District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 State of New Mexico Energy Minerals and Natural Resources Department Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.

<u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505	1220 South St. Francis I Santa Fe, NM 87505	Dr. For permanent pits and exceptions submit to br. the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.
Pit Close	ed-Loop System Below-	-Grade Tank, or
Proposed Alterna	tive Method Permit or C	Closure Plan Application
Type of action: Permit of a Existing BGT Closure of Modification Closure pla below-grade tank, or proposed a	pit, closed-loop system, below-gr a pit, closed-loop system, below-gr on to an existing permit an only submitted for an existing p lternative method	rade tank, or proposed alternative method grade tank, or proposed alternative method permitted or non-permitted pit, closed-loop system,
Instructions: Please submit one application	(Form C-144) per individual pit, clos	sed-loop system, below-grade tank or alternative request
Please be advised that approval of this request does not reli environment. Nor does approval relieve the operator of its	eve the operator of liability should opera responsibility to comply with any other	ations result in pollution of surface water, ground water or the applicable governmental authority's rules, regulations or ordinances.
1. Operator: <u>XTO Energy, Inc.</u>		OGRID #:5380
Address: <u>#382 County Road 3100, Aztec, NM 8</u>	7410	
Facility or well name:FEASEL FRED J #1F		
API Number:30-045-33589	OCD Permit Number	
U/L or Qtr/QtrB Section34 Tow	nship28N Range10 <u>W</u> _	County: <u>San Juan</u>
Center of Proposed Design: Latitude <u>36.6241389</u>	Longitude <u>107.87864</u>	NAD: □1927 ⊠ 1983
Surface Owner: 🛛 Federal 🗌 State 🗌 Private 🗌 Tr	ibal Trust or Indian Allotment	
Pit: Subsection F or G of 19.15.17.11 NMA Temporary: Drilling Workover Permanent Emergency Cavitation P&A Lined Unlined Liner type: Thickness String-Reinforced Liner Seams: Welded Factory Other	mil	PVC □ Other bb1 Dimensions: L x W x D
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	mil UDPE HDPE	
Liner Seams: Welded Factory Other		
Below-grade tank: Subsection I of 19.15.17.11 Volume: 120 bbl Type of fluid Tank Construction material: Steel Secondary containment with leak detection V Visible sidewalls and liner Visible sidewalls Liner type: Thickness mil	NMAC <u>Produced Water</u> /isible sidewalls, liner, 6-inch lift and only ⊠ Other <u>Visible sidewalls, v</u>] HDPE □ PVC □ Other	automatic overflow shut-off vaulted, automatic high-level shut off, no liner
5.		
Alternative Method:	ions must be submitted to the Sonto E	e Environmental Bureau office for consideration of approval

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

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

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

Alternate. Please specify Four foot height, steel mesh field fence (hogwire) with pipe top railing

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

Screen Netting Other Expanded metal or solid vaulted top

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

Signs: Subsection C of 19.15.17.11 NMAC

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10.

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

Signed in compliance with 19.15.3.103 NMAC

Administrative Approvals and Exceptions:

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

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

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

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

Siting Criteria (regarding permitting): 19.15.17.10 NMAC

Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.

 Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells 	Yes No	1
 Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). Topographic map; Visual inspection (certification) of the proposed site 	Yes No	
 Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) Visual inspection (certification) of the proposed site; Aerial photo; Satellite image 	□ Yes ⊠ No □ NA	
 Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) Visual inspection (certification) of the proposed site; Aerial photo; Satellite image 	☐ Yes ☐ No ⊠ NA	
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	🗆 Yes 🛛 No	
 Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. Written confirmation or verification from the municipality; Written approval obtained from the municipality 	🗆 Yes 🛛 No	
 Within 500 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site 	🗆 Yes 🖾 No	
 Within the area overlying a subsurface mine. Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division 	🗆 Yes 🖾 No	
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map 	🗆 Yes 🛛 No	
Within a 100-year floodplain. - FEMA map	🗋 Yes 🖾 No	

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are
attached. Image: Mathematical Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Image: Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC Image: Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Image: Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Image: Design Plan - based upon the appropriate requirements of 10.15.17.12 NMAC
Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Previously Approved Design (attach copy of design) API Number: or Permit Number:
12. <u>Closed-loop Systems Permit Application Attachment Checklist</u> : 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. Cochecie and Hudraceologic Dete (only for on site cleanse), based upon the convirtments of Parcement (2) of Subsection B of 10.15.17.0
 Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Previously Approved Design (attach copy of design) API Number:
Previously Approved Operating and Maintenance Plan API Number: (Applies only to closed-loop system that use
above grouna steet tanks or naut-ojj bins ana propose to implement waste removal jor closure)
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 Cimatological 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 Nuisance 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
Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan. Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System Alternative Proposed Closure Method: Waste Excavation and Removal Waste Removal (Closed-loop systems only) On-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial On-site Trench Burial Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)
 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
T T T T T T T T T T T T T T T T T T T

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16. Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Ste	el Tanks or Haul-off Bins Only: (19.15.17.13.I) NMAC)
Instructions: Please indentify the facility or facilities for the disposal of liquids, dril facilities are required.	ling fluids and drill cuttings. Use attachment if r	nore than two
Disposal Facility Name: Disposal Facility Name:	sposal Facility Permit Number:	
Disposal Facility Name: Disposaf	sposal Facility Permit Number:	
Will any of the proposed closed-loop system operations and associated activities occur Yes (If yes, please provide the information below) No	on or in areas that will not be used for future served	vice and operations?
Required for impacted areas which will not be used for future service and operations: Soil Backfill and Cover Design Specifications based upon the appropriate requirements of Subsection I of Re-vegetation Plan - based upon the appropriate requirements of Subsection I of Site Reclamation Plan - based upon the appropriate requirements of Subsection	quirements of Subsection H of 19.15.17.13 NMA f 19.15.17.13 NMAC G of 19.15.17.13 NMAC	0
^{17.} Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the clo. provided below. Requests regarding changes to certain siting criteria may require a considered an exception which must be submitted to the Santa Fe Environmental Bu demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for	sure plan. Recommendations of acceptable sour dministrative approval from the appropriate dist ureau office for consideration of approval. Justi guidance.	rce material are rict office or may be fications and/or
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 of	otained from nearby wells	Yes No NA
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data of	tained 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 of	tained from nearby wells	□ Yes □ No □ NA
 Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signification (measured from the ordinary high-water mark). Topographic map; Visual inspection (certification) of the proposed site 	cant watercourse or lakebed, sinkhole, or playa	🗌 Yes 🗌 No
Within 300 feet from a permanent residence, school, hospital, institution, or church in - Visual inspection (certification) of the proposed site; Aerial photo; Satellite im	existence at the time of initial application. age	🗌 Yes 🗌 No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less th watering purposes, or within 1000 horizontal feet of any other fresh water well or spring - NM Office of the State Engineer - iWATERS database; Visual inspection (cert	an five households use for domestic or stock ng, in existence at the time of initial application. tification) of the proposed site	🗌 Yes 🗌 No
Within incorporated municipal boundaries or within a defined municipal fresh water w adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval or	ell field covered under a municipal ordinance btained from the municipality	🗌 Yes 🗌 No
Within 500 feet of a wetland.US Fish and Wildlife Wetland Identification map; Topographic map; Visual in	spection (certification) of the proposed site	🗌 Yes 🗌 No
Within the area overlying a subsurface mine.Written confirmation or verification or map from the NM EMNRD-Mining an	d Mineral Division	🗌 Yes 🗌 No
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & Society; Topographic map 	Mineral Resources; USGS; NM Geological	🗌 Yes 🗌 No
Within a 100-year floodplain. - FEMA map		🗌 Yes 🗌 No
 18. On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the forby a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate required Proof of Surface Owner Notice - based upon the appropriate requirements of Su Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) Protocols and Procedures - based upon the appropriate requirements of 19.15.17 Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Sut Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill 	content of the second s	an. Please indicate, 15.17.11 NMAC ot 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

Bon Correl Dang
 Re-vegetation Plan - based upon the appropriate requirements of Subsection 1 of 19.15.17.13 NMAC
 Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

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19. Operator Application Certification:	
I hereby certify that the information submitted with this application is true, accur	rate and complete to the best of my knowledge and belief.
Name (Print): Kim Champlin	Title: <u>Environmental Representative</u>
Signature: Kim Champlin	Date:
e-mail address: kim_champlin@xtoenergy.com	Telephone:(505) 333-3100
20.	
OCD Approval: Permit Application (including closure plan)	Plan (only) OCD Conditions (see attachment)
OCD Representative Signature:	Approval Date: 2/19/13
Title: Senor Hydrologist	OCD Permit Number:
^{21.} Closure Report (required within 60 days of closure completion): Subsection Instructions: Operators are required to obtain an approved closure plan prior The closure report is required to be submitted to the division within 60 days of section of the form until an approved closure plan has been obtained and the c	K of 19.15.17.13 NMAC to implementing any closure activities and submitting the closure report. the completion of the closure activities. Please do not complete this losure activities have been completed.
 22. <u>Closure Method:</u> Waste Excavation and Removal On-Site Closure Method Altern If different from approved plan, please explain. 	ative Closure Method 🔲 Waste Removal (Closed-loop systems only)
23.	
<u>Closure Report Regarding Waste Removal Closure For Closed-loop Systems</u> Instructions: Please indentify the facility or facilities for where the liquids, dri two facilities were utilized.	<u>s That Utilize Above Ground Steel Tanks or Haul-off Bins Only</u> : Iling fluids and drill cuttings were disposed. Use attachment if more than
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 o	r in areas that <i>will not</i> be used for future service and operations?
Required for impacted areas which will not be used for future service and operate Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	tions:
24.	
Closure Report Attachment Checklist: Instructions: Each of the following is mark in the box, that the documents are attached. Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if applicable) Waste Material Sampling Analytical Results (required for on-site closure) Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique Site Reclamation (Photo Documentation) On-site Closure Location: Latitude	tems must be attached to the closure report. Please indicate, by a check
25.	
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure belief. I also certify that the closure complies with all applicable closure required	report is true, accurate and complete to the best of my knowledge and ments and conditions specified in the approved closure plan.
Name (Print):	Title:
Signature:	Date:
e-manil address:	Telephone:



4			Client:	XTO Energy			
Lodestar Services, Inc.		Pit Permit	Project:	Pit Permits			
PO Box 4465, Duran	o, CO 81302	Siting Criteria	Revised:	27-Oct-08			
V		Information Sheet	Prepared by:	Devin Hencmann			
API#:		3004533589	USPLSS:	28N, 10W, 34B			
Name:	FE	ASEL FRED J #1F	Lat/Long:	36.6241389/-107.87864			
Depth to groundwater:		>100'	Geologic formation:	Naciemento			
Distance to closest continuously flowing watercourse:	5.02 mil	es N to the 'San Juan River'					
Distance to closest significant watercourse, lakebed, playa lake, or sinkhole:	3,933' E to	Armenta Canyon wash					
			Soil Type:	Entisols			
Permanent residence, school, hospital, institution or church within 300'		No					
			Annual	Bloomfield: 8.71", Farmington: 8.21", Otis:			
Domostic fresh water			Precipitation:	10.41"			
well or spring within 500'		No	Precipitation Notes:	Historical daily max: Bloomfield (4.19")			
Any other fresh water well or spring within 1000'		No					
Within incorporated municipal boundaries		No	Attached Documents:	27N 11W i-Waters pdf,27N 12W i-Waters pdf			
Within defined municipal fresh water well field		No		Topo map pdf, Aerial pdf, Mines and Quarries Map pdf,i-Waters Ground Water Data Map pdf, FEMA flood zone map pdf			
Wetland within 500'		No	Mining Activity:	None			
Within unstable area		No		manufacture of the second second			
Within 100 year flood plain	No	-FEMA Zone 'X'					
Additional Notes:							
	3,993' I ii	NW to concrete lined rrigation canal					

FEASEL FRED J #1F Below Ground Tank Hydrogeologic Report for Siting Criteria

General Geology and Hydrology

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

Cretaceous and Tertiary sandstones, as well as Quaternary alluvial deposits serve as the primary aquifers in the San Juan basin (Stone et al., 1983). In most of the proposed area, the Nacimiento Formation lies at the surface and grades into the Animas Formation to the west. Thickness of the Nacimiento ranges from 418 to 2232 feet (Stone et al., 1983). Aquifers within the coarser and continuous sandstone bodies of the Nacimiento Formation are between 0 and 1000' deep in this section of the basin (Stone et al., 1983). Groundwater within these aquifers flows toward the San Juan River.

The prominent soil type at the proposed site are entisols and aridisols, which are defined as soils that exhibit little to no any profile development (www.emnrd.state.nm.us). Soils are basically unaltered from their parent rock. Miles of arroyos, washes and intermittent streams exist as part of the drainage network towards the San Juan River. These features often cut into soil and other unconsolidated materials, contributing to sedimentation downstream. The sudden influx of water from storm events easily erodes the soils that cover the area. 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 prohibit active recharge. The climate of the region is arid, averaging 8 to 12 inches of rainfall annually. As is typical of the southwestern United States monsoonal weather patterns, most precipitation falls from August through October. The heaviest rainfall occurs in the summer in isolated, intense cloudbursts. November through June is relatively dry. Snow generally falls from December to mid-February and averages less than one-half inch in depth. However, most recharge occurs during the winter months during snowmelt periods from the upper elevations (Western Regional Climate Center www.wrcc.dri.edu).

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

Site Specific Hydrogeology

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

Beds of water-yielding sandstone are present in the Nacimiento Formation, which are fluvial in origin and are interbedded with siltstone, shale and coal. Porous sandstones form the principal aquifers, while relatively impermeable shales form confining units between the aquifers (Stone et al., 1983). Local aquifers exist within the Nacimiento Formation at depth s greater than 100 feet and thicknesses of the aquifer can be up to 3500 feet (USGS, Groundwater Atlas of the US).

The site in question is located near the edge of Kutz Canyon, where deeply eroded sandstone-capped mesas and slope-forming mudstones occur in a sparsely vegetated and arid badlands-type setting. Broad shalely hills are interspersed with occasional sandstone outcrops, and systems of dry washes and their tributaries are evident on the attached aerial image.

The pit will be located on a relatively flat mesa top at an elevation of approximately 5900 feet near the head of Kutz Wash. It will be approximately 1.7 miles from the Kutz Canyon tributary system and 4.1 miles east of Kutz Wash. Groundwater is expected to be shallow within Kutz Wash. But the significant distance between the Canyon and the site, as well as an elevation difference of over 400 feet suggest groundwater is greater than 100 feet at the proposed site.

State iWaters data points are sparsely distributed in this region, but there is an iWaters data point approximately 2.7 miles to the southwest of the site. Depth to groundwater at the site is 170 feet. A map showing the location of wells in reference to the proposed pit location is attached (SJ00034).





New Mexico Office of the State Engineer POD Reports and Downloads

WATER COLUMN REPORT 08/22/2008

	(quarter (quarter	s are	e 1= e bi	NW gg	2= est	=NE t ta	3=SW 4=SI smalles	2) t)		Depth	Depth	Water	(in feet)
POD Number	Tws	Rng	Sec	q	q	P	Zone	x	Y	Well	Water	Column	
RG 76598	27N	12W	02	3	4	1				225	145	80	
SJ 00076	27N	12W	13	1	3	2				641	408	233	
SJ 00210	27N	12W	13	2	2	2				717	422	295	
SJ 00065	27N	12W	13	3	1	1				671	215	456	
SJ 00066	27N	12W	13	3	3	1				750	177	573	

Record Count: 5







XTO Energy Inc. San Juan Basin (Northwest New Mexico) General Design and Construction Plan For Below-Grade Tanks

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

General Plan

- 1. XTO will design and construct below-grade tanks to contain liquids and solids and prevent contamination of fresh water and protect public health and environment.
- 2. XTO will post a well sign, in compliance with 19.15.3.103 NMAC, on the existing well site operated by XTO where the existing below-grade tank is located. The sign will list the Operator on record as the operator, the location of the well site by unit letter, section, township, range, and emergency telephone numbers.
- 3. XTO is requesting approval of an alternative fencing to be used on below-grade tank locations. Below-grade tank locations will be fenced utilizing 48" steel mesh field-fence (hogwire) with pipe railing along the top. A 6' chain link fence will be utilized around the well pad if the well site is within a city limits or ¼ mile of a permanent residence, school, hospital, institution or church. Below-grade tanks located within 1000' of a permanent residence, school, hospital, institution or church will be fenced by 6' chain link fence with at least two strands of barbed wire at the top. All gates associated with below-grade tanks will remain closed and locked when responsible individuals are not on site.
- 4. XTO shall construct below-grade tanks with an expanded metal covering or solid vaulted top on the top of the below-grade tank.
- 5. XTO will ensure that below-grade tanks are constructed of materials resistant to the below-grade tank's particular contents and resistant to damage from sunlight. Tanks will be constructed of A36 carbon steel with 3/16" sides and 1/4" bottom. (See attached drawing).
- 6. The below-grade tank system will have a properly constructed foundation consisting of a level base free of rocks, debris, sharp edges or irregularities to prevent punctures, cracks or indentations of the liner or tank bottom. Sand bedding (4") will be placed on top of a level foundation to ensure prevention of punctures, cracks or indentations of the liner or tank bottom.
- XTO will construct a berm and/or diversion ditch in a manner that prevents the collection of surface water run-on. Below-grade tanks will be equipped with automatic high level shut-off devices as well as manually operated shut-off valves. (See attached drawing).
- 8. XTO will construct and use below-grade tanks that do not have double walls. The below-grade tank sidewalls will be open for visual inspection for leaks. The sidewalls of the cellar will be constructed with 2" X 12" pine sidewalls and 4" X 4" pine brace posts. The below-grade tank

XTO Energy Inc. San Juan Basin (Northwest New Mexico) General Design and Construction Plan For Below-Grade Tanks Page 2

> bottom will be elevated a minimum of 6" above the underlying ground surface and the belowgrade tank will be underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected. (See attached drawing).

- 9. XTO will equip below-grade tanks designed in this manner with a properly functioning automatic high-level shut-off control device and manual controls to prevent overflows. (See attached drawing).
- 10. XTO will demonstrate to the OCD that the geomembrane liner complies with the specifications of Subparagraph (a) of Paragraph (4) of Subsection I of 19.15.17.11 NMAC and obtain approval from OCD prior to the installation of the design. The geomembrane liner shall have a hydraulic conductivity no greater than 1 x 10-9 cm/sec. The geomembrane liner shall be composed of an impervious, synthetic material that is resistant to petroleum hydrocarbons, salts and acidics and alkaline solutions. The liner material shall be resistant to ultraviolet light. Liner compatibility shall comply with EPA SW-846 method 9090A. (See attached drawing).
- 11. The general specifications for design and construction are attached.



XTO Energy Inc. San Juan Basin (Northwest New Mexico) General Maintenance and Operating Plan For Below-Grade Tanks

In accordance with Rule 19.15.17.12 NMAC the following information describes the operation and maintenance of below-grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below-grade tanks. A separate plan will be submitted for any below-grade tank which does not conform to this plan.

General Plan

- XTO will operate and maintain below-grade tanks to contain liquids and solids, maintain the integrity of the liner and secondary containment system, prevent contamination of fresh water and protect public health and the environment. Fluid levels will be monitored weekly and high levels will be removed as necessary. Monthly inspections will be conducted to monitor integrity of below-grade tank systems and below-grade tanks will be equipped with automatic high-level shut-off devices.
- 2. XTO will not allow below-grade tanks to overflow and will use berms and/or diversion ditch to prevent surface run on to enter the below-grade tank. Below-grade tanks will be equipped with automatic high-level shut-off control devices as well as manually operated shut-off valves. See attached drawing for vault design and placement of diversion berms and shut-off devices.
- 3. XTO will continuously remove any visible or measurable layer of oil from the fluid surface of below-grade tanks in order to prevent significant accumulation of oil.
 - 4. XTO will inspect the below-grade tank monthly and maintain written records for five years. Monthly inspections will consist of documenting the following: (see attached template),
 - Well Name API # Sec., Twn., Rng. XTO Inspector's name Inspection date and time Visible tears in liner Visible signs of tank overflow Collection of surface run on Visible layer of oil Visible signs of tank leak Estimated freeboard
- 5. XTO will maintain adequate freeboard to prevent over topping of the below-grade tank. High level shut-off devices control the freeboard at an average of 28" beneath the top of the tank.
- 6. XTO will not discharge into or store any hazardous waste in any below-grade tank.
- 7. If a below-grade tank develops a leak, or if any penetration of a below-grade tank occurs below the liquids surface, XTO will remove all liquids above the damage or leak line within 48 hours,

XTO Energy Inc. San Juan Basin (Northwest New Mexico) General Maintenance and Operating Plan For Below-Grade Tanks Page 2

notify the appropriate division district office within 48 hours of the discovery and repair the damage or replace the below-grade tank. If an existing below-grade tank does not meet current requirements of Paragraphs 1-4 of Subsection I of 19.15.17.11 NMAC the tank will be modified or retrofitted to comply. If compliance can not be achieved XTO will implement the approved closure plan.

Well Nan	ne:				API No.:			
Legals	Sec:		Township:		Range:			
XTO Inspector's Name	Inspection Date	Inspection Time	Any visible liner tears (Y/N)	Any visible signs of tank overflows (Y/N)	Collection of surface run on (Y/N)	Visible layer of oil (Y/N)	Any visible signs of a tank leak (Y/N)	Freeb Est.
Notes:	Provide De	eaileed Descri	iption:					
Misc:								
1								

XTO Energy Inc. San Juan Basin (Northwest New Mexico) General Closure Plan For Below-Grade Tanks

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure requirements of below-grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below-grade tanks. A separate plan will be submitted for any below-grade tank which does not conform to this plan.

General Plan

- 1. XTO will close below-grade tanks within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the division requires because of imminent danger to fresh water, public health or the environment.
- XTO will close a below-grade tank that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or is not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC within five years after June 16, 2008, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC.
- 3. XTO will close a permitted below-grade tank within 60 days of cessation of the below-grade tank's operation or as required by the transitional provisions of Subsection B of 19.15.17.17 NMAC in accordance with a closure plan that the appropriate division district office approves. The closure report will be filed on form C-144.
- 4. XTO will remove liquids and sludge from below-grade tanks prior to implementing a closure method and will dispose of the liquids and sludge in a division-approved facility. Approved facilities and waste streams include:

Envirotech Permit No. NM01-0011 and IEI Permit No. NM 01-0010B

Soil contaminated by exempt petroleum hydrocarbons

Produced sand, pit sludge and contaminated bottoms from storage of exempt wastes

Basin Disposal Permit No. NM01-005 Produced water

- 5. XTO will 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 has approved prior to removal. Any associated liners will be removed, properly cleaned and disposed of per 19.15.9.712 NMAC at San Juan County Landfill. Documentation of the final disposition will be included in the closure report.
- 6. XTO will remove any on-site equipment associated with a below-grade tank unless the equipment is required for some other purpose.
- 7. XTO will test the soils beneath the below-grade tank to determine whether a release has occurred. At a minimum 5 point composite sample will be collected along with individual grab samples from any area that is wet, discolored or showing other evidence of a release. Samples will be

XTO Energy Inc. San Juan Basin (Northwest New Mexico) General Closure Plan For Below-Grade Tanks Page 2

> analyzed for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 8021B or 8260B or EPA method that the division approves, does not exceed 0.2 mg/kg; total BTEX concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 50 mg/kg; the TPH concentration, as determined by EPA method 418.1 or other EPA method that the division approves, does not exceed 100mg/kg; and the chloride concentration, as determined by EPA method 300.1 or other EPA method that the division approves, does not exceed 250 mg/kg, or the background concentration, whichever is greater. XTO will notify the division of its results on form C-141.

- 8. If XTO or the division determines that a release has occurred, XTO will comply with 19.15.3.116 NMAC and 19.15.1.19NMAC as appropriate.
- 9. If the sampling program demonstrates that a release has not occurred or that any release does not exceed the concentrations specified in Paragraph (4) of Subsection E of 19.15.17.13 NMAC, XTO will backfill the excavation with compacted, non-waste containing, earthen material; construct a division prescribed soil cover; recontour and re-vegetate the site.
- Notice of Closure operations will be given to the Aztec Division District III office between 72 hours and one week prior to the start of closure activities via email or verbally. The notification will include the following:
 - i. Operator's name
 - ii. Well Name and API Number
 - iii. Location by Unit Letter, Section, Township, and Range

The surface owner shall also be notified prior to the implementation of any closure operations of below-grade tanks as per the approved closure plan using certified mail, return receipt requested.

- 11. Re-contouring of location will match fit, shape, line, form and texture of the surrounding area. Re-shaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be placed in areas where needed to prevent erosion on a large scale. Final re-contour shall have a uniform appearance with smooth surface, fitting the natural landscape.
- 12. A minimum of 4 feet of cover shall be achieved and the cover shall include 1 foot of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater. Soil cover will be constructed to the site's existing grade and ponding of water and erosion of the cover material will be prevented with drainage control, natural drainages and silt traps where needed.
- 13. XTO will seed the disturbed areas the first growing season after the operator closes the pit. Seeding will be accomplished via drilling on the contour whenever practical or by other divisionapproved methods. BLM or Forest Service stipulated seed mixes will be used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs.

XTO Energy Inc. San Juan Basin (Northwest New Mexico) General Closure Plan For Below-Grade Tanks Page 3

14. All closure activities will include proper documentation and be available for review upon request and will be submitted in closure report form to OCD within 60 days of closure of the below-grade tank. Closure report will be filed on form C-144 and incorporate the following:

- i. Proof of closure notice to division and surface owner:
- ii. Details on capping and covering, where applicable;
- iii. Inspection reports;
- iv. Confirmation sampling analytical results;
- v. Disposal facility name(s) and permit number(s);
- vi. Soil backfilling and cover installation;
- vii. Re-vegetation application rates and seeding techniques, (or approved alternative to re-vegetation requirements if applicable);
- viii. Photo documentation of the site reclamation.