District I 1625 N. French Dr., Hobbs, NM 88240

District II 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.

Pit, Closed-Loop System, Below-Grade Proposed Alternative Method Permit or Closur	
	Tank or
44 ^M	
Type of action: Permit of a pit, closed-loop system, below-grade tank	
Closure of a pit, closed-loop system, below-grade tar	nk, or proposed alternative method
X Modification to an existing permit	
Closure plan only submitted for an existing permitted below-grade tank, or proposed alternative method	or non-permitted pit, closed-loop system,
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop s	system, helow-grade tank or alternative request
Please be advised that approval of this request does not relieve the operator of liability should operations result	-
environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable gove	ernmental authority's rules, regulations or ordinances.
Operator: ConocoPhillips Company O	OGRID#: 217817
Address: PO Box 4289, Farmington, NM 87499	
Facility or well name: STATE COM R 14M	
API Number: 30-045-35414 OCD Permit Number:	
U/L or Qtr/Qtr: N(SE/SW) Section: 36 Township: 30N Range: 9W	V County: SAN JUAN
	107.73134 °W NAD: 1927 X 1983
Surface Owner: Federal X State Private Tribal Trust or Indian A	Allotment
String-Reinforced Liner Seams: Welded Factory Other Volume:	RCVD JAN 25 *13 OIL CONS. DIV. DIST. 3 ODD Dimensions L x W x D
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 act notice of intent)	tivities which require prior approval of a permit or
Drying Pad Above Ground Steel Tanks Haul-off Bins Other	
Lined Unlined Liner type: Thicknessmil LLDPE HDI	PE PVD Other
Liner Seams: Welded Factory Other	
Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: bbl Type of fluid: Tank Construction material: Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automa Visible sidewalls and liner Visible sidewalls only Other Liner Type: Thickness mil HDPE PVC Other	atic overflow shut-off
5 Alternative Method: Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environme	antal Pureau office for consideration of annexal

Form C-144

Oil Conservation Division

Page 1 of 5

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, institute of the specific of the specific or strands of barbed wire evenly spaced between one and four feet alternate. Please specify	ttion or church)
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: X Administrative approval(s): Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for consideration pit for Pre-set) Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	deration of app	roval.
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

Form C-144 Oil Conservation Division

Page 2 of 5

Temporary Pits, Emergency Pits and Below-grade Tanks Permit Application Attachment ChecklistSubsection 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
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 head were the appropriate requirements of Subgretion C of 10.15.17.0 NIMAG and 10.15.17.13 NIMAG.
Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
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 X Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System
Alternative
Proposed Closure Method: Waste Excavation and Removal
Waste Removal (Closed-loop systems only)
On-site Closure Method (only for temporary pits and closed-loop systems)
In-place Burial On-site Trench
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)
Wests Evenyetion and Demoval Closure Plan Checklist (10.15.17.12.NMAC) for the state of the Checklist (10.15.17.12.NMAC) for the state of the Checklist (10.15.17.12.NMAC) for the state of the Checklist (10.15.17.12.NMAC) for the chec
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

16 Waste Removal Closure For Closed-loop Systems That Utilize Above Ground S	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, drill facilities are required.	ing fluids and drill cuttings. Use attachment if more than two	
Disposal Facility Name: Envirotech / JFJ Landfarm % IEI	Disposal Facility Permit #: NM-01-0011 / NM-01-0	010B
Disposal Facility Name: Basin Disposal Facility	Disposal Facility Permit #: NM-01-005	
Will any of the proposed closed-loop system operations and associated act Yes (If yes, please provide the information No	ivities occur on or in areas that will nbe used for future	service and
Required for impacted areas which will not be used for future service and operation Soil Backfill and Cover Design Specification - based upon the appr Re-vegetation Plan - based upon the appropriate requirements of Sub Site Reclamation Plan - based upon the appropriate requirements of S	opriate requirements of Subsection H of 19.15.17.13 N section I of 19.15.17.13 NMAC	MAC
17 Siting Criteria (Regarding on-site closure methods only: 19.15.17.10 NM 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 office for consideration of approval. Justifications and/or demonstrations of equivalency are	Recommendations of acceptable source material are provided below. or may be considered an exception which must be submitted to the So	, , , ,
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 of	obtained from nearby wells	☐Yes ☐No ☐N/A
Ground water is between 50 and 100 feet below the bottom of the buried v	vaste	Yes No
- NM Office of the State Engineer - iWATERS 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. - NM Office of the State Engineer - iWATERS database search; USGS; Data of	obtained from nearby wells	☐Yes ☐No ☐N/A
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other sign (measured from the ordinary high-water mark).	,	☐Yes ☐No
- Topographic map; Visual inspection (certification) of the proposed site		
Within 300 feet from a permanent residence, school, hospital, institution, or church - Visual inspection (certification) of the proposed site; Aerial photo; satellite im	• •	YesNo
Within 500 horizontal feet of a private, domestic fresh water well or spring that less purposes, or within 1000 horizontal fee of any other fresh water well or spring, in e - NM Office of the State Engineer - iWATERS database; Visual inspection (cer	xistence at the time of the initial application. rtification) 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. - Written confirmation or verification from the municipality; Written approval	,	Yes No
Within 500 feet of a wetland - US Fish and Wildlife Wetland Identification map; Topographic map; Visual i	, ,	Yes No
Within the area overlying a subsurface mine. - Written confirantion or verification or map from the NM EMNRD-Mining an	nd Mineral Division	Yes No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Topographic map	: Mineral Resources; USGS; NM Geological Society;	Yes No
Within a 100-year floodplain FEMA map		☐Yes ☐No
18 On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Ea	ach of the following items must bee attached to the clo	sure plan. Please indicate.
by a check mark in the box, that the documents are attached.		-
Siting Criteria Compliance Demonstrations - based upon the appropriate require Proof of Surface Owner Notice - based upon the appropriate require	•	
Construction/Design Plan of Burial Trench (if applicable) based up		
	•• •	
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 X 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		

Form C-144 Oil Conservation Division Page 4 of 5

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): Jamie Goodwin Title: Regulatory Technician
Signature: Date: 1124113
e-mail address:
20 OCD Approval: Permit Application (including of losure plan) Closure Plan (only) OCD Conditions (see attachment)
OCD Representative Signature: Approval Date: 1/2/20(3
Title: 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
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
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:
e-mail address: Telephone:

ConocoPhillips Company Cavitation Pit for Closed-Loop Locations

Design:

ConocoPhillips Company will use a cavitation pit plan when the surface casing will be pre-set on closed-loop locations. The drill cuttings will be stockpiled on the surface.

Operations and Maintenance:

The cavitation pit will be operated and maintained as follows:

- 1. Only Fresh water and air will be used in the drilling of the surface casing.
- 2. The Cement used will be: Neat Cement with no additives.
- 3. All of the fluids will be removed within 48hrs after drilling.
- 4. A representative five point composite sample will be taken of the drill cuttings, after the setting of the surface casing is complete, using sampling tools and all samples will be tested per Subsection B of 19.15.17.13(B)(1)(b). In the event that the testing criteria is not met, all contents will be dug and hauled per Subparagraph (a) of Paragraph (1) of Subsection B of 19.15.17.13 i.e.

Components	Tests Method	Limit (mg/Kg)
Benzene	EPA SW-846 8021B or 8260B	0.2
BTEX	EPA SW-846 8021B or 8260B	50
TPH	EPA SW-846 418.1	2500
GRO/DRO	EPA SW-846 8015M	500
Chlorides	EPA 300.1	500

5. The NMOCD will be notified via email of the test results of the cavitation surface as follows:

Components	Tests Method	Limit (mg/Kg)	Results
Benzene	EPA SW-846 8021B or 8260B	0.2	
BTEX	EPA SW-846 8021B or 8260B	50	
TPH	EPA SW-846 418.1	2500	
GRO/DRO	EPA SW-846 8015M	500	
Chlorides	EPA 300.1	500	

Closure Plan:

- 1. The NMOCD will be notified of the sample results and the intent to start the closure process 3-7 days prior to the drill cuttings being transported, moved, or distributed on location.
- 2. In the event the criteria are not met, all solids and liquids will be removed and disposed of at Envirotech (Permit #NM-01-0011) and/or Basin Disposal Facility (Permit #NM-01-005) and/or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B).
- 3. Testing results will be submitted with the Closure Report of the well locations Closed-Loop Permit on Form C-144.

ConocoPhillips is aware that approval of this plan does not relieve ConocoPhillips of liability should operations result in pollution of surface water, ground water, or the environment. Nor does approval relieve ConocoPhillips of its responsibility to comply with any other applicable governmental authority's rules and regulations.