will be handled per 19.15.17.13(B)(1)(a) (i.e. dig and haul to a Division-approved facility). Approval to haul will be requested of the Aztec District office prior to initiation. Collected samples would include individual grab samples from any area that is wet, discolored or showing other evidence of a release, and analyze samples for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 802.1B or 8260B or other EPA methodology that the division approves, does not exceed 50mg/kg, the TPH concentration, as determined by the EPA method 418.1 or other EPA methodology that the division approves, does no exceed 100 mg/kg, and the chloride concentration, as determined by the EPA method 300.1 or

other EPA methodology that the division approves, does not exceed 250 mg/kg, or the background concentration, which may be greater DJ Simmons shall notify the division of its results on form C-141

Table 1 Closure Criteria for Below Grade Tanks

Components	Testing Methods	Closuro Limits (mg/Kg)
Benzene	EPA 9W 846 Method 8021B or 8260B	02
BTEX	EPA SW-846 Method 8021P 8260B	50
TPH	EPA SW-846 Method 6015 M(Full Range) - 61	2500
	Method 418 1	
GRO/DRO	EPA SW-846 Method 8015M (GRO/DRO)	300
Chiorides	EPA SW-846 Method 300 1	1000

* Preferred method

See above text for correct test result limits

- 8 If DJ Simmons or the division determines that a release has occurred, DJ Simmons shall comply with 19 15 17 116 NMAC and 19 15 1 19 NMAC stipulations as appropriate
- 9 If contamination is confirmed by field sampling, DJ Simmons will follow the Guidelines For Remediation Of Leaks, Spills, and Releases per NMOCD August 1993 mandate, when remediating identified contaminants
- 10 IF the sampling program demonstrates that a release has occurred or that any release does not exceed the concentrations specified in Paragraph (4) of Subsection E of 19 15 17 13 NMAC, then DJ Simmons shall backfill the excavation with compacted, non-waste containing, earther material construct a division prescribed soil cover re-contour and re-vegetate the site.
- 11 Notice of Closure will be given to the Aztec Division office between 72 and 7 days (one week) of the closure via e-email, or verbally. The notification of closure will include the following.
 - Operator's name (DJ Simmons)
 - 11 Well Name and ΛΡΙ Number
 - 111 Location (USTR)
- 12 All closure activities will include proper documentation and be available for review per request and will be submitted to OCD within 60 days of closure of the below grade tank. The closure report will be filed on a C-144 form and incorporate the following.
 - Details on Capping and Covering, where applicable
 - II Inspection reports
 - ui Sampling Results
- 13 Re-contouring of the location would match the original geographic features and topographic fit, lines, form, shape and texture of the surrounding topographical contours. Re-shaping of the contour would include establishment or reestablishment of drainages to control sedimentation, total dissolved solids (TDS), and to mitigate ponding and prevent crosion. Natural drainages will be unimpeded and appropriate hydrologic BMPs such as water bars and/or silt traps will be placed in areas where needed to prevent crosion and sediment movement on a large scale. The final recontour shall have a uniform appearance with smooth surface, fitting the aesthetic of the surrounding natural landscape.
- 14 DJ Simmons shall seed the disturbed areas within the first growing season after the operator has closed the pit. Seeding will be accomplished via drill on the contour whenever possible or by other division approved methods. 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 maintained that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs. Note. DJ Simmons assumes the seeding supulations including mix and seeding methods specified by the Surface Management Agency (BLM, BOR, USFS, Tribal, etc.) or Land owner as part of a surface use agreement or APD are Division-approved methods unless notified by the Division of their unacceptability. The Operator would be responsible for monitoring vegetative stand development and for eradicating all noxious/invasive weeds within the re-vegetated area.

- 15 A Minimum of four feet of cover shall be achieved and the cover shall include one foot of suitable material to establish vegetation at the site, or the background thickness of topsoil whichever maybe greater
- 16 The surface owner shall be notified of DJ Simmons's proposed below-grade tank closure plan using a means that provides proof of notice (i.e. certified mail/return receipt requested)