#### 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

7

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

July 21, 2008 For temporary pits, closed-loop sytems, and below-grade

Form C-144

tanks, submit to the appropriate NMOCD District Office.

For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Le0105	Pit, Closed-Loop System,		on
	Proposed Alternative Method P		
Type of		em, below-grade tank, or proposed alternative	
	Modification to an existing perm	stem, below-grade tank, or proposed alternat	ive method
		an existing permitted or non-permitted pit,	closed-loon system
	below-grade tank, or proposed a		ciosca-100p system,
Instructions: Please sub	mit one application (Form C-144) per individ	ual pit, closed-loop system, below-grade tai	nk or alternative request
	at approval of this request does not relieve the operator of liabi		
environment. Nor does	approval relieve the operator of its responsibility to comply wi	th any other applicable governmental authority's rules, regu	llations or ordinances.
Operator: ConocoPhillips	Company	OGRID#: 217817	
Address: PO Box 4289, F	armington, NM 87499		
Facility or well name: MU	DGE FEDERAL 1E		
API Number:	30-045-33271	OCD Permit Number:	<u> </u>
U/L or Qtr/Qtr: E(SW/NW	Section: 30 Township: 26N	Range: 11W County: San J	uan
Center of Proposed Design:		Longitude: 108.05141 °W	NAD: 1927 <b>X</b> 1983
Surface Owner: X Fo	ederal State Private Tr	ibal Trust or Indian Allotment	
Temporary: X Drilling Permanent Emerge X Lined Unlined X String-Reinforced Liner Seams: X Welder	ncy Cavitation P&A Liner type: Thickness 12 mil	X LLDPE HDPE PVC Other  Volume: 4400 bbl Dimensions L 65'	
Closed-loop System: Type of Operation:	Subsection H of 19.15.17.11 NMAC  &A Drilling a new well Workover or notice of inte	Drilling (Applies to activities which require priornt)	or approval of a permit or
Drying Pad A Lined Unlined Liner Seams: Welded	bove Ground Steel Tanks Haul-off Bins Liner type. Thickness mil Factory Other	Other  LLDPE HDPE PVD Other	231-12345 29 Drain
Below-grade tank: S Volume: Tank Construction material:	ubsection I of 19.15.17.11 NMAC bbl Type of fluid:		CONSTINED ON DIST.
Secondary containment w  Visible sidewalls and li  Liner Type: Thickness		r, 6-inch lift and automatic overflow shut-off her Other	MAY 2010  SECULAR DIV DIST.
Submittal of an exception re-	quest is required. Exceptions must be submitted to		

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  X Alternate. Please specify 4' hogwire fence with a single strand of barbed wire on top.						
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)	/					
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						
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	deration of appi	roval.				
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 - 1WATERS database search; USGS; Data obtained from nearby wells						
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.  (Applied to permanent pits)  - 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.						
- 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 Society; Topographic map	Yes	□ No				
Within a 100-year floodplain - FEMA map	Yes	∐No				

Form C-144 Oil Conservation Division Page 2 of 5

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							
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 Clasures, 10.15.17.12 NIMAC							
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: X 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)							
X On-site Closure Method (only for temporary pits and closed-loop systems)							
X 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							

Form C-144 Oil Conservation Division Page 3 of 5

16						
Waste Removal Closure For Closed-loop Systems That Utilize Above Ground St Instructions Please identify the facility or facilities for the disposal of liquids, drillin						
facilities are required.	,					
Disposal Facility Name:	Disposal Facility Permit #:					
Disposal Facility Name:	Disposal Facility Permit #:					
Will any of the proposed closed-loop system operations and associated active Yes (If yes, please provide the information   No	rities occur on or in areas that will nbe used for future	service and				
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 Subset	•	MAC				
Site Reclamation Plan - based upon the appropriate requirements of Su						
17 Siting Criteria (Baganding on site elegano methods annu 10 15 17 10 NM 14	0					
Siting Criteria (Regarding on-site closure methods only: 19.15 17 10 NMA Instructions Each string criteria requires a demonstration of compliance in the closure plan R		Requests regarding changes to				
certain siting criteria may require administrative approval from the appropriate district office office for consideration of approval. Justifications and/or demonstrations of equivalency are re		nta Fe Environmental Bureau				
	quired Trease rejet to 17 13 17 10 initial jor guidance					
Ground water is less than 50 feet below the bottom of the buried waste.	stormed Court or why wells	Yes X No				
- NM Office of the State Engineer - iWATERS database search; USGS: Data of	named from hearby wens	∐N/A _				
Ground water is between 50 and 100 feet below the bottom of the buried wa	ste	Yes X No				
- NM Office of the State Engineer - IWATERS database search; USGS; Data ob	tained from nearby wells	∐N/A				
Ground water is more than 100 feet below the bottom of the buried waste.		X Yes No				
- NM Office of the State Engineer - iWATERS database search; USGS, Data ob	tained from nearby wells	□N/A				
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signi (measured from the ordinary high-water mark).	ficant watercourse or lakebed, sinkhole, or playa lake	Yes X No				
- Topographic map. Visual inspection (certification) of the proposed site						
Within 300 feet from a permanent residence, school, hospital, institution, or church in	n existence at the time of initial application	Yes X No				
- Visual inspection (certification) of the proposed site, Aerial photo; satellite ima						
		Yes X No				
Within 500 horizontal feet of a private, domestic fresh water well or spring that less th	· · · · · · · · · · · · · · · · · · ·					
purposes, or within 1000 horizontal fee of any other fresh water well or spring, in exi - NM Office of the State Engineer - iWATERS database, Visual inspection (certification)	**					
Within incorporated municipal boundaries or within a defined municipal fresh water w	' ' ' ' ' '	Tyes X No				
pursuant to NMSA 1978, Section 3-27-3, as amended.						
- Written confirmation or verification from the municipality, Written approval of	otained from the municipality					
Within 500 feet of a wetland		Yes X No				
- US Fish and Wildlife Wetland Identification map. Topographic map; Visual in	spection (certification) of the proposed site	Yes X No				
Within the area overlying a subsurface mine - Written confirmation or verification or map from the NM EMNRD-Mining and	Mineral Division	Yes X No				
Within an unstable area.		Yes X No				
- Engineering measures incorporated into the design; NM Bureau of Geology & I	Mineral Resources, USGS; NM Geological Society,					
Topographic map						
Within a 100-year floodplain FEMA map		Yes X No				
•						
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each	h of the following items must bee attached to the clo	sure plan. Please indicate.				
by a check mark in the box, that the documents are attached.	,, ,	,				
X Siting Criteria Compliance Demonstrations - based upon the appropri	riate requirements of 19.15.17.10 NMAC					
X Proof of Surface Owner Notice - based upon the appropriate requires	ments of Subsection F of 19.15.17.13 NMAC					
Construction/Design Plan of Burial Trench (if applicable) based upo	n the appropriate requirements of 19 15.17.11 NMAC					
Construction/Design Plan of Temporary Pit (for in place burial of a c	drying pad) - based upon the appropriate requirements	of 19.15.17.11 NMAC				
X Protocols and Procedures - based upon the appropriate requirements	of 19.15.17.13 NMAC					
Confirmation Sampling Plan (if applicable) - based upon the appropriate Confirmation Confirmatio		AC				
X Waste Material Sampling Plan - based upon the appropriate requiren	nents of Subsection F of 19.15.17.13 NMAC	Ì				
X Disposal Facility Name and Permit Number (for liquids, drilling flui		s cannot be achieved)				
X Soil Cover Design - based upon the appropriate requirements of Sub						
X 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						

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19
Operator Application Certification:
I hereby certify that the information submitted with this application is true abcurate and complete to the best of my knowledge and belief.
Name (Print):   Marie E Jaganillo   Title: Staff Regulatory Technician
Signature: Date: Date:
e-mail address: marie.e jaramillo@conodophillips.com Telephone: 505-326-9865
20
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)
OCD Representative Signature: Branch Signature: Approval Date:
Approvai Date.
Title:OCD Permit Number:
21
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:
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)
Required for impacted areas which will not be used for future service and operations:
Ste 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:
There is a second of the secon
Signature Date:



# New Mexico Office of the State Engineer Water Column/Average Depth to Water

No records found.

PLSS Search:

31, 32



# New Mexico Office of the State Engineer Water Column/Average Depth to Water

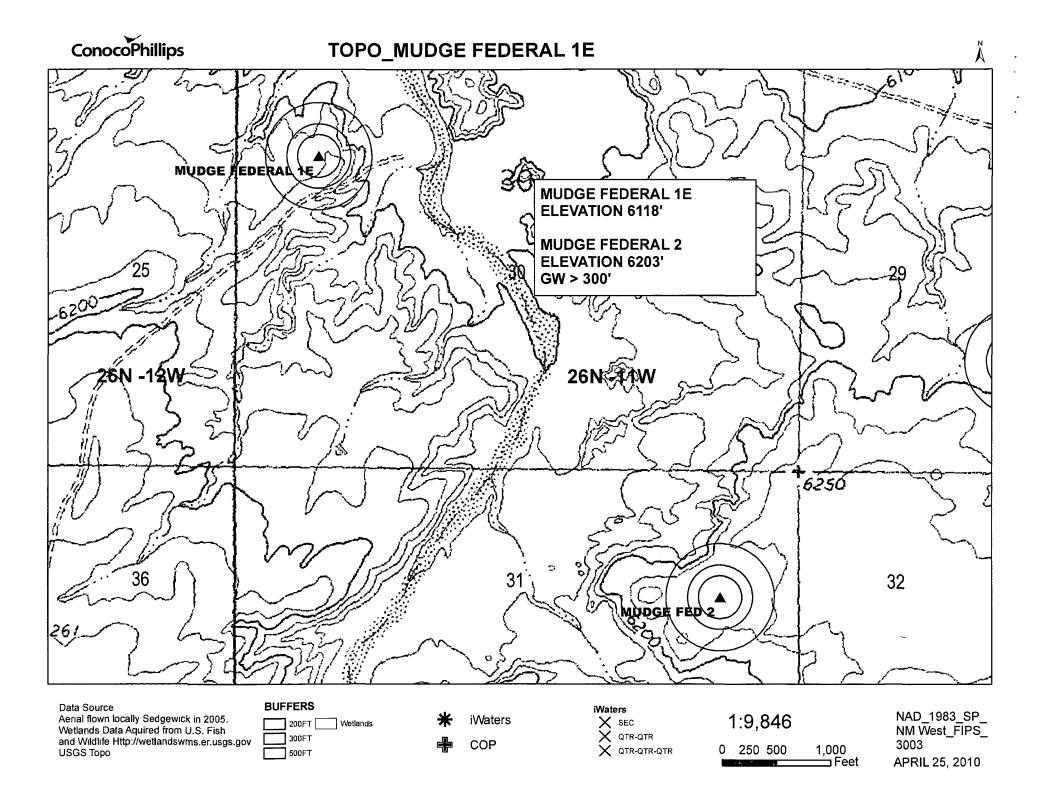
No records found.

PLSS Search:

**Section(s):** 24, 25, 36

Township: 26N

Range: 12W



### TIERRA CORROSION CONTROL, INC. <u>DRILLING LOG</u>

DATE: March 29, 2010

COMPANY: ConocoPhillips

LOCATION: Mudge Federal #2

LEGALS: S31 T26N R11W

COUNTY: San Juan

STATE: NM

DRILLER: Gilbert Peck

BIT SIZE: 6 3/4"

CASING SIZE/TYPE: 8" X 20' PVC

DEPTH: 300'

VENT PIPE 300'

PERF PIPE: 180'

ANODE TYPE: 2" X 60" Duriron

ANODE AMOUNT: 10

LBS COKE BACKFILL: 2,600#

COKE TYPE: Asbury

BOULDER DRILLING: None

DEPTH	DRILLER'S LOG	AMPS	DEPTH	DRILLER'S LOG	AMPS
20	Casing	2.4	310		
25	Gray Shale	2.3	315		
30	Sand	8 ,	320		
35		.8	325		
40		8	330		
45		.8	335		
50	Gray Shale	20,	340		
55		3.2	345		
60		2.7	350		
65		3.0	355		
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75		2.5	365		ļ
80		29	370		
85		3.2	375		
90		2.9	380		
95		2.5	385		
100		3 4	390		
105		3 2	395		
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170		3.0	460		
175		3.1	465		
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185		3.1	475		<del> </del>
190		30	480		
195		3.2	485		
200		3.4	490		_
205		3.7	495		
210		3.6	500		+
215		3.5	505		
220		3.3	510	· ·	
225		3.4	515		
230		3.6	520		
235		3.5	525		
240		3.4	530		
245		19	535		
250		2.7	540		
255		16	545		
260	<del>+</del>	1.0	550		
265	Sandstone	.8	555		
270		7	560		
275	_	.6	565		
280		.6	570		
285		.5	575		
290		.7	580		
295	<u>_</u>		585		
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			595		

			X 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2
ANODE #  1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	DEPTH	NO COKE	COKE
1	260	1.0	2.8
2	250	2.3	5.4
3	240	2.3	6.5
4	230	2.3 3 7	6.5 7.7
5	220	3.7	8.2
6	210	3.7	9.2
7	200	2.9	9.2
8	190	3.5	9.3
9	180	3.5	8.7
10	170	3.1	8.0
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WATER DEPTH: None ISOLATION PLUGS: LOGING VOLTS: 11.74

VOLT SOURCE: AUTO BATTERY

TOTAL AMPS: 26.2

TOTAL GB RESISTANCE: .44

**REMARKS**:



Form 3160-4 (October 1990)

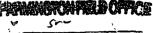
#### **UNITED STATES DEPARTMENT OF THE INTERIOR**

SUBMIT IN DUPLICATE

FOR APPROVED OMB NO. 1004-0137

				BURE	EAU OF L	LAND	MANAG	EMEN	T			5 LE	ASE DESIGNATIO	ON AND SERIAL NO.
								1	I-149-IND-7971					
WELL CO		ETIO	N OR			ETI	ON R	EPC	RT AND	LOG	*	6. IF	INDIAN, ALLOTTE	E OR TRIBE NAME
10 TYPE OF W	ELL.		WELL OIL		WELL X		ORY	Other	1//6	\ /'''	اللهان		Allotted	
b. TYPE OF CO	OMPLET	ION:		•				Ď, à.				7 11	NIT AGREEMENT	NAME
	NELL X	WORK OVER	DEEP-		PLUG BACK		DIFF RESVR	Other	MAR 1 8	2008		8. FA	VRM OR LEASE N	AME, WELL NO.
									A 1	100000		<u> </u>	Mudge Fed	leral 2
2. NAME OF O								Fa	rmington Fi			9. AF	WELL NO.	
3. ADDRESS A		Ips Con										10 5	30-045-332 IELD AND POOL,	
			ington, N	M 874	9 (50	D5) 32	26-970	0				1	n Friutland	
4. LOCATION	OF WELL	. (Report	location cle	arly and	in accorda	nce wit	h any Sta	te requi	rements )*					BLOCK AND SURVEY
At surface	Ur	nit A (NE	NE) 1145	' FNL	& 690' FE	EL						1	OR AREA	
At ton mand 3		nnorted be	alana.	S	as abov							Sec.	31, T26N, R1	·
At top prod. i	uctiva	aporteu be	SIOW	Sann	as abov	78						1		AR 21 '08
At total depti	n Sa	ime as a	bove									}		INS. DIV.
						14 PE	RMIT NO.		DATE ISSUE	-0		12.0	OUNTY OR	GT 3
					j				DATE 13300	-10			PARISH	13. 31/12
15. DATE SPUDD	ED Lin	DATE	D. REACHE		17 DF 3/11/	A9			L	140 ===	VATIONS INC.	1	San Juan	New Mexico
12/19/07	- III	12/21		~		1/08				GL	VATIONS (DF, RK 6203°	8, R1, B4 <b>KB</b>	6214'	19. ELEV. CASINGHEAD
20. TOTAL DEPTI	1. MD 8/1	VD	21 PLUG, I	BACK T			22. IF MUL			23. INTE	RVALS .		Y TOOLS	CABLE TOOLS
1418'			1365			}		HOW N	IANY*	ORI	LLED BY	1		ı
24. PRODUCTION	INTERV	AL (S) OF		ETION-	OP. BOTTO	OM, NAN	AE (MD AN	D TVD)*		<u> </u>		yes	25. WAS DIRECT	TIONAL
Basin Fru	itland	Coal	1238' - 1	260'									SURVEY MA	
26. TYPE ELECTE				200							<del></del>	27. WA	S WELL CORED	No
GR/CCL												1		No
28.							SING RE	CORD (	Report all strings	set in we	oll)			
CASING SIZE/GI	RADE	WEIGHT	r, LB /FT.		TH SET (N		HOLE !	SIZE			MENTING RECO	RD		MOUNT PULLED
4 1/2", J-55		10.5#			1407'		5 1/4"		surface; 50 s		(64 cf) (319 cf)		5 bbis 30 bbis	
											· · · · · · · · · · · · · · · · · · ·			
29.	25.41.51	1 202	LINER R						30				SING RECORD	
SIZE T	OP (MD)	801	TOM (MD)	SAC	KS CEMEN	-	SCREEN	(MD)	SIZE 2-3/8**		DEPTH SET 1258'	(MD)	PA	CKER SET (MD)
PERFORATION	NECOR	D (interval,	size and nu	mber)			2.		AC				r squeeze, et	
.32" @ 2 SPF 1238' - 1260' :	= 44 hc	oles				- 1	238' - 1	260						w/19,546 gals 0 Brady Sand
						L					11,277 SCF			
total holes =	44					_								
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Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department of agency of the section 1001, makes it a crime for any person knowingly and willfully to make to any department of agency of the section 1001. United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

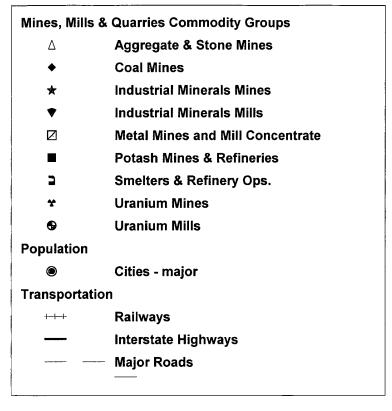


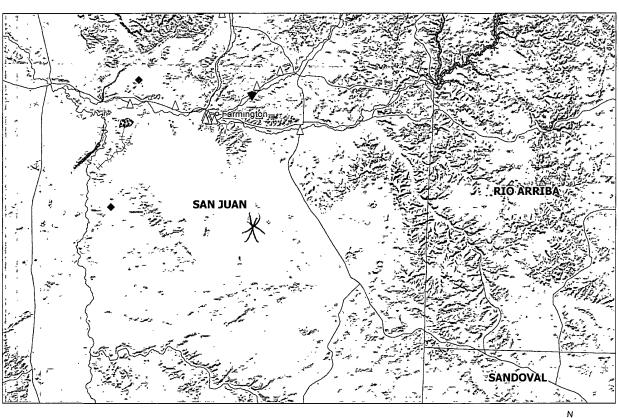


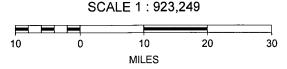
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NAD\_1983\_SP\_ NM West\_FIPS\_ 3003 APRIL 25, 2010 1:11,000 0 250 500 **AERIAL\_MUDGE FEDERAL 1E** 300FT SJB Tri City Outlines
1000FT CITY NAME
2 AZTEC
2 BLOOMFIELD
2 FARMINGTON Data Source Aerial flown locally Sedgewick in 2005. Wetlands Data Aquired from U.S. Fish and Wildlife Http.//wetlandswms.er.usgs.gov USGS Topo ConocoPhillips

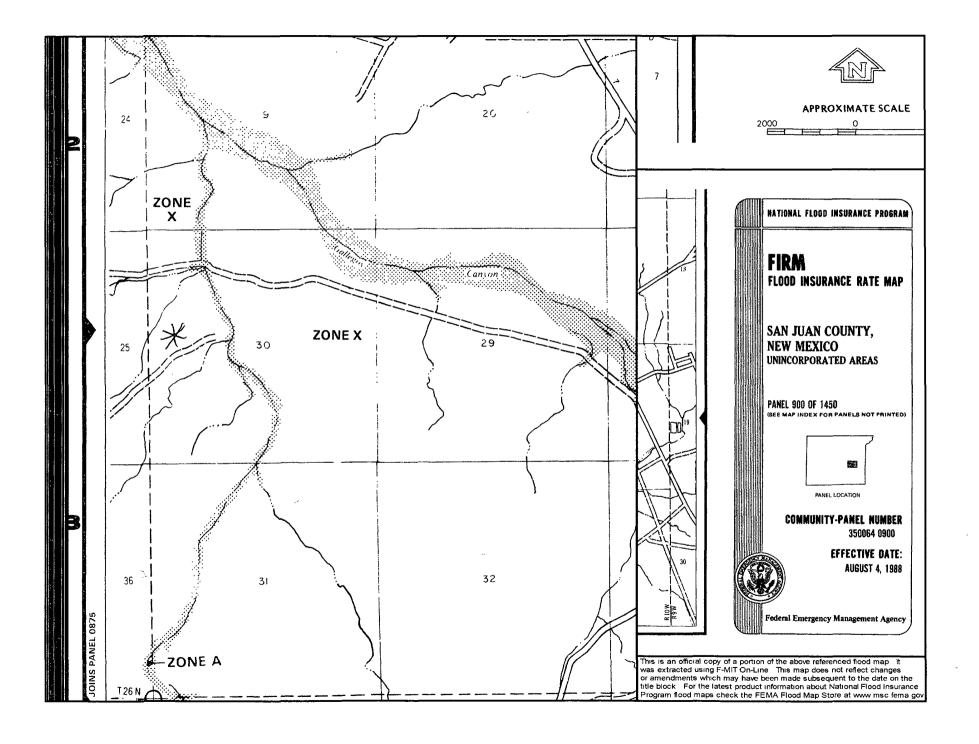
### MUDGE FEDERAL 1E MINES MILLS & QUARRIES











#### Siting Criteria Compliance Demonstration & Hydro Geologic Analysis

The Mudge Federal 1E is not located in an unstable area. The location is not over a mine and is not on the side of a hill as indicated on the Mines, Mills and Quarries Map and Topographic Map. The location of the excavated pit material will not be located within 300' of any continuously flowing watercourse or 200' from any other watercourse as indicated on the Topographic Map. The location is not within a 100-year floodplain area as indicated on the FEMA Map. The Cathodic well data from the Mudge Federal 2 has an elevation of 6203' drilled to 300' and no groundwater encountered. The subject well has an elevation of 6118' which is lesser than the Mudge Federal 2, therefore the groundwater depth is greater than 215'. There are no iWATERS data points located in the area as indicated on the TOPO Map. The hydro geologic analysis indicates the groundwater depth and the Nacimiento formation will create a stable area for this new location.

### Hydrogeological Report for Mudge Federal 1E

#### Regional Geological context:

The Nacimiento Formation is of Paleocene age (Baltz, 1967, p. 35). It crops out in a broad band inside the southern and western margins of the central basin and in a narrow band along the west face of the Nacimiento Uplift. The Nacimiento is a nonresistant unit and typically erodes to low, rounded hills or forms badland topography.

The Nacimiento Formation occurs in approximately only the southern two-thirds of the San Juan Basin where it conformably overlies and intertongues with the Ojo Alamo Sandstone (Fassett, 1974, p. 229). The Nacimiento Formation grades laterally into the main part of the Animas Formation (Fassett and Hinds, 1971, p. 34); thus, in this area, the two formations occupy the same stratigraphic interval.

Strata of the Nacimiento Formation were deposited in lakebeds in the central basin area with lesser deposition in stream channels (Brimhall, 1973, p. 201). In general, the Nacimiento consists of drab, interbedded black and gray shale with discontinuous, white, medium- to very coarse grained arkosic sandstone (Stone e al., 1983, p.30). Stone et al. indicated that the formation may contain more sandstone than commonly reported because some investigators assume the slope-forming strata in the unit area shales, whereas in many places the strata actually are poorly consolidated sandstones. Total thickness of the Nacimiento Formation ranges from about 500 to 1,300 feet. The unit generally thickens from the basin margins toward the basin center (Steven et al., 1974). The sandstone deposits within the Nacimiento Formation are much thinner than the total thickness of the formation because their environment of deposition was localized stream channels (Brimhall, 1973, p. 201). The thickness of the combined San Jose, Animas, and Nacimiento Formations ranges from 500 to more than 3.500 feet.

#### **Hydraulic Properties:**

Reported well yields for 53 wells completed in either the Animas or Nacimiento Formations range from 2 to 90 gallons per minute and the median yield is 7.5 gallons per minute. The primary use of water from Nacimiento and Animas Formations is domestic and livestock supplies. There are no known aquifer tests for the Animas or Nacimiento Formations, but specific capacities reported for six wells range from 0.24 to 2.30 gallons per minute per foot of drawdown (Levings et al., 1990).

The Animas and Nacimiento Formations are in many ways hydrologically similar to the San Jose Formation because sands in both units produce approximately the same quantities of water. However, the greater percentage of fine materials in the Animas and Nacimiento Formations may restrict downward vertical leakage to the Ojo Alamo Sandstone or Kirtland Shale. The poorly cemented fine material is highly erodible, forms a badland terrain, and supports only spotty vegetation. These conditions are more conductive to runoff than retention of precipitation.

#### References:

Baltz, E.H., 1967, Stratigraphy and regional tectonic implications of part of Upper Cretaceous rocks, east-central San Juan Basin, New Mexico: USGS Professional Paper

552, 101 p.

Professional Paper 676, 76 p.

Brimhall, R.M., 1973, Ground-water hydrology of Tertiary rocks of the San Juan Basin, New Mexico, in Fassett, J.E., ed., Cretaceous and Tertiary rocks of the Southern Colorado Plateau: Four Corners Geological Society Memoir, p. 197-207. Fassett, J.E., 1974, Cretaceous and Tertiary rocks of the eastern San Juan Basin, New Mexico and Colorado, in Guidebook of Ghost Ranch, central-northern New Mexico: New Mexico Geological Society, 25th Field Conference, p. 225-230. Fassett, J.E., and Hinds, J.S., 1971, Geology and fuel resources of the Fruitland Formation and Kirtland Shale of the San Juan Basin, New Mexico and Colorado: USGS

Levings, G.W., Craigg, S.d., Dam, W.L., Kernodle, J.M., and Thorn, C.R., 1990, Hydrogeology of the San Jose, Nacimiento, and Animas Formations in the San Juan structural basin, New Mexico, Colorado, Arizona, and Utah: USGS Hydrologic Investigations Atlas HA-720-A, 2 sheets.

Stone, W.J., Lyford, F.P., Frenzel, P.F., Mizell, N.H., and Padgett, E.T., 1983, Hydrogeology and water resources of San Juan Basin, New Mexico: New Mexico Bureau of Mines and Mineral Resources, Hydrologic Report 6.

#### Tafoya, Crystal

From:

Tafoya, Crystal

Sent:

Saturday, October 04, 2008 9:27 AM 'larry\_pixley@nm.blm.gov' Surface Owner Notification

To:

Subject:

The temporary pits for the following wells will be closed on-site. Please let me know if you have any questions.

Mudge Federal 2 Mudge Federal 1E

Thank you,

Crystal L. Tafoya Regulatory Technician ConocoPhillips Company San Juan Business Unit Phone: (505) 326-9837

Email: Crystal.Tafoya@conocophillips.com

District I 1625 N. French Dr., Hobbs, NM 88240

State of New Mexico Energy, Minerals & Natural Resources Department

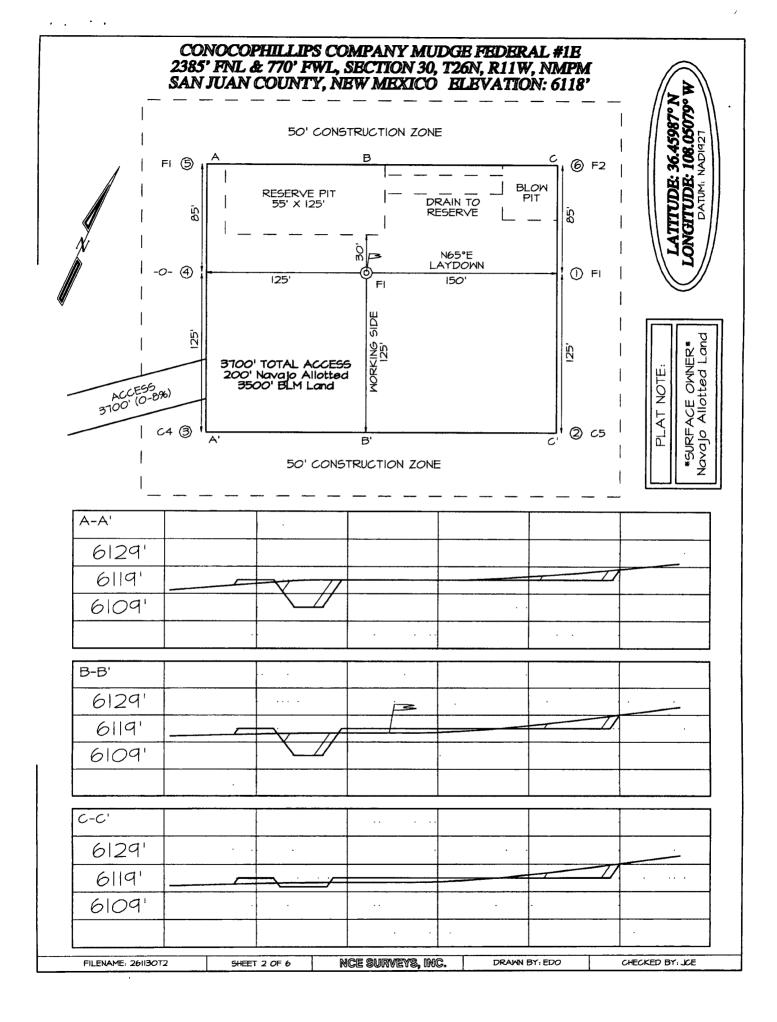
District II 1301 W. Grand Avenue, Artesia, NM 88210

Form C-102
Revised October 12, 2005
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

AMENDED REPORT

			WELL	LOCAT	ION AND A	CREAGE DED	ICAT	ION PL	_AT				
'AF	PI Number			Code 529	'Pool Name BASIN FRUITLAND COAL								
Property 3158					Property Name "Well Number MUDGE FEDERAL 1E								
'0GRID 2178				CC	*Operator Name CONOCOPHILLIPS COMPANY 6118								
					<sup>10</sup> Surface	Location							
UL or lot no.	30	26N	Range 11W	Lot Idn	Feet from the	North/South line		from the	East/We		SAN JUAN		
	· · · · · · · · · · · · · · · · · · ·	11 E	Bottom	Hole L	ocation I	f Different	Froi	m Surf	ace		<u> </u>		
UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet	from the	East/We	st line	County		
12 Dedicated Acres		1.68 Acr	res – W	/2	13 Joint or Infill	<sup>54</sup> Consolidation Code	<sup>15</sup> Order	No.			<u> </u>		
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## ConocoPhillips Company San Juan Basin Closure Plan

In accordance with Rule 19.15.17.12 NMAC the following information describes the closure requirements of temporary pits on ConocoPhillips Company (COPC) locations. This is COPC's standard procedure for all temporary pits. A separate plan will be submitted for any temporary pit which does not conform to this plan.

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 pit closure. Closure report will be filed on C-144 and incorporate the following:

- Details on Capping and Covering, where applicable.
- Plot Plan (Pit Diagram)
- Inspection Reports
- Sampling Results
- C-105
- Copy of Deed Notice will be filed with County Clerk

#### **General Plan:**

- All free standing liquids will be removed at the start of the pit closure process from the pit and disposed of in a division—approved facility or recycle, reuse or reclaim the liquids in a manner that the appropriate division district office approves. The facilities to be used will be Basin Disposal (Permit #NM-01-005) and Envirotech Land Farm (Permit #NM-01-011).
- 2. The preferred method of closure for all temporary pits will be on-site burial, assuming that all the criteria listed in sub-section (B) of 19.15.17.13 are met.
- 3. The surface owner shall be notified of COPC's closing of the temporary pit prior to closure as per the approved closure plan via certified mail, return receipt requested.
- Within 6 months of the Rig Off status occurring COPC will ensure that temporary pits are closed, re-contoured, and reseeded.
- 5. Notice of Closure will be given prior to closure to the Aztec Division office between 72 hours and one week via email, or verbally. The notification of closure will include the following:
  - i. Operator's name
  - Location by Unit Letter, Section, Township, and Range. Well name and API number.
- 6. Liner of temporary pit shall be removed above "mud level" after stabilization. Removal of liner will consist of manually or mechanically cutting liner at mud level and removing all remaining liner. Care will be taken to remove "All" of the liner i.e., edges of liner entrenched or buried. All excessive liner will be disposed of at the San Juan County Landfill located on CR 3100.
- 7. Pit contents shall be mixed with non-waste containing, earthen material in order to achieve the solidification process. The solidification process will be accomplished using a combination of natural drying and mechanically mixing. Pit contents will be mixed with non-waste, earthen material to a consistency that is deemed a safe and stable. The mixing ratio shall not exceed 3 parts clean soil to 1 part pit contents.
- 8. A five point composite sample will be taken of the pit using sampling tools and all samples tested per Subsection B of 19.15.17.13(B)(1)(b). In the event that the criteria are not met, all contents will be handled per Subparagraph (a) of Paragraph (1) of Subsection B of 19.15.17.13 i.e., Dig and haul.

Components	Components Tests Method	
Benzene	EPA SW-846 8021B or 8260B	0.2
BTEX	EPA SW-846 8021B or 8260B	50
TPH	EPA SW-846 418.1	2500
GRO/DRO	EPA SW-846 8015M	_500
Chlorides	EPA 300.1	(1000)500

- 9. Upon completion of solidification and testing standards being passed, the pit area will be backfilled with compacted, non-waste containing, earthen material. A minimum of four feet of cover shall be achieved and the cover shall include one foot of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater. If standard testing fails COPC will dig and haul all contents pursuant to 19.15.17.13.i.a. After doing such, confirmation sampling will be conducted to ensure a release has not occurred.
- 10. During the stabilization process if the liner is ripped by equipment the Aztec OCD office will be notified within 48 hours and the liner will be repaired if possible. If the liner can not be repaired then all contents will be excavated and removed.
- Dig and Haul Material will be transported to the Envirotech Land Farm located 16 miles south of Bloomfield on Angel Peak Road, CR 7175. Permit # NM010011
- 12. Re-contouring of location will match fit, shape, line, form and texture of the surrounding. Reshaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be place 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. Notification will be sent to OCD when the reclaimed area is seeded.
- 14. COPC shall 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 used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (unimpacted) 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.

Туре	Variety or Cultivator	PLS/A
Western wheatgrass	Arriba	3.0
Indian ricegrass	Paloma or Rimrock	3.0
Slender wheatgrass	San Luis	2.0
Crested wheatgrass	Hy-crest	3.0
Bottlebrush Squirreltail	Unknown	2.0
Four-wing Saltbrush	Delar	.25

Species shall be planted in pounds of pure live seed per acre:
Present Pure Live Seed (PLS) = Purity X Germination/100

Two lots of seed can be compared on the basis of PLS as follows:

Source No. One (poor quality)
Purity
50 percent
Germination
Percent PLS
20 percent
Source No. two (better quality)
Purity
80 percent
Germination
63 percent
Percent PLS
50 percent

5 lb. bulk seed required to make 2 lb. bulk seed required to make

1 lb. PLS 1 lb. PLS

15. The temporary pit will be located with a steel marker, no less than four inches in diameter, cemented in a hole three feet deep in the center of the onsite burial upon the abandonment of all the wells on the pad. The marker will be flush with the ground to allow access of the active well pad and for safety concerns. The marker will include a threaded collar to be used for future abandonment. The top of the marker will contain a welded steel 12" square plate that indicates the onsite burial of the temporary pit. The plate will be easily removable and a four foot tall riser will be threaded into the top of the collar marker and welded around the base with the operator's information at the time of all wells on the pad are abandoned. The operator's information will include the following: Operator Name, Lease Name, Well Name and number, Unit Number, Section, Township, Range and an indicator that the marker is an onsite burial location.