Pat Sanchez

From: Pat Sanchez

Sent: Friday, December 19, 2008 10:22 AM

To: 'charlie.perrin@state.nm.us'; 'brandon.powell@state.nm.us'

Cc: Vicki Donaghey; Kirt Snyder; Martin Cabrera; Charlie Donahue; Ed Hasely

Subject: Pit closures for Closed Loop flow Back tanks - remedial/work over type

Mr. Powell and Mr. Perrin;

We will be submitting several work over - flow back tank type closed loop permits for closure. The permits were approved by NMOCD from Mid summer until late fall of 2008. A miscommunication in our internal processing occurred and we did not submit closure reports.

The fluids are typically produced water with spent treatment fluid that have been pumped into the reservoir during operations and were disposed of in our own SWD's typically.

I will be out of the office from December 20th and back in on Monday January 5, 2009 - if you need to follow-up by phone please call my Supervisor Mr. Charlie Donahue at 505.324.4140.

They will be submitted as soon as possible.

Thanks

Patricio W. Sanchez Energen Resources District Engineer- San Juan 2010 Afton Place Farmington, NM 87401 Telephone 505.324.4141 Cell 505.793.7605

7

<u>District-1</u> 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.

	21	\sim
9	OC	

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

Type of action: L 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 in	ndividual pit, closed-loop system, below-grade tank or alternative request			
	ability should operations result in pollution of surface water, ground water or the ply with any other applicable governmental authority's rules, regulations or ordinances.			
Operator:Energen Resources				
Address:2010 Afton Place, Farmington, New Mexico 87401	RCVD JUL 14'08			
Facility or well name:Carracas 10 A 8	MY MALE MYS			
API Number:30-039-26420OCD Permit Number:DIST. 3				
U/L or Qtr/QtrH Section10 Township32N Range5W County:Rio Arriba				
Center of Proposed Design: Latitude36.99789 NLo				
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 ☐ Emcrgency ☐ Cavitation ☐ Steel Pit	Lined Unlined			
Lined Unlined	Liner type: Thicknessmil			
Liner type: Thicknessmil	☐ Other			
Other String-Reinforced	Seams: Welded Factory Other			
Seams:	Volume:yd ³			
Volume: bbl	Dimensions: Length_20 ft x Width_12 ft_			
Below-grade tank: Subsection 1 of 19.15.17.11 NMAC	Fencing: Subsection D of 19.15.17.11 NMAC			
Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume:bbl	Fencing: Subsection D of 19.15.17.11 NMAC Chain link, six feet in height, two strands of barbed wire at top			
Volume:bbl	Chain link, six feet in height, two strands of barbed wire at top			
Volume:bbl Type of fluid:	☐ Chain link, six feet in height, two strands of barbed wire at top ☐ Four foot height, four strands of barbed wire evenly spaced between one and			
Volume:bbl Type of fluid: Tank Construction material:	Chain link, six feet in height, two strands of barbed wire at top Four foot height, four strands of barbed wire evenly spaced between one and four feet			
Volume:bbl Type of fluid: Tank Construction material: Secondary containment with leak detection	☐ Chain link, six feet in height, two strands of barbed wire at top ☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet Netting: Subsection E 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	☐ Chain link, six feet in height, two strands of barbed wire at top ☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet Netting: Subsection E of 19.15.17.11 NMAC ☐ Screen ☐ Netting ☐ Other			
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	☐ Chain link, six feet in height, two strands of barbed wire at top ☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet Netting: Subsection E of 19.15.17.11 NMAC ☐ Screen ☐ Netting ☐ Other			
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: Thicknessmil	Chain link, six feet in height, two strands of barbed wire at top Four foot height, four strands of barbed wire evenly spaced between one and four feet Netting: Subsection E of 19.15.17.11 NMAC Screen Netting Other Monthly inspections Signs: Subsection C of 19.15.17.11 NMAC 12'x24', 2' lettering, providing Operator's name, site location, and emergency telephone numbers			
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	☐ Chain link, six feet in height, two strands of barbed wire at top ☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet Netting: Subsection E of 19.15.17.11 NMAC ☐ Screen ☐ Netting ☐ Other ☐ Monthly inspections Signs: Subsection C of 19.15.17.11 NMAC ☐ 12'x24', 2' lettering, providing Operator's name, site location, and			
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 Other Alternative Method:	Chain link, six feet in height, two strands of barbed wire at top Four foot height, four strands of barbed wire evenly spaced between one and four feet Netting: Subsection E of 19.15.17.11 NMAC Screen Netting Other Monthly inspections Signs: Subsection C of 19.15.17.11 NMAC 12'x24', 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:			
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: Thicknessmil	Chain link, six feet in height, two strands of barbed wire at top Four foot height, four strands of barbed wire evenly spaced between one and four feet Netting: Subsection E of 19.15.17.11 NMAC Screen Netting Other Monthly inspections Signs: Subsection C of 19.15.17.11 NMAC 12'x24', 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			
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: Thicknessmil HDPE PVC Other Alternative Method: Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration	Chain link, six feet in height, two strands of barbed wire at top Four foot height, four strands of barbed wire evenly spaced between one and four feet Netting: Subsection E of 19.15.17.11 NMAC Screen Netting Other Monthly inspections Signs: Subsection C of 19.15.17.11 NMAC 12'x24', 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:			
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: Thicknessmil HDPE PVC Other Alternative Method: Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration	Chain link, six feet in height, two strands of barbed wire at top □ Four foot height, four strands of barbed wire evenly spaced between one and four feet Netting: Subsection E of 19.15.17.11 NMAC □ Screen □ Netting □ Other □ Monthly inspections Signs: Subsection C of 19.15.17.11 NMAC □ 12'x24', 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. Please check a box if one or more of the following is requested, if not leave blank:			
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: Thicknessmil HDPE PVC Other Alternative Method: Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration	Chain link, six feet in height, two strands of barbed wire at top □ Four foot height, four strands of barbed wire evenly spaced between one and four feet Netting: Subsection E of 19.15.17.11 NMAC □ Screen □ Netting □ Other □ Monthly inspections Signs: Subsection C of 19.15.17.11 NMAC □ 12'x24', 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. 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			
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: Thicknessmil HDPE PVC Other Alternative Method: Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration	Chain link, six feet in height, two strands of barbed wire at top Four foot height, four strands of barbed wire evenly spaced between one and four feet Netting: Subsection E of 19.15.17.11 NMAC Screen Netting Other Monthly inspections Signs: Subsection C of 19.15.17.11 NMAC 12'x24', 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. 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.			
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: Thicknessmil	Chain link, six feet in height, two strands of barbed wire at top □ Four foot height, four strands of barbed wire evenly spaced between one and four feet Netting: Subsection E of 19.15.17.11 NMAC □ Screen □ Netting □ Other □ Monthly inspections Signs: Subsection C of 19.15.17.11 NMAC □ 12'x24', 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. 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			

Oil Conservation Division

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				
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 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				
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	☐ Ycs ☐ 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				
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				
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 19.15.17.11 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: 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:				
Treviously approved Design (attach copy of design) Arrivation.				

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 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	.				
Type: Drilling Workover Emergency Cavitation 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)					
	isideration)				
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					
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 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					
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					
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map					
Within a 100-year floodplain.					

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 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.						
Disposal Facility Name: _Envirotech,; Carracas SWD #1 Disposal Facility Permit Number:NM-01-0011; API 30-039-24278						
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 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):Pat Sanchez Title:District Engineer						
Signature: Date:						
e-mail address:psanchez@energen.comTelephone:505.324.4141						
OCD Approval: Permit Application (including closure plan) Closure Plan (enly) OCD Representative Signature: Plan Control Plan (enly) OCD Representative Signature: Plan Control Plan (enly) Approval Date: 7-14-08 Title: Enviro (5000 OCD Permit Number:						
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Closure Completion Date: 8/33/208						
Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method If different from approved plan, please explain.						
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 Proof of Deed Notice (if applicable) Plot Plan Plot						
Site Reclamation (Photo Documentation) On-site Closure Location: LatitudeLongitudeNAD:1927 1983						
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): Pat Sanchez Title: District Engineer						
Signature: Date: 12/19/7-08						

Closed-loop Design Plan:

Our closed loop system will not entail a drying pad, temporary pit, below grade tank or sump. It will entail an above ground tank suitable for holding the cuttings and fluids for rig operations. The tank will be of sufficient volume to maintain a safe free board between disposal of the liquids and solids from rig operations.

- 1) Fencing is not required for an above ground closed-loop system.
- 2) It will be signed in compliance with 19.15.3.103 NMAC.
- 3) A frac tank will be on location to store fresh water.

Closed-loop Operating and Maintenance Plan:

The closed-loop tank 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. To attain this goal the following steps will be followed:

- The liquids will be vaccumed out and disposed of at the Carracas SWD#1 facility (Disposal API Number 30-039-30168). 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.
- 2) No hazardous waste, miscellaneous solid waste or debris will be discharged into or stored in the tank. Only fluids or cuttings used or generated by rig operations will be placed or stored in the tank.
- . 3) The division district office will be notified within 48 hours of the discovery of compromised integrity of the closed-loop tank. Upon the discovery of the compromised tank, repairs will be enacted immediately.
- 4) 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 loop tank will be closed in accordance with 19.15.17.13. This will be done by transporting cuttings and all remaining sludges to Envirotech (Permit Number NM-01-0011) following rig operations. All remaining liquids will be transported and disposed of in the Carracas SWD#1 facility (Disposal API number 30-039-30168). The tanks will be removed from the location as part of the rig move. At time of well abandonment, the site will be reclaimed and re-vegetated to pre-existing conditions when possible.

District I 2625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

236.72 N/2

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

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number ² Pool Code 30-039-26420 71629 Basin Fruitland Coal Property Code ⁵ Property Name Well Number Carracas 10A 7OGRID No. ⁸ Operator Name ⁹ Elevation 162928 **Energen Resources Corporation** 7590' GL **Surface Location** UL or lot no. Section Township Range Lot Ida Feet from the North/South line Feet from the East/West line County Н 10 32N 5W 800 North 540 East Rio Arriba ¹¹ Bottom Hole Location If Different From Surface UL or lot no. Township Section Lot Idn Feet from the Range North/South line Feet from the East/West line County Rio Arriba G 54 1100 North 2530 East ¹² Dedicated Acres ³ Joint or Infill 14 Consolidation Code 5 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.

16					17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete
		1			to the best of my knowledge and belief, and that this organization either
	CO	LORADO			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
1	NEV	W MEXICO	1		location pursuant to a contract with an owner of such a mineral or working
			800'		interest, or to a voluntary pooling agreement or a compulsory pooling
	1-11-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1				order herojofore entered by the division.
		1100	SHL	540'	Jan 16 8/30/2007
					Signature Date
					Jason Kincaid
		-	2530' MAD	63	Printed Name
	внг		LAT 36.497	189	
			LON 107.341	43	
					¹⁸ SURVEYOR CERTIFICATION
					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.
	4				
					June 6, 1988
					Date of Survey
					Signature and Seal of Professional Surveyor.
					Original Survey Conducted and Recorded By Neale C. Edwards
				Ì	
1					6857
				1	Certificate Number
					Cerumate Numoer