

July 21, 2008

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
☐ 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.

1. Operator: Energen Resources Corporation OGRID #: 162928
Address: 2010 Afton Place, Farmington, NM 87401
Facility or well name: San Juan 32-5 Unit NP #102
API Number: 30-039-24295 OCD Permit Number: _____
U/L or Qtr/Qtr K Section 24 Township 32N Range 06W County: Rio Arriba
Center of Proposed Design: Latitude 36.96352 Longitude 107.41238 NAD: ☐ 1927 ☒ 1983
Surface Owner: ☐ Federal ☐ State ☒ Private ☐ Tribal Trust or Indian Allotment

2. ☒ **Pit:** Subsection F or G of 19.15.17.11 NMAC
Temporary: ☒ Drilling ☐ Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A
☒ Lined ☐ Unlined Liner type: Thickness 20 mil ☒ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
☒ String-Reinforced
Liner Seams: ☐ Welded ☒ Factory ☐ Other _____ Volume: 1500 bbl Dimensions: L 155 x W 85 x D 10

3. ☐ **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 _____

4. ☐ **Below-grade tank:** Subsection I of 19.15.17.11 NMAC
Volume: _____ bbl Type of fluid: _____
Tank Construction material: _____
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other _____
Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____

5. ☐ **Alternative Method:**
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

6. **Fencing:** Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)

- ☐ Chain link, six feet in height, two strands of barbed wire at top (*Required if located within 1000 feet of a permanent residence, school, hospital, institution or church*)
- ☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet
- ☐ Alternate. Please specify _____

7. **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

9. **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 Environmental Bureau office for consideration of approval.
- ☐ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

10. **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 | <input type="checkbox"/> Yes <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within a 100-year floodplain. - FEMA map | <input type="checkbox"/> Yes <input type="checkbox"/> No |

11.

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
- ☐ Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC
- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

☐ Previously Approved Design (attach copy of design) API Number: _____ or Permit Number: _____

12.

Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9
- ☐ Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

☐ Previously Approved Design (attach copy of design) API Number: _____

☐ Previously Approved Operating and Maintenance Plan API Number: _____ (Applies only to closed-loop system that use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

13.

Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC
- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- ☐ Climatological Factors Assessment
- ☐ Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC
- ☐ Liner Specifications and Compatibility Assessment - based upon
- ☐ 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

14.

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 I of 19.15.17.13 NMAC
- ☐ Site Reclamation 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 Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)

Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if 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 service and operations?

☐ Yes (If yes, please provide the information below) ☐ No

Required for impacted areas which will not be used for future service and operations:

- ☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

17.

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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> 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 | <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA |
| 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within a 100-year floodplain. - FEMA map | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

18.

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/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 19.15.17.11 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

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): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

20.

OCD Approval: ☐ Permit Application (including closure plan) ☒ Closure ~~Plan~~ ☐ OCD Conditions (see attachment)

OCD Representative Signature: _____ Approval Date: 1/14/11

Title: Compliance Officer OCD Permit Number: _____

21.

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: 07/14/10

22.

Closure Method:

☐ Waste Excavation and Removal ☒ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-loop systems only)
☐ If different from approved plan, please explain.

23.

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 or in areas that will not be used for future service and operations?

☐ Yes (If yes, please demonstrate compliance to the items below) ☐ No

Required for impacted areas which will not be used for future service and operations:

☐ 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 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 36.96352 Longitude 107.41238 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): Vicki Donaghey Title: Regulatory Analyst

Signature: Vicki Donaghey Date: 11/04/10

e-mail address: vicki.donaghey@energen.com Telephone: 324.4136

Well Name: San Juan 32-5 Unit NP #102

Reserve Pit – Final Closure Report

The pit will be closed with in place burial. If the pit is located on private surface, 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 than one week prior to the pit closing. The following process will be used to close the pit:

Notification to the OCD is included in this closure report package. Since the pit is located on private surface, the surface owner notification is included in this closure packet.

- 1) At time of closure, all free standing fluids will be removed and reused or disposed with Agua Moss LLC in the Pretty Lady #1 (Disposal API Number # 30-048-30922) or an Energen operated permitted disposal well. 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 than 3:1 soil to contents.

Fluids were removed and properly disposed in the Aqua Moss Pretty Lady #1. The pit contents were solidified by mixing the contents with soil at a mixing ratio of approximately 3:1.

- 2) The liner will be cut off at the mud line of the stabilized contents.

The liner was cut off at the mud line of the stabilized contents.

- 3) Sampling will be done by collecting a minimum of a five-point composite sample of the contents after stabilization. The sample will be analyzed for the following components (if the groundwater is less than 100 feet below the pit but greater than 50 feet, testing for chlorides will be done to the lower limit);

| Components | Tests Method | Limit (mg/Kg) | Results (mg/Kg) |
|-------------------|---------------------------|--------------------------|----------------------------|
| Benzene | EPA SW-846 8021B or 8260B | 0.2 | .0074 |
| BTEX | EPA SW-846 8021B or 8260B | 50 | .262 |
| TPH | EPA SW-846 418.1 | 2500 | 543 |
| GRO/DRO | EPA SW-846 8015M | 500 | 75 |
| Chlorides | EPA 300.1 | 500 /1000 | 505 |

Sampling results are listed in the above table.

- 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) or IEI Landfarm (Permit NM-01-0010B). If the stabilized contents do not 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).

The contents were covered with three feet of compacted non-waste containing material.

- 5) After the stabilized contents have been covered, the stockpiled topsoil will be replaced to a minimum depth of one foot. Topsoil cover will be graded to prevent ponding of water and erosion of the cover material. This will be accomplished within six months of rig release.

The stockpiled topsoil was replaced to a depth of one foot and graded to prevent ponding and erosion.

- 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 if the pit is on private surface.

The C-105 form is attached. This pit is located on private property. Proof of Deed notice is required since the pit is located on private surface (per NMOCD FAQ dated 10/30/08.) A copy of the submittal to the county is attached.

- 7) The final closure report (C-144) will be filed within 60 days of closure completion and include sampling results, plot plan, details on backfilling, covering and inspections during the life of the pit.

This closure report includes sampling results, plot plan, closure details, inspections, and photos.

- 8) If the pit is located on federal or tribal surface, seeding will be deferred to BLM requirements per the BLM / OCD MOU. Otherwise, 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 goal is 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 plant species, including at least one grass but not including noxious weeds. 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.

The pit is located on private surface. Seeding was completed on 11/20/09. Seeding or planting will continue until the required cover is reached. The Aztec office of the OCD will also be notified when the disturbed ground successfully achieves re-vegetation.

- 9) Until the abandonment of the wells on the pad where the pit is located, a steel marker no less than 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. Once all wells on the pad are abandoned a four foot tall riser will be welded on top of the marker with; operator name, lease number, well name and number, unit number, section, township and range, and a designation that it is an onsite burial location.

**The marker was installed in the center of the closed pit. The marker is set flush to the ground until final abandonment. At the time of abandonment, a four foot riser will be installed and marked as follows:
Energen Resources – State Lease – San Juan 32-5 Unit NP #102 –
Unit K – Sec.24, T32N, R05W – Pit Burial Site.**

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

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-105
July 17, 2008

1. WELL API NO.
30-039-24295
2. Type Of Lease
☐ STATE ☐ FEE ☐ FED/INDIAN
3. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

4. Reason for filing:

- ☐ COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only)
- ☒ C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)

5. Lease Name or Unit Agreement Name

San Juan 32-5 Unit NP

6. Well Number

#102

9. Type of Completion

- ☐ NEW WELL ☐ WORKOVER ☐ DEEPENING ☐ PLUGBACK ☐ DIFFERENT RESERVOIR ☒ OTHER pit closure

8. Name of Operator

Energen Resources Corporation

9. OGRID Number

162928

10. Address of Operator

2010 Afton Place, Farmington, NM 87401

11. Pool name or Wildcat

Basin Fruitland Coal

| 12. Location | Unit Letter | Section | Township | Range | Lot | Feet from the | N/S Line | Feet from the | E/W Line | County |
|--------------|-------------|---------|----------|-------|-----|---------------|----------|---------------|----------|--------|
| Surface: | K | 24 | 32N | 05W | | | | | | |
| BH: | | | | | | | | | | |

| | | | | |
|----------------------------------|------------------------------|-----------------------------------|---------------------------------------|---|
| 13. Date Spudded | 14. Date T.D. Reached | 15. Date Rig Released 05/16/10 | 16. Date Completed (Ready to Produce) | 17. Elevations (DF & RKB, RT, GR, etc.) |
| 18. Total Measured Depth of Well | 19. Plug Back Measured Depth | 20. Was Directional Survey Made | 21. Type Electric and Other Logs Run | |

22. Producing Interval(s), of this completion - Top, Bottom, Name

23. CASING RECORD (Report all strings set in well)

| CASING SIZE | WEIGHT LB./FT. | DEPTH SET | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|-------------|----------------|-----------|-----------|------------------|---------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

24. LINER RECORD

| SIZE | TOP | BOTTOM | SACKS CEMENT | SCREEN | 25. TUBING RECORD SIZE | DEPTH SET | PACKER SET |
|------|-----|--------|--------------|--------|---------------------------|-----------|------------|
| | | | | | | | |
| | | | | | | | |

26. Perforation record (interval, size, and number)

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED

28. PRODUCTION

| | | | | | | | | |
|-----------------------|-----------------|---|------------------------|------------|--------------|----------------------------|--------------------------------|--|
| Date First Production | | Production Method (Flowing, gas lift, pumping - Size and type pump) | | | | | Well Status (Prod. or Shut-in) | |
| Date of Test | Hours Tested | Choke Size | Prod'n For Test Period | Oil - Bbl. | Gas - MCF | Water - Bbl. | Gas - Oil Ratio | |
| Flow Tubing Press. | Casing Pressure | Calculated 24-Hour Rate | Oil - Bbl. | Gas - MCF | Water - Bbl. | Oil Gravity - API -(Corr.) | | |

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

30. Test Witnessed By

31. List Attachments

32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.

33. If an on-site burial was used at the well, report the exact location of the on-site burial:

Latitude 36.96352 Longitude 107.41238 NAD: 1927 X 1983

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature *Vicki Donaghey* Printed Name Vicki Donaghey Title Regulatory Analyst Date 11/04/10
E-mail address vdonaghe@energen.com

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

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

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☒ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

| | | |
|---|---|--|
| ¹ API Number 30-039-24295 | ² Pool Code 71629 | ³ Pool Name Basin Fruitland Coal |
| ⁴ Property Code 22045 | ⁵ Property Name San Juan 32-5 Unit NP | ⁶ Well Number #102 |
| ⁷ OGRID No. 162928 | ⁸ Operator Name ENERGEN RESOURCES CORPORATION | ⁹ Elevation 6370' |

¹⁰ Surface Location

| | | | | | | | | | |
|--------------------|---------------|-----------------|--------------|---------|-----------------------|---------------------------|-----------------------|------------------------|----------------------|
| UL or lot no. K | Section 24 | Township 32N | Range 06W | Lot Idn | Feet from the 1820 | North/South line South | Feet from the 1635 | East/West line West | County RIO ARRIBA |
|--------------------|---------------|-----------------|--------------|---------|-----------------------|---------------------------|-----------------------|------------------------|----------------------|

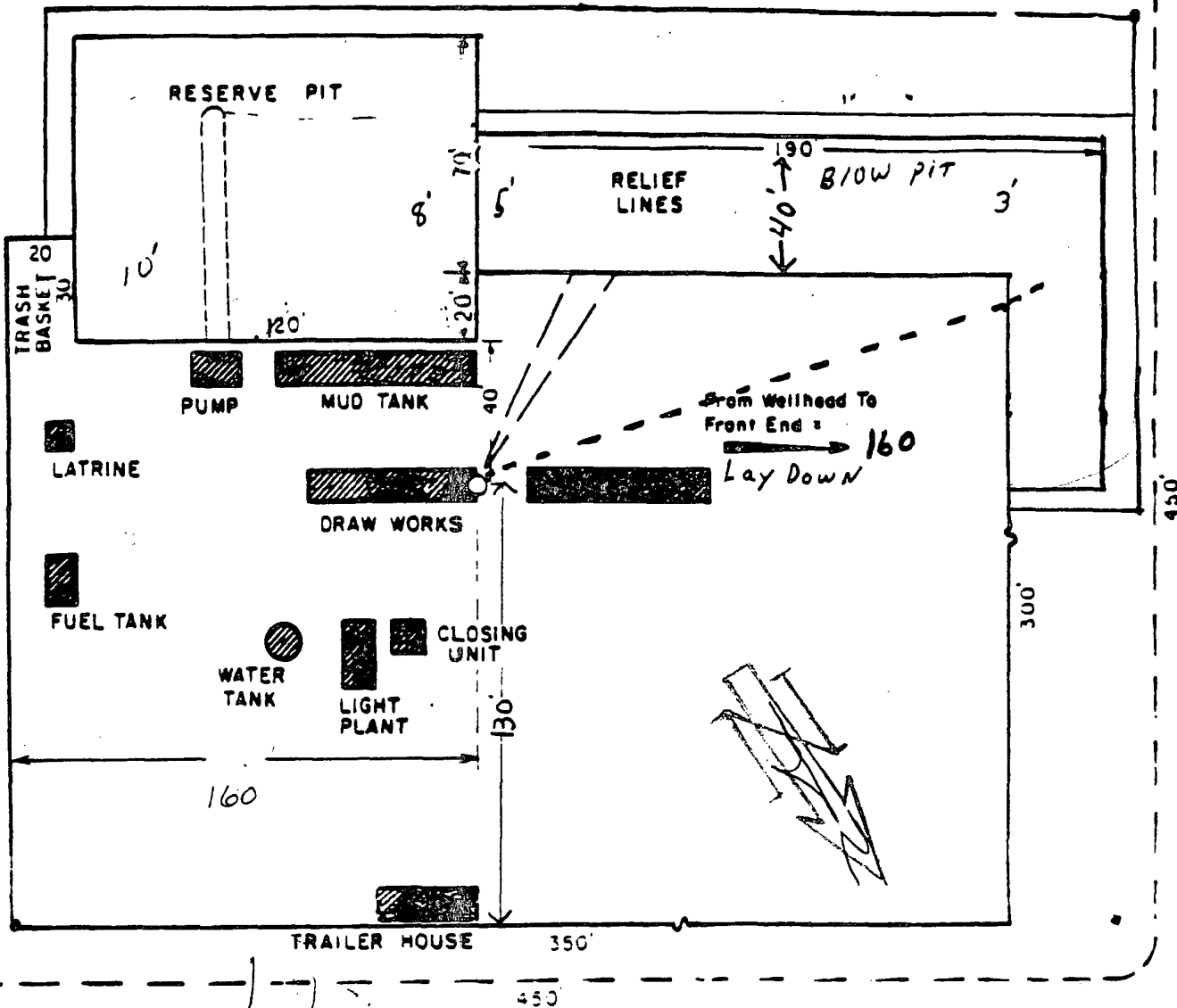
¹¹ Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|--|-------------------------------|----------------------------------|-------------------------|---------|----------------------|---------------------------|-----------------------|-------------------------|----------------------|
| UL or lot no. N | Section 24 | Township 32N | Range 06W | Lot Idn | Feet from the 155 | North/South line South | Feet from the 2462 | East/West line South | County RIO ARRIBA |
| ¹² Dedicated Acres 320 W/2 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. | | | | | | |

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.

| | | | | |
|--|--|--|--|--|
| | | | | ¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> Signature _____ Date 06/07/2010 Vicki Donaghey Printed Name |
| | | | | ¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> July 21, 1988 Date of Survey Original Survey Conducted and Recorded By: Neale C. Edwards 6857 Certificate Number |

EXISTING ROAD



POOR M3W 1001

Vicki Donaghey

From: frank florez [frankf52@yahoo.com]
Sent: Wednesday, July 07, 2010 9:14 AM
To: Brandon.Powell@state.nm.us; Michael Dean; Doug Thomas; Ed Hasely;
Kellie.Skelton@energen.com; mark_kelly@nm.blm.gov; Robert Schmidt; Vicki Donaghey
Subject: Covering Reserve Pit on SJ 32-5 # 102

Good Morning,

This is notification that we will begin to mix and close the reserve pit on the San Juan 32-5 # 102. We would like to begin on Friday July 9, 2010. Please feel free to contact me with any questions or concerns.

Thank you,
Deidra Florez
Triple F Construction & Field Service, LLC
PO Box 3
Bloomfield, NM 87413
(505) 632-9011 Office
(505) 632-6953 Fax



August 9, 2010

Certified Mail: 0002 5579 6808

Alan C. Davis & Mary Anne Davis
P.O. Box 1784
Mesilla Park, NM 88047

Subject: Reserve Pit In-Place Closure
San Juan 32-5 Unit #102

Dear Sir or Madam:

Energgen Resources plans to close a reserve pit located on the subject well location. You are on record as the surface owner where this well is located and the New Mexico Oil Conservation Division (NMOCD) rules require notification to the surface owner of our plans to close the reserve pit. NMOCD rules and guidelines will be followed. The well is located in Unit Letter K, Section 24, Township 32N, Range 05W in Rio Arriba County, New Mexico.

If there are any questions or concerns, please contact me at 505.324.4136.

Sincerely,

Vicki Donaghey

Vicki Donaghey
Regulatory Anal
Energgen Resour

Cc: Well File (S

Energgen Resources C

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com

| OFFICIAL USE | |
|---|---------|
| Postage | \$ 4.49 |
| Certified Fee | 2.80 |
| Return Receipt Fee (Endorsement Required) | 2.30 |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ 9.54 |

Postmark Here 8-9-10

Sent To
Alan C. Davis & Mary Anne Davis
Street, Apt. No.,
or PO Box No. P.O. Box 1784
City, State, ZIP+4[®] Mesilla Park NM 88047
PS Form 3800, August 2006 See Reverse for Instructions

| SENDER: COMPLETE THIS SECTION | COMPLETE THIS SECTION ON DELIVERY |
|--|--|
| <ul style="list-style-type: none">Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.Print your name and address on the reverse so that we can return the card to you.Attach this card to the back of the mailpiece, or on the front if space permits. | A. Signature <i>COLETTE F. CHAVEZ</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee |
| 1. Article Addressed to: Alan C. Davis & Mary Anne Davis P.O. Box 1784 Mesilla Park, NM 88047 | B. Received by (Printed Name) COLETTE F. CHAVEZ C. Date of Delivery |
| 2. Article Number (Transfer from servi | D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input checked="" type="checkbox"/> No |
| 3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. | 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes |

San Juan 32-5 Unit #102

7007 2680 0002 5579 6808

NOTICE OF LOCATION OF ON-SITE BURIAL

State: New Mexico
County: Rio Arriba
Operator: Energen Resources Corporation
Address: 2010 Afton Place
Farmington, New Mexico 87401
Date:

Pursuant to §19.15.17.13 F(1)(f) NMAC, notice is hereby given of the on-site burial of a drying pad associated with a closed-loop drilling system, a temporary pit, or a temporary pit in lieu of a drying pad for the well or facility and location identified below:

Facility or Well Name: San Juan 32-5 Unit # 102
API Number: 30-039-24295
OCD Permit Number:
U/L or Qtr/Qtr: NE/4SW/4
Section: 24 Township 32N, Range 6W
Center of Location: Latitude 36.96352 ; Longitude 107.41238

ENERGEN RESOURCES CORPORATION

By David M. Poage

Its District Landman

STATE OF NEW MEXICO
COUNTY OF SAN JUAN

The foregoing instrument was acknowledged before me this 4th day of November, by David Poage, of Energen Resources Corporation, an Alabama corporation, on behalf of said corporation.



Notary Public in and for the State of New Mexico

Printed Name: Gillian Black Gillian Black

Commission Expires: October 2, 2011



**EPA METHOD 8015 Modified
Nonhalogenated Volatile Organics
Total Petroleum Hydrocarbons**

Client: Energen
Sample ID: 07131001
Laboratory Number: 55159
Chain of Custody No: 9963
Sample Matrix: Soil
Preservative: Cool
Condition: Intact

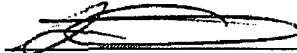
Project #: 03022-0168
Date Reported: 07-16-10
Date Sampled: 07-13-10
Date Received: 07-15-10
Date Extracted: 07-15-10
Date Analyzed: 07-16-10
Analysis Requested: 8015 TPH

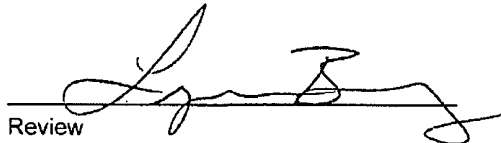
| Parameter | Concentration (mg/Kg) | Det. Limit (mg/Kg) |
|------------------------------|--------------------------|--------------------------|
| Gasoline Range (C5 - C10) | 45.6 | 0.2 |
| Diesel Range (C10 - C28) | 29.3 | 0.1 |
| Total Petroleum Hydrocarbons | 74.9 | 0.2 |

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: SJ 32-5 #102



Analyst

Review



EPA METHOD 8021
AROMATIC VOLATILE ORGANICS

Client: Energen
Sample ID: 07131001
Laboratory Number: 55159
Chain of Custody: 9963
Sample Matrix: Soil
Preservative: Cool
Condition: Intact

Project #: 03022-0168
Date Reported: 07-16-10
Date Sampled: 07-13-10
Date Received: 07-15-10
Date Analyzed: 07-16-10
Date Extracted: 07-15-10
Analysis Requested: BTEX

| Parameter | Concentration (ug/Kg) | Det. Limit (ug/Kg) |
|--------------|--------------------------|--------------------------|
| Benzene | 7.4 | 0.9 |
| Toluene | 49.5 | 1.0 |
| Ethylbenzene | 31.1 | 1.0 |
| p,m-Xylene | 118 | 1.2 |
| o-Xylene | 55.6 | 0.9 |
| Total BTEX | 262 | |

ND - Parameter not detected at the stated detection limit.

| | | |
|-----------------------|---------------------|------------------|
| Surrogate Recoveries: | Parameter | Percent Recovery |
| | Fluorobenzene | 100 % |
| | 1,4-difluorobenzene | 100 % |
| | Bromochlorobenzene | 100 % |

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: SJ 32-5 #102


Analyst


Review



EPA METHOD 418.1
TOTAL PETROLEUM
HYDROCARBONS

| | | | |
|----------------------|----------|------------------|------------|
| Client: | Energen | Project #: | 03022-0168 |
| Sample ID: | 07131001 | Date Reported: | 07-16-10 |
| Laboratory Number: | 55159 | Date Sampled: | 07-13-10 |
| Chain of Custody No: | 9963 | Date Received: | 07-15-10 |
| Sample Matrix: | Soil | Date Extracted: | 07-15-10 |
| Preservative: | Cool | Date Analyzed: | 07-15-10 |
| Condition: | Intact | Analysis Needed: | TPH-418.1 |

| Parameter | Concentration (mg/kg) | Det. Limit (mg/kg) |
|------------------------------|--------------------------|--------------------------|
| Total Petroleum Hydrocarbons | 543 | 15.1 |

ND = Parameter not detected at the stated detection limit.

References: Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water and Waste, USEPA Storet No. 4551, 1978.

Comments: SJ 32-5 #102


Analyst


Review



Chloride

| | | | |
|----------------|---------|-------------------|------------|
| Client: | Energen | Project #: | 03022-0168 |
| Sample ID: | 111001 | Date Reported: | 11-12-10 |
| Lab ID#: | 56453 | Date Sampled: | 11-10-10 |
| Sample Matrix: | Soil | Date Received: | 11-11-10 |
| Preservative: | Cool | Date Analyzed: | 11-12-10 |
| Condition: | Intact | Chain of Custody: | 10704 |

| Parameter | Concentration (mg/Kg) |
|-----------|-----------------------|
|-----------|-----------------------|

Total Chloride

5

Reference: U.S.E.P.A., 4500B, "Methods for Chemical Analysis of Water and Wastes", 1983.
Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments: San Juan

Analyst

Review

Pit Inspection Log Sheet

Energen Resources Corporation

Well Name: SAN JUAN 32-5[#]/02

API #:

[illegible]

INVERGEN

RESOURCES
CORPORATION

SAN JUAN 32-5 UNIT MP #102
1820' FSL 1635' FWL
UNIT K SEC. 24 T032N R006W

RIO ARriba COUNTY, NEW MEXICO
FRC

