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

1947

Type of action:
- [X] 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: **Burlington Resources Oil & Gas Company, LP** OGRID#: **14538**

Address: **PO Box 4289, Farmington, NM 87499**

Facility or well name: **San Juan 32-9 Unit 235**

API Number: **30-045-27603** OCD Permit Number:

U/L or Qtr/Qtr: **M(SW/SW)** Section: **36** Township: **32N** Range: **9W** County: **San Juan**

Center of Proposed Design: Latitude: **36.93597000°N** Longitude: **107.7372000°W** NAD: [ ] 1927 [X] 1983

Surface Owner: [ ] Federal [ ] State [ ] Private [ ] Tribal Trust or Indian Allotment

2

[ ] **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 ____

3

[ ] **Closed-loop System:** Subsection H of 19 15.17.11 NMAC

Type of Operation [ ] P&A [ ] Drilling a new well [ ] Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)

[ ] Drying Pad [ ] Above Ground Steel Tanks [ ] Haul-off Bins [ ] Other _____

[ ] Lined [ ] Unlined Liner type: Thickness _____ mil [ ] LLDPE [ ] HDPE [ ] PVD [ ] Other _____

Liner Seams: [ ] Welded [ ] Factory [ ] Other _____

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OCT 2008
OIL CONS. DIV. DIST. 3

4

[X] **Below-grade tank:** Subsection I of 19.15 17.11 NMAC

Volume. **120** bbl Type of fluid: **Produced Water**

Tank Construction material **Metal**

[ ] Secondary containment with leak detection [X] Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off

[ ] Visible sidewalls and liner [ ] Visible sidewalls only [ ] Other _____

Liner Type Thickness **45** mil [ ] HDPE [ ] PVC [X] Other **LLDPE**

5

[ ] **Alternative Method:**

Submittal of an exception request is required Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval

22

6

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 **4' hogwire fence with a single strand of barbed wire on top.**

7

Netting: Subsection E of 19.15.17.11 NMAC *(Applies to permanent pits and permanent open top tanks)*

☐ Screen ☐ Netting ☐ Other _____

☐ Monthly inspections *(If netting or screening is not physically feasible)*

8

Signs: Subsection C of 19.15.17 11 NMAC

☐ 12" X 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers

☒ Signed in compliance with 19.15.3.103 NMAC

9

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

☐ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

10

Siting Criteria (regarding permitting): 19 15.17.10 NMAC

Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of 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. *(Applies to temporary, emergency, or cavitation pits and below-grade tanks)* - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☒ No ☐ 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 ☒ NA
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. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site.	☐ 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 - 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

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

- [X] 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
- [X] Siting Criteria Compliance Demonstrations - 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
- [ ] 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 _____ 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
- [ ] 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 _____

[ ] 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

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 [X] Below-grade Tank [ ] Closed-loop System [ ] Alternative

Proposed Closure Method:

- [X] 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
- [ ] 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.***

- [X] Protocols and Procedures - based upon the appropriate requirements of 19.15 17.13 NMAC
- [X] Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19 15.17 13 NMAC
- [X] Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
- [X] Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19 15 17 13 NMAC
- [X] Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19 15.17 13 NMAC
- [X] 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 #. _____

Disposal Facility Name. _____ Disposal Facility Permit # _____

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 ☐ 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 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	☐ Yes ☐ No ☐ N/A
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ N/A
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ N/A
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 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 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	☐ 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. - 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 confiramtion 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

18

On-Site Closure Plan Checklist: (19 15 17 13 NMAC) ***Instructions: Each of the following items must bee 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). Ethel Tally Title Staff Regulatory Technician

Signature. Ethel Tally Date: 10-9-08

e-mail address Ethel Tally@ConocoPhillips.com Telephone 505-599-4027

20

OCD Approval: ☒ Permit Application (including closure plan) ☐ Closure Plan (only) ☐ OCD Conditions (see attachment)

OCD Representative Signature: Jonathan Kelly **Approval Date:** 3/20/2012

Title: Compliance Officer **OCD Permit Number:**

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 opeartions?

☐ Yes (If yes, please demonstrate complilane 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 (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

New Mexico Office of the State Engineer
POD Reports and Downloads

Township: 32N Range: 09W Sections: 25,26,35,36

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) ○ Non-Domestic ○ Domestic
◎ All

POD / Surface Data Report | Avg Depth to Water Report | Water Column Report

Clear Form | iWATERS Menu | Help

WATER COLUMN REPORT 10/08/2008

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are biggest to smallest)

POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y	Depth Well	Depth Water	Wate Colum

No Records found, try again

New Mexico Office of the State Engineer
POD Reports and Downloads

Township: 32N Range: 08W Sections: 6,7

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) ○ Non-Domestic ○ Domestic ◉ All

POD / Surface Data Report | Avg Depth to Water Report | Water Column Report

Clear Form | iWATERS Menu | Help

WATER COLUMN REPORT 10/08/2008

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are biggest to smallest)

POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y	Depth Well	Depth Water	Wate Colum

No Records found, try again

New Mexico Office of the State Engineer
POD Reports and Downloads

Township: 30N Range: 08W Sections: 1,2

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) ◉ Non-Domestic ○ Domestic ◉ All

POD / Surface Data Report | Avg Depth to Water Report | Water Column Report

Clear Form | iWATERS Menu | Help

WATER COLUMN REPORT 10/08/2008

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are biggest to smallest)

POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y	Depth Well	Depth Water	Wate Colun

No Records found, try again

New Mexico Office of the State Engineer
POD Reports and Downloads

Township: 32N Range: 08W Sections: 30,31

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) ○ Non-Domestic ○ Domestic
◎ All

POD / Surface Data Report | Avg Depth to Water Report | Water Column Report

Clear Form | iWATERS Menu | Help

WATER COLUMN REPORT 10/08/2008

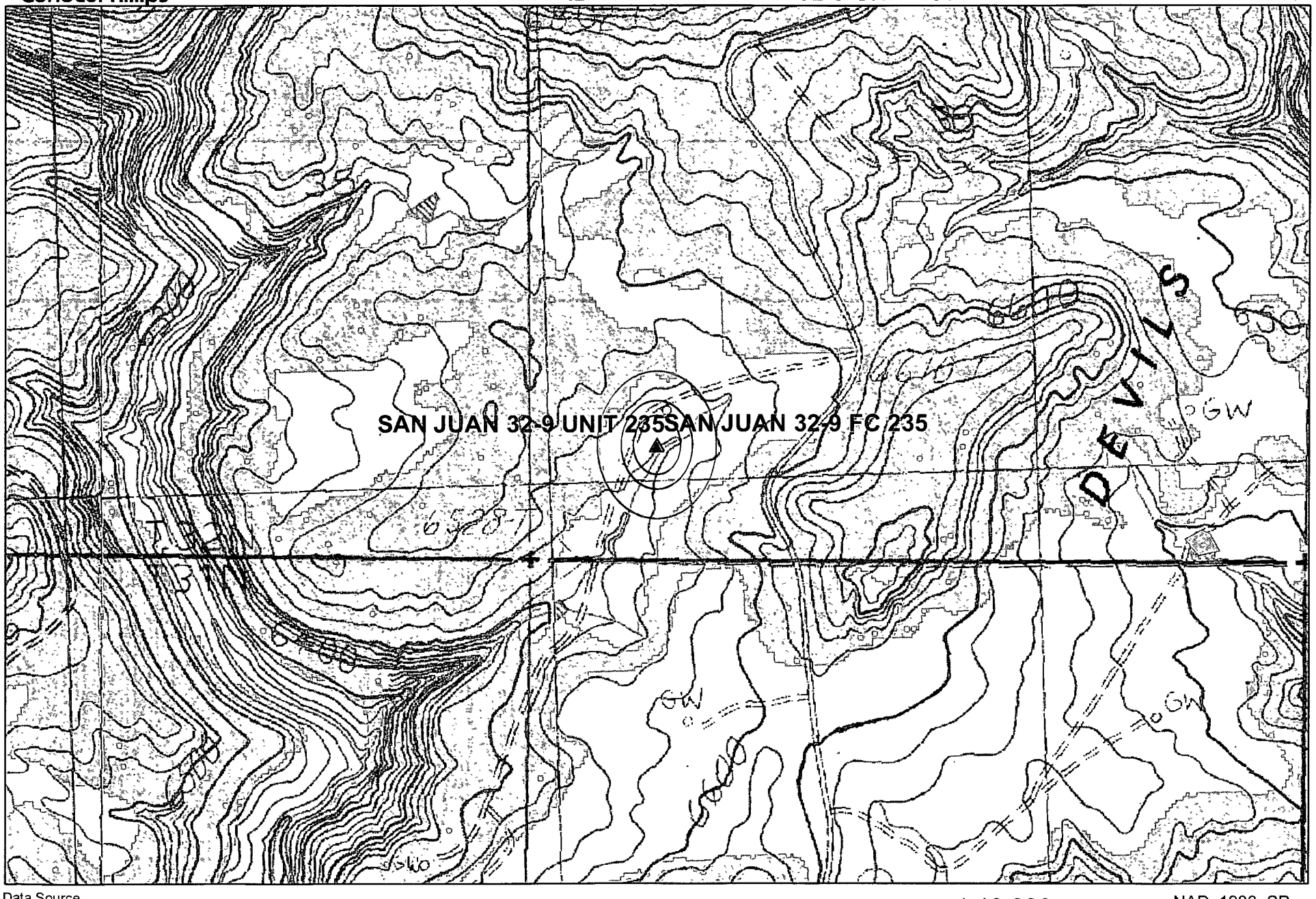
(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are biggest to smallest)

POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y	Depth Well	Depth Water	Wate Colum

No Records found, try again

ConocoPhillips

AERIAL MAP SAN JUAN 32-9 UNIT 235



Data Source
Aerial flown locally Sedgewick in 2005.
Wetlands Data Aquired from U.S Fish and Wildlife Http://wetlandswms.er.usgs.gov
USGS Topo

200FT
500FT
300FT
Wetlands

iWaters
SEC
QTR-QTR
QTR-QTR-QTR

iWaters
COP

1:10,000

0 250 500 1,000 Feet

NAD_1983_SP_
NM West_FIPS_
3003
Aug 26, 2008

61-30-045-11128
235-30-045-27603

DATA SHEET FOR DEEP GROUND BED CATHODIC PROTECTION WELLS
NORTHWESTERN NEW MEXICO

035W

Operator Meridian Oil Inc. Location: Unit M Sec. 36 Twp 32 Rng 9

Name of Well/Wells or Pipeline Serviced San Juan 32-9 #235 and #61

Elevation ___ Completion Date 7-30-91 Total Depth 440 Land Type F

Casing Strings, Sizes, Types & Depths Set 100' of 8" PVC casing

If Casing Strings are cemented, show amounts & types used 21 sacks of neet cement

If Cement or Bentonite Plugs have been placed, show depths & amounts used None

Depths & thickness of water zones with description of water: Fresh, Clear, Salty, Sulphur, Etc. water is from 185' to 195 and was clear

Depths gas encountered: No gas

Ground bed depth with type & amount of coke breeze used: 440' with Asbury 4518

Depths anodes placed: #1 is at 425' and #13 is at 300'

Depths vent pipes placed: Vent pipe is placed at 410'

Vent pipe perforations: Perforated up to 190'

Remarks: _____

If any of the above data is unavailable, please indicate so. Copies of all logs, including Drillers Log, Water Analyses & Well Bore Schematics should be submitted when available. Unplugged abandoned wells are to be included.

Land Type may be shown: F-Federal; I-Indian; S-State; P-Fee
If Federal or Indian, add Lease Number.

RECEIVED
FEB 24 1992
OIL CON. DIV.
DIST. 3

CPS GROUND BED CONSTRUCTION WORKSHEET

CPS#	P/L NAME(s), NUMBER(s)					
350-W	S.J. 32-9 #235, #61					
WO, #	TOTAL	VOLTS	AMPS	- OHMS	DATE	NAME
K413		12.21	17.6	.69	7-30-91	R. Smith

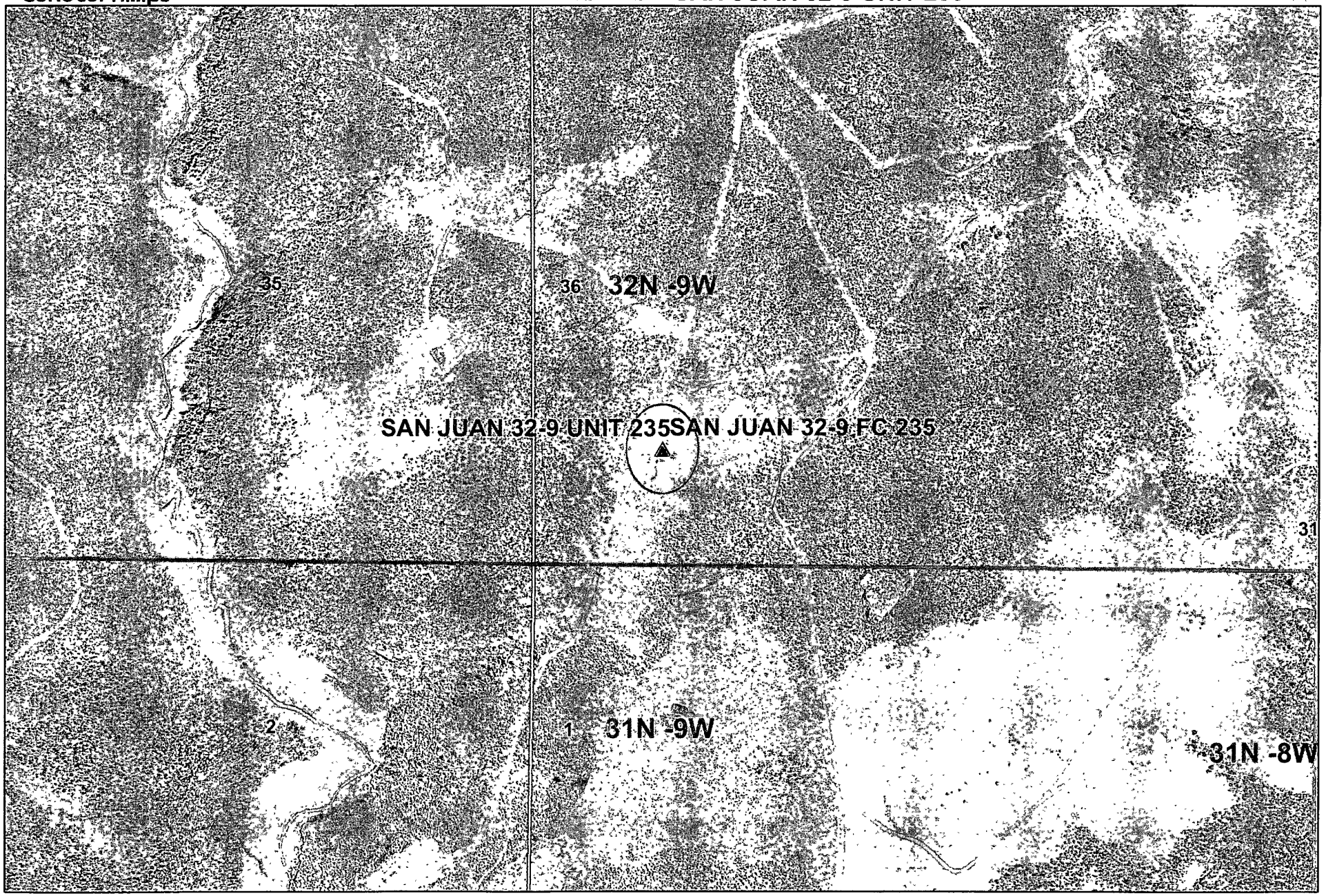
REMARKS (notes for construction log) Water is at 200'

DEPTH	LOG ANODE	ANODE #	DEPTH	LOG ANODE	ANODE #	DEPTH	LOG ANODE	ANODE #	DEPTH	LOG ANODE	ANODE #	
100			295	.9		490			685			
105			300	.4		495			690			
110			305	.3		500			695			
115			310	.3		505			700			
120			315	.4		510			ANODE #	DEPTH	NO COKE	FULLY COKED
125			320	.3		515						
130			325	.3		520			1	425	1.3	3.8
135			330	1.2		525			2	395	1.3	4.7
140			335	1.3	(6)	530			3	385	1.8	5.4
145			340	1.5		535			4	375	1.5	4.9
150			345	1.4	(5)	540			5	345	1.4	4.3
155			350	.9		545			6	335	1.4	4.1
160	.4		355	.6		550			7	290	1.3	4.0
165	.4		360	.4		555			8	275	1.2	4.7
170	.4		365	.7		560			9	265	1.4	4.7
175	.4		370	1.8		565			10	255	1.3	4.5
180	.4		375	1.4	(4)	570			11	210	1.5	4.1
185	.3		380	1.6		575			12	200	1.3	3.9
190	.5		385	1.8	(3)	580			13			
195	.7		390	1.7		585			14			
200	1.0	(12)	395	1.3	(2)	590			15			
205	1.6		400	.6		595			16			
210	1.5	(11)	405	.5		600			17			
215	.8		410	.4		605			18			
220	.3		415	.3		610			19			
225	.3		420	1.2		615			20			
230	.4		425	1.5	(1)	620			21			
235	.3		430	1.3		625			22			
240	.4		435	1.3		630			23			
245	.5		440	TD		635			24			
250	.9		445			640			25			
255	1.4	(10)	450			645			26			
260	1.2		455			650			27			
265	1.4	(9)	460			655			28			
270	1.2		465			660			29			
275	1.0	(8)	470			665			30			
280	.9		475			670						
285	1.2		480			675						
290	1.3	(7)	485			680						

DISTRIBUTION - original - permanent CPS FILE
copy - Division Corrosion Supervisor
copy - Region Corrosion Specialist

ConocoPhillips

AERIAL MAP SAN JUAN 32-9 UNIT 235



Data Source
Aerial flown locally Sedgewick in 2005.
Wetlands Data Aquired from U.S. Fish
and Wildlife Http://wetlandswms er usgs gov
USGS Topo

300FT
1000FT

1:10,000

0 250 500 1,000
Feet

NAD_1983_SP_
NM West_FIPS_
3003
Aug 26, 2008

SJ 32-9 235/MINES, MILLS AND QUARRIES MAP

Mines, Mills & Quarries Commodity Groups

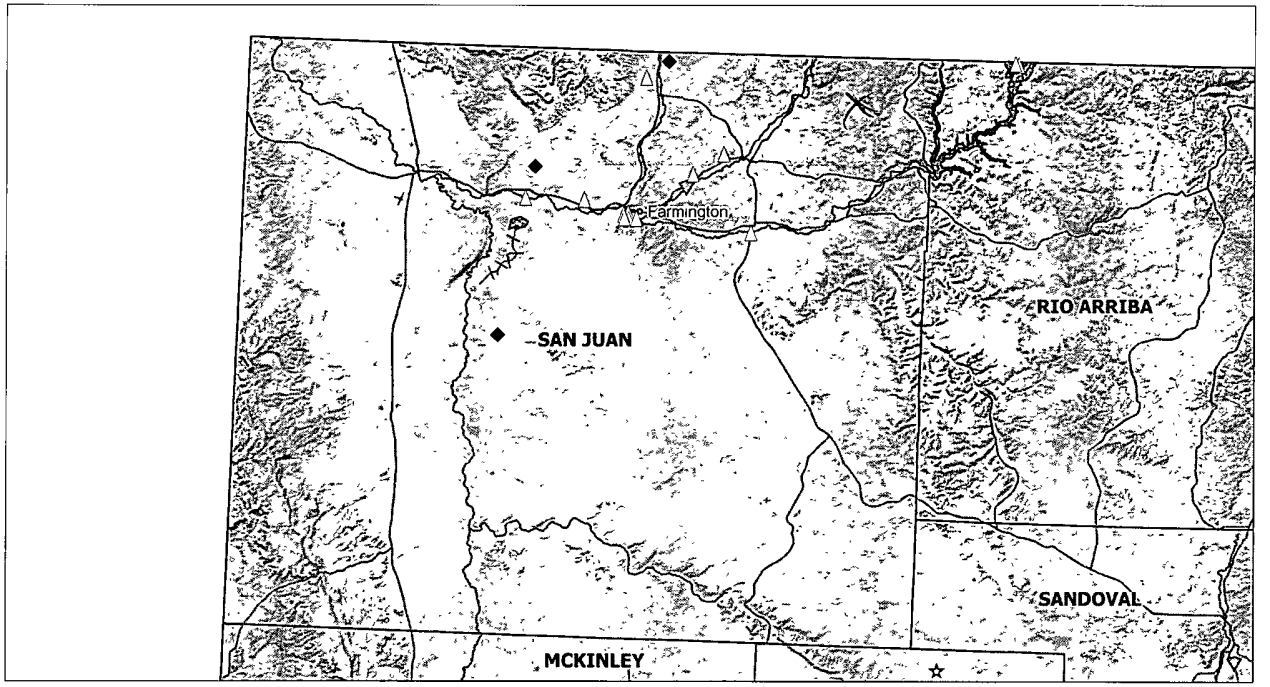
- △ Aggregate & Stone Mines
- ◆ Coal Mines
- ☆ Industrial Minerals Mines
- ▽ Industrial Minerals Mills
- ▨ Metal Mines and Mill Concentrate
- □ Potash Mines & Refineries
- Smelters & Refinery Ops.
- Uranium Mines
- Uranium Mills

Population

- ○ Cities - major

Transportation

- Railways
- ——



SCALE 1 : 1,390,924

20 0 20 40 60

MILES

Siting Criteria Compliance Demonstration & Hydro Geologic Analysis

The San Juan 32-9 Unit 235 is not located in an unstable area. The location is not over a mine and is not on the side of a hill as indicated on the Mines, Mills and Quarries Map and Topographic Map. The location of the excavated pit material will not be located within 300' of any continuously flowing watercourse or 200' from any other watercourse as indicated on the Topographic Map. The location is not within a 100-year floodplain area as indicated on the FEMA Map. The groundwater depth is considered to be greater than 185' as determined by the topographic map and the Cathodic well data, with an elevation of 6610' and groundwater depth of 185'. Using the Cathodic data point for the San Juan 32-9 Unit 235 indicates groundwater depth is greater than 185'. The hydro geologic analysis indicates the groundwater depth and the San Jose formation will create a stable area for this new location.

Hydrogeological report for San Juan 32-9 Unit 235

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.

Burlington Resources Oil & Gas Company, LP
San Juan Basin
Below Grade Tank Design and Construction

In accordance with NMAC 19.15.17 the following information describes the design and construction of below grade tanks on Burlington Resources Oil & Gas Company, LP (BR) locations. This is BR's standard procedure for all below grade tanks (BGT). A separate plan will be submitted for any BGT which does not conform to this plan.

General Plan:

1. BR will design and construct a properly sized and approved BGT which will contain liquids and should prevent contamination of fresh water to protect the public health and environment.

2. BR will sign the well location in compliance with 19.15.3.103 NMAC.

3. BR shall construct fencing around the BGT using 4 foot hog wire fencing topped with two strands of barbed wire, or with a pipe top rail. A six foot chain link fence topped with three strands of barbed wire will be use if the well location is within 1000 feet of permanent residence, school, hospital, institution or church.

4. BR will construct a screened, expanded metal covering, on the top of the BGT.

5. BR shall ensure that a below-grade tank is constructed of materials resistant to the below-grade tank's particular contents and resistant to damage from sunlight.

6. The BR below-grade tank system shall have a properly constructed foundation consisting of a level base free of rocks, debris, sharp edges or irregularities to prevent punctures, cracks or indentations of the liner or tank bottom.

7. BR shall construct a below-grade tank to prevent overflow and the collection of surface water run-on.

8. BR will construct and use a below-grade tank that does not have double walls. The below-grade tank's side walls will be open for visual inspection for leaks, the below-grade tank's bottom is elevated a minimum of six inches above the underlying ground surface and the below-grade tank is underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected.

9. BR has equipped the below-grade tanks with the ability to detect high level in the tank and provide alarm notification and shutdown process streams into the tank. Once high level is detected RTU logic closes the inlet separator sales valve and does not permit vent valve to open. This shutdown of the sales valve and gagging of the vent valves prevents any hydrocarbon process streams from entering the pit tank once a high level is detected. Furthermore, an electronic page is sent to the BR MSO for that well site and to the designated contract "Water-Hauling" Company indicating a high level and that action must be taken to address this alarm. The environmental drain line from BR's compressor skid under normal operating conditions is in the open position. The environmental

drain line is in place to capture any collected rain water or spilled lubricants from our compressor skids. The swab drain line is a manually operated drain and by normal operating procedures is in the closed position. The tank drain line is also a manually operated drain and during normal operations it is in the closed position.

10. The geomembrane liner consists of a 45-mil flexible LLDPE material manufactured by Raven Industries as RUFCO 4000B. This product provides a level of UV and harsh weather conditions protection. It is rated to a Low temperature impact failure of -94°F. It exceeds ASTMD3083 standard by 10%. It is typically used in Brine Pond, Oilfield Pit liner and other industrial applications. The manufacture specific sheet is attached.

11. The general specification for design and construction are attached in the BR document.

MANUAL OPERATIONS

PRODUCTION TANKS DRAINLINE

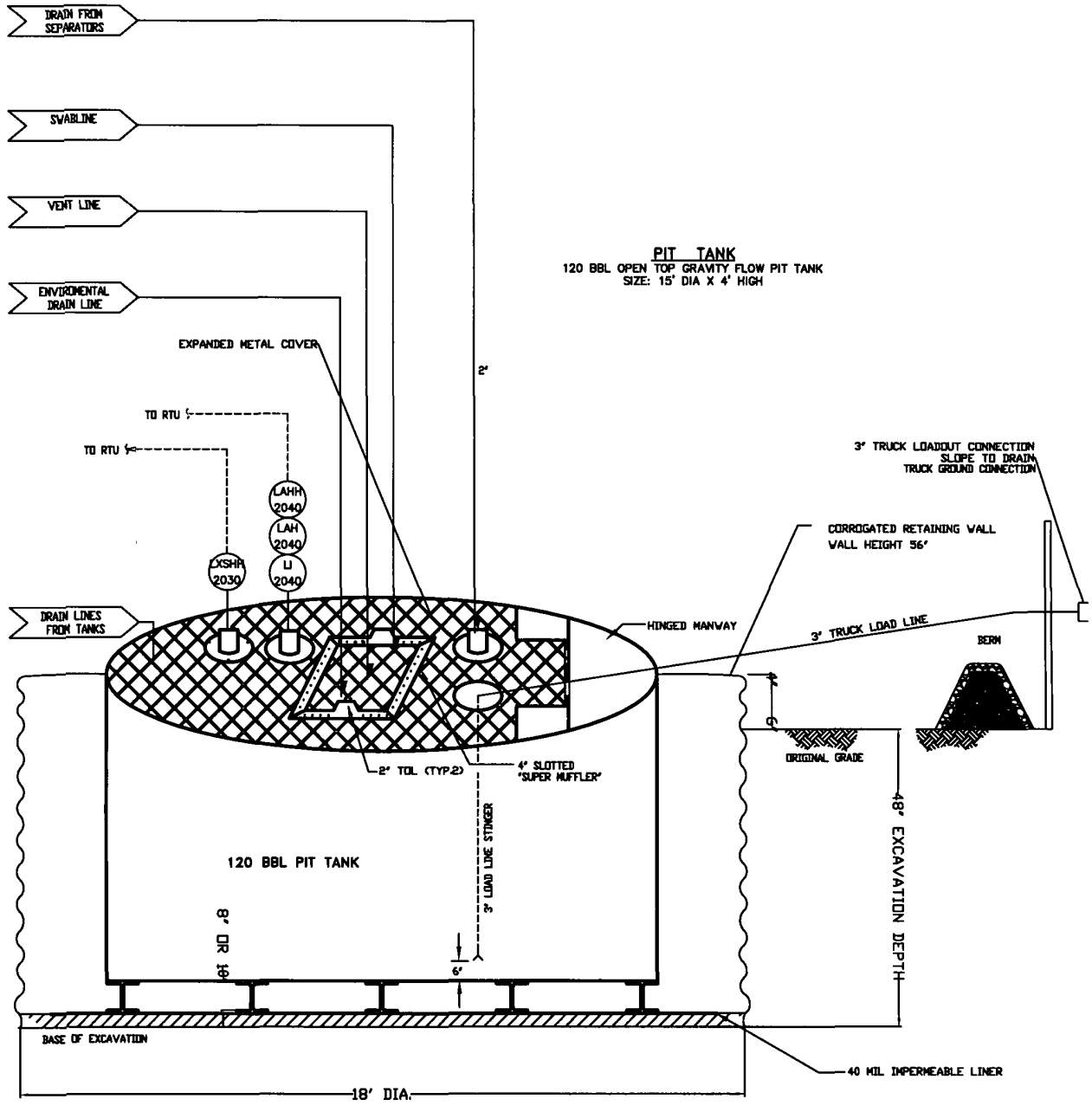
SWABLINE DRAIN LINE

ENVIROMENTAL DRAIN LINE FROM COMPRESSOR SKID

AUTOMATED OPERATION

VENT VALVE DRAIN LINE

DUMP LINE FROM SEPARATORS



PIT TANK

120 BBL OPEN TOP GRAVITY FLOW PIT TANK
SIZE: 15' DIA X 4' HIGH

ConocoPhillips

San Juan Business Unit

Burlington Resources Oil & Gas Company, LP
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 Burlington Resources Oil & Gas Company, 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:

1. BR 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 fresh water and protect public health and environment.

2. BR will not discharge into or store any hazardous waste in the BGT.

3. BR shall operate and install the below-grade tank to prevent the collection of surface water run-on. BR shall not allow a below-grade tank to overflow or allow surface water run-on to enter the below-grade tank.

4. BR shall continuously 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.

5. BR shall inspect the below-grade tank at least monthly and maintain a written record of each inspection for five years.

6. BR shall maintain adequate freeboard to prevent overtopping of the below-grade tank.

7. If a leak develops below the liquid's level, BR shall remove all liquids within 48 hours and repair the damage or replace the below-grade tank. BR shall notify the Aztec Division office by phone or email within 48 hours of the discovery for leaks less than 25 barrels. BR shall notify the Aztec Division office as required pursuant to Subsection B of 19.15.3.116 NMAC shall be reported within twenty-four (24) hours of discovery of leaks greater than 25 barrels. In addition, immediate verbal notification pursuant to Subsection B, Paragraph (1), and Subparagraph (d) of 19.15.3.116 NMAC shall be reported to the division's Environmental Bureau Chief.

Burlington Resources Oil & Gas Company, LP
San Juan Basin
Below Grade Tank Closure Plan

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure requirements of Below Grade Tanks (BGTs) on Burlington Resources Oil & Gas Company, LP locations hereinafter known as BR locations. This is BR's standard procedure for all BGTs. A separate plan will be submitted for any BGT which does not conform to this plan.

General Requirements:

1. BR shall close a below-grade tank within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the division requires because of imminent danger to fresh water, public health or the environment.

2. BR shall close a permitted below-grade tank within 60 days of cessation of the below-grade tank's operation. The closure report will be filed on C-144

3. BR shall remove liquids and sludge from a below-grade tank prior to implementing a closure method and shall dispose of the liquids and sludge in a division-approved facility. The facilities to be used will be Basin Disposal (Permit #NM-01-005) and Envirotech Land Farm (Permit #NM-01-011). The liner will be disposed of at the San Juan County Landfill located on CR 3100.

4. BR will receive prior approval to remove the below-grade tank and dispose of it in a division-approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves. Documentation of how the below-grade tank was disposed of or recycled will be provided in the closure report.

5. If there is any on-site equipment associated with a below-grade tank, then BR shall remove the equipment, unless the equipment is required for some other purpose.

6. BR shall test the soils beneath the below-grade tank to determine whether a release has occurred. BR shall collect, at a minimum, a five point, composite sample; collect individual grab samples from any area that is wet, discolored or showing other evidence of a release; and analyze for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 0.2 mg/kg; total BTEX concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 50 mg/kg; the TPH concentration, as determined by EPA method 418.1 or other EPA method that the division approves, does not exceed 100 mg/kg; and the chloride concentration, as determined by EPA method 300.1 or other EPA method that the division approves, does not exceed 250 mg/kg, or the background concentration, whichever is greater. BR shall notify the division of its results on form C-141.

7. If BR or the division determines that a release has occurred, then BR shall comply with 19.15.3.116 NMAC and 19.15.1.19 NMAC, as appropriate.

8. If the sampling program demonstrates that a release has not occurred or that any release does not exceed the concentrations specified in Paragraph (4) of Subsection E of 19.15.17.13 NMAC, then BR shall backfill the excavation with compacted, non-waste containing, earthen material; construct a division-prescribed soil cover; recontour and re-vegetate the site.

9. Notice of Closure will be given prior to closure to the Aztec Division office between 72 hours and one week via email or verbally. The notification of closure will include the following:
    i. Operator's name
    ii. Location by Unit Letter, Section, Township, and Range. Well name and API number.

10. The surface owner shall be notified of BR's closing of the below-grade tank prior to closure as per the approved closure plan via certified mail, return receipt requested.

11. Re-contouring of location will match fit, shape, line, form and texture of the surrounding. Re-shaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be place in areas where needed to prevent erosion on a large scale. Final re-contour shall have a uniform appearance with smooth surface, fitting the natural landscape.

12. BR shall seed the disturbed areas the first growing season after the operator closes the pit. Seeding will be accomplished via drilling on the contour whenever practical or by other division-approved methods. BLM or Forest Service stipulated seed mixes will used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs.

13. A minimum of four feet of cover shall be achieved and the cover shall include one foot of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater.

14. All closure activities will include proper documentation and be available for review upon request and will be submitted to OCD within 60 days of closure of the below-grade tank. Closure report will be filed on C-144 and incorporate the following:
    - Soil Backfilling and Cover Installation
    - Re-vegetation application rates and seeding techniques
    - Photo documentation of the site reclamation
    - Confirmation Sampling Results
    - Proof of closure notice