District II 1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

## 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

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.
Pit, Closed-Loop System, Below-Gr	ade Tank, or
Proposed Alternative Method Permit or Cl	osure Plan Application
Type of action: X Permit of a pit, closed-loop system, below-grade	e tank, or proposed alternative method
Closure of a pit, closed-loop system, below-grad	de tank, or proposed alternative method
Modification to an existing permit	
	nitted or non-permitted pit, closed-loop system,
below-grade tank, or proposed alternative metho	÷
Instructions: Please submit one application (Form C-144) per individual pit, closed-	
Please be advised that approval of this request does not relieve the operator of liability should operatio environment. Nor does approval relieve the operator of its responsibility to comply with any other applica	
1 Operator: Burlington Resources Oil & Gas Company, LP	OGRID#: <u>14538</u>
Address: PO Box 4289, Farmington, NM 87499	
Facility or well name: Reid 22R	
API Number: 30-045-23136 OCD Permit Nur	nber:
U/L or Qtr/Qtr: J(NW/SE) Section: 7 Township: 28N Range:	9W County: San Juan
Center of Proposed Design: Latitude: 36.67318 °N Longitude:	-107.82607 °W NAD: X 1927 1983
Surface Owner: X Federal State Private Tribal Trust or Inc	lian 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  String-Reinforced  Liner Seams: Welded Factory Other Volume:	RCVD MAR 4'13 OIL CONS. DIV. DIST. 3 HDPE PVC Other bbl Dimensions L x w x D
X   Closed-loop System: Subsection H of 19.15.17.11 NMAC   Type of Operation: P&A Drilling a new well X Workover or Drilling (Applies notice of intent)   Drying Pad X   Above Ground Steel Tanks   Haul-off Bins Other     Lined Unlined Liner type: Thickness mil LLDPE     Liner Scams: Welded Factory Other	to activities which require prior approval of a permit or    HDPE   PVD   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 a Visible sidewalls and liner Visible sidewalls only Other  Liner Type: Thickness mil HDPE PVC Other	utomatic overflow shut-off
5  Alternative Method:  Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Envir	conmental Bureau office for consideration of approval

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Oil Conservation Division

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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)				
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) - 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 NA	No		
<ul> <li>Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</li> <li>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.</li> </ul>	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	Yes	No		
<ul> <li>Written confirmation or verification from the municipality; Written approval obtained from the municipality</li> <li>Within 500 feet of a wetland.</li> <li>US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</li> </ul>	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		
<ul> <li>Within an unstable area.</li> <li>Engineering measures incorporated into the design; NM Bureau of Geology &amp; Mineral Resources; USGS; NM Geological Society; Topographic map</li> </ul>	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.  [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				
Y Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC				
X Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9  NMAC and 19.15.17.13 NMAC				
Previously Approved Design (attach copy of design)  API				
Previously Approved Operating and Maintenance Plan API				
13				
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC				
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.				
Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19.15.17.9 NMAC				
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC				
Climatological Factors Assessment				
Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC				
Dike Protection and Structural Integrity Design: based upon the appropriate requirements of 19.15.17.11 NMAC				
Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC				
Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC				
Quality Control/Quality Assurance Construction and Installation Plan				
Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC				
Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC  Nuisance or Hazardous Odors, including H2S, Prevention Plan				
Emergency Response Plan				
Oil Field Waste Stream Characterization				
Monitoring and Inspection Plan				
Erosion Control Plan				
Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC				
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 X Workover Emergency Cavitation 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 I of 19.15.17.13 NMAC				
Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC				
Site recommendation Figure 5 dated upon the appropriate requirements of outsection 0 of 15.15.17.15 twinte				

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16 Waste Remoyal Closure For Closed-loop Systems That Utilize Above Ground	Steel Tanks or Haul-off Rins Only: (19 15 17 13 D)	NMAC)			
Instructions: Please identify the facility or facilities for the disposal of liquids, dri facilities are required.	lling fluids and drill cuttings. Use attachment if more	than two			
Disposal Facility Name: Envirotech / JFJ Landfarm % IEI	Disposal Facility Permit #: NM-01-0011 / N	IM-01-0010B			
Disposal Facility Name: Basin Disposal Facility	Disposal Facility Permit #: NM-01-005	N-M-M-M-M-M-M-M-M-M-M-M-M-M-M-M-M-M-M-M			
Will any of the proposed closed-loop system operations and associated acti  Yes (If yes, please provide the information No	vities occur on or in areas that will not be used for	or 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 appropriate requirements of Su Site Reclamation Plan - based upon the appropriate requirements of	opriate requirements of Subsection H of 19.15.17 bsection I of 19.15.17.13 NMAC	II3'NMÄC'			
17					
Siting Criteria (Regarding on-site closure methods only: 19.15.17.10 NI Instructions: Each siting criteria requires a demonstration of compliance in the closure p certain siting criteria may require administrative approval from the appropriate district office for consideration of approval. Justifications and/or demonstrations of equivalency	olan. Recommendations of acceptable source material are office or may be considered an exception which must be su	bmitted to the Santa Fe Environmental Bureau			
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			
Ground water is between 50 and 100 feet below the bottom of the buried w	vaste	☐Yes ☐No			
- NM Office of the State Engineer - iWATERS database search; USGS; Data		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	obtained from nearby wells	□N/A			
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other sig (measured from the ordinary high-water mark).	nificant watercourse or lakebed, sinkhole, 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 - Visual inspection (certification) of the proposed site; Aerial photo; satellite in	•••	Yes No			
•		Yes No			
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 (ce	xistence at the time of the initial application.	ng			
Within incorporated municipal boundaries or within a defined municipal fresh wate pursuant to NMSA 1978, Section 3-27-3, as amended.  - Written confirmation or verification from the municipality; Written approval	·	ed Yes No			
Within 500 feet of a wetland		Yes No			
<ul> <li>US Fish and Wildlife Wetland Identification map; Topographic map; Visual i</li> <li>Within the area overlying a subsurface mine.</li> </ul>	inspection (certification) of the proposed site	Yes No			
- Written confiramtion or verification or map from the NM EMNRD-Mining an	d Mineral Division				
Within an unstable area.  - Engineering measures incorporated into the design; NM Bureau of Geology &	Mineral Resources; USGS; NM Geological Society;	Yes No			
Topographic map Within a 100-year floodplain FEMA map		Yes No			
18					
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Ed by a check mark in the box, that the documents are attached.	nch of the following items must bee attached to t	ine ciosure plan. Please indicate,			
Siting Criteria Compliance Demonstrations - based upon the approp	•				
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 upo					
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					

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19 Operator Application Certil Lhereby certify that the informati	fication: ion submitted with this application is true, acc	urate and complete to the be	st of my knowledge and belief	
Name (Print):	DENISE JOURNEY	Title:	Regulatory Technolian	•
Signature:	nisc ourner	Date:	3/1/2013	- <del>-</del>
	Denise.Journey@conocophillips.com	Telephone:	(505) 326-9556	<del>-</del>
20 OCD Approval: Permit OCD Representative Signate	Application (including closure plan)	Glosure Plan (only)	OCD Conditions (see attachment)  Approval Date: 3/5	7,20412
Title: Complia	use Office	OCD Permi	<del></del>	70070
Instructions: Operators are requireport is required to be submitted	ithin 60 days of closure completion): Su ired to obtain an approved closure plan prior d to the division within 60 days of the complet obtained and the closure activities have been	to implementing any closur ion of the closure activities, completed.		
22				
Closure Method:  Waste Excavation and Re  If different from approve.	. —	Alternative Closure M	lethod Waste Removal (Closed-loop s	ystems only)
23				
Instructions: Please identify the	ste Removal Closure For Closed-loop System facility or facilities for where the liquids, dri			an two facilities
were utilized.  Disposal Facility Name:		Disposal Facility P	ermit Number:	
Disposal Facility Name:		Disposal Facility P		
Were the closed-loop system of	operations and associated activities performed	on or in areas that will not	oe used for future service and opeartions?	
Yes (If yes, please demor	nstrate complilane to the items below)	No		
, , , , , , , , , , , , , , , , , , ,	which will not be used for future service and o	operations:		
Site Reclamation (Photo Soil Backfilling and Cove	*			
	n Rates and Seeding Technique			
24				
	ent Checklist: Instructions: Each of the fo are attached.	llowing items must be attac	hed to the closure report. Please indicate, by	a check mark in
l <u> </u>	e (surface owner and division)		•	
l	required for on-site closure)			
l	losures and temporary pits)			
	g Analytical Results (if applicable)			
Disposal Facility Name	ing Analytical Results (if applicable)			
Soil Backfilling and Co				
	tion Rates and Seeding Technique			
Site Reclamation (Phot	to Documentation)			
On-site Closure Locati	on: Latitude:	Longitude:	NAD	1983
<u></u>				
- 22	ion: ion and attachments submitted with this closu licable closure requirements and conditions s	•		belief. I also certify that
	rearie constitue requirements and containons s	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.