<u>District I</u> 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 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

Form C-144 Revised June 6, 2013

For temporary pits, below-grade tanks, and multi-well fluid management pits, submit to the appropriate NMOCD District Office.

For permanent pits submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

14471 Pit, Below-Grade Tank, or	RECEIVED By kcollins at 9:06 am, Dec 17, 2015
Proposed Alternative Method Permit or Closure Plan Application	<u>1</u>
Type of action: Below grade tank registration Permit of a pit or proposed alternative method Closure of a pit, below-grade tank, or proposed alternative method Modification to an existing permit/or registration Closure plan only submitted for an existing permitted or non-permitted pit, be or proposed alternative method	elow-grade tank,
Instructions: Please submit one application (Form C-144) per individual pit, below-grade tank or alternative	ve request
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface wat environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's ru	
Operator: ConocoPhillips Company OGRID # 217817 Address: P.O. Box 4289, Farmington, New Mexico 87499 Facility or well name: San Juan 28-7 Unit 224M / San Juan 28-7 Unit 283 API Number: 30-039-25697 / 30-039-26543 OCD Permit Number:	
U/L or Qtr/Qtr I Section 28 Township 28N Range 7W County: Rio Arriba	
Center of Proposed Design: Latitude36.629214_°N Longitude107.572315 °W NAD: 1927 □ 1983 ☒ Surface Owner: ☒ Federal □ State □ Private □ Tribal Trust or Indian Allotment	
2. Pit: Subsection F, G or J of 19.15.17.11 NMAC Temporary: Drilling Workover Workover No Description Processor Processor	nit.
Permanent Emergency Cavitation P&A Multi-Well Fluid Management Low Chloride Brining Fit	1.59
☐ Lined ☐ Unlined Liner type: Thickness mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other String-Reinforced	
Liner Seams: Welded Factory Other Volume: bbl Dimensions: L_	_x Wx D
3.	
Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: Max 120 bbl Type of fluid: Produced Water Tank Construction material: Metal 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: Thickness45mil	
4. Alternative Method:	
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for co	onsideration 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 institution or church) Four foot height, four strands of barbed wire evenly spaced between one and four feet	e, school, hospital,
Alternate. Please specify 4' hog wire fence with a single strand of barbed wire on top	

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)				
7. 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				
Variances 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: □ Variance(s): Requests must be submitted to the appropriate division district for consideration of approval. □ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.				
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 accematerial are provided below. Siting criteria does not apply to drying pads or above-grade tanks.	ptable source			
General siting				
Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank. - □ NM Office of the State Engineer - iWATERS database search; □ USGS; □ Data obtained from nearby wells	☐ Yes ☑ No ☐ NA			
Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit. NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes 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. (Does not apply to below grade tanks) - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No			
Within the area overlying a subsurface mine. (Does not apply to below grade tanks) - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☐ No			
 Within an unstable area. (Does not apply to below grade tanks) Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map 	☐ Yes ☐ No			
Within a 100-year floodplain. (Does not apply to below grade tanks) - FEMA map	Yes No			
Below Grade Tanks				
Within 100 feet of a continuously flowing watercourse, significant watercourse, lake bed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☒ No			
Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption;. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site				
Temporary Pit using Low Chloride Drilling Fluid (maximum chloride content 15,000 mg/liter)				
Within 100 feet of a continuously flowing watercourse, or any other significant watercourse or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.) - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No			
Within 300 feet from a occupied 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				
Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 300feet of any other fresh water well or spring, in existence at the time of the initial application. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☐ No			

Within 100 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Temporary Pit Non-low chloride drilling fluid	
Within 300 feet of a continuously flowing watercourse, or any other significant watercourse, or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ 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	☐ Yes ☐ No
Within 500 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 1000 feet of any other fresh water well or spring, in the existence at the time of the initial application; - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 300 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Permanent Pit or Multi-Well Fluid Management Pit	
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	☐ Yes ☐ No
Within 1000 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 spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ 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
Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 N Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the document 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 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 Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19. and 19.15.17.13 NMAC Previously Approved Design (attach copy of design) API Number: or Permit Number: or Permit Number:	NMAC 15.17.9 NMAC
11.	
Multi-Well Fluid Management Pit 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 doc attached. Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC A List of wells with approved application for permit to drill associated with the pit. Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19 and 19.15.17.13 NMAC Hydrogeologic Data - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC	.15.17.9 NMAC
Previously Approved Design (attach copy of design) API Number: or Permit Number:	- 10 10 10 10 10 10 10 10 10 10 10 10 10

12. 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
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	
13. 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 Multi-well F 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	luid Management Pit
14. Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be	attacked 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 C 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 H of 19.15.17.13 NMAC	
15.	
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 sour provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. In 19.15.17.10 NMAC for guidance.	
Ground water is less than 25 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 25-50 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
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 100 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, lakebed, sinkhole, or playa ake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	Yes 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	☐ Yes ☐ No
Within 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Written confirmation or verification from the municipality; Written approval obtained from the municipality	Yes No
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; 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	Yes No

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 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						
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 E of 19.15.17.13 NMAC Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Subsection K 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 19.15.17.13 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 19.15.17.13 NMAC Site Material Sampling Plan - based upon the appropriate requirements of 19.15.17.13 NMAC 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 H of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection H 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): Kelly G. Roberts Signature: Date: 12/1/15 e-mail address: Kelly.Roberts@conocophillip.com Telephone: 505-326-9775						
18. OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment) OCD Representative Signature: NOT APPROVED Approval Date: Title:						
19.						
Closure Report (required within 60 days of closure completion): 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:						
20. Closure Method:	on systems only)					
Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-loc ☐ If different from approved plan, please explain.	op systems omy)					

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:			

San Juan 28-7 Unit 224M / San Juan 28-7 Unit 283 (BELOW GRADE TANK)

ConocoPhillips Company requests a variance for the items listed below. The requested variance, per 19.15.17.15.A, provides equal or better protection of fresh water, public health & the environment.

1. Fencing

Fencing as described in Section 5 under Alternate, COPC will construct all new fences around the
below grade tank utilizing 48" steel mesh field-fence (hog-wire) on the bottom with a single strand of
barbed wire on top. T-posts shall be installed every 12 feet and corners shall be anchored utilizing a
secondary T-post. Below grade tanks will be fenced at all times, regardless of location.

2. Geo-membrane Liner

- The geo-membrane liner consists of a 45-mil flexible LLDPE material manufactured by Raven Industries as J45BB. This product is a four layer reinforced laminated containing no adhesives. The outer layers consist of a high strength polyethylene film manufactured using virgin grade resins and stabilizers for UV resistance in exposed applications. The J45BB is reinforced with 1300 denier (minimum) tri-directional scrim reinforcement. It exceeds ASTMD3083 standard by 10%. J45BB has a warranty for 20 years from Raven Industries and is attached. It is typically used in Brine Pond, Oilfield Pit liner and other industrial applications. The manufacture specific sheet is attached and the design attached displays the proper installation of the liner.
- 3. COPC will notify Public Entity Surface Owners by email in lieu of certified mail. Private Entity Surface Owners will still be notified via certified mail.

TIERRA CORROSION CONTROL, INC. DRILLING LOG

COMPANY: ConocoPhillips LOCATION: San Juan 28-7 1

STATE: NM BIT SIZE: 7 7/8"

LBS COKE BACKFILL: 2,600# ANODE TYPE: 2" X 60" Duriron DATE: March 29, 2008 LEGALS: S33 T28N R7W

DRILLER: Eugene Silago CASING SIZE/TYPE: 8" X 20' PVC

VENT PIPE: 300' ANODE AMOUNT: 10 COUNTY: Rio Arriba

DEPTH: 300'

COKE TYPE: Asbury PERF PIPE: 180' – 300' BOULDER DRILLING: None

DEPTH	DRILLER'S LOG	AMPS	DEPTH	DRILLER'S LOG	AMF
20		-	310		+
25	Sand		315		
30	25334352	1.3	320		
35	Shale	2.6	325		
40		2.6	330		
45		4.0	335		
50		3.7	340		
55		3.3	345		
60		3.9	350		
65		3.0	355	=	
70		2.2	360		
75		1.8	365		
80		2.3	370		
85		2.9	375		
90	88	2.7	380		
95		2.6	385		
100		2.9	390		
105	▼	2.3	395		
110	Sand Stone	1.5	400		
115		1.2	405		
120		1.9	410		
125		1.2	415		
130		1.1	420		
135		1.2	425		
140		1.1	430		
145		1.2	435		
150		1.3	440		
155		1.4	445		_
160		1.5	450		
165		1.1	455		_
170		1.2	460		_
175		1.3	465		_
180		1.3	470 475	1	
185	Chala	1.1	480		
190 195	Shale	2.7	485		
200		3.1	490		+
205		2.8	495		_
210		2.7	500		_
215		2.8	300		
220		3.0			
225	Hard Sandy Shale	2.9			_
230	riara carray criaic	1.6			
235		1.4			
240		1.5			
245		1.5			
250		1.9			
255		1.6			
260		1.8			
265		1.7			
270		1.3			
275		1.5			
280		1.7			
285		1.6			
290		1.3			
295		1.2			
300	*	1.1			
305					

	the second second		
ANODE #	DEPTH	NO COKE	COKE
1	290	1.3	3.0
2	280	1.7	3.0
3	270	1.3	3.0
4	260	1.8	2.9
5	250	1.9	3.5
6	240	1.5	3.9
7	230	1.6	4.0
8	220	3.0	5.1
9	210	2.7	5.3
10	200	3.1	3.9
11			
12	0		
13			
14			
15			
16			
17			
18			
19			
20			-
21			
22			
23			
24			
25			
26			
27			
28			
29			
30	/		

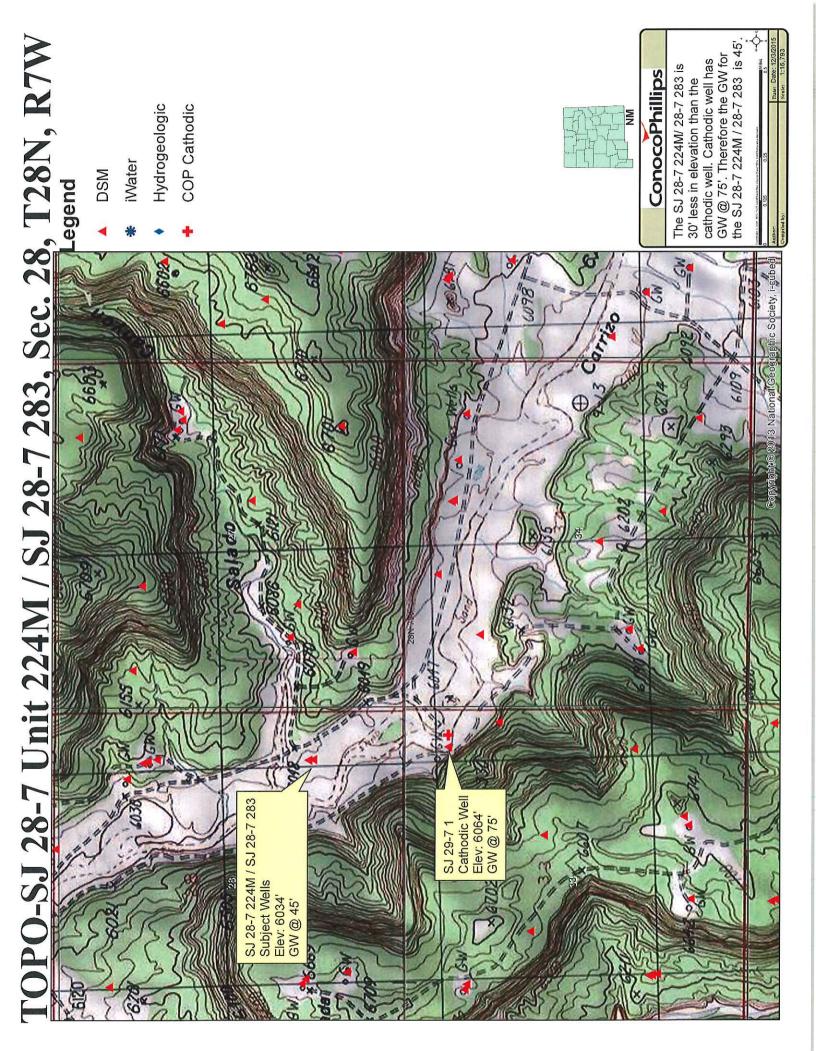
WATER DEPTH: 75' ISOLATION PLUGS: none LOGING VOLTS: 12.5

VOLT SOURCE: AUTO BATTERY

TOTAL AMPS: 10.0

TOTAL GB RESISTANCE: 1.25

REMARKS:



Aerial-SJ 28-7 Unit 224M / SJ 28-7 283, Sec. 28, T28N, R7W

SJ 28-7 224M / SJ 28-7 283 Subject Wells Elev: 6034' GW @ 45' SJ 29-7 1 Cathodic Well Elev: 6064' GW @ 75'

DSM

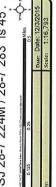
iWater

Hydrogeologic

COP Cathodic

ConocoPhillips

cathodic well. Cathodic well has GW @ 75'. Therefore the GW for the SJ 28-7 224M / 28-7 283 is 45' The SJ 28-7 224M/ 28-7 283 is 30' less in elevation than the



Below Grade Tank (BGT) Siting Criteria and Compliance Demonstrations

Well Name: San Juan 28-7 Unit 224M / San Juan 28-7 Unit 283

1. Depth to groundwater (should not be less than 25 feet):

The nearest recorded well with available water-depth information is the **San Juan 28-7 Unit 1** with groundwater @ 75' as indicated in the **Cathodic Data Sheet** attached. The subject well is 30' less in elevation making depth to groundwater at 45'.

2. <u>Distance to watercourse</u> (should not be within 100 feet of a continuously flowing watercourse, other significant watercourse, lakebed, sinkhole, wetland or playa lake [measured from the ordinary high-water mark]):

Aerial map attached indicates that there are **no** lakebeds, sinkholes, playa lakes, or watercourses within 100 feet of the proposed Below Grade Tank.

3. <u>Distance to springs or wells (should not be within 200 feet of a spring or a fresh water</u> well used for public or livestock consumption):

Aerial map attached indicates that the Below Grade Tank will **not** be within 200 feet of any recorded well or spring.

Hydrogeological report for San Juan 28-7 Unit 224M

Regional Hydrogeological context:

The San Jose Formation of Eocene age occurs in New Mexico and Colorado, and its outcrop forms the land surface over much of the eastern half of the central basin. It overlies the Nacimiento Formation in the area generally south of the Colorado-New Mexico State line and overlies the Animas Formation in the area generally north of the State line.

The San Jose Formation was deposited in various fluvial-type environments. In general, the unit consists of an interbedded sequence of sandstone, siltstone, and variegated shale. Thickness of the San Jose Formation generally increases from west to east (200 feet in the west and south to almost 2,700 feet in the center of the structural basin). Ground water is associated with alluvial and fluvial sandstone aquifers. Thus, the occurrence of ground water is mainly controlled by the distribution of sandstone in the formation. The distribution of such sandstone is the result of original depositional extent plus any post-depositional modifications, namely erosion and structural deformation. Transmissivity data for San Jose Formation are minimal. Values of 40 and 120 feet squared per day were determined from two aquifer tests (Stone et al, 1983, table 5). The reported or measured discharge from 46 water wells completed in San Jose Formation ranges from 0.15 to 61 gallons per minute and the median is 5 gallons per minute. Most of the wells provide water for livestock and domestic use.

The San Jose Formation is a very suitable unit for recharge from precipitation because soils that form on the unit are sandy and highly permeable and therefore readily adsorb precipitation. However, low annual precipitation, relatively high transpiration and evaporation rates, and deep dissection of the San Jose Formation by the San Juan River and its tributaries all tend to reduce the effective recharge to the unit.

Stone et al., 1983, Hydrogeology and Water Resources of the San Juan Basin, New Mexico: Socorro, New Mexico Bureau of Mines and Mineral Resources Hydrologic Report 6, 70 p.

ConocoPhillips Company San Juan Basin Below Grade Tank Maintenance and Operating Plan

In accordance with Rule 19.15.17 the following information describes the operation and maintenance of Below Grade Tank (BGT) on ConocoPhillips, LP (BR) locations. This is BR's standard procedure for all BGT. A separate plan will be submitted for any BGT which does not conform to this plan.

General Plan:

- COP will operate and maintain a BGT to contain liquids and solids and maintain
 the integrity of the liner, liner system and secondary containment system to
 prevent contamination of tresh water and protect public health and environment.
 COP will perform an inspection on a monthly basis, installing cathodic protection,
 and automatic overflow shutoff devices as seen on the design plan.
- 2. COP will not discharge into or store any hazardous waste in the BGT.
- 3. COP shall operate and install the below-grade tank to prevent the collection of surface water run-on. COP has built in shut off devices that do not allow a below-grade tank to overflow. COP constructs berms and corrugated retaining walls at least 6" above ground to keep from surface water run-on from entering the below grade tank as shown on the design plan.
- 4. As per 19.17.15.12 Subsection D, Paragraph 3, COP will inspect the below-grade tank for leakage and damage at least monthly. The operator will document the integrity of each tank at least annually and maintain a written record for five years. Inspections may include 1) containment berms adequate and no oil present, 2) tanks had no visible leaks or sign of corrosion, 3) tank valves, flanges, and hatches had no visible leaks and 4) no evidence of significant spillage of produced liquids. COP shall remove any visible or measurable layer of oil from the fluid surface of a below-grade tank in an effort to prevent significant accumulation of oil overtime.
- COP shall require and maintain a 10" adequate freeboard to prevent overtopping of the below-grade tank.

If the below grade tank develops a leak, or if any penetration of the pit liner or below grade tank, occurs below the liquid's surface, then COP will remove all liquid above the damage or leak line within 48 hours of discovery, notify the appropriate division office pursuant to 19.15.29 NMAC and repair the damage or replace the pit liner or below-grade tank as applicable. COP will repair or replace the pit liner or below grade tank. If the below grade tank or pit liner does not demonstrate integrity, COP will promptly remove and install a below grade tank or pit liner that complies with Subsection I of 19.15.17.11 NMAC

A Major Release shall be reported by giving both immediate verbal notice and timely written notice by filing form C-141 within 15 days pursuant to Subsection C, Paragraphs (1) and (2) of 19.15.3.116 NIMAC. A Major Release is:

- (a) an unauthorized release of a volume, excluding natural gases, in excess of 25 barrels;
- (b) an unauthorized release of any volume which:
 - (i) results in a fire;

(ii) will reach a water course;

(iii) may wifh reasonable probability endanger public health; or

/ (iv) results in substantial damage to property or the

environment;

(c) an unauthorized release of natural gases in excess of 500 mcf;

or

- (d) a release of any volume which may with reasonable probability be defrimental to water or cause an exceedance of the standards in Section 19, Subsection B, Paragraphs (1) and (2) or (3) of 19.15.1 NMAC.
- A Minor Release shall be reported by giving timely written notice by the filing of form C-141 within 15 days pursuant to Subsection C, Paragraph (2) of 19.15.3.116 NMAC. A Minor Release is an unauthorized release of a volume, greater than 5 barrels but not more than 25 barrels; or greater than 50 mcf but less than 500 mcf of natural gases.

ConocoPhillips Company San Juan Basin: New Mexico Assets Production BGT Closure Plan

In accordance with Rule 19.15.17.13 NMAC, the following plan describes the general closure requirements of below-Grade Tanks (BGT) on ConocoPhillips Company locations in the San Juan Basin of New Mexico. This is COP's standard closure procedure for all BGTs regulated under Rule 19.15.17 NMAC and operated by COP. For those closures which do not conform to this standard closure plan, a separate BGT specific closure plan will be developed and utilized.

Closure Conditions and Timing for BGT:

Within 60 days of cessation of operation COP will:

o Remove all liquids and sludge and dispose in a division approved manner.

Within 72 Hrs or 1 week prior to closure COP will:

o Give notice to surface owners by certified mail. For public entities by email as specified on the variance page.

o Give notice to Division District Office verbally and in writing/email.

Within 6 months of cessation of operation COP will:

- o Remove BGT and dispose, recycle, reuse, or reclaim in a division approved
- Remove unused onsite equipment associated with the BGT.

Within 60 days of closure COP will:

o Send the Division District Office a Closure Report per 19.15.17.13.F (1).

General Plan Requirements:

- 1. Prior to initiating any BGT closure, except in the case of an emergency, COP will notify the surface owner of the intent to close the BGT by certified mail no later than 72 hours or one week before closure and a copy of this notification will be included in the closure report. In the case of an emergency, the surface owner will be notified as soon as practical.
- 2. Notice of closure will be given to the Division District office between 72 hours and one week of the scheduled closure via email or phone. The notification of closure will include the following:

a. Operators Name

b. Well Name and API Number

c. Location

- 3. All liquids will be removed from the BGT following cessation of operation. Produced water will be disposed of at one of COP's approved Salt Water Disposal facilities or at a Division District Office approved facility.
- 4. Solids and sludge's will be shoveled and/or vacuumed out for disposal at one of the Division District Office approved facilities, depending on the proximity of the BGT site: Envirotech Land Farm (Permit #NM-01-011), Industrial Ecosystems Inc. JFJ Land Farm (Permit #NM-01-0010B), and Basin Disposal (Permit #NM-01-005).
- 5. COP will obtain prior approval from the Division District Office to dispose, recycle, reuse, or reclaim the BGT and provide documentation of the disposition of the BGT in the closure report. Steel materials will be recycled or reused as approved by the Division District Office. Fiberglass tanks will be empty, cut up or shredded, and EPA cleaned for disposal as solid waste. Liner materials will be cleaned without soils or contaminated material for disposal as solid waste. Fiberglass tanks and liner materials will meet the conditions of 19.15.35 NMAC.

Disposal will be at a licensed disposal facility, presently San Juan County Landfill operated by Waste Management under NMED Permit SWM-052426.

- 6. Any equipment associated with the BGT that is no longer required for some other purpose, following the closure, will be removed.
- 7. Following removal of the tank and any liner material, COP will test the soils beneath the BGT as follows:
 - At a minimum, a five-point composite sample will be taken to include any obvious stained or wet soils or any other evidence of contamination.
 - b. The laboratory sample shall be analyzed for the constituents listed in Table I of 19.15.17.13.

	Table I					
Closure Criteria for Soils Beneath Below-Grade Tanks, Drying Pads Associated with Closed-Loop						
Systems and Pits where Contents are Removed Depth below bottom of pit to Constituent Method* Limit**						
00,101,1110,111						
Chloride	EPA 300.0	600 mg/kg				
ГРН	EPA SW-846 Method 418.1	100 mg/kg				
STEX ·	EPA SW-846 Method 8021B or 8260B	50 mg/kg				
Benzene	EPA SW-846 Method 8021B or 8015M	10 mg/kg				
Chloride	EPA 300.0	10,000 mg/kg				
PH .	EPA SW-846 Method 418.1	2,500 mg/kg				
RO+DRO	EPA SW-846 Method 8015M	1,000 mg/kg				
TEX	EPA SW-846 Method 8021B or 8260B	50 mg/kg				
enzene [EPA SW-846 Method 8021B or 8015M	10 mg/kg				
hloride E	EPA 300.0	20,000 mg/kg				
PH E	EPA SW-846 Method 4.18.1	2,500 mg/kg				
RO+DRO E	EPA SW-846 Method 8015M	1,000 mg/kg				
TEX E	EPA SW-846 Method 8021B or 8260B	50 mg/kg				
enzene E	PA SW-846 Method 8021B or 8015M	10 mg/kg				
	tems and Pits v Constituent Chloride Ch	neath Below-Grade Tanks, Drying Pads Associated with fems and Pits where Contents are Removed Constituent Method* Chloride EPA 300.0 PH EPA SW-846 Method 418.1 EPA SW-846 Method 8021B or 8260B EPA SW-846 Method 8021B or 8015M EPA SW-846 Method 418.1 EPA SW-846 Method 418.1 EPA SW-846 Method 8015M EPA SW-846 Method 8021B or 8260B EPA SW-846 Method 8021B or 8260B EPA SW-846 Method 8021B or 8015M EPA SW-846 Method 8021B or 8015M EPA SW-846 Method 8021B or 8260B EPA SW-846 Method 8021B or 8015M EPA SW-846 Method 8021B or 8015M EPA SW-846 Method 8021B or 8015M EPA SW-846 Method 8021B or 8260B EPA SW-846 Method 8015M EPA SW-846 Method 8015M				

^{*}Or other test methods approved by the division

^{**}Numerical limits or natural background level, whichever is greater

^{(19.15.17.13} NMAC-Ro, 19.15.17.13 NMAC 3/28/2013)

- 8. If the Division District Office and/or COP determine there is a release, COP will comply with 19.15.17.13.C.3b.
- 9. Upon completion of the tank removal, pursuant to 19.15.17.13.C.3c, if all contaminant concentrations are less than or equal to the parameters listed in Table I of 19.15.17.13 NMAC, the excavation will be backfilled with non-waste containing earthen material compacted and covered with a minimum of one foot top soil, or background thickness of top soil, whichever is greater. The surface will then be re-contoured to match the native grade, prevent ponding of water, and prevent erosion of cover material.
- 10. For those portions of the former BGT area no longer required for production activities, COP will seed the disturbed area in the first favorable growing season following the closure of the BGT. Seeding will be accomplished via drilling on the contour whenever practical, or by other Division District Office approved methods. COP will notify the Division District Office when reclamation and re-vegetation is complete.

Reclamation of the BGT shall be considered complete when:

- Established vegetative cover reflects a life form ratio of +/- 50% of pre disturbance levels.
- Total plant cover is at least 70% of pre-disturbance levels (Excluding noxious weeds)
- Pursuant to 19.15.17.13.H.5d COP will comply with obligations imposed by other applicable federal or tribal agencies in which there re-vegetation and reclamation requirements provide equal or better protection of fresh water, human health and the environment.
- 11. For those portions of the former BGT area required for production activities, reseeding will be done at well abandonment, and following the procedure noted above.

Closure Report:

All closure activities will include proper documentation and will be submitted to OCD within 60 days of the BGT closure on a Closure Report using Division District Office Form C-144. The Report will include the following:

- Proof of Closure Notice (surface owner and Division District Office)
- Backfilling & cover installation
- Confirmation Sampling Analytical Results
- Application Rate & Seeding techniques
- Photo Documentation of Reclamation