1625 N. French Dr., Hobbs, NM 88240

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

State of New Mexico Energy Minerals and Natural Resources

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

July 21, 2008 For temporary pits, closed-loop sytems, and below-grade tanks, submit to the appropriate NMOCD District Office.

Form C-144

For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the

1220 S. St. Francis Dr., Santa Fe, NM 87505		approp	onate NMOCD District C	office.
	Pit, Closed-Loop System,	, Below-Grade Tar	ık, or	
Propo	osed Alternative Method P	Permit or Closure P	lan Applicatio	<u>on</u>
Type of action: Instructions: Please submit one ap	Permit of a pit, closed-loop system Closure of a pit, closed-loop system Modification to an existing perm Closure plan only submitted for below-grade tank, or proposed a poplication (Form C-144) per individual.	stem, below-grade tank, or nit an existing permitted or n alternative method	proposed alternativ	e method osed-loop system,
**	f this request does not relieve the operator of liab eve the operator of its responsibility to comply w	•	· -	
Operator: Burlington Resources Oi Address: PO Box 4289, Farmingto		OGRI	D#: <u>14538</u>	
Facility or well name: Bunny ET A	L1M			
API Number:30	0-045-34600	OCD Permit Number:		
U/L or Qtr/Qtr: O(SW/SE) Section Center of Proposed Design: Latitude Surface Owner: Federal	36.58482 °N	Range: 9W Longitude: 107.7 ibal Trust or Indian Allotr	County: SAN JU 77335 °W 1 ment	
Lined Unlined Li		LLDPE HDPE	PVC Other	RCVD JAN 30'14 OIL CONS. DIV. DIST. 3
Type of Operation: P&A Drying Pad Above Groun Lined Unlined Lines	notice of inte	Drilling (Applies to activitie ent) Other LLDPE HDPE	· ·	approval of a permit or
Volume: b Tank Construction material: Secondary containment with leak de Visible sidewalls and liner Liner Type: Thickness		r, 6-inch lift and automatic ov her	verflow shut-off	
Alternative Method: Submittal of an exception request is requested.	uired. Exceptions must be submitted to the	he Santa Fe Environmental B	sureau office for consid	deration 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, instance of barbed wire evenly spaced between one and four feet	titution or chu	rch)
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 constant (Cavitation pit for Pre-set) Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	ideration of ap	proval.
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 abové 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		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) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	Yes NA	No
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

Temporary Pits, Emergency Pits and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.
Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of
19.15.17.9 NMAC and 19.15.17.13 NMAC
Previously Approved Design (attach copy of design) API or Permit
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC
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 - 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
In-place Burial On-site Trench Alternative Closure Method (Exceptions must be submitted to the Santa Fc Environmental Bureau for consideration)
Mathative Closure Method (Exceptions must be submitted to the Sama re Environmental Buteau 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

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16 Waste Removal Closure For Closed-loop Systems That Utilize Al Instructions: Please identify the facility or facilities for the disposal	ove Ground Steel Tanks or Haul-off Bins On of liquids, drilling fluids and drill cuttings. Use	lv: (19.15.17.13.D NMAC) attachment if more than two		
facilities are required.	,,	,		
Disposal Facility Name: Envirotech / JFJ Landfarm % IE1	Disposal Facility Permit #:	NM-01-0011 / NM-01-0010	<u>)B_</u>	
Disposal Facility Name: Basin Disposal Facility	Disposal Facility Permit #:	NM-01-005		
Will any of the proposed closed-loop system operations and ass		vill not be used for future ser	vice and	
Required for impacted areas which will not be used for future service Soil Backfill and Cover Design Specification - based up Re-vegetation Plan - based upon the appropriate require Site Reclamation Plan - based upon the appropriate require	on the appropriate requirements of Subsectiments of Subsection I of 19.15.17.13 NMA	С		
17	<u> </u>			
Siting Criteria (Regarding on-site closure methods only: 1st Instructions: Each siting criteria requires a demonstration of compliance is certain siting criteria may require administrative approval from the approaffice for consideration of approval. Justifications and/or demonstrations	n the closure plan. Recommendations of acceptable priate district office or may be considered an excep.	tion which must be submitted to the		
Ground water is less than 50 feet below the bottom of the burie	d waste.		Yes	No
- NM Office of the State Engineer - iWATERS database search;	USGS: Data obtained from nearby wells		∐N/A	
Ground water is between 50 and 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	ł	□N/A	
Ground water is more than 100 feet below the bottom of the bu	ried 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 (measured from the ordinary high-water mark).	any other significant watercourse or lakebed, sin	nkhole, or playa lake	Yes	No
- Topographic map; Visual inspection (certification) of the propo	sed site			
Within 300 feet from a permanent residence, school, hospital, instituti - Visual inspection (certification) of the proposed site; Aerial pho	•	pplication.	Yes	No
			Yes	□No
Within 500 horizontal feet of a private, domestic fresh water well or s purposes, or within 1000 horizontal fee of any other fresh water well - NM Office of the State Engineer - iWATERS database; Visual i	or spring, in existence at the time of the initial ap	• 1		
Within incorporated municipal boundaries or within a defined municipal pursuant to NMSA 1978, Section 3-27-3, as amended.		pal ordinance adopted	Yes	No
 Written confirmation or verification from the municipality; Writ Within 500 feet of a wetland 	ten approval obtained from the municipality		Yes	ΠNo
- US Fish and Wildlife Wetland Identification map; Topographic	map; Visual inspection (certification) of the pro-	posed site	□103	
Within the area overlying a subsurface mine.			Yes	No
- Written confirantion or verification or map from the NM EMNI	RD-Mining and Mineral Division	}		
Within an unstable area.			Yes	No
 Engineering measures incorporated into the design; NM Bureau Topographic map 	of Geology & Mineral Resources; USGS; NM (Geological Society;		İ
Within a 100-year floodplain. - FEMA map			Yes	□No
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instiby a check mark in the box, that the documents are attached.	ructions: Each of the following items mus	st bee attached to the closure	plan. Plea.	se indicate,
Siting Criteria Compliance Demonstrations - based upo	n the appropriate requirements of 19 15 17	10 NMAC		
Proof of Surface Owner Notice - based upon the approp				
Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC			ĺ	
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				
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 Subsection 1 of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC				{

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: Telephone:				
# OCD Approval: Permit Application (including closure plan) Clasure Plan (only) OCD Conditions (see attachment) OCD Representative Signature: Approval Date: 2/21/2044 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 a approved closure plan has been obtained and the closure activities have been completed. [X] Closure Completion Date: 5/2/1	1			
Closure Method: Waste Excavation and Removal On-site Closure Method X Alternative Closure Method Waste Removal (Closed-loop systems of If different from approved plan, please explain.	nly)			
#				
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 fa	cilities			
were utilized. Disposal Facility Name: Disposal Facility Permit Number:	ļ			
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 complilane to the items below)	ļ			
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				
Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check the box, that the documents are attached. Proof of Closure Notice (surface owner and division)	mark in			
Proof of Deed Notice (surface owner and division)				
Plot Plan (for on-site closures and temporary pits)				
Confirmation Sampling Analytical Results (if applicable)	İ			
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: 36.58482 Longitude: 107.77335 NAD 1927 X 1983	,			
On-site Closure Location: Latitude: 36.58482 Longitude: 107.77335 NAD 1927 X 1983	,			
25				
Operator Closure Certification:	ļ			
Thereby 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: 1/29/2014	<u>1</u>			
e-mail address: <u>kenny.r.davis@conocophillips.com</u> Telephone: 505-599-4045	_			

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

Closed Loop Design: Bunny ET AL 1 12

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.
- 2. 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:

1. 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)
Purity
50 percent
Germination
Percent PLS
20 percent

Source No. two (better quality)
Purity
80 percent
Germination
63 percent
Percent PLS
50 percent

5 lb. bulk seed required to make 2 lb. bulk seed required to make

1 lb. PLS 1 lb. PLS

Burlington Resources Oil Gas Company, LP San Juan Basin Closure

Modification Pre-set Pit Permit

The Bunny ET AL 1M has an approved C-144 Pre-set pit permit dated4/5/12. Due to change in plans, Bulington Resources mud drilled and never utilized C144 Pre-set pit permit.