1625 N. French Dr., Hobbs, NM 88240

District II 1301 W Grand Ave , Artesia, NM 88210 District III

District IV

1000 Rio Biazos Rd, Aztec, NM 87410

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

State of New Mexico

Energy Minerals and Natural Resources

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 appropriate NMOCD District Office

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

Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application
Type of action: X 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 hability should operations result in pollution of surface water, ground water or the environment. Not does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.
Operator: Burlington Resources Oil & Gas Company, LP OGRID#: 14538
Address: PO Box 4289, Farmington, NM 87499
Facility or well name: East 7E
API Number: 30-045-24146 OCD Permit Number:
U/L or Qtr/Qtr: L(NW/SW) Section: 14 Township: 31N Range: 12W County San Juan Center of Proposed Design: Latitude: 36.89616 °N Longitude: 108.07137 °W NAD: X 1927 1983 Surface Owner: X Federal State Private Tribal Trust or Indian Allotment
Pit: Subsection F or G of 19 15.17.11 NMAC Temporary: Drilling Workover Permanent Emergency Cavitation P&A Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other String-Reinforced Liner Seams. Welded Factory Other Volume bbl Dimensions L x W x D
3 X Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation P&A Drilling a new well X Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)
Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: bbl Type of fluid: Oll CONS. DIV. DIST. 3 Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off Visible sidewalls and liner Visible sidewalls only Other Liner Type: Thickness mil HDPE PVC Other
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

Fencing: Subsection D of 19 15 17 11 NMAC (Applies to permanent pit, temporary pits, and below-grade tanks)						
Chain link, six feet in height, two strands of barbed wife at top (Required if located within 1000 feet of a permanent residence, school, hospital, inst	itution or chur	ch)				
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) Scien 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						
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 cons (Fencing/BGT Liner)	ideration of ap	proval				
Exception(s) Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.						
10						
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above grade-tanks associated with a closed-loop system.						
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes	□No				
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	Yes	□No				
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes	No				
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)	NA					
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image						
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applied to permanent pits)	Yes	No				
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	,					
Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	Yes	□No				
- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site.						
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended - Written confirmation or verification from the municipality; Written approval obtained from the municipality	Yes	□No				
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	Yes	□No				
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	Yes	No				
Within an unstable area Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological	Yes	No				
Society, Topographic map Within a 100-year floodplain - FEMA map	Yes	No				

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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 NMAC
Previously Approved Design (attach copy of design) API
Clared by Control Provide Andrews Advantage of the Charles of the
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
X Design Plan - based upon the appropriate requirements of 19 15.17.11 NMAC
X Operating and Maintenance Plan - based upon the appropriate requirements of 19.15 17 12 NMAC
X 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 P. Charling Charling Charles Charle
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 Comphance 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 X Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank X 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
to the continuous transfer of the fit applicable), based upon the appropriate configuration of Subsection E of 10 15 17 17 MMAC
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)
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
Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)

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16					
	Closed-loop Systems That Utilize Above Ground Ste e facility or facilities for the disposal of liquids, drilling			acdines	
Disposal Facility Name	Envirotech / JFJ Landfarm % IEI	Disposal Facility Permit#	NM-01-0011 / NM-01-00	010B	
Disposal Facility Name	Basin Disposal Facility	Disposal Facility Permit #:	NM-01-005		
Will any of the proposed closed Yes (If yes, please pro	sed-loop system operations and associated activitions the information No	es occur on or in areas that w	ill not be used for future so	crvice and operations?	
Soil Backfill and Cov	hich will not be used for future service and operations: ver Design Specification - based upon the appropri- based upon the appropriate requirements of Subse n - based upon the appropraite requirements of Sul	ate requirements of Subsection 1 of 19.15.17 13 NMA	C	С	
17					
Instructions Each siting criteria re certain siting criteria may require	on-site closure methods only: 19 15.17.10 NMA requires a demonstration of compliance in the closure plan administrative approval from the appropriate district office stifications and/or demonstrations of equivalency are required.	Recommendations of acceptable so or may be considered an exception	n which must be submitted to the		
Ground water is less than 50	feet below the bottom of the buried waste.			Yes No	
- NM Office of the State E	Engineer - iWATERS database search, USGS Data obt	amed from nearby wells		□N/A	
Ground water is between 50	and 100 feet below the bottom of the buried waste	e		Yes No	
- NM Office of the State E	ngmeer - iWATERS database search; USGS; Data obta	nined from nearby wells		□N/A	
Ground water is more than 1	00 feet below the bottom of the buried waste.		į	Yes No	
- NM Office of the State E	ingmeer - iWATERS database search, USGS; Data obta	uned from nearby wells		□N/A	
Within 300 feet of a continuous (measured from the ordinary hi	sly flowing watercourse, or 200 feet of any other signifi igh-water mark).	cant watercourse or lakebed, su	nkhole, or playa lake	Yes No	
- Topographic map; Visual	Imspection (certification) of the proposed site				
,	ent residence, school, hospital, institution, or church in ation) of the proposed site, Aerial photo; satellite image		pplication	Yes No	
				Yes No	
purposes, or within 1000 houze	private, domestic fresh water well or spring that less th ontal fee of any other fresh water well or spring, in exis agincer - iWATERS database, Visual inspection (certifi	tence at the time of the initial ap			
pursuant to NMSA 1978, Section			cipal ordinance adopted	Yes No	
Within 500 feet of a wetland	venfication from the municipality; Written approval obl f stland Identification map; Topographic map; Visual insj		naced site	Yes No	
Within the area overlying a s		occion (certification) of the pro	posed site	∏Yes ∏No	
	erification or map from the NM EMNRD-Mining and	Mineral Division			
Within an unstable area.				Yes No	
- Engineering measures inc Topographic map	corporated into the design; NM Bureau of Geology & M	Imeral Resources; USGS; NM (Geological Society;		
Within a 100-year floodplain - FEMA map	n.			Yes No	
18					
	cklist: (19.15.17.13 NMAC) Instructions: Each that the documents are attached.	of the following items must	bee attached to the closur	e plan. Please indicate,	
Siting Criteria Compl	liance Demonstrations - based upon the appropriat	e requirements of 19.15.17.1	0 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 t	he 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				
1 = '	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 -	Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15 17 13 NMAC				
Site Reclamation Plan	Ste Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC				

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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) Jamie Goodwin, Title Regulatory Technician
Signature: (MMLL (7000/1)/1, Date: 8/3/109
c-mail address: Jamie.L.Goodwin@conocophillips.com Tclephone: 505-326-9784
20 OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)
OCD Representative Signature: 3-4-50-09
Title: Enviro/Spec OCD Permit Number:
Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17 13 NMAC Instructions Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed Closure Completion Date:
22 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
23
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:
Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities
were utilized. Disposal Facility Name: Disposal Facility Permit Number
Disposal Facility Name. Disposal Facility Permit Number:
Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations?
Yes (If yes, please demonstrate compliane to the items below) 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
24
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
25
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is ture, accurate and complete to the best of my knowledge and belief. I also certify that
the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.
Name (Print): Title:
Signature Date
e-mail address: Telephone:

Form C-144

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

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.