

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

State of New Mexico
Energy Minerals and Natural Resources

Form C-144
July 21, 2008

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

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.

District III
1000 Rio Brazos Rd., Aztec, NM 87410

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

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

4174

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

- Type of action:
- Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method
 - Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method
 - Modification to an existing permit
 - Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

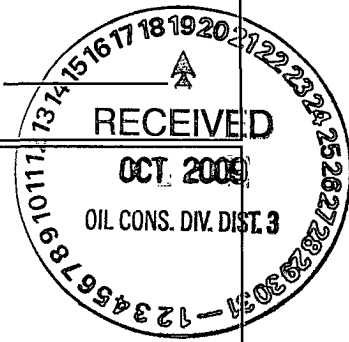
1
Operator: Burlington Resources Oil & Gas Company, LP OGRID#: 14538
Address: PO Box 4289, Farmington, NM 87499
Facility or well name: SAN JUAN 28-5 UNIT 73P
API Number: 30-039-30819 OCD Permit Number: _____
U/L or Qtr/Qtr: J(NW/SE) Section: 35 Township: 28N Range: 5W County: Rio Arriba
Center of Proposed Design: Latitude: 36.614799 °N Longitude: 107.326847 °W NAD: 1927 1983
Surface Owner: Federal State Private Tribal Trust or Indian Allotment

2
 Pit: Subsection F or G of 19.15.17.11 NMAC
Temporary: Drilling Workover
 Permanent Emergency Cavitation P&A
 Lined Unlined Liner type: Thickness 20 mil LLDPE HDPE PVC Other _____
 String-Reinforced
Liner Seams: Welded Factory Other _____ Volume: 7700 bbl Dimensions L 120' x W 55' x D 12'

3
 Closed-loop System: Subsection H of 19.15.17.11 NMAC
Type 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 PVD Other _____
Liner Seams: Welded Factory Other _____

4
 Below-grade tank: Subsection I of 19.15.17.11 NMAC
Volume: 120 bbl Type of fluid: Produced Water
Tank Construction material: Metal
 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 45 mil HDPE PVC Other LLDPE

5
 Alternative Method:
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.



33

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

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

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

Alternate. Please specify 4' hogwire fence with a single strand of barbed wire on top.

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

Screen Netting Other _____

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

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

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

Signed in compliance with 19.15.3.103 NMAC

9 **Administrative Approvals and Exceptions:**

Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.

Please check a box if one or more of the following is requested, if not leave blank:

Administrative approval(s): Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for consideration of approval. (Fencing/BGT Liner)

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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> 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. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within a 100-year floodplain - FEMA map | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

11
Temporary Pits, Emergency Pits and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
 Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9
 Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
 Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
 Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
 Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

Previously Approved Design (attach copy of design) API _____ or Permit _____

12
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9
 Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC
 Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
 Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
 Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

Previously Approved Design (attach copy of design) API _____

Previously Approved Operating and Maintenance Plan API _____

13
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC
 Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
 Climatological Factors Assessment
 Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC
 Dike Protection and Structural Integrity Design: based upon the appropriate requirements of 19.15.17.11 NMAC
 Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC
 Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC
 Quality Control/Quality Assurance Construction and Installation Plan
 Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
 Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
 Nuisance or Hazardous Odors, including H2S, Prevention Plan
 Emergency Response Plan
 Oil Field Waste Stream Characterization
 Monitoring and Inspection Plan
 Erosion Control Plan
 Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

14
Proposed Closure: 19.15.17.13 NMAC
Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.

Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System
 Alternative

Proposed Closure Method: Waste Excavation and Removal **(Below-Grade Tank)**
 Waste Removal (Closed-loop systems only)
 On-site Closure Method (only for temporary pits and closed-loop systems)
 In-place Burial On-site Trench
 Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)

15
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.*

Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
 Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
 Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
 Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
 Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
 Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)

Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.

Disposal Facility Name: _____ Disposal Facility Permit #: _____

Disposal Facility Name: _____ Disposal Facility Permit #: _____

Will any of the proposed closed-loop system operations and associated activities occur on or in areas that *will not* be used for future service and operations?
 Yes (If yes, please provide the information) No

Required for impacted areas which will not be used for future service and operations:

- Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
- Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

Siting Criteria (Regarding on-site closure methods only): 19.15.17.10 NMAC

Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.

- | | |
|---|--|
| <p>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</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A</p> |
| <p>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</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A</p> |
| <p>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</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> |
| <p>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</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> |
| <p>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; satellite image</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> |
| <p>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 fee of any other fresh water well or spring, in existence at the time of the initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> |
| <p>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</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> |
| <p>Within 500 feet of a wetland - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> |
| <p>Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> |
| <p>Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> |
| <p>Within a 100-year floodplain. - FEMA map</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> |

On-Site Closure Plan Checklist: (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.*

- Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
- Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
- Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC
- Construction/Design Plan of Temporary Pit (for in place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC
- Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
- Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
- Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
- Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)
- Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
- Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

Operator Application Certification:

I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): Crystal Tafoya Title: Regulatory Technician
Signature: *Crystal Tafoya* Date: 10/16/2009
e-mail address: crystal.tafoya@conocophillips.com Telephone: 505-326-9837

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

OCD Representative Signature: *Bob Bell* Approval Date: 10/21/09
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: _____

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.

Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:

Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: _____ Disposal Facility Permit Number: _____
Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations?

- Yes (If yes, please demonstrate compliance to the items below) No

Required for impacted areas which will not be used for future service and operations:

- Site Reclamation (Photo Documentation)
 Soil Backfilling and Cover Installation
 Re-vegetation Application Rates and Seeding Technique

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

Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): _____ Title: _____
Signature: _____ Date: _____
e-mail address: _____ Telephone: _____



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

No records found.

PLSS Search:

Section(s): 25, 26, 27, 34, **Township:** 28N **Range:** 05W
35, 36

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



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

No records found.

PLSS Search:

Section(s): 1, 2, 3

Township: 29N

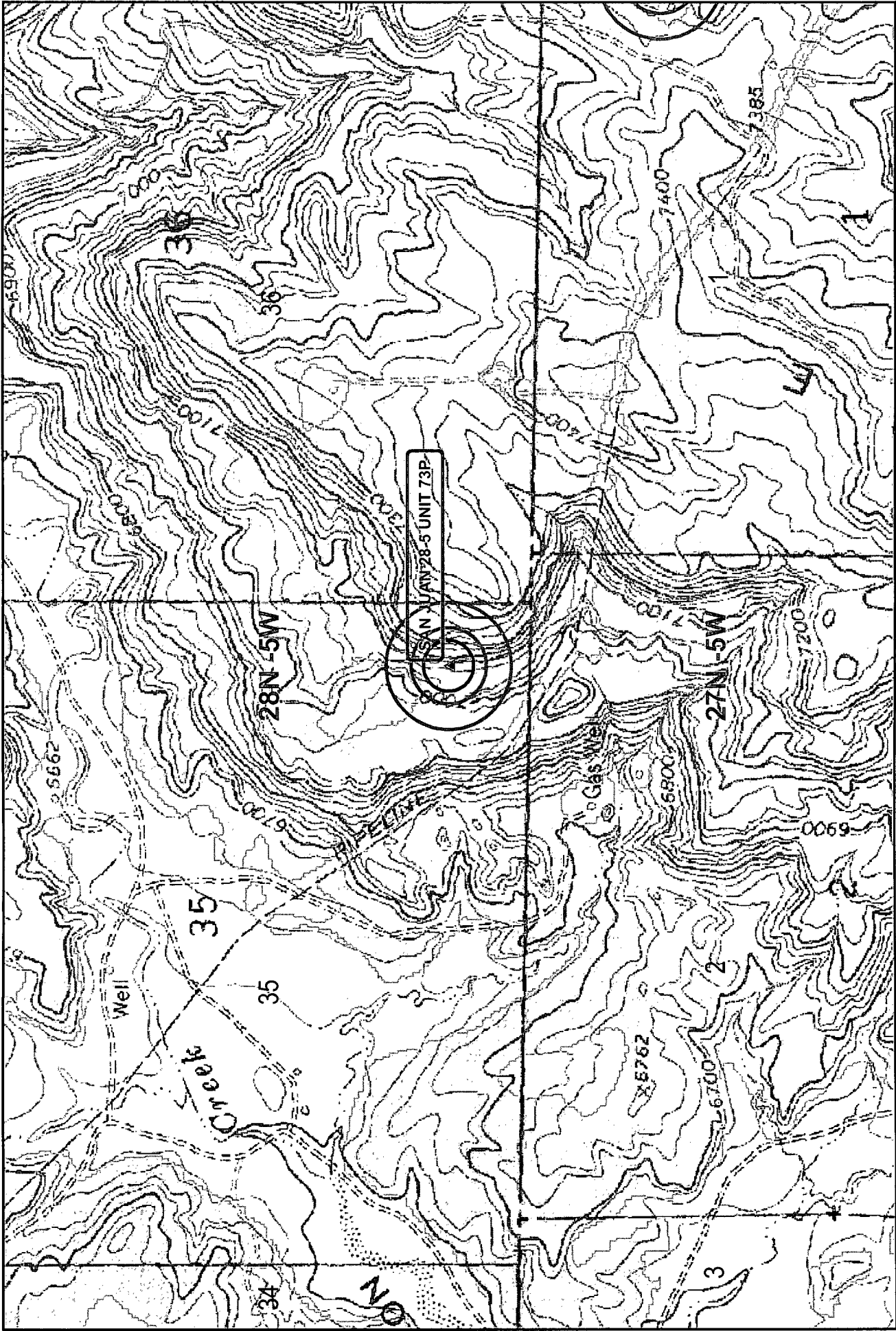
Range: 05W

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

10/16/09 2:06 PM

Page 1 of 1

WATER COLUMN/ AVERAGE
DEPTH TO WATER



Wetlands data acquired from U.S. Fish and Wildlife
<http://wetlandsrms.er.usgs.gov>

Ground Water
+ iWaters
+ COP

Buffers
200ft
300ft
500ft
Wetlands

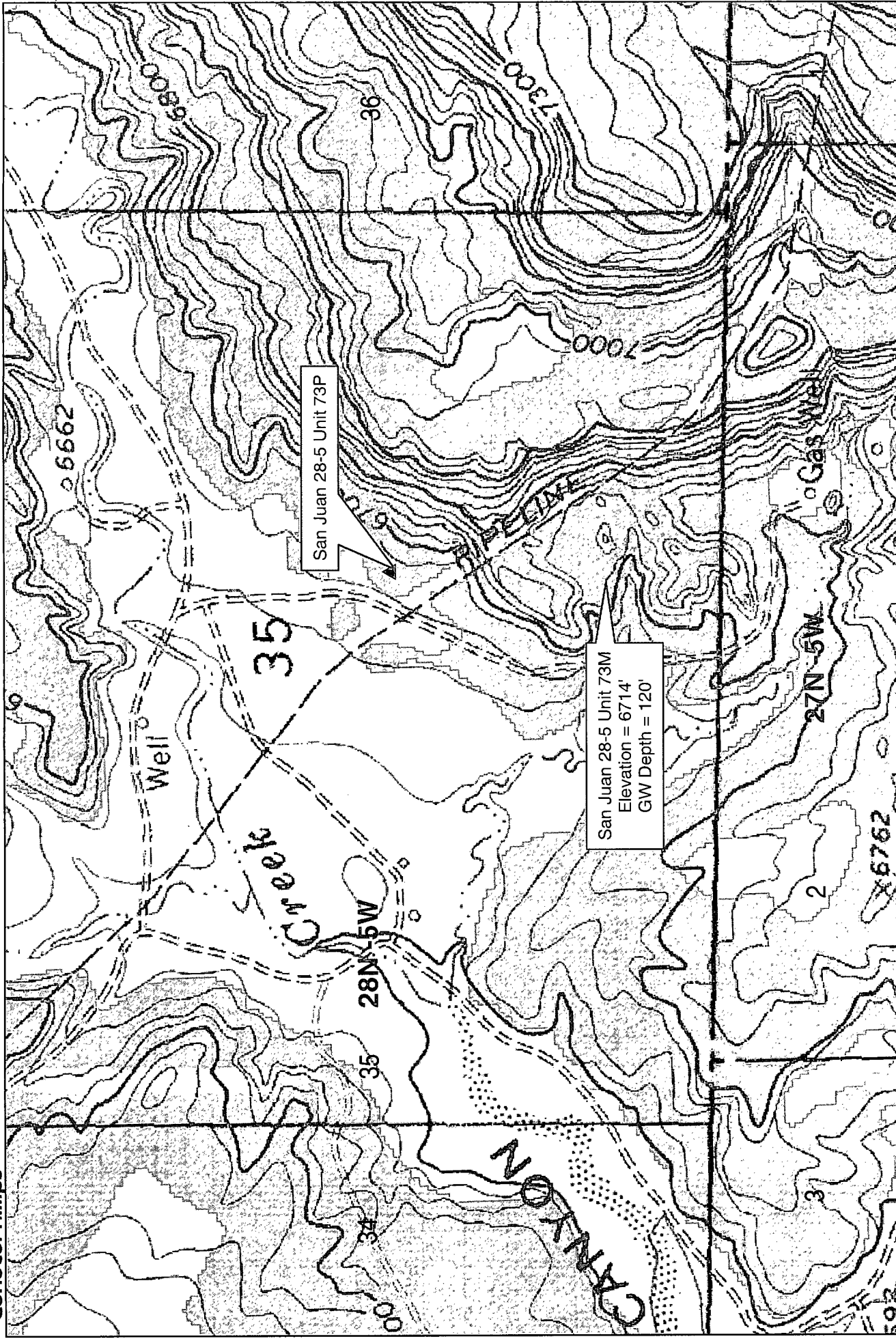
0 500 1,000 Feet
1:12,000

NAD 1983 StatePlane -
NMWest_FIPS_3003
Aug 27, 2008



SAN JUAN 28-5 UNIT 73P

ConocoPhillips



San Juan 28-5 Unit 73P

San Juan 28-5 Unit 73M
 Elevation = 6714'
 GW Depth = 120'

NAD_1983_SP_—
 NM West_FIPS_—
 3003
 Jan 05, 2009

0 140280 560 840 1,120
 Feet

Wetlands

1:8,636

Data Source
 Aerial flown locally Sedgewick in 2005.
 Wetlands Data Acquired from U.S. Fish
 and Wildlife [Http://wetlands.wrms.er.usgs.gov](http://wetlands.wrms.er.usgs.gov)
 USGS Topo

30-039-25663

need CPST#

DATA SHEET FOR DEEP GROUND BED CATHODIC PROTECTION WELLS
NORTHWESTERN NEW MEXICO

Operator Burlington Resources Location: Unit Sec. 35 Twp 28 Rng 5

Name of Well/Wells or Pipeline Served 55 28-5 #73M

Elevation Completion Date 7-23-97 Total Depth 300 Land Type S-F

Casing Strings, Sizes, Types & Depths 8" PVC X 20FT.

If Casing Strings are cemented, show amounts & types used 4 Bags

Portland cement.

If Cement or Bentonite Plugs have been placed, show depths & amounts used

NONE

Depths & thickness of water zones with description of water: Fresh, Clear,

Salty, Sulphur, Etc. 120' damp

Depths gas encountered: NONE

Ground bed depth with type & amount of coke breeze used: 300', 1700 lbs

Loreco SW coke breeze

Depths anodes placed: 250, 244, 238, 232, 226, 220, 214, 208

Depths vent pipes placed: 300'

Vent pipe perforations: Bottom 100'

Remarks:

RECEIVED
FEB 25 1998

OIL CON. DIV.
DIST. 3

If any of the above data is unavailable, please indicate so. Copies of all logs, including Drillers Log, Water Analyses & Well Bore Schematics should be submitted when available. Unplugged abandoned wells are to be included.

Land Type may be shown: F-Federal; I-Indian; S-State; P-Fee.
If Federal or Indian, add Lease Number.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE
(See other instructions on reverse side)

FOR APPROVED
OMB NO. 1004-0137

Expires: December 31, 1991

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER _____

1b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DFF. RESVR OTHER _____

2. NAME OF OPERATOR
BURLINGTON RESOURCES OIL & GAS COMPANY

3. ADDRESS AND TELEPHONE NO.
PO BOX 4289, Farmington, NM 87499 (505) 326-9700

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface 765th FSL, 2075th FEL.
At top prod. interval reported below
At total depth NSL-3779 DHC-1593

070 FARMINGTON, NM

5. LEASE DESIGNATION AND SERIAL NO.
SF-079522

6. IF INDIAN ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
San Juan 28-5 Unit

8. FARM OR LEASE NAME, WELL NO.
San Juan 28-5 U 873M

9. API WELL NO.
30-039-25883

10. FIELD AND POOL OR WILDCAT
Blanco MV/Basin DK

11. SEC. T., R., M., OR BLOCK AND SURVEY OR AREA.
Sec. 35, T-28-N, R-5-W

RECEIVED
JUL 28 1997
OIL CON. DIV.
DIST. 3

12. COUNTY OR PARISH
Rio Arriba

13. STATE
New Mexico

14. PERMIT NO. DATE ISSUED

15. DATE SPUNDED 5-24-97 16. DATE T.D. REACHED 6-1-97 17. DATE COMPL. (Ready to prod.) 7-14-97 18. ELEVATIONS (OF, RKB, RT, BR, ETC.) 6714 GR, 6726 KB 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 8025 21. PLUG. BACK T.D., MD & TVD 22. IF MULTIPLE COMPL. HOW MANY? 2 23. INTERVALS DRILLED BY 0-8025 ROTARY TOOLS CABLE TOOLS

24. PRODUCTION INTERVAL (S) OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD)
7771-7965 Dakota Commingled w/Mesaverde

25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN CNL-GR, CBL-CCL-GR 27. WAS WELL CORED No

28. CASING RECORD (Report all strings set in well)

| CASING SIZE/GRADE | WEIGHT, LB./FT. | DEPTH SET (MD) | HOLE SIZE | TOP OF CEMENT, CEMENTING RECORD | AMOUNT PULLED |
|-------------------|-----------------|----------------|-----------|---------------------------------|---------------|
| 9 5/8 | 32.3# | 246 | 12 1/4 | 190 cu.ft. | |
| 7 | 20# | 3855 | 8 3/4 | 974 cu.ft. | |

29. LINER RECORD 30. TUBING RECORD

| SIZE | TOP (MD) | BOTTOM (MD) | SACKS CEMENT* | SCREEN (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) |
|-------|----------|-------------|---------------|-------------|-------|----------------|-----------------|
| 4 1/2 | 2933 | 8014 | 592 cu.ft. | | 2 3/8 | 7948 | |

31. PERFORATION RECORD (Interval, size and number)
7771, 7777, 7785, 7791, 7829, 7835, 7869, 7873, 7881, 7888, 7923, 7929, 7939, 7945, 7957, 7965

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
DEPTH INTERVAL (MD) AMOUNT AND KIND OF MATERIAL USED
7771-7965 1083 bbl 30# x-link gel, 80,000# 20/40 tempered DC ad

33. PRODUCTION

DATE FIRST PRODUCTION 7-14-97 PRODUCTION METHOD (Flowing gas lift, pumping, etc. and type of pump) Flowing WELL STATUS (Producing or shut-in) SI

DATE OF TEST 7-14-97 HOURS TESTED TEST PERIOD 256 Pilot Gauge

FLOW TUBING PRESS. CASING PRESSURE: SI 910 CALCULATED 24-HOUR RATE OIL-BBL GAS-MCF WATER-BBL LBL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) To be sold TEST WITNESSED BY

35. LIST OF ATTACHMENTS None

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED [Signature] TITLE Regulatory Administrator DATE 7-23-97

ACCEPTED FOR RECORD
DATE 7-23-97

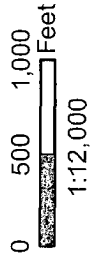
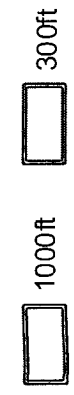
(See Instructions and Spaces for Additional Data on Reverse Side) JUL 25 1997

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

FARMINGTON DISTRICT OFFICE
BY [Signature]



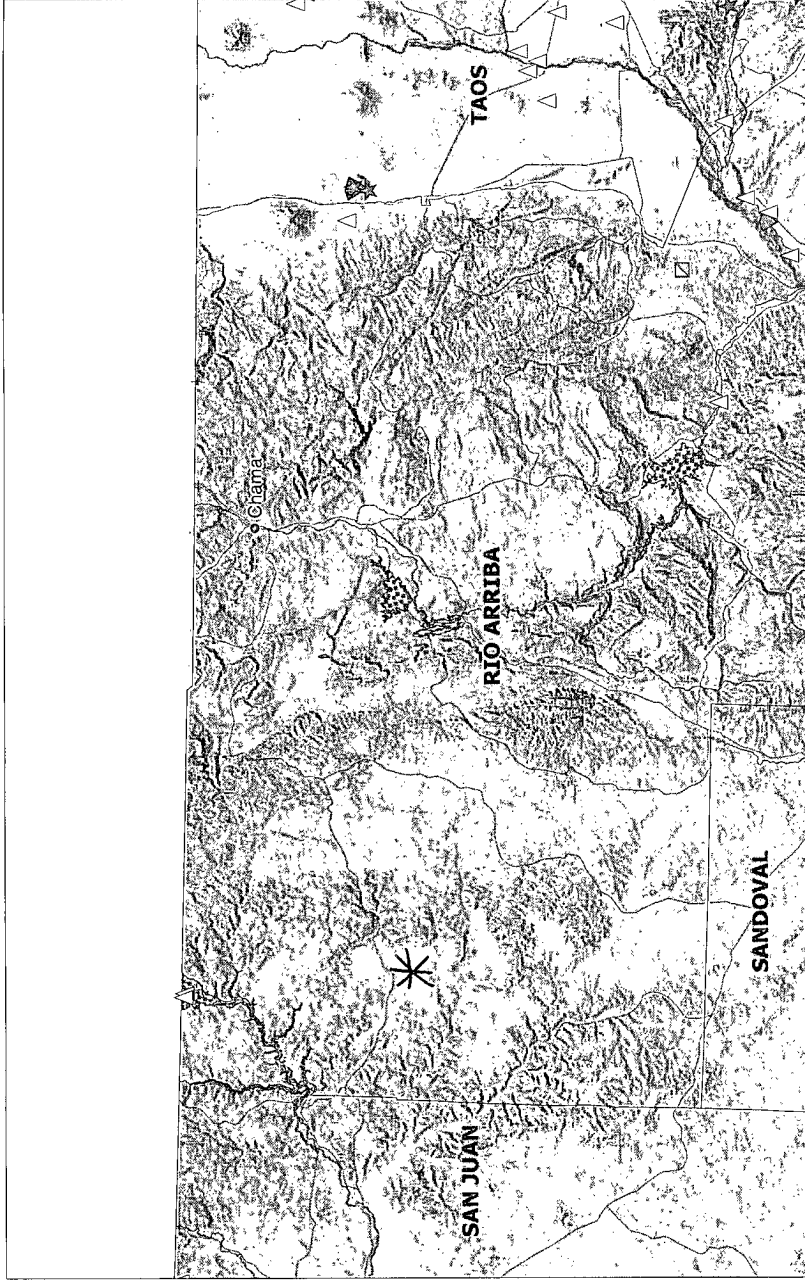
Data Source
Aerial flown locally Sedgewick in 2005.



NAD_1983_SP
NM West_FIPS_3003
Aug 27, 2008

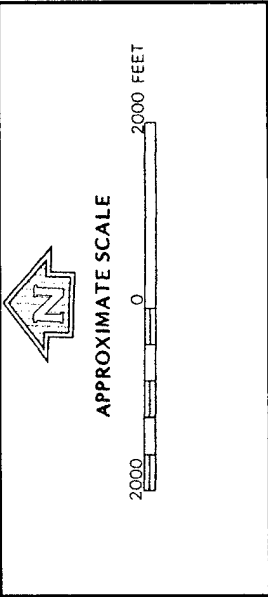
SAN JUAN 28-5 UNIT 73P MINES, MILLS & QUARRIES WEB MAP

| | |
|---|----------------------------------|
| Mines, Mills & Quarries Commodity Groups | |
| △ | Aggregate & Stone Mines |
| ◆ | Coal Mines |
| ★ | Industrial Minerals Mines |
| ▽ | Industrial Minerals Mills |
| ◻ | Metal Mines and Mill Concentrate |
| ■ | Potash Mines & Refineries |
| ⊞ | Smelters & Refinery Ops. |
| ✱ | Uranium Mines |
| ⊕ | Uranium Mills |
| Population | |
| ⊙ | Cities - major |
| Transportation | |
| ⊢⊢ | Railways |
| — | Interstate Highways |
| --- | Major Roads |



SCALE 1 : 1,252,036





NATIONAL FLOOD INSURANCE PROGRAM

FIRM FLOOD INSURANCE RATE MAP

RIO ARRIBA COUNTY, NEW MEXICO UNINCORPORATED AREAS

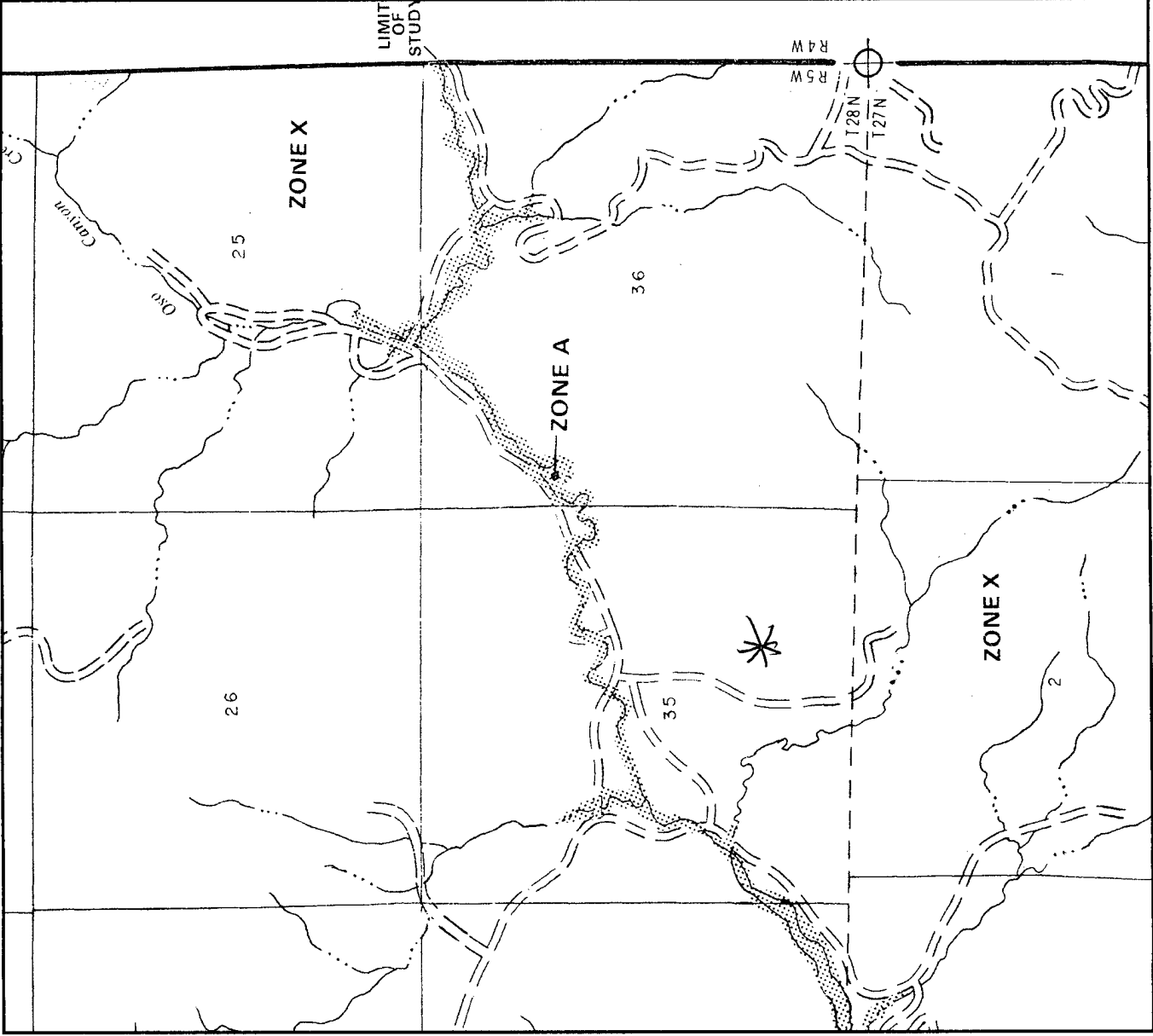
PANEL 400 OF 1325
(SEE MAP INDEX FOR PANELS NOT PRINTED)

PANEL LOCATION

COMMUNITY-PANEL NUMBER
350049 04.00 B

EFFECTIVE DATE:
JANUARY 5, 1989

Federal Emergency Management Agency



This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov

Hydrogeological report for San Juan 28-5 Unit 73P

Regional Hydrogeological context:

The San Jose Formation of Eocene age occurs in New Mexico and Colorado, and its outcrop forms the land surface over much of the eastern half of the central basin. It overlies the Nacimiento Formation in the area generally south of the Colorado-New Mexico State line and overlies the Animas Formation in the area generally north of the State line.

The San Jose Formation was deposited in various fluvial-type environments. In general, the unit consists of an interbedded sequence of sandstone, siltstone, and variegated shale. Thickness of the San Jose Formation generally increases from west to east (200 feet in the west and south to almost 2,700 feet in the center of the structural basin).

Ground water is associated with alluvial and fluvial sandstone aquifers. Thus, the occurrence of ground water is mainly controlled by the distribution of sandstone in the formation. The distribution of such sandstone is the result of original depositional extent plus any post-depositional modifications, namely erosion and structural deformation. Transmissivity data for San Jose Formation are minimal. Values of 40 and 120 feet squared per day were determined from two aquifer tests (Stone et al, 1983, table 5). The reported or measured discharge from 46 water wells completed in San Jose Formation ranges from 0.15 to 61 gallons per minute and the median is 5 gallons per minute. Most of the wells provide water for livestock and domestic use.

The San Jose Formation is a very suitable unit for recharge from precipitation because soils that form on the unit are sandy and highly permeable and therefore readily adsorb precipitation. However, low annual precipitation, relatively high transpiration and evaporation rates, and deep dissection of the San Jose Formation by the San Juan River and its tributaries all tend to reduce the effective recharge to the unit.

Stone et al., 1983, Hydrogeology and Water Resources of the San Juan Basin, New Mexico: Socorro, New Mexico Bureau of Mines and Mineral Resources Hydrologic Report 6, 70 p.

Siting Criteria Compliance Demonstration & Hydro Geologic Analysis

The San Juan 28-5 Unit 73P 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 San Juan 28-5 Unit 73M has an elevation of 6714' and groundwater depth of 120'. The subject well has an elevation of 6995' which is 281' greater than the San Juan 28-5 Unit 73M, therefore the groundwater depth is greater than 100'. 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 San Jose formation will create a stable area for this new location.

ConocoPhillips

Joni Clark
Agent
Property Tax, Real Estate, ROW & Claims

ConocoPhillips Company
3401 E. 30th Street
Farmington, NM 87402
(505) 326-9701

May 7, 2009

Richard Arnold
P.O. Box 2372
Bloomfield, NM 87413

Re: Surface Use and Compensation
Agreement
San Juan 28-5 Unit 73P
Section 35, T28N, R5W, N.M.P.M.
Rio Arriba County, New Mexico

Dear Mr. Arnold:

By this Surface Use and Compensation Agreement ("SUCA"), the undersigned, **RICHARD ARNOLD** ("Landowner"), grants to **BURLINGTON RESOURCES OIL & GAS COMPANY LP**, an affiliate of ConocoPhillips Company, its successors and assigns ("Operator"), the rights and privileges to utilize lands owned by the Landowner in **SE/4 of Section 35, T28N, R5W, Rio Arriba County, State of New Mexico** (the "Subject Property"), as may be reasonably necessary and convenient to perform the operations described below and in the exhibits attached hereto.

This SUCA complies with the New Mexico Surface Owners Protection Act, a copy of which is enclosed. By signing this SUCA, Landowner waives any notification or consultation requirements. Landowner represents that the undersigned is the owner of the surface estate of the Subject Property and is not aware of any equitable title to the Subject Property held by any other parties.

It is agreed that the Operator shall have the right to construct a well pad, install cathodic protection system(s), lay pipelines, install electric and communication lines, drill, complete, operate, maintain and abandon the above referenced well, and install equipment or facilities related to the operation of, or production of oil, gas and other hydrocarbons from, the referenced well located on the well pad (collectively, the "Planned Operations"), located on the Subject Property. The placement, specifications, maintenance and design of the Planned Operations are more fully described and disclosed in Exhibit "A" attached hereto and made a part hereof. Landowner shall not use the well pad property occupied by the Operator for any purpose that could potentially interfere with the Operator's Planned Operations. Operator shall have use of the full disturbed area, up to and including the construction zone, in the future if needed. Operator shall tender to Landowners consideration in the amount of [REDACTED] which shall be a one time, payment in full covering (i) the rights herein granted or confirmed and (ii) any of the following that may be applicable: loss of agricultural production and income, lost land value, lost use of and lost access to the land and lost value of improvements. Compensation for additional surface damages, if any, that may occur outside of the reasonable scope of operations contemplated by this SUCA shall be negotiated between Landowner and Operator, but shall not affect the term or validity of this SUCA.

The Operator, its contractors, agents, and assigns, shall have the non-exclusive right of ingress and egress to the location of the Planned Operations with said access route and any site-specific terms being more fully described by Exhibit "B" attached hereto and made a part hereof. Any newly constructed roadway surface shall not exceed twenty (20') feet in width from edge to edge. In addition, Landowner grants to the Operator the right, without any further compensation to Landowner, to clear and use up to four feet (4') on each side of such road surface for construction, maintenance, barrow ditches and other water diversions.

Upon completion (plugging and abandonment) of the Planned Operations, the Operator shall reclaim and restore disturbed areas as close to their original condition as reasonably practicable. A Bureau of Land Management recommended reseeding mixture shall be used for the onsite reclamation unless otherwise and reasonably specified by the Landowner; provided that, in the case of a well, the Operator shall only be required to reseed areas that are greater than ten feet outside of the established anchor pattern of the well and greater than ten feet outside of any equipment used by Operator in connection with the well.

To the extent circumstances are known at the time of signing this SUCA, and to the extent applicable to the Subject Property, the Operator agrees:

- To construct, maintain and place all pits and equipment generally as set forth in Exhibit "A";
- To utilize reasonable practices to control/manage noise, weeds, dust, litter, unnecessary interference with the Landowner's use of the surface, and possible trespass by Operator's contractors or third-parties;
- To prudently use/impound water on the surface of the land, if applicable;
- To perform any applicable interim and final reclamation;
- To limit and control, to the extent reasonably practical, precipitation runoff, erosion and surface water drainage changes;
- To remove and restore plant life where feasible and upon request of Landowner;
- To make reasonable attempts to minimize surface disturbance due to operations while complying with any applicable federal, state and local laws and regulations and providing for a safe operations area;
- To place gravel and or sandstone on roads and location as deemed necessary by operator to minimize potential damage;
- To restore any existing roads to as close to the original condition as practically possible;
- When requested by Landowner, Operator shall install, at Operator's expense, a cattleguard and/or gate, at an intersection where fences cross any newly constructed roads. Furthermore, when requested by Landowner, Operator agrees to install locking devices, at Operator's expense, on gates that are being used in connection with its operations on the Subject Property;

- Operator shall promptly restore all fences which may have been damaged during Operator's operations on the Subject Property to as good as a condition as such fences were prior to such operations. When any fence upon the Subject property is required to be opened, such opening shall not be left unattended unless a good and sufficient gate or cattleguard capable of turning domestic livestock of ordinary disposition shall be installed. All openings in fences shall be made by using "H" braces six feet (6') in width, and constructed of pipe at least four inches (4") in diameter on both sides of such opening.
- Operator shall not permit its agents, employees, guests, contractors, subcontractors, or service company personnel to carry alcoholic beverages, firearms, archery equipment, wildlife calls, weapons, spotting, optical or night vision equipment (other than as required for oil and gas operation), or to bring dogs or other animals on the Subject Property.

The Operator further agrees to the following site-specific stipulations and provisions:

- Cut wood into fireplace length size and deliver to area designated by Landowner. Call Mr. Arnold @ 505 330-8250 for directions.

The Operator does hereby covenant and agree to indemnify and hold Landowner free and harmless against and from any and all loss, damage, claims, demands and suits which the Landowner may suffer as a direct result of Operator's Planned Operations, expressly excluding from such indemnity/hold harmless obligation any claim or cause of action, or alleged or threatened claim or cause of action, damage, judgment, interest, penalty, or other loss arising or resulting from the negligence or willful acts or omissions of the Landowner, its agents, invitees, or licensees, or third parties.

This SUCA is a clarifying and confirming document and shall not be construed as a waiver of any rights Operator has under any other agreement or instrument pertaining to the Subject Property. If it becomes necessary or desirable to utilize locations different from those agreed upon due to regulatory requirements or otherwise, the parties will negotiate a modification of this SUCA. In the event the parties are unable to agree to such modification, both parties reserve their respective rights under any existing and applicable leases, contracts, rules and regulations pertaining to the use of the surface of the Subject Property.

The terms, conditions and provisions of this SUCA shall extend to and be binding upon the heirs, executors, administrators, personal representatives, successors and assigns of the parties hereto.

If the Landowner finds the terms and conditions contained herein acceptable and agreeable, please execute and date this SUCA in the space provided below.

Operator shall have the right to record, in the public records of the county in which the Subject Property is located, a Memorandum of Surface Use and Compensation Agreement.

The terms of this SUCA shall be effective as of the date it is fully executed, and shall continue for so long as Operator conducts the operations described hereunder; provided, however, that any obligation or liability of either party hereunder that arises or accrues during the term of this SUCA shall survive such termination.

Landowner hereby warrants and represents that Landowner shall not disclose or publish in any form or fashion the amounts or details of the SUCA reached between the parties herein, it being understood that such warranty and representation forms part of the consideration in this SUCA.

This SUCA may be assigned in whole or in part by Operator; provided, however, that it is understood and agreed between Landowner and Operator that all rights, interests, obligations and liabilities under this SUCA shall be specifically applicable to Operator's affiliate, ConocoPhillips Company ("ConocoPhillips") to the extent ConocoPhillips conducts any of the Planned Operations hereunder, without further documentation, consent or compensation to Landowner, precisely as if Burlington was an original signatory to this SUCA. Any assignee shall be bound by and subject to the terms and provisions of this SUCA.

Thank you,

Joni Clark

AGREED TO AND ACCEPTED

THIS 15th DAY OF May, 2009.

Enclosures: Act

Attachments: Exhibits

A – Project Information

B – Access

Richard Arnold

By:  _____

DISTRICT I
1626 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1901 West Grand Avenue, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

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

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|---------------|--|--|--|--|--------------------|
| API Number | | Pool Code | | Pool Name BASIN DAKOTA/BLANCO MESAVERDE | |
| Property Code | | Property Name SAN JUAN 28-5 UNIT | | | Well Number 73P |
| GRID No. | | Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP | | | Elevation 6682' |

¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| J | 35 | 28-N | 5-W | | 1900' | SOUTH | 2090' | EAST | RIO ARRIBA |

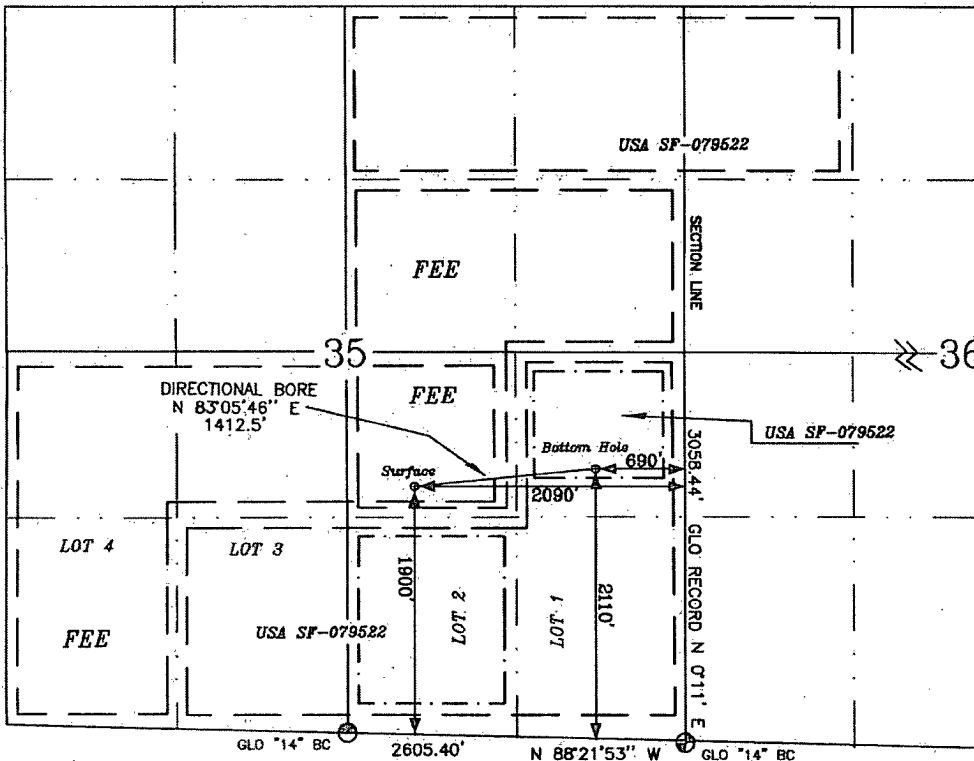
¹¹ Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| I | 35 | 28-N | 5-W | | 2110' | SOUTH | 690' | EAST | RIO ARRIBA |

| | | | | | | | |
|---|--|-------------------------------|--|----------------------------------|--|-------------------------|--|
| ¹² Dedicated Acres DK 330.92 ACRES MV 361.36 ACRES S/2 | | ¹³ Joint or Infill | | ¹⁴ Consolidation Code | | ¹⁵ Order No. | |
|---|--|-------------------------------|--|----------------------------------|--|-------------------------|--|

16

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



Surface
LAT: 36°36.8874' N.
LONG: 107°19.5748' W.
NAD 1927
LAT: 36.614799° N.
LONG: 107.326847° W.
NAD 1983

Bottom Hole
LAT: 36°36.9152' N.
LONG: 107°19.2882' W.
NAD 1927
LAT: 36.615262° N.
LONG: 107.322070° W.
NAD 1983

¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or a working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature

Printed Name

¹⁸ SURVEYOR CERTIFICATION

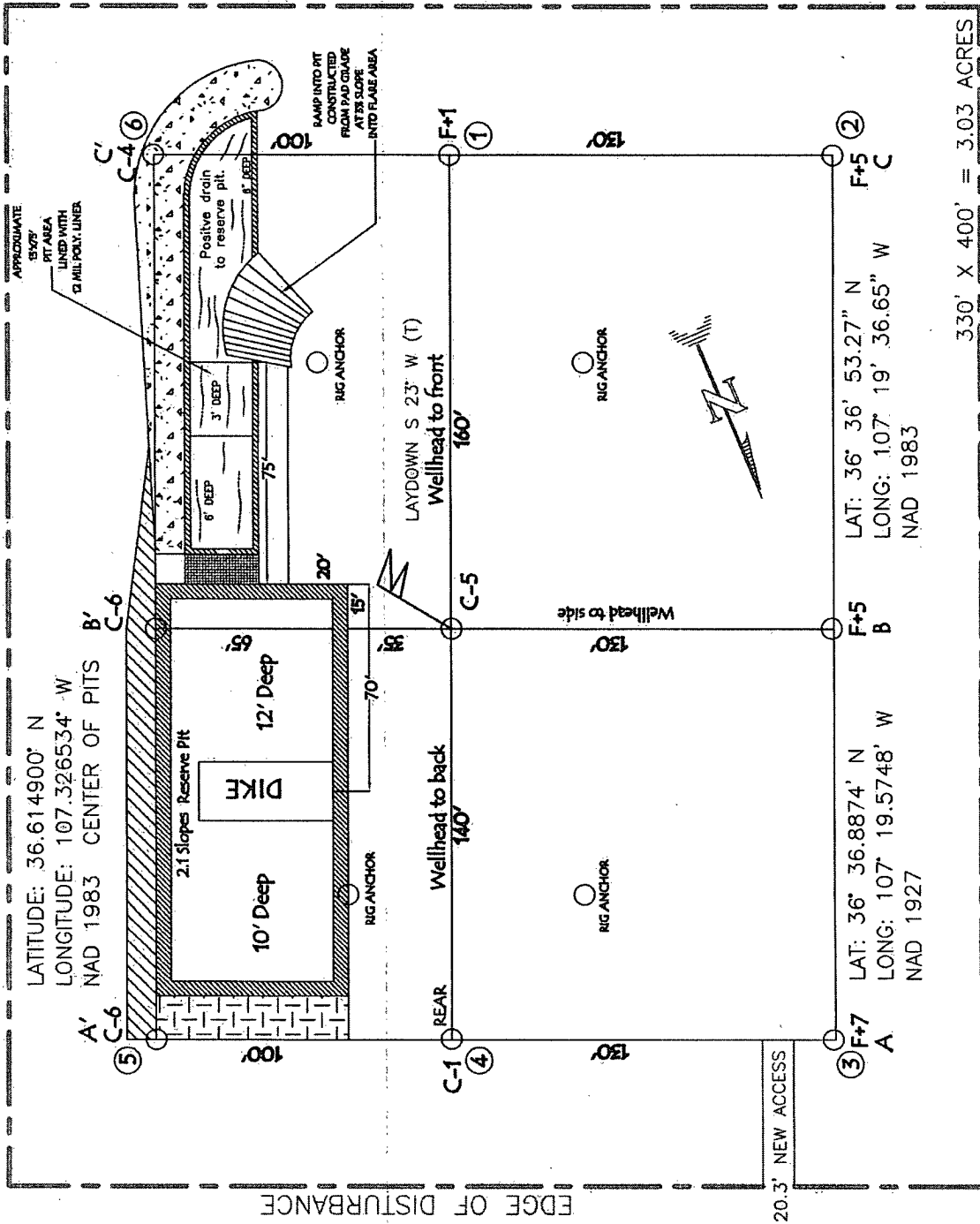
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey

Signature and Seal of Registered Surveyor

5-5-09
GLEN W. RUSSELL
NEW MEXICO
LICENSED PROFESSIONAL SURVEYOR
15703
Certificate Number 15703

BURLINGTON RESOURCES OIL & GAS COMPANY LP
SAN JUAN 28-5 UNIT 73P, 1900' FSL & 2090' FEL
SECTION 35, T-28-N, R-5-W, NMPM, RIO ARRIBA COUNTY, NM
GROUND ELEVATION: 6682', DATE: NOVEMBER 8, 2008



NOTE: VECTOR SURVEYS LLC IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.
 CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED
 PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.
 RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).

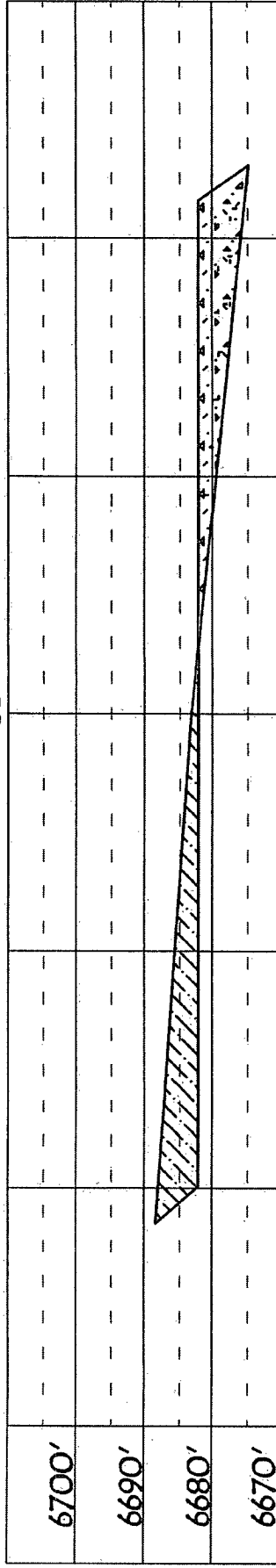
BURLINGTON RESOURCES OIL & GAS COMPANY LP

SAN JUAN 28-5 UNIT 73P, 1900' FSL & 2090' FEL

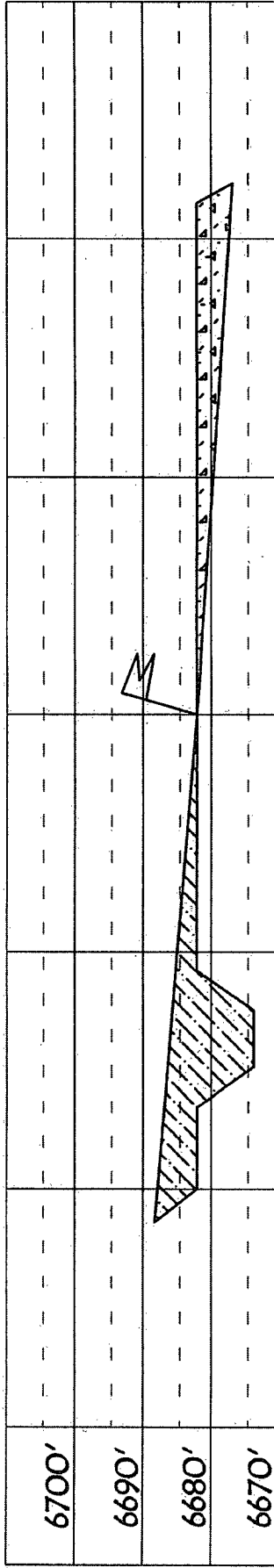
SECTION 35, T-28-N, R-5-W, NMPM, RIO ARriba COUNTY, NM

GROUND ELEVATION: 6682', DATE: NOVEMBER 18, 2008

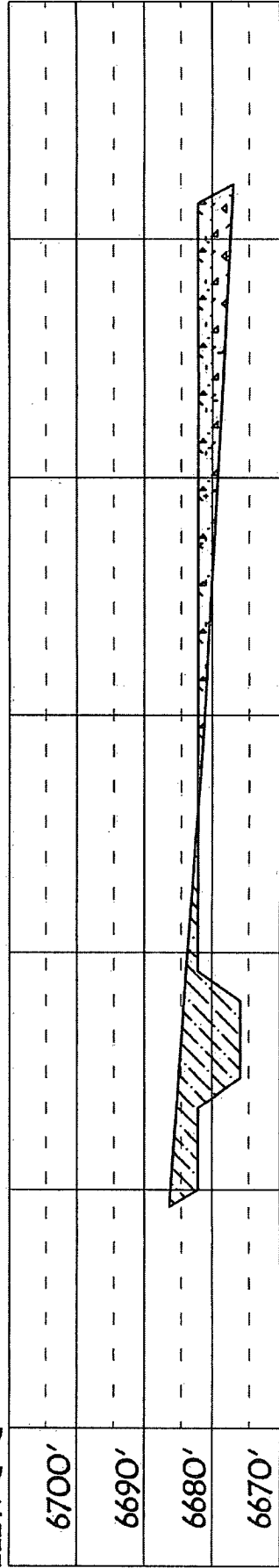
ELEV. A'-A



ELEV. B'-B



ELEV. C'-C



NOTE: VECTOR SURVEYS LLC IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.
 CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED
 PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

Burlington Resources Oil & Gas Company, LP
San Juan Basin
Pit Design and Construction Plan

In accordance with Rule 19.15.17 the following information describes the design and construction of temporary pits on Burlington Resources Oil & Gas Company, LP (BR) locations. This is BR's standard procedure for all temporary pits. A separate plan will be submitted for any temporary pit which does not conform to this plan.

General Plan:

1. BR will design and construct a properly sized and approved temporary pit which will contain liquids and solids and should prevent contamination of fresh water and protect public health and environment.
2. Prior to constructing the pit, topsoil will be stockpiled in the construction zone for later use in restoration.
3. BR will sign the well location in compliance with 19.15.3.103 NMAC.
4. BR shall construct all new fences around the temporary pit utilizing 48" steel mesh field-fence (hogwire) on the bottom with a single strand of barbed wire on top. T-posts shall be installed every 12 feet and corners shall be anchored utilizing a secondary T-post. Temporary pits will be fenced at all times excluding drilling or workover operations, when the front side of the fence will be temporarily removed for operational purposes.
5. BR shall construct the temporary pit so that the foundation and interior slopes are firm and free of rocks, debris, sharp edges or irregularities to prevent liner failure.
6. BR shall construct the pit so that the slopes are no steeper than two horizontal feet to one vertical foot.
7. Pit walls will be walked down by a crawler type tractor following construction.
8. All temporary pits will be lined with a 20-mil, string reinforced, LLDPE liner, complying with EPA SW-846 method 9090A requirements.
9. Geotextile will be installed beneath the liner when rocks, debris, sharp edges or irregularities cannot be avoided.
10. All liners will be anchored in the bottom of a compacted earth-filled trench at least 18 inches deep.
11. BR will minimize liner seams and orient them up and down, not across a slope. Factory seams will be used whenever possible. BR will ensure all field seams are welded by qualified personnel. Field seams will be overlapped four to six inches and will be oriented parallel to the line of maximum slope. BR will minimize the number of field seams in corners and irregularly shaped areas.
12. The liner shall be protected from any fluid force or mechanical damage through the use of mud pit slides, or a manifold system.
13. The pit shall be protected from run-off by constructing and maintaining diversion ditches around the location or around the perimeter of the pit in some cases.
14. The volume of the pit shall not exceed 10 acre-feet, including freeboard.
15. Temporary blow pits will be constructed to allow gravity flow to discharge into lined drill pit.
16. The lower half of the blow pit (nearest lined pit) will be lined with a 20-mil, string reinforced, LLDPE liner. The upper half of the blow pit will remain unlined as allowed in Rule 19.15.17.11 F.11.
17. BR will not allow freestanding liquids to remain on the unlined portion of a temporary blow pit.

Burlington Resources Oil & Gas Company, LP

San Juan Basin

Maintenance and Operating Plan

In accordance with Rule 19.15.17 the following information describes the operation and maintenance of temporary pits on Burlington Resources Oil & Gas Company, LP (BR) locations. This is BR's standard procedure for all temporary pits. A separate plan will be submitted for any temporary pit which does not conform to this plan.

General Plan:

1. BR will operate and maintain a temporary pit to contain liquids and solids and maintain the integrity of the liner and liner system to prevent contamination of fresh water and protect public health and environment.
2. BR will conserve drilling fluids by transferring liquids to pits ahead of the rigs whenever possible. All other drilling fluids will be disposed at Basin Disposal Inc., permit # NM-01-005.
3. BR will not discharge or store any hazardous waste in any temporary pit.
4. If any pit liner's integrity is compromised, or if any penetration of the liner occurs above the liquid's surface, then BR shall notify the Aztec Division office by phone or email within 48 hours of the discovery and repair the damage or replace the liner.
5. If a leak develops below the liquid's level, BR shall remove all liquids above the damaged liner within 48 hours and repair the damage or replace the liner. BR shall notify the Aztec Division office by phone or email within 48 hours of the discovery for leaks less than 25 barrels. BR shall notify the Aztec Division office as required pursuant to Subsection B of 19.15.3.116 NMAC shall be reported within twenty-four (24) hours of discovery of leaks greater than 25 barrels. In addition, immediate verbal notification pursuant to Subsection B, Paragraph (1), and Subparagraph (d) of 19.15.3.116 NMAC shall be reported to the division's Environmental Bureau Chief.
6. The liner shall be protected from any fluid force or mechanical damage through the use of mud pit slides, or a manifold system.
7. The pit shall be protected from run-off by constructing and maintaining diversion ditches around the location or around the perimeter of the pit in some cases.
8. BR shall immediately remove any visible layer of oil from the surface of the temporary pit after cessation of a drilling or workover operation. Oil absorbent booms will be utilized to contain and remove oil from the pit's surface. An oil absorbent boom will stored on-site until closure of pit.
9. Only fluids generated during the drilling or workover process may be discharged into a temporary pit.
10. BR will maintain the temporary pit free of miscellaneous solid waste or debris.
11. During drilling operations, BR will inspect the temporary pit at least once daily to ensure compliance with this plan. Inspections will be logged in the IADC reports. BR will file this log with the Aztec Division office upon closure of the pit.
12. After drilling operations, BR will inspect the temporary pit weekly so long as liquids remain in the temporary pit. A log of the inspections will be stored at BR's office electronically and will be filed with the Aztec Division office upon closure of the pit.
13. BR shall maintain at least two feet of freeboard for a temporary pit.
14. BR shall remove all free liquids from a temporary pit within 30 days from the date the operator releases the drilling rig.
15. BR shall remove all free liquids from a cavitation pit within 48 hours after completing cavitation. BR may request additional time to remove liquids from the Aztec Division office if it is not feasible to remove liquids within 48 hours.

Burlington Resources Oil & Gas Company, LP 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 Burlington Resources Oil & Gas Company, LP (BR) locations. This is BR'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:

1. 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 BR's closing of the temporary pit prior to closure as per the approved closure plan via certified mail, return receipt requested.
4. Within 6 months of the Rig Off status occurring BR 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
 - ii. 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 | Tests Method | Limit (mg/Kg) |
|------------|---------------------------|---------------|
| 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 BR 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.
11. 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. 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 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. BR 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 stipulated seed mixes will 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.

| Type | 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) | Source No. two (better quality) |
| Purity 50 percent | Purity 80 percent |
| Germination 40 percent | Germination 63 percent |
| Percent PLS 20 percent | Percent PLS 50 percent |
| 5 lb. bulk seed required to make 1 lb. PLS | 2 lb. bulk seed required to make 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.

**Burlington Resources Oil & Gas Company, LP
San Juan Basin
Below Grade Tank Design and Construction**

In accordance with NMAC 19.15.17 the following information describes the design and construction of below grade tanks on Burlington Resources Oil & Gas Company, LP (BR) locations. This is BR's standard procedure for all below grade tanks (BGT). A separate plan will be submitted for any BGT which does not conform to this plan.

General Plan:

1. BR will design and construct a properly sized and approved BGT which will contain liquids and should prevent contamination of fresh water to protect the public health and environment.
2. BR signage will comply with 19.15.3.103 NMAC when BR is the operator. If BR is not the operator it will comply with 19.15.17.11NMAC. BR includes Emergency Contact information on all signage.
3. BR has approval to use alternative fencing that provides better protection. BR constructs fencing around the BGT using 4 foot hog wire fencing topped with two strands of barbed wire, or with a pipe top rail. A six foot chain link fence topped with three strands of barbed wire will be use if the well location is within 1000 feet of permanent residence, school, hospital, institution or church. BR ensures that all gates associated with the fence are closed and locked when responsible personnel are not onsite.
4. BR will construct a screened, expanded metal covering, on the top of the BGT.
5. BR shall ensure that a below-grade tank is constructed of materials resistant to the below-grade tank's particular contents and resistant to damage from sunlight as shown on design drawing and specification sheet.
6. The BR below-grade tank system shall 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 as shown on design drawing.
7. BR shall operate and install the below-grade tank to prevent the collection of surface water run-on. BR has built in shut off devices that do not allow a below-grade tank to overflow. BR constructs berms and corrugated retaining walls at least 6" above ground to keep from surface water run-on entering the below grade tank as shown on the design plan.
8. BR will construct and use a below-grade tank that does not have double walls. The below-grade tank's side walls will be open for visual inspection for leaks, the below-grade tank's bottom is elevated a minimum of six inches above the underlying ground surface and the below-grade tank is underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected.

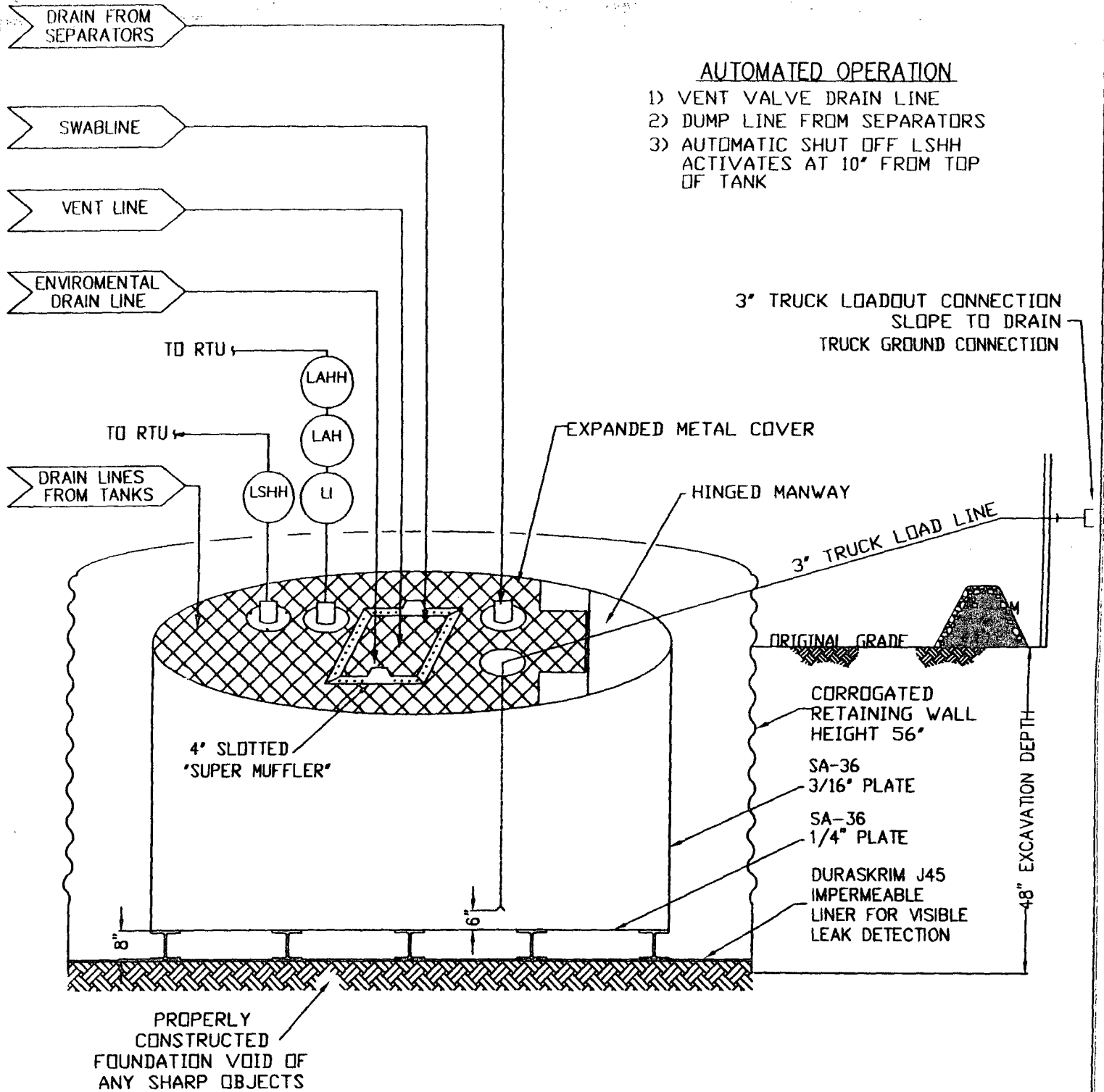
9. BR has equipped the below-grade tanks with the ability to detect high level in the tank and provide alarm notification and shutdown process streams into the tank. Once high level is detected RTU logic closes the inlet separator sales valve and does not permit vent valve to open. This shutdown of the sales valve and gagging of the vent valves prevents any hydrocarbon process streams from entering the pit tank once a high level is detected. Furthermore, an electronic page is sent to the BR MSO for that well site and to the designated contract "Water-Hauling" Company indicating a high level and that action must be taken to address this alarm. The environmental drain line from BR's compressor skid under normal operating conditions is in the open position. The environmental drain line is in place to capture any collected rain water or spilled lubricants from our compressor skids. The swab drain line is a manually operated drain and by normal operating procedures is in the closed position. The tank drain line is also a manually operated drain and during normal operations it is in the closed position.
10. The geomembrane liner consists of a 45-mil flexible LLDPE material manufactured by Raven Industries as J45BB. This product is a four layer reinforced laminated containing no adhesives. The outer layers consist of a high strength polyethylene film manufactured using virgin grade resins and stabilizers for UV resistance in exposed applications. The J45BB is reinforced with 1300 denier (minimum) tri-directional scrim reinforcement. It exceeds ASTM D3083 standard by 10%. J45BB has a warranty for 20 years from Raven Industries and is attached. It is typically used in Brine Pond, Oilfield Pit liner and other industrial applications. The manufacture specific sheet is attached and the design attached displays the proper installation of the liner.
11. The general specification for design and construction are attached in the BR document.

MANUAL OPERATION

- 1) PRODUCTION TANKS DRAINLINE
- 2) SWABLINE DRAIN LINE
- 3) ENVIROMENTAL DRAIN LINE FROM COMPRESSOR SKID

AUTOMATED OPERATION

- 1) VENT VALVE DRAIN LINE
- 2) DUMP LINE FROM SEPARATORS
- 3) AUTOMATIC SHUT OFF LSHH ACTIVATES AT 10" FROM TOP OF TANK



ConocoPhillips

San Juan Business Unit

PRODUCED WATER PIT TANK

OPEN TOP GRAVITY FLOW TANK
 INTERNALLY COATED WITH
 12-14 MILS AMERON AMERCOAT 385

DURA-SKRIM®

J30BB, J36BB & J45BB

| PROPERTIES | TEST METHOD | J30BB | | J36BB | | J45BB | |
|--|-------------|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | | Min. Roll Averages | Typical Roll Averages | Min. Roll Averages | Typical Roll Averages | Min. Roll Averages | Typical Roll Averages |
| Appearance | | Black/Black | | Black/Black | | Black/Black | |
| Thickness | ASTM D 5199 | 27 mil | 30 mil | 32 mil | 36 mil | 40 mil | 45 mil |
| Weight Lbs Per MSF (oz/yd ²) | ASTM D 5261 | 126 lbs (18.14) | 140 lbs (20.16) | 151 lbs (21.74) | 168 lbs (24.19) | 189 lbs (27.21) | 210 lbs (30.24) |
| Construction | | **Extrusion laminated with encapsulated tri-directional scrim reinforcement | | | | | |
| Ply Adhesion | ASTM D 413 | 16 lbs | 20 lbs | 19 lbs | 24 lbs | 25 lbs | 31 lbs |
| 1" Tensile Strength | ASTM D 7003 | 88 lbf MD 63 lbf DD | 110 lbf MD 79 lbf DD | 90 lbf MD 70 lbf DD | 113 lbf MD 87 lbf DD | 110 lbf MD 84 lbf DD | 138 lbf MD 105 lbf DD |
| 1" Tensile Elongation @ Break % (Film Break) | ASTM D 7003 | 550 MD 550 DD | 750 MD 750 DD | 550 MD 550 DD | 750 MD 750 DD | 550 MD 550 DD | 750 MD 750 DD |
| 1" Tensile Elongation @ Peak % (Scrim Break) | ASTM D 7003 | 20 MD 20 DD | 33 MD 33 DD | 20 MD 20 DD | 30 MD 31DD | 20 MD 20 DD | 36 MD 36 DD |
| Tongue Tear Strength | ASTM D 5884 | 75 lbf MD 75 lbf DD | 97 lbf MD 90 lbf DD | 75 lbf MD 75 lbf DD | 104 lbf MD 92 lbf DD | 100 lbf MD 100 lbf DD | 117 lbf MD 118 lbf DD |
| Grab Tensile | ASTM D 7004 | 180 lbf MD 180 lbf DD | 218 lbf MD 210 lbf DD | 180 lbf MD 180 lbf DD | 222 lbf MD 223 lbf DD | 220 lbf MD 220 lbf DD | 257 lbf MD 258 lbf DD |
| Trapezoid Tear | ASTM D 4533 | 120 lbf MD 120 lbf DD | 146 lbf MD 141 lbf DD | 130 lbf MD 130 lbf DD | 189 lbf MD 172 lbf DD | 160 lbf MD 160 lbf DD | 193 lbf MD 191 lbf DD |
| * Dimensional Stability | ASTM D 1204 | <1 | <0.5 | <1 | <0.5 | <1 | <0.5 |
| Puncture Resistance | ASTM D 4833 | 50 lbf | 64 lbf | 65 lbf | 83 lbf | 80 lbf | 99 lbf |
| Maximum Use Temperature | | 180° F | 180° F | 180° F | 180° F | 180° F | 180° F |
| Minimum Use Temperature | | -70° F | -70° F | -70° F | -70° F | -70° F | -70° F |

MD = Machine Direction
DD = Diagonal Directions

Note: Minimum Roll Averages are set to take into account product variability in addition to testing variability between laboratories.

*Dimensional Stability Maximum Value

**DURA-SKRIM J30BB, J36BB & J45BB are a four layer reinforced laminate containing no adhesives. The outer layers consist of a high strength polyethylene film manufactured using virgin grade resins and stabilizers for UV resistance in exposed applications. DURA-SKRIM J30BB, J36BB & J45BB are reinforced with a 1300 denier (minimum) tri-directional scrim reinforcement.

Note: RAVEN INDUSTRIES MAKES NO WARRANTIES AS TO THE FITNESS FOR A SPECIFIC USE OR MERCHANTABILITY OF PRODUCTS REFERRED TO, no guarantee of satisfactory results from reliance upon contained information or recommendations and disclaims all liability for resulting loss or damage.

PLANT LOCATION

Sioux Falls, South Dakota

SALES OFFICE

P.O. Box 5107
Sioux Falls, SD 57117-5107
(605) 335-0174
(605) 331-0333 FAX
800-635-3456



RAVEN INDUSTRIES INC.
EXPOSED GEOMEMBRANE LIMITED WARRANTY

Raven Industries Inc. warrants Dura-Skrim J30BB, J36BB, and J45BB to be free from manufacturing defects and to be able to withstand normal exposure to sunlight for a period of 20 years from the date of sale for normal use in approved applications in the U.S and Canada, excluding Hawaii. This warranty is effective for products sold and shipped from January 1, 2008 to December 31, 2008. These dates will be updated prior to December 31, 2008.

This Limited Warranty does not include damages or defects in the Raven geomembrane resulting from acts of God, casualty or catastrophe including but not limited to: earthquakes, floods, piercing hail, or tornadoes. The term "normal use" as used herein does not include, among other things improper handling during transportation, unloading, storage or installation, the exposure of Raven geomembranes to harmful chemicals, atypical atmospheric conditions, abuse of Raven geomembranes by machinery, equipment or people; improper site preparation or covering materials, excessive pressures or stresses from any source or improper application or installation. Raven geomembrane material warranty is intended for commercial use only and is not in effect for the consumer as defined in the Magnuson Moss Warranty or any similar federal, state, or local statutes. The parties expressly agree that the sale hereunder is for commercial or industrial use only.

Should defects or premature loss of use within the scope of the above Limited Warranty occur, Raven Industries Inc. will, at its option, repair or replace the Raven geomembrane on a pro-rata basis at the then current price in such manner as to charge the Purchaser/User only for that portion of the warranted life which has elapsed since purchase of the material. Raven Industries Inc. will have the right to inspect and determine the cause of any alleged defect in the Raven geomembrane and to take appropriate steps to repair or replace the Raven geomembrane if a defect exists which is covered under this warranty. This Limited Warranty extends only to Raven's geomembrane, and does not extend to the installation service of third parties nor does it extend to materials furnished or installed by others in connection with the intended use of the Raven geomembranes.

Any claim for any alleged breach of this warranty must be made in writing, by certified mail, to the General Manager of Engineered Films Division of Raven Industries Inc. within ten (10) days of becoming aware of the alleged defect. Should the required notice not be given, the defect and all warranties are waived by the Purchaser, and Purchaser shall not have any rights under this warranty. Raven Industries Inc. shall not be obligated to perform repairs or replacements under this warranty unless and until the area to be repaired or replaced is clean, dry, and unencumbered. This includes, but is not limited to, the area made available for repair and/or replacement of Raven geomembrane to be free from all water, dirt, sludge, residuals and liquids of any kind. If after inspection it is determined that there is no claim under this Limited Warranty, Purchaser shall reimburse Raven Industries Inc. for its costs associated with the site inspection.

In the event the exclusive remedy provided herein fails in its essential purpose, and in that event only, the Purchaser shall be entitled to a return of the purchase price for so much of the material as Raven Industries Inc. determines to have violated the warranty provided herein. Raven Industries Inc. shall not be liable for direct, indirect, special, consequential or incidental damages resulting from a breach of this warranty including, but not limited to, damages for loss of production, lost profits, personal injury or property damage. Raven Industries Inc. shall not be obligated to reimburse Purchaser for any repairs, replacement, modifications or alterations made by Purchaser unless Raven Industries Inc. specifically authorized, in writing, said repairs, replacements, modifications or alteration in advance of them having been made. Raven Industry's liability under this warranty shall in no event exceed the replacement cost of the material sold to the Purchaser for the particular installation in which it failed.

Raven Industries Inc. neither assumes nor authorizes any person other than the undersigned of Raven Industries Inc. to assume for it any other or additional liability in connection with the Raven geomembrane made on the basis of the Limited Warranty. The Limited Warranty on the Raven geomembrane herein is given in lieu of all other possible material warranties, either expressed or implied, and by accepting delivery of the material; Purchaser waives all other possible warranties, except those specifically given. This Limited Warranty may only be modified by written document mutually executed by Owner and Raven Industries Inc.

Limited Warranty is extended to the purchaser/owner and is non-transferable and non-assignable; i.e., there are no third-party beneficiaries to this warranty.

Purchaser acknowledges by acceptance that the Limited Warranty given herein is accepted in preference to any and other possible materials warranties.

THIS LIMITED WARRANTY SHALL BE GOVERNED BY SOUTH DAKOTA LAW AND VENUE FOR ALL LEGAL PROCEEDINGS IN CONNECTION WITH THIS LIMITED WARRANTY SHALL BE IN MINNEHAHA COUNTY, SOUTH DAKOTA. RAVEN INDUSTRIES INC. MAKES NO WARRANTY OF ANY KIND OTHER THAN THAT GIVEN ABOVE AND HEREBY DISCLAIMS ALL WARRANTIES, BOTH EXPRESSED OR IMPLIED, OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THIS IS THE ONLY WARRANTY THAT APPLIES TO THE MATERIALS REFERRED TO HEREIN AND RAVEN INDUSTRIES INC. DISCLAIMS ANY LIABILITY FOR ANY WARRANTIES GIVEN BY ANY OTHER PERSON OR ENTITY, EITHER WRITTEN OR ORAL.

RAVEN INDUSTRIES' WARRANTY BECOMES AN OBLIGATION OF RAVEN INDUSTRIES INC. TO PERFORM UNDER THE WARRANTY ONLY UPON RECEIPT OF FINAL PAYMENT AND EXECUTION BY A DULY AUTHORIZED OFFICER OF RAVEN INDUSTRIES INC.

Burlington Resources Oil & Gas Company, LP
San Juan Basin
Below Grade Tank Maintenance and Operating Plan

In accordance with Rule 19.15.17 the following information describes the operation and maintenance of Below Grade Tank (BGT) on Burlington Resources Oil & Gas Company, LP (BR) locations. This is BR's standard procedure for all BGT. A separate plan will be submitted for any BGT which does not conform to this plan.

General Plan:

1. BR will operate and maintain a BGT to contain liquids and solids and maintain the integrity of the liner, liner system and secondary containment system to prevent contamination of fresh water and protect public health and environment. BR will accomplish this by performing an inspection on a monthly basis, installing cathodic protection, and automatic overflow shutoff devices as seen on the design plan.
2. BR will not discharge into or store any hazardous waste in the BGT.
3. BR shall operate and install the below-grade tank to prevent the collection of surface water run-on. BR has built in shut off devices that do not allow a below-grade tank to overflow. BR constructs berms and corrugated retaining walls at least 6" above ground to keep from surface water run-on entering the below grade tank as shown on the design plan.
4. As per 19.17.15.12 Subsection D, Paragraph 3, BR will inspect the below-grade tank at least monthly reviewing several items which include 1) containment berms adequate and no oil present, 2) tanks had no visible leaks or sign of corrosion, 3) tank valves, flanges, and hatches had no visible leaks and 4) no evidence of significant spillage of produced liquids. In addition, BR's multi-skilled operators (MSOs) are required to visit each well location once per week. If detected on either inspection, BR shall remove any visible or measurable layer of oil from the fluid surface of a below-grade tank in an effort to prevent significant accumulation of oil overtime. The written record of the monthly inspections will include the items listed above and will be maintained for five years.
5. BR shall require and maintain a 10" adequate freeboard to prevent overtopping of the below-grade tank.
6. If the below grade tank develops a leak, or if any penetration of the pit liner or below grade tank, occurs below the liquid's surface, then BR shall remove all liquid above the damage or leak line within 48 hours. BR shall notify the appropriate district office. BR shall repair or replace the pit liner or below grade tank, within 48 hours of discovery. If the below grade tank or pit liner does not demonstrate integrity, BR shall promptly remove and install a below grade tank or pit liner that complies with Subsection I of 19.15.17.11 NMAC. BR shall notify the appropriate district office of a discovery of leaks less than 25 barrels as required pursuant to Subsection B of 19.15.3.116 NMAC shall be reported within twenty-four (24) hours of discovery of leaks greater than 25 barrels. In addition, immediate verbal notification pursuant to Subsection B, Paragraph (1), and Subparagraph (d) of 19.15.3.116 NMAC shall be reported to the division's Environmental Bureau Chief.

**Burlington Resources Oil & Gas Company, LP
San Juan Basin
Below Grade Tank Closure Plan**

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure requirements of Below Grade Tanks (BGTs) on Burlington Resources Oil & Gas Company, LP locations hereinafter known as BR locations. This is BR's standard procedure for all BGTs. A separate plan will be submitted for any BGT which does not conform to this plan.

General Requirements:

1. BR shall close a below-grade tank within the time periods provided in Subsection A of 19.15.17.13 NMAC. This will include a) below-grade tanks that do 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, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC; b) permitted below-grade tanks within 60 days of cessation of the below-grade tank's operation., or c) an earlier date that the division requires because of imminent danger to fresh water, public health or the environment. For any closure, BR will file the C144 Closure Report as required.
2. BR shall remove liquids and sludge from a below-grade tank prior to implementing a closure method and shall dispose of the liquids and sludge in a division-approved facility. The facilities to be used will be Basin Disposal (Permit #NM-01-005) and Envirotech Land Farm (Permit #NM-01-011). The liner after being cleaned well (Subsection D, Paragraph 1, Subparagraph (m) of 19.15.9.712 NMAC) will be disposed of at the San Juan County Regional Landfill located on CR 3100.
3. BR will receive prior approval to remove the below-grade tank 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. Documentation of how the below-grade tank was disposed of or recycled will be provided in the closure report.
4. If there is any on-site equipment associated with a below-grade tank, then BR shall remove the equipment, unless the equipment is required for some other purpose.
5. BR shall test the soils beneath the below-grade tank to determine whether a release has occurred. BR shall collect, at a minimum, a five point, composite sample; collect individual grab samples from any area that is wet, discolored or showing other evidence of a release; and analyze for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 8021B or 8260B or other 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 100 mg/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. BR shall notify the division of its results on form C-141.
6. If BR or the division determines that a release has occurred, then BR shall comply with 19.15.3.116 NMAC and 19.15.1.19 NMAC, as appropriate.

7. 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, then BR shall backfill the excavation with compacted, non-waste containing, earthen material; construct a division-prescribed soil cover; recontour and re-vegetate the site.
8. 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
 - ii. Location by Unit Letter, Section, Township, and Range. Well name and API number.
9. The surface owner shall be notified of BR's closing of the below-grade tank prior to closure as per the approved closure plan via certified mail, return receipt requested.
10. Re-contouring of location will match fit, shape, line, form and texture of the surrounding. 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 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.
11. BR 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 stipulated seed mixes will used on federally jurisdicted lands and division-approved seed mixtures (administratively approved if required) will be utilized on all State or private 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. If alternate seed mix is required by the state, private owner or tribe, it will be implemented with administrative approval if needed. BR will repeat seeding or planting will be continued until successful vegetative growth occurs.
12. 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.
13. 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 below-grade tank. Closure report will be filed on C-144 and incorporate the following:
 - Soil Backfilling and Cover Installation
 - Re-vegetation application rates and seeding techniques
 - Photo documentation of the site reclamation
 - Confirmation Sampling Results
 - Proof of closure notice