District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 <u>District III</u> 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

Form C-144 July 21, 2008 For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office. For permanent pits and exceptions submit to the Santa Fe Environmental Buteau office and provide a copy to the appropriate NMOCD Distract Office 19 PM 1 53

PM 1 53

Pit, Closed-Loop System, Below-Grade Tank, or

Proposed Alternative Method Permit or Closure Plan Application
Type of action: Existing BGT Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.
Operator: XTO Energy, Inc. OGRID #: 5380
Address: #382 County Road 3100, Aztec, NM 87410
Facility or well name: Pipkin PO #1G
API Number: 3004533777 OCD Permit Number:
U/L or Qtr/Qtr J Section 08 Township 27N Range 10W County: San Juan
Center of Proposed Design: Latitude 36.5881667 Longitude 107.91417 NAD: □1927 ☑ 1983
Surface Owner: Federal State Private Tribal Trust or Indian Allotment
Pit: Subsection F or G of 19.15.17.11 NMAC Temporary: Drilling Workover Permanent Emergency Cavitation P&A Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other String-Reinforced Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x D
Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) Drying Pad Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other Liner Seams: Welded Factory Other
4. Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: 120 bbl Type of fluid: Produced Water Tank Construction material: Steel Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off Visible sidewalls and liner Visible sidewalls only Other Visible sidewalls, vaulted, automatic high-level shut off, no liner Liner type: Thickness mil

Released to Imaging: 10/13/2021 9:47:52 AM Form C-144

Alternative Method:

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

16.	
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 in the strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school in the strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school in the strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school in the strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school in the strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school in the strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school in the strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school in the strands of barbed wire at top (Required if located within 1000 feet of a permanent residence).	l, 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	
7.	
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)	
8.	
Signs: Subsection C of 19.15.17.11 NMAC	
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers	
⊠ Signed in compliance with 19.15.3.103 NMAC	
9. Administrative Approvals and Exceptions:	OF TORRING
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 Burea	u office for
consideration of approval.	a office for
Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	
material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the app office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to diabove-grade tanks associated with a closed-loop system.	fapproval.
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ⊠ No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ⊠ No ☐ NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) - 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

facilities are required.		
Disposal Facility Name:	Disposal Facility Permit Number:	
Disposal Facility Name:	Disposal Facility Permit Number:	
Will any of the proposed closed-loop system operations and associated activitie ☐ Yes (If yes, please provide the information below) ☐ No	s occur on or in areas that will not be used for future ser	vice and operations?
Required for impacted areas which will not be used for future service and open Soil Backfill and Cover Design Specifications based upon the appropriate Re-vegetation Plan - based upon the appropriate requirements of Subsect Site Reclamation Plan - based upon the appropriate requirements of Subsect	riate requirements of Subsection H of 19.15.17.13 NMA ion I of 19.15.17.13 NMAC	С
17. Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMA Instructions: Each siting criteria requires a demonstration of compliance in provided below. Requests regarding changes to certain siting criteria may reconsidered an exception which must be submitted to the Santa Fe Environmed demonstrations of equivalency are required. Please refer to 19.15.17.10 NMA	the closure plan. Recommendations of acceptable soul quire administrative approval from the appropriate dist ntal Bureau office for consideration of approval. Just	rict office or may be
Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS;	Data obtained from nearby wells	Yes No
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;		Yes No
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
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other 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 chu - Visual inspection (certification) of the proposed site; Aerial photo; Sate		Yes No
Within 500 horizontal feet of a private, domestic fresh water well or spring that watering purposes, or within 1000 horizontal feet of any other fresh water well NM Office of the State Engineer - iWATERS database; Visual inspection	or spring, in existence at the time of initial application.	☐ Yes ☐ No
Within incorporated municipal boundaries or within a defined municipal fresh vadopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written app		Yes No
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; V	isual 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-Min	ning and Mineral Division	☐ Yes ☐ No
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geo Society; Topographic map 	logy & Mineral Resources; USGS; NM Geological	☐ Yes ☐ No
Within a 100-year floodplain FEMA map		☐ Yes ☐ No
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirement Construction/Design Plan of Burial Trench (if applicable) based upon the Construction/Design Plan of Temporary Pit (for in-place burial of a drying Protocols and Procedures - based upon the appropriate requirements of 19 Confirmation Sampling Plan (if applicable) - based upon the appropriate Waste Material Sampling Plan - based upon the appropriate requirements Disposal Facility Name and Permit Number (for liquids, drilling fluids at Soil Cover Design - based upon the appropriate requirements of Subsecting Re-vegetation Plan - based upon the appropriate requirements of Subsecting Site Reclamation Plan - based upon the appropriate requirements of Subsecting Site Reclamation Plan - based upon the appropriate requirements of Subsecting Site Reclamation Plan - based upon the appropriate requirements of Subsecting Site Reclamation Plan - based upon the appropriate requirements of Subsecting Site Reclamation Plan - based upon the appropriate requirements of Subsecting Site Reclamation Plan - based upon the appropriate requirements of Subsecting Site Reclamation Plan - based upon the appropriate requirements of Subsecting Site Reclamation Plan - based upon the appropriate requirements of Subsecting Site Reclamation Plan - based upon the appropriate requirements of Subsecting Site Reclamation Plan - based upon the appropriate requirements of Subsecting Site Reclamation Plan - based upon the appropriate requirements of Subsecting Site Reclamation Plan - based upon the appropriate requirements of Subsecting Site Reclamation Plan - based upon the appropriate requirements of Subsecting Site Reclamation Plan - based upon the appropriate requirements of Subsecting Site Reclamation Plan - based upon the appropriate requirements of Subsecting Site Reclamation Plan - based upon the appropriate requirements of Subs	requirements of 19.15.17.10 NMAC s of Subsection F of 19.15.17.13 NMAC e appropriate requirements of 19.15.17.11 NMAC ag pad) - based upon the appropriate requirements of 19. 9.15.17.13 NMAC requirements of Subsection F of 19.15.17.13 NMAC s of Subsection F of 19.15.17.13 NMAC and drill cuttings or in case on-site closure standards cann on H of 19.15.17.13 NMAC ion I of 19.15.17.13 NMAC	15.17.11 NMAC

T (D 1) III OI II	met 1	
Name (Print): Kim Champlin	Title:	Environmental Representative
ignature: Mim Wamplen	Date: 1	1/14/2008
-mail address: kim_champlin@xtoenergy.com		(505) 333-3100
).		
OCD Approval: Permit Application (including closure plan)	Closure Plan (only) OCD	Conditions (see attachment)
OCD Representative Signature: CRWhitehead		Approval Date: October 13, 2021
Title: Environmental Specialist	OCD Permit Num	ber:BGT 1
i. Closure Report (required within 60 days of closure completion):	Subsection K of 10 15 17 13 NM	IAC .
instructions: Operators are required to obtain an approved closure The closure report is required to be submitted to the division within ection of the form until an approved closure plan has been obtaine	plan prior to implementing any 60 days of the completion of the	closure activities and submitting the closure repor closure activities. Please do not complete this
	☐ Closure Com	pletion Date:
	☐ Alternative Closure Method	☐ Waste Removal (Closed-loop systems only)
Closure Report Regarding Waste Removal Closure For Closed-loss structions: Please indentify the facility or facilities for where the wo facilities were utilized. Disposal Facility Name:	liquids, drilling fluids and drill o	cuttings were disposed. Use attachment if more th
Disposal Facility Name:	Disposal Facility P	
Vere the closed-loop system operations and associated activities perf Yes (If yes, please demonstrate compliance to the items below)	formed on or in areas that will not	
equired for impacted areas which will not be used for future service Site Reclamation (Photo Documentation)		
Soil Backfilling and Cover Installation		
Re-vegetation Application Rates and Seeding Technique		
4. Closure Report Attachment Checklist: Instructions: Each of the mark in the box, that the documents are attached.	following items must be attached	to the closure report. Please indicate, by a check
☐ 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-s	ite 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	Longitude	NAD: □1927 □ 1983
perator Closure Certification:		
hereby certify that the information and attachments submitted with telief. I also certify that the closure complies with all applicable clos	this closure report is true, accurate	e and complete to the best of my knowledge and
fame (Print):		specified in the approved closure plan.
	4 2220	
	-	
ignature:	Date:	

Oil Conservation Division

CHETRICT | 1828 M. Franch Cir., Hobbs, N.M. 86240

DESTRICT 2 1301 R. Grand Ave., Artisto, M.M. 88210

ESTRICT III 1000 No Brezoe Rd., Actoc, N.M. 87410

NSTRICT IV 1280 South St. Francis Dr., Santa Fe, NM 87505 State of New Mexico
Energy, Winerals & Natural Resources Department
OIL. CONSERVATION DIVISION
1220 South St. Francis Dr.
Santo Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

[] AMENDED REPORT

1 APE	Hamber		71	399		Basin	Daho	14Cu	
*Preparty Co	**				Property I	lame:		•	Nell Humber 1G
10701	_	-			*Operator !	ligno			Elevetion 6039
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A or let ms.	Section 8	Favoration 27~N	Renge 10-W	set Idn	Feet from the 2070	Harth/South time SOUTH	Feet from the 1435	East/Real line EAST	County SAN JUAN
	demands v tay	1	" Bott	om Hole		Different Fro		Acceptanting manager per respect to a	
At er let no.	Section	formalip	Range	Lat idn	Feel from the	Horth/South line	Feet from the	Equi/Most line	County
Dedicated Acre		1	Joint or Infill		** Conesidation C	ode	GOIDE No.		
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		LAY	: 36°35'1 : 107°54	7.4" N. 51.0" W.	(MAD 27)	1435	hardy sar	URVEYOR CEI	on chosen on this pi
				/	2070,	/	2 2 2		5

1.1.0.		Pit Permit	Client:	XTO Energy
Lodestar Service	es, inc.		Project:	Pit Permits
70 Bes 4465, Duran	po, CO 81302	Siting Criteria	Revised:	15-Oct-08
V		Information Sheet	Prepared by:	Devin Hencmann
API#:		3004533777	USPLSS:	27N, 10W, 08J
Name:	Р	IPKIN PO #1G	Lat/Long:	36.5881667/-107.91417
Depth to groundwater:		>100'	Geologic formation:	Naciemento
Distance to closest continuously flowing watercourse:	8.28 mil	es N to the 'San Juan River'		
Distance to closest ignificant watercourse, lakebed, playa lake, or sinkhole:	1.6 miles V	V to Kutz Canyon wash		
			Soil Type:	Entisols
Permanent residence, school, hospital, institution or church within 300'		No		
			Annual Precipitation:	Bloomfield: 8.71", Farmington: 8.21", Otis: 10.41"
Domestic fresh water 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 Quarrie Map pdf,i-Waters Ground Water Data Map pdf, FEMA flood zone map pdf
Wetland within 500'	2	No	Mining Activity:	None
Within unstable area		No		
Within 100 year flood plain	No	-FEMA Zone 'X'		
Additional Notes:		Dutie Tale		
	well pad, 1	on pond located on the 06' SE of underground storage tank		

PIPKIN PO #1G 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

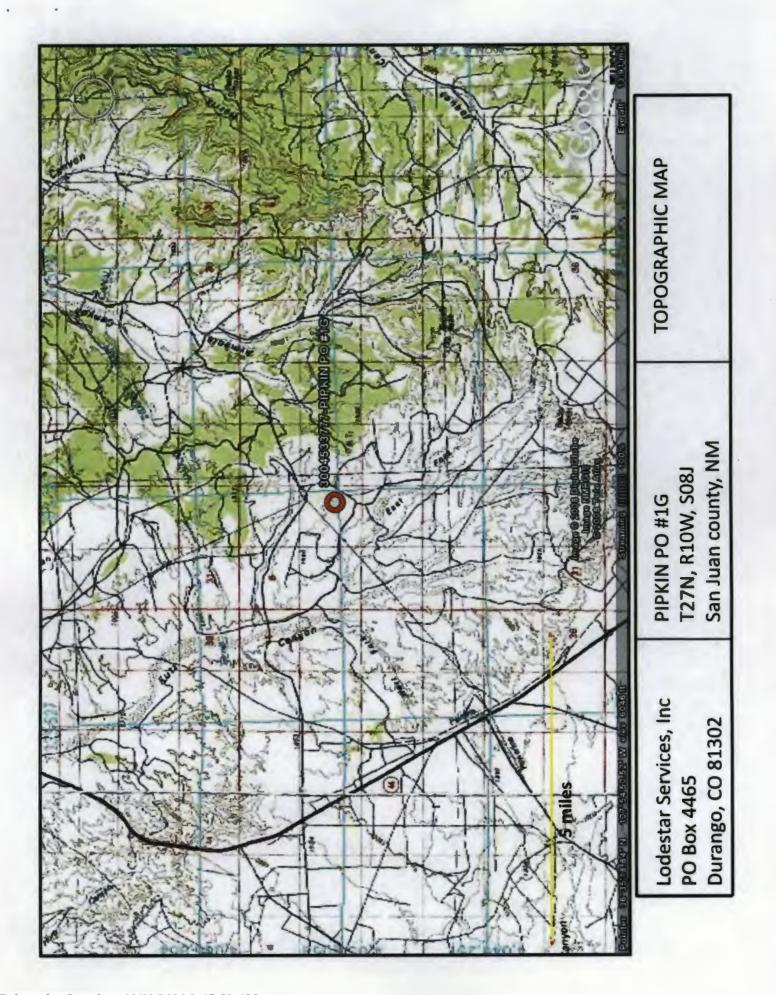
Depth to groundwater is estimated to be greater than 100'. This estimation is based on data from Stone and others (1983), the USGS Groundwater Atlas of the United States and depth to groundwater data published on the New Mexico State Engineer's iWaters Database website. Local topography and proximity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

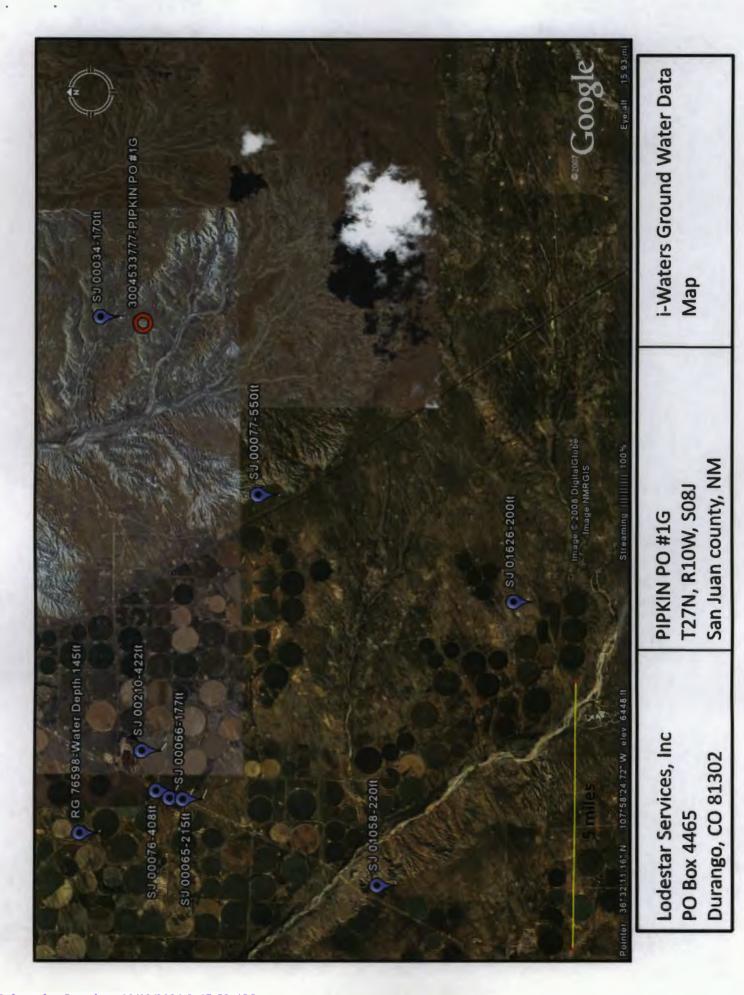
Beds of water-yielding sandstone are present in the Nacimiento Formation, which are fluvial in origin and are interbedded with siltstone, shale and coal. Porous sandstones form the principal aquifers, while relatively impermeable shales form confining units between the aquifers (Stone et al., 1983). 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 6050 feet near the head of Kutz Wash. It is located within the Kutz Canyon tributary system and 1.6 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 200 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 2100 feet to the northeast 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

POD / Surface Data Report Avg Depth to Water Report Water Column Report

22 01707	Tws	Rng	Sec	9 9 9	4 4	(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are higgest to smallest) Tws Rng Sec q q q Zone	×	н	Depth Well	Depth	Depth Water (in feet) Water Column	(in	feet
£ 00077	27N 11W 26 2 1 3	110	56	1 = 1	en				1102	550	552		

Water (in feet) Column 65 Nater 170 Depth Well 235 WATER COLUMN REPORT 09/23/2008 (quarters are 1-NW 2-NB 3-SW 4-SB) (quarters are biggest to smallest) Rng Sec q q q 10W 08 2 2 3 Twe Z7N PCD Number SJ 00034

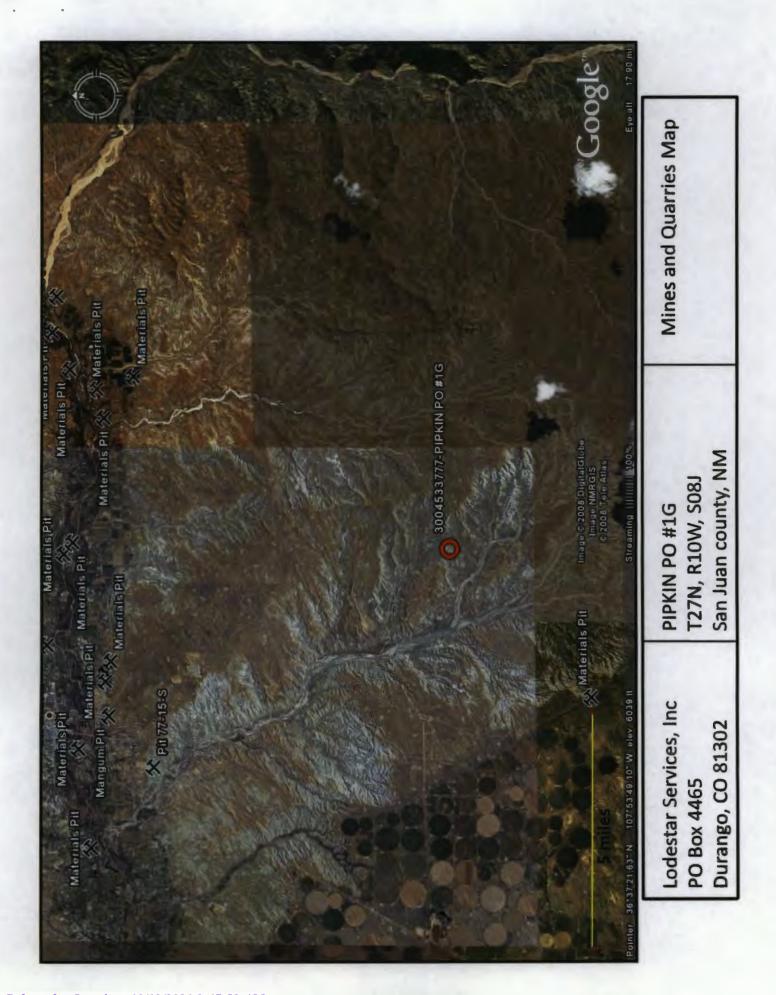
New Mexico Office of the State Engineer POD Reports and Downloads

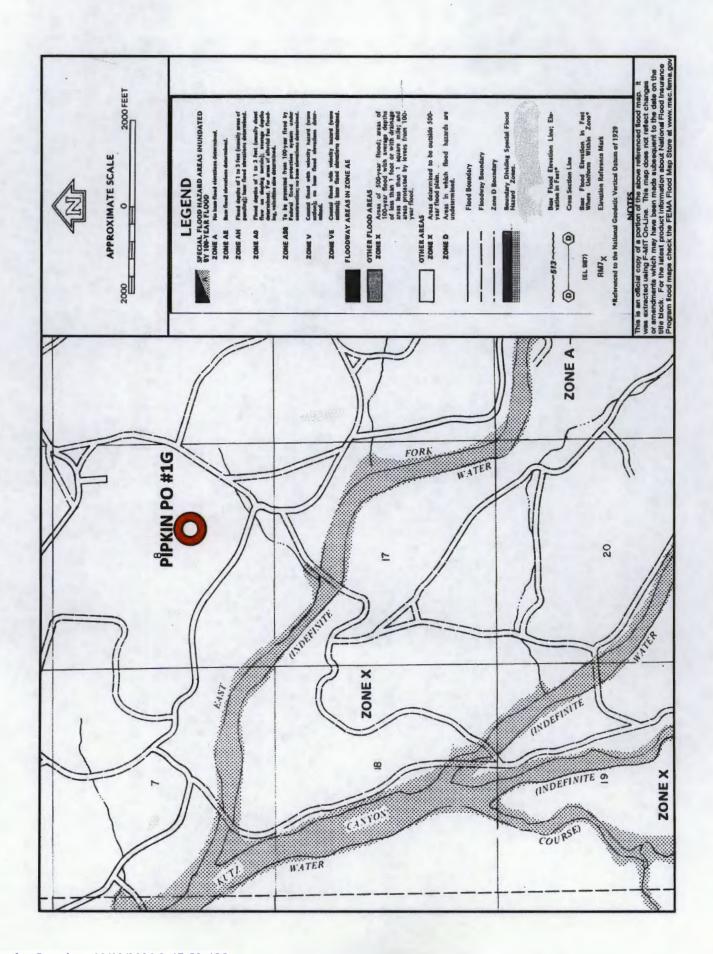
WATER COLUMN REPORT 08/22/2008

	(quarters	s are	bid	ges	to	rs are biggest to smallest)	ti		Depth	Depth	Water	(in	feet)
PCD Number	TVS	Rng	Sec	6 6	6	Zone	×	X	Well	Water	Column		
RG 76598	27N	12W	02	3	-				225	145	80		
SJ 00076	27N	12W	13	1 3	2				641	408	233		
SJ 00210	27N	12W	13	2 2	17				717	422	295		
SJ 00065	27N	12W	13	3 1	1				671	215	456		
SJ 00066	27N	12W	13	3	1				750	177	573		

Record Count:







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.

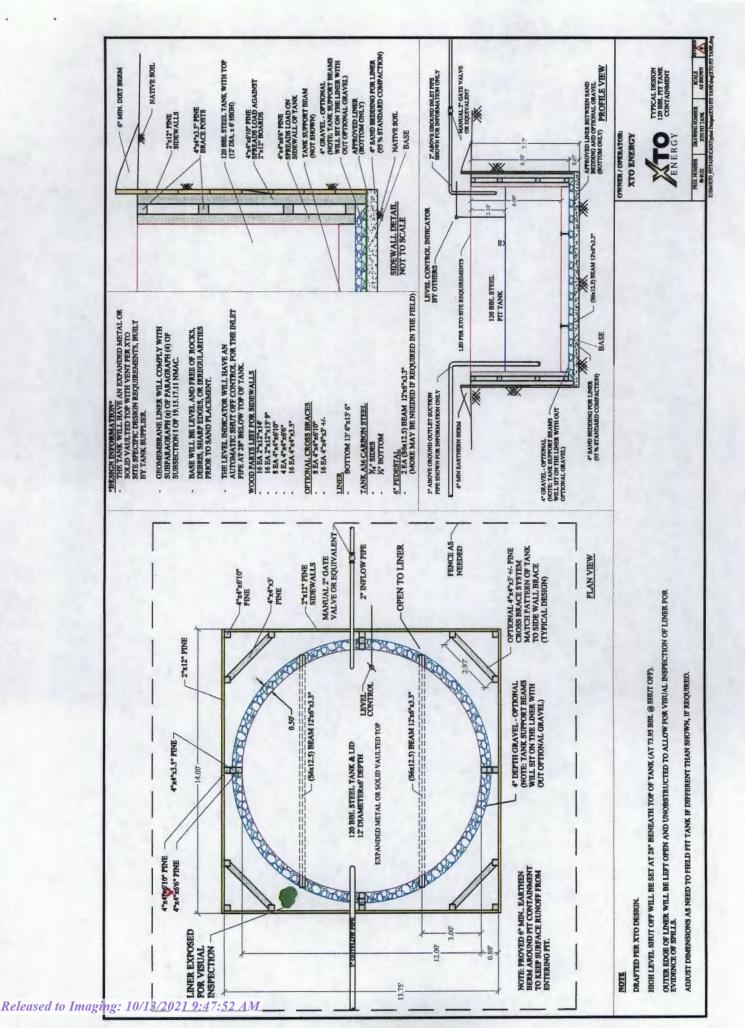
General Plan

- 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 \(\lambda'' \) 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.
- 7. 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).

- 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

- 1. 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.
- 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.

		MONT	ILY BELO	MONTHLY BELOW GRADE TANK INSPECTION FORM	INSPECTION	N FORM		
Well Name:	me:				API No.:			
Legals	Sec:		Township:		Range:			
XTO Inspector's Name	Inspection	Inspection	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)	Freeboard Est. (ft)
Notes:	Provide De	Provide Detailed Description:	otion:					

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

- 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.
- 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.
- 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.

- If XTO or the division determines that a release has occurred, XTO will comply with 19.15.3.116
 NMAC and 19.15.1.19NMAC as appropriate.
- 9. If the sampling program demonstrates that a release has not occurred or that any release does not exceed the concentrations specified in Paragraph (4) of Subsection E of 19.15.17.13 NMAC, XTO will backfill the excavation with compacted, non-waste containing, earthen material; construct a division prescribed soil cover; recontour and re-vegetate the site.
- 10. Notice of Closure 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 division-approved methods. BLM or Forest Service stipulated seed mixes will be used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs.

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.

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 55553

QUESTIONS

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	55553
	Action Type:
	[C-144] Legacy Below Grade Tank Plan (C-144LB)

QUESTIONS

Facility and Ground Water	
Please answer as many of these questions as possible in this group. More information will help us	identify the appropriate associations in the system.
Facility or Site Name	Not answered.
Facility ID (f#), if known	Not answered.
Facility Type	Below Grade Tank - (BGT)
Well Name, include well number	Not answered.
Well API, if associated with a well	Not answered.
Pit / Tank Type	Not answered.
Pit / Tank Name or Identifier	Not answered.
Pit / Tank Opened Date, if known	Not answered.
Pit / Tank Dimensions, Length (ft)	Not answered.
Pit / Tank Dimensions, Width or Diameter (ft)	Not answered.
Pit / Tank Dimensions, Depth (ft)	Not answered.
Ground Water Depth (ft)	Not answered.
Ground Water Impact	Not answered.
Ground Water Quality (TDS)	Not answered.

Below-Grade Tank	
Subsection I of 19.15.17.11 NMAC	
Volume / Capacity (bbls)	Not answered.
Type of Fluid	Not answered.
Pit / Tank Construction Material	Not answered.
Secondary containment with leak detection	Not answered.
Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off	Not answered.
Visible sidewalls and liner	Not answered.
Visible sidewalls only	Not answered.
Tank installed prior to June 18. 2008	Not answered.
Other, Visible Notation. Please specify	Not answered.
Liner Thickness (mil)	Not answered.
HDPE (Liner Type)	Not answered.
PVC (Liner Type)	Not answered.
Other, Liner Type. Please specify (Variance Required)	Not answered.

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)	Not answered.
Four foot height, four strands of barbed wire evenly spaced between one and four feet	Not answered.
Alternate, Fencing. Please specify (Variance Required)	Not answered.

Netting		
Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)		
Screen	Not answered.	
Netting	Not answered.	
Other, Netting. Please specify (Variance May Be Needed)	Not answered.	

Signs

Subsection C of 19.15.17.11 NMAC (If there are multiple operators at a site, each operator must have their own sign in compliance with Subsection C of 19.15.17.11 NMAC.)

12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers	Not answered.
Signed in compliance with 19.15.16.8 NMAC	Not answered.

Variances and Exceptions	
Justifications and/or demonstrations ofequivalency 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.	Not answered.
Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval	Not answered.

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.

Siting Criteria, General Siting		
Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank	Not answered.	
NM Office of the State Engineer - iWATERS database search	Not answered.	
USGS	Not answered.	
Data obtained from nearby wells	Not answered.	

Siting Criteria, Below Grade Tanks		
Within 100 feet of a continuously flowing watercourse, significant watercourse, lakebed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark)	Not answered.	
Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption	Not answered.	

Proposed Closure Method		
Below-grade Tank	Below Grade Tank - (BGT)	
Waste Excavation and Removal	Not answered.	
Alternate Closure Method. Please specify (Variance Required)	Not answered.	

Operator Application Certification	
Registered / Signature Date	Not answered.

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ACKNOWLEDGMENTS

Action 55553

ACKNOWLEDGMENTS

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	55553
	Action Type:
	[C-144] Legacy Below Grade Tank Plan (C-144LB)

ACKNOWLEDGMENTS

<u>~</u>	I acknowledge that I have received prior approval from the OCD to submit documentation of a legacy below-grade tank on behalf of my operator.
V	I hereby certify that the information submitted with this documentation is true, accurate and complete to the best of my knowledge and belief.

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CONDITIONS

Action 55553

CONDITIONS

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	55553
	Action Type:
	[C-144] Legacy Below Grade Tank Plan (C-144LB)

CONDITIONS

Created By	Condition	Condition Date
cwhitehead	None	10/13/2021