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

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

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

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

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

Type of action: Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method

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.

environment. Nor does approval relieve the operator of its responsibility to com-	ply with any other applicable governmental authority's rules, regulations or ordinances.							
Operator: Energen Resources Corporation OGRID #: 162928								
Address: 2010 Afton Place, Farmington, New Mexico 87401	000 BU 2 VO							
Facility or well name: Carracas 21 B #1	ON COMS. DIU.							
API Number: 30.039. 30473	OCD Permit Number: DIST. 3							
U/L or Qtr/Qtr <u>SENW</u> Section <u>21</u> Township <u>32</u>	N Range 4W County: Rio Arriba							
Center of Proposed Design: Latitude36.97483°N_Longitude								
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							
Temporary: 🛛 Drilling 🔲 Workover	☐ Drying Pad ☐ Tanks ☐ Haul-off Bins ☐ Other							
Permanent Emergency Cavitation	☐ Lined ☐ Unlined							
☐ Lined ☐ Unlined	Liner type: Thickness mil							
Liner type: Thickness20mil	Other							
☐ Other String-Reinforced	Seams: Welded Factory Other							
Seams: ☐ Welded ☒ Factory ☐ Other	Volume:bblyd³							
Volume: <u>2000</u> bbl Dimensions: L <u>12.5</u> x W <u><b>9</b>0</u> x D <u>15</u>	Dimensions: Lengthx Width							
Below-grade tank: Subsection I of 19.15.17.11 NMAC	Fencing: Subsection D of 19.15.17.11 NMAC							
Volume:bbl	☐ Chain link, six feet in height, two strands of barbed wire at top							
Type of fluid:	☐ Four foot height, four strands of barbed wire evenly spaced between one and							
Tank Construction material:	four feet							
Secondary containment with leak detection	Netting: Subsection E of 19.15.17.11 NMAC							
☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off	Screen Netting Other							
☐ Visible sidewalls and liner	☐ Monthly inspections							
☐ Visible sidewalls only	Signs: Subsection C of 19.15.17.11 NMAC							
☐ Other	12'x24', 2' lettering, providing Operator's name, site location, and							
Liner type: Thicknessmil	emergency telephone numbers							
☐ Other	⊠ Signed in compliance with 19.15.3.103 NMAC							
Alternative Method: Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration	Administrative Approvals and Exceptions:  Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.							
of approval.	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 office for consideration of approval.							
	Exception(s): Requests must be submitted to the Santa Fe							
	Environmental Bureau office for consideration of approval.							

acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.	
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ⊠ No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, 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
<ul> <li>Within an unstable area.</li> <li>Engineering measures incorporated into the design; NM Bureau of Geology &amp; Mineral Resources; USGS; NM Geological Society; Topographic map</li> </ul>	☐ 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 19.15.17.12 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.13 NMAC Closure Plan - 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 (required for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9  Siting Criteria Compliance Demonstrations (required 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 - 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:								
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC  Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.  Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC  Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC  Climatological Factors Assessment  Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC  Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC  Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC  Quality Control/Quality Assurance Construction and Installation Plan  Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC  Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC  Nuisance or Hazardous Odors, including H <sub>2</sub> 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								
Type: Drilling Workover Emergency Cavitation Permanent Pit Below-grade Tank Closed-loop System Alternative  Proposed Closure Method: Waste Excavation and Removal 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)								

Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.						
Ground water is less than 50 feet below the bottom of the buried waste.  - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ 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 watercourse, 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.  - 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						
Within 500 feet of a wetland.  - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site						
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division						
Within an unstable area.  - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ⊠ No					
Within a 100-year floodplain FEMA map	☐ Yes ☒ No					
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be a 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	ttached to the					
Waste Removal Closure For Closed-loop Systems That Utilize Haul-off Bins Only: (19.15.17.13.D NMAC) Instructions: Please in or facilities for the disposal of liquids, drilling fluids and drill cuttings.	ndentify the facility					
Disposal Facility Name: Disposal Facility Permit Number:						
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.  Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC  Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC  Construction and Design of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC  Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC  Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC  Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC  Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)  Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC						
Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC  Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC						

Operator Application Certification:	
$\cdot$ I hereby certify that the information submitted with this application is tr	rue, accurate and complete to the best of my knowledge and belief.
Name (Print): Nathan Smith	Title: Drilling Engineer
Signature: John S. H.	Date: 7/1/08
e-mail address: nsmith@energen.com	Telephone: 505-324-4151
OCD Approval: Permit Application (including closure plan)	Closure Plan (only)
OCD Representative Signature: Branchon Bull	Approval Date: 71068
Title: Enviro ( Spec	OCD Permit Number:
Closure Report (required within 60 days of closure completion): Su	ubsection K of 19.15.17.13 NMAC  Closure Completion Date:
Closure Method:  ☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ ☐ If different from approved plan, please explain.	Alternative Closure Method
Closure Report Attachment Checklist: Instructions: Each of the fold mark in the box, that the documents are attached.  Proof of Closure Notice Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results Waste Material Sampling Analytical Results 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	Longitude NAD:     1927   1983
Operator Closure Certification:	
	closure report is true, accurate and complete to the best of my knowledge and requirements and conditions specified in the approved closure plan.
Name (Print):	Title:
Signature:	Date:
e-mail address:	Telephone:

### Hydrogeologic Data:

### 100-year Floodplain:

There is no map available from FEMA depicting a 100-year floodplain for the subject well, Carracas 21 B #1 located in that portion of the Carson National Forest, Jicarilla Ranger District in Rio Arriba County, NM.

### Site Specific:

The San Jose formation is the highest water bearing zone at this site with the exception of possible perched water. It is the youngest Tertiary bedrock unit in the San Basin. The formation occurs at the surface to a depth of 2,320' at the Carracas 21 B #1 location and ranges from 2,100' to 2,800' in this township and range. The only potentially unstable areas in the region are over subsurface coal mines. This pit will not be located over a subsurface mine.

The bottom of Devils Canyon is 1,578 feet east and is 267 vertical feet below the pit location indicating the highest potential groundwater to be at least 267' below the pit bottom at this point. Tio Quinto Canyon is to the west and is 1,564' with a vertical depth of 428 vertical feet indicating that the highest potential groundwater to pit bottom is 428' at this point. A visual inspection was also conducted to identify the possibility of water wells with windmills or other pumping equipment or other visual indications and none were observed. No other water well sites within 1000' were indicated being present by the USFS, Jicarilla Ranger District.

### **Excavated Soil Storage:**

The soil excavated for the proposed temporary drilling reserve pit will be stored on location and will be more than 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake.

### Geologic Summary:

The San Jose is a sequence of interbedded sandstones and mudstones deposited in an alluvial and fluvial environment. The formation accumulated in broad, wet, alluvial aprons. Groundwater is associated with the alluvial and fluvial sandstone aquifers, hence it is controlled by the distribution of these sands. The San Jose can further be broken into four members: Cuba Mesa, Regina, Llaves, and Tapicitos (in ascending order). The first two, Cuba Mesa and Regina, are predominately sandstone and the latter two, Llaves and Tapicitos, are predominately mudstone.

#### Reference:

Stone W.J., Lyford F.P., Frenzel P.F., Mizell N.H., and Padgett E.T.: Hydrology and water resources of San Juan Basin, New Mexico Hydrologic Report 6, 1983.

# New Mexico Office of the State Engineer POD Reports and Downloads

	Town	ship: 3	32N Range: 04W	Sections	: 21	NW 30 V a squar (sq	. And is a superior of the second of the sec	and the desirable services and appear of the a	and administrative control of the co
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POD Number		bigge	2=NE 3=SW 4=SE) est to smallest) q q Zone 2	<b>С</b>		epth Well	-	Water (in feet olumn	)

No Records found, try again

DISTRICT I 1625 N. French Dr., Hobbs, N.M. 66240

### State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised October 12, 2005

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit to Appropriate District Office State Lease - 4 Copies

Fee Lease - 3 Copies

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

☐ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	* Pool Code 71629				
*Property Code 35661	<sup>6</sup> Property CARRACA	<sup>a</sup> Well Number 1			
<sup>7</sup> OGRID No. 162928	<sup>a</sup> Operator ENERGEN RESOURC	<sup>e</sup> Elevation , 7335'			

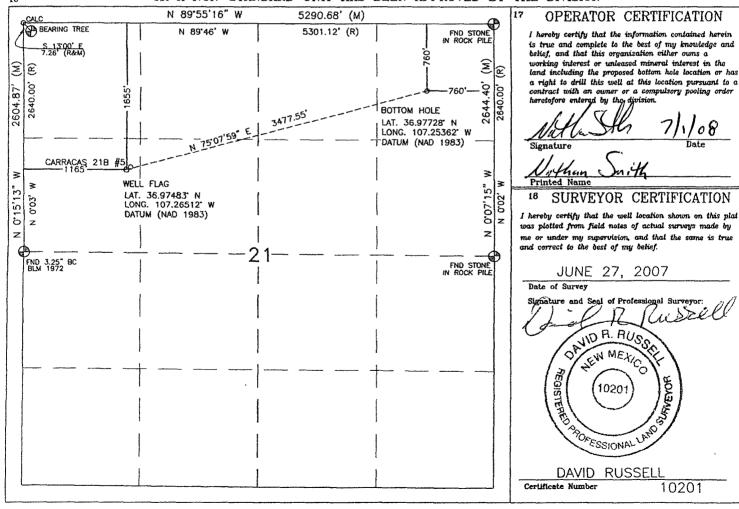
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	21	32N	4W		1655'	NORTH	1165'	WEST	RIO ARRIBA

11 Bottom Hole Location If Different From Surface

			Docc	ATTI LIOTE	Location	Difference of	mi builace		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	21	32N	4W		760'	NORTH	760'	EAST	RIO ARRIBA
<sup>12</sup> Dedicated Acres <sup>13</sup> Joint or Infill <sup>14</sup> Consolidation Code			ođe	18 Order No.					
1			}		l				

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



LATITUDE: 36.97483°N **ENERGEN RESOURCES CORPORATION** LONGITUDE: 107.26512°W CARRACAS 21B #1 DATUM: NAD 83 1655' FNL & 1165' FWL LOCATED IN THE SW/4 NW/4 OF SECTION 21, T32N, R4W, N.M.P.M., 50' RIO ARRIBA COUNTY, NEW MEXICO **GROUND ELEVATION: 7335', NAVD 88** SCALE = 50' FINISHED PAD ELEVATION: 7335.2, NAVD 88 EXISTING WELL PAD ANCH⊡R ANCHOR 6 F+1.0 F+5.0 TOP'SOIL ISTOCK PILE B WORKING SIDE C-0.0 125' F+6.1 0 ANCHOR ANCHOR SEPERATOR RESERVE PIT BURM 60 × 135 C-0.0 C-0.0 ③ 125 Russell Surveying 1409 W. Aztec Blvd. #2 1 FOOT CONTOUR INTERVAL SHOWN

SCALE: 1" = 50" JOB No.: ERG171 DATE: 07/20/07



Aztec, New Mexico 87410 (505) 334-8637

### Temporary Pit Design Plan:

The pit will be designed and constructed in the following manner:

- 1) Top soil will be stripped, stockpiled and stored as designated on the attached well sight layout schematic. Storage will be in accordance with the requirements set forth as described in item B of the the siting requirements of 19.15.17.11 NMAC.
- 2) A sign will be posted on location in accordance with 19.15.3.103 NMAC.
- 3) A four strand barbwire fence will be constructed around the perimeter of the pit with the strands evenly spaced between one and four feet from the ground. This fence will be used to excluded livestock from inadvertently entering the pit. The side of the fence adjacent to the rig will be removed during operations. This fence if located within 1000 feet of a permanent residence, school, hospital, institution or church will be a six foot chain link fence with two strands of barbed wire at the top.
- 4) The pit will be designed to confine liquids, prevent unauthorized releases by constructing a foundation with interior slopes consisting of a firm and unyielding base that are smooth and free of rocks, debris or other sharp edges to prevent liner damage.
- 5) The slopes will be constructed with a 2:1 ratio of vertical to horizontal with a changing slope within five feet of the shale shakers trending towards horizontal.
- 6) The volume of the pit will no exceed 10 acre feet including freeboard.
- 7) The pit will be lines with a LLDPE geomembrane liner with a thickness of no less then 20mm. The liner material will be compatible with EPA SW-846 method 9090A.
- 8) Liner seams will be orientated perpendicular to the largest slope with an overlap of four to six inches.
- 9) If needed a geotextile will be place under the liner to reduce localized stress-strain that may compromise liner integrity.
- 10) The edges of the liner will be anchored in the bottom of a compacted earthfilled trench no less the 18 inches deep.
- 11) To prevent runon of surface water a berm no less then 12 inches high will be constructed around the perimeter of the pit. With drainage ditches being directed to the runoff requirements set forth in the APD Condition of Approval.

### Temporary Pit Operations Plan:

The pit will be operated and maintained; to contain liquids and solids, to insure liner and secondary containment integrity, to aid in the prevention of contamination of fresh water sources, in order to protect public health and the environment. To attain this goal the following steps will be followed;

- 1) The fluids in the pit remaining after rig release will be vacuumed out and transported to active drilling locations to be reused or disposed of with Agua Moss LLC in the Pretty Lady #1 (Disposal API Number # 30-048-30922) within 30 days. Residual fluids after vacuuming will be allowed to evaporate.
- 2) No hazardous waste, miscellaneous solid waste or debris will be discharged into or stored in the pit. Only fluids or cuttings used or generated in the drilling process will be placed or stored in the pit.
- 3) The division district office will be notified within 48 hrs of the discovery of compromised liner integrity. Upon the discovery of the compromised liner repairs will be enacted immediately.
- 4) The division district office will be notified within 48 hrs of the discovery of compromised liner integrity below the fluid level unless more then 25 bbls is released in which case Rule 116's 24 hr notification will apply. All liquid above the damaged liner section will be removed to a level below the damage within 48 hrs and repairs will be enacted.
- 5) Precautionary measures will be taken to insure no liner damage is caused when adding or removing fluids and solids from the pit. This will be accomplished by gradually increasing the slope of the pit from negligible underneath the shale shakers to the 2:1 ratio required by 19.15.17.11 within five feet. A perforated pipe will be installed in the corner of the pit so that a vacuum hose can be run through it to remove fluids without damaging the liner.
- 6) Perimeter berms and ditches will be constructed around the exterior of the pit to prevent surface water run-on but the rig side may be left open to allow location drainage.
- 7) A oil absorbent boom will be maintained on site to remove oil from the pit's surface if necessary. Immediately on the cessation of drilling any accumulated oil will be removed from the surface of the pit.
- 8) A minimum of two feet of freeboard will be maintained at all times. Once fluid levels have the possibility of rising above the minimum freeboard fluid will be vacuumed out of the pit.
- 9) All of the above operations will be inspected and a log will be signed and dated. During drilling operations the inspection will be daily and after rig release they will be carried out weekly as log as there is fluid in the pit.

### Temporary Pit Closure Plan:

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

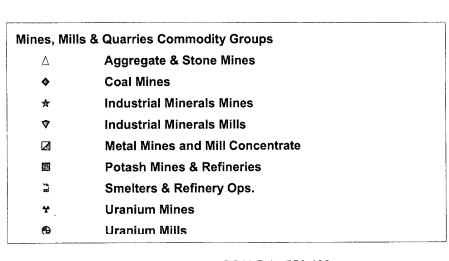
- 1) At time of closure, all free standing fluids will be removed and the contents will be solidified to a bearing capacity sufficient to support the final cover. This will be accomplished by mixing the contents with soil at a mixing ratio no greater then 3:1 soil to contents.
- 2) The liner will be cut off at the mudline.
- 3) Sampling will be done by collecting a minimum of a five-point composite sample of the contents after stabilization. If the ground water is less then 100 feet below the pit but greater then 50 feet testing for Chlorides will be done to the lower limit. The sample will be analyzed for the following components;

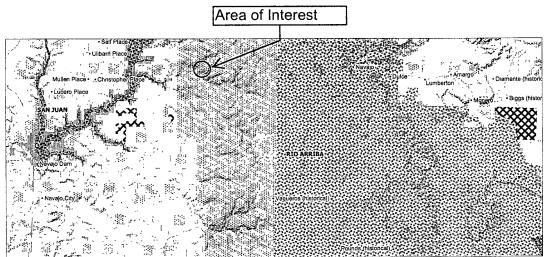
Components	Tests Method	Limit (mg/Kg)
Benzene	EPA SW-846 8021B or 8260B	0.2
BTEX	EPA SW-846 8021B or 8260B	50
TPH	EPA SW-846 418.1	2500
GRO/DRO	EPA SW-846 8015M	500
Chlorides	EPA 300.1	(1000) <del>500</del>

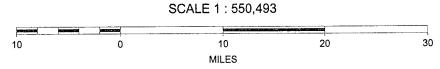
- 4) After demonstrating that the stabilized contents are under the limits listed above the contents will be covered with compacted non-waste containing earthen material to a minimum of three feet. If stabilized contents exceed a volume that can be covered with three feet of earth and a foot of topsoil the excess contents will be removed and sent to Envirotech (Permit NM-01-0011). If the stabilized contents do no meet the above stated limits the stabilized contents will all be hauled to Envirotech pursuant to excavation and removal guidelines (19.15.17.13 B1)
- 5) After the stabilized contents have been covered, the stockpiled topsoil will replaced to a minimum depth of one foot. Topsoil cover will be graded to prevent ponding of water and erosion of the cover material while matching pre-existing grade when possible. This will be accomplished within six months of rig release.
- 6) The exact location of the on-site burial will be reported to the Aztec field office on the C-105 form. A deed notice identifying the exact location of the on-site burial will be filed with the county clerk. The final closure report (C-144) will be filled within 60 days of closure completion and include sampling results, plot plan, details on back filling, covering and inspections during the life of the pit.
- 7) The disturbed area will be seeded or planted the first growing season after closing the pit. Seed will be drilled on the contour whenever practical or by other division-approved methods. The being to obtain vegetative cover that equals 70% of the native cover (un-impacted by overgrazing, fire or other intrusion damaging to native vegetation) consisting of at least three native

- Cover will be maintained through two successive growing seasons. During the two growing seasons that prove viability there shall be no artificial irrigation of the vegetation. Seeding or planting will continue until the required cover is reached. If conditions are not favorable to establishment of vegetation due to periods of drought or similar problems then the Aztec office of the OCD will be notified. The Aztec office of the OCD will also be notified when the disturbed ground successfully achieves re-vegetation.
- 8) Until the abandonment of the wells on the pad where the pit is located a steel marker no less then four inches in diameter will be cemented in a hole three feet deep in the center of the onsite burial. The top of this marker will be flush with the ground with a threaded collar for future abandonment use to allow access of the pad and for safety concerns. On top of this marker, a steel 12 inch square plate indicating onsite burial will be intermittent welded to the top of the collar to allow easy removal at time of the well being abandoned. Once all wells on the pad are abandoned a four foot tall riser will be threaded into the top of the marker and circumferential welded around the base with; operator name, lease name, well name and number, unit number, section, township and rage, and a designation that it is an onsite burial location.

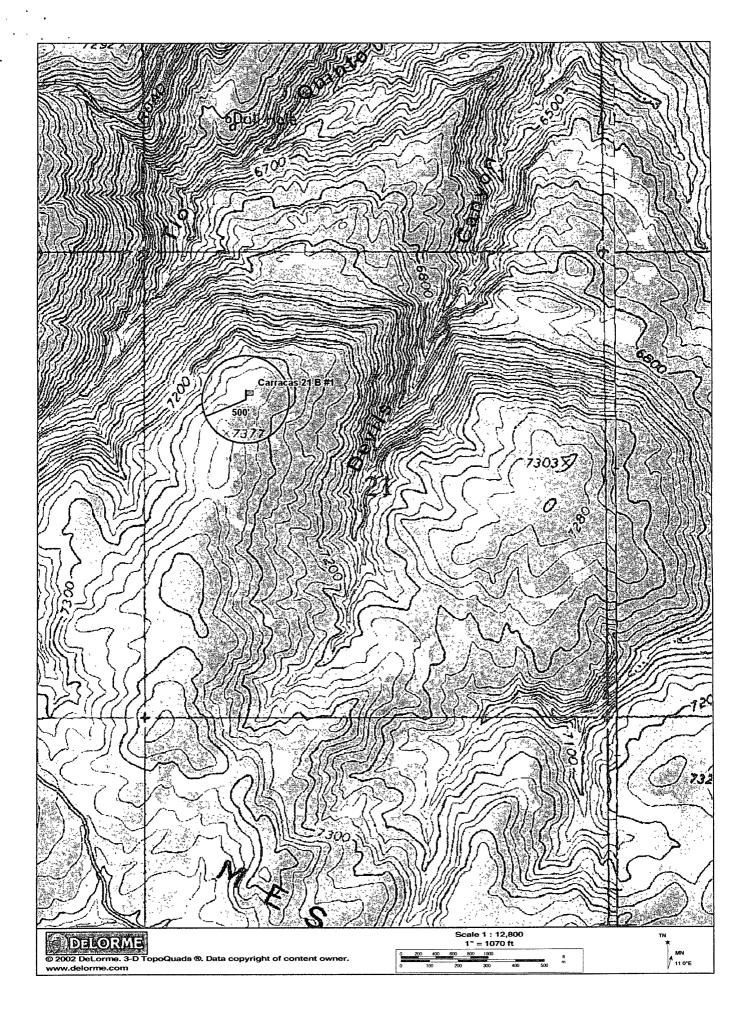
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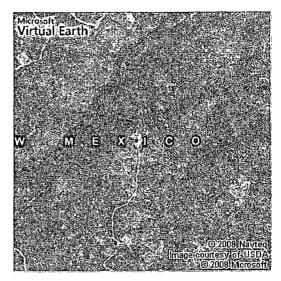


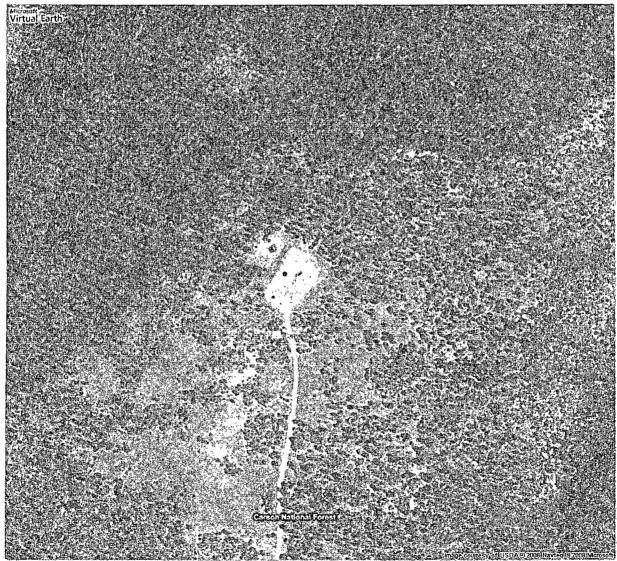


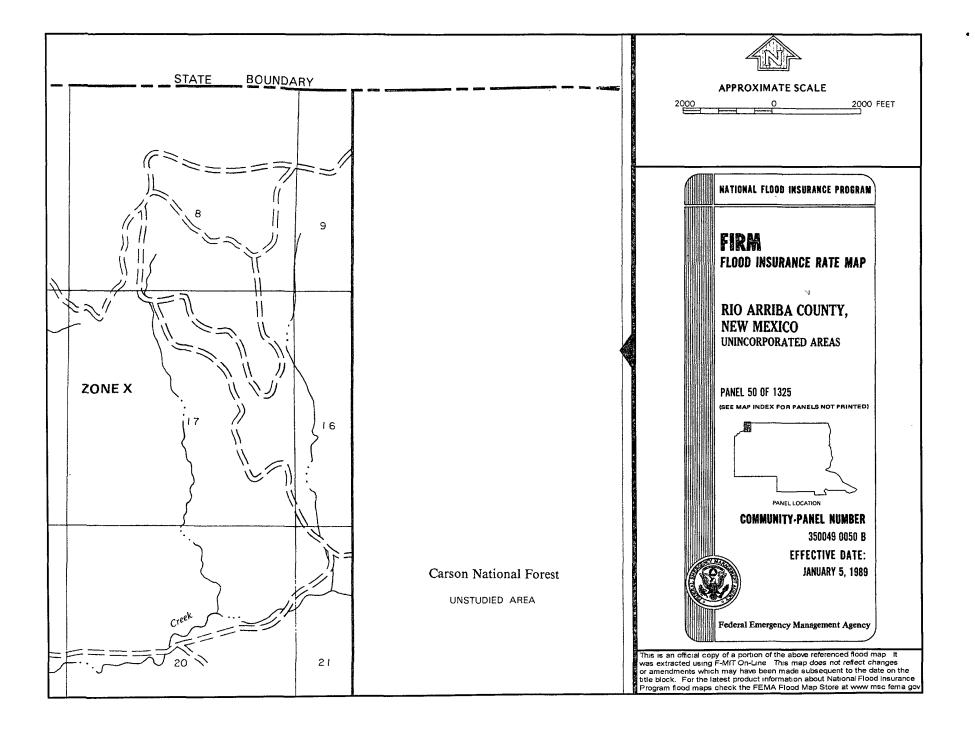


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### **Nathan Smith**

From: Nathan Smith

Sent: Tuesday, July 01, 2008 2:30 PM

To: 'John Reidinger'

Subject: Carracas 21 B #1 Pit Construction

John-

We will be building a temporary drilling reserve pit for the drilling and completion operation of hte Carracas 21 B #1 as discussed in the onsite.

Thanks

**Nathan Smith** 

Drilling Engineer

office: 505.324.4151 mobile: 505.793.7604

email to:(nsmith@energen.com)