

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

Form C-144

July 21, 2008

For temporary pits, closed-loop systems, 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  
 Closure 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.

1	Operator: <u>Burlington Resources Oil &amp; Gas Company, LP</u>	OGRID#: <u>14538</u>	RCVD SEP 18 '08		
	Address: <u>PO Box 4289, Farmington, NM 87499</u>	OIL CONS. DIV.			
	Facility or well name: <u>Canyon Largo Unit 212</u>				
	API Number: <u>30-039-20765</u>	OCD Permit Number:	<u>DIST. 3</u>		
	U/L or Qtr/Qtr: <u>L(NWSW)</u>	Section: <u>6</u>	Township: <u>24N</u>	Range: <u>6W</u>	County: <u>Rio Arriba</u>
	Center of Proposed Design: Latitude: <u>36.338680° N</u>	Longitude: <u>107.513960° W</u>	NAD: <input checked="" type="checkbox"/> 1927 <input type="checkbox"/> 1983		
	Surface Owner: <input checked="" type="checkbox"/> Federal	<input type="checkbox"/> State	<input type="checkbox"/> Private	<input type="checkbox"/> Tribal Trust or Indian Allotment	

2	<input type="checkbox"/> <b>Pit:</b> Subsection F or G of 19.15.17.11 NMAC
	Temporary: <input type="checkbox"/> Drilling <input type="checkbox"/> Workover
	<input type="checkbox"/> Permanent <input type="checkbox"/> Emergency <input type="checkbox"/> Cavitation <input type="checkbox"/> P&A
	<input type="checkbox"/> Lined <input type="checkbox"/> Unlined Liner type: Thickness _____ mil <input type="checkbox"/> LLDPE <input type="checkbox"/> HDPE <input type="checkbox"/> PVC <input type="checkbox"/> Other _____
	<input type="checkbox"/> String-Reinforced
	Liner Seams: <input type="checkbox"/> Welded <input type="checkbox"/> Factory <input type="checkbox"/> Other _____ Volume: _____ bbl Dimensions L _____ x W _____ x D _____

3	<input checked="" type="checkbox"/> <b>Closed-loop System:</b> Subsection H of 19.15.17.11 NMAC
	Type of Operation: <input checked="" type="checkbox"/> P&A <input type="checkbox"/> Drilling a new well <input type="checkbox"/> Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)
	<input type="checkbox"/> Drying Pad <input checked="" type="checkbox"/> Above Ground Steel Tanks <input type="checkbox"/> Haul-off Bins <input type="checkbox"/> Other _____
	<input type="checkbox"/> Lined <input type="checkbox"/> Unlined Liner type: Thickness _____ mil <input type="checkbox"/> LLDPE <input type="checkbox"/> HDPE <input type="checkbox"/> PVD <input type="checkbox"/> Other _____
	Liner Seams: <input type="checkbox"/> Welded <input type="checkbox"/> Factory <input type="checkbox"/> Other _____

4	<input type="checkbox"/> <b>Below-grade tank:</b> Subsection I of 19.15.17.11 NMAC
	Volume: _____ bbl Type of fluid: _____
	Tank Construction material: _____
	<input type="checkbox"/> Secondary containment with leak detection <input type="checkbox"/> Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
	<input type="checkbox"/> Visible sidewalls and liner <input type="checkbox"/> Visible sidewalls only <input type="checkbox"/> Other _____
	Liner Type: Thickness _____ mil <input type="checkbox"/> HDPE <input type="checkbox"/> PVC <input type="checkbox"/> Other _____

5	<input type="checkbox"/> <b>Alternative Method:</b>
	Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

6 **Fencing:** Subsection D of 19.15.17.11 NMAC (Applies to permanent pit, temporary pits, and below-grade tanks)

Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church)

Four foot height, four strands of barbed wire evenly spaced between one and four feet

Alternate. Please specify \_\_\_\_\_

7 **Netting:** Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)

Screen  Netting  Other \_\_\_\_\_

Monthly inspections (If netting or screening is not physically feasible)

8 **Signs:** Subsection C of 19.15.17.11 NMAC

12" X 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers

Signed in compliance with 19.15.3 103 NMAC

9 **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 of the Santa Fe Environmental Bureau office for consideration of approval.

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.*

<b>Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells		
<b>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).</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
- Topographic map; Visual inspection (certification) of the proposed site		
<b>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<i>(Applies to temporary, emergency, or cavitation pits and below-grade tanks)</i>	<input type="checkbox"/> NA	
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image		
<b>Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<i>(Applied to permanent pits)</i>	<input type="checkbox"/> NA	
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image		
<b>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.</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site.		
<b>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</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
- Written confirmation or verification from the municipality; Written approval obtained from the municipality		
<b>Within 500 feet of a wetland.</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site		
<b>Within the area overlying a subsurface mine.</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
- Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division		
<b>Within an unstable area.</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map		
<b>Within a 100-year floodplain</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
- FEMA map		

11 **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

12 **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 (1) 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

14 **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  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

**Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or 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 Use attachment if more than two facilities are required.

Disposal Facility Name: **Envirotech**Disposal Facility Permit #: **NM-01-0011**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

**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.

- NM Office of the State Engineer - iWATERS database search, USGS: Data obtained from nearby wells

Ground water is between 50 and 100 feet below the bottom of the buried waste

- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

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

Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (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 application.

- Visual inspection (certification) of the proposed site; Aerial photo; satellite image

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 the initial application

- 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 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

- 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

Within an unstable area.

- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS, NM Geological Society; Topographic map

Within a 100-year floodplain.

- FEMA map

Yes  No  
 N/A

Yes  No  
 N/A

Yes  No  
 N/A

Yes  No  
 N/A

Yes  No

**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/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
- 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 achieved)
- Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
- 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): Rhonda Rogers Title: Regulatory Technician  
Signature: Rhonda Rogers Date: 9/17/2008  
e-mail address: rogers@conocophillips.com Telephone: 505-599-4018

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**OCD Approval:**  Permit Application (including closure plan)  Closure Plan (only)  OCD Conditions (see attachment)

OCD Representative Signature: Beth P. Bell

Approval Date: 9-25-08

Title: Enviro Spec

OCD Permit Number: \_\_\_\_\_

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**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: \_\_\_\_\_

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**Closure Method:**

Waste Excavation and Removal  On-site Closure Method  Alternative Closure Method  Waste Removal (Closed-loop systems only)  
 If different from approved plan, please explain.

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**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 compliance to the items below)  No

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

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**Closure Report Attachment Checklist:** Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.

Proof of Closure Notice (surface owner and division)  
 Proof of Deed Notice (required for on-site closure)  
 Plot Plan (for on-site closures and temporary pits)  
 Confirmation Sampling Analytical Results (if applicable)  
 Waste Material Sampling Analytical Results (if applicable)  
 Disposal Facility Name and Permit Number  
 Soil Backfilling and Cover Installation  
 Re-vegetation Application Rates and Seeding Technique  
 Site Reclamation (Photo Documentation)

On-site Closure Location: Latitude: \_\_\_\_\_ Longitude: \_\_\_\_\_ NAD  1927  1983

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**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.

Name (Print): \_\_\_\_\_ Title: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

e-mail address: \_\_\_\_\_ Telephone: \_\_\_\_\_

## **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.