$1625\,\mathrm{N}\,$ French Dr , Hobbs, NM 88240 District II 1301 W Grand Ave, Artesia, NM 88210

State of New Mexico Energy Minerals and Natural Resources Department

Oil Conservation Division

Form C-144 July 21, 2008

For temporary pits, closed-loop sytems, and below-grade tanks, submit to the appropriate NMOCD District Office

District III	1220 South St. Francis	
1000 Rio Brazos Rd , Aztec, NM 87410	Santa Fe, NM 87505	For permanent pits and exceptions submit to the Santa Fe
District IV		Environmental Bureau office and provide a copy to the appropriate NMOCD District Office
1220 S St Francis Dr., Santa Fe, NM 87505	t, Closed-Loop System, Belo	w-Grade Tank or
	d Alternative Method Permit	
	1	
Type of action:		ow-grade tank, or proposed alternative method
X700 ==		low-grade tank, or proposed alternative method
<u>X</u>	Modification to an existing permit	
		ting permitted or non-permitted pit, closed-loop system,
Instructions, Plage submit one appli	below-grade tank, or proposed alternative	ve memod closed-loop system, below-grade tank or alternative request
		crosea-toop system, below-grade tank or atternative request operations result in pollution of surface water, ground water or the
		er applicable governmental authority's rules, regulations or ordinances
Operator Consea Phillips Company		OCDID#. 315915
Operator. ConocoPhillips Company Address PO Box 4289, Farmington, N	IM 97400	OGRID#: <u>217817</u>
Facility or well name: SAN JUAN 29-6		
		rmit Number
U/L or Qtr/Qtr: K(NE/SW) Section:		nge: 6W County: RIO ARRIBA
Center of Proposed Design: Latitude.	36.709354 °N Longit	
Surface Owner: Federal	State X Private Tribal Trus	st or Indian Allotment
Temporary Drilling Workove Permanent Emergency X Cavita Lined Unlined Liner t String-Reinforced Liner Seams Welded Factor	tton P&A (Pre-set) ype Thickness mil Ll	LDPE HDPE PVC Other e bbl Dimensions L x W x D
— — — — —	H of 19 15 17 11 NMAC Illing a new well Workover or Drilling notice of intent)	(Applies to activities which require prior approval of a permit or
Drying Pad Above Ground S		293031
Lined Unlined Liner typ		DPE HDPE PVD Other 617
Liner Seams Welded Factor		
		DPE HDPE PVD Other RECEIVED
Below-grade tank: Subsection I of 1	9 15 17 11 NMAC	8 MAR 2011
Volume bbl	Type of fluid	OIL CONS. DIV. DIST. 3 Unft and automatic overflow shut-off
Tank Construction material		
Secondary containment with leak detection	on Visible sidewalls, liner, 6-inch	lift and automatic overflow shut-off
Visible sidewalls and liner	Visible sidewalls only Other	491814
Liner Type Thickness		Other
Alternative Method:		

Form C-144

Oil Conservation Division

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

Page 1 of 5

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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, instituted from foot height, four strands of barbed wire evenly spaced between one and four feet	ution or church)	
Alternate Please specify		
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		
X Signed in compliance with 19 15 3 103 NMAC		
A signed in compliance with 19 105 100 Notice		
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: X Administrative approval(s). Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for consideration pit for Pre-set).	deration 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 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 - 1WATERS 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.	Yes No	
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)	∏NA	
- Visual inspection (certification) of the proposed site, Aerial photo; Satellite image		
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes No	
(Applied to permanent pits)	□ _{NA}	
- Visual inspection (certification) of the proposed site, Aerial photo; Satellite image		
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.	Yes No	
- NM Office of the State Engineer - IWATERS database search; Visual inspection (certification) of the proposed site.		
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended	Yes No	
 Written confirmation or verification from the municipality, Written approval obtained from the municipality 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	
	Ves DNo	
 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				
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 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 X 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				
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.				
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.				
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.				
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)				
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				
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)				

Form C-144 Oil Conservation Division Page 3 of 5

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 Envirotech / JFJ Landfarm % IEI Disposal Facility Permit # NM-01-0011 / NM-01-0	0010B				
Disposal Facility Name Basin Disposal Facility Disposal Facility Permit # NM-01-005					
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will nbe used for future Yes (If yes, please provide the information No	service and				
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					
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 certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the St 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				
Ground water is between 50 and 100 feet below the bottom of the buried waste	Yes No				
- NM Office of the State Engineer - IWATERS database search, USGS, Data obtained from nearby wells	N/A				
Ground water is more than 100 feet below the bottom of the buried waste	Yes No				
- NM Office of the State Engineer - IWATERS database search, USGS, Data obtained from nearby wells	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)	Yes No				
- Topographic map, Visual inspection (certification) of the proposed site					
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application - Visual inspection (certification) of the proposed site, Aerial photo, satellite image	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	Yes No				
- Written confiramtion or verification or map from the NM EMNRD-Mining and Mineral Division					
Within an unstable area - Engineering measures incorporated into the design, NM Bureau of Geology & Mineral Resources, USGS, NM Geological Society, Topographic map	YesNo				
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 cloby a check mark in the box, that the documents are attached.	sure plan. Please indicate,				
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					
X 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					

Form C-144 Oil Conservation Division Page 4 of 5

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) Jame Goodwin Title Regulatory Technician		
Signature (MML GOOCIWA Date Date S 8 1		
e-mail address Jamie L Goodwin@conocophillips com Telephone 505-326-9784		
20 OCD Approval: Permit Application (including closure plan)		
OCD Representative Signature: Approval Date: 4/23/2011		
Title: Compliance Offices 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 activities have been completed Closure Completion Date:		
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 Facility 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 operations?		
Yes (If yes, please demonstrate complilane to the items below)		
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:		

Form C-144 Oil Conservation Division Page 5 of 5

SAN JUAN 29-6 UNIT 61M API# 30-039-30985 PRE SET PLANS PERMIT # 8268



ConocoPhillips Company Cavitation Pit for Closed-Loop Locations

Design:

ConocoPhillips Company will use a cavitation pit plan when the surface casing will be pre-set on closed-loop locations. The drill cuttings will be stockpiled on the surface

Operations and Maintenance:

The cavitation pit will be operated and maintained as follows

- 1 Only Fresh water and air will be used in the drilling of the surface casing
- 2 The Cement used will be Neat Cement with no additives
- 3 All of the fluids will be removed within 48hrs after drilling
- A representative five point composite sample will be taken of the drill cuttings, after the setting of the surface casing is complete, using sampling tools and all samples will be tested per Subsection B of 19 15 17.13(B)(1)(b) In the event that the testing criteria is not met, all contents will be dug and hauled per Subparagraph (a) of Paragraph (1) of Subsection B of 19 15 17 13 i e

Components	Tests Method	Limit (mg/Kg)
Benzene	EPA SW-846 8021B or 8260B	02
BTEX	EPA SW-846 8021B or 8260B	50
TPH	EPA SW-846 418 1	2500
GRO/DRO	DRO EPA SW-846 8015M 500	
Chlorides	EPA 300 1	500

5 The NMOCD will be notified via email of the test results of the cavitation surface as follows

Components	Tests Method	Limit (mg/Kg)	Results
Benzene	EPA SW-846 8021B or 8260B	0 2	
BTEX	EPA SW-846 8021B or 8260B	50	
TPH	EPA SW-846 418 1	2500	
GRO/DRO	EPA SW-846 8015M	500	
Chlorides	EPA 300 1	500	

Closure Plan:

- 1 The NMOCD will be notified of the sample results and the intent to start the closure process 3-7 days prior to the drill cuttings being transported, moved, or distributed on location
- 2 In the event the criteria are not met, all solids and liquids will be removed and disposed of at Envirotech (Permit #NM-01-0011) and/or Basin Disposal Facility (Permit #NM-01-005) and/or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B)
- 3 Testing results will be submitted with the Closure Report of the well locations Closed-Loop Permit on Form C-144.

ConocoPhillips is aware that approval of this plan does not relieve ConocoPhillips of liability should operations result in pollution of surface water, ground water, or the environment. Nor does approval relieve ConocoPhillips of its responsibility to comply with any other applicable governmental authority's rules and regulations.