

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

RECEIVED

JUL 29 2010

HOBBSCOKE

State of New Mexico
Energy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
July 21, 2008

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: <u>SABER OIL & GAS VENTURES LLC.</u>		OGRID #: <u>243978</u>
Address: <u>400 West Illinois Suite #950 Midland, TX 79701</u>		
Facility or well name: <u>Saber Oil & Gas Ventures LLC Roberts Well #001</u>		
API Number: <u>30-041-20416</u>	OCD Permit Number: <u>P1-02272</u>	
U/L or Qtr/Qtr <u>NW/NW UL/D</u>	Section <u>9</u>	Township <u>7S</u> Range <u>33E</u> County: <u>ROOSEVELT</u>
Center of Proposed Design: Latitude <u>N33.727700</u> Longitude <u>W103.577010</u>		NAD: <input checked="" type="checkbox"/> 1927 <input type="checkbox"/> 1983
Surface Owner: <input type="checkbox"/> Federal <input type="checkbox"/> State <input checked="" type="checkbox"/> Private <input type="checkbox"/> Tribal Trust or Indian Allotment		
2. <input checked="" type="checkbox"/> Pit: Subsection F or G of 19.15.17.11 NMAC		
Temporary: <input type="checkbox"/> Drilling <input checked="" type="checkbox"/> Workover		
<input type="checkbox"/> Permanent <input type="checkbox"/> Emergency <input type="checkbox"/> Cavitation <input type="checkbox"/> P&A		
<input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined Liner type: Thickness _____ mil <input type="checkbox"/> LLDPE <input type="checkbox"/> HDPE <input type="checkbox"/> PVC <input type="checkbox"/> Other _____		
<input type="checkbox"/> String-Reinforced		
Liner Seams: <input type="checkbox"/> Welded <input type="checkbox"/> Factory <input type="checkbox"/> Other _____ Volume: <u>never used</u> bbl Dimensions: L <u>36'</u> x W <u>12'</u> x D <u>3'</u>		
3. <input type="checkbox"/> Closed-loop System: Subsection H of 19.15.17.11 NMAC		
Type of Operation: <input type="checkbox"/> P&A <input type="checkbox"/> Drilling a new well <input type="checkbox"/> Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)		
<input type="checkbox"/> Drying Pad <input type="checkbox"/> Above Ground Steel Tanks <input type="checkbox"/> Haul-off Bins <input type="checkbox"/> Other _____		
<input type="checkbox"/> Lined <input type="checkbox"/> Unlined Liner type: Thickness _____ mil <input type="checkbox"/> LLDPE <input type="checkbox"/> HDPE <input type="checkbox"/> PVC <input type="checkbox"/> Other _____		
Liner Seams: <input type="checkbox"/> Welded <input type="checkbox"/> Factory <input type="checkbox"/> Other _____		
4. <input type="checkbox"/> Below-grade tank: Subsection I of 19.15.17.11 NMAC		
Volume: _____ bbl Type of fluid: _____		
Tank Construction material: _____		
<input type="checkbox"/> Secondary containment with leak detection <input type="checkbox"/> Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off		
<input type="checkbox"/> Visible sidewalls and liner <input type="checkbox"/> Visible sidewalls only <input type="checkbox"/> Other _____		
Liner type: Thickness _____ mil <input type="checkbox"/> HDPE <input type="checkbox"/> PVC <input type="checkbox"/> Other _____		
5. <input type="checkbox"/> 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.	<p>Fencing: Subsection D of 19.15.17.11 NMAC (<i>Applies to permanent pits, temporary pits, and below-grade tanks</i>)</p> <p><input type="checkbox"/> Chain link, six feet in height, two strands of barbed wire at top (<i>Required if located within 1000 feet of a permanent residence, school, hospital, institution or church</i>)</p> <p><input type="checkbox"/> Four foot height, four strands of barbed wire evenly spaced between one and four feet</p> <p><input type="checkbox"/> Alternate. Please specify _____</p>																				
7.	<p>Netting: Subsection E of 19.15.17.11 NMAC (<i>Applies to permanent pits and permanent open top tanks</i>)</p> <p><input type="checkbox"/> Screen <input type="checkbox"/> Netting <input type="checkbox"/> Other _____</p> <p><input type="checkbox"/> Monthly inspections (If netting or screening is not physically feasible)</p>																				
8.	<p>Signs: Subsection C of 19.15.17.11 NMAC</p> <p><input type="checkbox"/> 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers</p> <p><input type="checkbox"/> Signed in compliance with 19.15.3.103 NMAC</p>																				
9.	<p>Administrative Approvals and Exceptions:</p> <p>Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.</p> <p><i>Please check a box if one or more of the following is requested, if not leave blank:</i></p> <p><input type="checkbox"/> Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval.</p> <p><input type="checkbox"/> Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.</p>																				
10.	<p>Siting Criteria (regarding permitting): 19.15.17.10 NMAC</p> <p><i>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.</i></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; vertical-align: top;"> <p>Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.</p> <p style="margin-left: 20px;">- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells</p> </td> <td style="width: 20%; text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>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).</p> <p style="margin-left: 20px;">- Topographic map; Visual inspection (certification) of the proposed site</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to temporary, emergency, or cavitation pits and below-grade tanks</i>)</p> <p style="margin-left: 20px;">- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to permanent pits</i>)</p> <p style="margin-left: 20px;">- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA </td> </tr> <tr> <td style="vertical-align: top;"> <p>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.</p> <p style="margin-left: 20px;">- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>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.</p> <p style="margin-left: 20px;">- Written confirmation or verification from the municipality; Written approval obtained from the municipality</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within 500 feet of a wetland.</p> <p style="margin-left: 20px;">- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within the area overlying a subsurface mine.</p> <p style="margin-left: 20px;">- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within an unstable area.</p> <p style="margin-left: 20px;">- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society, Topographic map</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within a 100-year floodplain</p> <p style="margin-left: 20px;">- FEMA map</p> </td> <td style="text-align: right; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> </table>	<p>Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.</p> <p style="margin-left: 20px;">- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>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).</p> <p style="margin-left: 20px;">- Topographic map; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. 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(<i>Applies to permanent pits</i>)</p> <p style="margin-left: 20px;">- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA	<p>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.</p> <p style="margin-left: 20px;">- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>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.</p> <p style="margin-left: 20px;">- Written confirmation or verification from the municipality; Written approval obtained from the municipality</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Within 500 feet of a wetland.</p> <p style="margin-left: 20px;">- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Within the area overlying a subsurface mine.</p> <p style="margin-left: 20px;">- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Within an unstable area.</p> <p style="margin-left: 20px;">- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society, Topographic map</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Within a 100-year floodplain</p> <p style="margin-left: 20px;">- FEMA map</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
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<p>Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to permanent pits</i>)</p> <p style="margin-left: 20px;">- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA																				
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<p>Within an unstable area.</p> <p style="margin-left: 20px;">- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society, Topographic map</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No																				
<p>Within a 100-year floodplain</p> <p style="margin-left: 20px;">- FEMA map</p>	<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 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

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

16.
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 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): R Douglas Keathley Title: VP - Engineering
 Signature: [Signature] Date: 7/29/2010
 e-mail address: douglas@keathley.com Telephone: 432-685-0169

20. **OCD Approval:** ☐ Permit Application (including closure plan) ☒ Closure Plan (only) ☐ OCD Conditions (see attachment)
 OCD Representative Signature: [Signature] Approval Date: 07/30/10
 Title: Environmental Engineer OCD Permit Number: PI-02272

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: _____

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 identify 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 _____ Longitude _____ NAD: ☐ 1927 ☐ 1983

25. **Operator Closure Certification:**
 I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): _____ Title: _____
 Signature: _____ Date: _____
 e-mail address: _____ Telephone: _____



NEW MEXICO ENERGY, MINERALS and
NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

09-Apr-10

SAGEBRUSH OIL & GAS COMPANY, LLC

400 W ILLINOIS, SUITE 950

MIDLAND TX 79701-

LETTER OF VIOLATION - Inactive Well(s)

Dear Operator:

A review of our records and recent inspection(s) indicate that the subject well(s) has been shut-in for an extended period of time. Rule 201 of the Rules and Regulation of the Oil Conservation Division provides that a well may be shut-in no longer than sixty days after suspension of drilling operations, upon determining that the well is no longer usable (e.g., a dry hole), or one year after last production. To comply with guidelines as established in the Rules and Regulations, corrective actions must be taken immediately and the well(s) brought into compliance.

The detail section below indicates preliminary findings and/or probable nature of the violation.

The following options are available:

1. Immediately restore the well(s) to production, injection or disposal as applicable
2. Request 'Temporary Abandoned' status pursuant to Rule 203, which requires that you set a plug and conduct a mechanical integrity test.
3. Submit a proposal to 'Plug and Abandon' the well(s) pursuant to Rule 202, proceed with plugging procedures on a timely basis after the proposal has been evaluated, amended and/or approved.

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

IDLE WELL INSPECTION DETAIL SECTION

ROBERTS 001	D-9-7S-33E	30-041-20416-00-00	Inspection No. iMGB1009840706
Inspection Date:	4/8/2010 11:18:26 AM	Corrective Action Due by:	7/12/2010
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Routine/Periodic	Maxey Brown	Yes	No
Comments on Inspection:	Idle Well (Rule 19.15.25.8). NO PROD REPORTED IN 79 MONTHS. NEED TO RETURN TO PROD, T/A OR P/A WELL. ALSO NEED CURRENT OPERATOR ON WELL SIGN. (RULE 19.15.16.8). ALSO NEED TO SUBMIT C-144 (19.15.17.13) FOR APPROVAL TO CLOSE OPEN WORKOVER PIT. THIS IS 1ST LETTER OF NON-COMPLIANCE.		

SABER OIL & GAS VENTURES, LLC

ROBERTS WELL #1

UNIT D, SEC. 9-T7S-R33E

ROOSEVELT COUNTY, NM

API #30-041-20416

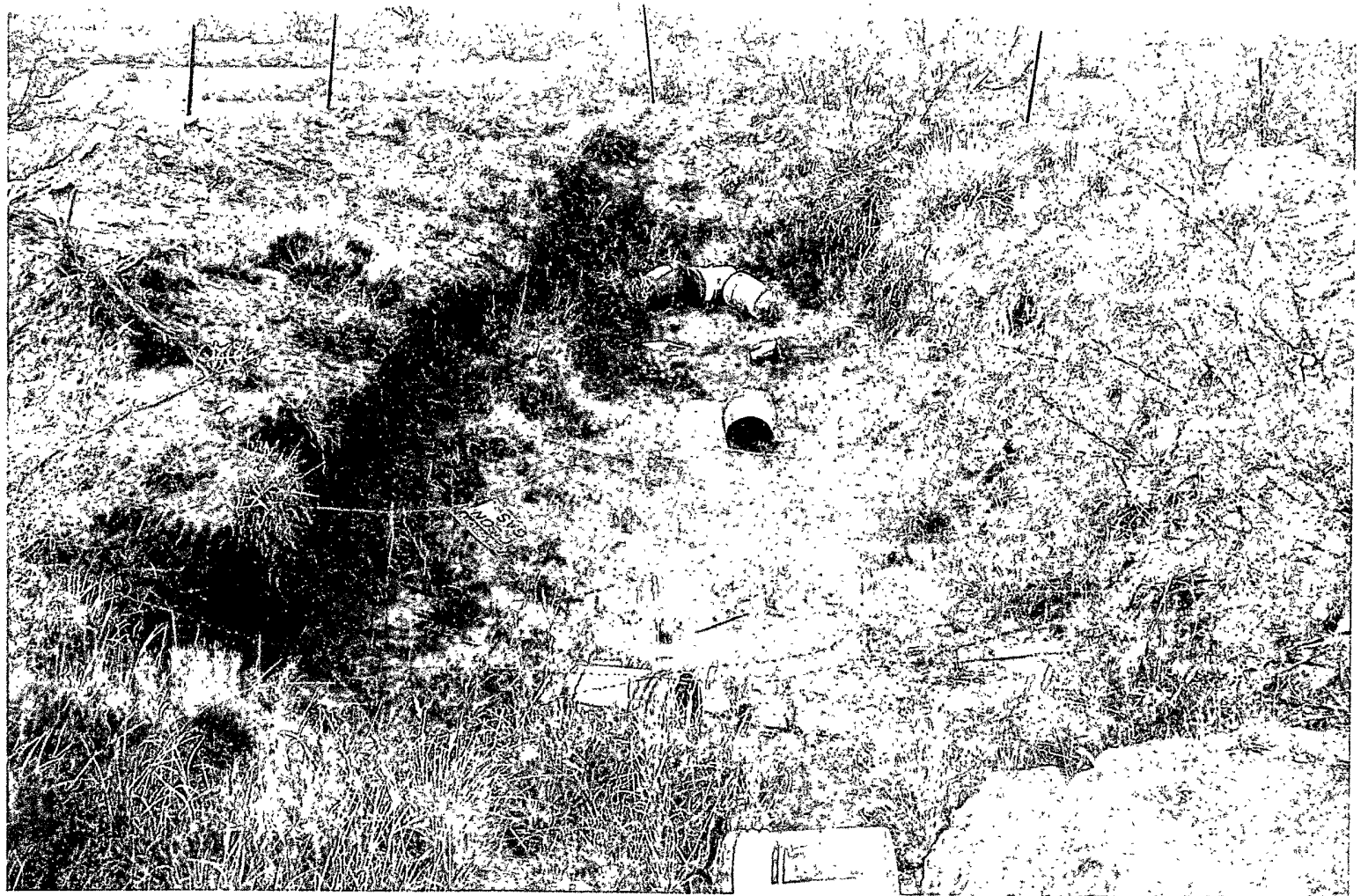
SABER OIL & GAS VENTURES, LLC

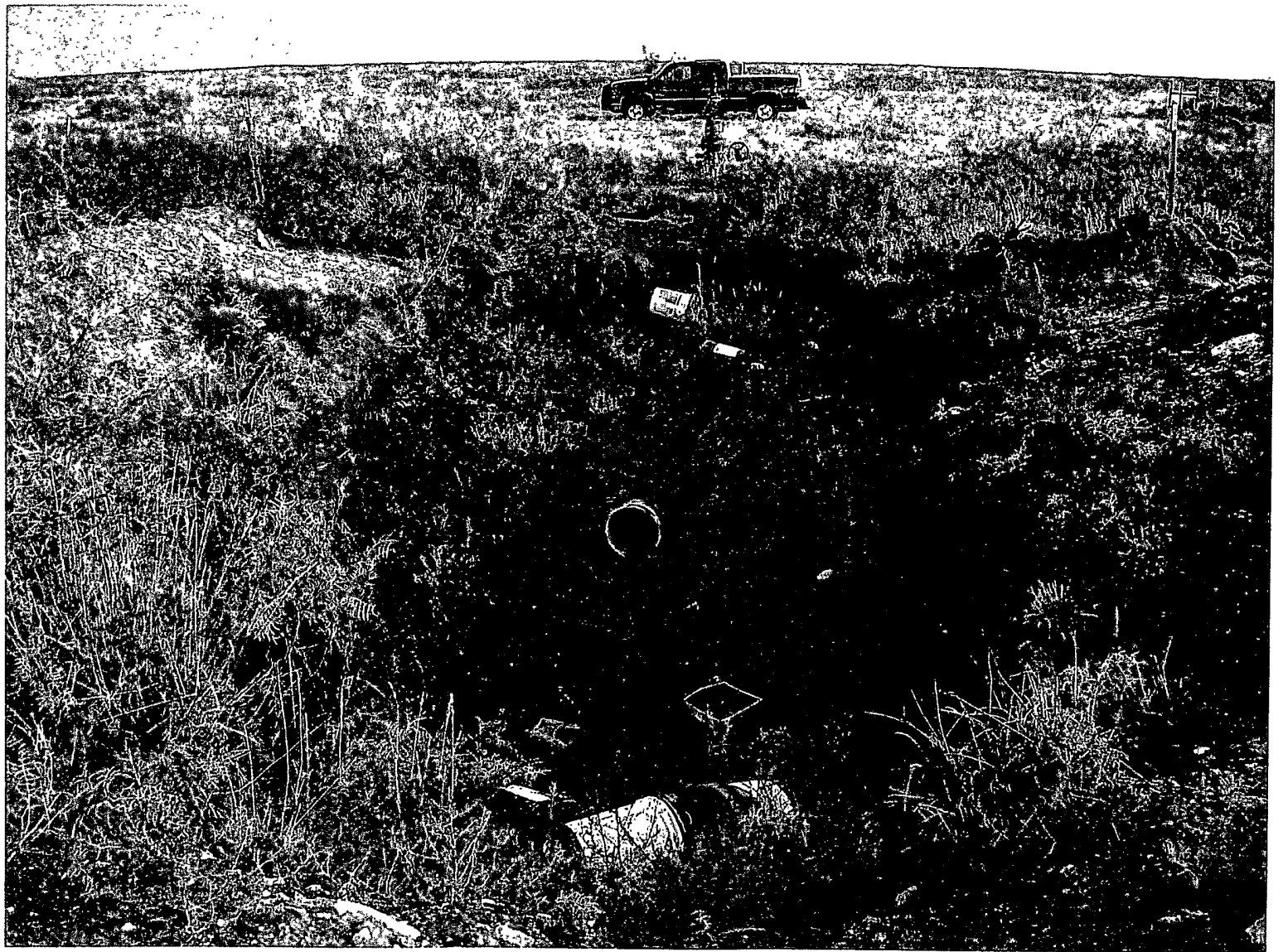
ROBERTS WELL #1 BATTERY

UNIT D, SEC. 9-T7S-R33E

ROOSEVELT COUNTY, NM

API #30-041-20416



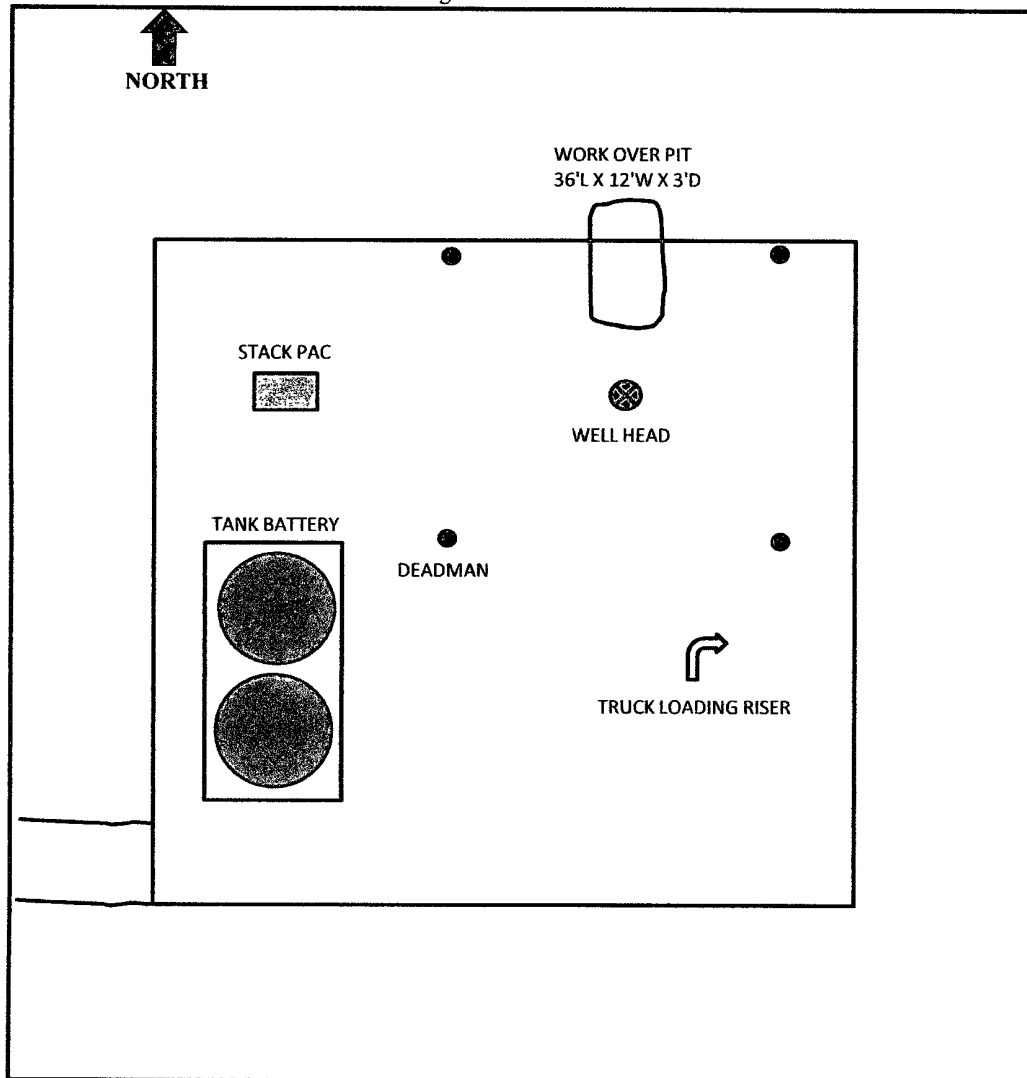




SABER OIL & GAS
ROBERTS WELL #1
UL/D SEC 9 - T7S - R33E
API # 30-014-20416

GPS LAT & LON NAD27 (DECIMAL) N33.727700 / W103.577010

DRIVING DIRECTIONS: N. of Tatum, NM in Milnesand @ intersection of Hwy 207 & Jct 258, turn L. go 4.8mi, turn R. go 0.9mi, curve L. go 2.99mi, turn R go 3.99mi, curve L. go 1.78mi, curve R go 1.98mi, turn L go 500' to location.

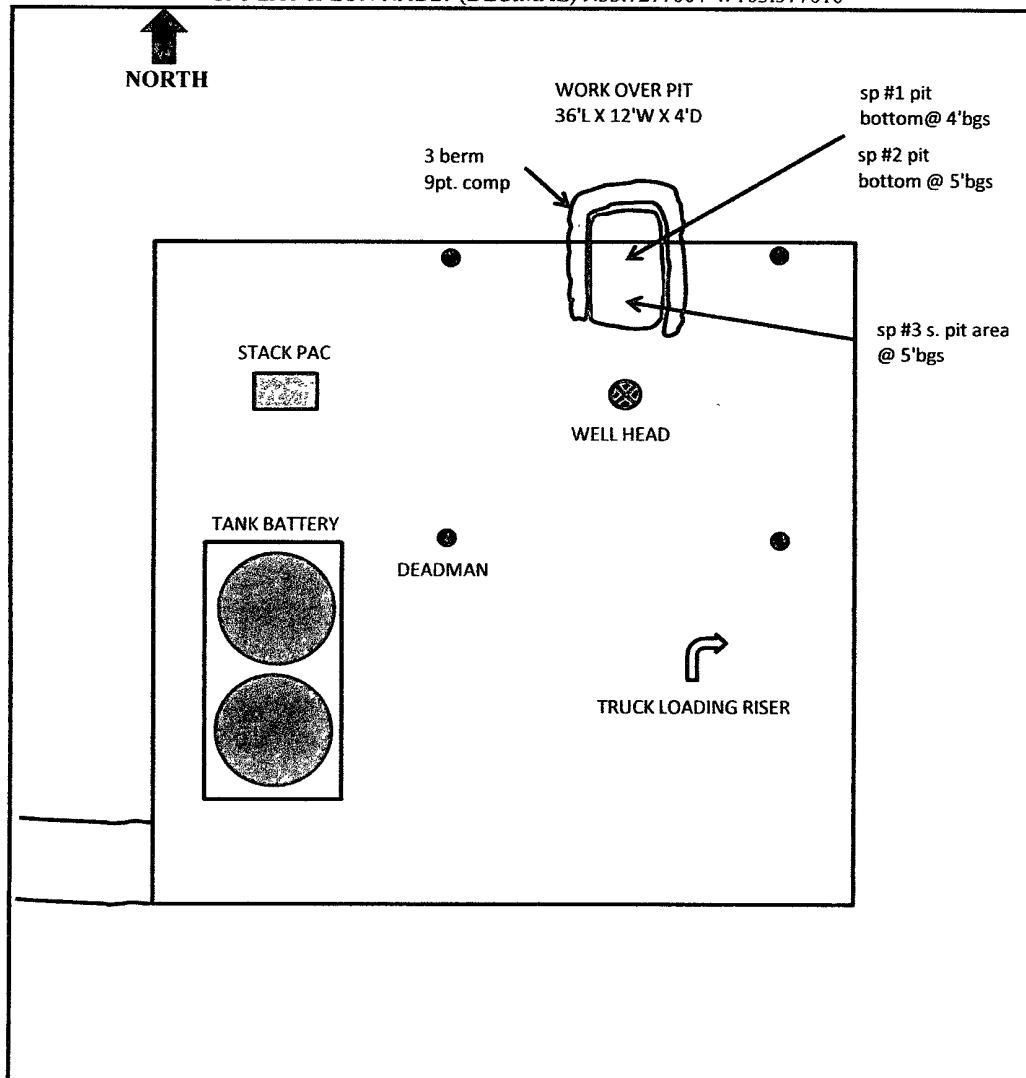


Page 1 Saber Oil Gas Roberts Well #1 Site Plat Map



SABER OIL & GAS
ROBERTS WELL #1
UL/D SEC 9 - T7S - R33E
API # 30-014-20416

GPS LAT & LON NAD27 (DECIMAL) N33.727700 / W103.577010





CL- FIELD TITRATION RESULTS

LOCATION: SABER OIL & GAS ROBERTS WELL #1								
DEPTH TO GW:							DATE: 6-25-10	
Sample pt.	DEPTH	SOIL	WATER	CF	AGNO ₃	CL-	PID	SOIL CLASSIFICATION
SP #1 pit center	4'bgs	13.5	30.9	2.29	0.02	46	1.30	10R-5/3 weak red sandy sand dry
SP #2 pit center	5'bgs	10.8	31.5	2.92	0.02	58	1.4	10R-5/3 weak red sandy sand with caliche rocky dry
SP # 3 S. pit area	5'bgs	10.8	28.8	2.67	0.02	53	1.4	10R-5/3 weak red sandy sand dry
SP # 3 3berm 9pt. Comp.	n/a	14.7	26	1.77	0.4	707	0.9	10R-5/3 weak red sandy sand clayey with rocky caliche dry

Samples field titrated by Roy R. Rascon 6-25-10 Samples sent to Lab (Cardinal Labs) 6-28-10 analysis
ran on samples TPH 8015M, & CL-



**CARDINAL
LABORATORIES**

PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

July 2, 2010

Roy R. Rascon
Whole Earth Environmental, Inc.
2103 Arbor Cove
Katy, TX 77494

Re: Roberts Well #1

Enclosed are the results of analyses for sample number H20229, received by the laboratory on 06/28/10 at 9:10 am.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.2	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely,

Celey D. Keene
Laboratory Director

This report conforms with NELAP requirements.

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p><input checked="" type="checkbox"/> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p><input checked="" type="checkbox"/> Print your name and address on the reverse so that we can return the card to you.</p> <p><input checked="" type="checkbox"/> Attach this card to the back of the mailpiece, or on the front if space permits.</p>		<p>A. Signature <input checked="" type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee <i>X Shannon Kizer</i></p>	
<p>1. Article Addressed to:</p> <p>Mrs. Shannon Kizer P.O. Box 56 Pep, NM 88124</p>		<p>B. Received by (Printed Name) <i>Shannon Kizer</i></p>	
		<p>C. Date of Delivery <i>7-26-10</i></p>	
		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
		<p>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.</p>	
<p>2. Article Number (Transfer from serv)</p>		<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	
<p>7007 2560 0003 3754 8544</p>			

UNITED STATES POSTAL SERVICE



First-Class Mail
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Permit No. G-10

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SAGEBRUSH OIL & GAS CO.
C/O SABER RESOURCES LLC
~~ATTN: C GAVE~~ **PAULA**
400 W. ILLINOIS. STE. 950
MIDLAND. TX 79701

