R. T. HICKS CONSULTANTS, LTD.

901 Rio Grande Blvd NW ▲ Suite F-142 ▲ Albuquerque, NM 87104 ▲ 505.266.5004 ▲ Fax: 505.266-0745

March 4, 2013

Mr. Mike Bratcher NMOCD District 2 811 South First Street Artesia, New Mexico 88210

RE: Alamo Permian State BK #9, Wilson 3, Cedar Lake 5

Dear Mike:

You should find attached

- 1. Corrected C=144s for each of these three wells
- 2. The FEMA map with the Wilson #3-location plotted
- 3. The pit design plates for Cedar Lake 5, which may not have been included in the paper copy

If find any additional errors or omissions as you complete your review of these three permits, let me know and we will get them corrected.

Sincerely,

R.T. Hicks Consultants

Randall Hicks Principal

Copy: Alamo Permian Resources

1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410

Energy Minerals and Natural Resources NMOCD APITES Arvation Division 0 South St. Francis Dr. 1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505

Förm C-144 Revised August 1, 2011

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

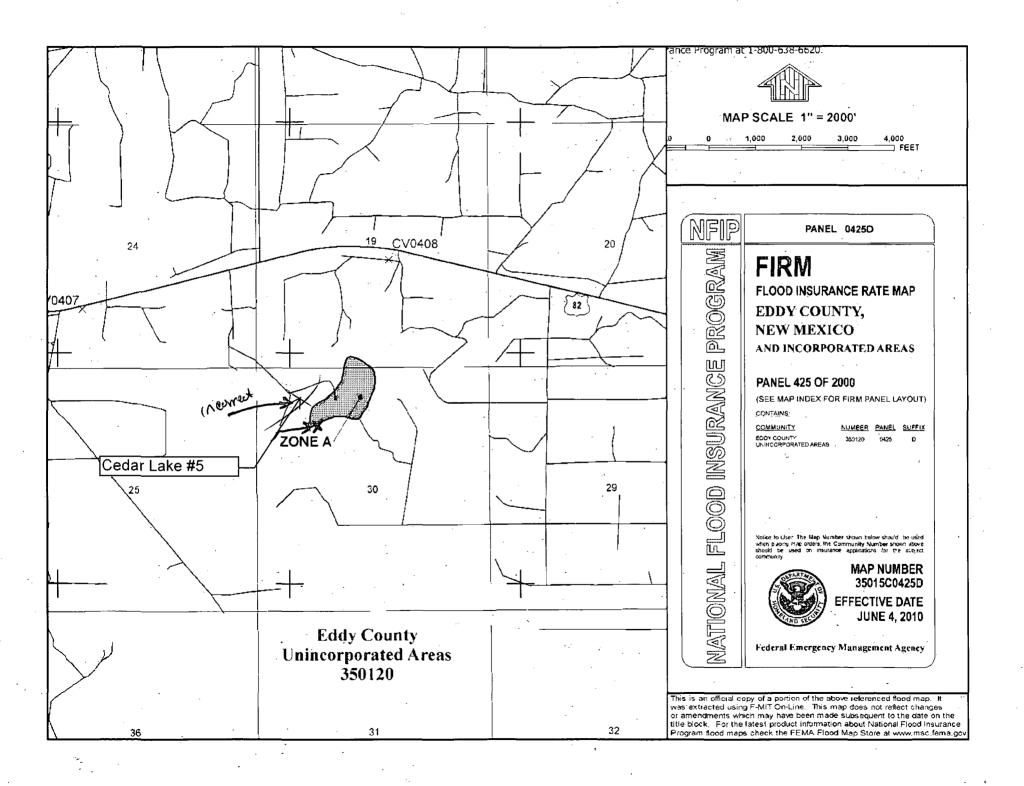
Type of action: Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop 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: Alamo Permian Resources. LLC OGRID #: 274841
dress: 415 W. Wall Street. Suite 500. Midland. Texas 79701
y or well name: Cedar Lake #5
ber: <u>30-015-41021</u> OCD Permit Number:
Section 30 Township T17S Range R31E County: Eddy
Cente. 2d Design: Latitude 32 48 29.433 Longitude103 54 50.918 NAD: ☐1927 ☑ 1983
Surface C Surface State Private Tribal Trust or Indian Allotment
2
☑ <u>Pit</u> : Subsect.
Temporary: 🛛 Drilli. 🖊 🙀 kover
Permanent - Emerge vitation - P&A
☑ Lined ☐ Unlined Line. Ckness 20 mil ☑ LLDPE ☐ HDPE ☐ PVC ☐ Other
⊠ String-Reinforced
Liner Seams: Welded ☐ Factory Volume: 26.825 bbl Dimensions: L_108 ft x W_245 ft_x D_6ft drilling, D 12 ft fluids
3
Closed-loop System: Subsection H of NMAC
Type of Operation: P&A Drilling a new Yorkover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ h → is ☐ Other
Lined Unlined Liner type: Thickness ULLDPE HDPE PVC Other
Liner Seams:
Below-grade tank: Subsection I of 19.15.17.11 NMAC
Volume:bbl Type of fluid:
Volume:bbl Type of fluid: Tank Construction material:
Secondary containment with leak detection Visible sidewalls, liner, 6-inc. And automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other
Liner type: Thicknessmil
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.

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) Solution 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 19.15.16.8 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 consideration of approval.	office for
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 acceptant material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the approoffice or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to dry above-grade tanks associated with a closed-loop system:	priate district pproval.
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 SEE FIGURE 1	☐ 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 SEE FIGURE 3	☐ 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. SEE FIGURE 4	☐ Yes ⊠ No ☐ NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) Visual inspection (certification) of the proposed site: Aerial photo: Satellite image.	☐ Yes ☐ No 図 NA
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock	☐ Yes ⊠ No
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. - SEE FIGURE 2	
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. SEE FIGURE 5 - 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 - SEE FIGURE 6	☐ Yes ⊠ No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division. SEE FIGURE 7	☐ Yes ⊠ No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map. SEE FIGURE 8	☐ Yes ⊠ No
Within a 100-year floodplain FEMA map. SEE FIGURE 9	☐ 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 (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:
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:
above ground steel tanks or haul-off bins and propose to implement waste removal for closure)
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Nuisance or Hazardous Odors, including H ₂ S, Prevention Plan Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Proposed Closure: 19.15.17.13 NMAC 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)
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 I of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC

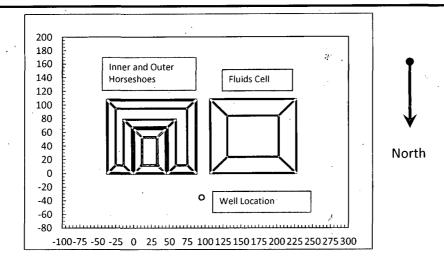
16. Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Ste		
Instructions: Please indentify the facility or facilities for the disposal of liquids, drill facilities are required.	ling fluids and drill cuttings. Use attachment if more the	an two
	Disposal Facility Name: Disposal Facility Permit Number:	
Disposal Facility Name: Dis	sposal Facility Permit Númber:	
Will any of the proposed closed-loop system operations and associated activities occur ☐ Yes (If yes, please provide the information below) ☐ No	on or in areas that will not be used for future service and	operations?
Required for impacted areas which will not be used for future service and operations: Soil Backfill and Cover Design Specifications based upon the appropriate rec Re-vegetation Plan - based upon the appropriate requirements of Subsection 1 of Site Reclamation Plan - based upon the appropriate requirements of Subsection	f 19.15.17.13 NMAC	
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 provided below. Requests regarding changes to certain siting criteria may require acconsidered an exception which must be submitted to the Santa Fe Environmental Budemonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for	dministrative approval from the appropriate district officareau office for consideration of approval. Justification	ce or may be
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 of		es 🛭 No A
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 ob		es 🛭 No A
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 ob	otained from nearby wells	es No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signifilake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	cant watercourse or lakebed, sinkhole, or playa	es 🛛 No
Within 300 feet from a permanent residence, school, hospital, institution, or church in Visual inspection (certification) of the proposed site; Aerial photo; Satellite in		es 🛛 No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less th watering purposes, or within 1000 horizontal feet of any other fresh water well or spring - NM Office of the State Engineer - iWATERS database; Visual inspection (cer	an five households use for domestic or stock ng, in existence at the time of initial application.	es 🛛 No
Within incorporated municipal boundaries or within a defined municipal fresh water wadopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval of		es 🛛 No
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visual in	nspection (certification) of the proposed site	es 🛛 No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining an		es 🛛 No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Society; Topographic map	: Mineral Resources; USGS; NM Geological	es 🛛 No
Within a 100-year floodplain FEMA map	. · · ·	es 🛛 No
Is. On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the feby a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of Su Proof of Surface Owner Notice - based upon the appropriate requirements of Su Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of I9.15.17 Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) Protocols and Procedures - based upon the appropriate requirements of I9.15.17 Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Sul Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill Soil Cover Design - based upon the appropriate requirements of Subsection I o Re-vegetation Plan - based upon the appropriate requirements of Subsection I o Site Reclamation Plan - based upon the appropriate requirements of Subsection I o	ements of 19.15.17.10 NMAC absection F of 19.15.17.13 NMAC apriate requirements of 19.15.17.11 NMAC based upon the appropriate requirements of 19.15.17.17 7.13 NMAC ements of Subsection F of 19.15.17.13 NMAC bsection F of 19.15.17.13 NMAC cuttings or in case on-site closure standards cannot be acoust 19.15.17.13 NMAC f 19.15.17.13 NMAC f 19.15.17.13 NMAC	I NMAC

19,
Operator Application Certification: Thereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.
Name (Print): Carle Stoker Title: Regulatory
Signature:
e-mail address: cstoker@hetmsoil.com and r@rthicksconsulr.com Telephone; 432-682-1422 (Hicks; 505/266-5004)
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)
OCD Representative Signature: Approval Date:
Title: 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.
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 drift-cartings were disposed. Use attachment if more than two facilities were utilized.
Disposal Facility Names
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.
*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)
Confirmation 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
Operator Closure Certification:
Uperator Cassure cerrification. 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 (Prim): Title:
Signature: Date:
e-mail address: Telephone:



Site Specific Information **Plates**

Albuquerque, NM 87104



Width refers to East-West dimensions. Length refers to North-South dimensions.

	Total Width of Inner and Outer Horseshoe Cells A - A'	124.0	
Overall Horseshoe Cell Dimensions	Total Length of Inner and Outer Horseshoe Cells including divider B - B'	107.0	[feet]
	Rise over Run for all slopes	2.0	. [-]
	Width of Inner Horseshoe Pit C - C'	45.0	
Inner Horseshoe Cell	Length of Inner Horseshoe Pit D - D'	65.0	[feet]
	Depth of Inner Horseshoe Pit	6.0	
Dimensions			
	Inner Horseshoe Pit Floor North to South E - E'	41.0	[feet]
<u> </u>	Inner Horseshoe Pit Floor Width F - F'	21.0	[,,
Divider Dimensions	Width of Divider between Inner and Outer Horseshoe Pits	2.0	[feet]
	Width of Outer Horseshoe Pit J - J'	40.0	[641
	Depth of Outer Horseshoe Pit (West Side)	6.0	[feet]
	Width of Outer Horseshoe Pit K - K'	35.0	
	Depth of Outer Horseshoe Pit (East Side)	6.0	[feet]
Outer Horseshoe Cell	Length of Outer Horseshoe Pit M - M'	40.0	
Dimensions	Width of Outer Horseshoe Pit (North Side)	124.0	[feet]
	Depth of Outer Horseshoe Pit (North Side)	6.0	
	Width of Outer Horseshoe west side Pit Floor N - N'	11.0	
	Width of Outer Horseshoe east side Pit Floor O - O'	16.0	[feet]
	Outer Horseshoe north side Pit Floor P - P'	16.0	
	Fluid Cell Width Q - Q'	120.0	
	Fluid Cell Length (North to South Dimension)	108.0	
Fluid Cell Dimensions	Fluid Cell Depth	12.0	[feet]
	Fluid Cell Width on Floor R - R'	72.0	_
	Fluid Cell Length on Floor S - S' Divider Width between Drilling Cells and Fluid Cell T - T'	60.0	
	Divider vidin between prining cens and ridid cen 1 - 1	20.0	

R.T. Hicks Consultants 901 Rio Grande Blvd, NW	Drilling Pit Dimensions Cedar Lake 005	Plate 1A
Suite F-142 Albuquerque, N. M. 87104	Alamo Permian Resources LLC.	February 2013

