

AE Order Number Banner

Report Description

This report shows an AE Order Number in Barcode format for purposes of scanning. The Barcode format is Code 39.



App Number: pCS1703951724

144B - 15833

Williams Four Corners, LLC

2/8/2017

District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

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State of New Mexico Energy Minerals and Natural Resources Department Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-144 Revised June 6, 2013

For temporary pits, below-grade tanks, and multi-well fluid management pits, submit to the appropriate NMOCD District Office. For permanent pits submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Page 1 of 6 24

| 5833 | | Below-Grade Tank, or ethod Permit or Closure Plan App | lication |
|---|--|--|--|
| | f action: Below grade tank re Permit of a pit or pro Closure of a pit, belo Modification to an e | | OIL CONS. DIV DIST. 3 JAN 20 2017 |
| | | (Form C-144) per individual pit, below-grade tank o | r alternative request |
| Please be advised that approve environment. Nor does approve | al of this request does not relieve the ope | erator of liability should operations result in pollution of ity to comply with any other applicable governmental au | surface water, ground water or the |
| 1. Operator: Williams Four (| orners LLC | OGRID #: | |
| | | | |
| Facility or well name: 29-6 | | | |
| | | OCD Permit Number: | |
| | | 9 N Range 6 W County: Rio Arriba County | |
| Center of Proposed Design | | $107.496514 \text{ NAD: } 1927 \boxtimes 1983$ | |
| | $ \Box $ State $\Box $ Private $\Box $ Tribal Trust or | | |
| | State - Trivate - Tribar Trust of | | |
| Pit: Subsection F, G | or J of 19.15.17.11 NMAC | | |
| Temporary: Drilling | Workover | | |
| Permanent Emerger | ncy 🗌 Cavitation 🗌 P&A 🗌 Multi | -Well Fluid Management Low Chloride I | Drilling Fluid 🗌 yes 🗌 no |
| Lined Unlined L | iner type: Thicknessmil | LLDPE HDPE PVC Other | |
| String-Reinforced | | | |
| | | Volume:bbl Dimension | |
| 3. Below-grade tank: S Volume: <u>165</u> bbl Typ Tank Construction materia Secondary containment Visible sidewalls and Liner type: Thickness | Subsection I of 19.15.17.11 NMAC e of fluid: <u>Used Oil</u> II: <u>Steel</u> with leak detection D Visible sidew liner Visible sidewalls only D mil D HDPE D PVC D Other | * As mentions within permit Op used Lubrications oil For toxicity storing HAZARDONS waste Open line AND meter Autulable For her vans, men, nch lift and automatic overflow sh Other | erodor must Also to Ensure Operator dor Will Keep Results tien upon District Request nut-off |
| 4. | | | |
| | request is required. Exceptions must b | be submitted to the Santa Fe Environmental Bureau o | ffice for consideration of approval. |
| 5. <u>Fencing</u> : Subsection D of | 19.15.17.11 NMAC (Applies to permo | anent pits, temporary pits, and below-grade tanks) | |
| Chain link, six feet in <i>institution or church</i>) | height, two strands of barbed wire | e at top (Required if located within 1000 feet of a per | rmanent residence, school, hospital, |
| □ Four foot height, four □ Alternate Please speci | strands of barbed wire evenly space fy | ced between one and four feet | |
| | | | |

Oil Conservation Division

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

□ Screen □ Netting Other solid steel

□ 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

Signed in compliance with 19.15.16.8 NMAC

Variances and Exceptions:

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7.

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:

☑ Variance(s): Requests must be submitted to the appropriate division district for consideration of approval.

Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

Siting Criteria (regarding permitting): 19.15.17.10 NMAC

Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Siting criteria does not apply to drying pads or above-grade tanks.

| General siting | |
|---|--------------------|
| Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank. - ⊠ NM Office of the State Engineer-iWATERS database search; □ USGS; □ Data obtained from nearby wells | □ Yes ⊠ No □ NA |
| Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit. NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | □ Yes □ No ⊠ NA |
| 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. (Does not apply to below grade tanks) Written confirmation or verification from the municipality; Written approval obtained from the municipality | 🗌 Yes 🗌 No |
| Within the area overlying a subsurface mine. (Does not apply to below grade tanks) Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division | Yes No |
| Within an unstable area. (Does not apply to below grade tanks) 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. (Does not apply to below grade tanks) - FEMA map | 🗋 Yes 🗌 No |
| Below Grade Tanks | |
| Within 100 feet of a continuously flowing watercourse, significant watercourse, lake bed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark). Topographic map; Visual inspection (certification) of the proposed site | 🗆 Yes 🛛 No |
| Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption;. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site | 🗆 Yes 🛛 No |
| Temporary Pit using Low Chloride Drilling Fluid (maximum chloride content 15,000 mg/liter) | |
| Within 100 feet of a continuously flowing watercourse, or any other significant watercourse or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.) Topographic map; Visual inspection (certification) of the proposed site | 🗌 Yes 🗌 No |
| Within 300 feet from a occupied 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 | 🗌 Yes 🗌 No |
| Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock | |

| watering purposes, or 300feet 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 search; Visual inspection (certification) of the proposed site | Yes No |
|---|-------------|
| Within 100 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | Yes No |
| Temporary Pit Non-low chloride drilling fluid | |
| Within 300 feet of a continuously flowing watercourse, or any other significant watercourse, or within 200 feet of any 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. Visual inspection (certification) of the proposed site; Aerial photo; Satellite image | Yes No |
| Within 500 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 1000 feet of any other fresh water well or spring, in the existence at the time of the initial application; NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site | Yes No |
| Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | 🗌 Yes 🗌 No |
| Permanent Pit or Multi-Well Fluid Management Pit | |
| Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). | |
| Topographic map; Visual inspection (certification) of the proposed site Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. | 🗌 Yes 🗌 No |
| Visual inspection (certification) of the proposed site; Aerial photo; Satellite image | Yes No |
| Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of initial application. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site | 🗌 Yes 🗌 No |
| Within 500 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | Yes No |
| 10. Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 N Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the doc attached. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19. and 19.15.17.13 NMAC Previously Approved Design (attach copy of design) API Number: or Permit Number: | cuments are |
| 11. Multi-Well Fluid Management Pit 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 dot attached. | |

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| 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 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 Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Huisance or Hazardous Odors, including H ₂ S, 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 19.15.17.9 NMAC and 19.15.17.13 NMAC | documents are |
|---|-------------------------------------|
| 13. 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 Multi-well F. Alternative Proposed Closure Method: Waste Excavation and Removal Waste Removal (Closed-loop systems only) On-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial On-site Trench Burial | luid Management Pit |
| Alternative Closure Method | |
| Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be a 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 C of 19.15.17.13 NMAC 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 H of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC | |
| 15. Siting Criteria (recording on site descent with descele), 10.15.17.10.DB(AC) | |
| 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 sour provided below. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. F 19.15.17.10 NMAC for guidance. | rce material are Please refer to |
| Ground water is less than 25 feet below the bottom of the buried waste. NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | Yes No NA |
| Ground water is between 25-50 feet below the bottom of the buried waste NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | □ Yes □ No □ NA |
| Ground water is more than 100 feet below the bottom of the buried waste. NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | □ Yes □ No □ NA |
| Within 100 feet of a continuously flowing watercourse, or 200 feet of any other significant 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. Visual inspection (certification) of the proposed site; Aerial photo; Satellite image | 🗌 Yes 🗌 No |
| Within 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence at the time of initial application. NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site | Yes No |
| Written confirmation or verification from the municipality; Written approval obtained from the municipality | Yes No |
| Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | |
| | Yes No |

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| 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 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 |
| 16. On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure play 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 E of 19.15.17.13 NMAC Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Subsection K of 19.15.17. Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of 19.15.17.13 NMAC Waste Material Sampling Plan - based upon the appropriate requirements 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 canned 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 H of 19.15.17.13 NMAC | 11 NMAC 15.17.11 NMAC |
| 17. 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 belied Name (Print): Michael Hannan Title:Engineer, Sr. | ef. |
| Signature: Date: 1-14-2017 | |
| e-mail address: <u>michael.hannan@williams.com</u> Telephone: <u>505-632-4807</u> | |
| 18. OCD Approval: Permit Application (including closure plan) Cosure Plan (only) OCD Conditions (see attachment) | 4 |
| OCD Representative Signature: Approval Date: 28 | /17 |
| Title: Environmental Spec OCD Permit Number: 15833 | |
| 19. Closure Report (required within 60 days of closure completion): 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 is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not section of the form until an approved closure plan has been obtained and the closure activities have been completed. | the closure report. complete this |
| 20. Closure Method: | an a |
| Waste Excavation and Removal On-Site Closure Method Alternative Closure Method Waste Removal (Closed-lo If different from approved plan, please explain. | op systems only) |
| | |

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Oil Conservation Division

| Site Reclamation (Photo Documentation) On-site Closure Location: Latitude | Longitude | NAD: 1927 1983 |
|--|------------|----------------|
| 22. Operator Closure Certification: I hereby certify that the information and attachments submitted with belief. I also certify that the closure complies with all applicable closure | | |
| Name (Print): | Title: | |
| Signature: | Date: | |
| e-mail address: | Telephone: | |

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Variance Request:

Williams requests a variance request from Subsection D(2) of 19.15.17.12 New Mexico Administrative Code (NMAC) which states:

The operator shall remove any measurable layer of oil from the fluid surface of a below-grade tank.

Williams proposes to store oil in in the below grade tank that was designed and installed as part of compressor station operations for storage of used or lube oil prior to application of 19.15.17 of the New Mexico Administrative Code (Pits, Closed-Loop Systems, Below Grade Tanks and Sumps). The below grade tank is equipped with sufficient secondary containment (earthen berm and/or liner, and leak detection (visible sidewalls). These engineering controls meet the design requirements of Subsection I of 19.15.17.11 NMAC and are protective of public health and environment.

Variance Request:

Williams requests a variance request from Subsection E(1) of 19.15.17.13 New Mexico Administrative Code (NMAC) which states:

The operator shall notify the surface owner by certified mail, return receipt requested that the operator plans closure operations at least 72 hours, but not more than one week, prior to any closure operation. Notice shall include well name, API number and location. Evidence of mailing of the notice to the address of the surface owner shown in the county tax records is sufficient to demonstrate compliance with this requirement.

The variance will allow Williams to notify public agencies such as the Bureau of Land Management (BLM), State of New Mexico, local government/municipalities, and/or tribal agencies via email based on their notification preferences

SITING CRITERIA SUMMARY INFORMATION SHEET 19.15.17.10 NMAC

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LT Environmental Inc. 2243 Main Avenue, Suite 3 Durango, Colorado 81301 T 970-385-1096

| GENERAL INFORMA Site Name: Pit Identifier: | TION 29-6 #4 CDP BGT 2 | Operator: Date Prepared by: | Williams Four Corners LLC 3/15/2016 LT Environmental, Inc. |
|--|---|---|--|
| Geologic Formation Soil Type: | ATION INFORMATION San Jose Gobernador-Orlie n: Navajo Dam 12.87" | SEC: 19 Latitude: 36.704 | TWN: 29 N RNG: 6 W 4787 Longitude: -107.496514 |
| GENERAL SITING CR Is groundwater less that | RITERIA n 25 feet below the bottom of below | 0 | ee Figure 3 and attached iWaters Data |
| The site is located approx Within 100 feet of a sign The site is located 420 feet channel of Gobernador C Within 100 feet of a lake A stock pond is located a Within 200 horizontal fee public or livestock const | tinuously flowing watercourse? - N imately 8.65 miles southeast of the S ificant watercourse? - No et east of a 1st order tributary of Gobe anyon. ebed, playa lake, or sinkhole? - No pproximately 330 feet east of the tank eet of a spring or a freshwater well | an Juan River. See F ernador Canyon and 720 See F c. used for See Fi | igure 2 igure 3 and attached iWaters data |
| ATTACHED DOCUME Hydrogeologic Report Figure 1: Topographic M Figure 2: Aerial Photogra Figure 3: Water Well and iWaters Data ADDITIONAL COMM | ap ph Surface Water Features | | |

COMPLIANCE / ENGINEERING / REMEDIATION



LT Environmental Inc.

2243 Main Avenue, Suite 3 Durango, Colorado 81301 T 970.385.1096 / F 970.385.1873

29-6 #4 CDP Hydrogeologic Report for Siting Criteria

General Geology and Hydrology

The San Juan Basin is a typical Rocky Mountain basin with a gently dipping southern flank and a steeply dipping northern flank. Asymmetrically layered Tertiary sandstones and shales, along with Quaternary alluvial deposits, dominate surficial geology. The below-grade tank is located in Gobernador Canyon southeast of Navajo Dam, New Mexico. The predominant geologic formation is the San Jose Formation of Tertiary age, which underlies surface soils and is often exposed (Dane and Bachman, 1965). Deposits of Quaternary alluvial and aeolian sands occur prominently near the surface of the area, especially near streams and washes.

Cretaceous and Tertiary sandstones, as well as Quaternary alluvial deposits, serve as the primary aquifers in the San Juan Basin. In most of the area, the San Jose Formation lies at the surface and overlies the Nacimiento Formation. Thickness of the San Jose Formation ranges from 200 feet to 2,700 feet, thickening from west to east across the region of interest. Aquifers occur within the coarser and continuous sandstone bodies of the San Jose Formation, and groundwater within these aquifers flows north, toward the San Juan River. Little specific hydrogeologic data are available for the San Jose Formation system, but numerous wells and springs are used for stock and domestic supplies (Stone et al., 1983).

The prominent soil type at the below-grade tank is Gobernador-Orlie (<u>www.emnrd.state.nm.us</u>). Miles of arroyos, washes, and intermittent streams exist as part of the drainage network toward the San Juan River. These features often cut into soil and other unconsolidated materials, contributing to sedimentation downstream. The sudden influx of water from storm events easily erodes the soils that cover the area and prohibits effective recharge to the underlying aquifers.

Dry and arid weather further prohibits active recharge. The climate of the region is arid, averaging just over 12.87 inches of rainfall annually. As is typical of the southwestern United States monsoonal weather patterns, most precipitation falls from August through October. The heaviest rainfall occurs in the summer in isolated, intense cloudbursts. November through June is relatively dry. Snow generally falls from December to mid-February and averages less than one-half inch in depth. However, most recharge occurs during the winter months during snowmelt periods from the upper elevations (Western Regional Climate Center www.wrcc.dri.edu). The predominant vegetation are sagebrush and grasses with a more restricted pinon-juniper association (Dick-Peddie, 1993).



Site-Specific Hydrogeology

Depth to groundwater is estimated to be between greater than 100 feet at the below-grade tank. This estimation is based on data from Stone and others (1983), the United States Geological Survey (USGS) *Groundwater Atlas of the United States*. Local topography and proximity to surface hydrologic features are taken into consideration. When available, permitted water well logs and cathodic protection well logs are referenced to infer depth to groundwater near the site.

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

The below-grade tank is located in a region incised by canyons, washes, gullies, and arroyos, with Navajo Reservoir being the predominant topographic feature. The mesas are composed of cliff-forming sandstone, and systems of dry washes and their tributaries composed of alluvium are evident on the attached aerial image. The below-grade tank is located at an elevation of approximately 6,285 feet just south of the main channel of Gobernador Canyon.

Groundwater data are sparse in this region; the nearest iWaters data points with similar topographical characteristics are well numbers SJ 03809 and SJ 02891 which are located approximately 0.27 miles and 0.35 miles northwest of the site. Depth to groundwater in the permitted water wells are listed as 260 feet and 160 feet below ground surface, respectively, indicating that groundwater is greater than 100 feet beneath the below-grade tanks on site. Groundwater data available from the New Mexico State Engineer's iWaters database for wells near the below-grade tank are attached.

References

Dane, C.H. and G.O. Bachman, 1965, *Geologic Map of New Mexico*: U.S. Geological Survey, 1 sheet, scale 1:500,000.

Dick-Peddie, W.A., 1993, *New Mexico Vegetation – Past, Present and Future:* Albuquerque, New Mexico, University of New Mexico Press, 244 p.

Stone, W.J., F.P. Lyford, P.F. Frenzel, N.H. Mizell, and E.T. Padgett, 1983, *Hydrogeology and Water Resources of the San Juan Basin, New Mexico*: HR-6 New Mexico Bureau of Geology and Mineral Resources Hydrology Report 6.

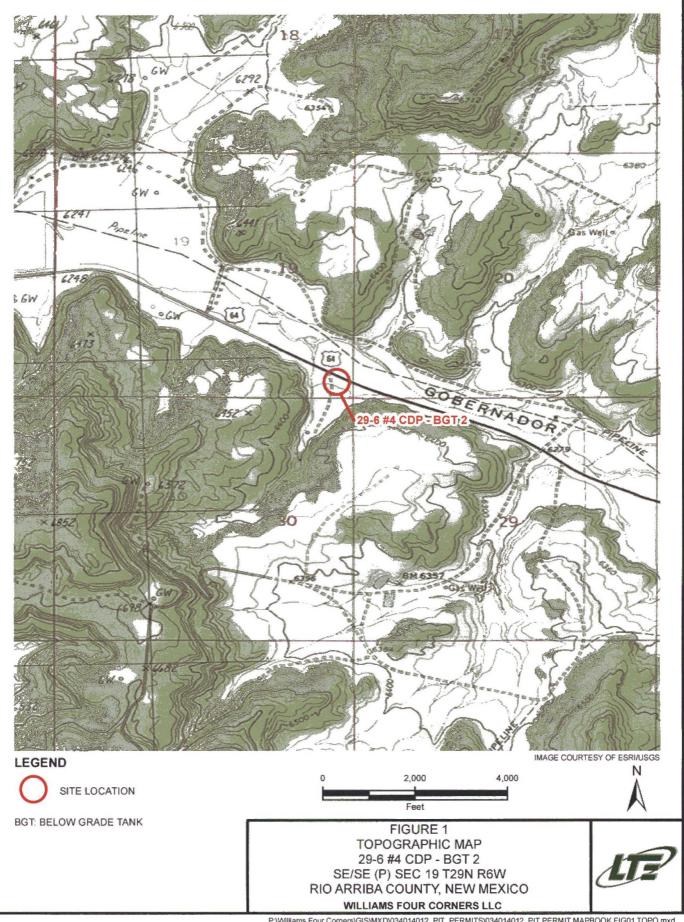


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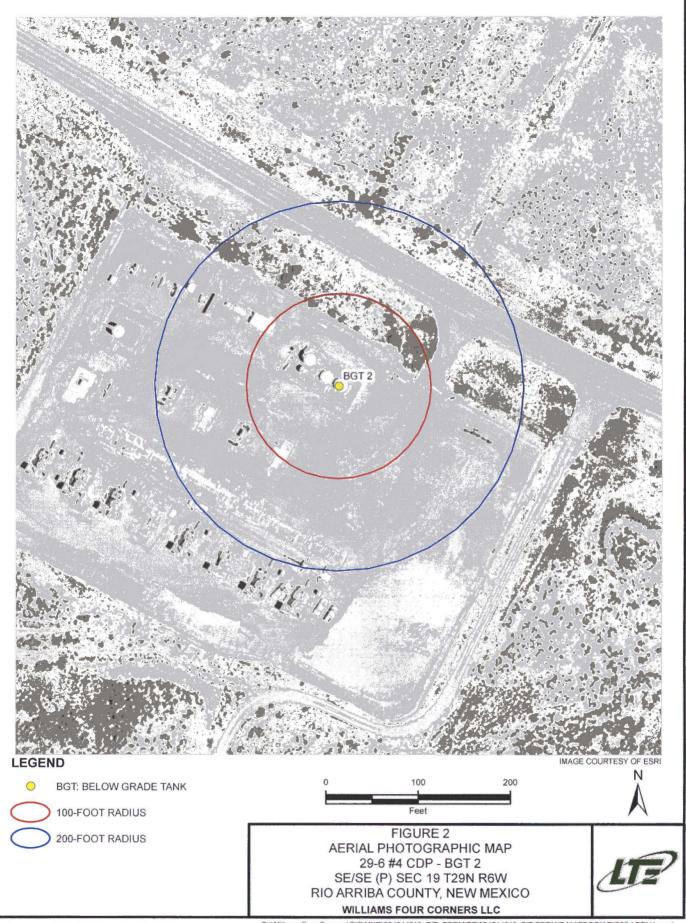
USGS, <u>Groundwater Atlas of the United States</u>: Arizona, Colorado, New Mexico, Utah, HA 730-C: (<u>http://www.pubs.usgs.gov</u>).

Western Region Climate Center, 2008, New Mexico climate summaries: Desert Research Institute at <u>http://www.wrcc.dri.edu/summary/climsmnm.html</u>.

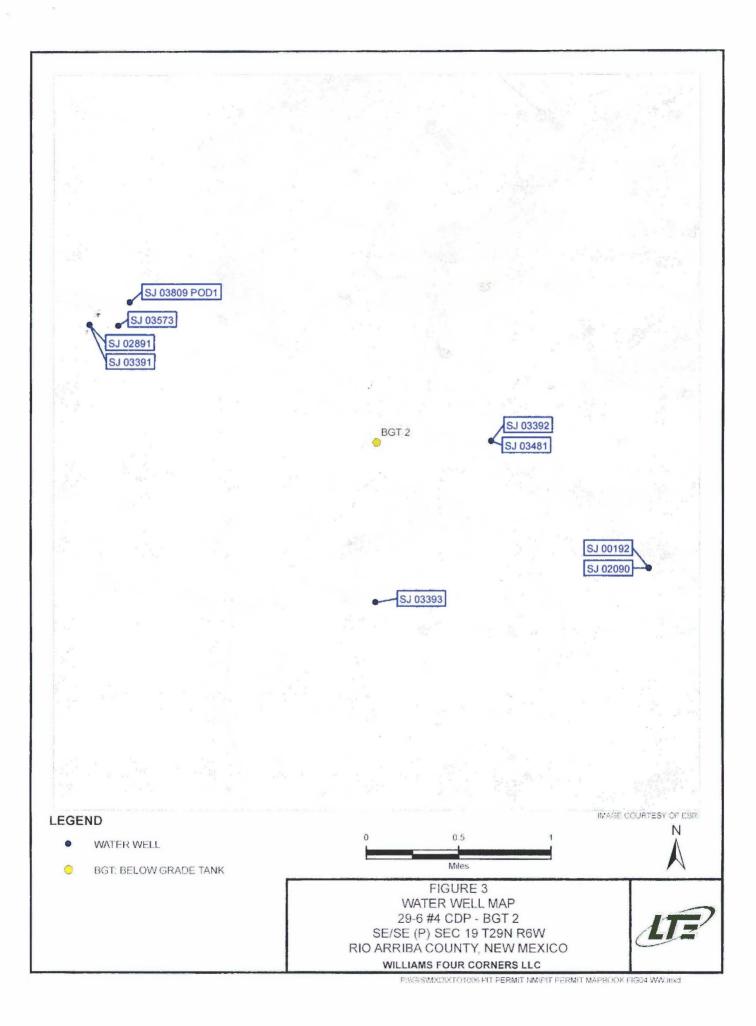
New Mexico Energy, Minerals and Natural Resources Department, www.emnrd.state.nm.us.



P:\Williams Four Corners\GIS\MXD\034014012_PIT_PERMITS\034014012_PIT PERMIT MAPBOOK FIG01 TOPO.mxd



P:\Williams Four Comers\GIS\MXD\034014012_PIT_PERMITS\034014012_PIT PERMIT MAPBOOK FIG02 AERIAL.mxd





New Mexico Office of the State Engineer Wells with Well Log Information

| (A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.) | (R=POD has been replaced, O=orphaned, C=the file is closed) | (quart | | | | SW 4=SE) t to largest) (N | AD83 UTM | in meters) | | | | (in fe | et) | | |
|--|---|--------|---------|--------|-----|------------------------------|----------|------------|------------|------------|------------|--------|-------|-----------------------------|---------|
| | POD | | | qqq | | | | | | | Log File | Depth | Depth | | License |
| POD Number | Code Subbasin | County | Source | 6416 4 | Sec | Tws Rng | Х | Y | Start Date | Finish Dat | e Date | Well | Water | r Driller | Number |
| SJ 02891 | | RA | Shallow | 232 | 24 | 29N 07W | 275007 | 4066104* 🌑 | 09/14/1998 | 09/15/1998 | 10/19/1998 | 210 | 160 | MARK BAILEY | 1357 |
| SJ 03809 POD1 | | RA | Shallow | 322 | 24 | 29N 07W | 275294 | 4066294 🌑 | 09/02/2008 | 09/10/2008 | 12/05/2008 | 500 | 260 |) HARGIS, WILLIAM CALVIN | 1508 |
| Record Count: 2 | | | | | | | | | | | | | | | |

Range: 07W

PLSS Search:

Q4: NE Section(s): 24

Township: 29N

*UTM location was derived from PLSS - see Help

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 Wells Without Well Log Information

| (A CLW###### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.) | (R=POE been re O=orpha C=the fi closed) | | | | NE 3ª | =SW 4 lest) | 1=SE) | (NAD83 UTM in meters) | | | |
|--|---|--------------------------------|----------------------|----|-------|----------------|-------|-----------------------|-----|--------|----------|
| | | POD | | q | q | q | | | | | |
| POD Number | Code | Subbasin | County Source | 64 | 16 | 4 | Sec | Tws | Rng | X | Y |
| SJ 00192 | | | RA | | 1 | 3 | 28 | 29N | 06W | 278873 | 4063884* |
| SJ 02090 | | | RA | | 1 | 3 | 28 | 29N | 06W | 278873 | 4063884* |
| SJ 03392 | | | RA | 4 | 4 | 3 | 20 | 29N | 06W | 277798 | 4065022* |
| SJ 03393 | | | RA | 2 | 4 | 4 | 30 | 29N | 06W | 276951 | 4063634* |
| SJ 03481 | | | RA | 4 | 4 | 3 | 20 | 29N | 06W | 277798 | 4065022* |
| | | 19 1317 Mile See See Mile Mile | | | | | | | | | |

Range: 06W

Record Count: 5

PLSS Search:

Section(s): 19, 20, 28, 29, Township: 29N 30

*UTM location was derived from PLSS - see Help

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 Wells Without Well Log Information

| (A CLW###### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.) | (R=POD has been replaced, O=orphaned, C=the file is closed)(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are smallest to largest) | | | | | | | (NAD83 UTM in meters) | | |
|--|---|--------------|----|----|-----|-------|-----|-----------------------|--------|------------|
| | POD | | q | q | q | | | | | |
| POD Number | Code Subbasin C | ounty Source | 64 | 16 | 4 5 | Sec T | ws | Rng | X | Y |
| SJ 03391 | | RA | 2 | 3 | 2 | 24 2 | 29N | 07W | 275007 | 4066104* 🌑 |
| SJ 03573 | | RA | 1 | 4 | 2 | 24 2 | 29N | 07W | 275209 | 4066091* |
| | | | | | | - | | | | |

Record Count: 2

PLSS Search:

Section(s): 24, 25

Township: 29N

Range: 07W

*UTM location was derived from PLSS - see Help

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Williams Four Corners LLC Design and Construction Plan - Below Grade Tanks

4

In accordance with Rule 19.15.17.11 NMAC of the New Mexico Administrative Code (NMAC), the information within this document describes the design and construction standards to be used by Williams Four Corners LLC (Williams) when installing Below Grade Tanks (BGTs). This is Williams' standard procedure for all BGTs. A separate design and construction plan will be submitted for any BGT which does not conform to this plan.

| Pit Rule Citation (NMAC) | Rule Requirement | Operator Requirements |
|-----------------------------|---------------------|---|
| 19.15.17.11.A | Design | Williams will design and construct a properly sized and approved BGT to contain liquids and solids, prevent contamination of fresh water and protect public health and environment. A solid riser pipe will be installed to facilitate liquid removal from the tank. The riser shall have a cap or cover and be positioned to prevent standing accumulation of liquids within the riser. |
| 19.15.17.11.C | Construction | Williams will post appropriate signage to include operator name, legal location information, and emergency telephone contact information. The sign will be at least 12-inches x 24-inches with lettering not less than 2-inches in height and be placed on the fence surrounding the BGT. |
| 19.15.17.11.D(1) | Construction | Williams will fence the BGT in a manner that deters unauthorized access and will maintain the fence in good repair. Williams facilities with an exterior perimeter fence will not have a fence installed around the BGT if it is located within the facility exterior perimeter fence. |
| 19.15.17.11.D(3) | Construction | BGT installations will be fenced to protect livestock and wildlife. Fencing will be a minimum of four feet high with four strands of barbed wire spaced in the interval between one foot and four feet above ground. As a variance (if approved with the BGT registration), the fence may be constructed using four 4 foot tall "hog wire" with 1 stand of barbed wire at the top. |
| 19.15.17.11.E | Construction | BGTs will have one-inch (or less) steel mesh (i.e. expanded metal), solid steel covers, or otherwise be constructed to prevent migratory bird contact. |
| 19.15.17.11.l(1) | Design/Construction | Williams will design and construct the BGT to contain liquids associated with the dehydration and compression of natural gas, which will be resistant to the contents of the tank and resistant to damage from ultra violet light. |
| 19.15.17.11.I(2) | Construction | The BGT foundation will be level and free of rocks, debris, sharp edges or irregularities and have a firm compacted bottom and sidewalls that are stable for the soil conditions. |
| 19.15.17.11.I(3) | Construction | BGT installations will include an earthen berm or equivalent alternative at least 6-inches above ground to prevent surface water run-on; and install overflow monitoring device and/or monitor the tank at a frequency to prevent overflow as depicted in Figure 1. |
| 19.15.17.11.I.4(a) | Construction | For BGTs that do not have double walls, Williams will construct the BGT to meet the requirements listed in 19.15.17.11.1.4(a) associated with visual inspection, tank construction, liner, and overflow as depicted in Figure 1. All other BGTs, in which the side walls are not open for visible inspection shall be double walled with leak detection capability as depicted in Figure 2. |
| 19.15.17.11.I.4.(b) | Construction | Buried BGTs will be constructed of steel with double-walls and double-bottom, welded following appropriate API and industry codes, coated with an epoxy based paint. A solid riser pipe will be installed between the space of the double-walls to allow monthly inspection to determine tank integrity. |
| 19.15.17.11.I.4.(c) | Design/Construction | Williams will meet with NMOCD district office before submitting application for an alternative BGT design. |
| 19.15.17.11.1(5) | Construction | A single walled tank (installed prior to June 16, 2008) which has completely open sidewalls for visible inspection and which may or may not have a geomembrane liner, need not meet the above design and construction standards defined in Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC unless the integrity fails. If the integrity failes, the tank will then be closed pursuant to the approved Closure Plan or be retrofitted in accordance with the design drawings (see Figures 1 or 2) or NMOCD approved modification. Retrofitting actions that include changes to the BGT design and construction require an update to the BGT registration. |
| 19.15.17.11.1(6) | Construction | All single walled BGTs must have sidewalls that are completely visible for inspection. Single walled tanks that do not meet this requirement must be retrofitted or closed persuant to the approved Closure Plan. Retrofitting actions that include changes to the BGT design and construction require an update to the BGT registration. |
| 19.15.17.11.1(7) | Construction | A double walled tank (installed prior to June 16, 2008) need not meet the above design and construction standards defined in Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC unless the integrity fails. If the integrity fails, the tank will then be closed pursuant to the approved Closure Plan or be retrofitted in accordance with the design drawings (see Figures 1 or 2) or NMOCD approved modification. Retrofitting actions that include changes to the BGT design and construction require an update to the BGT registration. |

Williams Four Corners LLC Design and Construction Plan - Below Grade Tanks

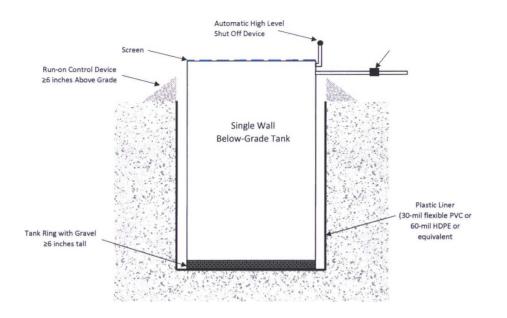


FIGURE 1. BGT DESIGN AND CONSTRUCTION - 19.15.17.11.I.(4)(a) NMAC

- 1. The BGT's bottom must be elevated a minimum of six inches above the underlying ground surface.
- The BGT must be underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected. Gravel will be contained within a tank ring and not cover the visible portion of the liner.
- 3. Geomembrane liner shall consist of 30-mil flexible PVC or 60-mil HDPE liner, or an equivalent liner material. The liner must have a hydraulic conductivity no greater than 1 x 10-9 cm/sec, be composed of an impervious, synthetic material that is resistant to petroleum hydrocarbons, salts and acidic and alkaline solutions, and resistant to ultraviolet light. The liner compatibility must comply with USEPA SW-
- 4. Equipped with a properly operating automatic high-level shut-off control device and manual controls to prevent overflows.

Williams Four Corners LLC Design and Construction Plan - Below Grade Tanks

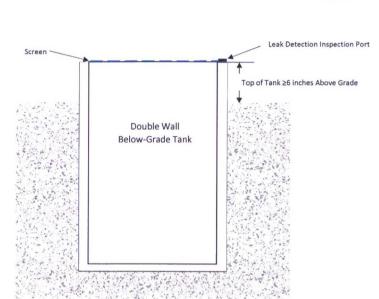


FIGURE 2. BGT DESIGN AND CONSTRUCTION - 19.15.17.11.I.(4)(b) NMAC

- 1. Tank side walls are not open for visible inspection for leaks.
- 2. Double walled with leak detection capability.

Williams Four Corners LLC Operations and Maintenance Plan - Below Grade Tanks

6

In accordance with Rule 19.15.17.12 NMAC of the New Mexico Administrative Code (NMAC), the information within this document describes the operations and maintenance standards to be used by Williams Four Corners LLC (Williams) when operating Below Grade Tanks (BGTs). This is Williams' standard procedure for all BGTs. A separate operations and maintenance plan will be submitted for any BGT which does not conform to this plan.

| Pit Rule Citation (NMAC) | Rule Requirement | Operator Requirements |
|-----------------------------|--|---|
| 19.15.17.12.A(1) | Integrity | Williams will operate and maintain the BGT to contain liquids and solids and maintain the integrity of the liner, liner systems and secondary containment system to prevent contamination of fresh water and protect public health and environment. |
| 19.15.17.12.A(3) | Waste Management | Willams will not discharge or store any hazardous waste in a BGT. "Hazardous waste" means non-exempt waste that exceeds the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. |
| 19.15.17.12.A(5) | Release Requirements | If the BGT integrity is compromised: 1. All discharges will be shut off to the BGT. 2. All liquids will be removed as soon as possible but no later than 48 hours after discovery. 3. Williams will notify and report to NMOCD in accordance to 19.15.29 NMAC and all other applicable agencys as require. |
| 19.15.17.12.A(7) | Surface Water Run-on | Williams will maintain a berm or equivalent alternative at least 6-inches above ground to keep surface water run on from entering the BGT as shown on the Design and Construction Plan. |
| 19.15.17.12.D(1) | Surface Water Run- on and Overflow | Williams will require and maintain an adequate freeboard to prevent overtopping of the BGT. |
| 19.15.17.12.D(2) | Measurable Oil | Any oil or hydrocarbon collecting in the BGT will be removed. Saleable condensate will be returned to the facility or field condensate tank. Slop oil from compression will be removed and transported to an offsite recycle facility |
| 19.15.17.12.D(3) | Inspection | Williams will inspect the BGT for leakage and damage on a monthly basis. Williams will document the integrity of each tank at least annually and maintain a written record for five years. Inspections may include: 1. Containment berms adequate and no oil present 2. Tank had no visible signs of corrosion 3. Tank valves, flanges, and hatches had no visible leaks 4. No evidence of significant spillage of produced liquids. 5. BGT cover intact and no signs of dead wildlife. 6. Sidewalls are completely visible for single walled BGTs. |
| 19.15.17.12.D(4) | Freeboard | Williams will maintain a 10-inch freeboard to prevent overtopping of the BGT. |
| 19.15.17.12.D(5) | Integrity | If the BGT loses integrity, Williams will repair the damage or close the BGT pursuant to the approved Closure Plan. |
| 19.15.17.12.D(6) | Retrofit or Replacement Requirements | While performing BGT equipment or retrofitting actions, Williams will visually inspect the area beneath the BGT and document any areas that are wet, discolored or showing other evidence of a release on OCD Form C-141. Williams will report the concentration of contaminants to the OCD with respect to the standards set forth in Table I of 19.15.17.13 NMAC. Williams will proceed with the approved Closure Plan if no evidence of impacts are present or concentrations of contaminants are below the OCD standards. |

Williams Four Corners LLC Closure Plan - Below Grade Tanks

4

In accordance with Rule 19.15.17.13 NMAC of the New Mexico Administrative Code (NMAC), the information within this document describes the closure requirements to be used by Williams Four Corners LLC (Williams) when closing Below Grade Tanks (BGTs). This is Williams' standard procedure for all BGTs. A separate closure plan will be submitted for any BGT closure which does not conform to this plan.

| Pit Rule Citation (NMAC) | Rule Requirement | Operator Requirements | |
|-----------------------------|------------------|---|--|
| 19.15.17.13.A | Closure Plan | This plan describes Williams proposed closure methods and the proposed procedures and protocols to implement and complete BGT closure. | |
| 19.15.17.13.C(1) | | Prior to commencing BGT closure, Williams will obtain a NMOCD approved closure plan before any closure activities start. Williams understands that the NMOCD considers the start of closure for a BGT is when the BGT is being removed from the ground. | |
| 19.15.17.13.C(2) | | Williams will remove liquids and sludge from a BGT prior to commencing closure actions and will dispose the material in a NMOCD approved facility. | |
| 19.15.17.13.C.3(a) | | Following removal of the tank and any liner material, Williams will test the soils beneath the BGT in accordance with 19.15.17.13.C.3(a) NMAC. Samples will be collected from beneath the liner and/or BGT for obvious stained or wet soils, or any other evidence of contamination. | |
| 19.15.17.13.C.3(b) | | If any contaminant concentration is higher than the parameters listed in Table I of 19.15.17.13 NMAC, the NMOCD may require additional delineation upon review of the results and Williams must receive approval before proceeding with closure. | |
| 19.15.17.13.C.3(c) | | Upon completion of BGT removal, if all contaminant concentrations are less than or equal to the parameters listed in Table I of 19.15.17.13 NMAC, the excavation will be backfilled with non-waste contained, uncontaminated, earthen material. | |
| 19.15.17.13.E(1) | Notification | Notice of closure will be given to the surface owner at least 72 hours, but not more than one week, prior to any closure operation via Certified mail. As a variance (if approved with the closure plan), surface owners which are public entities (State, BLM, or Tribal) will be notified by email or phone. The notification of closure will include the following: operators name, well name and API number (if applicable), and location (ULSTR). | |
| 19.15.17.13.E(2) | | Notice of Closure will be given to the NMOCD office at least 72 hours, but not more than one week, prior to any closure operation via Certified mail. As a variance (if approved with the closure plan), the NMOCD district office will be notified by email or phone. The notification of closure will include the following: operators name, well name and API number (if applicable), and location (ULSTR). | |
| 19.15.17.13.F(1) | Reporting | Operator will send the NMOCD a closure report in accordance with 19.15.17.F(1) NMAC within 60 days of closure including the following items: Proof of closure notice, analytical results, backfill information, revegetation, and photo documentation of reclamation. Williams understands that the NMOCD considers the closure date the day in which the BGT is backfilled and re-contoured. Revegetation is still required but, may be addressed in closure report. | |
| 19.15.17.13.G.4(a) | | Within 60 days of cessation of operations, Williams will remove liquids and sludge from a BGT prior to implementing a closure method and will dispose of the material in a NMOCD approved facility. Disposal facilities to be used by Williams are listed below based on the listed waste types. | |
| 19.15.17.13.G.4(b) | Timing | Within 6 months of cessation of operations, Williams will dispose, recycle, reuse, or reclaim the BGT in a NMOCD approved manner. If required, Williams will provide documentation of the disposition of the BGT to the NMOCD. Liner materials will be cleaned to remove soils or contaminated material for disposal as solid waste. Disposal facilities to be used by Williams are listed below based on the listed waste types. | |
| 19.15.17.13.H.1(a) | | Williams will reclaim the area by substantially restoring the impacted surface area to the condition that existed prior to oil and gas operations by placement of soil cover as described below for 19.15.17.13.H.2 NMAC. The location and associated areas will be recontoured that approximates the original contour and blends with the surrounding topography and revegetate as described below for 19.15.17.13.H.5 NMAC. | |
| 19.15.17.13.H.1(b) | Reclamation | Williams will submit an alternative plan to be approved by the NMOCD and written approval from the surface owner before submitting the C-144 application. | |
| 19.15.17.13.H.1(c) | | If a BGT is removed from an area where production operations will continue, the area will be reclaimed in such a way to minimize dust and erosion to the extent practicable. | |
| 19.15.17.13.H.2 | | Cover will include one foot of suitable material, with chloride concentrations less than 600 mg/kg as analyzed by EPA Method 300.0, to establish vegetation at the site, or the background thickness of topsoil, whichever is greater. | |
| 19.15.17.13.H.4 | | Williams will construct the soil cover to the existing grade to prevent ponding of water and erosion of the cover material. | |

Williams Four Corners LLC Closure Plan - Below Grade Tanks

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| Pit Rule Citation (NMAC) | Rule Requirement | Operator Requirements | |
|--|------------------|---|--|
| 19.15.17.13.H.5(a) 19.15.17.13.H.5(b) 19.15.17.13.H.5(c) 19.15.17.13.H.5(d) 19.15.17.13.H.5(e) | Reclamation | For those portions of the former BGT area no longer in use with the exception where production operations will continue, the area will be reclaimed as nearly as practicable to their original condition or their final land use. Reclamation will begin as early as practical. The areas will be maintained to minimize dust and topsoils placed and contoured to limit erosion control, maintain stability, and preserve surface-water flow patterns. Williams will seed the disturbed areas the first favorable growing season following closure of the BGT. Williams will comply with obligations imposed by other applicable federal or tribal agencies in which their re-vegetation and reclamation requirements provide equal or better protection of fresh water, human health and the environment. Williams will notify the NMOCD when reclamation and re-vegetation is complete. | |

| Summary of Waste Materials and Disposal Facilities | | | | |
|--|--|--|--|--|
| Waste Types | Disposal Facility | | | |
| Steel Tank | San Juan County Landfill; Steel Recycling | | | |
| Fiberglass Tank | San Juan County Landfill; Bondad Landfill; Re-use | | | |
| Liner (cleaned – absent soil / sludge) | San Juan County Landfill; Bondad Landfill | | | |
| Sludge | Envirotech; Industrial Ecosystems Inc.; T-N-T; Bondad Landfill | | | |
| Liquids (Water / Hydrocarbons) | Basin Disposal; Key Energy; T-N-T | | | |
| Contaminated Soil | Envirotech; Industrial Ecosystems Inc.; T-N-T; Bondad Landfill | | | |
| Fencing / Miscellaneous | Re-use or Scrap | | | |

Walking (

| epth Below Bottom of pit to ground water less than 10,000 mg/l | Constituent | Method | Limit** |
|---|-------------|------------------------------|--------------|
| | Chloride | EPA 300.0 | 600 mg/kg |
| ≤50 feet | трн | EPA SW-846 Method 418.1 | 100 mg/kg |
| | BTEX | EPA SW-846 8021B or 8260B | 50 mg/kg |
| - | Benzene | EPA SW-846 8021B or 8260B | 10 mg/kg |
| | Chloride | EPA 300.0 | 10,000 mg/kg |
| | трн | EPA 5W-846 Method 418.1 | 2,500 mg/kg |
| 51 feet - 100 feet | GRO+DRO | EPA SW-846 Method 8015M | 1,000 mg/kg |
| - | BTEX | EPA SW-846 80218 or 82608 | 50 mg/kg |
| - | Benzene | EPA SW-846 8021B or 8260B | 10 mg/kg |
| | Chioride | EPA 300.0 | 20,000 mg/kg |
| | трн | EPA SW-846 Method 418.1 | 2,500 mg/kg |
| ≤100 feet | GRO+DRO | EPA SW-846 Method 8015M | 1,000 mg/kg |
| | BTEX | EPA SW-846 8021B or 8260B | 50 mg/kg |
| | Benzene | EPA SW-846 | 10 mg/kg |