District I 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 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.

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 Bureau office and provide a copy to the appropriate NMOCD District Office.

Pit Closed-Loop System Below-Grade Tank or

1 it, Closed-Loop Bystein, 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
lease 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 notironment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.
1. Operator: XTO Energy, Inc. OGRID #: 5380
Address: #382 County Road 3100, Aztec, NM 87410
Facility or well name: GALLEGOS # 13E
API Number: 30-045-34 008 OCD Permit Number:
U/L or Qtr/Qtr L Section 35 Township 26N Range 11W County: San Juan
Center of Proposed Design: Latitude <u>36.44598</u> Longitude <u>107.97901</u> NAD: <u>1927</u> ▼ 1983
Surface Owner: Federal State 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 3. Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) Drying Pad Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other Liner Seams: Welded Factory Other Other
Selow-grade tank: Subsection I of 19.15.17.11 NMAC Volume: 120
5. Alternative Method: Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

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<u>S</u>		
9.0	oplies to permanent pits, temporary pits, and below-grade tanks)	
institution or church)	bed wire at top (Required if located within 1000 feet of a permanent residence, school,	hospital,
Four foot height, four strands of barbed wire ev	enly spaced between one and four feet	
Alternate. Please specify Four foot height, stee	el mesh field fence (hogwire) with pipe top railing	
7. Netting: Subsection E of 19.15.17.11 NMAC (Apr	plies to permanent pits and permanent open top tanks)	
☐ Screen ☐ Netting ☒ Other Expanded metal		
☐ Monthly inspections (If netting or screening is r	The state of the s	
8.		
Signs: Subsection C of 19.15.17.11 NMAC		
	me, site location, and emergency telephone numbers	
⊠ Signed in compliance with 19.15.3.103 NMAC		
Please check a box if one or more of the following		
consideration of approval.	be submitted to the appropriate division district or the Santa Fe Environmental Bureau to the Santa Fe Environmental Bureau office for consideration of approval.	office for
material are provided below. Requests regarding office or may be considered an exception which m	mpliance for each siting criteria below in the application. Recommendations of acce changes to certain siting criteria may require administrative approval from the appro- oust be submitted to the Santa Fe Environmental Bureau office for consideration of a clease refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to dry	opriate district approval.
Ground water is less than 50 feet below the bottom	of the temporary pit, permanent pit, or below-grade tank. RS database search; USGS; Data obtained from nearby wells	☐ Yes ⊠ No
Within 300 feet of a continuously flowing watercot lake (measured from the ordinary high-water mark) - Topographic map; Visual inspection (certification)		☐ Yes ⊠ No
Within 300 feet from a permanent residence, school (Applies to temporary, emergency, or cavitation pit - Visual inspection (certification) of the property.	ol, hospital, institution, or church in existence at the time of initial application. ts and below-grade tanks) posed site; Aerial photo; Satellite image	☐ Yes ⊠ No ☐ NA
Within 1000 feet from a permanent residence, scho (Applies to permanent pits) - Visual inspection (certification) of the properties.	pool, hospital, institution, or church in existence at the time of initial application.	Yes No
Within 500 horizontal feet of a private, domestic fr watering purposes, or within 1000 horizontal feet of	resh water well or spring that less than five households use for domestic or stock of any other fresh water well or spring, in existence at the time of initial application. RS database search; Visual inspection (certification) of the proposed site	⊠ Yes □ No
adopted pursuant to NMSA 1978, Section 3-27-3,	in a defined municipal fresh water well field covered under a municipal ordinance as amended. the municipality; Written approval obtained from the municipality	☐ Yes ⊠ No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification	on map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No
Within the area overlying a subsurface mine. - Written confirmation or verification or maj	p from the NM EMNRD-Mining and Mineral Division	☐ Yes ⊠ No
Society: Topographic man	e design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological	☐ Yes ⊠ No
Within a 100-year floodplain FEMA map Form C-144		☐ Yes ⊠ No
eived		,
Form C-144	Oil Conservation Division Page 2 of :	5

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 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 Previously Approved Design (attach copy of design) API Number: or Permit Number:
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC Previously Approved Design (attach copy of design) API Number: Previously Approved Operating and Maintenance Plan API Number: API Number: (Applies only to closed-loop system that use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Preeboard and Overtopping Prevention 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 Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
14.
Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan. Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System Alternative Proposed Closure Method: Waste Excavation and Removal 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 G of 19.15.17.13 NMAC ☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

Form C-144 Oil Conservation Division Page 3 of 5

NMAC) nore than two											
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations? Yes (If yes, please provide the information below) No											
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 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											
ce material are rict office or may be fications and/or											
☐ Yes ☐ No ☐ NA											
☐ Yes ☐ No ☐ NA											
☐ Yes ☐ No ☐ NA											
☐ Yes ☐ No											
☐ Yes ☐ No											
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☐ Yes ☐ No											
☐ Yes ☐ No											
☐ Yes ☐ No											
an. Please indicate, 15.17.11 NMAC ot be achieved)											

Form C-144

Operator Application Certification: I hereby certify that the information submitted with this application is true, according to the content of the content	urate and complete to the best of my knowledge and belief.
Name (Print): Kim Champlin	
Signature: Kim Champlin	Date:11/25/08
e-mail address: kim_champlin@xtoenergy.com	
OCD Approval: Permit Application (including closure plan) Closure	
OCD Representative Signature: Victoria Venegas	Approval Date:04/06/2022
Title: Environmental Specialist	OCD Permit Number: BGT1
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	r to implementing any closure activities and submitting the closure report. If the completion of the closure activities. Please do not complete this
	Closure Completion Date:
Closure Method: Waste Excavation and Removal On-Site Closure Method Alter If different from approved plan, please explain.	native Closure Method Waste Removal (Closed-loop systems only)
23. Closure Report Regarding Waste Removal Closure For Closed-loop System Instructions: Please indentify the facility or facilities for where the liquids, de two facilities were utilized.	ns That Utilize Above Ground Steel Tanks or Haul-off Bins Only: rilling fluids and drill cuttings were disposed. Use attachment if more than
Disposal Facility Name:	Disposal Facility Permit Number:
Disposal Facility Name:	
Were the closed-loop system operations and associated activities performed on Yes (If yes, please demonstrate compliance to the items below) No	
Required for impacted areas which will not be used for future service and opera Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	ations:
24,	
Closure Report Attachment Checklist: Instructions: Each of the following 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)	
	gitude NAD: 🔲 1927 🔲 1983
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 requires.	e report is true, accurate and complete to the best of my knowledge and
Name (Print):	
Signature:	Date:
e-mail address:	Telephone:
o banda a sa	N N

Form C-144 Oil Conservation Division Page 5 of 5

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DISTRICT 1 1028 H. French Dr., Hebbs, N.M. 88240

DISTRICT B 13ml W. Grand Ave., Artsels, N.M. 66210

State of New Mexico Energy, Minerale & Natural Resources Department

Form C-102

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Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

OIL CONSERVATION DIVISION

1220 South St Irrings Up 11 29

Sorto Fe, Nik 87505 Fee Lease - 3 Copies DESTRICT M 1000 Rio Gruzos Rd., Artes, M.M. 67410 AMENDED REPORT havin. DESTRICT IV 1220 Seath St. Frencie Dr., Santo Fe, 166 87505 WELL LOCATION AND ACREAGE DEDICATION PLAT Pad Neme Danola 1,675 Humber *Property Name Preparty Code 13E **GALLEGOS** Elevation Operator Nemo OGRED No. 5269 XTO ENERGY INC. 16706 10 Surface Location East/West line Countr Fool from the Runge Lat Idn UL or lot me. SAN JUAN WEST 1020 SOUTH 11-W 1890 26-N 35 Location If Different From Surface 11 Bottom Hole East/West line County Nurth/South line Let ldn Feet from the Seellen Ut. or led no. *Crear No. Joint or Intill Dedicated Acres NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION **OPERATOR CERTIFICATION** y curtly that the interruption established horses out complete to the best of my bondaries or until that the organization either curts a curtiful or established established established the best of the find that the curt majores, or semante united bitared by bejuding the proposed bottom help by right to drib tible and at this beseton contract with an owner of such a min bitared, or in a substary pooling op-FD. 2 1/2" 9C. 1930 GLO 35 SURVEYOR CERTIFICATION philled from 160 miles of actual service made by or under my reportalist, and that the come is tree correct to the heat of my bullet. 1020 2639.0' (M) LAT: 36.44248" N. (NAB. 83) LONG: 107.97903" W. (NAD. 83) LAT: 36.2832.9" N. (NAD. 27) LONG: 107.5842.3" W. (NAD. 27) 8

69-53-39 E 2680.7' (M)

10. 2 1/2" BC.

FD. 2 1/1 1930 CLD

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· · ·	ľ	<u></u>	Cijent:	XTO Energy
A Lodestar Services	e Inc	Pit Permit	Project:	Pit Permits
PO Box 4465, Durango		Siting Criteria	Revised:	11/20/2008
TU DOX 4400, Durango	, 60 81302	Information Sheet		Daniel Newman
V	Į.	miorination street		
API#:		3004534 .008	USPLSS:	T26N,R11W,35L
Name:	. (Gallegos #13E	Lat/Long:	36.44598 / -107.97901
Depth to groundwater:		>100'	Geologic formation:	Nacimiento Formation
Septifica Grantamateri.				
watercourse:	.8.71 mile	es south of the San Juan River		
Distance to closest significant watercourse,				
iakebed, playa lake, or	954' north	of an unnamed arroyo		
sinkhole:			Soil Type:	Entisols & Aridisols
Permanent residence, school, hospitai, institution or church		No		
within 300'		W.	A	
			Annual Precipitation:	8.71 inches average
Domestic fresh water well or spring within 500'		No	Precipitation Notes:	no significant precipatation events
Any other fresh water well or spring within 9 1000'	54' north	n of an unnamed arroyo		
Within incorporated municipal boundaries		No	Attached Documents:	
Within defined municipal fresh water well field		No	Documents.	Topo map, ground water data map, ariel photo, mines and quarries map, FEMA
well field				map
Wetland within 500'		No	Mining Activity:	No
Within unstable area		No		
Within 100 year flood plain		Zone X		
Additional Notes:				

Gallegos #13E 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 northernmost Bisti region of the San Juan Basin within an area dominated by irrigated fields of the Navajo Indian Irrigation Project. 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 climate of the region is arid, averaging just over 8 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).

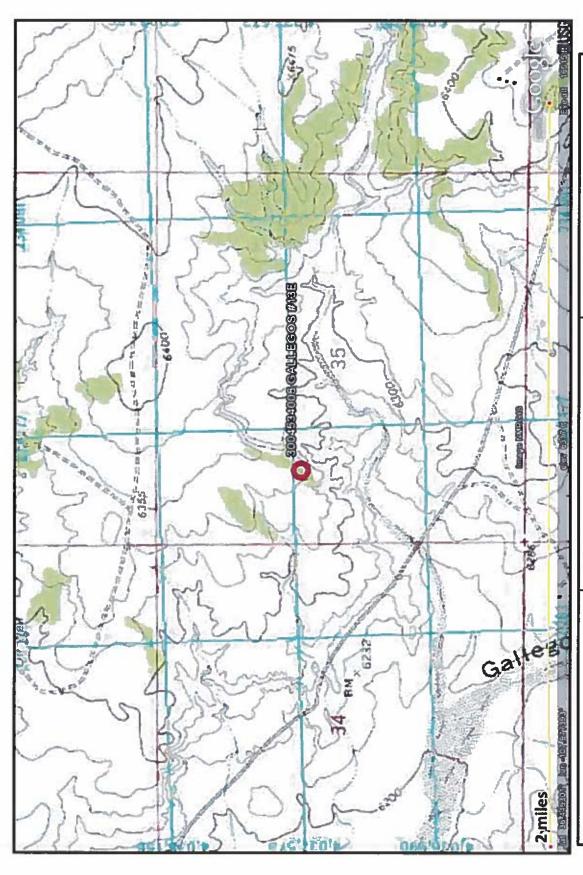
Site Specific Hydrogeology

Depth to groundwater is estimated to be greater than 100 feet. 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 at an elevation of approximately 6,346 feet and approximately 1.24 miles east of the Gallegos Canyon. Broad shalely hills are interspersed with occasional sandstone outcrops, and systems of dry washes and their tributaries are evident on the attached aerial image. Groundwater is expected to be shallow within Gallegos Canyon. The floor of Gallegos Canyon is at an elevation of approximately 6,179 feet approximately 180 feet lower in elevation.

Groundwater data available from the NM State Engineer's iWaters Database for wells near the proposed site are attached. A map showing the locations of wells in reference to the proposed pit location is also attached. Water drops show locations of wells and the labels for each water drop indicate depth to groundwater in feet. The closest well to the site is an elevation of approximately of 6,355 feet and is located 3,225 feet to the southeast this well puts groundwater at 165 feet below the surface. The observations made within this report suggest that groundwater is greater than 100 feet deep at the proposed location.



TOPOGRAPHIC MAP San Juan County, NM T26N,R11W,35L Gallegos #13E Lodestar Services, Inc Durango, CO 81302 PO Box 4465



Map San Juan County, NM T26N,R11W,35L Gallegos #13E Lodestar Services, Inc PO Box 4465 Durango, CO 81302

i-Waters Ground Water Data Map

AVERAGE DEPTH OF WATER REPORT 11/11/2008

o c	.	ιū
Feet	Avg	13
ui.	×	ιΩ
Water	Max	13
	Min	
	Wells	H
	Ħ	
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	TWS	25N
	Bsn	31

AVERAGE DEPTH OF WATER REPORT 11/09/2008

Feet)	Avg	19	18	Ф	60	20	30	210
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(Depth	Min	13	18	œ	89	20	30	210
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	×	684250				678500	689100	
	Zone	Ö				υ	ပ	
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		12%	12W	129	129	12W	129	1299
	TWS	25N	25N	25N	25N	25N	25N	25N
	Bsn	RG	RG	RG	RG	RG	RG	30

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11
REPORT
WATER
OF
DEPTH
AVERAGE

		200	
Water in	Max	200	165
(Depth	Min	200	165
	Wells	-	H
	×		
	×		
	Zone		
	Sec	91	35
	Rng	118	119
	Tws	26N	26N
	Bsn	3.7	33

AVERAGE DEPTH OF WATER REPORT 11/04/2008

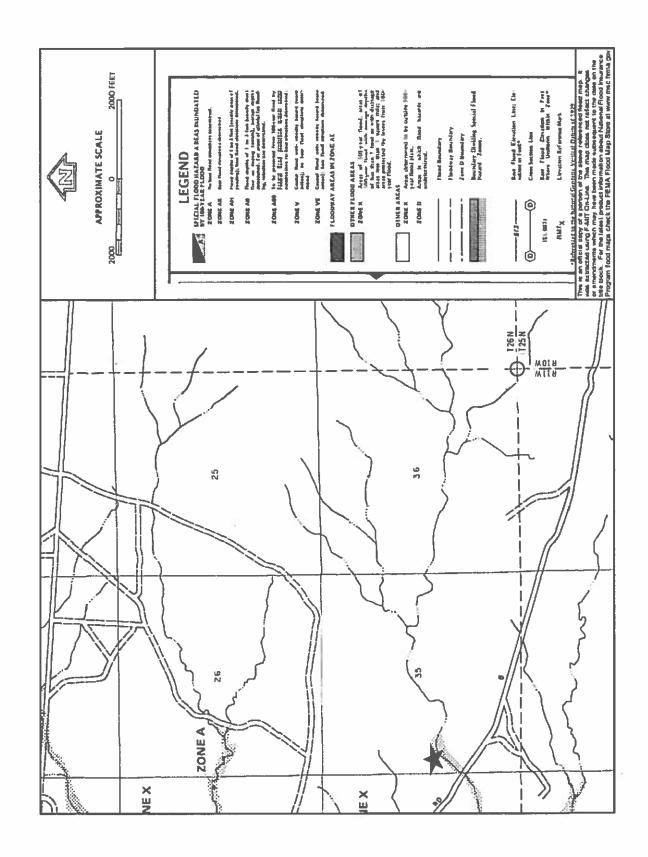
set)	Avg	180	45	220
Water in	Max	180	45	220
(Depth 1	Min	180	45	220
	Wells	H	-1	H
	×			
	×			
	Zone			
	Sec	1 04	25	03
	Rng	12W	12%	12W
	TWS	26N	26N	26N
	Bsn	RG	RG	30





San Juan County, NM Gallegos #13E T26N,R11W,35L Lodestar Services, Inc Durango, CO 81302 PO Box 4465

Mines and Quarries Map



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 ½ 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 ¼" 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

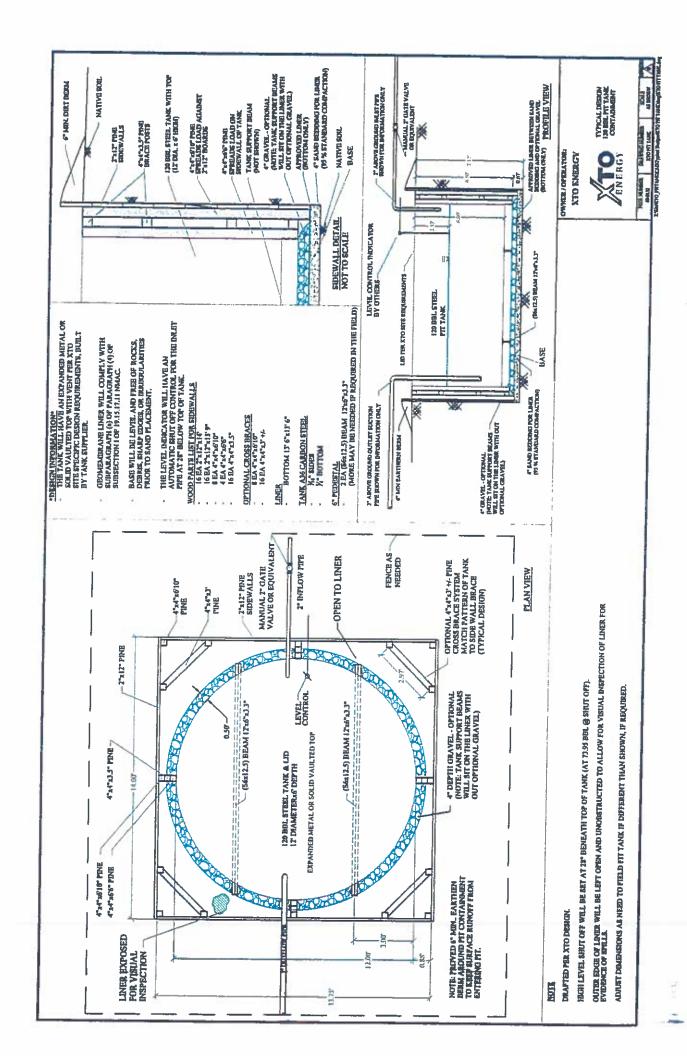
> bottom will be elevated a minimum of 6" above the underlying ground surface and the belowgrade tank will be underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected. (See attached drawing).

- 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 hydrautic 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).

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11. The general specifications for design and construction are attached.

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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.
- 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.
 - 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.
- 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,

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

			Freeboard	Est. (ft)											
			Any visible signs	or a tank leak (Y/N)											
N FORM				0.0	9										
INSPECTIO	API No.:	Range:	Collection of surface												
MONTHLY BELOW GRADE TANK INSPECTION FORM			Any visible signs of tank overflows (Y/N)					30				23			
1LY BELO		Township:	Any visible liner tears (Y/N)								ption				
MONT			Inspection								Provide Detailed Description:				
		Sec	Inspection								Provide De				
	Well Name:	Legais	XTO Inspector's Name								Notes:		Misc.		

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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 L. an earlier date that the division requires because of imminent danger to fresh water, public health or the environment
- 2. 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 buttoms from storage of exempt

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.

- 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:
 - 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.
- 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);

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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 89718

QUESTIONS

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	89718
	Action Type:
	[C-144] Legacy Below Grade Tank Plan (C-144LB)

QUESTIONS

L		
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	GALLEGOS 13E	
Facility ID (f#), if known	Not answered.	
Facility Type	Below Grade Tank - (BGT)	
Well Name, include well number	GALLEGOS 13E	
Well API, if associated with a well	30-045-34008	
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	No	
Ground Water Quality (TDS)	Not answered.	

Below-Grade Tank	
Subsection I of 19.15.17.11 NMAC	
Volume / Capacity (bbls)	120
Type of Fluid	Produced Water
Pit / Tank Construction Material	Steel
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	True
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.

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QUESTIONS, Page 2

Action 89718

QUESTI	ONS (continued)
Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171 Action Number: 89718 Action Type: [C-144] Legacy Below Grade Tank Plan (C-144LB)
QUESTIONS	
Fencing	
Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tank	rs)
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)	4' steel mesh
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)	expanded metal or solid vaulted top
Signs	
Subsection C of 19.15.17.11 NMAC (If there are multiple operators at a site, each operator must have	e 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	True
Variances and Exceptions	
Justifications and/or demonstrations ofequivalency are required. Please refer to 19.15.17 NMAC for Please check a box if one or more of the following is requested, if not leave blank:	guidance.

Not answered.

Not answered.

Requests must be submitted to the appropriate division district for consideration

Requests must be submitted to the Santa Fe Environmental Bureau office for

Variance(s):

of approval. Exception(s):

consideration of approval

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

QUESTIONS, Page 3

Action 89718

QUESTIONS (continued)		
Operator:	OGRID:	
HILCORP ENERGY COMPANY	372171	
1111 Travis Street	Action Number:	
Houston, TX 77002	89718	

Action Type:

[C-144] Legacy Below Grade Tank Plan (C-144LB)

QUESTIONS

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	No
NM Office of the State Engineer - iWATERS database search	True
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)	No
Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption	No

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	11/25/2008

District III

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ACKNOWLEDGMENTS

Action 89718

ACKNOWLEDGMENTS

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	89718
	Action Type:
	[C-144] Legacy Below Grade Tank Plan (C-144LB)

ACKNOWLEDGMENTS

V	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 89718

CONDITIONS

Operator:	OGRID:	
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1111 Travis Street	Action Number:	
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	[C-144] Legacy Below Grade Tank Plan (C-144LB)	

CONDITIONS

Created By	Condition	Condition Date
vvenega	s None	4/6/2022