District I

1625 N French Dr , Hobbs, NM 88240

1301 W Grand Ave , Artesia, NM 88210

District III

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

Department Oil Conservation Division 1220 South St. Francis Dr. Form C-144 July 21, 2008

For temporary pits, closed-loop sytems, and below-grade tanks, submit to the appropriate NMOCD District Office

1000 Rio Brazos Rd, Aztec, NM 87410 For permanent pits and exceptions submit to the Santa Fe Santa Fe, NM 87505 Environmental Bureau office and provide a copy to the District IV appropriate NMOCD District Office 1220 S St Francis Dr , Santa Fe, NM 87505 Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application X Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Type of action: 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: Burlington Resources Oil & Gas Company, LP OGRID#: 14538 Address: PO Box 4289, Farmington, NM 87499 Facility or well name: CANYON LARGO UNIT 428 API Number: 30-039-25485 OCD Permit Number U/L or Qtr/Qtr: G(SW/NE) Section: 25N County: Rio Arriba 13 Township: Range: **°W** NAD: **X** 1927 1983 Center of Proposed Design: Latitude: 36.40254 °N Longitude: Surface Owner: X Federal State Private Tribal Trust or Indian Allotment Pit: Subsection F or G of 19 15 17 11 NMAC Drilling Workover Temporary Permanent Emergency Cavitation P&A Thickness mil LLDPE HDPE PVC Other Lined Unlined Liner type String-Reinforced Liner Seams Volume bbl Dimensions L Subsection H of 19 15 17 11 NMAC Closed-loop System: Type of Operation P&A Drilling a new well X Workover or Drilling (Applies to activities which require prior approval of a permit or

Liner Seams Welded		mil	HDPE PVD Other .	A 15161778
4 Below-grade tank: S Volume Tank Construction material	subsection I of 19 15 17 11 NMAC bbl Type of fluid.			RECEIVE 20
Secondary containment w Visible sidewalls and li Liner Type Thickness	_	dewalls, liner, 6-inch lift and auto	omatic overflow shut-off	OIL CONS. DIV. L

notice of intent)

Above Ground Steel Tanks Haul-off Bins

Alternative Method:

Drying Pad

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 pit, 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) Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate Please specify				
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)				
Signs: Subsection C of 19 15 17 11 NMAC 12" X 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers X Signed in compliance with 19.15 3.103 NMAC				
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 of the Santa Fe Environmental Bureau office for cons (Fencing/BGT Liner) Exception(s) Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval	ideration 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 acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above grade-tanks associated with a closed-loop system.	·			
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes No			
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, 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.	Yes No			
(Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo, Satellite image	NA			
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applied to permanent pits) - Visual inspection (certification) of the proposed site, Aerial photo, Satellite image	Yes . No			
Within 500 horizonal 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.	Yes No			
- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site				
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended - Written confirmation or verification from the municipality, Written approval obtained from the municipality	Yes No			
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map, Visual inspection (certification) of the proposed site	Yes No			
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	Yes No			
 Within an unstable area. 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 - FEMA map	Yes No			

Temporary Pits, Emergency Pits and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19 15.17 9 NMAC				
Instructions. Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached				
Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17 9 NMAC				
Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17 9				
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, 1f 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 or Permit				
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				
X Design Plan - based upon the appropriate requirements of 19.15 17 11 NMAC				
X Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC				
X 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				
Previously Approved Operating and Maintenance Plan API				
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 (I) 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				
Closure Fian - based upon the appropriate requirements of Subsection C of 19 13.17.9 NWAC and 19.13.17.13 NWAC				
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 X Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank X Closed-loop System				
Alternative				
Proposed Closure Method				
X Waste Removal (Closed-loop systems only)				
On-site Closure Method (only for temporary pits and closed-loop systems)				
In-place Burial On-site Trench 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. Places indicate by a check work in the box that the documents are attached.				
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, drılling 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				

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16 Waste Removal Closure For Closed-loop Systems That Utilize Above Ground S Instructions Please identify the facility or facilities for the disposal of liquids, drilli						
facilities are required	Description of Franks Barrest #	ND 4 01 0011 / ND 4 01 01	010D			
Disposal Facility Name Envirotech / JFJ Landfarm % IEI	_ Disposal Facility Permit #		J10B			
Disposal Facility Name <u>Basin Disposal Facility</u> Will any of the proposed closed-loop system operations and associated activi	Disposal Facility Permit # ities occur on or in areas that i		service and	ĺ		
Yes (If yes, please provide the information No						
Required for impacted areas which will not be used for future service and operations Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Subsection H of 19 15 17 13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19 15 17 13 NMAC 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 string criteria requires a demonstration of compilance in the closure plan Recommendations of acceptable source material are provided below Requests regarding changes to certain string 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			Yes	No		
- NM Office of the State Engineer - (WATERS database search, USGS) Data of	btained from nearby wells		∐N/A			
Ground water is between 50 and 100 feet below the bottom of the buried was	ste		Yes	□No		
- NM Office of the State Engineer - 1WATERS database search, USGS, Data of	btained from nearby wells		□N/A			
Ground water is more than 100 feet below the bottom of the buried waste			Yes	No		
- NM Office of the State Engineer - (WATERS database search, USGS, Data of	otained from nearby wells		N/A			
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signi (measured from the ordinary high-water mark)	ficant watercourse or lakebed, su	nkhole, or playa lake	Yes	□No		
- Topographic map, Visual inspection (certification) of the proposed site						
Within 300 feet from a permanent residence, school, hospital, institution, or church ii - Visual inspection (certification) of the proposed site, Aerial photo, satellite ima	•	pplication	Yes	No		
			Yes	□No		
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal fee 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, Visual inspection (certification) of the proposed site						
Within incorporated municipal boundaries or within a defined municipal fresh water pursuant to NMSA 1978, Section 3-27-3, as amended		ipal ordinance adopted	Yes	□No		
 Written confirmation or verification from the municipality, Written approval of Within 500 feet of a wetland 	otained from the municipality			□N.		
US Fish and Wildlife Wetland Identification map, Topographic map, Visual in:	spection (certification) of the pro	posed site	Yes	∐No		
Within the area overlying a subsurface mine			Yes	□No		
- Written confiramtion 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 & l	Manaral Basauraas LISGS NM	Coological Society	Yes	∐No		
Topographic map	whilefal Resources, 0303, NW	deological society,				
Within a 100-year floodplain - FEMA map			Yes	□No		
18						
On-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each by a check mark in the box, that the documents are attached.	ch of the following items mus	st bee attached to the closi	ure plan. Plea	se indicate,		
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						

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) CRYSTAL TAFOYA , Title STAFF REGULATORY TECHNICL	AN
Signature Stal Tahona Date 7/18/11	
e-mail address crystal tafoya@conocophillips dom Telephone (505) 326-9837	
20 OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachm	nent)
OCD Representative Signature: Approval Date:	/19/2011
Title: Compliance Office OCD Permit Number:	
Closure Report (required within 60 days of closure completion): Instructions Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting 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 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 (Close If different from approved plan, please explain	ed-loop systems only)
23	
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins C Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if	
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	ons?
Yes (If yes, please demonstrate compliane to the items below)	•
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 ind	licate, by a check mark in
the box, that the documents are attached. Proof of Closure Notice (surface owner and division)	
Proof of Deed 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 (if applicable)	
Disposal Facility Name and Permit Number	
Soil Backfilling and Cover Installation	
Re-vegetation Application Rates and Seeding Technique	
Site Reclamation (Photo Documentation)	27 🔲 1092
On-site Closure Location Latitude Longitude NAD 19	27 1983
25	
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is ture, accurate and complete to the best of my knowled the closure complies with all applicable closure requirements and conditions specified in the approved closure plan	lge and belief I also certify that
Name (Print) Title.	
Signature Date:	
e-mail address Telephone	

Burlington Resources Oil & Gas Company, LP Closed-loop Plans

Closed-loop Design Plan

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

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

Closed-loop Operating and Maintenance Plan

BR's closed-loop tank will be operated and maintained to contain liquids and solids in order to prevent contamination of fresh water sources, in order to protect public health and the environment. To ensure the operation is maintained the following steps will be followed:

- 1. The liquids will be vacuumed out and disposed of at the Basin Disposal facility (Permit # NM-01-005) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B). Solids in the closed-loop tank will be vacuumed out and disposed of at Envirotech (Permit # NM-01-0011) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B) on a periodic basis to prevent over topping.
- 2. No hazardous waste, miscellaneous solid waste or debris will be discharged into or stored in the tank. Only fluids or cutting used or generated by rig operations will be placed or stored in the tank.
- 3. The division district office will be notified within 48 hours of the discovery of compromised integrity of the closed-loop tank. Upon the discovery of the compromised tank, repairs will be enacted immediately

Closed-loop Closure Plan

The closed-loop tank will be closed in accordance with 19.15.17.13. This will be done by transporting cuttings and all remaining sludges to Envirotech (Permit # NM-01-0011) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B) immediately following rig operations. All remaining liquids will be transported and disposed of in the Basin Disposal facility (Permit # NM-01-005) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B). The tanks will be removed from the location as part of the rig move. At time of well abandonment, the site will be reclaimed and re-vegetated to pre-existing conditions when possible.