1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico als and Natural Resources Department iservation Division buth 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, 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.									
L. OCHID# 5390									
Operator: XTO Energy, Inc. OGRID #: 5380									
Address: #382 County Road 3100, Aztec, NM 87410									
Facility or well name: RP Hargrave J #1E									
API Number: 30-045-24662 OCD Permit Number:									
U/L or Qtr/Qtr F Section 03 Township 27N Range 10W County: San Juan									
Center of Proposed Design: Latitude 36.60696 Longitude 107.8862 NAD: ☐1927 ☑ 1983									
Surface Owner: Federal State Private Tribal Trust or Indian Allotment									
Pit: Subsection F or G of 19.15.17.11 NMAC Temporary: Drilling Workover Permanent Emergency Cavitation P&A Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other String-Reinforced Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x D Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of									
intent)									
Drying Pad Above Ground Steel Tanks Haul-off Bins Other									
Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other									
Liner Seams: Welded Factory Other									
4. Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: 95									
Liner type: Thickness mil									

Alternative Method:

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

Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)									
Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hinstitution or church)	hospital,								
Four foot height, four strands of barbed wire evenly spaced between one and four feet									
Alternate. Please specify Four foot height, steel mesh field fence (hogwire) with pipe top railing									
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)									
☐ Screen ☐ Netting ☒ Other Expanded metal or solid vaulted top									
☐ Monthly inspections (If netting or screening is not physically feasible)									
8. Signs: Subsection C of 19.15.17.11 NMAC									
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers									
⊠ Signed in compliance with 19.15.3.103 NMAC									
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.									
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 above-grade tanks associated with a closed-loop system.	priate district pproval. ng pads or								
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☒ No								
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☑ No								
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☑ No ☐ NA								
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No ☐ NA								
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No								
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☑ No								
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☒ No								
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☒ No								
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ⊠ No								
Within a 100-year floodplain FEMA map	☐ Yes ☒ No								

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 Liner 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 G 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 S Instructions: Please indentify the facility or facilities for the disposal of liquids, d facilities are required.	Steel Tanks or Haul-off Bins Only: (19.15.17.13.I rilling fluids and drill cuttings. Use attachment if i	O NMAC) nore than two						
· · · · · · · · · · · · · · · · · · ·	Disposal Facility Permit Number:							
Disposal Facility Name: Disposal Facility Permit Number:								
Will any of the proposed closed-loop system operations and associated activities occ Yes (If yes, please provide the information below) No	cur on or in areas that will not be used for future serv	vice and operations?						
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 NMA(of 19.15.17.13 NMAC	С						
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the comprovided below. Requests regarding changes to certain siting criteria may require 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 for	administrative approval from the appropriate dist 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	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 sign lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	ificant watercourse or lakebed, sinkhole, or playa	☐ Yes ☐ No						
Within 300 feet from a permanent residence, school, hospital, institution, or church - Visual inspection (certification) of the proposed site; Aerial photo; Satellite		☐ Yes ☐ No						
Within 500 horizontal feet of a private, domestic fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less water well o	oring, in existence at the time of initial application.	☐ Yes ☐ No						
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 approva		Yes No						
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visua	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 Sisposal Facility Name and Permit Number (for liquids, drilling fluids and driven Soil Cover Design - based upon the appropriate requirements of Subsection In Re-vegetation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan	irements of 19.15.17.10 NMAC Subsection F of 19.15.17.13 NMAC propriate requirements of 19.15.17.11 NMAC and) - based upon the appropriate requirements of 19. 17.13 NMAC airements of Subsection F of 19.15.17.13 NMAC Subsection F of 19.15.17.13 NMAC fill cuttings or in case on-site closure standards cann 1 of 19.15.17.13 NMAC of 19.15.17.13 NMAC	15.17.11 NMAC						

Operator Application Certification: I hereby certify that the information submitted with this application is true.	e, accurate and complete to the	ne best of my knowledge and belief.
Name (Print): Kim Champlin	Title:	Environmental Representative
Signature: Kim Champlin	Date:01	/30/2009
e-mail address: kim_champlin@xtoenergy.com	Telephone:	(505) 333-3100
20. OCD Approval: Permit Application (including closure plan) Clo	osure Plan (only) OCD	Conditions (see attachment)
OCD Representative Signature:		Approval Date:
Title:	OCD Permit Num	ber:
Closure Report (required within 60 days of closure completion): Sub Instructions: Operators are required to obtain an approved closure plan The closure report is required to be submitted to the division within 60 d section of the form until an approved closure plan has been obtained an	prior to implementing any ays of the completion of the	closure activities and submitting the closure report. closure activities. Please do not complete this
	☐ 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)
Closure Report Regarding Waste Removal Closure For Closed-loop S Instructions: Please indentify the facility or facilities for where the liquid two facilities were utilized.	ids, drilling fluids and drill o	cuttings were disposed. Use attachment if more than
Disposal Facility Name:		ermit Number:
Disposal Facility Name:		ermit Number:
Were the closed-loop system operations and associated activities performe Yes (If yes, please demonstrate compliance to the items below)		be used for future service and operations?
Required for impacted areas which will not be used for future service and Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation	operations:	
Re-vegetation Application Rates and Seeding Technique		
Closure Report Attachment Checklist: Instructions: Each of the followark 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 closures) 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	osure)	
25. Operator Closure Certification:		
I hereby certify that the information and attachments submitted with this c belief. I also certify that the closure complies with all applicable closure r	losure report is true, accurate equirements and conditions s	e and complete to the best of my knowledge and specified in the approved closure plan.
Name (Print):		
Signature:	Date:	
e mail address	Telenhone	

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO ENERGY AND MINIERALS DEPARTMENT

P. O. BOX 2088 SANTA FE, NEW MEXICO 87501 All distances must be from the cuter haundaries of the Section.

Form C-107 kerised 10-1-78

Spendtor					
			Lease		Well No.
	OUCTION COMPA		R. P. HARGE	County	1E
Unit Letter	Section	Township 27M	Range 10W	San Ju	an l
F Actual Footage Lo	cation of Wells	27N	TOM	Jan ou	
1540	feet from the	North line on	1520	teet from the We	est line
Ground Lavel Elev			Pool	teet nom the	Dedicated Agreage:
6060	Dakot		Basin Dako	a	W/320.96 Acres
2. If more to interest a 3. If more to dated by If answer this form No allows	than one lease and royalty). can one lease of communitization No If is "no," list the if necessary.)	cated to the subject is dedicated to the wind different ownership in the control of the control	well by colored pendell, outline each and a dedicated to the wooling. etc? e of consolidation	identify the own ell, have the inte	rks on the plat below. nership thereof (both as to working erests of all owners been consolicements consolidated. (Use reverse side of (by communitization, unitization, has been approved by the Commis-
1520*	SF-0.7382	Sec.	RECEIVI OCTI 198 U. S. GEOLOGICAL S FARMINGTON, N.	ED 30	I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. B. E. FACKRELL POSITION PLSTRICT ENGINEER Sometry ANOCO PRODUCTION COMPANY Date MAY 20, 1980 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me are under my supervision, and that the same is true and correct to the best of my knowledge and belief. Data Surveyed May 13, 1980

A		01.0	Client:	XTO Energy
Lodestar Services	hc.	Pit Permit	Project:	Pit Permits
PO Box 4465, Durango,	-	Siting Criteria	Revised:	1/23/2009
V		Information Sheet	Prepared by:	Daniel Newman
API#:	3	0-045-24662	USPLSS:	T27N,R10W,03F
Name:	На	rgrave RP J #1E	Lat/Long:	36.60696 / -107.8862
Depth to groundwater:		> 100 feet	Geologic formation:	Nacimiento Formation
Distance to closest continuously flowing watercourse:	5.29 miles	south of the San Juan River		
Distance to closest significant watercourse, lakebed, playa lake, or sinkhole:	841 feet	west of an unnamed arroyo		
			Soil Type:	Entisols & Aridsoils
Permanent residence, school, hospital, institution or church within 300'		No		
	ŧ	2.	Annual Precipitation:	Bloomfield 8.71", Farmington 8.21", Otis 10.41"average
Domestic fresh water well or spring within 500'		No	Precipitation Notes:	Historical daily max: Bloomfield 4.19"
Any other fresh water well or spring within 1000'		No		
Within incorporated municipal boundaries		No	Attached Documents:	The second secon
Within defined municipal fresh water well field		No		Topo map, ground water data map, ariel photo, mines and quarries map, FEMA map
Wetland within 500'		No	Mining Activity:	No
Within unstable area		No		
Within 100 year flood plain	F	EMA Zone 'X'		
	1 1 2			the last the best little

Hargrave RP J #1E Below Ground Tank Hydrogeologic Report for Siting Criteria

Well Site Location

Legals: T27N, R10W, Section 03F

Latitude/Longitude: approximately 36.59886 / -107.8851

County: San Juan County, NM

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 southern Armenta Canyon region of San Juan County. The predominant geologic formation is the Nacimiento Formation of Tertiary age, which underlies surface soils and is often exposed (Dane and Bachman, 1965). Deposits of Quaternary alluvial and aeolian sands occur prominently near the surface of the area, especially near streams and washes.

Cretaceous and Tertiary sandstones, as well as Quaternary alluvial deposits serve as the primary aquifers in the San Juan basin (Stone et al., 1983). In most of the proposed area, the Nacimiento Formation lies at the surface and grades into the Animas Formation to the west. Thickness of the Nacimiento ranges from 418 to 2232 feet (Stone et al., 1983). Aquifers within the coarser and continuous sandstone bodies of the Nacimiento Formation are between 0 and 1000' deep in this section of the basin (Stone et al., 1983). Groundwater within these aquifers flows toward the San Juan River.

The prominent soil type at the proposed site are entisols and aridsoils, 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 8 to 12 inches of rain fall annually. As is typical of the southwestern United States monsoonal weather patterns, most precipitation fall 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 pinion-juniper association (Dick-Peddie, 1993). However, vegetation is very sparse and discontinuous.

Site Specific Hydrogeology

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

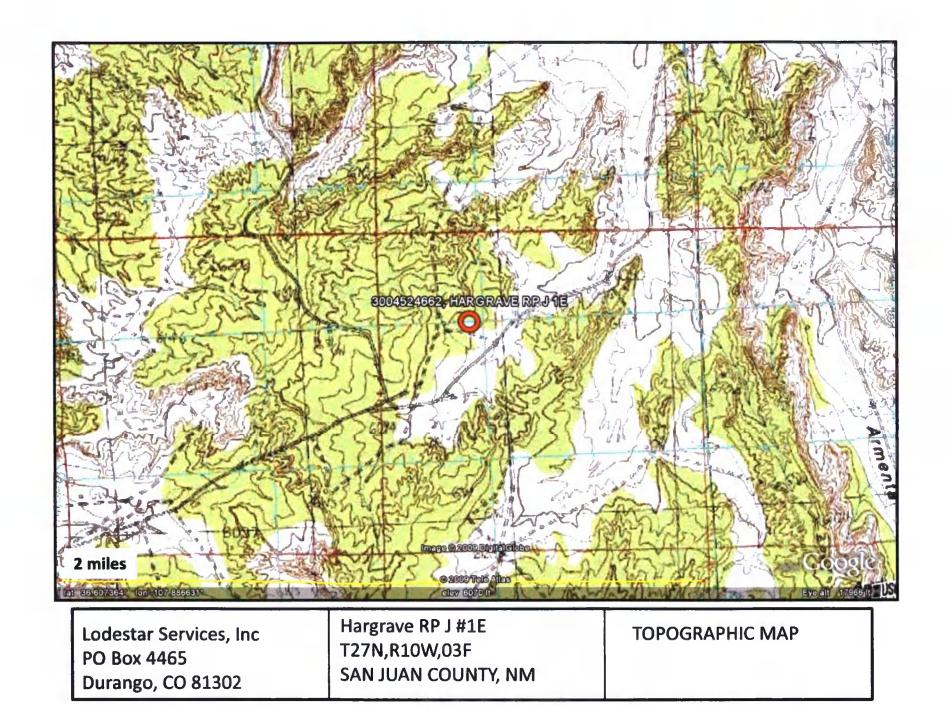
Beds of water-yielding sandstone are present in the Nacimiento Formation, which are fluvial in origin and are interbedded with siltstone, shale and coal. Porous sandstones form the principal aquifers, while relatively impermeable shales form confining units between the aquifers (Stone et al., 1983). Local aquifers exist within the Nacimiento Formation at depth s greater than 100 feet and thicknesses of the aquifer can be up to 3500 feet (USGS, Groundwater Atlas of the US).

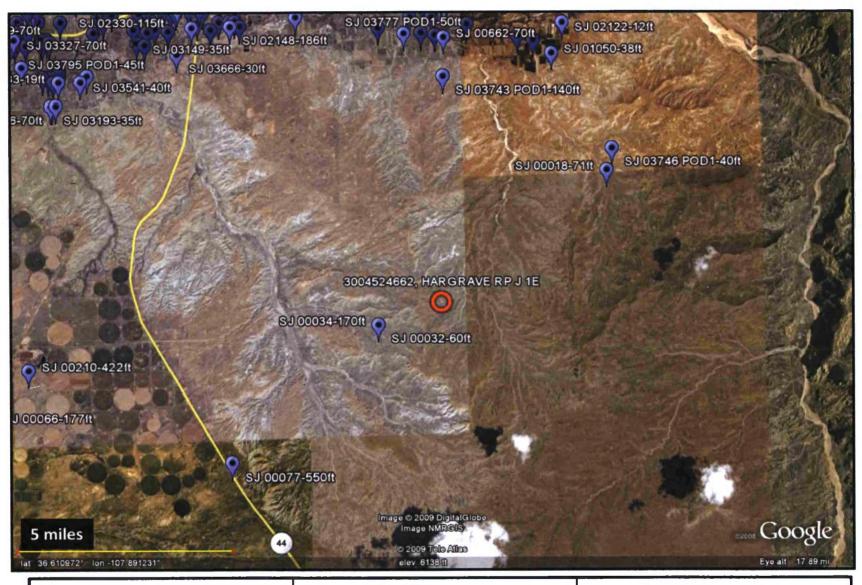
The site in question is located near Armenta Canyon, where deeply eroded sandstone-capped mesas and slope-forming mudstone occur in a sparsely vegetated and arid badlands-type setting. Broad shaley hills are interspersed with occasional sandstone outcrops, and systems of dry washes and their tributaries are evident on the attached aerial image.

The pit will be located 1.15 miles to the west of Armenta Canyon at an elevation of approximately 6,085 feet. Ground water is expected to be shallow within Armenta Canyon. The floor of Armenta Canyon sits at 5,905 feet, an elevation difference of approximately 180 feet exists between the site and the floor of Armenta Canyon. The elevation difference of almost 180 feet between the proposed site and the floor of Armenta Canyon, suggests that depth to groundwater to be greater than 100 feet at the proposed site.

Groundwater data available from the NM State Engineer's iWaters Database for wells near the proposed site are attached. A map showing the locations of wells in reference to the proposed pit location is also attached. Water drops show locations of wells and the labels for each water drop indicate depth to groundwater in feet. The closest well to the site (SJ00032) is at an elevation of approximately 5,967 feet and is located 1.73 miles to the southwest this well puts depth to groundwater at 60 feet below the surface. However, this site is not representative of the proposed site, and therefore should not be used to judge depth to ground water. The elevation difference of approximately 180 feet between the floor of Armenta Canyon and the proposed site will be used as the deciding factor on distance to groundwater in this case, seeing how the water wells surrounding the proposed sites cannot be used to accurately judge distance to groundwater. The

observations made within this report suggest that groundwater is greater than 100 feet deep at the proposed location.





Lodestar Services, Inc PO Box 4465 Durango, CO 81302 Hargrave RP J #1E T27N,R10W,03F SAN JUAN COUNTY, NM

i-Waters Ground Water Data Map

AVERAGE DEPTH OF WATER REPORT 11/11/2008

								(Depth	water in	reet)
Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	Min	Max	Avg
SJ	26N	09W	11				1	40	40	40
SJ	26N	0911	12				1	175	175	175
SJ	2 6N	09W	1€				1	€5	65	65
SJ	2 EN	09W	26				3	215	234	226

AVERAGE DEPTH OF WATER REPORT 11/10/2008

							(Depth	water in	reet)
Bsn	Tws	Rng Sec	Zone	X	Y	Wells	Min	Max	Avg
SJ	27N	10W 08				2	€0	170	115

AVERAGE DEPTH OF WATER REPORT 11/03/2008

							(Depth	water in	reet)
Bsn	Tws	Rng Se	ec Zone	X	Y	Wells	Min	Max	Avg
SJ	27N	11W 2	6			1	550	550	550

AVERAGE DEPTH OF WATER REPORT 11/03/2008

								(Depth	Water in	Feet)
Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	Min	Max	Avg
RG	27N	12W	02				1	145	145	145
SJ	27N	12W	13				4	177	4.22	30€

AVERAGE DEPTH OF WATER REPORT 01/21/2009

								(Depth	Water in	Feet)
Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	Min	Max	Avg
SJ	28N	OSW	14				1	480	480	480
SJ	28N	08W	17				1			
SJ	28N	08W	18				1	800	008	800

Record Count: 3

AVERAGE DEPTH OF WATER REPORT 01/09/2009

							(Depth	Water in	Feet)
Bsn	Tws	Rng Sec	Zone	X	Y	Wells	Min	Max	Avg
5J	28N	09W 20				2	4.0	71	5€

Record Count: 2

AVERAGE DEPTH OF WATER REPORT 01/05/2009

								(Depth	Water in	Peet)
Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	Min	Max	Avg
SJ	29N	0 9W	02				28	3	71	11
SJ	29N	0 9 W	03				10	2.	40	11
SJ	29N	0 9W	04				2	5.	20	13
SJ	29N	09W	0.5				3	16	20	18
SJ	29N	0 9W	0.6				1	40	40	40
SJ	29N	09W	07				1	8	€	5
SJ	29N	0 9 W	08				3	24	100	€5
SJ	29N	0 9 W	09				2	5	€.	8
SJ	29N	09W	09		273716	2090921	1	250	250	250
SJ	29N	0 9W	16				2	37	100	94
SJ	29N	09W	18				9	1	5	4

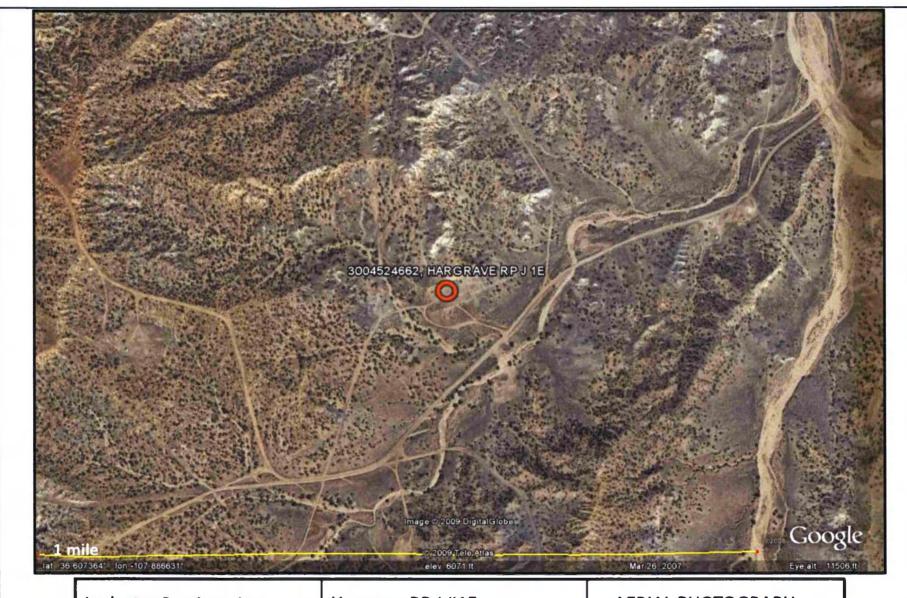
AVERAGE DEPTH OF WATER REPORT 11/15/2008

								(Depth	Water in	Feet)
Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	Min	Max	Avg
RG	29N	107					1	450	450	450
SJ	29N	1.097	13				3	10	20	1:7
SJ	29N	1.097	18				1	65	€.5	65
SJ	29N	107	19				3	2	9	5
SJ	29N	1.0W	20				4	2	12	6
SJ	29N	1077	21				5	7	30	17
SJ	29N	107	22				1	20	20	20
SJ	29N	1099	23				1	1€	1€	16
SJ	29N	1.07	24				3	20	34	28
SJ	29N	1,0W	25				1	12	12	12
SJ	29N	107	26				1	4	4	4
SJ	29N	10W	27				1	31	31	31
SJ	29N	1097	28				9	4	70	23
SJ	29N	107	28	23	484600	2075600	1	20	2.0	20
SJ	29N	10.00	29				1	35	3.5	35
SJ	29N	10W	29		270344	2071311	1	50	5.0	50
SJ	29N	107	30				1	10	1.0.	10
SJ	2.9N	107	33				1	140	140:	140
SJ	29N	LOW	35				1	30	30	30
SJ	29N	10W	36				1	38	38	38

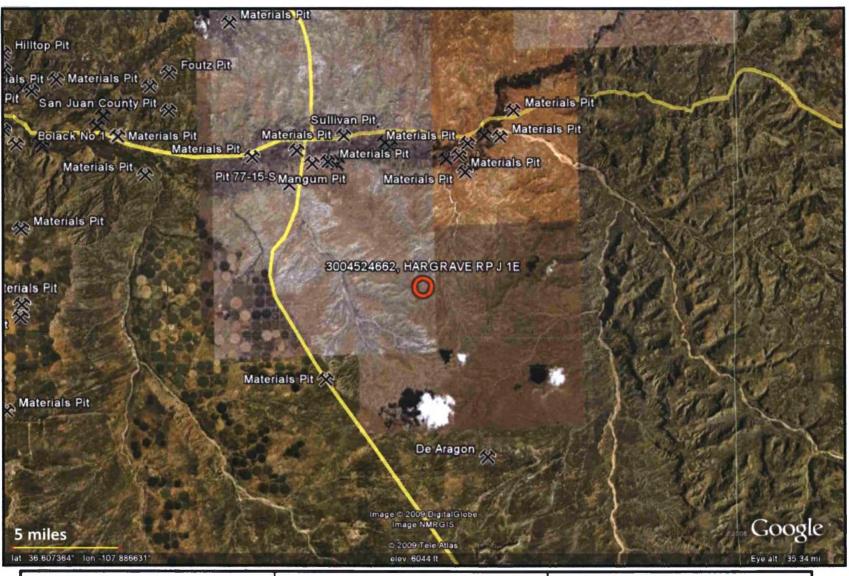
AVERAGE DEPTH OF WATER REPORT 11/10/2008

							(Depth	Water in	Feet)
Bsn	Tws	Rng Se	c Zone	X	Y	Wells	Min	Max	Avg
SJ	29N	11W 07				2	55	210	133
3J	29N	110 10				1	4.8	48	48
SJ	29N	11W 13				1	300	300	300
SJ	29N	1107 14				4	ϵ	5€	24
SJ	29N	11W 15				3	12	30	21
SJ	29N	117 16				1.	40	40	40
SJ	29N	117 17				2	€.	80	43
SJ	29N	11W 19				3	18	55	31
SJ	29N	11W 19		440000	2077700	1	€	ε	€.
SJ	29N	11W 20				2	3	3.0	17
SJ	29N	11W 21				7	8	5.5	13
SJ	29N	11W 22				25	3	5.9	15
SJ	29N	11W 23				15	15	3ŭ	21
SJ	29N	11W 24				2	12	18	15
SJ	29N	11W 25				1	25	25	25
SJ	29N	11W 26				1	43	43	43
SJ	29N	11W 27				20	ϵ	186	29
SJ	29N	11W 28				9	5	115	27
SJ	29N	11W 28		267348	2075529	1	15	15	1.5
SJ	29N	11W 29				9	4	28	13
SJ	29N	11W 30				6	€	25	18
SJ	29N	110 31				1	40	40	4:0
SJ	29N	11W 31		266438	2067001	1	45	4.5	45
SJ	29N	11W 33				1	30	30	30

Record Count: 119

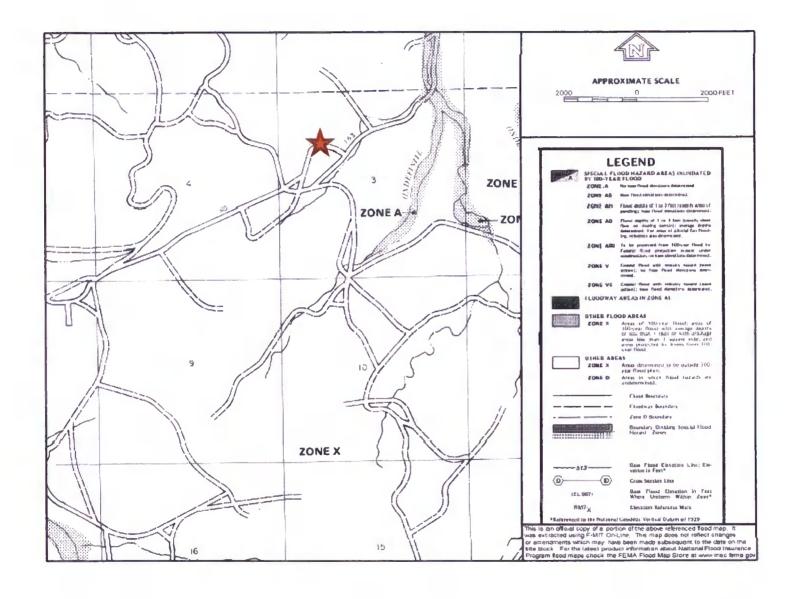


Lodestar Services, Inc PO Box 4465 Durango, CO 81302 Hargrave RP J #1E T27N,R10W,03F SAN JUAN COUNTY, NM **AERIAL PHOTOGRAPH**



Lodestar Services, Inc PO Box 4465 Durango, CO 81302 Hargrave RP J #1E T27N,R10W,03F SAN JUAN COUNTY, NM

Mines and Quarries Map



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

In accordance with Rule 19.15.17.11 NMAC the following information describes the design and construction of below-grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below-grade tanks. A separate plan will be submitted for any below-grade tank which does not conform to this plan.

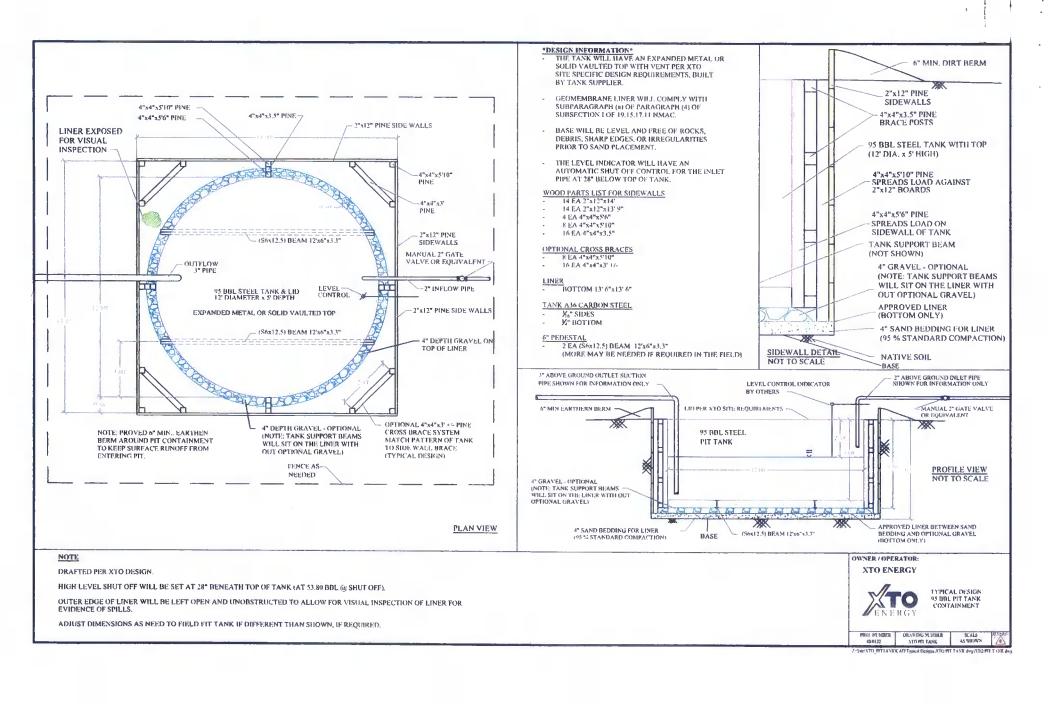
General Plan

- 1. XTO will design and construct below-grade tanks to contain liquids and solids and prevent contamination of fresh water and protect public health and environment.
- 2. XTO will post a well sign, in compliance with 19.15.3.103 NMAC, on the existing well site operated by XTO where the existing below-grade tank is located. The sign will list the Operator on record as the operator, the location of the well site by unit letter, section, township, range, and emergency telephone numbers.
- 3. XTO is requesting approval of an alternative fencing to be used on below-grade tank locations. Below-grade tank locations will be fenced utilizing 48" steel mesh field-fence (hogwire) with pipe railing along the top. A 6' chain link fence will be utilized around the well pad if the well site is within a city limits or ½ mile of a permanent residence, school, hospital, institution or church. Below-grade tanks located within 1000' of a permanent residence, school, hospital, institution or church will be fenced by 6' chain link fence with at least two strands of barbed wire at the top. All gates associated with below-grade tanks will remain closed and locked when responsible individuals are not on site.
- 4. XTO shall construct below-grade tanks with an expanded metal covering or solid vaulted top on the top of the below-grade tank.
- 5. XTO will ensure that below-grade tanks are constructed of materials resistant to the below-grade tank's particular contents and resistant to damage from sunlight. Tanks will be constructed of A36 carbon steel with 3/16" sides and 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

- 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.

MONTHLY BELOW GRADE TANK INSPECTION FORM								
Well Nan	ne:				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	tailed Descri	ption:					
				<u> </u>				
Misc:								
IVIISC:								

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

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

General Plan

- XTO will close below-grade tanks within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the division requires because of imminent danger to fresh water, public health or the environment.
- 2. XTO will close a below-grade tank that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or is not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC within five years after June 16, 2008, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC.
- 3. XTO will close a permitted below-grade tank within 60 days of cessation of the below-grade tank's operation or as required by the transitional provisions of Subsection B of 19.15.17.17 NMAC in accordance with a closure plan that the appropriate division district office approves. The closure report will be filed on form C-144.
- 4. XTO will remove liquids and sludge from below-grade tanks prior to implementing a closure method and will dispose of the liquids and sludge in a division-approved facility. Approved facilities and waste streams include:

Envirotech Permit No. NM01-0011 and IEI Permit No. NM 01-0010B

Soil contaminated by exempt petroleum hydrocarbons

Produced sand, pit sludge and contaminated bottoms from storage of exempt wastes

Basin Disposal Permit No. NM01-005 Produced water

- 5. XTO will remove the below-grade tank and dispose of it in a division approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office has approved prior to removal. Any associated liners will be removed, properly cleaned and disposed of per 19.15.9.712 NMAC at San Juan County Landfill. Documentation of the final disposition will be included in the closure report.
- XTO will remove any on-site equipment associated with a below-grade tank unless the equipment is required for some other purpose.
- 7. XTO will test the soils beneath the below-grade tank to determine whether a release has occurred. At a minimum 5 point composite sample will be collected along with individual grab samples from any area that is wet, discolored or showing other evidence of a release. Samples will be

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

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

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

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

- 11. Re-contouring of location will match fit, shape, line, form and texture of the surrounding area. Re-shaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be placed in areas where needed to prevent erosion on a large scale. Final re-contour shall have a uniform appearance with smooth surface, fitting the natural landscape.
- 12. A minimum of 4 feet of cover shall be achieved and the cover shall include 1 foot of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater. Soil cover will be constructed to the site's existing grade and ponding of water and erosion of the cover material will be prevented with drainage control, natural drainages and silt traps where needed.
- 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.

