1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

2003

#### State of New Mexico Energy Minerals and Natural Resources Department

Oil Conservation Division 1220 South St. Francis Dr. Şanta Fe, NM 87505

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-Loon System Relow-Grade Tank or

Proposed Alternative Method Permit or Closure Plan Application
Type of action: Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method
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: Valencia Canyon Unit #16
API Number: 30-039-21470 OCD Permit Number:
U/L or Qtr/Qtr P Section 23 Township 28N Range 04W County: Rio Arriba
Center of Proposed Design: Latitude
Surface Owner: X Federal X State Trivate 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
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
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.

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, institution or church)	hospital,
Four foot height, four strands of barbed wire evenly spaced between one and four feet	
Alternate. Please specify Four foot height, steel mesh field fence (hogwire) with pipe top railing	
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)	
☐ Screen ☐ Netting ☐ Other Expanded metal or solid vaulted top	
Monthly inspections (If netting or screening is not physically feasible)	
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	
Signed in compitance with 19.19.5.105 NMAC	
9. Administrative Approvals and Exceptions:	
Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.  Please check a box if one or more of the following is requested, if not leave blank:	
Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau consideration of approval.	office for
Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying above-grade tanks associated with a closed-loop system.	priate district pproval. ing pads or
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
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.  (Applies to permanent pits)  - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No ☐ NA
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.  - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☒ No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.  - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☒ No
Within 500 feet of a wetland.  - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☑ No
Within the area overlying a subsurface mine.  - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☑ No
Within an unstable area.  - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ⊠ No
Within a 100-year floodplain FEMA map	☐ Yes ⊠ No

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are
attached.  ☐ 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 and 19.15.17.13 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: (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 <sub>2</sub> S, Prevention Plan  Emergency Response Plan  Oil Field Waste Stream Characterization  Monitoring and Inspection Plan  Erosion Control Plan  Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.
Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System Alternative  Proposed Closure Method: Waste Excavation and Removal Waste Removal (Closed-loop systems only) On-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial On-site Trench Burial
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)
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

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tal Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling for								
facilities are required.	Engility Permit Number							
Disposal Facility Name: Disposal Facility Permit Number: Disposal Facility Permit Number: Disposal Facility Permit Number:								
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	in areas that will not be used for future serv	rice and operations?						
Required for impacted areas which will not be used for future service and operations:  Soil Backfill and Cover Design Specifications based upon the appropriate requirem Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.1: Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.1:	5.17.13 NMAC	C						
17.  Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC  Instructions: Each siting criteria requires a demonstration of compliance in the closure p provided below. Requests regarding changes to certain siting criteria may require adminic considered an exception which must be submitted to the Santa Fe Environmental Bureau demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guida	strative approval from the appropriate disti office for consideration of approval. Justi	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; Data obtained	d from nearby wells	☐ Yes ☐ No ☐ NA						
Ground water is more than 100 feet below the bottom of the buried waste.  - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained	d from nearby wells	☐ Yes ☐ No ☐ NA						
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant value (measured from the ordinary high-water mark).  - Topographic map; Visual inspection (certification) of the proposed site	vatercourse or lakebed, sinkhole, or playa	Yes No						
Within 300 feet from a permanent residence, school, hospital, institution, or church in existe  Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	nce at the time of initial application.	Yes No						
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in NM Office of the State Engineer - iWATERS database; Visual inspection (certificat	existence at the time of initial application.	Yes No						
Within incorporated municipal boundaries or within a defined municipal fresh water well fie adopted pursuant to NMSA 1978, Section 3-27-3, as amended.  - Written confirmation or verification from the municipality; Written approval obtained		Yes No						
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspect	ion (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 Min	eral Division	Yes No						
<ul> <li>Within an unstable area.</li> <li>Engineering measures incorporated into the design; NM Bureau of Geology &amp; Mine Society; Topographic map</li> </ul>	ral 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 the following by a check mark in the box, that the documents are attached.  Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of Subsection Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 N Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cutting Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.1 Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.1 Site Reclamation Plan - based upon the appropriate requirements of Subsection I of 19.1 Site Reclamation Plan - based upon the appropriate requirements of Subsection I of 19.1 Site Reclamation Plan - based upon the appropriate requirements of Subsection I of 19.1 Site Reclamation Plan - based upon the appropriate requirements of Subsection I of 19.1 Site Reclamation Plan - based upon the appropriate requirements of Subsection I of 19.1 Site Reclamation Plan - based upon the appropriate requirements of Subsection I of 19.1 Site Reclamation Plan - based upon the appropriate requirements of Subsection I of 19.1 Site Reclamation Plan - based upon the appropriate requirements of Subsection I of 19.1 Site Reclamation Plan - based upon the appropriate requirements of Subsection I of 19.1 Site Reclamation Plan - based upon the appropriate requirements of Subsection I of 19.1 Site Reclamation Plan - based upon the appropriate requirements of Subsection I of 19.1 Site Reclamation Plan - based upon the appropriate requirements of Subsection I of 19.1 Site Reclamation Plan - based upon the appropriate requirements of Subsection I of 19.1 Site Reclamation Plan - based upon the ap	s of 19.15.17.10 NMAC on F of 19.15.17.13 NMAC requirements of 19.15.17.11 NMAC ed upon the appropriate requirements of 19.1 MAC s of Subsection F of 19.15.17.13 NMAC on F of 19.15.17.13 NMAC gs or in case on-site closure standards canno 5.17.13 NMAC	15.17.11 NMAC						

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Operator Application Certification:  I hereby certify that the information submitted with this application	on is true, accurate and complete to	the best of my knowledge and belief.
	Title:	Environmental Representative
Signature: Kim Champlen	Date:	01/02/2009
e-mail address: kim_champlin@xtoenergy.com	Telephone:	(505) 333-3100
OCD Approval: Permit Application (including closure plan)	Closure Plan (only) OC	D Conditions (see attachment)
OCD Representative Signature:		Approval Date:
Title:		mber:
21. Closure Report (required within 60 days of closure completion Instructions: Operators are required to obtain an approved clos The closure report is required to be submitted to the division with section of the form until an approved closure plan has been obtain	sure plan prior to implementing an thin 60 days of the completion of th ained and the closure activities hav	y closure activities and submitting the closure report. e closure activities. Please do not complete this e been completed.
	Closure Col	mpletion Date:
22.  Closure Method:  Waste Excavation and Removal On-Site Closure Method  If different from approved plan, please explain.	od Alternative Closure Metho	d  Waste Removal (Closed-loop systems only)
23. Closure Report Regarding Waste Removal Closure For Close Instructions: Please indentify the facility or facilities for where two facilities were utilized.		
Disposal Facility Name:	Disposal Facility	Permit Number:
Disposal Facility Name:	Disposal Facility	Permit Number:
Were the closed-loop system operations and associated activities p  Yes (If yes, please demonstrate compliance to the items bel		be used for future service and operations?
Required for impacted areas which will not be used for future services.  Site Reclamation (Photo Documentation)  Soil Backfilling and Cover Installation  Re-vegetation Application Rates and Seeding Technique	vice and operations:	
Closure Report Attachment Checklist: Instructions: Each of 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 one 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)	
On-site Closure Location: Latitude	Longitude	NAD: [1927   1983
25.		
Operator Closure Certification:  I hereby certify that the information and attachments submitted wibelief. I also certify that the closure complies with all applicable of	ith this closure report is true, accura	ate and complete to the best of my knowledge and a specified in the approved closure plan.
Name (Print):	Title:	
Signature:	Date:	
e-mail address:	Telephone:	

## NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section.

Operator			Lease		Well No.
Amoco Produ	ction Compan	У	Valencia Canyo	on Unit	16
Unit Letter	Section	Township	Range	County	
P	23	28N	7AM	Rio Arriba	
Actual Footage Loc	ation of Well:				
1065		South line and	<del></del>	et from the East	line
Ground Level Elev.	Producing Fo		Choza Mesa Picti	ared Cliffs	Dedicated Acreage:
7306		d Cliffs			
1. Outline th	e screage dedica	ited to the subject w	ell by colored pencil o	or hachure marks on t	he plat below.
interest ar	nd royalty).				thereof (both as to working
dated by c	om nunitization,	interent ownership is unitization, force-pool nswer is "yes," type	ing. etc?	have the interests o	f all owners been consoli-
Yes	No If a	nswel is yes, type	or consolidation		
If answer	is "no," list the	owners and tract des	criptions which have a	ctually been consolid	lated. (Use reverse side of
this form i	f necessary.)				
No allowal	ble will be assign	ed to the well until a	ll interests have been	consolidated (by cor	nmunitization, unitization,
forced-poo	ling, or otherwise	) or until a non-standa	rd unit, eliminating su	ch interests, has bee	n approved by the Commis-
sion.					
					CERTIFICATION
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	1			tained h	erein is true and complete to the
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	1	2)	1	I hereb	y certify that the well location
	i		i	shown o	n this plat was plotted from field
	1		i		f actual surveys made by me or
			1		y supervision, and that the same
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# Pit Permit

	_	
Client:	XTO Energy	
Project:	tank permitting	
Revised:	23-Nov-08	
Prepared by:	Trevor Ycas	

PO Bus 4465, Duran	m CD 81302	Siting Criteria	Revised:	23-Nov-08
Ir		Information Sheet	Prepared by:	Trevor Ycas
API#:		30-039-21470	USPLSS:	28N 04W 23 P
Name:	VALENCIA	CANYON UNIT No. 016	Lat/Long:	36.642920°, -107.215550°
Depth to groundwater: dep		depth >100'	Geologic formation:	San Jose Formation (Tsj), alluvium
Distance to closest continuously flowing watercourse:		NW to 'San Juan River' Navajo Reservoir	Site Elevation: 2226m/7303'	groundwater depth estimation is based primarily on elevation of nearby springs
Distance to closest significant watercourse, lakebed, playa lake, or sinkhole:	1897' NV	V to Valencia Canyon'		
		A STATE OF THE STA	Soil Type:	Rockland/ Aridisols
Permanent residence, school, hospital, institution or church within 300'		NO		
			Annual Precipitation:	Navajo Dam: 12.95", Governador: 11.98", Capulin Rgr Stn.: 14.98", Otis: 10.41"
Domestic fresh water well or spring within 500'		NO	Precipitation Notes:	Historical daily max. precip.: 4.19" (Bloomfield)
Any other fresh water well or spring within 1000'		NO		
		The same of the sa		
Within incorporated municipal boundaries		,NO	Attached Documents:	27N03W_iWaters:pdf, 27N04W_iWaters.pdf, 27N05W_iWaters.pdf, 28N03W_iWaters.pdf, 28N04W_iwaters.pdf, 28N05W_iwaters.pdf, 29N03W_iWaters.pdf, 29N04W_iWaters.pdf, 29N05W_iWaters.pdf
Within defined municipal fresh water well field	an orași de la companiona de la companio	NO	FM350049IND0_30- 039-21470.jpg	30-039-21470_gEarth-PLS.jpg, 30-039-21470_topo- PLS.jpg, 30-039-21470_gEarth-iWaters.jpg
Wetland within 500'		NO	Mining Activity:	None Near
Wetland Within 300		Service of the servic		NM_NRO-MMD_MinesMillQuarries_30-039-21470:jpg
Within unstable area	en inger jer legen er ar i	NO		स्मिन्द्रा स्टाब्ट प्रोतसम्बन्धाः जास्त्रा सम्बन्धः स्टाब्ट ।
Within 100 year flood plain	í u	nmapped area		M. R. M. C.
Additional Notes:			A Company Constitution	
Irains to 'Largo Canyon' via 'Valencia Canyon'	SP03620(elev	orings SP03811(elev: 2182m), v. 2211m) both supply livestock :Horse Spring (elev.2234m) use unknown		located on 'Chosa Mesa', between 'Buck Canyon' and 'Cansar Spring', & N of 'Valencia Canyon'

#### Valencia Canyon Unit #16 Below Grade 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 central Cereza Canyon region of the San Juan Basin near the upper reaches of Valencia Canyon and near Vigas & Chosa Mesas. The predominant geologic formation is the San Jose Formation of Tertiary age, which underlies surface soils and is often exposed (Dane and Bachman, 1965). Deposits of Quaternary alluvial and aeolian sands occur prominently near the surface of the area, especially near streams and washes.

Cretaceous and Tertiary sandstones, as well as Quaternary alluvial deposits serve as the primary aquifers in the San Juan basin (Stone et al., 1983). In most of the proposed area, the San Jose Formation lies at the surface and overlies the Nacimiento Formation. Thickness of the San Jose ranges from 200 to 2700 feet, thickening from west to east across the region of interest (Stone et al., 1983). Aquifers within the coarser and continuous sandstone bodies of the San Jose Formation are between 0 and 2700' deep in this section of the basin (Stone et al., 1983). Groundwater within these aquifers flows north, toward the San Juan River. Little specific hydrogeologic data is available for the San Jose Formation system, but "numerous wells and springs used for stock and domestic supplies" draw their water from the San Jose Formation (Stone et al, 1983).

The prominent soil type at the proposed site are entisols and aridisols, which are defined as soils exhibiting little to no 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 and prohibits effective recharge to the underlying aquifers.

Regional weather further prohibit active recharge. The climate is arid, averaging just over 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).

#### Site Specific Hydrogeology

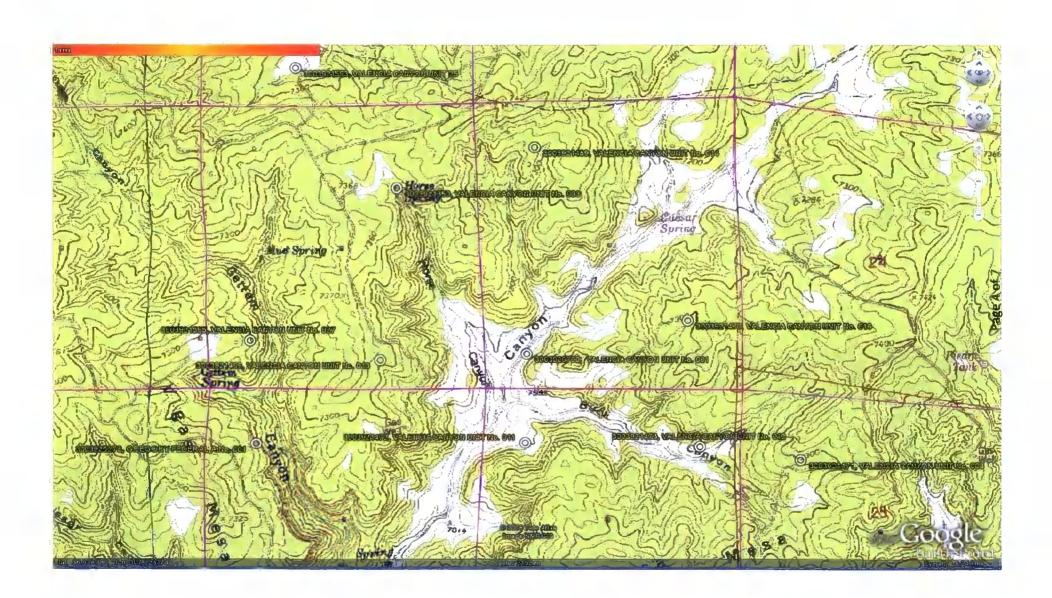
Depth to groundwater is estimated to be greater than 100'. This estimation is based on data from Stone and others (1983), the USGS Groundwater Atlas of the United States and depth to groundwater data published on the New Mexico State Engineer's iWaters Database website. Local topography, proximity to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

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

The site in question is located on relatively flat ground on Vigas Mesa, above Valencia Canyon at an elevation of approximately 7270 feet and approximately 4.8 miles north of the main Cereza Canyon wash channel, the nearest significant watercourse. This site drains to Cereza Canyon via Valencia Canyon. This region is deeply incised by canyons, washes, gullies and arroyos, with large, flat-topped mesas the predominant topographic feature. The mesas are composed of cliff-forming sandstone, and systems of dry washes and their tributaries composed of alluvium are evident on the attached aerial image. Groundwater is expected to be shallow within Largo and Blanco Canyons and within major tributary systems. Additionally, the Valencia Canyon area has many surface springs at varying elevations, including at least 6 within 5 miles of this site.

Groundwater data available from the NM State Engineer's iWaters Database for wells near the proposed site are attached. Groundwater data is extremely limited in this region; the nearest iWaters data point, 'SJ 02385, lies ~4100 feet southwest (SJ 02385); this well is used for livestock watering, as are many others in the surrounding area. A spring named 'Caesar Spring' appears on the USGS topographic map ~2000' N of the site in question. Additionally, there is 'Mud Spring' located approx. 1.4 miles west-northwest (SP 03620) of the site in question.

Wells located at similar elevations nearby contain groundwater at depths of 45 feet and deeper, occasionally in excess of 200 feet. However, there exist numerous surface springs in the PLSS section 28N, 04W. The exact topography (proximity to a confined drainage), numerous springs, and elevation relative to nearby surface spring features (approx. 100' higher) is enough to be certain that groundwater is deeper than 50 feet. A map showing the location of wells in reference to the proposed pit location is attached.





Record Count: 7

#### New Mexico Office of the State Engineer **POD Reports and Downloads** Township: 28N Range: 05W Sections: NAD27 X: Zone: Search Radius: County Basin: Number: Suffix: O Non-Domestic O Domestic O All Owner Name: (First) (Last) POD / Surface Data Report | Avg Depth to Water Report | Water Column Report Clear Form iWATERS Menu Help POD / SURFACE DATA REPORT 10/11/2008 (quarters are 1=NW 2=NE 3=SW 4=SE) (acre ft per annum) (quarters are biggest to smallest X Y are in Feet UTM are in Meters) Start Finish Depth DB File Mbr Use Diversion Owner POD Number Source Tws Rng Sec q q q . X UTM Zone Easting Northing Date Well I SD 07850 SD 07851 8D 07850 PDI. ROSA B. MARTINEZ 28N 05W 18 2 3 4 285663 4060122 PDL ROSA B. MARTINEZ SD 07851 28N 05W 18 1 2 1 13 285228 4060731 28N 05W 18 2 1 1 SD 07852 ROSA B. MARTINEZ SD 07852 13 285579 4360759 BJ 00036 IND BURLINGTON RESOURCES OIL & GAS 8J 00036 Shallow 28N 05W 28 3 13 288156 4056298 06/27/1953 0€/27/1953 303 8J 00047 SJ 00047 NOT MAMIE MANGUM Shallow 28N 05W 28 288558 4056700 13 07/30/1953 08/04/1953 465 ROSA B. OR JUAN L. MARTINEZ SJ 01893 STK 8J 01893 Shallow 28N 05W 18 4 13 285827 4059576 09/14/1984 10/12/1984 8J 03806 STK ROSA B. MARTINEZ SJ 03806 POD1 28N 05W 07 4 4 2 130509 2065482 13 286111 4061033

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#### New Mexico Office of the State Engineer

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SP 03618	STK	1.68	UNITED STATES OF AMERICA	89 03616		28N					13	297832	4061209			
8P 03619	STK	0.36	UNITED STATES OF AMERICA	SP 03619		28N					13	298924	4057416			
SP 03620 SP 03621	STK STK	0.36	UNITED STATES OF AMERICA	8P 03620		26N					13	299736	4058240			
SP 03622		0.58	UNITED STATES OF AMERICA	SP 03621							13	297324	4057019			
SP 03808	STK	0.36	UNITED STATES OF AMERICA	SP 03622		28N					13	298821	4054927			
8P 03809	STK STK	1.67	CARSON NATIONAL FOREST CARSON NATIONAL FOREST	SP 03808		26N					13	296199	4059551			
8P 03811	STK	1.67	CARSON NATIONAL FOREST	8P 03809		28N					13	297378	4059116			
-	STK	1,67				28N					13	300944	4060310			
		0.05	CARSON NATIONAL FOREST	SP 03972		28N					13	302344	4053996			
SP 04028	STK	0.85	CARSON NATIONAL FOREST	SP 04028		28N	04W 32 2 4				13	297271	4054953			

Record Count: 12

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(quarters are 1=NW 2=NE 3=SW 4=SE) (acre ft per annum) (quarters are biggest to smallest X Y are in Feet UTM are in Meters)	Start Finish	Depth

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Record Count: 3

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SJ 00046 IND 16 BURLINGTON RESOURCES OIL 6 GAS SJ 00046 Shallow 27N 05W 04 4 4 13 289133 4052788 01/13/1954 01/13/1 SJ 00199 OFM 4 BURLINGTON RESOURCES OIL 6 GAS SJ 00199 Artesian 27N 05W 03 2 1 13 290409 4053971 05/02/1	

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#### New Mexico Office of the State Engineer **POD Reports and Downloads** Township: 27N Range: 04W Sections: Zone: Search Radius: County: Basin: Number: Suffix: Owner Name: (First) (Last) O Non-Domestic O Domestic O All Clear Form iWATERS Menu Help POD / SURFACE DATA REPORT 09/16/2008 (quarters are 1=NW 2=NE 3=SW 4=SE) (acre ft per annum) (quarters are biggest to smallest UTM are in Meters) Start Finish Depth Source Tws Rng Sec q q q DB File Nbr Use Diversion Owner POD Number UTM Zone Easting Northing Date Well I Date SJ 00048 BURLINGTON RESOURCES OIL 6 GAS SJ 00048 BURLINGTON RESOURCES OIL 6 GAS SJ 01049 27N 04W 01 4052997 07/31/1953 Shallow 302928 143 SJ 01049 SJ 01205 27N 04W 10 4 2 2 IND 30,55 295646 4049831 06/30/1967 15 60 MERIDIAN OIL PRODUCTION, INC. OIL 8J 01205 27N 04W 34 4.4 4 Artesian 13 300255 4044335 10/16/1980 10/25/1980 3054 SP 03616 STK 0.58 UNITED STATES OF AMERICA SP 03616 27N 04W 24 2 4 303452 4048375 89 03617 STK UNITED STATES OF AMERICA SP 03617 27N 04W 25 4 4 4045974 SP 03810 PLS 1.24 CARSON NATIONAL FOREST SP 03810 27N 04W 30 1 2 13 294693 404736B SP 03971 O CARSON NATIONAL FOREST 27N 04W 12 2 3 8P 03971 303116 4051580

Record Count: 7

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	New Mexico Office of the State Engineer POD Reports and Downloads
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## New Mexico Office of the State Engineer POD Reports and Downloads

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		Clear Form	iWATERS Mer	nu Help	

#### WATER COLUMN REPORT 08/12/2008

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POD Number	Tws	Rng	Sec	q	PF	Zone	X	Y	Well	Water	Column	
SJ 02339	29N	05W	29	3 3	3 3				350	108	242	
SJ 00422	29N	05W	31	2					239	135	104	
SJ 00056	29N	05W	31	2 :	3 1				142	50	92	
SJ 00057	29N	05W	31	2	3 1				158	57	101	
SJ 03208	29N	05W	31	3 :	3 3				220	160	60	
SJ 02383	29N	05W	32	1	1 1				300	100	200	

Record Count: 6

### New Mexico Office of the State Engineer POD Reports and Downloads

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	WATER COLUMN REPORT 08/12/2008
	(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest) Depth Depth Water (in feet)
POD Number SJ 00037	Tws Rng Sec q q q Zone X Y Well Water Column 29N 04W 04 2 373

Record Count: 1

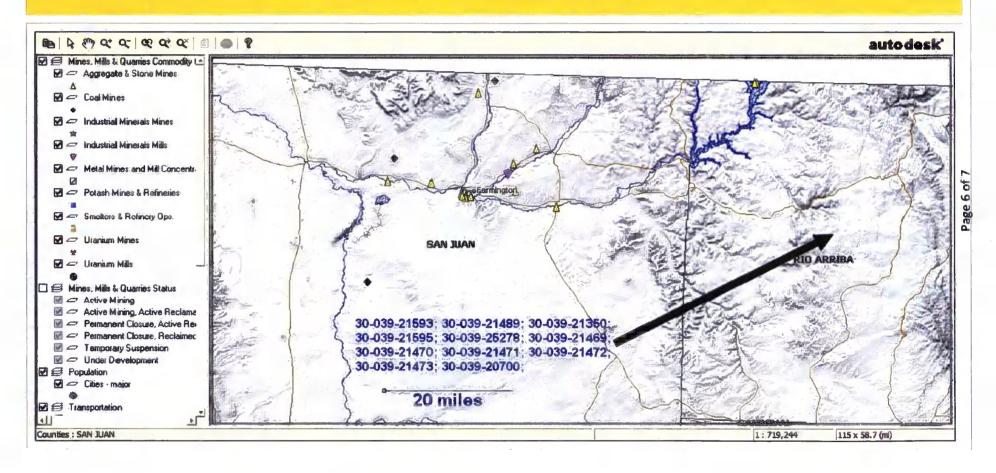
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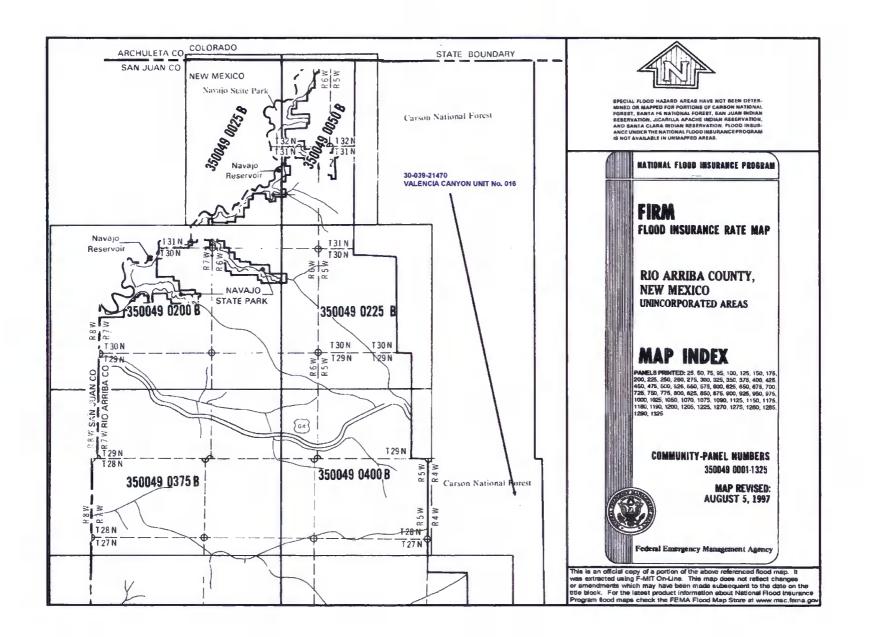
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POD Number SJ 01575	Clear Form iWATERS Menu Help  WATER COLUMN REPORT 08/12/2008  (quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest) Depth Depth Water (in feet) Tws Rng Sec q q q Zone X Y Well Water Column

Record Count: 1



#### Mines, Mills and Quarries Web 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.

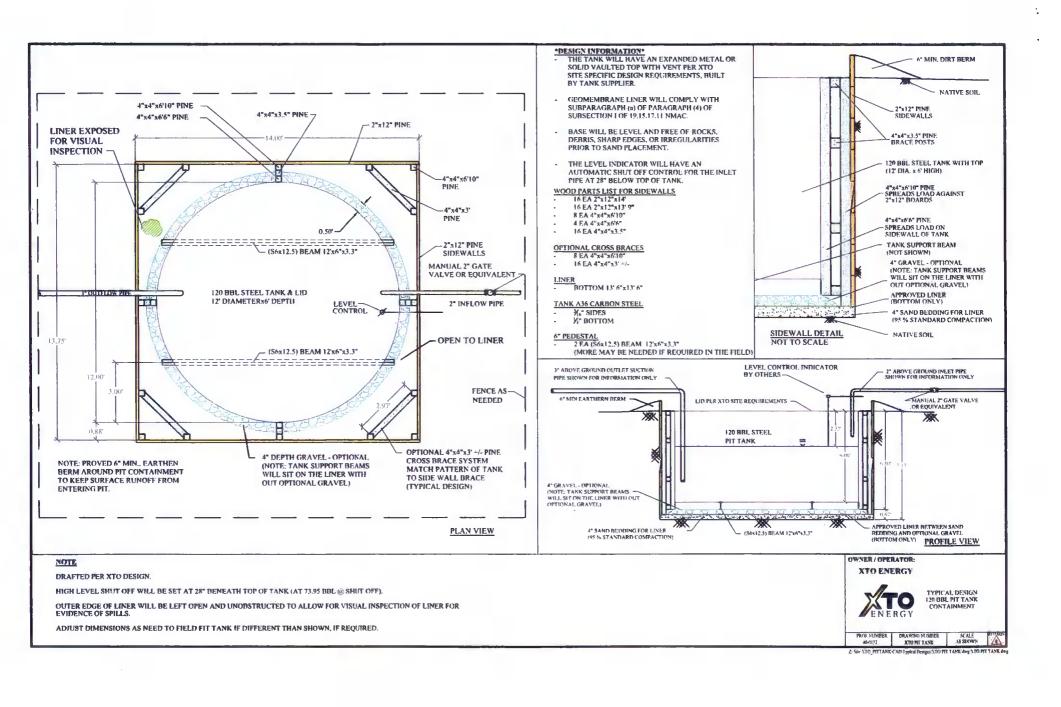
#### General Plan

- 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 \( \frac{1}{2} \) 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 hydraulic conductivity no greater than 1 x 10-9 cm/sec. The geomembrane liner shall be composed of an impervious, synthetic material that is resistant to petroleum hydrocarbons, salts and acidics and alkaline solutions. The liner material shall be resistant to ultraviolet light. Liner compatibility shall comply with EPA SW-846 method 9090A. (See attached drawing).
- 11. The general specifications for design and construction are attached.



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

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

#### General Plan

- XTO will operate and maintain below-grade tanks to contain liquids and solids, maintain the
  integrity of the liner and secondary containment system, prevent contamination of fresh water and
  protect public health and the environment. Fluid levels will be monitored weekly and high levels
  will be removed as necessary. Monthly inspections will be conducted to monitor integrity of
  below-grade tank systems and below-grade tanks will be equipped with automatic high-level
  shut-off devices.
- 2. XTO will not allow below-grade tanks to overflow and will use berms and/or diversion ditch to prevent surface run on to enter the below-grade tank. Below-grade tanks will be equipped with automatic high-level shut-off control devices as well as manually operated shut-off valves. See attached drawing for vault design and placement of diversion berms and shut-off devices.
- 3. XTO will continuously remove any visible or measurable layer of oil from the fluid surface of below-grade tanks in order to prevent significant accumulation of oil.
  - 4. XTO will inspect the below-grade tank monthly and maintain written records for five years. Monthly inspections will consist of documenting the following: (see attached template),

Well Name
API #
Sec., Twn., Rng.
XTO Inspector's name
Inspection date and time
Visible tears in liner
Visible signs of tank overflow
Collection of surface run on
Visible layer of oil
Visible signs of tank leak
Estimated freeboard

- 5. XTO will maintain adequate freeboard to prevent over topping of the below-grade tank. High level shut-off devices control the freeboard at an average of 28" beneath the top of the tank.
- XTO will not discharge into or store any hazardous waste in any below-grade tank.
- 7. If a below-grade tank develops a leak, or if any penetration of a below-grade tank occurs below the liquids surface, XTO will remove all liquids above the damage or leak line within 48 hours,

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

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

MONTHLY BELOW GRADE TANK INSPECTION FORM									
Well Name:					API No.:	····			
Legals	Sec:		Township:	Range:					
XTO Inspector's Name	Inspection	Inspection Time	Any visible liner tears (Y/N)	Any visible signs of tank overflows (Y/N)	Collection of surface run on (Y/N)	Visible layer of oil (Y/N)	Any visible signs of a tank leak (Y/N)	Freeboard Est. (ft)	
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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 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 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.

- 8. If XTO or the division determines that a release has occurred, XTO will comply with 19.15.3.116 NMAC and 19.15.1.19NMAC as appropriate.
- 9. If the sampling program demonstrates that a release has not occurred or that any release does not exceed the concentrations specified in Paragraph (4) of Subsection E of 19.15.17.13 NMAC, XTO will backfill the excavation with compacted, non-waste containing, earthen material; construct a division prescribed soil cover; recontour and re-vegetate the site.
- 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.
- 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.