## State of New Mexico **Energy Minerals and Natural Resources** Department

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

For closed-loop systems that only use above ground steel tanks or haul-off bins and propose

Form C-144 CLEZ

July 21, 2008

to implement waste removal for closure, submit to the appropriate NMOCD District Office.

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	above ground steel tanks or haul-off bins and propose to implement waste removal for clo	osure)
7238 (that only use	Type of action: Typermit M Closure	,

Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a

Closure

Type of action: Permit

Please be advised that approval of this request does not relieve the operator of liability environment. Nor does approval relieve the operator of its responsibility to comply we	y should operations result in pollution of surface water, ground water or the			
Operator: Energen Resources Corporation	OGRID #: 162928			
Operator: Energen Resources Corporation  Address: 2010 Afton Place, Farmington, NM 87401	III CHAC IIII			
	nici 3			
Facility or well name: Jen Na Pia #1  API Number: 30-045-05589  OCD Permit Number:				
U/L or Qtr/Qtr C Section 2 Township 2				
Center of Proposed Design: Latitude 36.43519	· · · · · · · · · · · · · · · · · · ·			
Surface Owner: Federal State Private X Tribal Trust or Indian Allotment				
Clased-loop System: Subsection H of 19.15.17.11 NMAC   Operation: Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)   P&A				
Signs: Subsection C of 19.15.17.11 NMAC  12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers  X Signed in compliance with 19.15.3.103 NMAC				
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.  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 Box 5) - 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	per:			
S.  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 indentify 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: Envirotech  Disposal Facility Permit Number: NM-1-0011				
Disposal Facility Name: Aqua Moss Pretty Lady #1	Disposal Facility Permit Number:30-045-30922			
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				
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): Andrew Soto Title: District Engineer				
Signature: Date: 6/29/2010				
e-mail address: asoto@energen.com	Telephone: 505.325.6800			

OCD Approval: Permit Application (including closure plan) Closure Plan (only)			
OCD Representative Signature: 3306 5 16 Approval Date: 8/16/10			
Title: Endiro/gpec 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 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 Facilit			
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): Avalous School Title: District Engineer  Signature: Date: 11- D-10  e-mail address: USONO ENERGYN. COM. Telephone: 505-335-6800			

# Williams Production Co., LLC San Juan Basin: New Mexico Assets

Closed-Loop System Plan: Workovers

In accordance with Rule 19.15.17 NMAC, the following plan describes the general Design & Construction, Operation & Maintenance, and Closure of Closed-Loop systems on Williams Production Co, LLC (WPX) locations in the San Juan Basin of New Mexico.

#### Closed-Loop Design Plan:

The Closed-Loops System will consist of one or more temporary above-ground tank(s) suitable for holding the cuttings and fluids for rig operations and the planned workover activities. The tank(s) will be of sufficient volume to maintain a safe free-board between disposal of the liquids and solids from rig operations. Additional design considerations include:

- 1. The Closed-loop System used by WPX will not entail a drying pad, temporary pit, below-grade tank or sump.
- 2. Fencing is not required for an above-ground closed-loop system.
- 3. It will be signed in compliance with 19.15.3.103:NMAC
- 4. A frac tank will be on location to store water.
- 5. Tanks will be placed on the active and disturbed areas of the well location and within the existing ROW footprint.

### Closed-Loop Operations and Maintenance Plan:

The Closed-Loops System will be operated and maintained: to contain liquids and solids, to aid in the prevention of contamination of fresh water sources, in order to protect public health and the environment. The following steps will be followed to attain this goal:

- 1. The liquids will be vacuumed out and disposed of at one of the following facilities depending on the proximity of the well and available disposal volumes Rosa Unit SWD #1 (Order: SWD-916, API:30-039-27055), Rosa·Unit #94 (Order: SWD-3RP-1003-0, API: 30-039-23035), Jillson Fed. SWD #001 (Order: R10168/R10168A, API: 30-039-25465), Middle Mesa SWD #001 (Order: SWD-350-0, API: 30-045-27004) and/or Basin Disposal (Permit: NM-01-0005).
- 2. Solids in the Closed-Loop tank will be vacuumed out and disposed of at Envirotech (Permit Number NM-01-0011) on a periodic basis to prevent over topping.
- 3. No hazardous waste, miscellaneous solid waste or debris will be discharged into or stored in the tank(s). Only fluids or cutting intrinsic to, used or generated by rig operations will be placed or stored in the tank(s).
- 4. The Division District office will be notified within 48 hours of the discovery of compromised integrity of the Closed-Loop System. Upon discovery of the compromised tank, repairs will be enacted immediately.
- 5. All of the above operations will be inspected and a log will be signed and dated. During rig operations the inspection will be daily.

#### Closed-Loop Closure Plan:

The Closed-Loops System will be closed in accordance with 19.15.17.13. This will be done by:

- 1. Transporting cuttings and all remaining sludge to Envirotech (Permit Number NM-01-0011) following rig operations.
- Transport for disposal All remaining liquids will be of in one of the following facilities depending on the proximity of the well and available disposal volumes Rosa Unit SWD #1 (Order: SWD-916, API:30-039-27055), Rosa Unit #94 (Order: SWD-3RP-1003-0, API: 30-039-23035), Jillson Fed. SWD #001 (Order: R10168/R10168A, API: 30-039-25465), Middle Mesa SWD #001 (Order: SWD-350-0, API: 30-045-27004) and/or Basin Disposal (Permit: NM-01-0005).
- 3. Removal of the tank(s) from the well location as part of the rig move.
- 4. At time of well abandonment, the site will be reclaimed and re-vegetated to preexisting conditions when possible, or as stipulated by the landowner in a surface use agree