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

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

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office. 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, Belo Proposed Alternative Method Permit on | |
|--|--|
| Type of action: Existing BGT Permit of a pit, closed-loop system, below Closure of a pit, closed-loop system, below Modification to an existing permit | |
| 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 o environment. Nor does approval relieve the operator of its responsibility to comply with any of | |
| ı. Operator: XTO Energy, Inc. | OGRID #: 5380 |
| Address: #382 County Road 3100, Aztec, NM 87410 | |
| Facility or well name: Florance #64 | |
| API Number: 30-045-11872 OCD Permit N | |
| U/L or Qtr/Qtr O Section 17 Township 27N Range | |
| Center of Proposed Design: Latitude 36.569660 Longitude | |
| Surface Owner: Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment | |
| 2. | |
| Pit: Subsection F or G of 19.15.17.11 NMAC | |
| Temporary: Drilling Workover | |
| Permanent Emergency Cavitation P&A | |
| ☐ Lined ☐ Unlined Liner type: Thicknessmil ☐ LLDPE ☐ HDPE | PVC Other |
| ☐ String-Reinforced | |
| Liner Seams: Welded Factory Other Volume: | e:bbl Dimensions: L x W x D |
| 3. | |
| Closed-loop System: Subsection H of 19.15.17.11 NMAC | of the second se |
| Type of Operation: P&A Drilling a new well Workover or Drilling (Applies intent) | es to activities which require prior approval of a permit of notice of |
| ☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other | |
| ☐ Lined ☐ Unlined Liner type: Thicknessmil ☐ LLDPE ☐ HD | DPE PVC Other |
| TO THE TOTAL TOTAL | |
| Liner Seams: Welded Factory Other | |
| 4. | |
| 4. Below-grade tank: Subsection I of 19.15.17.11 NMAC | |
| 4. Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: 120 bbl Type of fluid: Produced Water | |
| 4. Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: 120 bbl Type of fluid: Produced Water Tank Construction material: Steel | |
| 4. Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: 120 bbl Type of fluid: Produced Water Tank Construction material: Steel Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and the steel Visible sidewalls, li | and automatic overflow shut-off |
| 4. Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: 120 bbl Type of fluid: Produced Water Tank Construction material: Steel | and automatic overflow shut-off lls, vaulted, automatic high-level shut off, no liner |

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 | |
| 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. Signal Subsection C of 10.15.17.11 NIMAC | |
| 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 compliance with 17.15.5.105 NWAC | |
| 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 the Santa Fe En | office for |
| consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. | |
| Exception(s). Requests must be submitted to the Santa Fe Environmental Buleau 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. |
| Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | ☐ Yes ⊠ No |
| Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site | ☐ Yes ☑ No |
| Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image | ☐ Yes ☒ No ☐ NA |
| Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) | ☐ Yes ☐ No ☐ NA |
| - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image | ☐ Yes ☑ No |
| 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 | |
| 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 |

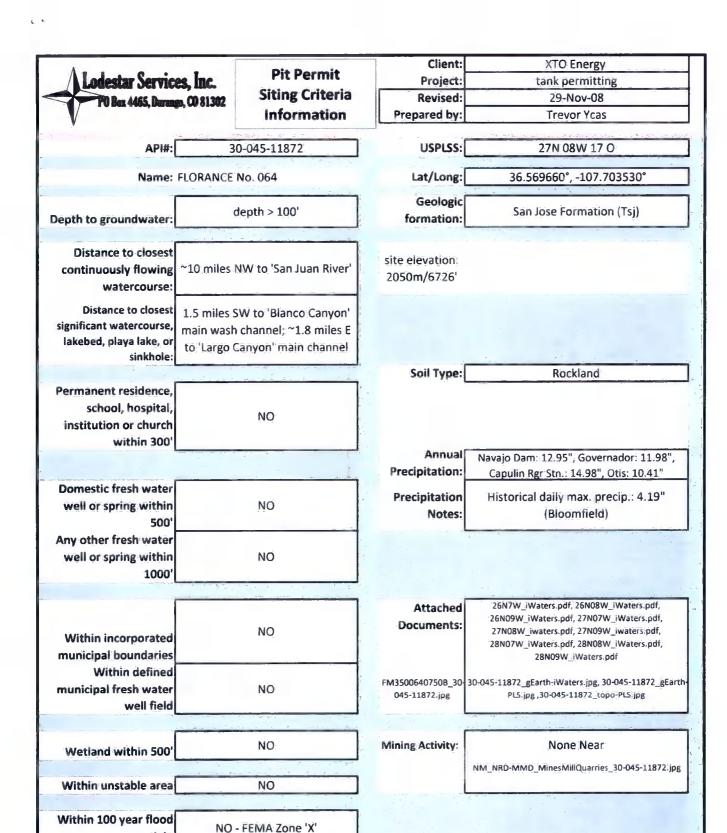
| Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are |
|---|
| attached. ☐ Hydrogeologic 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 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 Erosion Control Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC |
| 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 Tanks or Haul-off Bins Only: (19.15.17.13. Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if | | | | | | | |
|---|------------------------|--|--|--|--|--|--|
| facilities are required. | | | | | | | |
| Disposal Facility Name: Disposal Facility Permit Number: | | | | | | | |
| Disposal Facility Name: Disposal Facility Permit Number: | | | | | | | |
| Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future set Yes (If yes, please provide the information below) No | vice and operations? | | | | | | |
| Required for impacted areas which will not be used for future service and operations: Soil Backfill and Cover Design Specifications based upon the appropriate requirements of Subsection 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 | | | | | | | |
| 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 plan. Recommendations of acceptable sou provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate dis considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Just demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance. | trict 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 | Yes No | | | | | | |
| Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | Yes No | | | | | | |
| Within 300 feet of a continuously flowing watercourse, or 200 feet of any other 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. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image | ☐ Yes ☐ No | | | | | | |
| 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 | ☐ 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 | | | | | | |
| On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - 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 Waste Material Sampling Plan - 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 or in case on-site closure standards cann Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC | 15.17.11 NMAC | | | | | | |

| .19: | | |
|---|---|---|
| Operator Application Certification: | | |
| I hereby certify that the information submitted with this application is | true, accurate and complete to t | he best of my knowledge and belief. |
| N (D'A) W (C) I | T'd. | Section and December 1 |
| Name (Print): Kim Champlin | Ittle: | Environmental Representative |
| Signature: Kim Champlin | Date: | 01/02/2009 |
| · · · · · · · · · · · · · · · · · · · | | (505) 333-3100 |
| c-man address. Kim champini@xtochergy.com | rereptione | (303) 333-3100 |
| 20. | | |
| OCD Approval: Permit Application (including closure plan) | Closure Plan (only) U OCD | Conditions (see attachment) |
| OCD Representative Signature: | | Approval Date: |
| | | |
| Title: | OCD Permit Num | iber: |
| 21. | | |
| Closure Report (required within 60 days of closure completion): Instructions: Operators are required to obtain an approved closure The closure report is required to be submitted to the division within a section of the form until an approved closure plan has been obtained | plan prior to implementing any 60 days of the completion of the d and the closure activities have | closure activities and submitting the closure report. closure activities. Please do not complete this been completed. |
| | ☐ Closure Com | pletion Date: |
| 22. Closure Method: Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain. | ☐ Alternative Closure Method | □ Waste Removal (Closed-loop systems only) |
| 23. Closure Report Regarding Waste Removal Closure For Closed-loc Instructions: Please indentify the facility or facilities for where the I two facilities were utilized. | | |
| Disposal Facility Name: | Disposal Facility P | Permit Number: |
| Disposal Facility Name: | | Permit Number: |
| Were the closed-loop system operations and associated activities performed Yes (If yes, please demonstrate compliance to the items below) | ormed on or in areas that will not | |
| Required for impacted areas which will not be used for future service of Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique | and operations: | |
| 24. | | |
| Closure Report Attachment Checklist: Instructions: Each of the finank in the box, that the documents are attached. Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if applicable) Waste Material Sampling Analytical Results (required for on-site 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 | te closure) | |
| | Longitude | 17AD. [[1727 [] 1703 |
| 25. Operator Closure Certification: | | |
| I hereby certify that the information and attachments submitted with the belief. I also certify that the closure complies with all applicable closure. | nis closure report is true, accurate requirements and conditions | e and complete to the best of my knowledge and specified in the approved closure plan. |
| Name (Print): | Title: | |
| Signature: | | |
| e-mail address: | Telephone: | |

| | | | | | | | | // | Win | e C | hon | te |
|---|-------------|-----------------|--------------|--------------------------------|---------------------------|---------------|-----------------------------------|-----------------|----------------------------------|--|--|--|
| District f Pt Bare 1980, Hoi | obs, NM 88 | 248-1980 | | Energy. | State of Minerals & N. | Nov etuent | v Maxico Resources Departmen | nt | Nam Oka | R | levised | Form:C-107 October 13, 199 |
| District II SUE South First, A District III | | | | ori c | 2040 So | uth | TON DIVISIO Pacheco M 87505 | | | | ա թթւօրւ Տեւն | structions on hach late District Office Lease - 4 Copie e Lease - 3 Copie |
| District IV 2040 South Pache | co, Santa F | e, NM 87505 | | | | | | | | 2 | MA E | ENDED REPORT |
| | | | ELL LO | | | CR | EAGE DEDI | CA [*] | | | | |
| 30-045- | | | | ² Prod Cod 72319 | | | Blanco Mes | sa ! | Pool Na Jeinde | ine | | |
| Property | | FLORA | NCE | | | | Nume | | | | Well Number | |
| 70GRID 000778 | No. | Атосо | Produc | tion Co | ompany | | Name | | Flevation to 771' GR | | | |
| (1) 1-4 | Santi- | T | | 1 | | | Location | I e | | | | 10 |
| C1, or lat an. | Section | Township 27N | Runge BW | Lot Idn | Feet from t | he | North/South line | 1 | et from the | East/Wo | | San Juan |
| | | | 11 Bot | tom Ho | le Locatio | n I | | om : | Surface | | | |
| UL or lot no. | Section | Township | Range | Lut Idn | Feet from t | he | North/South line | Fee | et from the | East/Wes | t line | County |
| 12 Dedicated Acr | es '' Joint | or lafill '* | Consolidatio | n Code 13 (| Order No. | | · | | | | | |
| NO ALLOW | ABLE WI | | | | | | UNTIL ALL IN APPROVED BY | | | | CONS | DLIDATED OR A |
| 16 | | | | | <i>"</i> | | | - | 17 OPER I hereby certif | RATOR by that the in | formation | TIFICATION a contained herein is knowledge and belief |
| | | | | | | | | | Signature | vi G | | dahaw |
| | | | | | | | | | Printed Nam | | | |
| | | | | | | | | | Title | d Tech | | 0.7 |
| | | | | | | | | | Date | ary 13 | . 19 | 9./ |
| | | | | | | | | | I hereby renty was plotted fr | fy that the word field not supervision, best of my b | ell locations of action of action of action of action of action of actions of | TIFICATION In this must be some in true and the same is true and |
| | OTT. | CO TO |) DU | N. | - <u>-</u> -): | 320 | | | Signature and | Scal of Pro | | |

2463 Certificate Number



Additional Notes:

plain

drains to 'Largo Canyon' via 'Star Canyon' Atop Blanco Mesa, S of 'Hollis Pass' and W of 'Star Canyon'

Florance #64 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, west of Star Canyon, and 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

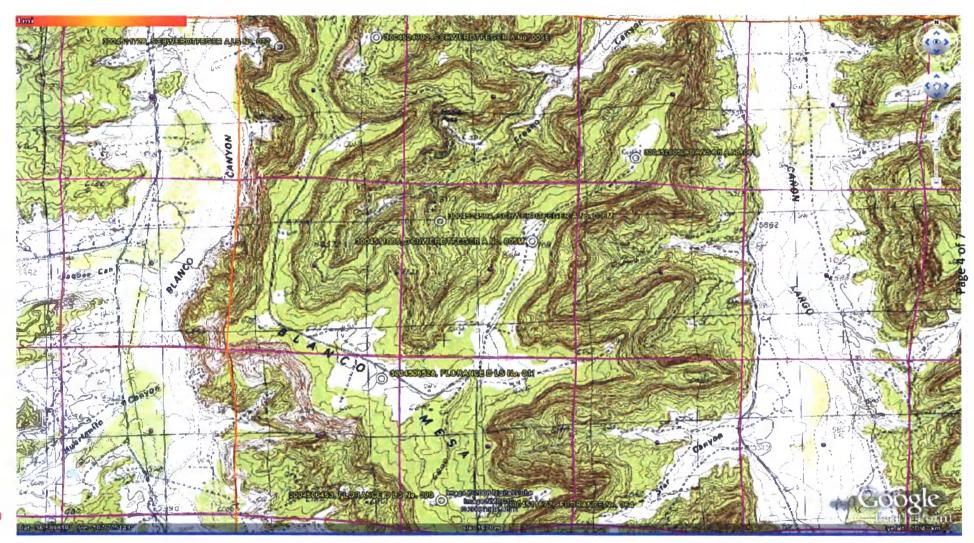
Depth to groundwater is estimated to be greater than 100 feet. This estimation is based on data from Stone and others (1983), the USGS Groundwater Atlas of the United States and depth to groundwater data published on the New Mexico State Engineer's iWaters Database website. Local topography and proximity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

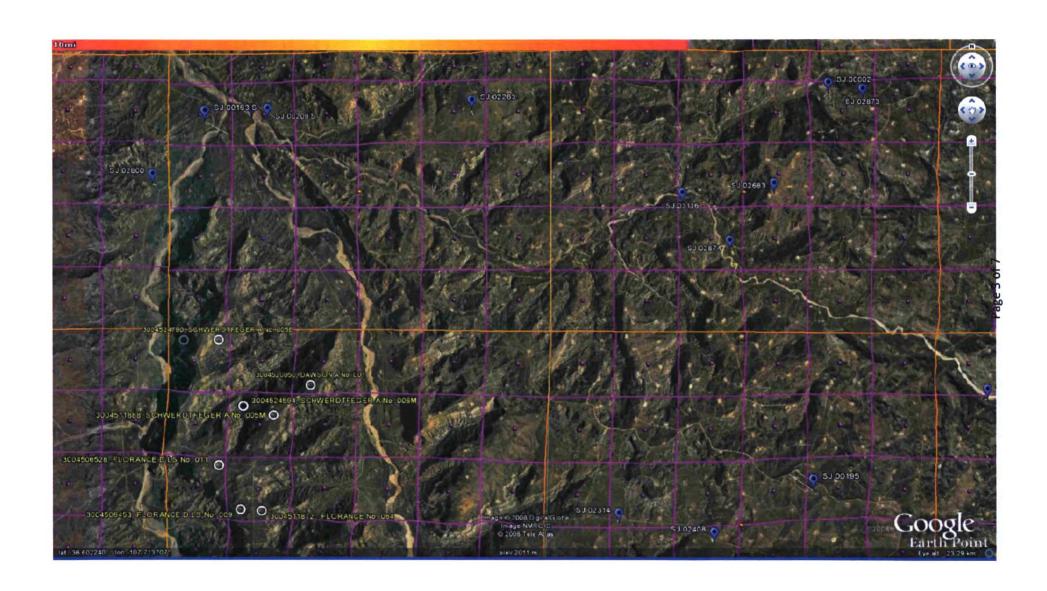
Beds of water-yielding sandstone are present in the San Jose Formation, which are fluvial in origin and are interbedded with mudstone, siltstone, shale. "Extensive intertonguing" of different members of this formation is reported (Stone et al, 1983). Porous sandstones form the principal aquifers, while 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 6730 feet and approximately 1.5 miles east of Blanco Canyon. 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 500 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 3.4 miles southeast in Blanco Canyon (SJ02961). Other 'nearby' iWaters wells are located 5.2 miles northeast (SJ02800), 6.5 miles east-(SJ02314), and 4.5 miles southeast (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 500 feet between the site and the nearest major stream channel suggests groundwater is likely deeper than 100 feet.





New Mexico Office of the State Engineer POD Reports and Downloads

| NA | D27 X: | Y: | Zone: | Search | Radius: |
|-------------|------------------|------------------|------------------|--------------|-----------------------|
| County: | Bas | in: | | Number: | Suffix: |
| Owner Name: | (First) | (Last) | | Non-Do | mestic ODomestic OAll |
| 4 | POD / Surface Da | ata Report Avg I | Depth to Water F | Report Water | Column Report |

WATER COLUMN REPORT 08/04/2008

| · • | | | | | | | 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 02283 | 28N | 08W | 14 | 4 | 2 | 1 | | | | 540 | 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 | 0.8M | 17 | 4 | 1 | 1 | | | | 15 | | 15 | |
| SJ 00163 S | 28N | 08W | 18 | 4 | 4 | 2 | | | | 1450 | 800 | 650 | |

New Mexico Office of the State Engineer POD Reports and Downloads

| NAD27 X: | Y: \ Zo | one: Search Radius: |
|---------------------|-------------------------|---------------------------------------|
| County: | Basin: | Number: Suffix: |
| Owner Name: (First) | (Last) | ○ Non-Domestic ○ Domestic ● A |
| POD / Surfac | e Data Report Avg Depth | to Water Report Water Column Report |
| | Clear Form iWAT | TERS Menu Help |

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

Record Count: 0

| Township 28N Range 06W Sections | | | | New Mexico POD R | | f the State Ei nd Download | | | | | | | | | |
|--|----------|-----------------------|---------------------|---------------------|----------|-------------------------------|-------|----------------|------------|-------|--------|---------|------------|------------|--------|
| County: Basin: Number: Suffix: | | | Township: 2 | 8N Range: 06W | Secti | ons: | | | | | | | | | |
| Owner Name: (First) (Last) One-Domestic O Domestic O Domestic O Domestic O Domestic O All POD / Surface Data Report Avg Depth to Water Report Water Column Report | | | NAD27 X: | Y: | Z | one: | Searc | h Radius: | | | | | | | |
| POD / Surface Data Report Avg Depth to Water Report Water Column Report Water Column Report | | | County: | Basin: | | Num | ber: | Suffi | ix: | | | | | | |
| Pod Surface Data Report 10/11/2008 ClearForm WATERS Menu Help Pod Surface Data Report 10/11/2008 ClearForm WATERS Menu Help Pod Surface Data Report 10/11/2008 ClearForm WATERS Menu Help Pod Surface Data Report 10/11/2008 ClearForm Waters are 1=NW 2=NE 3=SW 4=SE) ClearForm Waters are 1=NW 2=SW 4=SE ClearForm Waters are 1=NW 2=SW 4=SW 4=SE | | | Owner Name: (First) | (Last | 1) | | Non- | Domestic | O Domestic | ⊚ All | | | | | |
| Pod Surface Data Report 10/11/2008 ClearForm WATERS Menu Help Pod Surface Data Report 10/11/2008 ClearForm WATERS Menu Help Pod Surface Data Report 10/11/2008 ClearForm WATERS Menu Help Pod Surface Data Report 10/11/2008 ClearForm Waters are 1=NW 2=NE 3=SW 4=SE) ClearForm Waters are 1=NW 2=SW 4=SE ClearForm Waters are 1=NW 2=SW 4=SW 4=SE | | | POD / Surfa | ce Data Report A | va Depth | to Water Repor | ı W | ater Column Re | port | | | | | | |
| POD SURFACE DATA REPORT 10/11/2008 | | | | | | | | | | | | | | | |
| Color Colo | | | | Clear Form | INANI | CLO WIGHT | uerb | | | | | | | | |
| Composition | | POD / SURFACE DATA RE | PORT 10/11/2008 | | | | | | | | | | | | |
| DR File NDr Use Diversion Owner Owner POD Number Source Tws Rng Sec q q Q Dre Source Tws | | | | | | | | | | | | | | | |
| 8D 07849 PUL 3 ROSA B. MARTINEZ SD 07849 28N 06W 13 2 4 1 1 28N 06W 20 3 3 3 1 284303 4060381 284506 05/23/1967 1551 280000 0784 20 BURLINGTON RESOURCES OIL 6 GS SJ 0200 Aztesian 28N 06W 20 3 3 3 1 281564 4057870 05/23/1967 1551 28J 03005 STK 3 DOS SCHREIBER SJ 03043 Shallow 28N 06W 21 4 2 2 1 1 2 2 1 1 2 2 1 1 2 2 1 2 2 1 2 2 2 2 2 3 2 2 2 3 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 2 3 2 3 2 2 3 | | | | (quarters are | | | | | Feet | | | | | Finish | |
| 8J 00200 OFM 20 BURLINGTON RESOURCES OIL 6 GAS \$\frac{8J}{3J}\$ 00200 Artesian 28N 06W 23 3 3 \ 13 281564 405787 05/23/1967 1551 \ 8J 03005 STK 3 LON SCHREIBER 8J 03005 Shallow 28N 06W 21 4 2 2 13 279663 4058421 09/01/2000 290 \ 13 279663 4058421 09/01/2000 09/10/2000 290 \ 13 279683 4058421 09/01/2000 09/10/2000 290 \ 13 279683 4058421 09/01/2000 09/10/2000 290 \ 14 2 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | | | | Source | | | | one X | Y | | | | Date | Date | Well 1 |
| 8J 03005 STK 3 LON SCHREIBER 8J 03005 Shallow 28N 06W 21 4 2 13 279663 4058421 08/06/2000 08/10/2000 245 8J 03043 STK 3 JANE SCHREIBER 8J 03043 Shallow 28N 06W 21 4 2 13 279663 4058421 09/01/2000 09/02/2000 290 8J 03091 Shallow 28N 06W 21 4 2 2 13 279663 4058421 09/01/2000 09/02/2000 290 8J 03091 Shallow 28N 06W 21 4 2 2 13 279663 4058421 09/01/2000 09/02/2000 290 8J 03091 Shallow 28N 06W 29 2 3 3 3 279654 4057809 05/17/2001 05/18/2001 3 8J 03675 Shallow 28N <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>1</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> | | | | | | | 1 | | | | | | | | |
| 8J 03043 STK 3 JAME SCHREIBER 8J 03043 Shallow 28N 06W 21 4 2 13 279663 4058421 09/01/2000 09/02/2000 290 8J 03091 STK 3 JAME SCHREIBER 8J 03091 Shallow 28N 06W 29 2 2 3 279653 4057809 05/17/2001 05/18/201 150 8J 03443 STK 0 PON SCHREIBER 8J 03443 28N 06W 29 2 2 3 3 279663 4057809 05/17/2001 05/18/201 150 8J 03443 STK 0 PON SCHREIBER 8J 03443 28N 06W 22 2 3 3 279854 4057809 3 05/17/2001 05/18/201 150 3 3 2 13 279854 4057809 3 4057809 3 4057809 3 4057809 4 | | | | | | | | | | | | | | | |
| 6J 03091 STK 3 JAME SCHREIBER 6J 03091 Shallow 28N 06W 29 2 2 3 277834 4057457 05/17/2001 05/18/2001 150 8J 03443 28N 06W 22 3 3 27834 4057467 05/17/2001 05/18/2001 150 8J 03443 28N 06W 22 3 3 13 279854 4057869 4057869 8J 03475 5 Shallow 28N 06W 14 4 3 4 C 153167 2059732 13 29854 4057869 05/17/2001 05/18/2001 150 300 3 ARTURO R. SANCHEZ 8J 03675 Shallow 28N 06W 14 4 3 4 C 153167 2059732 13 282528 4059346 11/10/2005 1420 | | | | | | | | | | | | | | | |
| BJ 03443 STK 0 FON SCHREIBER BJ 03443 28N 06W 22 3 3 3 13 279854 4057809 300 BJ 03675 DOM 3 ARTURO R. SANCHEZ BJ 03675 Shallow 28N 06W 14 4 3 4 C 153167 2059732 13 282528 4059346 11/08/2005 11/10/2005 420 | | | | | | | | | | | | | | | |
| BJ 03675 DOM 3 ARTURO R. SANCHEZ BJ 03675 Shallow 28N 06W 14 4 3 4 C 153167 2059732 13 282528 4059346 11/08/2005 11/10/2005 420 | | | | Shallow | | | | | | | | | 05/1//2001 | 02/18/5001 | |
| | 83 03443 | | | Challer | | | | 163117 | 2050722 | | | | 11/08/2005 | 11/10/2025 | |
| | | | | | | | | 133107 | 2009/32 | 1.3 | 202028 | 4039346 | | | |

1 of 1

| | Township: 27N Range: psw Sections: |
|-------------|---|
| | NAD27 X: Y: Zone: Search Radius: |
| | County: Basin: Number: Suffix: |
| | Owner Name: (First) (Last) Onn-Domestic Onnestic Mall |
| | POD / Surface Data Report Avg Depth to Water Report Water Column Report |
| | Clear Form iWATERS Menu Hetp |
| | FOD / SURFACE DATA REPORT 08/12/2008 (quarters are 1=NN 2=NE 3=SW 4=SE) |
| DB File Mbr | (acre ft per annum) (quarters are biggest to smallest X Y are in Feet UTM are in Meters) Start Finish Depth Use Diversion Owner POD Number Source Tws Rng Sec q q Zone X Y UTM Zone Easting Northing Date Date Well |

No Records found, try again

l of l

New Mexico Office of the State Engineer POD Reports and Downloads

| | 1 GD Acepoils and Downson |
|------------|--|
| | Township: 27N Range: 08W Sections: |
| | NAD27 X: Y: Zone: Search Radius: |
| | County: Suffix: Suffix: |
| | Owner Name: (First) (Last) Onn-Domestic Onnestic |
| | POD / Surface Data Report Avg Depth to Water Report Water Column Report |
| | Clear Form iWATERS Menu Help |
| | WATER COLUMN REPORT 08/04/2008 |
| | (quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest) Depth Depth Water (in feet) |
| POD Number | Tws Rng Sec q q Zone X Y Well Water Column 27N 08W 36 1 3 2 |

Record Count: 1

l of l

New Mexico Office of the State Engineer POD Reports and Downloads

| | Township: 27N | Range: 07W | Sections: | | |
|-------------|-----------------|---------------|-----------------|--------------|----------------------|
| NA | D27 X: | Y: | Zone: | Search | Radius: |
| County: | Bas | sin: | | Number: | Suffix: |
| Owner Name: | (First) | (Last | t) | O Non-Do | mestic ODomestic A |
| - | POD / Surface D | ata Report Av | g Depth to Wate | Report Water | Column Report |
| | | Clear Form | IWATERS Me | enu Help | ê |

WATER COLUMN REPORT 08/04/2008

| (quarters are 1=NW 2=NE 3=SW 4=SE) | | | | | | | | | | | | |
|------------------------------------|----------|-------|-----|-----|-------|-----------|---|---|-------|-------|--------|-----------|
| | (quarter | s are | biq | gge | st to | smallest) | | | Depth | Depth | Water | (in feet) |
| POD Number | Tws | Rng | Sec | q e | p r | Zone | X | Y | Well | Water | Column | |
| RG 81025 | 27N | 07W | 35 | 4 | 3 | | | | 560 | 465 | 9.5 | |
| SJ 00195 | 27N | 07W | 15 | 2 | | | | | 1633 | 500 | 1133 | |
| SJ 02314 | 27N | 07W | 17 | 3 3 | 3 | | | | 355 | 320 | 35 | |
| SJ 02408 | 27N | 07W | 21 | 2 : | 1 3 | | | | 400 | 300 | 100 | |
| SJ 03274 | 27N | 07W | 35 | 3 4 | 4 4 | | | | 450 | | | |
| SJ 02404 | 27N | 07W | 35 | 4 | 3 3 | | | | 550 | 250 | 30.0 | |

Record Count: 6

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 DB File Nbr Use Diversion Owner POD Number Source Tws Rng Sec q q q UTM_Zone Easting Northing Date Date Well | SJ 00061 SJ 00062 DOM EL PASO NATURAL GAS COMPANY 8J 00061 Shallow 27N 06W 32 3 3 3 4044923 11/01/1956 11/07/1956 445 DOM EL PASO NATURAL GAS COMPANY 9J 00062 Shallow 27N 06W 32 3 3 3 13 276278 4044923 11/08/1956 11/12/1956 452 SJ 00213 17 EL PASO NATURAL GAS COMPANY 8J 00213 27N 06W 32 1 4 4 Shallow 13 276897 4045750 06/20/1974 1308 8J 02291 8J 02403 STK 8J 02291 BLM 27N 06W 23 4 3 1 13 281993 4048335 DOM JOE OR WILMA KAIME 27N 06W 3D 3 1 3 8J 02403 13 274714 4047115 SJ 03001 DOM 3 CHARLES E. BRADLEY 8J 03001 Shallow 27N 06W 07 2 2 1 13 276165 4052831 06/28/2000 07/04/2000 141

1 of 1

1001

New Mexico Office of the State Engineer POD Reports and Downloads

| NAD27 | V | Zamar | Socrab I | Dadius. |
|------------------|-----------------------|----------------------|------------------|-----------------------|
| NAD21 | X: Y: | Zone: | Search I | kadius: J |
| County: | Basin: | | Number: | Suffix: |
| Owner Name: (Fir | st) | (Last) | Non-Don | nestic ODomestic Al |
| POL | / Surface Data Report | Avg Depth to Water F | Report Water C | Column Report |
| | | Form iWATERS Men | u Help | |

WATER COLUMN REPORT 08/08/2008

| | (quarter | s are | a 1= | NW | 2= | NE | 3=SW 4=SE) |) | | | | | |
|---------------|----------|-------|------|-----|----|----|------------|---|---|-------|-------|--------|-----------|
| | (quarter | s are | e bi | gge | st | to | 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 | 3'5 | |
| 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 | |

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

| | • |
|------------|--|
| | Township: 26N Range: 08W Sections: |
| | NAD27 X: Y: Zone: Search Radius: |
| | County: Basin: Number: Suffix: |
| | Owner Name: (First) (Last) Non-Domestic Omestic All |
| | POD / Surface Data Report |
| | Clear Form iWATERS Menu Help |
| | WATER COLUMN REPORT 08/07/2008 |
| | (quarters are 1=NW 2=NE 3=SW 4=SE) |
| | (quarters are biggest to smallest) 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 60'00 |

2200

Record Count: 3

SJ 02407

26N 08W 01 4 4 1

New Mexico Office of the State Engineer POD Reports and Downloads

| NA | D27 X: | Y: | Zone: | Search | Radius: |
|-------------|------------------|---------------|------------------|--------------|----------------------|
| County: | Basi | n: | | Number: | Suffix: |
| Owner Name: | (First) | (Last) | | Non-Do | mestic ODomestic A |
| | POD / Surface Da | ta Report Avg | Depth to Water F | Report Water | Column Report |

WATER COLUMN REPORT 08/06/2008

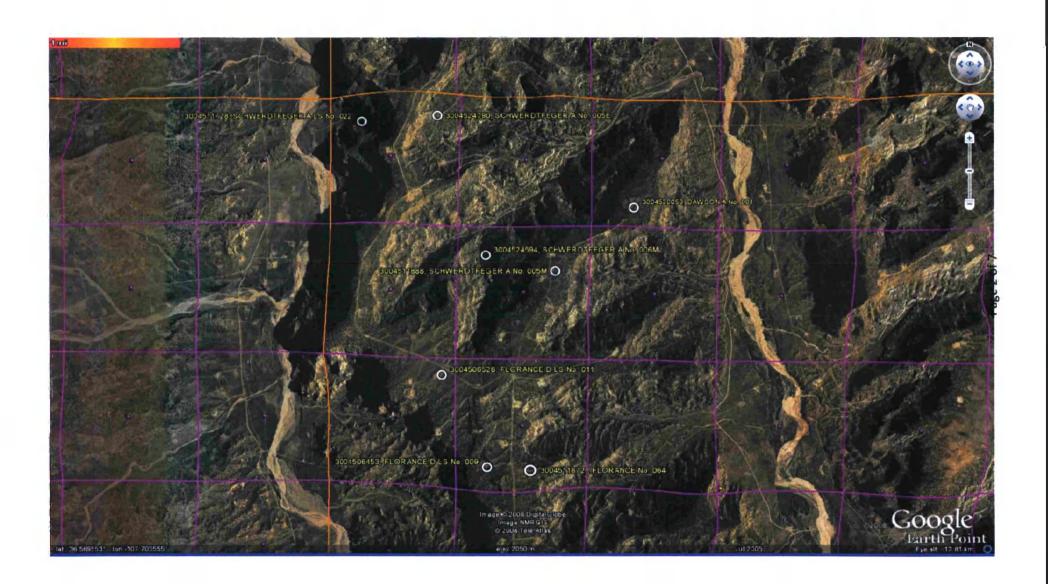
| | | | | | | | 3=SW 4=SI | - | | Depth | Depth | Water | 1:- | foot) |
|------------|-----|-----|----|---|---|---|-----------|---|---|-------|-------|--------|------|-------|
| POD Number | Tws | | | | | | zone Zone | X | Y | Well | Water | Column | (III | reer) |
| SJ 02409 | | 07W | | 1 | _ | _ | | | | 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 | 26N | 07W | 30 | 3 | 2 | 1 | | | | 280 | 180 | 100 | | |

New Mexico Office of the State Engineer POD Reports and Downloads

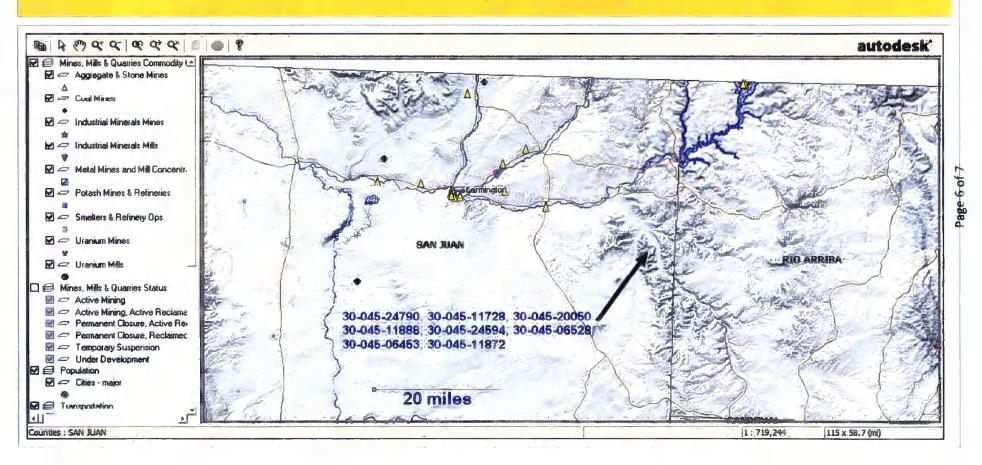
| | Township: 28N Range | ge: 09W Sections: | | |
|-------------|-------------------------|--------------------------|-----------------------------|-----|
| NA | D27 X: Y: | Zone: | Search Radius: | |
| County: | Basin: | | Number: Suffix: | _ |
| Owner Name: | (First) | (Last) | ─ ○Non-Domestic ○Domestic ● | All |
| | POD / Surface Data Repo | ort Avg Depth to Water I | Report Water Column Report | |
| | Cle | ear Form iWATERS Men | nu Help | |

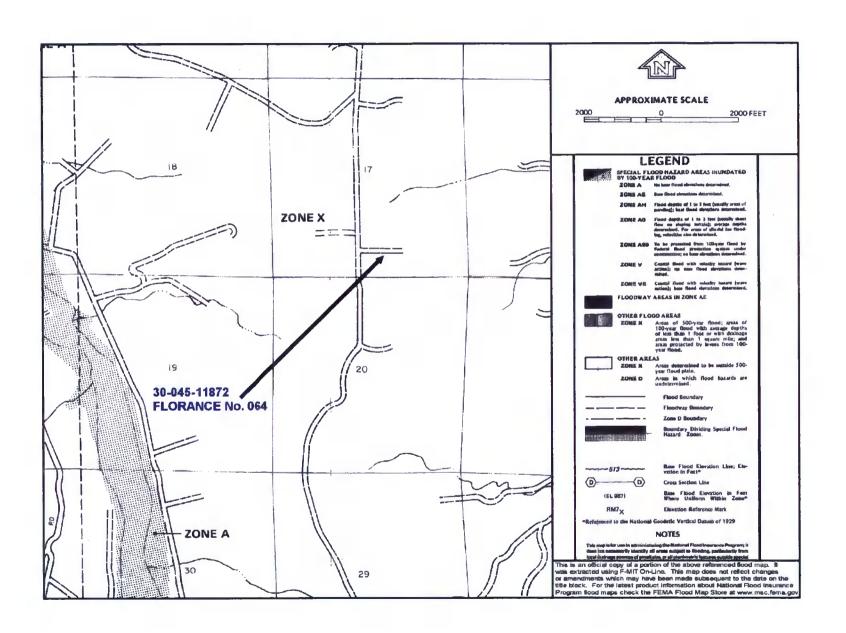
WATER COLUMN REPORT 08/06/2008

| | (quarter | s are | e 1=1 | WW : | 2=NE | 3=SW 4=SE |) | | | | | |
|---------------|----------|-------|-------|------|-------|-----------|---|---|-------|-------|--------|-----------|
| | (quarter | s are | a bi | gge | st to | smallest |) | | Depth | Depth | Water | (in feet) |
| POD Number | Tws | Rng | Sec | q e | 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 | | | | 20.0 | | | |



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.

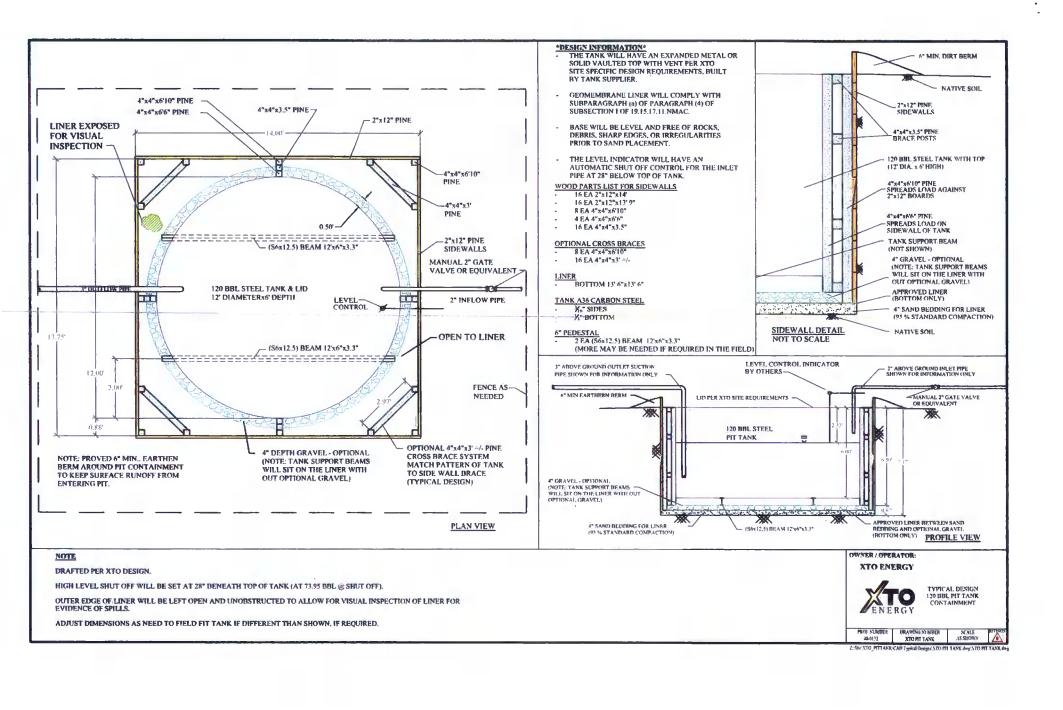
General Plan

- 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 \(\lambda'' \) bottom. (See attached drawing).
- 6. The below-grade tank system will have a properly constructed foundation consisting of a level base free of rocks, debris, sharp edges or irregularities to prevent punctures, cracks or indentations of the liner or tank bottom. Sand bedding (4") will be placed on top of a level foundation to ensure prevention of punctures, cracks or indentations of the liner or tank bottom.
- 7. XTO will construct a berm and/or diversion ditch in a manner that prevents the collection of surface water run-on. Below-grade tanks will be equipped with automatic high level shut-off devices as well as manually operated shut-off valves. (See attached drawing).
- 8. XTO will construct and use below-grade tanks that do not have double walls. The below-grade tank sidewalls will be open for visual inspection for leaks. The sidewalls of the cellar will be constructed with 2" X 12" pine sidewalls and 4" X 4" pine brace posts. The below-grade tank

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

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

- 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.
- If a below-grade tank develops a leak, or if any penetration of a below-grade tank occurs below the liquids surface, XTO will remove all liquids above the damage or leak line within 48 hours,

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

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

| Well Nar | ne: | | | | API No.: | | | |
|----------------------------|--------------------|--------------------|-------------------------------------|----------------------|------------------------------------|---------------------------------------|--|---------------------|
| egals | Sec: | | Township: | | Range: | | _ | |
| XTO Inspector's Name | Inspection Date | Inspection Time | Any visible liner tears (Y/N) | Any visible signs of | Collection of surface run on (Y/N) | Visible layer | Any visible signs of a tank leak (Y/N) | Freeboa Est. (ft |
| Name | Bate | Time | (1714) | tank overnows (1714) | Tan on (1714) | 01 011 (1714) | Of a tank leak (Thy) | L31. (11 |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| · · | | | | | | | | |
| lotes: | Provide De | tailed Descri | ption: | | | | | |
| | | | | | | | | |
| isc: | | | | | | | | - |
| | | | | | | · · · · · · · · · · · · · · · · · · · | | |
| | | | | | | | ` | |

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

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

General Plan

- XTO will close below-grade tanks within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the division requires because of imminent danger to fresh water, public health or the environment.
- XTO will close a below-grade tank that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or is not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC within five years after June 16, 2008, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC.
- 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.
- 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.