District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W Grand Ave., Artesia, NM 88210

District III
1000 Rio Brazos Rd., 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

Form C-144
July 21, 2008

For temporary pits, closed-loop sytems, 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

8457

Type of action:
- [X] Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method
- [ ] 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.

1

Operator: **ConocoPhillips Company** OGRID#: **217817**

Address: **PO Box 4289, Farmington, NM 87499**

Facility or well name: **STATE COM AK 35E (EXISTING)**

API Number: **30-045-23746** OCD Permit Number:

U/L or Qtr/Qtr: **P(SE/SE)** Section: **36** Township: **32N** Range: **12W** County: **SAN JUAN**

Center of Proposed Design: Latitude: **36.937999** °N Longitude: **108.04** °W NAD: [ ] 1927 [X] 1983

Surface Owner: [ ] Federal [X] 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: Thickness _____ mil [ ] LLDPE [ ] HDPE [ ] PVC [ ] Other _____

[ ] String-Reinforced

Liner Seams: [ ] Welded [ ] Factory [ ] Other _____ Volume: _____ bbl Dimensions L _____ x W _____ x D _____

3

[ ] **Closed-loop System:** Subsection H of 19.15.17.11 NMAC

Type of Operation: [ ] P&A [ ] Drilling a new well [ ] Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)

[ ] Drying Pad [ ] Above Ground Steel Tanks [ ] Haul-off Bins [ ] Other _____

[ ] Lined [ ] Unlined Liner type: Thickness _____ mil [ ] LLDPE [ ] HDPE [ ] PVD [ ] Other

Liner Seams: [ ] Welded [ ] Factory [ ] Other _____

RECEIVED
JUN 2011
OIL CONS. DIV. DIST. 3

4

[X] **Below-grade tank:** Subsection I of 19.15.17.11 NMAC

Volume: **max 120** bbl Type of fluid: **Produced Water**

Tank Construction material: **Metal**

[ ] Secondary containment with leak detection [X] Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off

[ ] Visible sidewalls and liner [ ] Visible sidewalls only [ ] Other _____

Liner Type: Thickness **45** mil [ ] HDPE [ ] PVC [X] Other **LLDPE**

5

[ ] **Alternative Method:**

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

26

6

Fencing: Subsection D of 19.15.17.11 NMAC *(Applies to permanent pit, 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, hospital, institution or church)*

☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet

☒ Alternate. Please specify **4' hogwire fence with a single strand of barbed wire on top.**

7

Netting: Subsection E of 19.15.17.11 NMAC *(Applies to permanent pits and permanent open top tanks)*

☐ Screen ☐ Netting ☐ Other _____

☐ 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 of the Santa Fe Environmental Bureau office for consideration of approval. **(Fencing/BGT Liner)**

☐ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

10

Siting Criteria (regarding permitting) 19.15.17.10 NMAC

Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. **Siting criteria does not apply to drying pads or above grade-tanks associated with a closed-loop system.**

Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☒ No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, 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. *(Applied to permanent pits)* - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No ☒ NA
Within 500 horizonal 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

11

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.

- [X] 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
- [X] Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15.17.10 NMAC
- [X] Design Plan - based upon the appropriate requirements of 19 15.17.11 NMAC
- [X] 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 _____ or Permit _____

12

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 _____

[ ] Previously Approved Operating and Maintenance Plan API _____

13

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 (I) 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 H2S, 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

14

Proposed Closure: 19 15 17.13 NMAC

Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.

Type: [ ] Drilling [ ] Workover [ ] Emergency [ ] Cavitation [ ] P&A [ ] Permanent Pit [X] Below-grade Tank [ ] Closed-loop System [ ] Alternative

Proposed Closure Method:

- [X] 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
- [ ] Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)

15

Waste Excavation and Removal Closure Plan Checklist (19.15 17.13 NMAC) ***Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.***

- [X] Protocols and Procedures - based upon the appropriate requirements of 19 15.17 13 NMAC
- [X] Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
- [X] Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
- [X] Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
- [X] Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
- [X] Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

16

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:(19 15 17.13 D NMAC)

Instructions Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings Use attachment if more than two facilities are required

Disposal Facility Name: _____ Disposal Facility Permit #: _____

Disposal Facility Name: _____ Disposal Facility Permit #: _____

Will any of the proposed closed-loop system operations and associated activities occur on or in areas that *will not* be used for future service and
☐ Yes (If yes, please provide the information ☐ No

Required for impacted areas which will not be used for future service and operations

☐ Soil Backfill and Cover Design Specification - 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

17

Siting Criteria (Regarding on-site closure methods only: 19.15.17.10 NMAC

Instructions Each siting criteria requires a demonstration of compliance in the closure plan Recommendations of acceptable source material are provided below Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required Please refer to 19 15 17 10 NMAC for guidance

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 ☐ N/A
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 ☐ N/A
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 ☐ N/A
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 fee of any other fresh water well or spring, in existence at the time of the 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 confiramtion 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

18

On-Site Closure Plan Checklist: (19.15.17.13 NMAC) ***Instructions: Each of the following items must bee attached to the closure plan. Please indicate, 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 11 NMAC
☐ 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
☐ 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 cannot be achieved)
☐ 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 I of 19.15.17.13 NMAC
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

19

Operator Application Certification:

I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief

Name (Print): Jamie Goodwin Title: Regulatory Technician

Signature: Jamie Goodwin Date: 6/2/11

e-mail address: jamie.l goodwin@conocophillips.com Telephone: 505-326-9784

20

OCD Approval: ☒ Permit Application (including closure plan) ☐ Closure Plan (only) ☐ OCD Conditions (see attachment)

OCD Representative Signature: Jonathan D. Kelly **Approval Date:** 6/15/2011

Title: Compliance Officer **OCD Permit Number:**

21

Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17 13 NMAC

Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report The closure report is required to be submitted to the division within 60 days of the completion of the closure activities Please do not complete this section of the form until an approved closure plan has been obtained and the closure activites have been completed

☐ **Closure Completion Date:**

22

Closure Method:

☐ Waste Excavation and Removal ☐ On-site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-loop systems only)

☐ If different from approved plan, please explain

23

Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:

Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: Disposal Facility Permit Number

Disposal Facility Name: Disposal Facilty Permit Number.

Were the closed-loop system operations and associated activities performed on or in areas that *will not* be used for future service and opeartions?

☐ Yes (If yes, please demonstrate complilane to the items below) ☐ No

Required for impacted areas which will not be used for future service and operations.

☐ Site Reclamation (Photo Documentation)

☐ Soil Backfilling and Cover Installation

☐ Re-vegetation Application Rates and Seeding Technique

24

Closure Report Attachment Checklist: ***Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.***

☐ Proof of Closure Notice (surface owner and division)

☐ Proof of Deed Notice (required for on-site closure)

☐ Plot Plan (for on-site closures and temporary pits)

☐ Confirmation Sampling Analytical Results (if applicable)

☐ Waste Material Sampling Analytical Results (if applicable)

☐ 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: Longitude: NAD ☐ 1927 ☐ 1983

25

Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is ture, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan

Name (Print): Title:

Signature. Date:

e-mail address: Telephone

New Mexico Office of the State Engineer
Water Column/Average Depth to Water

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest) (NAD83 UTM in meters) (In feet)

POD Number	Sub basin	Use	County	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Depth Well	Depth Water	Water Column
SJ 00055		IND	SJ		2		25	32N	12W	229105	4094796*	504		
SJ 01106		DOM	SJ	4	3		35	32N	12W	226851	4092240*	180	115	65

Average Depth to Water: **115 feet**

Minimum Depth: **115 feet**

Maximum Depth: **115 feet**

Record Count: 2

PLSS Search:

Section(s): 26, 25, 35, 36 **Township:** 32N **Range:** 12W

UTM location was derived from PLSS - see Help

New Mexico Office of the State Engineer
Water Column/Average Depth to Water

No records found.

PLSS Search:

Section(s): 30, 31 **Township:** 32N **Range:** 11W

New Mexico Office of the State Engineer
Water Column/Average Depth to Water

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest) (NAD83 UTM in meters) (In feet)

POD Number	Sub basin	Use	County	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Depth Well	Depth Water	Water Column
SJ 01649		DOM	SJ	4	3	4	01	31N	12W	228764	4090461*	220	161	59
SJ 01660		DOM	SJ	3	3	4	01	31N	12W	228564	4090461*	320	275	45
SJ 02034		DOM	SJ		3	4	01	31N	12W	228665	4090562*	85	55	30
SJ 02099		DOM	SJ		4	4	01	31N	12W	229006	4090568*	95		
SJ 03022		DOM	SJ	2	3	4	01	31N	12W	228764	4090661*	490	250	240
SJ 03134		DOM	SJ	2	3	4	01	31N	12W	228764	4090661*	80	20	60
SJ 03488		DOM	SJ	2	3	3	01	31N	12W	228084	4090678*	150		
SJ 03660		DOM	SJ	4	3	4	01	31N	12W	228764	4090461*	70	42	28
SJ 03738 POD1		DOM	SJ	3	1	4	01	31N	12W	228612	4090866*	115	50	65

Average Depth to Water: **121 feet**

Minimum Depth: **20 feet**

Maximum Depth: **275 feet**

Record Count: 9

PLSS Search:

Section(s): 2, 1 **Township:** 31N **Range:** 12W

***UTM location was derived from PLSS - see Help**

New Mexico Office of the State Engineer
Water Column/Average Depth to Water

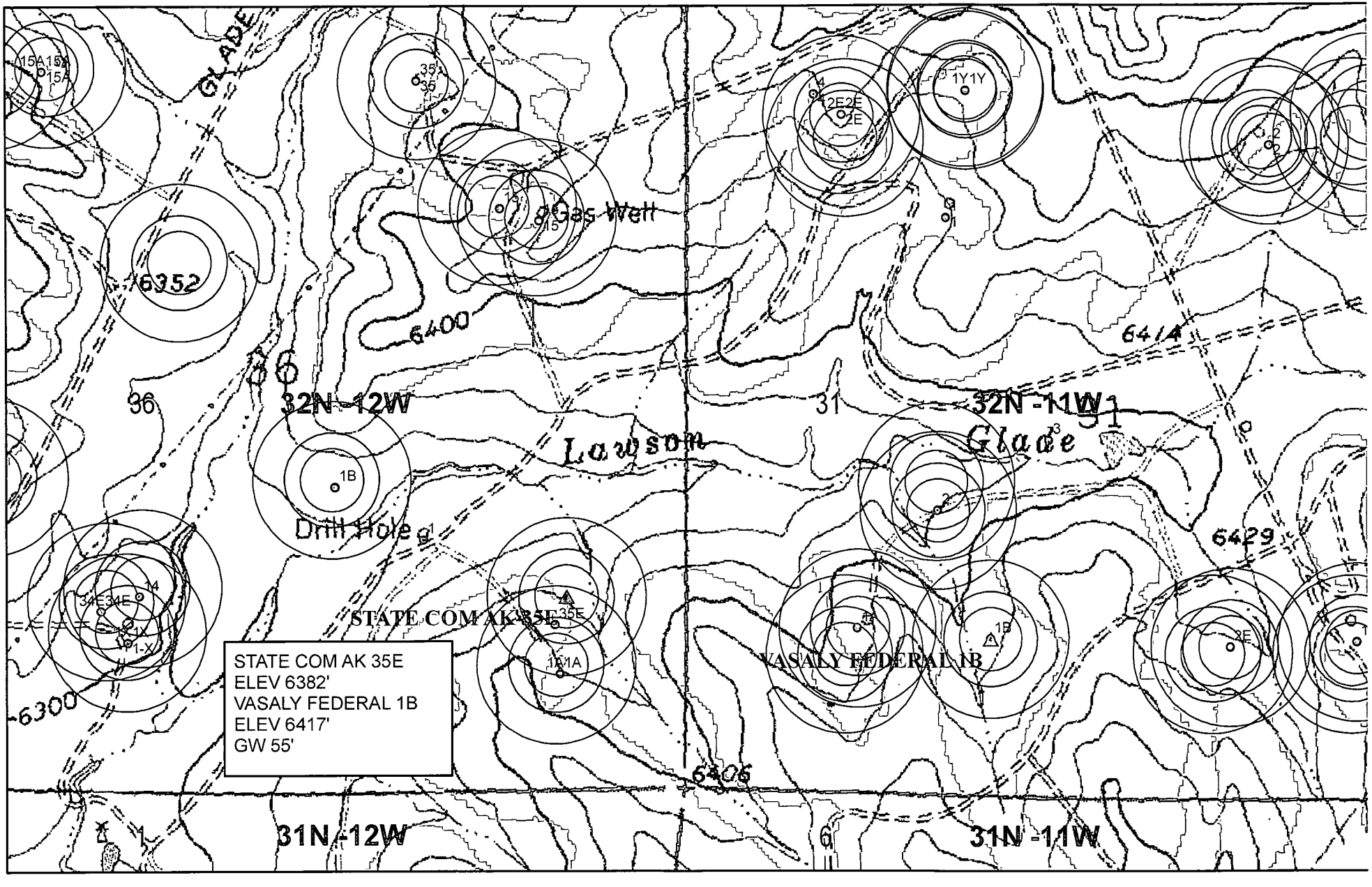
No records found.

PLSS Search:

Section(s): 6 **Township:** 31N **Range:** 11W

ConocoPhillips

TOPO_STATE COM AK 35E



500_ft
300_ft
200_ft

COPCathodic
iWaters

0 600 1,200 Feet

1:9,984

Data Source
Aerial flown locally Sedgewick in 2005.
Wetlands Data Aquired from U.S. Fish and Wildlife Http://wetlandswms.er.usgs.gov
USGS Topo

NAD_1983_SP_NM West_FIPS_3003
JUNE 1, 2011

Form 3160-4
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No 1004-0137
Expires November 30, 2000

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No
SF-079960

1a Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr
Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2 Name of Operator
BURLINGTON RESOURCES OIL & GAS
Contact: PEGGY COLE
E-Mail: pbradfield@br-inc.com

8 Lease Name and Well No
VASALY FEDERAL 1B

3. Address 3401 EAST 30TH
FARMINGTON, NM 87402

3a. Phone No. (include area code)
Ph: 505 326 9727 Fx: 505.326.9563

9. API Well No.
30-045-30500

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface SESW Lot N 1025FSL 1940FWL

At top prod interval reported below

At total depth

10. Field and Pool, or Exploratory
BLANCO MESAVERDE

11. Sec., T., R., M., or Block and Survey or Area Sec 31 T32N R11W Mer NMP

12. County or Parish
SAN JUAN

13. State
NM

14. Date Spudded	15. Date T.D. Reached	16. Date Completed	17. Elevations (DF, KB, RT, GL)*
05/05/2001	05/11/2001	☐ D & A ☐ Ready to Prod. 05/25/2001	6417 GL

18 Total Depth:	MD 5714 TVD	19. Plug Back T.D.:	MD TVD	20. Depth Bridge Plug Set:	MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
ARRAY IND., COMP NEU. LITHO DEN, TEMP, CBL/GR/CCL

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit analysis)
Directional Survey? ☒ No ☐ Yes (Submit analysis)

23 Casing and Liner Record *(Report all strings set in well)*

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Casing Top*	Amount Pulled
12.250	9.625 H-40	32 000		344		290			
8.750	7 000 J-55	20.000		3226		496			
8 750	7.000 N-80	23 000	3226	3436		496			
6.250	4.500 J-55	12.000	3310	5713		240			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	5394							

25. Producing Intervals / 26. Perforation Record

	Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf Status
A)	MESAVERDE	3187	5714	4134 TO 5598			
B)							
C)							
D)							

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
5038 TO 5249	1734 BBL SLK WTR, 75,000 LBS 20/40 BRADY SAND
5297 TO 5598	2213 BBL SLK WTR, 100,000 LBS 20/40 BRADY SAND
4134 TO 4346	872 BBL LNR GEL, 200,000 SAND, 1,321,500 SCF N2

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
05/25/2001	05/25/2001	1	→	0 0	970 0	0.0			FLOWS FROM WELL
Choke Size	**Tbg Press Flwg SI**	**Csg Press**	**24 Hr Rate**	**Oil BBL**	**Gas MCF**	**Water BBL**	**Gas:Oil Ratio**	**Well Status**	
	410	410 0	→					GSI	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
			→						
Choke Size	**Tbg Press Flwg SI**	**Csg Press**	**24 Hr Rate**	**Oil BBL**	**Gas MCF**	**Water BBL**	**Gas:Oil Ratio**	**Well Status**	
			→						

ACCEPTED FOR RECORD

(See Instructions and spaces for additional data on reverse side)
ELECTRONIC SUBMISSION #4776 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

IN 15 2001

FARMINGTON FIELD OFFICE
BY _____

OPERATOR

DATA SHEET FOR DEEP GROUND BED CATHODIC PROTECTION WELL NORTHWESTERN NEW MEXICO

Operator Bud Mercer Location: Unit I B Sec 31 Twp 32 Rng 11

Name of Well/Wells or Pipeline Serviced Vasly Federal 1B

Elevation _____ Completion Date 8/25/01 Total Depth 300' Land Type _____

Casing Strings, Sizes, Types and Depths none

If Casing Strings are cemented, show amounts and types used none

If Cement or Bentonite Plugs have been placed, show depths and amounts used none

Depths & thickness of water zones with description of water: (Fresh), Clear, Salty, Sulphur, Etc. 55'

Depths gas encountered: none

Ground bed depth with type & amount of coke breeze used 300' Asbury 1900 @ 165

Depths anodes placed 295, 285, 275, 265, 255, 245, 235, 225, 215, 205

Depths vent pipes placed 300'

Vent pipe perforations 120'

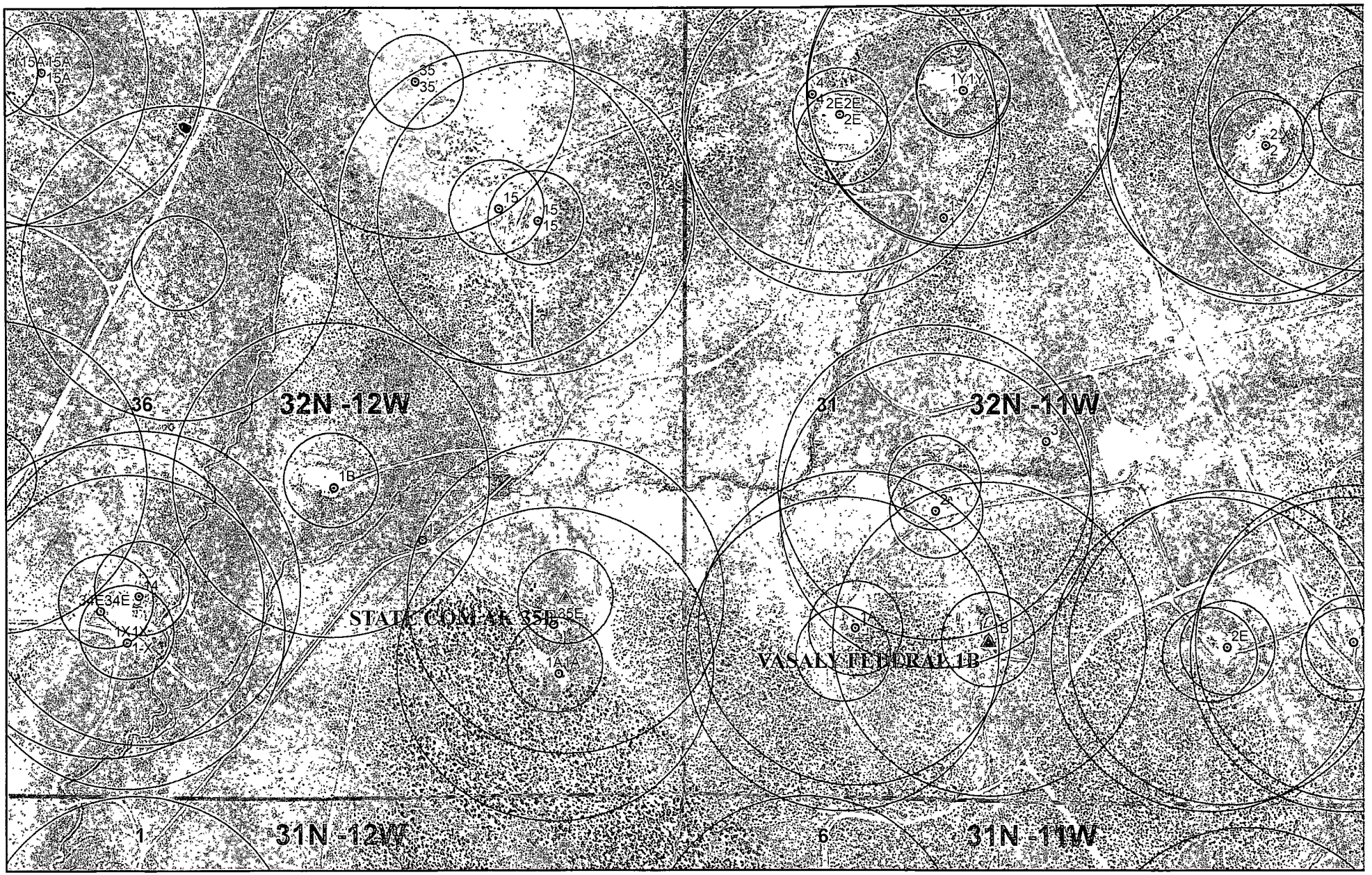
Remarks _____

If any of the above data is unavailable, please indicate so Copies of logs, including Drillers Log, Water Analyses and Well Bore Schematics should be submitted when available Unplugged abandoned wells are to be included.

Land type may be shown F-Federal; I-Indian, S-State, P- Fee,
If Federal or Indian, add Lease Number

ConocoPhillips

AERIAL_STATE COM AK 35E



Data Source
Aerial flown locally Sedgewick in 2005.
Wetlands Data Aquired from U.S. Fish and Wildlife Http://wetlandswms.er.usgs.gov
USGS Topo

1000_ft
300_ft

COPCathodic
Waters

0 600 1,200 Feet

1:10,000

NAD_1983_SP_NM West_FIPS_3003
JUNE 1, 2011

STATE COM AK 35E MINES, MILLS AND QUARRIES

Mines, Mills & Quarries Commodity Groups

- Aggregate & Stone Mines
- Coal Mines
- Industrial Minerals Mines
- Industrial Minerals Mills
- Metal Mines and Mill Concentrate
- Potash Mines & Refineries
- Smelters & Refinery Ops.
- Uranium Mines
- Uranium Mills

Population

- Cities - major

Transportation

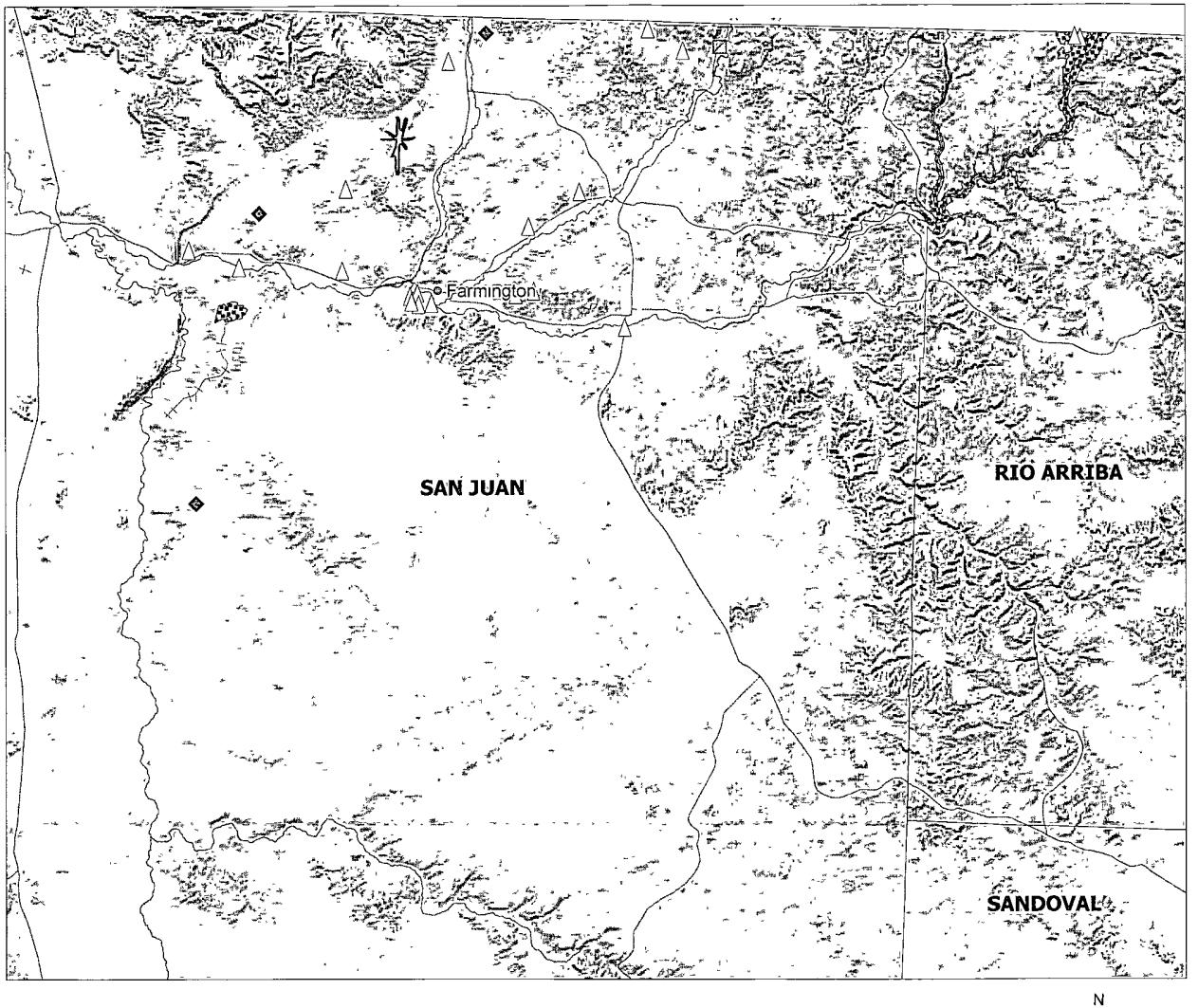
- Railways
- Interstate Highways
- Major Roads

Hydrology

- Water Bodies (Selected)
- Rivers (Selected)

Boundaries

- Counties



SCALE 1 : 771,453

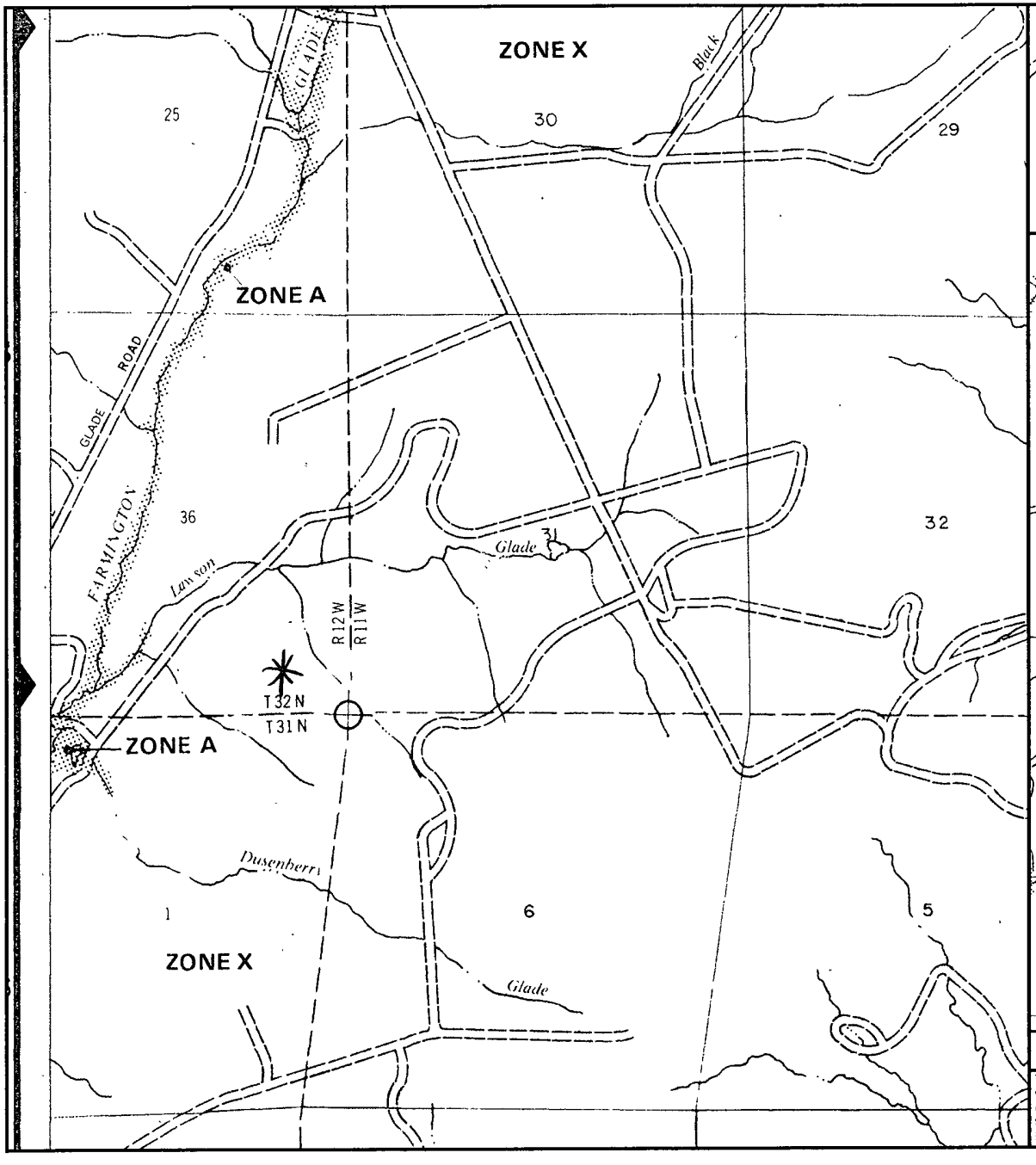
10 0 10 20 30

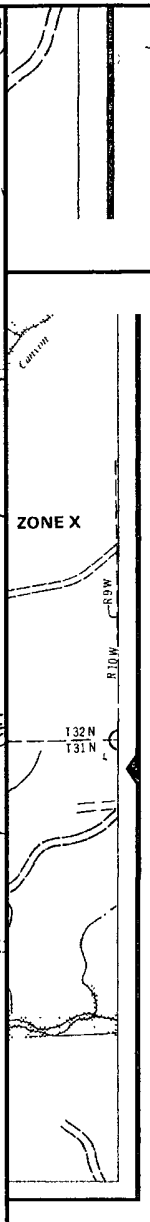
MILES

N

http://www.emnrd.state.nm.us/MMD/MMQonline/MMQonline-PUBLIC-PROD.mwf

Thursday, June 02, 2011 2:07 PM





APPROXIMATE SCALE

2000 0

NATIONAL FLOOD INSURANCE PROGRAM

FIRM

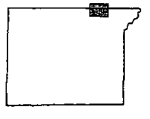
FLOOD INSURANCE RATE MAP

SAN JUAN COUNTY, NEW MEXICO

UNINCORPORATED AREAS

PANEL 150 OF 1450

(SEE MAP INDEX FOR PANELS NOT PRINTED)



PANEL LOCATION

COMMUNITY-PANEL NUMBER
350064 0150

EFFECTIVE DATE:
AUGUST 4, 1988

Federal Emergency Management Agency

Siting Criteria Compliance Demonstration & Hydro Geologic Analysis

The State Com AK 35E is not located in an unstable area. The location is not over a mine and is not on the side of a hill as indicated on the Mines, Mills and Quarries Map and Topographic Map. The location of the excavated pit material will not be located within 300' of any continuously flowing watercourse or 200' from any other watercourse as indicated on the Topographic Map. The location is not within a 100-year floodplain area as indicated on the FEMA Map. The Cathodic well data from the Vasaly Federal 1B has an elevation of 6417' and groundwater depth of 55''. The subject well has an elevation of 6382' which is lesser than the Vasaly Federal 1B, therefore the groundwater depth is greater than 35'. There are no iWATERS data points located in the area as indicated on the TOPO Map. The hydro geologic analysis indicates the groundwater depth and the Nacimiento formation will create a stable area for this new location.

Hydrogeological Report for Nacimiento Formation State Com AK 35E

Regional Geological context:

The Nacimiento Formation is of Paleocene age (Baltz, 1967, p. 35). It crops out in a broad band inside the southern and western margins of the central basin and in a narrow band along the west face of the Nacimiento Uplift. The Nacimiento is a nonresistant unit and typically erodes to low, rounded hills or forms badland topography.
The Nacimiento Formation occurs in approximately only the southern two-thirds of the San Juan Basin where it conformably overlies and intertongues with the Ojo Alamo Sandstone (Fassett, 1974, p. 229). The Nacimiento Formation grades laterally into the main part of the Animas Formation (Fassett and Hinds, 1971, p. 34); thus, in this area, the two formations occupy the same stratigraphic interval.
Strata of the Nacimiento Formation were deposited in lakebeds in the central basin area with lesser deposition in stream channels (Brimhall, 1973, p. 201). In general, the Nacimiento consists of drab, interbedded black and gray shale with discontinuous, white, medium- to very coarse grained arkosic sandstone (Stone e al., 1983, p.30). Stone et al. indicated that the formation may contain more sandstone than commonly reported because some investigators assume the slope-forming strata in the unit area shales, whereas in many places the strata actually are poorly consolidated sandstones. Total thickness of the Nacimiento Formation ranges from about 500 to 1,300 feet. The unit generally thickens from the basin margins toward the basin center (Steven et al., 1974). The sandstone deposits within the Nacimiento Formation are much thinner than the total thickness of the formation because their environment of deposition was localized stream channels (Brimhall, 1973, p. 201). The thickness of the combined San Jose, Animas, and Nacimiento Formations ranges from 500 to more than 3.500 feet.

Hydraulic Properties:

Reported well yields for 53 wells completed in either the Animas or Nacimiento Formations range from 2 to 90 gallons per minute and the median yield is *7.5* gallons per minute. The primary use of water from Nacimiento and Animas Formations is domestic and livestock supplies. There are no known aquifer tests for the Animas or Nacimiento Formations, but specific capacities reported for six wells range from 0.24 to 2.30 gallons per minute per foot of drawdown (Levings et al., 1990).
The Animas and Nacimiento Formations are in many ways hydrologically similar to the San Jose Formation because sands in both units produce approximately the same quantities of water. However, the greater percentage of fine materials in the Animas and Nacimiento Formations may restrict downward vertical leakage to the Ojo Alamo Sandstone or Kirtland Shale. The poorly cemented fine material is highly erodible, forms a badland terrain, and supports only spotty vegetation. These conditions are more conductive to runoff than retention of precipitation.

References:

Baltz, E.H., 1967, Stratigraphy and regional tectonic implications of part of Upper Cretaceous rocks, east-central San Juan Basin, New Mexico: USGS Professional Paper

552, 101 p.
Brimhall, R.M., 1973, Ground-water hydrology of Tertiary rocks of the San Juan Basin, New Mexico, in Fassett, J.E., ed., Cretaceous and Tertiary rocks of the Southern Colorado Plateau: Four Corners Geological Society Memoir, p. 197-207.
Fassett, J.E., 1974, Cretaceous and Tertiary rocks of the eastern San Juan Basin, New Mexico and Colorado, in Guidebook of Ghost Ranch, central-northern New Mexico: New Mexico Geological Society, 25th Field Conference, p. 225-230.
Fassett, J.E., and Hinds, J.S., 1971, Geology and fuel resources of the Fruitland Formation and Kirtland Shale of the San Juan Basin, New Mexico and Colorado: USGS Professional Paper 676, 76 p.
Levings, G.W., Craigg, S.d., Dam, W.L., Kernodle, J.M., and Thorn, C.R., 1990, Hydrogeology of the San Jose, Nacimiento, and Animas Formations in the San Juan structural basin, New Mexico, Colorado, Arizona, and Utah: USGS Hydrologic Investigations Atlas HA-720-A, 2 sheets.
Stone, W.J., Lyford, F.P., Frenzel, P.F., Mizell, N.H., and Padgett, E.T., 1983, Hydrogeology and water resources of San Juan Basin, New Mexico: New Mexico Bureau of Mines and Mineral Resources, Hydrologic Report 6.

ConocoPhillips Company
San Juan Basin
Below Grade Tank Design and Construction

In accordance with NMAC 19.15.17 the following information describes the design and construction of below grade tanks on ConocoPhillips Company (COPC) locations. This is COPC's standard procedure for all below grade tanks (BGT). A separate plan will be submitted for any BGT which does not conform to this plan.

General Plan:

1. COPC will design and construct a properly sized and approved BGT which will contain liquids and should prevent contamination of fresh water to protect the public health and environment.

2. COPC signage will comply with 19.15.17.11NMAC. COPC includes Emergency Contact information on all signage.

3. COPC has approval to use alternative fencing that provides better protection. COPC constructs fencing around the BGT using 4 foot hog wire fencing topped with two strands of barbed wire, or with a pipe top rail. A six foot chain link fence topped with three strands of barbed wire will be use if the well location is within 1000 feet of permanent residence, school, hospital, institution or church. COPC ensures that all gates associated with the fence are closed and locked when responsible personnel are not onsite.

4. COPC will construct a screened, expanded metal covering, on the top of the BGT.

5. COPC shall ensure that a below-grade tank is constructed of materials resistant to the below-grade tank's particular contents and resistant to damage from sunlight as shown on design drawing and specification sheet.

6. The COPC below-grade tank system shall 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 as shown on design drawing.

7. COPC shall operate and install the below-grade tank to prevent the collection of surface water run-on. COPC has built in shut off devices that do not allow a below-grade tank to overflow. COPC constructs berms and corrugated retaining walls at least 6" above ground to keep from surface water run-on entering the below grade tank as shown on the design plan.

8. COPC will construct and use a below-grade tank that does not have double walls. The below-grade tank's side walls will be open for visual inspection for leaks, the below-grade tank's bottom is elevated a minimum of six inches above the underlying ground surface and the below-grade tank is underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected.

9. COPC has equipped the below-grade tanks with the ability to detect high level in the tank and provide alarm notification and shutdown process streams into the tank. Once high level is detected RTU logic closes the inlet separator sales valve and does not permit vent valve to open. This shutdown of the sales valve and gagging of the vent valves prevents any hydrocarbon process streams from entering the pit tank once a high level is detected. Furthermore, an electronic page is sent to the COPC MSO for that well site and to the designated contract "Water-Hauling" Company indicating a high level and that action must be taken to address this alarm. The environmental drain line from COPC's compressor skid under normal operating conditions is in the open position. The environmental drain line is in place to capture any collected rain water or spilled lubricants from our compressor skids. The swab drain line is a manually operated drain and by normal operating procedures is in the closed position. The tank drain line is also a manually operated drain and during normal operations it is in the closed position.

10. The geomembrane liner consists of a 45-mil flexible LLDPE material manufactured by Raven Industries as J45BB. This product is a four layer reinforced laminated containing no adhesives. The outer layers consist of a high strength polyethylene film manufactured using virgin grade resins and stabilizers for UV resistance in exposed applications. The J45BB is reinforced with 1300 denier (minimum) tri-directional scrim reinforcement. It exceeds ASTMD3083 standard by 10%. J45BB has a warranty for 20 years from Raven Industries and is attached. It is typically used in Brine Pond, Oilfield Pit liner and other industrial applications. The manufacture specific sheet is attached and the design attached displays the proper installation of the liner.

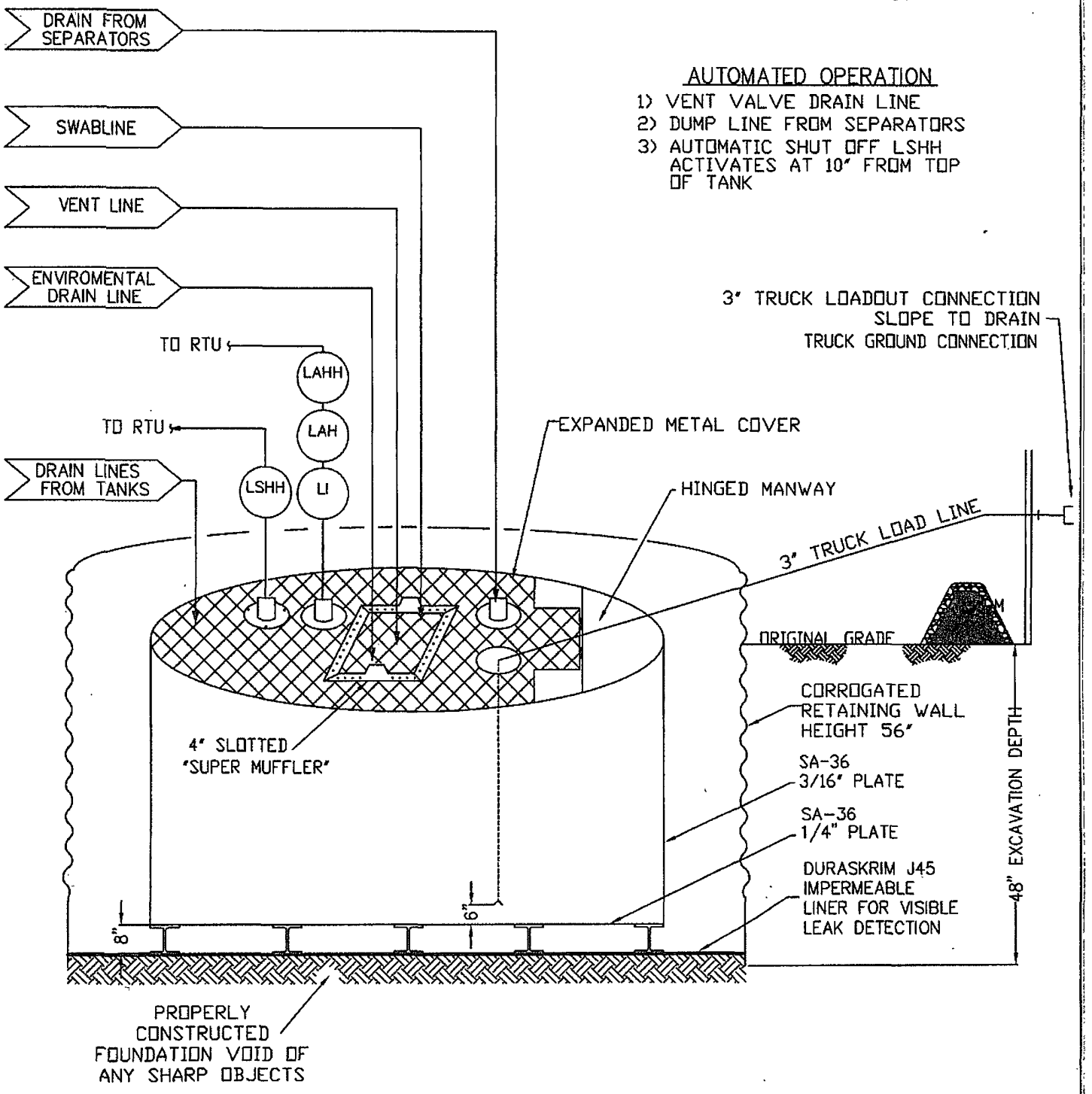
11. The general specification for design and construction are attached in the COPC document.

MANUAL OPERATION

1) PRODUCTION TANKS DRAINLINE
2) SWABLINE DRAIN LINE
3) ENVIROMENTAL DRAIN LINE FROM COMPRESSOR SKID

AUTOMATED OPERATION

1) VENT VALVE DRAIN LINE
2) DUMP LINE FROM SEPARATORS
3) AUTOMATIC SHUT OFF LSHH ACTIVATES AT 10" FROM TOP OF TANK



ConocoPhillips

San Juan Business Unit

PRODUCED WATER PIT TANK

OPEN TOP GRAVITY FLOW TANK
INTERNALLY COATED WITH
12-14 MILS AMERON AMERCOAT 385

DURA-SKRIM® J30, J36 & J45

PROPERTIES	TEST METHOD	J30BB		J36BB		J45BB	
		Min. Roll Averages	Typical Roll Averages	Min. Roll Averages	Typical Roll Averages	Min. Roll Averages	Typical Roll Averages
Appearance		Black/Black		Black/Black		Black/Black	
Thickness	ASTM D 5199	27 mil	30 mil	32 mil	36 mil	40 mil	45 mil
Weight Lbs Per MSF (oz/yd²)	ASTM D 5261	126 lbs (18.14)	140 lbs (20.16)	151 lbs (21.74)	168 lbs (24.19)	189 lbs (27.21)	210 lbs (30.24)
Construction		**Extrusion laminated with encapsulated tri-directional scrim reinforcement					
Ply Adhesion	ASTM D 413	16 lbs	20 lbs	19 lbs	24 lbs	25 lbs	31 lbs
1" Tensile Strength	ASTM D 7003	88 lbf MD 63 lbf DD	110 lbf MD 79 lbf DD	90 lbf MD 70 lbf DD	113 lbf MD 87 lbf DD	110 lbf MD 84 lbf DD	138 lbf MD 105 lbf DD
1" Tensile Elongation @ Break % (Film Break)	ASTM D 7003	550 MD 550 DD	750 MD 750 DD	550 MD 550 DD	750 MD 750 DD	550 MD 550 DD	750 MD 750 DD
1" Tensile Elongation @ Peak % (Scrim Break)	ASTM D 7003	20 MD 20 DD	33 MD 33 DD	20 MD 20 DD	30 MD 31DD	20 MD 20 DD	36 MD 36 DD
Tongue Tear Strength	ASTM D 5884	75 lbf MD 75 lbf DD	97 lbf MD 90 lbf DD	75 lbf MD 75 lbf DD	104 lbf MD 92 lbf DD	100 lbf MD 100 lbf DD	117 lbf MD 118 lbf DD
Grab Tensile	ASTM D 7004	180 lbf MD 180 lbf DD	218 lbf MD 210 lbf DD	180 lbf MD 180 lbf DD	222 lbf MD 223 lbf DD	220 lbf MD 220 lbf DD	257 lbf MD 258 lbf DD
Trapezoid Tear	ASTM D 4533	120 lbf MD 120 lbf DD	146 lbf MD 141 lbf DD	130 lbf MD 130 lbf DD	189 lbf MD 172 lbf DD	160 lbf MD 160 lbf DD	193 lbf MD 191 lbf DD
* Dimensional Stability	ASTM D 1204	<1	<0.5	<1	<0.5	<1	<0.5
Puncture Resistance	ASTM D 4833	50 lbf	64 lbf	65 lbf	83 lbf	80 lbf	99 lbf
Maximum Use Temperature		180° F	180° F	180° F	180° F	180° F	180° F
Minimum Use Temperature		-70° F	-70° F	-70° F	-70° F	-70° F	-70° F

MD = Machine Direction
DD = Diagonal Directions

Note: Minimum Roll Averages are set to take into account product variability in addition to testing variability between laboratories.

*Dimensional Stability Maximum Value

**DURA-SKRIM J30BB, J36BB & J45BB are a four layer reinforced laminate containing no adhesives. The outer layers consist of a high strength polyethylene film manufactured using virgin grade resins and stabilizers for UV resistance in exposed applications. DURA-SKRIM J30BB, J36BB & J45BB are reinforced with a 1300 denier (minimum) tri-directional scrim reinforcement.

Note: RAVEN INDUSTRIES MAKES NO WARRANTIES AS TO THE FITNESS FOR A SPECIFIC USE OR MERCHANTABILITY OF PRODUCTS REFERRED TO, no guarantee of satisfactory results from reliance upon contained information or recommendations and disclaims all liability for resulting loss or damage.

PLANT LOCATION

Sioux Falls, South Dakota

SALES OFFICE

P.O. Box 5107
Sioux Falls, SD 57117-5107
(605) 335-0174
(605) 331-0333 FAX
800-635-3456

RAVEN INDUSTRIES

08/06

RAVEN INDUSTRIES INC.
EXPOSED GEOMEMBRANE LIMITED WARRANTY

Raven Industries Inc. warrants Dura-Skrim J30BB, J36BB, and J45BB to be free from manufacturing defects and to be able to withstand normal exposure to sunlight for a period of 20 years from the date of sale for normal use in approved applications in the U.S and Canada, excluding Hawaii. This warranty is effective for products sold and shipped from January 1, 2008 to December 31, 2008. These dates will be updated prior to December 31, 2008.

This Limited Warranty does not include damages or defects in the Raven geomembrane resulting from acts of God, casualty or catastrophe including but not limited to: earthquakes, floods, piercing hail, or tornadoes. The term "normal use" as used herein does not include, among other things improper handling during transportation, unloading, storage or installation, the exposure of Raven geomembranes to harmful chemicals, atypical atmospheric conditions, abuse of Raven geomembranes by machinery, equipment or people; improper site preparation or covering materials, excessive pressures or stresses from any source or improper application or installation. Raven geomembrane material warranty is intended for commercial use only and is not in effect for the consumer as defined in the Magnuson Moss Warranty or any similar federal, state, or local statues. The parties expressly agree that the sale hereunder is for commercial or industrial use only.

Should defects or premature loss of use within the scope of the above Limited Warranty occur, Raven Industries Inc. will, at its option, repair or replace the Raven geomembrane on a pro-rata basis at the then current price in such manner as to charge the Purchaser/User only for that portion of the warranted life which has elapsed since purchase of the material. Raven Industries Inc. will have the right to inspect and determine the cause of any alleged defect in the Raven geomembrane and to take appropriate steps to repair or replace the Raven geomembrane if a defect exists which is covered under this warranty. This Limited Warranty extends only to Raven's geomembrane, and does not extend to the installation service of third parties nor does it extend to materials furnished or installed by others in connection with the intended use of the Raven geomembranes.

Any claim for any alleged breach of this warranty must be made in writing, by certified mail, to the General Manager of Engineered Films Division of Raven Industries Inc. within ten (10) days of becoming aware of the alleged defect. Should the required notice not be given, the defect and all warranties are waived by the Purchaser, and Purchaser shall not have any rights under this warranty. Raven Industries Inc. shall not be obligated to perform repairs or replacements under this warranty unless and until the area to be repaired or replaced is clean, dry, and unencumbered. This includes, but is not limited to, the area made available for repair and/or replacement of Raven geomembrane to be free from all water, dirt, sludge, residuals and liquids of any kind. If after inspection it is determined that there is no claim under this Limited Warranty, Purchaser shall reimburse Raven Industries Inc. for its costs associated with the site inspection.

In the event the exclusive remedy provided herein fails in its essential purpose, and in that event only, the Purchaser shall be entitled to a return of the purchase price for so much of the material as Raven Industries Inc. determines to have violated the warranty provided herein. Raven Industries Inc. shall not be liable for direct, indirect, special, consequential or incidental damages resulting from a breach of this warranty including, but not limited to, damages for loss of production, lost profits, personal injury or property damage. Raven Industries Inc. shall not be obligated to reimburse Purchaser for any repairs, replacement, modifications or alterations made by Purchaser unless Raven Industries Inc. specifically authorized, in writing, said repairs, replacements, modifications or alteration in advance of them having been made. Raven Industry's liability under this warranty shall in no event exceed the replacement cost of the material sold to the Purchaser for the particular installation in which it failed.

Raven Industries Inc. neither assumes nor authorizes any person other than the undersigned of Raven Industries Inc. to assume for it any other or additional liability in connection with the Raven geomembrane made on the basis of the Limited Warranty. The Limited Warranty on the Raven geomembrane herein is given in lieu of all other possible material warranties, either expressed or implied, and by accepting delivery of the material; Purchaser waives all other possible warranties, except those specifically given. This Limited Warranty may only be modified by written document mutually executed by Owner and Raven Industries Inc.

Limited Warranty is extended to the purchaser/owner and is non-transferable and non-assignable; i.e., there are no third-party beneficiaries to this warranty.

Purchaser acknowledges by acceptance that the Limited Warranty given herein is accepted in preference to any and other possible materials warranties.

THIS LIMITED WARRANTY SHALL BE GOVERNED BY SOUTH DAKOTA LAW AND VENUE FOR ALL LEGAL PROCEEDINGS IN CONNECTION WITH THIS LIMITED WARRANTY SHALL BE IN MINNEHAHA COUNTY, SOUTH DAKOTA. RAVEN INDUSTRIES INC. MAKES NO WARRANTY OF ANY KIND OTHER THAN THAT GIVEN ABOVE AND HEREBY DISCLAIMS ALL WARRANTIES, BOTH EXPRESSED OR IMPLIED, OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THIS IS THE ONLY WARRANTY THAT APPLIES TO THE MATERIALS REFERRED TO HEREIN AND RAVEN INDUSTRIES INC. DISCLAIMS ANY LIABILITY FOR ANY WARRANTIES GIVEN BY ANY OTHER PERSON OR ENTITY, EITHER WRITTEN OR ORAL.

RAVEN INDUSTRIES' WARRANTY BECOMES AN OBLIGATION OF RAVEN INDUSTRIES INC. TO PERFORM UNDER THE WARRANTY ONLY UPON RECEIPT OF FINAL PAYMENT AND EXECUTION BY A DULY AUTHORIZED OFFICER OF RAVEN INDUSTRIES INC.

ConocoPhillips Company
San Juan Basin
Below Grade Tank Maintenance and Operating Plan

In accordance with Rule 19.15.17 the following information describes the operation and maintenance of Below Grade Tank (BGT) on ConocoPhillips Company (COPC) locations. This is COPC's standard procedure for all BGT. A separate plan will be submitted for any BGT which does not conform to this plan.

General Plan:

1. COPC will operate and maintain a BGT to contain liquids and solids and maintain the integrity of the liner, liner system and secondary containment system to prevent contamination of fresh water and protect public health and environment. COPC will accomplish this by performing an inspection on a monthly basis, installing cathodic protection, and automatic overflow shutoff devices as seen on the design plan.

2. COPC will not discharge into or store any hazardous waste in the BGT.

3. COPC shall operate and install the below-grade tank to prevent the collection of surface water run-on. COPC has built in shut off devices that do not allow a below-grade tank to overflow. COPC constructs berms and corrugated retaining walls at least 6" above ground to keep from surface water run-on entering the below grade tank as shown on the design plan.

4. As per 19.17.15.12 Subsection D, Paragraph 3, COPC will inspect the below-grade tank at least monthly reviewing several items which include 1) containment berms adequate and no oil present, 2) tanks had no visible leaks or sign of corrosion, 3) tank valves, flanges, and hatches had no visible leaks and 4) no evidence of significant spillage of produced liquids. In addition, COPC's multi-skilled operators (MSOs) are required to visit each well location once per week. If detected on either inspection, COPC shall remove any visible or measurable layer of oil from the fluid surface of a below-grade tank in an effort to prevent significant accumulation of oil overtime. The written record of the monthly inspections will include the items listed above and will be maintained for five years.

5. COPC shall require and maintain a 10" adequate freeboard to prevent overtopping of the below-grade tank.

6. If the below grade tank develops a leak, or if any penetration of the pit liner or below grade tank, occurs below the liquid's surface, then COPC shall remove all liquid above the damage or leak line within 48 hours. COPC shall notify the appropriate district office. COPC shall repair or replace the pit liner or below grade tank, within 48 hours of discovery. If the below grade tank or pit liner does not demonstrate integrity, COPC shall promptly remove and install a below grade tank or pit liner that complies with Subsection I of 19.15.17.11 NMAC. COPC shall notify the appropriate district office of a discovery of leaks less than 25 barrels as required pursuant to Subsection B of 19.15.3.116 NMAC shall be reported within twenty-four (24) hours of discovery of leaks greater than 25 barrels. In addition, immediate verbal notification pursuant to Subsection B, Paragraph (1), and Subparagraph (d) of 19.15.3.116 NMAC shall be reported to the division's Environmental Bureau Chief.

ConocoPhillips Company
San Juan Basin
Below Grade Tank Closure Plan

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure requirements of Below Grade Tanks (BGTs) on ConocoPhillips Company locations hereinafter known as COPC locations. This is COPC's standard procedure for all BGTs. A separate plan will be submitted for any BGT which does not conform to this plan.

General Requirements:

1. COPC shall close a below-grade tank within the time periods provided in Subsection A of 19.15.17.13 NMAC. This will include a) below-grade tanks that do 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 o f19.15.17.11 NMAC within five years, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC; b) permitted below-grade tanks within 60 days of cessation of the below-grade tank's operation., or c) an earlier date that the division requires because of imminent danger to fresh water, public health or the environment. For any closure, COPC will file the C144 Closure Report as required.

2. COPC shall remove liquids and sludge from a below-grade tank prior to implementing a closure method and shall dispose of the liquids and sludge in a division-approved facility. The facilities to be used will be Basin Disposal (Permit #NM-01-005) and Envirotech Land Farm (Permit #NM-01-011). The liner after being cleaned well (Subsection D, Paragraph 1, Subparagraph (m) of 19.15.9.712 NMAC) will be disposed of at the San Juan County Regional Landfill located on CR 3100.

3. COPC will receive prior approval to 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 approves. Documentation of how the below-grade tank was disposed of or recycled will be provided in the closure report.

4. If there is any on-site equipment associated with a below-grade tank, then COPC shall remove the equipment, unless the equipment is required for some other purpose.

5. COPC shall test the soils beneath the below-grade tank to determine whether a release has occurred. COPC shall collect, at a minimum, a five point, composite sample; collect individual grab samples from any area that is wet, discolored or showing other evidence of a release; and analyze for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 8021B or 8260B or other 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 100 mg/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. COPC shall notify the division of its results on form C-141.

6. If COPC or the division determines that a release has occurred, then COPC shall comply with 19.15.3.116 NMAC and 19.15.1.19 NMAC, as appropriate.

7. 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, then COPC shall backfill the excavation with compacted, non-waste containing, earthen material; construct a division-prescribed soil cover; recontour and re-vegetate the site.

8. Notice of Closure will be given prior to closure to the Aztec Division office between 72 hours and one week via email or verbally. The notification of closure will include the following:
    i. Operator's name
    ii. Location by Unit Letter, Section, Township, and Range. Well name and API number.

9. The surface owner shall be notified of COPC's closing of the below-grade tank prior to closure as per the approved closure plan via certified mail, return receipt requested.

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

11. COPC shall 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 stipulated seed mixes will used on federally jurisdicted lands and division-approved seed mixtures (administratively approved if required) will be utilized on all State or private 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. If alternate seed mix is required by the state, private owner or tribe, it will be implemented with administrative approval if needed. COPC will repeat seeding or planting will be continued until successful vegetative growth occurs.

12. A minimum of four feet of cover shall be achieved and the cover shall include one foot of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater.

13. All closure activities will include proper documentation and be available for review upon request and will be submitted to OCD within 60 days of closure of the below-grade tank. Closure report will be filed on C-144 and incorporate the following:
    - Soil Backfilling and Cover Installation
    - Re-vegetation application rates and seeding techniques
    - Photo documentation of the site reclamation
    - Confirmation Sampling Results
    - Proof of closure notice