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

 $\label{eq:June 16, 2008} \mbox{ June 16, 2008}$ For temporary pits, closed-loop sytems, and below-grade

Form C-144

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

Proposed Alternative Method Per	mit or Closure Plan Application
Type of action: X Permit of a pit, closed-loop system Closure of a pit, closed-loop system Closure of a pit, closed-loop system Please submit one application (Form C-144) per individue Please be advised that approval of this request does not relieve the operator of habit environment. Not does approval relieve the operator of its responsibility to comply with the properties of the proper	n, below-grade tank, or proposed alternative method
Closure of a pit, closed-loop syste	m, below-grade tank, or proposed alternative method
Instructions: Please submit one application (Form C-144) per individu	ial pit, closed-loop system, below-grade tank of alternative request
Please be advised that approval of this request does not relieve the operator of habitance environment. Not does approval relieve the operator of its responsibility to comply we	hty should operations result in pollution of surface water, ground water of the
en aounicia. An does approvairence de operator or as responsionly to comply the	2 - CLUMEN S
Operator: Burlington Resources Oil & Gas Company, LP	OGRID#: 14538 2 NLULIVI
Address: PO Box 4289, Farmington, NM 87499	
Facility or well name: Grenier B #4E	/6 nii cons. div dist. 3 👸
API Number:	D Permit Number: \(\frac{1}{2}\).
U/L or Qtr/Qtr: C(NENW) Section: 4 Township: 29N	Range: 10W County: San Juan & 21 180
Center of Proposed Design: Latitude: 36* 45.5' N L	ongitude: 107*53.6' W NAD: X 1927 1983
Surface Owner: X Federal State Private Trib	al Trust or Indian Allotment
Pit: Subsection F or G of 19.15.17.11 NMAC	X Closed-loop Systems: Subsection H of 19.15.17.11 NMAC
-	
Temporary: Drilling Workover	
Permanent Emergency Cavitation Lined Unlined	Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC
Liner type: ThicknessmilLLDPEPVC	Other:
Other String-Reinforced	Seams: Welded Factory Other:
Seams: Welded Factory Other	Volume: <u>500</u> bbl <u>104</u> yd3
Volume:bbl Dimensions: LxWxDxD	Dimernsions: Length 45' x Width 10'
Below-grade tank: Subsection I of 19.15.17 11 NMAC	Fencing: Subsection D of 19.15.17.11 NMAC
Volume:bbl	Chain link, six feet in height, two strangs of barbed wire at top
Type of fluid:	Four foot height, four strands of barbed wire evenly spaced between
Tank Construction Material:	one and four feet
Secondary containment with leak detection	Netting: Subsection E of 19.15.17.11
Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off	Screen Netting Other
Visible sidewalls and liner	Monthly inspections
Visible sidewalls only	Signs: Subsection C of 19 15.17.11 NMAC
Other:	12"x 24", 2" lettering, provided Operator's name, site location, and
Liner type. Thickness:mil HDPE PVC	emergency telephone numbers
Other:	X Signed in compliance with 19.15.3.103 NMAC
Alternative Method:	Administrative Approvals and Exceptions:
Submittal of an exception request is required. Exceptions must be	Justifications and/or demonstrations of equivalency are required. Please
submitted to the Santa Fe Environmental Bureau office for consideration	refer to 19.15.17 NMAC for guidance.
of approval.	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 or the Santa Fe Environmental Bureau
	office for consideration of approval. (Fencing in Design Plan) 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.	Yes	No						
(Applied to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	∐NA							
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 - 1WATERS 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						
 Written confirmation or verification from the municipality; Written approval obtained from the municipality 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	Yes	No						
Society; Topographic map Within a 100-year floodplain	□ves	\square_{N_0}						
- FEMA map								
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 de	ocuments ar	e 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 NMAC 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 Maintence Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan - 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 API Number: 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 (required for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (required 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 - 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 API Number:								

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						
D Cl 10 5 17 12 NMAC						
Proposed Closure: 19.15.17.13 NMAC						
Type: Drilling Workover Emergency Cavitation Permanent Pit Below-grade Tank X Closed-loop System Alteri	ative					
Proposed Closure X Waste Excavation and Removal						
On-site Closure Method (only for temporary pits and closed-loop						
In-place On-site Trench						
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for	or					
Siting Cuitouis (magaziling on site alcours methods only). 10 15 17 10 NMAC						
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. Recommentations 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. Justification 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 obtained from nearby wells	□NA					
Ground water is between 50 and 100 feet below the bottom of the buried waste	☐Yes ☐No					
- NM Office of the State Engineer - tWATERS database serach; USGS; Data obtained from nearby wells	□NA □					
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	□NA					
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lal	☐ Yes ☐ No					
(measured from the ordinary high-water mark).						
- Topographic map; Visual inspection (certification) of the proposed site						
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	∐Yes ∐No					
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic	∏Yes ∏No					
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.						
- NM Office of the State Engineer - tWATERS database; Visual inspection (certification) of the proposed site						
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal	☐Yes ☐No					
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						
Within 500 feet of a wetland.	Yes No					
proposed site						
Within the area overlying a subsurface mine.						
- Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division						
Within an unstable area.						
- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM						
Geological Society; Topographic map						
1						
Within a 100-year floodplain - FEMA map	☐Yes ☐No					

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 indicfate, by a check mark in the box, that the documents are attached.							
X Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC							
Confirantion 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						
X Re-vegetation Plan - based upon the appropriate requirements of Subsect							
Site Reclamation Plan - based upon the appropriate requirements of Subs	section G of 19.15 17 13 NMAC						
Waste Removal Closure for Closed-loop Systems That Utilize Haul-off Bir facilities for the disposal of liquids, drilling fluids and drill cuttings.							
Disposal Facility Name. Envirotech, Basin Disposal	Disposal Facility Permit Number NM-01-0011 & NM-01-005						
On-Site Closure Plan Checklist: (19 15.17 13 NMAC) Instructions: Each of the folicheck mark in the box, that the documents are attached.	llowing items must bee attached to the closure plan. Please indicate, by a						
Siting Criteria Compliance Demonstrations - based upon the appropriate	requirements of 19.15.17.10 NMAC						
Proof of Surface Owner Notice - based upon the appropriate requirement	ts of Subsection F of 19.15 17.13 NMAC						
Construction and Design of Burial Trench (if applicable) based upon the	••••						
Protocols and Procedures - based upon the appropriate requirements of 1							
Confirmation Sampling Plan (if applicable) - based upon the appropriate	•						
Waste Material Sampling Plan - based upon the appropriate requirements							
Disposal Facility Name and Permit Number (for liquids, drilling fluids an	-						
Soil Cover Design - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection Plan -							
Site Reclamation Plan - based upon the appropriate requirements of Subsection Plan - based upo							
Operator Application Certification:	cental of 1777377 13 Times						
I hereby certify that the information submitted with this application is true, accurate a	and complete to the best of my knowledge and belief						
Name (Print). Crystal Tafoya	Title: Regulatory Technician						
1 1 1 Th							
Signature Cayotal Jajona	Date. 7/17/2008						
e-mail address: <u>crystal tafoya@con@cophil/fps.com</u>	Telephone: 505-326-9837						
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Representative Signature: Page 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2							
	sure Plan (only) Approval Date: 7-18-08						
OCD Representative Signature: Brand Sell	_						
	Approval Date: 7-18-08 OCD Permit Number						
OCD Representative Signature: Brail Sull Title: English / Spec C Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17	Approval Date: 7-18-08 OCD Permit Number						
OCD Representative Signature: Brail Sull Title: Engine / Spec Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17	Approval Date: 7-18-08 DCD Permit Numbei 13 NMAC						
OCD Representative Signature: Brail Sull Title: Engino / Spec C Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17	Approval Date: 7-18-08 DCD Permit Numbei 13 NMAC						
OCD Representative Signature: Brail Sull Title: Engino / Spec C Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17	Approval Date: 7-18-08 DCD Permit Number 13 NMAC Closure Completion Date:						
OCD Representative Signature: Brail Sill Title: Englis / spec C Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17 Closure Method: Waste Excavation and Removal On-Site Closure Altern If different from approved plan, please explain	Approval Date: 7-18-08 DCD Permit Numbei 13 NMAC Closure Completion Date: native Closure						
OCD Representative Signature: Srawl Sill Title: English / spec	Approval Date: 7-18-08 DCD Permit Numbei 13 NMAC Closure Completion Date: native Closure						
OCD Representative Signature: Brail Sill Title: Engliss / spec C Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17 Closure Method: Waste Excavation and Removal On-Site Closure Altern If different from approved plan, please explain Closure Report Attactment Checklist: Instructions: Each of the following items m box, that the documents are attached Proof of Closure Notice	Approval Date: 7-18-08 DCD Permit Numbei 13 NMAC Closure Completion Date: native Closure						
OCD Representative Signature: Srawl Sill Title: English / spec	Approval Date: 7-18-08 DCD Permit Numbei 13 NMAC Closure Completion Date: native Closure						
OCD Representative Signature: Stand Self. Title: English / spec. Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17 Closure Method: Waste Excavation and Removal On-Site Closure Altern If different from approved plan, please explain Closure Report Attactment Checklist: Instructions: Each of the following items mbox, that the documents are attached Proof of Closure Notice Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results	Approval Date: 7-18-08 DCD Permit Numbei 13 NMAC Closure Completion Date: native Closure						
OCD Representative Signature: Stand Self. Title: English / spec. Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17 Closure Method: Waste Excavation and Removal On-Site Closure Altern If different from approved plan, please explain Closure Report Attactment Checklist: Instructions: Each of the following items mbox, that the documents are attached Proof of Closure Notice Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results Waste Material Sampling Analytical Results	Approval Date: 7-18-08 DCD Permit Numbei 13 NMAC Closure Completion Date: native Closure						
OCD Representative Signature:	Approval Date: 7-18-08 DCD Permit Numbei 13 NMAC Closure Completion Date: native Closure						
OCD Representative Signature: Brail Sill Title:	Approval Date: 7-18-08 DCD Permit Numbei 13 NMAC Closure Completion Date: native Closure						
OCD Representative Signature: Brail Sill Title: Englis /spec	Approval Date: 7-18-08 DCD Permit Numbei 13 NMAC Closure Completion Date: native Closure						
Closure Method: Waste Excavation and Removal On-Site Closure Closure Report Attactment Checklist: Instructions: Each of the following items mos, that the documents are attached Proof of Closure Notice Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results Waste Material Sampling Analytical Results Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique Site Reclamation (Photo Documentation)	Approval Date: 7-18-08 DCD Permit Numbei 13 NMAC Closure Completion Date: native Closure						
Title:	Approval Date: 7-18-08 DCD Permit Number 13 NMAC Closure Completion Date: native Closure ust be attached to the closure report. Please indicate, by a check mark in the						
Title:	Approval Date: 7-18-08 DCD Permit Number 13 NMAC Closure Completion Date: mative Closure ust be attached to the closure report. Please indicate, by a check mark in the Longitude NAD 1927 1983 accurate and complete to the best of my knowledge and belief Talso certify that the						
Title:	Approval Date: 7-18-08 DCD Permit Number 13 NMAC Closure Completion Date: mative Closure ust be attached to the closure report. Please indicate, by a check mark in the Longitude NAD 1927 1983 accurate and complete to the best of my knowledge and belief Talso certify that the						
Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17 Closure Method: Waste Excavation and Removal On-Site Closure Altern of different from approved plan, please explain Closure Report Attactment Checklist: Instructions: Each of the following items methox, that the documents are attached Proof of Closure Notice Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results Waste Material Sampling Analytical Results Waste Material Sampling Analytical Results Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique Site Reclamation (Photo Documentation) On-site Closure Latitude: Departor Closure Certification: Thereby certify that the information and attachments submitted with this closure report is true, closure complies with all applicable closure requirements and conditions specified in the appro	Approval Date: 7-18-08 DCD Permit Number 13 NMAC Closure Completion Date: mative Closure ust be attached to the closure report. Please indicate, by a check mark in the Longitude: NAD: 1927 1983 accurate and complete to the best of my knowledge and belief Talso certify that the wed closure plan						

Form C-144 Orl Conservation Division Page 4 of 4

District i PO Box 1980, Hobbs, NM 88241-1980 District II

PO Drawer DD, Artesia, NM 88211-0719

1000 Rio Bruzos Rd., Aztec, NM 87410

District IV

PO Box 2008. Santa Fe. NM 87504-2088

State of New Mexico Energy, Minerain & Natural Res

Form C-102 Revised February 21, 1994

OIL CONSERVATION DIVISION PO Box 2088
Santa Fe, NM 87504-2088

DIST. 3

Instructions on once appropriate District Office State Lease - 4 Copies

Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number	¹ Paul Code	' Po	ol Name	
30-045-29406	71599	Basin Dakota		
* Property Code		* Preperty Name	* Well Number	
18532	Gr	enier 8 4E		
'OGRID No.		Operator Name	Elevation	
14538	Burlingto	5951'		
	Ao S	Surface Location		

ĺ	UL or iot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East West time	Сомену
	С	4	29 N	10 W		1110	North	1675	West	S.J.

11 Bottom Hole Location If Different From Surface

UL or lat se.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West tine	County
12 Dedicated Acr	o la Joint	er iafill H	Consolidatio	n Code 15 (Order No.			<u> </u>	
N/293.23									

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OK A HOH-STA	NDARD UNIT HAS E	EEN AFFROVED BY	THE DIVISION
.23.28 .25.27 		6	5. -208.22	17 OPERATOR CERTIFICATION I hereby cerufy that the informance constitued herein is true and complete to the best of my immediate and belief MANY BROWN FILE.
,2/3.08' b	10	100.00 MINNN	128.26	Signature Peggy Bradfield Printed Name Regulatory Administrator Title 8-16-96 Date
16 16 16	<i>15</i>	14	13 ,9/2	
17	18	19	20	6 8 5 7) 6 8 5 7) Certificae Number 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1

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). Solids in the closed-loop tank will be vacuumed out and disposed of at Envirotech (Permit # NM-01-0011) 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
- 4. All of the above operations will be inspected and a log will be signed and dated. During rig operations the inspection will be daily.

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) immediately following rig operations. All remaining liquids will be transported and disposed of in the Basin Disposal facility (Permit # NM-01-005). 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.