District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, 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

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.

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<u>Pit, Closed-Loop System, Below-Grade Tank, or</u> <u>Proposed Alternative Method Permit or Closure Plan Application</u>

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 Existing BGT 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
ease 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 vironment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.
Operator: _XTO Energy, Inc. OGRID #:OGRID #:Address: _382 Road 3100 Aztec, NM 87410
Facility or well name: _FEDERAL 08 #22
API Number: 3003922933 OCD Permit Number:
API Number: 3003922933 OCD Permit Number: Township OCD Permit Number: U/L or Qtr/Qtr F Section 08 Township 26N Range 7W County: Rio Arriba
Center of Proposed Design: Latitude 36.50366 Longitude 107.60149 NAD: 1927 1983
Surface Owner: Federal State Private Tribal Trust or Indian Allotment
X
Temporary: Drilling Workover
Permanent Emergency Cavitation P&A
Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other
☐ String-Reinforced
Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x D
Closed-loop System: Subsection H of 19.15.17.11 NMAC Sype of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) Drying Pad Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other Liner Seams: Welded Factory Other
Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off Visible sidewalls and liner Visible sidewalls only Other Visible sidewalls, vaulted, automatic high level shut off Construction material: Constru
Alternative Method:

'	
Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, 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, institution or church)	hospital,
Sour 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)	
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	
	¢ .
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:	02 0
Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau consideration of approval.	office for
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 accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to dryit above-grade tanks associated with a closed-loop system.	priate district oproval.
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 significant watercourse or 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. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☑ No ☐ NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits)	☐ Yes ☐ No ☑ NA
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	□ Vaa ☑ Na
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. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ⊠ No
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☑ No
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☑ No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ⊠ No
Within a 100-year floodplain FFMA map	☐ Yes ⊠ No

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 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 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 Number: or Permit Number:
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 Number:
Previously Approved Operating and Maintenance Plan API Number:
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 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 H ₂ S, Prevention Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Erosion Control Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.
Type: Drilling Workover Emergency 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 Burial Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)
Naste 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 Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids ar facilities are required.		
•	y Permit Number:	
	y Permit Number:	
Will any of the proposed closed-loop system operations and associated activities occur on or in area Yes (If yes, please provide the information below) No		
Required for impacted areas which will not be used for future service and operations: Soil Backfill and Cover Design Specifications based upon the appropriate requirements of Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.	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. R provided below. Requests regarding changes to certain siting criteria may require administrative considered an exception which must be submitted to the Santa Fe Environmental Bureau office j demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.	approval from the appropriate distr	rict office or may be
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	☐ 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 search; 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 significant waterco lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	urse or lakebed, sinkhole, or playa	☐ Yes ☐ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at t - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	he time of initial application.	☐ Yes ☐ No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five house watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existen NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of	ce at the time of initial application.	Yes No
Within incorporated municipal boundaries or within a defined municipal fresh water well field cover adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from		☐ Yes ☐ No
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (cer	tification) 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 Di	vision	☐ Yes ☐ No
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Res Society; Topographic map 	ources; USGS; NM Geological	☐ Yes ☐ No
Within a 100-year floodplain FEMA map		☐ Yes ☐ No
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19. Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F o Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon 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 Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or i Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.1	15.17.10 NMAC F 19.15.17.13 NMAC ements of 19.15.17.11 NMAC in the appropriate requirements of 19. psection F of 19.15.17.13 NMAC 19.15.17.13 NMAC in case on-site closure standards cann B NMAC NMAC	15.17.11 NMAC

Operator Application Certification:		
I hereby certify that the information submitted with this application is true, acc	urate and complete to th	e best of my knowledge and belief.
Name (Print): Kim Champlin	Title:	Environmental Representative
Signature: him Champler	Date:	9-15-08
e-mail address: kim_champlin@xtoenergy.com	Telephone:	(505) 333-3100
20.		
OCD Approval: . Permit Application (including closure plan) . Closure	Plan (only) OCD	Conditions (see attachment)
OCD Representative Signature:		Approval Date: 10-29-09
Title: Enviro/spec	OCD Permit Numb	per:
Closure Report (required within 60 days of closure completion): Subsection Instructions: Operators are required to obtain an approved closure plan prion The closure report is required to be submitted to the division within 60 days of section of the form until an approved closure plan has been obtained and the	r to implementing any c f the completion of the c	closure activities and submitting the closure report. closure activities. Please do not complete this been completed.
22.		Action Date:
Closure Method: ☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alter ☐ If different from approved plan, please explain.	native Closure Method	☐ Waste Removal (Closed-loop systems only)
23. <u>Closure Report Regarding Waste Removal Closure For Closed-loop System</u> <i>Instructions: Please indentify the facility or facilities for where the liquids, dutwo facilities were utilized.</i>		
Disposal Facility Name:	_ Disposal Facility Pe	rmit Number:
Disposal Facility Name:		rmit Number:
Were the closed-loop system operations and associated activities performed on Yes (If yes, please demonstrate compliance to the items below) No	or in areas that will not l	be used for future service and operations?
Required for impacted areas which will not be used for future service and operation Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	ations	
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 (required for on-site closure) 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 Long	gitude	NAD:1927 1983
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure belief. I also certify that the closure complies with all applicable closure require	e report is true, accurate ements and conditions s	and complete to the best of my knowledge and pecified in the approved closure plan.
Name (Print):	Title:	
Signature:	Date:	
e-mail address:	Telephone:	

OIL CONSERVATION DIVISION

ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2018 SANTA FE, NEW MEXICO 87501

Form: C-107 Revised 10-1-78

All distances must be from the cuter haundarire of the Section.

Operator			Lease		Well No.					
	RPORATED	Township	FEDERAL	· To	8-22					
Unit Letter	Section .	26N	Range 7W	Rio Arriba						
F Actual Footage Loca				1 1110 0111100						
1650		orth line and		et from the West	line					
Ground Lavel Elev.	Producing Form		Pool Basin Dako-a		Dedicated Acreage:					
6073					320 Acres					
Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working).										
3. If more that dated by co	interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling. etc?									
Yes	No If an	swer is "yes;" type of	consolidation	•						
this form if No allowab	necessary.) le will be assigne	d to the well until all	interests have been	consolidated (by com	munitization, unitization, approved by the Commis-					
sion.	-									
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İ			FARTHINGTON, N. M.	Name	-					
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ł	!		! ·		certify that the well location					
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Pit Permit Siting Criteria nformation Sheet

Client:	XTO Energy	
Project:	tank permitting	
Revised:	13-Sep-08	
Prepared by:	Trevor Ycas	

PU BOX 4400, Durang	(0, UU 813UZ	.	neviseu.[13-3ep-06			
V		Information Sheet	Prepared by:	Trevor Ycas			
API#:		30-039-22933	USPLSS:	26N 07W 8 F			
Name:	FEDERAL 8	3 No. 022	Lat/Long:	36.503660°, -107.601490°			
Depth to groundwater:		50-100'	Geologic formation:	San Jose Formation (Tsj), alluvium			
Distance to closest continuously flowing watercourse:	19.3 mi	les NNW to 'San Juan River'	Site Elevation: 1851m/6073'	site visit to check for proximity to residential/ag./ranching activity?			
Distance to closest significant watercourse, lakebed, playa lake, or sinkhole:	2640'	NE to 'Largo Canyon'					
			Soil Type:	Rockland/ Aridisols			
Permanent residence, school, hospital, institution or church within 300'		NO					
			Annual Precipitation:	Navajo Dam: 12.95", Governador: 11.98", Capulin Rgr Stn.: 14.98", Otis: 10.41"			
Domestic fresh water well or spring within 500'		NO	Precipitation Notes:	Historical daily max. precip.: 4.19" (Bloomfield)			
Any other fresh water well or spring within 1000'		NO					
Within incorporated municipal boundaries		NO	Attached Documents:	26N06W_iWaters.pdf, 26N07W_iWaters.pdf, 26N08W_iWaters.pdf, 27N07W_iWaters.pdf, 27N08W_iwaters.pdf, 27N09W_iwaters.pdf, 28N07W_iWaters.pdf, 28N08W_iWaters.pdf, 28N09W_iWaters.pdf			
Within defined municipal fresh water well field		NO	FM3500640750B-30- 039-22933.jpg	30-039-22933_gEarth-PLS.jpg, 30-039-22933_topo- PLS.jpg, 30-039-22933_gEarth-iWaters.jpg			
Wetland within 500'		NO	Mining Activity:	None Near			
Within unstable area		NO		NM_NRD-MMD_MinesMillQuarries_30-039-22933.jpg			
Within 100 year flood plain	No -se	e shaded note below					
Additional Notes:							
drains to Largo Canyon		o possible stock tank , 2450' ssible residential structure	within 400' of FEMA Zone 'A' (100 yr. floodplain)	located in Largo Canyon, near main wash, on a tributary system; located on valley fill alluvial terrace			

Federal 8 #22 Below Grade Tank Hydrogeologic Report for Siting Criteria

General Geology and Hydrology

The San Juan Basin is a typical Rocky Mountain basin with a gently dipping southern flank and a steeply dipping northern flank. Asymmetrically layered Tertiary sandstones and shales, along with Quaternary alluvial deposits, dominate surficial geology (Dane and Bachman, 1965). The proposed pit location will be located in the southern-central Largo Canyon region of the San Juan Basin, in Canon Largo at the mouth of Big Rincon Canyon. The predominant geologic formation is the San Jose Formation of Tertiary age, which underlies surface soils and is often exposed (Dane and Bachman, 1965). Deposits of Quaternary alluvial and aeolian sands occur prominently near the surface of the area, especially near streams and washes.

Cretaceous and Tertiary sandstones, as well as Quaternary alluvial deposits serve as the primary aquifers in the San Juan basin (Stone et al., 1983). In most of the proposed area, the San Jose Formation lies at the surface and overlies the Nacimiento Formation. Thickness of the San Jose ranges from 200 to 2700 feet, thickening from west to east across the region of interest (Stone et al., 1983). Aquifers within the coarser and continuous sandstone bodies of the San Jose Formation are between 0 and 2700' deep in this section of the basin (Stone et al., 1983). Groundwater within these aquifers flows north, toward the San Juan River. Little specific hydrogeologic data is available for the San Jose Formation system, but "numerous wells and springs used for stock and domestic supplies" draw their water from the San Jose Formation (Stone et al., 1983).

The prominent soil type at the proposed site are rocklands and aridisols, which are defined as soils exhibiting little to no profile development (www.emnrd.state.nm.us). Soils are basically unaltered from their parent rock. Miles of arroyos, washes and intermittent streams exist as part of the drainage network towards the San Juan River. These features often cut into soil and other unconsolidated materials, contributing to sedimentation downstream. The sudden influx of water from storm events easily erodes the soils that cover the area and prohibits effective recharge to the underlying aquifers.

Regional weather further prohibit active recharge. The climate is arid, averaging just over 12 inches of rainfall annually. As is typical of the southwestern United States monsoonal weather patterns, most precipitation falls from August through October. The heaviest rainfall occurs in the summer in isolated, intense cloudbursts. November through June is relatively dry. Snow generally falls from December to mid-February and averages less than one-half inch in depth. However, most recharge occurs during the winter months during snowmelt periods from the upper elevations (Western Regional Climate Center www.wrcc.dri.edu).

The predominant vegetation is sagebrush and grasses with a more restricted pinon-juniper association (Dick-Peddie, 1993).

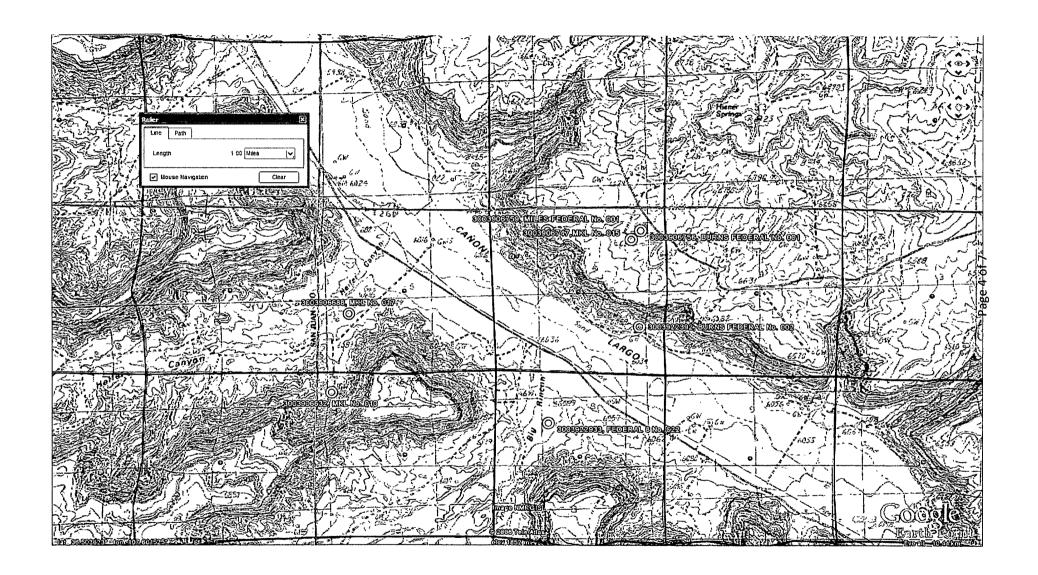
Site Specific Hydrogeology

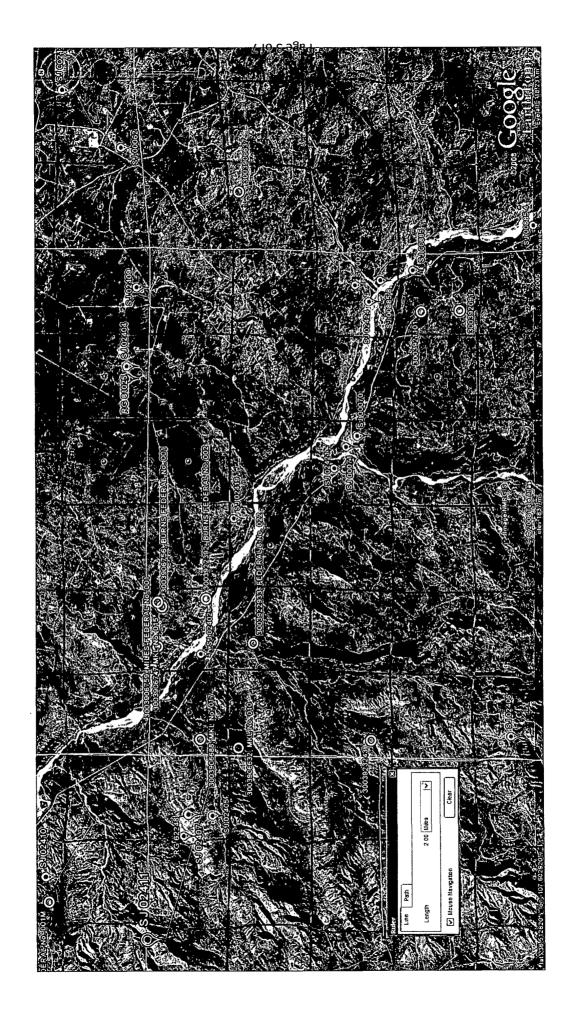
Depth to groundwater is estimated to be between 50 and 100 feet. This estimation is based on data from Stone and others (1983), the USGS Groundwater Atlas of the United States and depth to groundwater data published on the New Mexico State Engineer's iWaters Database website. Local topography and proximity to adjacent channel features are also taken into consideration.

Beds of water-yielding sandstone are present in the San Jose Formation, which are fluvial in origin and are interbedded with mudstone, siltstone & shale. "Extensive intertonguing" of different members of this formation is reported. (Stone et al., 1983). Porous sandstones form the principal aquifers, while relatively impermeable shales and mudstones form confining units between the aquifers (Stone et al., 1983). Local aquifers exist within the San Jose Formation at depths greater than 100 feet and thicknesses of the aquifer can be up to several hundred feet (USGS, Groundwater Atlas of the US) (Stone et al., 1983).

The site in question is located in Largo Canyon near the edge of the main wash channel, at an elevation of approximately 6070 feet and approximately 350 feet east-northeast of the main Largo wash channel. This site drains to Largo Canyon, the nearest significant watercourse. This region is deeply incised by canyons, washes, gullies and arroyos, with large, flat-topped mesas the predominant topographic feature. The mesas are composed of cliff-forming sandstone, and systems of dry washes and their tributaries composed of alluvium are evident on the attached aerial image. Groundwater is expected to be shallow within Largo and Blanco Canyons and within major tributary systems, and the site is approximately 40 feet higher in elevation than the base of Largo Wash.

Groundwater data available from the NM State Engineer's iWaters Database for wells near the proposed site are attached. Groundwater data is extremely limited in this region; the nearest iWaters data point lies 0.66 miles west (SJ02402); this well contains water at a depth of 18'. Other 'nearby' iWaters wells are located 2.7 miles east-northeast (SJ03274) and 2.4 miles southeast (SJ02421). Wells located at similar elevations along Largo Canyon contain groundwater at depths of 42 feet and deeper. The exact topography and elevation relative to the nearest tributary (40' higher) is not enough to suggest that groundwater is deeper than 50 feet. However, site observations made by technician Ron Dedrick indicate thick alluvium covers the proposed area, which is at the base of a steep mesa. The alluvium is estimated to be greater than 50 feet thick, implying groundwater is more than 50 feet below the site surface.





New Mexico Office of the State Engineer POD Reports and Downloads

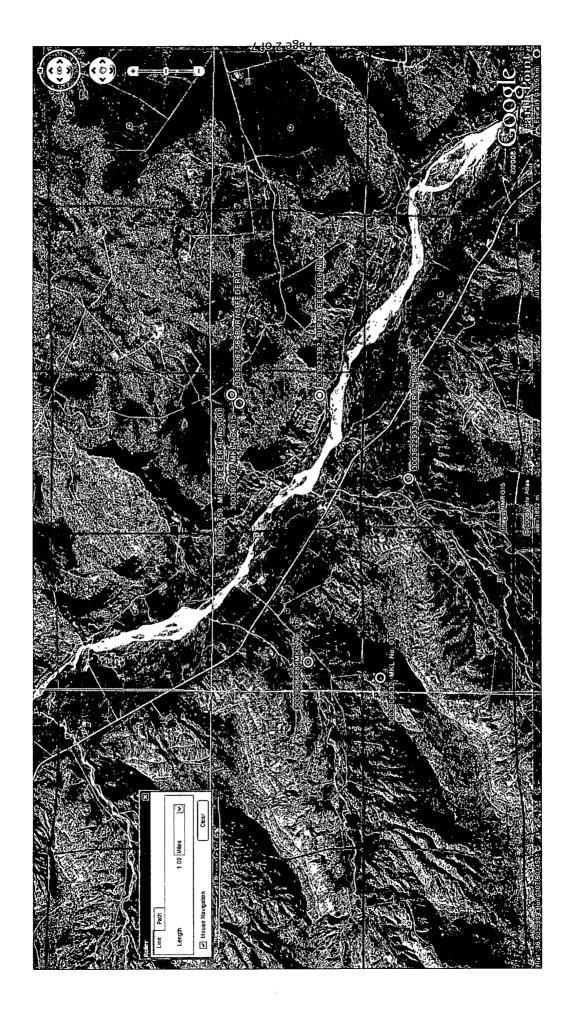
,	Township: 26N	Range: 07W	Sections:			
NA	D27 X:	Y:	Zone:	Searc	ch Radius:	
County:	Basin:	:		Number:	Suffix:	
Owner Name:	(First)	(Last)		ONon-I	Domestic ODomestic OAll	
-	POD / Surface Data	Report Avg D	epth to Water Re	eport Wate	er Column Report	•
		Clear Form i	WATERS Menu	Help		

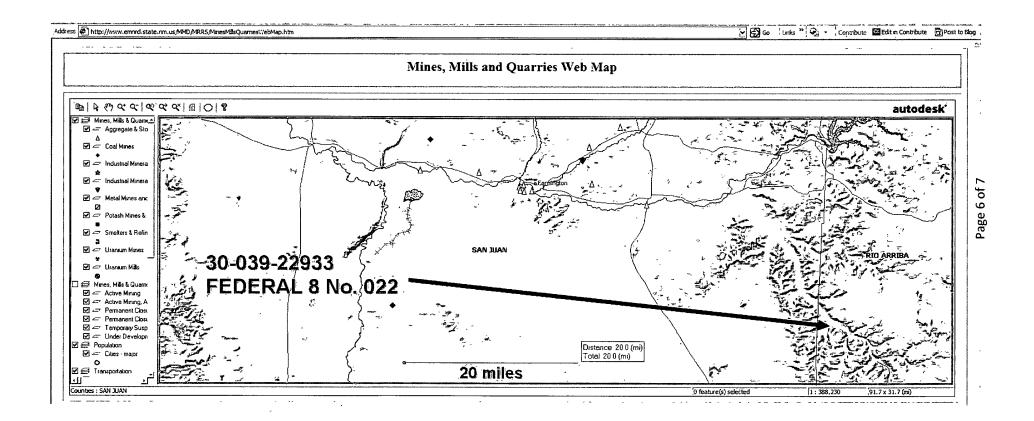
WATER COLUMN REPORT 08/06/2008

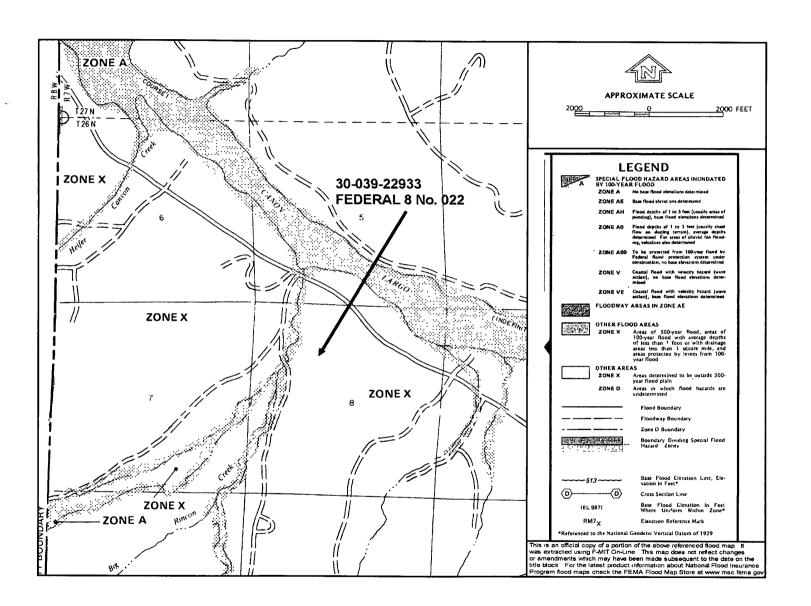
(quarters are 1=NW 2=NE 3=SW 4=SE)

	(quarter	s are	e bi	gge	st to	smallest)			Depth	Depth	Water	(in feet)
POD Number	Tws	Rng	Sec	q	PР	Zone	x	Y	Well	Water	Column	
SJ 02409	26N	07W	01	1 :	2 2				700	400	300	
SJ 02402	26N	07W	05	3	3 2				36	18	18	
SJ 00071	26N	07W	15	4	1 2				365	26	339	
SJ 00070	26N	07W	15	4	2 3				335	22	313	
SJ 02406	26N	07W	30	3 :	2 1				280	180	100	

Record Count: 5







XTO Energy Inc. San Juan Basin Below Grade Tank Design and Construction Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the design and construction of below grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below grade tanks. A separate plan will be submitted for any below grade tank (BGT) which does not conform to this plan.

General Plan

- XTO will design and construct a BGT to contain liquids and solids and prevent contamination of fresh water and protect public heath and environment.
- Prior to constructing the pit, topsoil will be stockpiled in the construction zone for later use in restoration.
- 3. XTO will post a well sign, in compliance with 19.15.3.103 NMAC, on the well site prior to construction of the BGT. The sign will list the Operator on record as the operator, the location of the well site by unit letter, section, township, range, and emergency telephone numbers.
- 4. XTO shall construct all new fences utilizing 48" steel mesh field-fence (hogwire) on the bottom with two strands of barbed wire on top, or with a pipe top rail. A 6' chain link fence topped with three stands of barbed wire will be used if the well location is within 1000' of a permanent residence, school, hospital, institution or church.
- 5. XTO shall construct an expanded metal covering on top of the BGT.
- 6. XTO will ensure that a BGT is constructed of materials resistant to the BGT's particular contents and resistant to damage from sunlight.
- 7. The BGT system will have a properly constructed foundation consisting of a level base free of rocks, debris, sharp edges or irregularities to prevent punctures, cracks or indentations of the liner or tank bottom.
- 8. XTO will construct a berm and/or diversion ditch in a manner that prevents the collection of surface water run-on.
- 9. XTO will construct and use BGT that does not have double walls. The BGT sidewalls will be open for visual inspection for leaks, the BGT bottom will be elevated a minimum of 6" above the underlying ground surface and the BGT will be underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected.
- 10. XTO will equip BGT's designed in this manner with a properly functioning automatic high-level shut-off control device and manual controls to prevent overflows.
- 11. The geomembrane liner shall consist of 30-mil flexible PVC or 60-mil HDPE liner, or an equivalent liner material that the appropriate division district office approves. The geomembrane liner shall have a hydraulic conductivity greater that 1 x 10-9 cm/sec. The geomembrane liner shall be composed of an impervious, synthetic material that is resistant to petroleum hydrocarbons, salts and acidic and alkaline solutions. The liner material shall be resistant to ultraviolet light. Liner compatibility shall comply with EPA SW-846 method 9090A.
- 12. The general specifications for design and construction are attached.

XTO Energy Inc. San Juan Basin Below Grade Tank Maintenance and Operating Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the operation and maintenance of below grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below grade tanks. A separate plan will be submitted for any below grade tank (BGT) which does not conform to this plan.

General Plan

- 1. XTO will operate and maintain a BGT to contain liquids and solids and prevent contamination of fresh water and protect public health and the environment.
- 2. XTO will not allow a BGT to overflow and will use berms and/or diversion ditch to prevent surface run on to enter the BGT.
- 3. XTO will continuously remove any visible or measurable layer of oil from the fluid surface of a BGT in order to prevent significant accumulation of oil.
- 4. XTO will inspect the BGT monthly and maintain written records for five years.
- 5. XTO will maintain adequate freeboard to prevent over topping of the BGT.

XTO Energy Inc. San Juan Basin Below Grade Tank Closure Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the closure requirements of below grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below grade tanks. A separate plan will be submitted for any below grade tank (BGT) which does not conform to this plan.

General Plan

- XTO will close a BGT within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the division requires because of imminent danger to fresh water, public health or the environment.
- 2. XTO will close an existing BGT that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or is not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC within five years after June 16, 2008, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC.
- 3. XTO will close a permitted BGT within 60 days of cessation of the BGT's operation or as required by the transitional provisions of Subsection B of 19.15.17.17 NMAC in accordance with a closure plan that the appropriate division district office approves. The closure report will be filed on form C-144.
- 4. XTO will remove liquids and sludge from a BGT prior to implementing a closure method and will dispose of the liquids and sludge in a division-approved facility.
- 5. XTO will remove the BGT and dispose of it in a division approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves.
- 6. XTO will remove any on-site equipment associated with a BGT unless the equipment is required for some other purpose.
- 7. XTO will test the solids beneath the BGT to determine whether a release has occurred. At a minimum 5 point composite sample will be collected along with individual grab samples from any area that is wet, discolored or showing other evidence of a release. Samples will be analyzed for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 8021B or 8260B or EPA method that the division approves, does not exceed 0.2 mg/kg; total BTEX concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 50 mg/kg; the TPH concentration, as determined by EPA method 418.1 or other EPA method that the division approves, does not exceed 100mg/kg; and the chloride concentration, as determined by EPA method 300.1 or other EPA method that the division approves, does not exceed 250 mg/kg, or the background concentration, whichever is greater. XTO will notify the division of its results on form C-141.
- 8. If XTO or the division determines that a release has occurred, XTO will comply with 19.15.3.116 NMAC and 19.15.1.19NMAC as appropriate.
- 9. If the sampling program demonstrates that a release has not occurred or that any release does not exceed the concentrations specified in Paragraph (4) of Subsection E of 19.15.17.13 NMAC, XTO will backfill the excavation with compacted, non-waste containing, earthen material; construct a division prescribed soil cover; recontour and re-vegetate the site.
- 10. Notice of Closure will be given to the Aztec Division District III office between 72 hours and one week of closure via email or verbally. The notification will include the following:
 - i. Operator's name
 - Location by Unit Letter, Section, Township, and Range. Well name and API number.

- 11. All closure activities will include proper documentation and be available for review upon request and will be submitted to OCD within 60 days of closure of the BGT. Closure report will be filed on form C-144 and incorporate the following:
 - i. Details on capping and covering, where applicable
 - ii. Inspection reports
 - iii. Sampling results
- 12. Re-contouring of location will match fit, shape, line, form and texture of the surrounding area. Re-shaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be placed in areas where needed to prevent erosion on a large scale. Final re-contour shall have a uniform appearance with smooth surface, fitting the natural landscape.
- 13. XTO will seed the disturbed areas the first growing season after the operator closes the pit. Seeding will be accomplished via drilling on the contour whenever practical or by other division-approved methods. BLM or Forest Service stipulated seed mixes will be used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs.
- 14. A minimum of 4' of cover shall be achieved and the cover shall include 1' of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater.
- 15. The surface owner shall be notified of XTO's proposal to close the BGT as per the approved closure plan using certified mail, return receipt requested.