District I 1625 N French Dr , Hobbs, NM 88240

District II

1301 W Grand Ave, Artesia, NM 88210

District III

1000 Rio Brazos Rd, 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 July 21, 2008

For temporary pits, closed-loop sytems, 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 X Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Type of action:

I crimit of a pit, closed-loop system, below-grade talk, of 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

Operator: Burlington Resources Oil & Gas Company, LP OGRID#: 14538
Address: PO Box 4289, Farmington, NM 87499
Facility or well name: Sheets 3
API Number: 30-045-22991 OCD Permit Number
U/L or Qtr/Qtr: N(SE/SW) Section: 28 Township: 31N Range: 9W County: San Juan
Center of Proposed Design: Latitude: 36.86403 °N Longitude: 107.78803 °W NAD: X 1927 1983
Surface Owner: X Federal State Private Tribal Trust or Indian Allotment
Pit: Subsection F or G of 19 15 17 11 NMAC Temporary Drilling Workover Permanent Emergency Cavitation P&A Lined Unlined Liner type Thickness mil LLDPE HDPE PVC Other String-Reinforced Liner Seams. Welded Factory Other Volume bbl Dimensions L x W x D
Subsection H of 19 15 17 11 NMAC Type of Operation X P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)
Below-grade tank: Subsection I of 19 15 17 11 NMAC Subsection I of 19 15 17 11 NMAC OIL CONS. DIV. DIST. 3
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval

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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 consideration of approval (Fencing/BGT Liner) 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 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)	Yes	No				
 Visual inspection (certification) of the proposed site, Aerial photo, Satellite image 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					
19.15 17.9 NMAC and 19.15 17 13 NMAC					
Previously Approved Design (attach copy of design) API or Permit					
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					
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					
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					
14 Proposed Closure:					
Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.					
Type Drilling Workover Emergency Cavitation X 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.					
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					

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Waste Removal Closure For	Closed-loop Systems That Utilize Above Ground St. e facility or facilities for the disposal of liquids, drillin	eel Tanks or Haul-off Bins On	<u>ilv:</u> (19 15 17 13 D NMAC)					
facilities are required	e faculty or faculties for the disposal of liquids, aritin	g jimas ana arm cunings - Ose	attacnment ij more than two	,				
Disposal Facility Name	Envirotech / JFJ Landfarm % IEI	Disposal Facility Permit #	NM-01-0011 / NM-01-0	010B ·				
Disposal Facility Name	Basın Dısposal Facility	Disposal Facility Permit #	NM-01-005					
	osed-loop system operations and associated activity ovide the information No	ies occur on or in areas that v	will not be used for future	service and				
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 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 sting criteria requires a demonstration of compliance 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.								
) feet below the bottom of the buried waste Engineer - iWATERS database search, USGS Data ob	tained from nearby wells		Yes No				
Ground water is between 50	and 100 feet below the bottom of the buried wast	e		☐Yes ☐No				
	Engineer - iWATERS database search, USGS, Data obt			N/A				
Ground water is more than 1	100 feet below the bottom of the buried waste			Yes No				
	Engineer - IWATERS database search, USGS, Data obt	ained from nearby wells		N/A				
Within 300 feet of a continuous (measured from the ordinary his	Yes No							
 Topographic map, Visual 	I inspection (certification) of the proposed site							
	ent residence, school, hospital, institution, or church in ation) of the proposed site, Aerial photo, satellite imag	•	pplication	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 well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended								
Within 500 feet of a wetland	verification from the municipality, Written approval obti I etland Identification map, Topographic map; Visual insp	, ,	posed site	Yes No				
Within the area overlying a s		rection (commonly or the prop	posou site	Yes No				
	erification or map from the NM EMNRD-Mining and M	Mineral Division						
Within an unstable area - Engineering measures inco Topographic map	YesNo							
Within a 100-year floodplair - FEMA map	1			Yes No				
	cklist: (19 15 17 13 NMAC) Instructions: Each that the documents are attached.	of the following items mus	t bee attached to the closi	ure plan. Please indicate,				
Siting Criteria Comp	liance Demonstrations - based upon the appropria	te requirements of 19 15 17	10 NMAC					
H	Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19 15 17 13 NMAC							
	Plan of Burial Trench (if applicable) based upon t							
-	Plan of Temporary Pit (for in place burial of a dry	•	propriate 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								

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19 On which Application Contification						
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) CRYSTAL TAFOYA Title STAFF REGULATORY TECHNICIAN						
Signature Jako Talogia Date 8/26/11						
e-mail address crystal.tafoya@conocophillips.dom Telephone (505) 326-9837						
e-mail address Crystal deconocophinips Com / Telephone (303) 320-7637						
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment) OCD Representative Signature: Approval Date: OCD Permit Number:						
Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17 13 NMAC Instructions Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed Closure Completion Date:						
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 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 <u>Closure Report Attachment Checklist:</u> 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 (if applicable)						
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 ture, 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.						

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.