1625 N. French Dr., Hobbs, NM 88240

21.1.1

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

### State of New Mexico Energy Minerals and Natural Resources

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

Form C-144 July 21, 2008

For temporary pits, closed-loop sytems, and below-grade tanks, submit to the appropriate NMOCD District Office.

For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

# Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application

Type of action:

Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method losure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit

Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

Operator: ConocoPhillips Company	OGRID#: <b>217817</b>
Address: PO Box 4289, Farmington, NM 87499	
Facility or well name: San Juan 28-7 Unit 238N	
	CD Permit Number:
U/L or Qtr/Qtr: D(NW/NW) Section: 29 Township 28N	Range: 7W County: RIO ARRIBA
· _ ~	Longitude: 107.603433 °W NAD: ### X 1983 al Trust or Indian Allotment
2	RCVD NOV 20 *13           OIL CONS. DIV.           DIST. 3           Volume:         x W x D
notice of inten	Orilling (Applies to activities which require prior approval of a permit or t)  Other  LLDPE 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,  Visible sidewalls and liner Visible sidewalls only Other  Liner Type: Thickness mil HDPE PVC	6-inch lift and automatic overflow shut-off  The state of the order of the state of
Submittal of an exception request is required. Exceptions must be submitted 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)				
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 of approval.  (Cavitation pit for Pre-set)  Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.				
10				
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above grade-tanks associated with a closed-loop system.				
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.  - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes	No		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).  - Topographic map; Visual inspection (certification) of the proposed site	Yes	□No		
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes	No		
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)	□NA			
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	l			
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		
- 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		
Society; Topographic map  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 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  [ 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 19.15.17.10 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:  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 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		
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)		
15		
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan.  Please indicate, by a check mark in the box, that the documents are attached.  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				
<u>Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Stantructions: Please identify the facility or facilities for the disposal of liquids, drill facilities are required.</u>				
Disposal Facility Name: Envirotech / JFJ Landfarm % IEI	Disposal Facility Permit #: NM-01-0011 / NM-01-00	010B		
Disposal Facility Name: Basin Disposal Facility	Disposal Facility Permit #: NM-01-005			
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and  Yes (If yes, please provide the information No				
Required for impacted areas which will not be used for future service and operations:  Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC  Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC  Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC				
17				
Siting Criteria (Regarding on-site closure methods only: 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.				
Ground water is less than 50 feet below the bottom of the buried waste.		Yes No		
- NM Office of the State Engineer - iWATERS database search; USGS: Data of	obtained from nearby wells	□n/A		
Ground water is between 50 and 100 feet below the bottom of the buried wa	aste	Yes No		
- NM Office of the State Engineer - iWATERS database search; USGS; Data of	btained from nearby wells	□N/A		
Crowd voter is more than 100 feet below the bettern of the buried weets		☐Yes ☐No		
Ground water is more than 100 feet below the bottom of the buried waste.	htsinad from narrhy walls			
- NM Office of the State Engineer - iWATERS database search; USGS; Data of	otained from hearby wens	∐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 a Visual inspection (certification) of the proposed site; Aerial photo; satellite image		YesNo		
		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 ea - NM Office of the State Engineer - iWATERS database; Visual inspection (cer	sistence at the time of the initial application.			
Within incorporated municipal boundaries or within a defined municipal fresh water pursuant to NMSA 1978, Section 3-27-3, as amended.	•	Yes No		
- Written confirmation or verification from the municipality; Written approval o	btained from the municipality			
Within 500 feet of a wetland - US Fish and Wildlife Wetland Identification map; Topographic map; Visual in	respection (certification) of the proposed site	Yes No		
Within the area overlying a subsurface mine.	ispection (certification) of the proposed site	∏Yes ∏No		
Within the area overlying a substitute finite.      Written confirantion or verification or map from the NM EMNRD-Mining and area.	d Mineral Division			
Within an unstable area.		∏Yes ∏No		
- Engineering measures incorporated into the design; NM Bureau of Geology & Topographic map	Mineral Resources; USGS; NM Geological Society;			
Within a 100-year floodplain FEMA map		Yes No		
18				
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Eaby a check mark in the box, that the documents are attached.	ch of the following items must bee attached to the clost	re plan. Please indicate,		
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC				
Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC				
Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC				
Construction/Design Plan of Temporary Pit (for in place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC				
X Protocols and Procedures - based upon the appropriate requirements of 19.15.17.11 NMAC				
Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC				
X Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC				
X   Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings 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 Sub				

Form C-144

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): Title:		
Signature: Date:		
e-mail address: <u>kenny.r.davis@conocophillips.com</u> Telephone:		
# OCD Approval: Permit Application (including closule plan) Closure Plan (only) OCD Conditions (see attachment)  OCD Representative Signature:		
Approvar Date: 11/20/2013		
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:  3/20/2013		
Closure Method:  Waste Excavation and Removal X On-site Closure Method Alternative Closure Method Waste Removal (Closed-loop systems only)  If different from approved plan, please explain.		
#		
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 <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		
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): Kenny Davis Title: Staff Regulatory Technician		
Signature: Date: 11/14/2013		
e-mail.address: kenny.r.davis@conocophillips.com Telephone: 505-599-4045		

# Burlington Resources Oil Gas Company, LP San Juan Basin Closure

Modification Pre-set Pit Permit

The San Juan 28-7 Unit 238N has an approved C-144 Pre-set pit permit dated 3/5/13. Due to change in plans, ConocoPhillips mud drilled and never utilized C144 Pre-set pit permit.

Form 3160-5

# UNITED STATES DEPARTMENT OF THE INTERIOR

MAR 21 2013

FORM APPROVED OMB No. 1004-0137

Engineer

(August 2007) Expires: July 31, 2010 BUREAU OF LAND MANAGEMENT Farmington Field Danescrial No. SF-078497 SUNDRY NOTICES AND REPORTS ON WELLS nademe 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. SUBMIT IN TRIPLICATE - Other instructions on page 2. 7. If Unit of CA/Agreement, Name and/or No. SAN JUAN 28-7 UNIT 1. Type of Well X Gas Well Oil Well Other 8. Well Name and No. San Juan 28-7 Unit 238N 2. Name of Operator 9. API Well No. ConocoPhillips Company 30-039-31150 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area 3a. Address PO Box 4289, Farmington, NM 87499 (505) 326-9700 Basin DK 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. Country or Parish, State Unit D (NVV/NW), 670' FNL & 702' FWL, Section 29, T28N, R7W Rio Arriba Surface New Mexico Unit D (NW/NW), 1250' FNL & 702' FWL, Section 29, T28N, R7W **Bottomhole** 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Deepen Production (Start/Resume) Water Shut-Off X Notice of Intent Acidize Alter Casing Fracture Treat Reclamation Well Integrity Recomplete Casing Repair New Construction X Other Subsequent Report Plug and Abandon Temporarily Abandon Air to Mud Drilling Change Plans Plug Back Water Disposal Convert to Injection Final Abandonment Notice 13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once Testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.) ConocoPhillips notified and received verbal approval on 3/19/13 from Troy Salyers (BLM) and Brandon Powell (OCD) for permission to change from Air to Mud drilling due to hole getting wet at +/-30'. BLM'S APPROVAL OR ACCEPTANCE OF THIS **CONDITIONS OF APPROVAL** ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER Adhere to previously issued stipulations. **AUTHORIZATION REQUIRED FOR OPERATIONS** ON FEDERAL AND INDIAN LANDS 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Staff Regulatory Tech Arleen White Title Wheen White 3/20/13 Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would