District L 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 Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request			
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.			
Operator: Energen Resources Corporation OGRID#: 162928			
Address: 2010 Afton Place, Farmington, NM 87401			
Facility or well name: Carracas 17B #3			
API Number: 30-039-30467 OCD Permit Number:			
U/L or Qtr/QtrN Section 17 Township 32N Range 04W County: Rio Arriba			
Center of Proposed Design: Latitude 36.98160 Longitude 107.28073 NAD: ☐1927 ☒ 1983			
Surface Owner: Federal State Private Tribal Trust or Indian Allotment			
Pit: Subsection F or G of 19.15.17.11 NMAC Temporary: Drilling Workover Permanent Emergency Cavitation P&A Included Unlined Liner type: Thickness 20 mil LLDPE HDPE PVC Other String-Reinforced Volume: 5000 bbl Dimensions: L 160 x W 60 x D 15			
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: Thickness mil LLDPE HDPE PVC Other Liner Seams: Welded Factory Other			
Lined Unlined Liner type: Thicknessmil			

Alternative Method:

Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for 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 institution or church)	ce, school, 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"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. Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environment consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.			
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of 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 significant watercourse or lakebed, sinkhole, or lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	playa 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		
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	n. ☐ Yes ☒ No		
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stowatering 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 ordinal adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	ance Yes X No		
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed s	site Yes X 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 Geolog Society; Topographic map	gical 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 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			
Troviously reproved Design (unach copy of design) Tri Tramoer.			
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:			
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 Liner Specifications and Compatibility Assessment - based upon Quality Control/Quality Assurance Construction and Installation Plan the appropriate requirements of 19.15.17.11 NMAC 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 H2S, Prevention Plan Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC			
Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan. Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System Alternative Proposed Closure Method: Waste Excavation and Removal Waste Removal (Closed-loop systems only) Con-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial On-site Trench Burial Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)			
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings) Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC			

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Instructions: Please indentify the facility or facilities for the disposal of liquid.	und Steel Tanks or Haul-off Bins Only: (19.15.17.13.I s, drilling fluids and drill cuttings. Use attachment if mor	O NMAC) re 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 service and operations? Yes (If yes, please provide the information below)				
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 NMA Instructions: Each siting criteria requires a demonstration of compliance in provided below. Requests regarding changes to certain siting criteria may re be considered an exception which must be submitted to the Santa Fe Environ and/or demonstrations of equivalency are required. Please refer to 19.15.17.	the closure plan. Recommendations of acceptable sou quire administrative approval from the appropriate dist amental Bureau office for consideration of approval. J	rict office or may		
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		
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		
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				
Within 300 feet from a permanent residence, school, hospital, institution, or ch - Visual inspection (certification) of the proposed site; Aerial photo; Sa		Yes 🗷 No		
Within 500 horizontal feet of a private, domestic fresh water well or spring tha watering purposes, or within 1000 horizontal feet of any other fresh water well NM Office of the State Engineer - iWATERS database; Visual inspec	or spring, in existence at the time of initial application.	☐ Yes 👿 No		
Within incorporated municipal boundaries or within a defined municipal fresh adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written a		☐ 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 X No		
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-M	ining 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		
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each by a check mark in the box, that the documents are attached.	of the following items must be attached to the closure pla	n. Please indicate,		
 ☑ Siting Criteria Compliance Demonstrations - based upon the appropriate reguirements ☑ Proof of Surface Owner Notice - based upon the appropriate requirements ☑ Construction/Design Plan of Burial Trench (if applicable) based upon the ☑ Construction/Design Plan of Temporary Pit (for in-place burial of a drying ☑ Protocols and Procedures - based upon the appropriate requirements of 19. ☑ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of ☑ Waste Material Sampling Plan - based upon the appropriate requirements of ☑ Disposal Facility Name and Permit Number (for liquids, drilling fluids and ☑ Soil Cover Design - based upon the appropriate requirements of Subsectio ☑ Re-vegetation Plan - based upon the appropriate requirements of Subsectio ☑ Site Reclamation Plan - based upon the appropriate requirements of Subsectio 	of Subsection F of 19.15.17.13 NMAC appropriate requirements of 19.15.17.11 NMAC appropriate requirements of 19.15.17.11 NMAC appad) - based upon the appropriate requirements of 19.15 15.17.13 NMAC aquirements of Subsection F of 19.15.17.13 NMAC at drill cuttings or in case on-site closure standards cannot in H of 19.15.17.13 NMAC and I of 19.15.17.13 NMAC			

Operator Application Certification: I hereby certify that the information submitted with this application is true, accurately.	rate and complete to the best of my knowledge and belief.		
Name (Print): Doug Themas	Title: Drilling Superintendent		
Signature:	Date:03/02/10		
e-mail address: dthomas@energen.com	Telephone: 505 324-4127		
OCD Approval: Permit Application (including closure plan)			
OCD Representative Signature: 3d Sell	Approval Date: 6/2/10		
Title: Enviro Epec	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:			
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: Disposal Facility Permit Number:			
Disposal Facility Name:	Disposal Facility Permit Number:		
Were the closed-loop system operations and associated activities performed on compliance to the items below) X No			
Required for impacted areas which will not be used for future service and opera Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	tions:		
Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached. Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if applicable) Waste Material Sampling Analytical Results (required for on-site closure) Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique Site Reclamation (Photo Documentation) On-site Closure Location: Latitude Longitude NAD: ☐ 1927 ☐ 1983			
25			
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.			
Name (Print):	Title:		
Signature:	Date:		
e-mail address:	Telephone:		

ENERGEN RESOURCES CORP.

SAN JUAN BASIN, NEW MEXICO

Drilling/Completion and Workover

Type of action & rational

- n
- 70

Transfer Drilling Pit to Completion/Workover

- Energen proposes to utilize the same pit built to drill the well for the subsequent workover/completion activities noted in the well APD and necessary to bring the subject well into optimum production. Utilization of the same pit will minimize environmental impacts and waste of resources (i.e. waste of fuel and associated greenhouse emissions, surface disturbance...).
- Workover rig to be mobilized within six months of Drilling rig demobilized

0	Transfer Drilling Pit from	to	
		(well name)	(well name)

- As required by the Surface Owner and/or Surface Managing agency (e.g. BLM, USFS, Tribal). Energen is being required to utilize the same well pad for multiple new wells. In these cases, Energen proposed to utilize the same pit for all the new wells to be drilled. Utilization of the same pit will minimize environmental impacts and waste of resources (i.e. waste of fuel and associated greenhouse emissions, surface disturbance...). Energen has permitted the common pit for each well and request permission to transfer the pit since the first well has been drilled and completed.
- Pit to be considered for first well named.
- Drill rig to be rigged up within six months of former rig demobilization.



Extension for three months to meet closure/cover requirements in Rule 19.15.17.13.A(6)

- As required by the Surface owner and/or Surface Managing Agency (e.g. BLM, USFS, Tribal), Energen cannot conduct construction or similar activities during Seasonal Closures and therefore cannot meet the closure requirements specified in the referenced rule. Closure will be scheduled and initiated as soon as the Seasonal Closure is lifted.
- needed due to Surface Owner restriction and limitation. (revised closure date)

In accordance with Rule 19.15.17 NMAC, this Modification/Transfer (M/T) Plan describes the modifications to the Design and Construction (D&C). Operations and Maintenance (O&M) and Closure Plans for the transfer of a previously permitted Temporary Pit on an Energen Resources Corp. location in the san Juan Basin of New Mexico.

This M/1 plan will be followed in that case:

D&C Plan

 No proposed changes. Energen will comply with the original Design Plan. This will include ensuring that the original design of the pit is large enough to accommodate all of the fluids and solids.

O&M Plan:

- o The pit is to be considered out-of-service for the purpose of drilling the referenced well.
- The pit status will be considered in-service during this transition to and during the scheduled workover/completion activities.
- Pit inspections during the period between drill-rig down and workover/completion-rig up will be weekly.
- o The fluid will be removed within 30 days after the completion of each process.
- Energen will conduct an inspection and take photo documentation no more than seven days prior to the pit being placed back into use.
- Energen will notify NMOCD district office 7-14 days prior to start of each process.
- If any mud and solids require removal to ensure that two-foot freeboard is maintained, it will be removed by use of a Supersucker© (or similar equipment that will not damage the liner) and disposed of offsite at an approved land farm.
- Energen will sample the contents of the pit after each process is completed for Benzene, BTEX, and TPH (only required for a pit used for multiple wells).

Closure Plan:

- Due to the use of the pit for multiple processes the confirmation sampling will occur before and after the contents have been stabilized to ensure a representative sample (only required for a pit used for multiple wells).
- o Energen will submit the photo documentation and testing stated above with the C-144 closure.
- o All APD #s and well names will be placed on the C-144 form when the closure form is filed
- No additional proposed changes except as noted above. Energen will comply with the rest of the original Closure Plan.

Energen realizes this does not relieve them of any of the requirements of 19.15.17 NMAC.