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

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

District IV

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 June 16, 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	m nn	17700
Proposed Alternative Method Permit or Closure Plan Application	COMS	.biv.
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Closure of a pit, closed-loop system Instructions: Please submit one application (Form C-144) per individual Please be advised that approval of this request does not relieve the operator of habit environment. Nor does approval relieve the operator of its responsibility to comply with	lity should operations result in pollution of surface water, ground water or the th any other applicable governmental authority's rules, regulations or ordinances.
Operator: Burlington Resources Oil & Gas Company, LP	OGRID#: <u>14538</u>
Address: PO Box 4289, Farmington, NM 87499	
Facility or well name: San Juan 32-9 Unit #104S	
API Number: 30-045-33353 OC	D Permit Number:
U/L or Qtr/Qtr: P(SESE) Section: 24 Township: 32N	Range: 10W County: San Juan
Center of Proposed Design: Latitude: 36.9654770' N L	ongitude: 107.82645800'W NAD: X 1927 1 983
Surface Owner: X Federal State Private Triba	al Trust or Indian Allotment
Pit: Subsection F or G of 19.15.17.11 NMAC Temporary: Drilling Workover	X Closed-loop Systems: Subsection H of 19.15.17.11 NMAC Drying Pad X Tanks Haul-off Bins Other:
Permanent Emergency Cavitation Lined Unlined	Liner type: Thickness mil LLDPE HDPE PVC
Liner type: Thicknessmil LLDPE HDPE PVC	Other:
Other String-Reinforced	Seams: Welded Factory Other:
Seams: Welded Factory Other	Volume:bblyd3
Volume:bbl Dimensions: LxWxD	Dimernsions: Length 45' x Width 10'
Below-grade tank: Subsection I of 19 15.17.11 NMAC Volume:bbl Type of fluid: Tank Construction Material: Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off Visible sidewalls and liner Visible sidewalls only Other: mil HDPEPVC Other:	Fencing: Subsection D of 19 15.17.11 NMAC Chain link, six feet in height, two strangs of barbed wire at top Four foot height, four strands of barbed wire evenly spaced between one and four feet Netting: Subsection E of 19.15.17.11 Screen Netting Other Monthly inspections Signs: Subsection C of 19.15.17 11 NMAC 12"x 24", 2" lettering, provided Operator's name, site location, and emergency telephone numbers X Signed in compliance with 19.15.3.103 NMAC
Alternative Method: Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance. Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s): Requests must be submitted to the appropriate division district 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 - iWATERS database search; Visual inspection (certification) of the proposed site.		
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended	Yes	□No
- Written confirmation or verification from the municipality; Written approval obtained from the municipality Within 500 feet of a wetland.	Yes	□No
- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site Within the area overlying a subsurface mine.		
- Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	∐Yes	LINO
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. Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the definition of the following items must be attached to the application.		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 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	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 attached.		re
Geologic and Hydrogeologic Data (required for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19 Siting Criteria Compliance Demonstrations (required for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NI 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:		

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 by the properties of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached to the applications. By the properties of the following items must be attached to the appropriate requirements of 19.15.17.19 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.11 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	ached.
Proposed Closure: 19.15.17.13 NMAC Type: Drilling Workover Emergency Cavitation Permanent Pit Below-grade Tank X Closed-loop System Alternative Alternative Control of the	native
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 the Santa Fe Environmenta	or
	01
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 - NM Office of the State Engineer - 1WATERS database search; USGS; Data obtained from nearby wells	☐Yes ☐No ☐NA
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database serach; USGS; Data obtained from nearby wells	∏Yes ∏No ∏NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	∏Yes ∏No ∏NA
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lal (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 - 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 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; 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. 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

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			
Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC			
X Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17 13 NMAC			
Waste Removal Closure for Closed-loop Systems That Utilize Haul-off Bins Only: (19 15 17 13 D NMAC) Instructions: Please identify the facility or 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 following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.			
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 and Design of Burtal Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC			
Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC			
Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19 15 17.13 NMAC			
Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC			
Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be			
Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC			
Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17 13 NMAC			
Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17 13 NMAC			
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). Crystal Tafoya Tıtle: Regulatory Technician			
Signature: Onstal Talous Date: 7/16/2008			
e-mail address crystal.tafoya@conocophylips.com Telephone: 505-326-9837			
OCD Approval: Permit Application (including closure plan) OCD Representative Signature: Approval Date: 7-18-08			
Title: Enviro/spec OCD Permit Number			
Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17 13 NMAC			
Closure Completion Date:			
Closure Method:			
Waste Excavation and Removal On-Site Closure Alternative Closure			
If different from approved plan, please explain			
Closure Report Attactment 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			
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)			
Site Rectaination (Frioto Documentation)			
On-site Closure Latitude: Longitude: NAD. 1927 1983			
On-site Closure Latitude: Longitude: NAD. 1927 1983			
On-site Closure Latitude: Longitude: NAD. 1927 1983 Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief I also certify that the			
On-site Closure Latitude: Longitude: NAD. 1927 1983 Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is true, 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.			
On-site Closure Latitude: Longitude: NAD. 1927 1983 Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is true, 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.			

DISTRICT I 1626 N. French Dr., Hobbs, N.M. 86940

State of New Mexico Energy, Minerals & Natural Resources Department

Supplied to the commence of the control of the cont

Form C-102 Revised August 15, 2000

DE FRICT II

1000 Rio Brazos Rd., Astec, N.M. 87410

OIL CONSERVATION DIVISION 2040 South Pacheco

Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

LOT 12

LOT 13

LOT 11

LOT 14

LOT 10

LAT: 36'57.9286' N. LONG: 107'49.5875' NAD 1927

LOT 15

Santa Fe, NM 87505 ☐ AMENDED REPORT 2040 South Pacheco, Senta Fe, MM 87505 WELL LOCATION AND ACREAGE DEDICATION PLAT Pool Code ¹API Number 33353 71629. 30-045 Basin Fruitland Coal ⁶Property Name Vell Mumber ⁴Property Code 1045 SAN JUAN 32-9 UNIT 7473 Operator Kame Blevation OGRED No. 14538 BURLINGTON RESOURCES OIL AND GAS COMPANY LP 6640 10 Surface Location Feet from the North/South line Lot Ida Feet from the Bast/West line 10-W SOUTH SAN JUAN P 24 32-N 1135 135' EAST 11 Bottom Hole Location If Different From Surface UL or lot no. Feet from the North/South line County Dedicated Acres detail or latif ^M Consolidation Code 301.02 E2 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 OPERATOR CERTIFICATION LOT 2 LOT 1 LOT 4 manda Sandoval Regulatory Assistant II LOT 5 LOT 6 LOT 7 LOT 8 8-16**-**05 SURVEYOR CERTIFICATION NM SF-078504

LOT 9

LOT 16

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.