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

State of New Mexico Energy Minerals and Natural Resources Department Oil Conservation Division

Oil Conservation Division 1220 South St. Francis Dr.

2000 JAN 1 Santa 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-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application

Type of action: Existing BGT Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.
Operator: XTO Energy, Inc. OGRID #: 5380
Address: #382 County Road 3100, Aztec, NM 87410
Facility or well name: Bolack C LS # 7
API Number: 30-045-06143 OCD Permit Number:
U/L or Qtr/Qtr E Section 33 Township 27N Range 08W County: San Juan
Center of Proposed Design: Latitude 36.532580 Longitude 107.692720 NAD: ☐ 1927 ☐ 1983 Surface Owner: ☐ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment
Temporary: Drilling Workover Permanent Emergency Cavitation P&A Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other String-Reinforced Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x D
Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) Drying Pad Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other Liner Seams: Welded Factory Other Other
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 HDPE PVC Other
5. Alternative Method: Submitted 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, hinstitution or church)	nospital,
Four foot height, four strands of barbed wire evenly spaced between one and four feet	
Alternate. Please specify Four foot height, steel mesh field fence (hogwire) with pipe top railing	
7.	
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)	
Screen Netting Other Expanded metal or solid vaulted top	
Monthly inspections (If netting or screening is not physically feasible)	
8. Signs: Subsection C of 19.15.17.11 NMAC	
☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers	
Signed in compliance with 19.15.3.103 NMAC	
Z signed in compitation with 177035.105 Number	
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 of	office for
consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	
10.	
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 applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying a production of the second loop system.	oriate district oproval.
above-grade tanks associated with a closed-loop system. Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☑ No
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)	Yes No.
- 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	⊠ 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

H:
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 Luner Specifications and Compatibility Assessment - 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 Freeboard 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 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 I of 19.15.17.13 NMAC □ Site Reclamation 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 Instructions: Please indentify the facility or facilities for the disposal of liquids, a facilities are required.	Steel Tanks or Haul-off Bins Only: (19.15.17.13.D. Irilling fluids and drill cuttings. Use attachment if r	NMAC) nore than two						
•	Disposal Facility Permit Number:							
	Disposal Facility Permit Number:							
Will any of the proposed closed-loop system operations and associated activities of ☐ Yes (If yes, please provide the information below) ☐ No								
Required for impacted areas which will not be used for future service and operation Soil Backfill and Cover Design Specifications based upon the appropriate Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection	requirements of Subsection H of 19.15.17.13 NMAC 1 of 19.15.17.13 NMAC	C						
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the provided below. Requests regarding changes to certain siting criteria may requir considered an exception which must be submitted to the Santa Fe Environmental demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC	e administrative approval from the appropriate disti Bureau 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 ☐ NA						
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells								
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells								
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site								
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image								
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; Visual inspection (certification) of the proposed site								
Within incorporated municipal boundaries or within a defined municipal fresh water adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approv		Yes No						
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visua	al 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 Society; Topographic map	& Mineral Resources; USGS; NM Geological	Yes No						
Within a 100-year floodplain FEMA map		Yes No						
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Protocols and Procedures - based upon the appropriate requirements of 19.15 Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Disposal Facility Name and Permit Number (for liquids, drilling fluids and documents of Soil Cover Design - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection	direments of 19.15.17.10 NMAC Subsection F of 19.15.17.13 NMAC Supropriate requirements of 19.15.17.11 NMAC ad) - based upon the appropriate requirements of 19. 5.17.13 NMAC direments of Subsection F of 19.15.17.13 NMAC Subsection F of 19.15.17.13 NMAC rill cuttings or in case on-site closure standards cannot of 19.15.17.13 NMAC Lof 19.15.17.13 NMAC	15.17.11 NMAC						

Page 4 of 5

Operator Application Certification:		
I hereby certify that the information submitted with this application	on is true, accurate and complete to t	the best of my knowledge and belief.
/	Title:	Environmental Representative
Signature: Kim Champlin	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) OCI	O Conditions (see attachment)
OCD Representative Signature:		Approval Date:
Title:	OCD Permit Num	nber:
Closure Report (required within 60 days of closure completion Instructions: Operators are required to obtain an approved closs The closure report is required to be submitted to the division with section of the form until an approved closure plan has been obtained.	ure plan prior to implementing any hin 60 days of the completion of the iined and the closure activities have	closure activities and submitting the closure report.
	<u> </u>	
Closure Method: Waste Excavation and Removal On-Site Closure Metho If different from approved plan, please explain.	d Alternative Closure Method	d ☐ Waste Removal (Closed-loop systems only)
Closure Report Regarding Waste Removal Closure For Closed Instructions: Please indentify the facility or facilities for where two facilities were utilized.		
Disposal Facility Name:	Disposal Facility F	Permit Number:
Disposal Facility Name:	Disposal Facility I	Permit Number:
Were the closed-loop system operations and associated activities partial. Yes (If yes, please demonstrate compliance to the items below)		t 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 the 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 displayed by Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique Site Reclamation (Photo Documentation) On-site Closure Location: Latitude		d to the closure report. Please indicate, by a check NAD: 1927 1983
Operator Closure Certification: I hereby certify that the information and attachments submitted wibelief. I also certify that the closure complies with all applicable of Name (Print):	closure requirements and conditions	
Signature:	Date:	
e-mail address:	Telephone:	

State of New Mexico
___ergy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505 Form C-102
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

PO Box 1980, Hobbs, NM 88241-1980 District II 811 S. 1st Street, Artesia, NM 88210-2834 District III 1000 Rlo Brazos Rd., Artec, NM 87410 District IV 2040 South Pacheco, Santa Fe, NM 87505

District I

2040 South Pacheco,	Santa Fe, N									_						
		WE	LL LOC			ND ACE	EA	GE DEDICA								
ſ A	PI Number	r		² Pool					³ Pool Nam		_					
	·045-061	43		716	529	4 -		Basin Fruitland Coal 6 Well Number								
4 Property C	Code					⁵ Proper	-		7							
7 OGRID N	Vá.	+				8 Operat					y	Elevation				
									6,697							
16706	0/				10	XTO Comp Surface L				•		0.037				
UL or lot no.	Section	Township	Range	Lot. Id	in.	Feet from t	_	North/South Line	Feet from the	East/W	est line	County				
E	33	27N	8W	201. 10		1.840		North	918'	Eas		San Juan				
				Bottom H	lole L			rent From Surfac								
UL or lot no.	Section	Township		Lot. Id		Feet from		North/South Line		East/W	est line	County				
Dedicated Acres	13 Join	or Infill	14Consolidat	ion Code	15 Ord	ler No.										
	ABLE W							JNTIL ALL INT APPROVED B			CONS	SOLIDATED				
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918	1,840'								Signature Darrin St Printed Name Operation Title 11/1/01 Date 18 SURV I hereby cerafy was plotted from and correct to the June 6, 1 Date of Survey Signature and So	eed EYOR (that the w in field noil y supervisiblest of my b	Deer CERTIF ell of another, and the celled.					
									60	Wali	Ker					

Certificate Number

A			Client:	XTO Energy					
Lodestar Service	es. Inc.	Pit Permit	Project:						
70 Box 4465, Durang	17	Siting Criteria	Revised:						
10 th 4103' pared	ge, CO 0134E	Information	Prepared by:	Trevor Ycas					
V Committee and the second		0. Various 4.	and the second second second	A MANAGEMENT AND A LOCAL CONTRACTOR OF THE PARTY AND A STATE OF THE PAR					
API#:	30	0-045-06143	USPLSS:	27N 08W 33 E					
Name:	BOLACK C L	S No. 007	Lat/Long:	36.532580°, -107.692720°					
Depth to groundwater:	c	lepth > 100'	Geologic formation:	San Jose Formation (Tsj)					
Distance to closest continuously flowing watercourse:	14.6 miles	NW to 'San Juan River'	site elevation: 2031m/6663						
Distance to closest significant watercourse, lakebed, playa lake, or sinkhole:	main wash	W to 'Blanco Canyon' channel; 2.2 miles E to nyon' main channel		725					
	2 2		Soil Type:	Rockland					
Permanent residence, school, hospital, institution or church within 300'		NO							
	A . France		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:						
Any other fresh water well or spring within 1000'		NO							
Within incorporated municipal boundaries		NO	Attached Documents:	26N7W_iWaters.pdf, 26N08W_iWaters.pdf, 26N09W_iWaters.pdf, 27N07W_iWaters.pdf, 27N08W_iwaters.pdf, 27N09W_iwaters.pdf, 28N07W_iWaters.pdf, 28N08W_iWaters.pdf, 28N09W_iWaters.pdf					
Within defined municipal fresh water well field		NO	FM35006407508_30- 045-06143.jpg	30-045-06143_gEarth-iWaters.jpg, 30-045-06143_gEar PLS:jpg ,30-045-06143_topo-PLS.jpg					
	e e e e e e e e e e e e e e e e e e e								
Wetland within 500'		NO	Mining Activity:	None Near					
Within unstable area		NO		NM_NRD-MMD_MinesMillQuarries_30-045-06143.jp					
Within 100 year flood	NO -	FEMA Zone 'X'							

Additional Notes:

drains to 'Largo Canyon' via 'Onofre Jaquez Canyon'

Atop Blanco Mesa, SW of 'Onofre Jaquez Canyon'

Bolack C #7 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 Largo Canyon region of the San Juan Basin south of Hollis Pass, south and west of Onofre Jaquez Canyon, atop Blanco Mesa. 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 (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 toward the San Juan River. Little specific Hydrogeologic data is available for the San Jose Formation system, but "numerous well 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 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 and prohibits effective recharge to the underlying aquifers.

Dry and arid weather further prohibit active recharge. 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

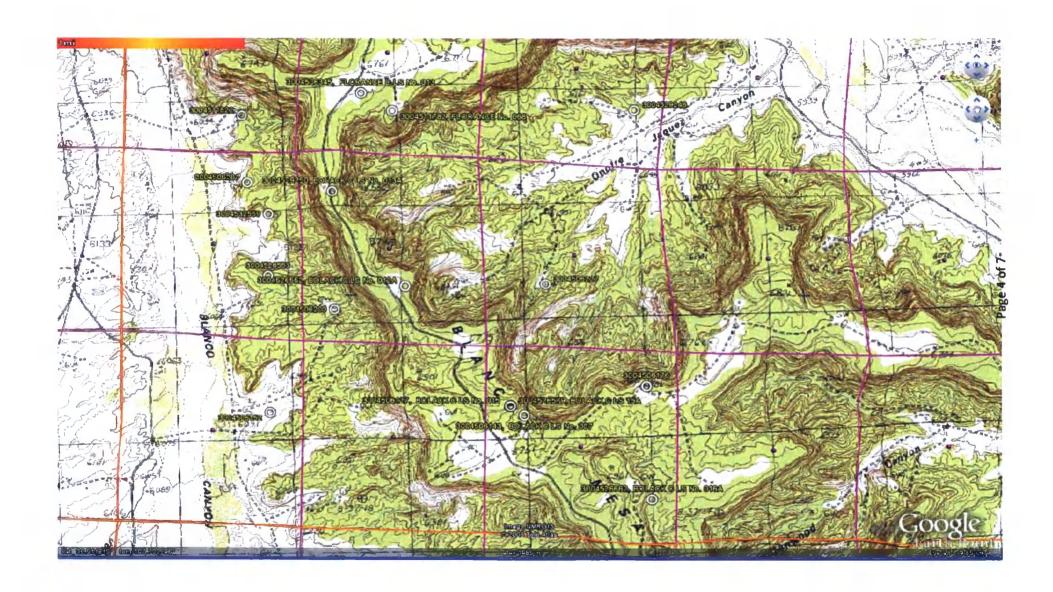
Depth to groundwater is estimated to be greater than 100 feet. This estimation is based on data from Stone and others (1983), the USGS Groundwater Atlas of the United States and depth to groundwater data published on the New Mexico State Engineer's iWaters Database website. Local topography and proximity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

Beds of water-yielding sandstone are present in the 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 atop Blanco Mesa at an elevation of approximately 6660 feet and approximately 1.5 miles east of Blanco Canyon. This site drains to Largo Canyon, some 2.2 miles to the east. This region is deeply incised by canyons, washes, gullies and arroyos, with large, flat-topped mesas the other dominant topographic feature. The mesas are composed of cliff-forming sandstone, and systems of dry washes and their tributaries are evident on the attached aerial image. Groundwater is expected to be shallow within Largo Canyon and within major tributary systems. However, an elevation difference between the site and the base of Blanco Canyon of over 400 feet suggests groundwater is considerably deeper at the proposed 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 lies 2.5 miles west in Blanco Canyon (SJ02961). Other 'nearby' iWaters wells are located 8.1 miles north-northwest (SJ02800), 5.4 miles northeast (SJ02314), and 2.9 miles east (SJ02410).

Wells located at similar elevations along Largo Canyon contain groundwater primarily at depths greater than 18 feet, occasionally in excess of 500 feet. A map showing the location of wells in reference to the proposed pit location is attached. An elevation difference of over 400 feet between the site and the nearest major stream channel suggests groundwater is likely deeper than 100 feet.





NA	D27 X:	Y:	Zone:	Search	Radius:
County:		Basin:		Number:	Suffix:
Owner Name:	(First)	(Las	1)	Non-Do	mestic ODomestic Al
-	POD / Surfac	e Data Report Av	g Depth to Water	Report Water	Column Report

WATER COLUMN REPORT 08/04/2008

(qu	arter	s are	1=1	NW	2=	=NE	3=SW 4=SE						
(qu	arter	s are	biq	gge	est	to	smallest			Depth	Depth	Water	(in feet)
POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y	Well	Water	Column	
SJ 02283	28N	08W	14	4	2	1				54.0	480	60	
SJ 00209	28N	08W	17	3	2	1				15			
SJ 00209 -AMENDED-S	28N	08W	17	4	1	1				15			
SJ 00209 S	28N	08W	17	4	1	1				15		15	
SJ 00163 S	28N	08W	18	4	4	2				1450	800	650	

NA	D27 X:	Y:	Zone:	Search Ra	adius:
County:	Basi	in:	, i	Number:	Suffix:
Owner Name:	(First)	(Last)		O Non-Dome	estic ODomestic Al
	POD / Surface Da	ata Report Avg De	pth to Water Rep	water Co	lumn Report

WATER COLUMN REPORT 08/11/2008

							smallest)			Depth	Depth	Water	(in feet)
POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y	Well	Water	Column	
SJ 00002	28N	07W	14	1						375			
SJ 03116	28N	07W	21	3	3	3				98	20	78	

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

					Township:	28N Range: 06W	Se	ctions:										
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					00010													
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			DOD / GUDDLOD DAD DODG															
			POD / SURFACE DATA REPOR	KT 10/11	/2008	(quarters are	1-354	2-MP 3-	OW 4-07									
	(acre	ft per ann	num)			(quarters are					are in	Foot	ITM are	in Meters		Start	Finish	Depth
DB File Nbr	Use	Diversion		POD	Number	Source		Rng Sec		Zone		Y	UTM Zone		Northing		Date	Well
8007849	PUL	3	ROSA B. MARTINEZ	SD	07849			06W 13				-	13	284303	4060381			
BJ 00200	OFM	20	BURLINGTON RESOURCES OIL	& GAS SJ	00200	Artesian	28N	0 EW 23	3 3				13	2815€4	4057870		05/23/1967	1551
8J 03005	STK	3	DON SCHREIBER	83	03005	Shallow	28N	0 EW 21	4 2 2				13	279663	4058421	08/06/2000	08/10/2000	245
8J 03043	STK	3	JANE SCHREIBER	SJ	03043	Shallow	28N	06W 21	4 2 2				13	279663	4058421	09/01/2000	09/02/2000	290
BJ 03091	STK	3	JANE SCHREIBER	SJ	03091	Shallow	28N	06W 29	2 2 3				13	277834	4057457	05/17/2001	05/18/2001	150
BJ 03443	STK	0	PON SCHREIBER		03443		28N	06W 22	3 3 3				13	279854	4057809			300
BJ 03675	DOM	3	ARTURO R. SANCHEZ		03675	Shallow	28N	0EW 14	4 3 4	C	153167	2059732	13	282528	4059346	11/08/2005	11/10/2005	420
8J 03700	STK	3	JANE SCHREIBER	BJ	03700 POD	1 Shallow	28N	06W 12	2 2 4							02/20/2006	02/25/2006	450

Record Count: 8

Record Count:

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: Owner Name: (First) (Last) O Non-Domestic O Domestic All Clear Form WATERS 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 Nbr Use Diversion Owner POD Number Source Twe Rng Sec q q q х UTM_Zone Easting Northing Date Date Well 1 SD 07850 SD 07850 ROSA B. MARTINEZ PDL 28N 05W 18 2 3 285663 4060122 80 07851 PDL ROSA B. MARTINEZ SD 07851 28N 05W 18 1 2 1 13 285228 4060731 SD 07852 PDL ROSA B. MARTINEZ SD 07852 28N 05W 18 2 1 1 4060759 13 285579 8J 00036 IND BURLINGTON RESOURCES OIL & GAS 8J 00036 Shallow 28N 05W 28 3 4056298 303 266156 06/27/1953 06/27/1953 13 SJ 00047 NOT MAMIE MANGUM SJ 00047 Shallow 28N 05W 28 288558 07/30/1953 08/04/1953 465 13 4056700 8J 01893 STK ROSA B. OR JUAN L. MARTINEZ SJ _01893 Shallow 28N 05W 18 13 285827 4059576 09/14/1984 10/12/1984 390 8J 03806 STK 3 ROSA B. MARTINEZ 8J 03806 POD1 28N 05W 07 4 4 2 130509 2065482 286111 4061033

1 of 1

No Records found, try again

New Mexico Office of the State Engineer POD Reports and Downloads
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County: Basin: Suffix: Suffix:
Owner Name: (First) (Last) Onn-Domestic Onnestic
POD / Surface Data Report Avg Depth to Water Report Water Column Report
Clear Form IWATERS Manu Help
POD / SURFACE DATA REPORT 09/12/2008
(quarters are 1=NN 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 D

D.Y.A.	D02 V	_ ,,		0.12.11
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(quarters are 1=NW 2=NE 3=SW 4=SE)
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Tws Rng Sec q q q Zone X

Depth Depth Water (in feet)
Y Well Water Column

2200

POD Number SJ 02410

02410 27N 08W 36 1 3 2

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_	POD / Surface Data Repo	ort Avg Depth to Wate	Report Water	Column Report
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WATER COLUMN REPORT 08/04/2008

	_						3=SW 4=SE smallest			Depth	Depth	Water	(in	feet)
POD Number	Tws	Rng	Sec	q	đ d	1	Zone	X	Y	Well	Water	Column		
RG 81025	27N	07W	35	4	3 3					560	465	95		
SJ 00195	27N	07W	15	2						1633	500	1133		
SJ 02314	27N	07W	17	3	3					355	320	35		
SJ 02408	27N	07W	21	2	1 3	}				400	3 0.0	100		
SJ 03274	27N	07W	35	3	4 4					450				
SJ 02404	27N	07W	35	4	3 3	3				550	250	300		

New Mexico Office of the State Engineer **POD Reports and Downloads** Township: 27N Range: 06W Sections: NAD27 X: 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) Finish Depth X Y are in Feet Start DB File Nbr Use POD Number Diversion Owner Source Tws Rng Sec q q q X UTM Zone Easting Northing Date Date Well 1 00061 EL PASO NATURAL GAS COMPANY DOM SJ 00061 Shallow 27N 06W 32 3 3 276278 4044923 11/01/1956 11/07/1956 445 SJ 00062 DOM EL PASO NATURAL GAS COMPANY SJ 00062 Shallow 27N 06W 32 3 3 3 13 4044923 11/08/1956 11/12/1956 452 8J 00213 IND 17 EL PASO NATURAL GAS COMPANY 8J 00213 27N 0EW 32 1 4 4 276897 4045750 Shallow 1.3 06/20/1974 1308 SJ 02291 SJ 02403 SJ 02291 STK BLM 27N 0EW 23 4 3 1 281993 4048335 13 SJ 02403 DOM JOE OR WILMA KAIME 505 27N 06W 30 3 1 3 12/31/1946 13 274714 4047115 8J 03001 DOM 3 CHARLES E. BRADLEY SJ 03001 Shallow 06/28/2000 07/04/2000 27N 06W 07 2 2 1 13 276165 4052831 141

	New Mexico Office of the State Engineer POD Reports and Downloads					
Township: 2	N Range: 05W Sections:					
NAD27 X:	Y: Zone: Search Radius:					
	Basin: Number: Suffix:					
Owner Name: (First)	(Last) Non-Domestic Domesti	c © All				
POD / Surfac	e Data Report					
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POD / SURFACE DATA REPORT 09/16/2008	Visit Annual Control of the Control					
(acre ft per annum)	(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest X Y are in Faet	IWM	in Meters)	04h	maaa.	
DB File Nor Use Diversion Owner POD Number	Source Tws Rng Sec q q Zone X Y	UTM Zone		hing Date	Finish Date	Depth Well (
RG 81026 STK 3 BUREAU OF LAND MANAGEMENT RG 81026	Shallow 27N 05W 27 4 4 3	13		6294 09/12/2003	09/16/2003	460
SJ 00046 IND 16 BURLINGTON RESOURCES OIL & GAS SJ 00046	Shallow 27N 05W 04 4 4	13		2788 01/13/1954		506
8J 00199 OFM 4 BURLINGTON RESOURCES OIL 6 GAS 8J 00199	Artesian 27N 05W 03 2 1	13		3971	05/02/1967	1640

1	Township: 26N	Range: 09W	Sections:		
NAI	D27 X:	Y:	Zone:	Search	h Radius:
County:	Bas	in:		Number:	Suffix:
Owner Name:	(First)	(Last)		Non-De	omestic ODomestic OAll
	POD / Surface Da	ata Report Avg	Depth to Water	Report Water	r Column Report
		Clear Form	iWATERS Mei	nu Help	

WATER COLUMN REPORT 08/08/2008

	-						3=SW 4=SE smallest			Depth	Depth	Water	(in	feet)
POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y	Well	Water	Column		
SJ 02961	26N	09W	01	2	2	3				1500				
SJ 02962	26N	09W	01	3	2.	3				1500				
SJ 01756	26N	09W	11	2	2	3				75	40	35		
SJ 03811 POD1	26N	09W	12	3	3	3				348	175	173		
SJ 00412	26N	09W	16	4	2					202	65	137		
SJ 00214	26N	09W	26	2	4	2				946	230	716		
SJ 00064	26N	09W	26	4	2	1				490	215	275		
SJ 00063	26N	09W	26	4	2	3				479	234	245		

County: Basin: Number: Suffix: Owner Name: (First) (Last) Non-Domestic	
Owner Name: (First) (Last) Non-Domestic Opomestic	
	All
POD / Surface Data Report	

WATER COLUMN REPORT 08/07/2008

							Smalles	•		Depth	Depth	Water	(in feet)
POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y	Well	Water	Column	
SJ 02405	26N	08W	01	3	4	3				180	100	80	
SJ 02411	26N	08W	01	4	4	1				6000			
SJ 02407	2.6N	08 W	01	4	4	1				2200			

NA	D27 X:	Y:	Zone:	Search	Radius:	
County:	Bas	sin:		Number:	Suffix:	
Owner Name:	(First)	(Las	t)	Non-Do	omestic ODomestic	Al
	POD / Surface D	ata Report Av	g Depth to Water	Report Water	Column Report	

WATER COLUMN REPORT 08/06/2008

			e 1=NW 2=NE 3=SW 4=SE) e biggest to smallest)					Depth	Depth	Water	(in feet)		
POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y	Well	Water	Column	
SJ 02409	26N	07W	01	1	2	2				700	400	300	
SJ 02402	26N	07W	05	3	3	2				36	18	18	
SJ 00071	26N	07W	15	4	1	2				365	26	339	
SJ 00070	26N	07W	15	4	2	3				335	22	313	
SJ 02406	2.6N	07W	30	3	2	1				280	180	100	

NA	D27 X:	Y:	Zone:	Search	Radius:
County:	Bas	in:		Number:	Suffix:
Owner Name:	(First)	(Last)		─ ○Non-Do	omestic ODomestic OAll
	POD / Surface Da	ata Report Avg	Depth to Water	Report Water	Column Report
		Clear Form	iWATERS Mei	nu Help	

WATER COLUMN REPORT 08/12/2008

(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest) Tws Rng Sec q q q Zone X

Depth Depth Water (in feet)
Y Well Water Column

POD Number

No Records found, try again

NA	D27 X:	Y:	Zone:	Search R	adius:
County:	В	asin:		Number:	Suffix:
Owner Name:	(First)	(Las	t)	─ ○ Non-Dom	estic ODomestic Al
	POD / Surface	Data Report A	g Depth to Wate	Report Water Co	olumn Report
		Clear Form	iWATERS Me	enu Help	

(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest) Tws Rng Sec q q q Zone X

Depth Depth Water (in feet)
Y Well Water Column

POD Number

No Records found, try again

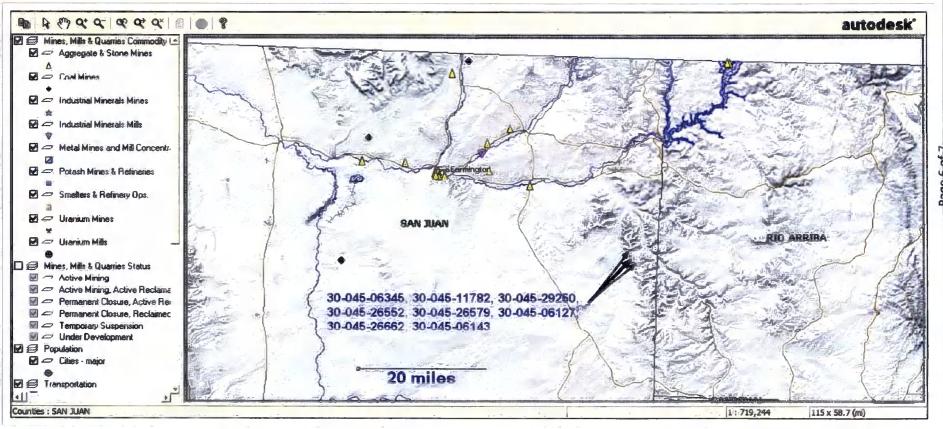
NA	D27 X:	Y:	Zone:	Search	Radius:
County:	Bas	in:		Number:	Suffix:
Owner Name:	(First)	(Last)		Non-Do	mestic ODomestic Al
_	POD / Surface Da	ata Report Avg	Depth to Water	Report Water	Column Report
		Clear Form	iWATERS Mer	nu Help	

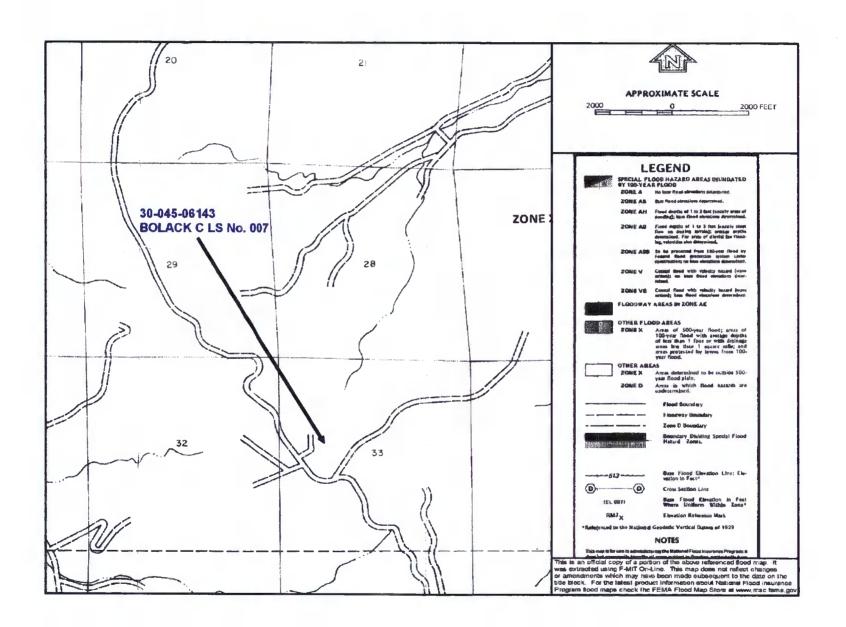
WATER COLUMN REPORT 08/06/2008

							smallest			Depth	Depth	Water	(in feet)
POD Number	Tws	Rng	Sec	P	.q	q	Zone	x	Y	Well	Water	Column	
SJ 03746 POD1	28N	09W	20	1	2	3				190	40	150	
SJ 00018	28N	09W	20	3	1	4				135	71	64	
SJ 02800	28N	09W	24	4	2	3				200			



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.

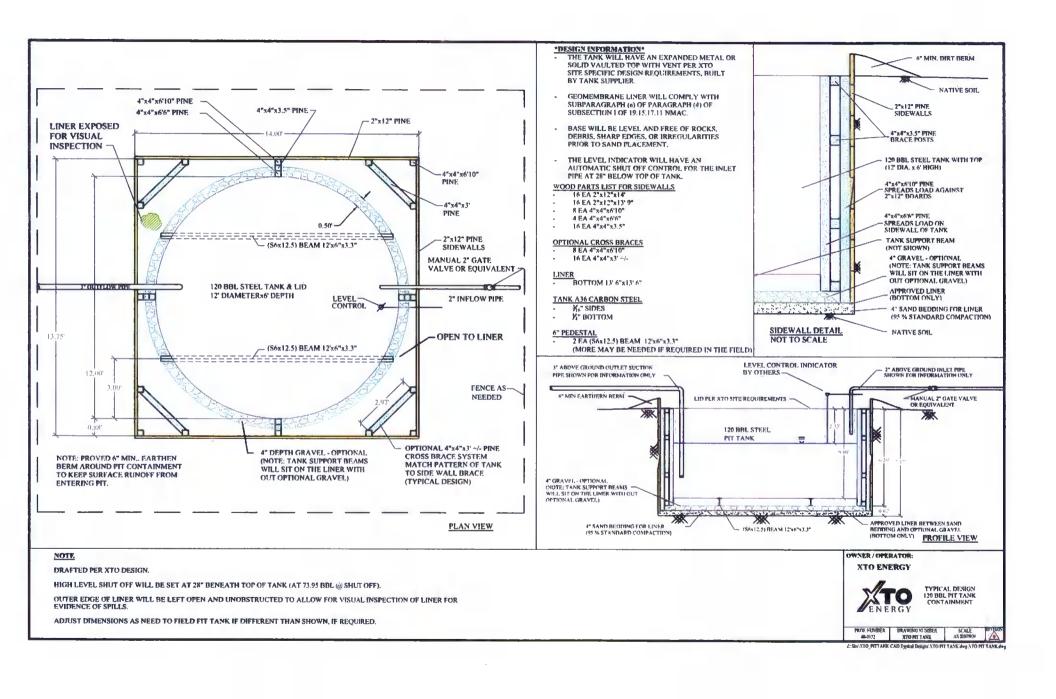
General Plan

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

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

Well Name

API#

Sec., Twn., Rng.

XTO Inspector's name

Inspection date and time

Visible tears in liner

Visible signs of tank overflow

Collection of surface run on

Visible layer of oil

Visible signs of tank leak

Estimated freeboard

- 5. XTO will maintain adequate freeboard to prevent over topping of the below-grade tank. High level shut-off devices control the freeboard at an average of 28" beneath the top of the tank.
- 6. XTO will not discharge into or store any hazardous waste in any below-grade tank.
- 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.

		MONT	HLY BELO	W GRADE TANK	INSPECTIO	N FORM		
Well Name	e:				API No.:			
Legals	Sec:		Township:		Range:			
XTO Inspector's Name	Inspection Date	Inspection Time	Any visible liner tears (Y/N)	Any visible signs of tank overflows (Y/N)	Collection of surface run on (Y/N)	Visible layer	Any visible signs of a tank leak (Y/N)	Freeboard Est. (ft)
					-			
				· · · · · · · · · · · · · · · · · · ·				
					-			
Notes:	Provide De	etailed Descr	iption:					
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 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.
- 6. XTO will remove any on-site equipment associated with a below-grade tank unless the equipment is required for some other purpose.
- 7. XTO will test the soils beneath the below-grade tank to determine whether a release has occurred. At a minimum 5 point composite sample will be collected along with individual grab samples from any area that is wet, discolored or showing other evidence of a release. Samples will be

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

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

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

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

- 11. Re-contouring of location will match fit, shape, line, form and texture of the surrounding area.

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

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

- 14. All closure activities will include proper documentation and be available for review upon request and will be submitted in closure report form to OCD within 60 days of closure of the below-grade tank. Closure report will be filed on form C-144 and incorporate the following:
 - i. Proof of closure notice to division and surface owner;
 - ii. Details on capping and covering, where applicable;
 - iii. Inspection reports;
 - iv. Confirmation sampling analytical results;
 - v. Disposal facility name(s) and permit number(s);
 - vi. Soil backfilling and cover installation;
 - vii. Re-vegetation application rates and seeding techniques, (or approved alternative to re-vegetation requirements if applicable);
 - viii. Photo documentation of the site reclamation.