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 Pit, Closed-Loop System, Below-Grad	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.
Type of action: Instructions: Please submit one ap	 sed Alternative Method Permit or Closs Permit of a pit, closed-loop system, below-grade t Closure of a pit, closed-loop system, below-grade Modification to an existing permit Closure plan only submitted for an existing permit below-grade tank, or proposed alternative method <i>plication (Form C-144) per individual pit, closed-loo</i> 	sure Plan Application ank, or proposed alternative method tank, or proposed alternative method tted or non-permitted pit, closed-loop system, p system, below-grade tank or alternative request
1 Operator: Burlington Resources Oil Address: PO Box 4289, Farmington Facility or well name: STATE GAS	& Gas Company, LP n, NM 87499 COM AB 100S 045-34839 n: 2 Township: 29N Range: 1	governmental authority's rules, regulations or ordinances. OGRID#: 14538 er:
String-Reinforced	over	RCVD FEB 23'12 OIL CONS. DIV. HDPE PVC Other DIST. 3
Type of Operation: P&A	on H of 19.15.17.11 NMAC Drilling a new well Workover or Drilling (Applies to notice of intent) d Steel Tanks Haul-off Bins Other type: Thickness mil LLDPE	activities which require prior approval of a permit or
4 Below-grade tank: Subsection I Volume: bt Tank Construction material:		omatic overflow shut-off
5 Alternative Method: Submittal of an exception request is requ	uired. Exceptions must be submitted to the Santa Fe Enviror	nmental Bureau office for consideration of approval.

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 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 		
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 X Signed in compliance with 19.15.3.103 NMAC 		
 9 <u>Administrative Approvals and Exceptions:</u> 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. 	eration of approval.	
¹⁰ <u>Siting Criteria (regarding permitting)</u> 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	0
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	0
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes No	0
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)	NA	
- 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.		0
(Applied to permanent pits)		
 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	0
- 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	0
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	Yes N	0
 Within the area overlying a subsurface mine. Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division 		ю
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	Yes N	o
Within a 100-year floodplain - FEMA map	Yes N	0

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	w-grade Tanks Permit Application Attachment ChecklistSubsection B of 19.15.17.9 NMAC
	ttached to the application. Please indicate, by a check mark in the box, that the documents are attached.
	anks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
	Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9
	tions - based upon the appropriate requirements of 19.15.17.10 NMAC
Design Plan - based upon the appropri	ate requirements of 19.15.17.11 NMAC
Operating and Maintenance Plan - bas	ed upon the appropriate requirements of 19.15.17.12 NMAC
Closure Plan (Please complete Boxes 19.15.17.9 NMAC and 19.15.17.13 N	14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of MAC
Previously Approved Design (attach copy	of design) API or Permit
12	
Instructions: Each of the following items must be a	ttachment Checklist:Subsection B of 19.15.17.9 NMAC stached to the application. Please indicate, by a check mark in the box, that the documents are attached. ly for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9
	tions (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC
	ate requirements of 19.15.17.11 NMAC
	ed upon the appropriate requirements of 19.15.17.12 NMAC
NMAC and 19.15.17.13 NMAC	14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9
Previously Approved Design (attach copy	of design) API
Previously Approved Operating and Main	tenance Plan API
	list: Subsection B of 19.15.17.9 NMAC attached to the application. Please indicate, by a check mark in the box, that the documents are attached. e requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC
	tions - based upon the appropriate requirements of 19.15.17.10 NMAC
Clímatological Factors Assessment	······································
	based upon the appropriate requirements of 19.15.17.11 NMAC
Dike Protection and Structural Integri	y Design: based upon the appropriate requirements of 19.15.17.11 NMAC
Leak Detection Design - based upon the	ne 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 Co	nstruction and Installation Plan
Operating and Maintenance Plan - bas	ed upon the appropriate requirements of 19.15.17.12 NMAC
Freeboard and Overtopping Prevention	n Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
Nuisance or Hazardous Odors, includi	ng H2S, Prevention Plan
Emergency Response Plan	
Oil Field Waste Stream Characterizati	on
Monitoring and Inspection Plan	
Erosion Control Plan	
Closure Plan - based upon the appropr	iate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
14	
Proposed Closure: 19.15.17.13 NMAC	
	rs, Boxes 14 through 18, in regards to the proposed closure plan.
	ency X Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System
Alternative Proposed Closure Method: Waste Excava	ion and Removal
	ion and Removal al (Closed-loop systems only)
	e Method (only for temporary pits and closed-loop systems)
	-place Burial On-site Trench
	osure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)
15 Waste Excavation and Removal Closure P	lan 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 appropriate requirements of 19.15.17.13 NMAC
	able) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
	umber (for liquids, drilling fluids and drill cuttings)
	ications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
Re-vegetation Plan - based upon the a	ppropriate requirements of Subsection 1 of 19.15.17.13 NMAC
Site Reclamation Plan - based upon th	e 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 S	teel Tanks or Haul-off Ring Only (10-15-17-13-D-NMAC)	
Instructions: Please identify the facility or facilities for the disposal of liquids, drillin 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 acti	vities 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 appro Re-vegetation Plan - based upon the appropriate requirements of Subs Site Reclamation Plan - based upon the appropriate requirements of Subs	priate requirements of Subsection H of 19.15.17.13 N ection 1 of 19.15.17.13 NMAC	MAC
17 <u>Siting Criteria (Regarding on-site closure methods only:</u> 19.15.17.10 NM/ Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. I certain siting criteria may require administrative approval from the appropriate district office of office for consideration of approval. Justifications and/or demonstrations of equivalency are re-	Recommendations of acceptable source material are provided below or may be considered an exception which must be submitted to the Su	
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 o	btained from nearby wells	Yes No
	-	
Ground water is between 50 and 100 feet below the bottom of the buried w - NM Office of the State Engineer - iWATERS database search; USGS: Data of		Yes No
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 of	ptained from nearby wells	N/A
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other sign (measured from the ordinary high-water mark).	ificant 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 i - Visual inspection (certification) of the proposed site; Aerial photo; satellite ima		Yes No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less the purposes, or within 1000 horizontal fee of any other fresh water well or spring, in ex - NM Office of the State Engineer - iWATERS database; Visual inspection (cert	istence at the time of the initial application.	Yes No
Within incorporated municipal boundaries or within a defined municipal fresh water v pursuant to NMSA 1978, Section 3-27-3, as amended.		Yes No
 Written confirmation or verification from the municipality: Written approval o Within 500 feet of a wetland 	btained from the municipality	
- US Fish and Wildlife Wetland Identification map; Topographic map; Visual ir	spection (certification) of the proposed site	Yes No
Within the area overlying a subsurface mine.		Yes No
- Written confiration or verification or map from the NM EMNRD-Mining and Within an unstable area.	I Mineral Division	
 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 <u>On-Site Closure Plan Checklist:</u> (19.15.17.13 NMAC) Instructions: Eac by a check mark in the box, that the documents are attached.	ch of the following items must bee attached to the clo	sure plan. Please indicate,
Siting Criteria Compliance Demonstrations - based upon the approp	-	
Proof of Surface Owner Notice - based upon the appropriate require	ments of Subsection F of 19.15.17.13 NMAC	
Construction/Design Plan of Burial Trench (if applicable) based upo	on the appropriate requirements of 19.15.17.11 NMAC	
Construction/Design Plan of Temporary Pit (for in place burial of a X) Protocols and Procedures - based upon the appropriate requirements		of 19.15.17.11 NMAC
Confirmation Sampling Plan (if applicable) - based upon the approp	riate requirements of Subsection F of 19.15.17.13 NM	AC
X 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 		

19 Operator Application Contification
Operator Application Certification:
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.
Name (Print): Title:
Signature: Date:
e-mail address: Telephone:
20 ∇Z
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)
OCD Representative Signature: 6,21/2013
Title: (Ond Tance) Other () 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: 11/16/2010
22
Closure Method:
Waste Excavation and Removal On-site Closure Method X 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 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
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): Jamie Goodwin Title: Regulatory Technician
()
Signature: / 10mu UDDAWL Date: & d. [d
e-mail address: jamie l.goodwin@conocophillips.com Telephone: 505-326-9784

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Burlington Resources Oil & Gas Company, LP MUD PRE SET DRILL

Closed Loop Design:

The closed loop design will not incorporate a temporary pit or below grade tank. The plan will utilize an above grade tank suitable for holding the cuttings and fluids generated during drilling operations. The volume of the tank shall be of a sufficient volume to maintain an adequate free board for periodic removal and disposal of cuttings and fluids.

Burlington Resources Oil & Gas Company, LP may incorporate the use of a 20 mil, string reinforced, LLDPE liner with factory welded seams to line the drying pad in order to minimize the volume of fluids to be disposed of. The drying pad will be designed to prevent contamination of fresh water, protect public health and the environment, and have sumps to facilitate the collection of liquids derived from drilling cuttings, as specified per subsection H of 19.15.17.11. The cuttings pad will be constructed above grade and containment will be through the use of earthen berms of sufficient height to contain the cuttings and prevent run-off of surface water or fluids. The drying pad area will replace the area of the drill site previously designated for the reserve pit. It will be signed in compliance with 19.15.3.103.NMAC. Frac tanks will be utilized on site for fresh water storage.

Closed Loop Operations and Maintenance:

The closed loop system will be operated and maintained for solids and liquid containment to prevent ground water contamination as follows:

- 1. Any free liquids will be recovered and reused or disposed of at the Basin Disposal Facility (Permit # NM-01-005) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B). Reuse may include the relocating of liquids to be used in other permitted drilling operations.
- Drill solids will be recovered from location and hauled to Envirotech (Permit #NM-01-0011) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B) periodically as required to maintain a safe free board in the cuttings tank. No onsite trench burial of cuttings will occur.
- 3. In the event a drying pad is utilized, the cuttings will be picked up and transported to Basin Disposal Facility (Permit #NM-01-005) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B). The liner will be disposed of at the San Juan County Landfill located on CR 3100. The drying pad will be closed within 6 months from the date that the drilling rig is released. Berms constructed from native materials will be bladed on site to the location's contour.
- 4. Any drilling materials or trash will be stored and disposed of appropriately.
- 5. The NMOCD will be notified within 48 hours of the discovery of compromised integrity of the closed loop containment. Any required repairs will commence immediately.

Closed Loop Closure Plan:

 Upon completion of the drilling operations, all solids and liquids will be removed and disposed of to 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). Equipment shall also be removed from location. In the event a drying pad is utilized, the solids contained on the pad shall remain on site to allow sufficient drying and will then be transported to Envirotech (Permit # NM-01-0011) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B) within 6 months from the date that the drilling rig is released. 2. After the drying pad is removed the surface below will be visually inspected for any contamination. If contamination is discovered a five point composite sample will be taken of the drying pad area using sampling tools and all samples tested per Subsection B of 19.15.17.13(B)(1)(b). In the event that the criteria are not met, all contents will be handled per Subparagraph (a) of Paragraph (1) of Subsection B of 19.15.17.13 i.e., Dig and haul.

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

- 3. 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.
- 4. Notification will be sent to OCD when the reclaimed area is seeded.
- 5. BR shall seed the disturbed areas the first growing season after the operator closes the drying pad. 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.

Туре	Variety or Cultivator	PLS/A
Western wheatgrass	Arriba	3.0
Indian ricegrass	Paloma or Rimrock	3.0
Slender wheatgrass	San Luis	2.0
Crested wheatgrass	Hy-crest	3.0
Bottlebrush Squirreltail	Unknown	2.0
Four-wing Saltbrush	Delar	.25

Species shall be planted in pounds of pure live seed per acre: Present Pure Live Seed (PLS) = Purity X Germination/100 Two lots of seed can be compared on the basis of PLS as follows: Source No. One (poor quality) Source No. two (better quality) Purity 50 percent Purity 80 percent Germination 40 percent Germination 63 percent Percent PLS 50 percent Percent PLS 20 percent 5 lb. bulk seed required to make 2 lb. bulk seed required to make 1 lb. PLS 1 lb. PLS