State of New Mexico Energy Minerals and Natural Resources

Form C-144 July 21, 2008

District II 1301 W Grand Ave , Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd , Aztec, NM 87410

Department Oil Conservation Division 1220 South St. Francis Dr. Santa Fe NM 87505

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

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District IV 1220 S St. Francis Dr., Santa Fe, NM 87505	Environmental Bureau office and provide a copy to the appropriate NMOCD District Office
	System, Below-Grade Tank, or
Proposed Alternative Me	ethod Permit or Closure Plan Application
Closure of a pit, close Modification to an exi Closure plan only sub	-loop system, below-grade tank, or proposed alternative method d-loop system, below-grade tank, or proposed alternative method isting permit mitted for an existing permitted or non-permitted pit, closed-loop system, proposed alternative method
Please be advised that approval of this request does not relieve the operator of its responsibility	per individual pit, closed-loop system, below-grade tank or alternative request perator of liability should operations result in pollution of surface water, ground water or the y to comply with any other applicable governmental authority's rules, regulations or ordinances
Operator: Burlington Resources Oil & Gas Company, LP	OGRID#: <u>14538</u>
Address: PO Box 4289, Farmington, NM 87499	
Facility or well name: San Juan 28-6 Unit 68	
API Number: 30-039-07058	OCD Permit Number
U/L or Qtr/Qtr: L(NW/SW) Section: 13 Township: Center of Proposed Design: Latitude: 36.57208 Surface Owner: X Federal State Priva	27N Range: 6W County: Rio Arriba °N Longitude: 107.42439 °W NAD: X 1927 1983 ate 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 String-Reinforced Liner Seams Welded Factory Other	RCVD APR 26'12 OIL CONS. DIV. DIST. 3 mil LLDPE HDPE PVC Other Volume bbl Dimensions L x w x D
	Vorkover or Drilling (Applies to activities which require prior approval of a permit or office of intent) ff Bins Other PVD Other PVD Other
Below-grade tank: Subsection I of 19 15 17 11 NMAC Volumebbl Type of fluid: Tank Construction material Secondary containment with leak detectionVisible sidewalls only Liner Type. ThicknessmilHDPE	ewalls, liner, 6-inch lift and automatic overflow shut-off Other PVC Other
5 Alternative Method: Submittal of an exception request is required Exceptions must be sub	omitted 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)				
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				
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)	□NA	į		
- Visual inspection (certification) of the proposed site, Aerial photo, Satellite image				
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes	No		
(Applied to permanent pits) - Visual inspection (certification) of the proposed site, Aerial photo; Satellite image	∐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.	Yes	No		
- NM Office of the State Engineer - tWATERS 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, 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
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
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 X P&A Permanent Pit Below-grade Tank X Closed-loop System Alternative
Proposed Closure Method Waste Excavation and Removal
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 1 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 Ste	el Tanks or Haul-off Rins On	by (19 15 17 13 D NMAC)		
Instructions Please identify the facility or facilities for the disposal of liquids, drilling facilities are required	g fluids and drill cuttings Use	attachment if more than two		
Disposal Facility Name. Envirotech / JFJ Landfarm % IEI	Disposal Facility Permit #	NM-01-0011 / NM-01-00)10B	
Disposal Facility Name Basin Disposal Facility	Disposal Facility Permit #			
Will any of the proposed closed-loop system operations and associated activities Yes (If yes, please provide the information No	es occur on or in areas that i	vill 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 Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Sulface	ction I of 19.15 17.13 NMA	С	AC	
17				
Siting Criteria (Regarding on-site closure methods only: 19 15 17 10 NMAI Instructions Each siting criteria requires a demonstration of compliance in the closure plan certain siting criteria may require administrative approval from the appropriate district office for consideration of approval—Justifications and/or demonstrations of equivalency are	Recommendations of acceptable or may be considered an except	tion which must be submitted to		
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 obt.	ained from nearby wells		Yes No	
,	•			
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 obta			∐Yes ∐No ∏N/A	
Ground water is more than 100 feet below the bottom of the buried waste	•		☐Yes ☐No	
- NM Office of the State Engineer - iWATERS database search, USGS, Data obta	ined from nearby wells		□ N/A	
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signific (measured from the ordinary high-water mark)	ant watercourse or lakebed, su	ikhole, 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 in e - Visual inspection (certification) of the proposed site; Aerial photo, satellite image		pplication	Yes No	
			Yes No	
Within 500 horizontal feet of a private, domestic fresh water well or spring that less that purposes, or within 1000 horizontal fee of any other fresh water well or spring, in exist - NM Office of the State Engineer - iWATERS database, Visual inspection (certification)	ence at the time of the initial ap			
Within incorporated municipal boundaries or within a defined municipal fresh water we pursuant to NMSA 1978, Section 3-27-3, as amended		pal ordinance adopted	Yes No	
 Written confirmation or verification from the municipality, Written approval obta Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map, Topographic map, Visual msp. 		and site	Yes No	
Within the area overlying a subsurface mine	ection (certification) of the prop	Josed site	□Yes □No	
- Written confirantion or verification or map from the NM EMNRD-Mining and M	lineral Division			
Within an unstable area - Engineering measures incorporated into the design, NM Bureau of Geology & Mi	neral Resources, USGS, NM (Geological Society,	Yes No	
Topographic map Within a 100-year floodplain			□v _{os} □v _o	
- FEMA map			YesNo	
On-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each	of the following items mus	t bee attached to the closu	re plan. Please indicate,	
by a check mark in the box, that the documents are attached.	a requirements of 10 16 17	IO NIMAC		
Siting Criteria Compliance Demonstrations - based upon the appropriat Proof of Surface Owner Notice - based upon the appropriate requirement				
Construction/Design Plan of Burial Trench (if applicable) based upon the				
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		-		
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 requiremen				
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 Re-vegetation Plan - based upon the appropriate requirements of Subsection Plan - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection Re-vegetation				
Site Reclamation Plan - based upon the appropriate requirements of Sub				

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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) CRYSTAL TAFOYA Title STAFF REGULATORY TECHNICIAN
Signature John Taloya Date 4/25/12
e-mail address <u>crystal tafoya@conocophillies.cdm</u> Telephone (505) 326-9837
20 OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)
OCD Representative Signature: Approval Date: 4/202012
Title: Compliance Office 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: Wasta Evaporation and Pamoval Closure Method Alternative Closure Method Wasta Removal (Closed-loop systems only)
Waste Excavation and Removal On-site Closure Method Alternative Closure Method Waste Removal (Closed-loop systems only)
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) 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 <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
Ste 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.