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

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

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office
For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office

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<u>Pit, Closed-Loop System, Below-Grade Tank, or</u> <u>Proposed Alternative Method Permit or Closure Plan Application</u>

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.
Operator XTO Energy, Inc OGRID # 5380
Address #382 County Road 3100, Aztec, NM 87410
Facility or well name Breech C #120
API Number 30 - 039 - 3065 (OCD Permit Number
U/L or Qtr/Qtr N Section 12 Township 26N Range 06W County. Rio Arriba
Center of Proposed Design Latitude 36 497630 Longitude 107 420390 NAD □1927 ☒ 1983
Surface Owner X Federal State Tribal Trust or Indian Allotment
Note
☐ Unlined Liner type: Thickness 20 mil ☐ LLDPE ☐ PVC ☐ Other
X String-Reinforced
Liner Seams X Welded X Factory Other Volume bbl Dimensions L 200 x W 80 x D 8-12
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) To be used during completion operations Drying Pad Above Ground Steel Tanks Haul-off Bins Other Drying Pad Above Ground Steel Tanks Haul-off Bins Other Drying Pad Unlined Liner type Thickness mil LLDPE HDPE PVC Other Drying Pad Above Ground Steel Tanks Dile Consolition Other Drying Pad Drying Pa
Secondary containment with leak detection Visible sidewalls and liner Visible sidewalls only Other
S 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,	hospital.
institution or church) X Four foot height, four strands of barbed wire evenly spaced between one and four feet	····,
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	
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 consideration of approval Fencing- Hogwire Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval	office for
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 acce, material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the approoffice or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to dry above-grade tanks associated with a closed-loop system.	opriate district approval.
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
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
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

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.
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
Sting 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 Erosion Control Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19 15 17 9 NMAC and 19 15 17 13 NMAC
Proposed Closure: 19 15 17 13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.
Type
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 Steel Tanks or Haul-off Bins Only: (19 15 Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachm facilities are required.	
	M01-0011
	M01-0010B
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for fut Yes (If yes, please provide the information below) No	ture service and operations?
Required for impacted areas which will not be used for future service and operations Soil Backfill and Cover Design Specifications based upon the appropriate requirements of Subsection H of 19 15 17 13 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	3 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 acceptal provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropri considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.	ate district 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	X Yes □ No □ NA
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or lake (measured from the ordinary high-water mark) - Topographic map, Visual inspection (certification) of the proposed site	playa Yes X 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 sto watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. NM Office of the State Engineer - iWATERS database, Visual inspection (certification) of the proposed site	
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinal adopted pursuant to NMSA 1978, Section 3-27-3, as amended - Written confirmation or verification from the municipality, Written approval obtained from the municipality	ance Yes X No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map, Topographic map, Visual inspection (certification) of the proposed si	te 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 Geologic Society; Topographic map	cal Yes 🛛 No
Within a 100-year floodplain - FEMA map	☐ Yes ☒ No
On-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each of the following items must be attached to the closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each of the following items must be attached to the closure plan 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 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 requirement 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 Subsection For 19 15 17 13 NMAC Soil Cover Design - based upon the appropriate requirements of Subsection H of 19 15 17 13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19 15 17 13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15 17 13 NMAC	C s of 19 15 17 11 NMAC 1AC

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) Kim Champlin Title Sr Environmental Representative
Signature Kim Chankin Date January 23, 2009
e-mail address kim_champlin@xtoenergy com Telephone (505) 333-3100
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)
OCD Representative Signature: Branclow J Junell Approval Date: 2~10-09
Title: Enviro kepel OCD Permit Number:
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 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
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: Instructions: Please indentify 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 compliance 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
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 (required for on-site closure) 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
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is true, 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

DISTRICT I 1625 N Fench Dr., Hobbs, N.M 88240

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised October 12, 2005

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT || 1301 W Grand Avenue, Artesia, N.M. 88210

DISTRICT III 1000 Rio Brazos Rd, Aztec, N.M. 87410

DISTRICT IV 1220 South St. Francis Dr., Santa Fe, NM 87505 OIL CONSERVATION DIVISION 1220 South St Francis Dr. Santa Fe, NM 87504-2088

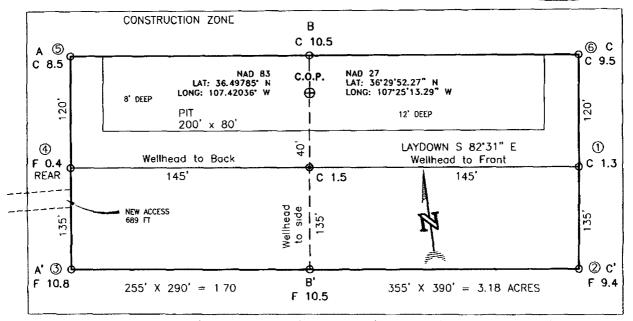
WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

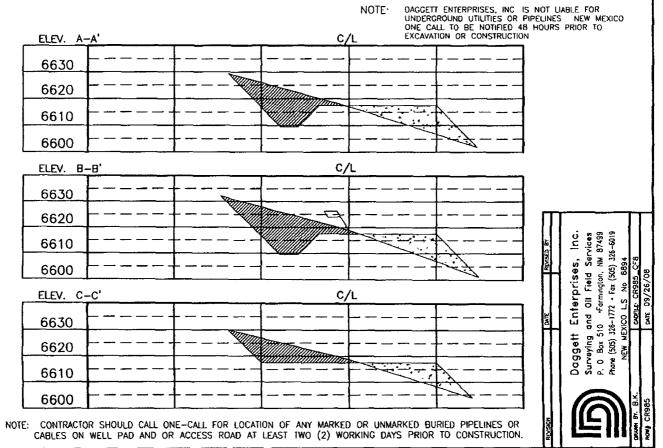
1 API	Number			² Pool Code					³ Pool Name			
*Property Coo	de	 			⁵ Proper	-					₫ We	Il Number
OCRID No					BREE Operat							Elevation
JOHN DING					XTO ENE							6619'
	···				¹⁰ Surfac	ce	Location					
UL or lot no N	Section 12	Township 26-N	Range 6-W	Lat Idn	Feet from the	e	North/South line SOUTH	l	from the 2255	East/West WEST		County RIO ARRIBA
	12	26-N		om Hole	<u> </u>	<u> </u>	If Different Fro	1		1		THE ARRIBA
UL or lat no	Section	Township	Range	Lot Idn	Feet from the		North/South line		from the	East/West	ine	County
70 / 1	<u> </u>									<u> </u>		
³² Dedicated Acres		13 Jos	nt or Infill		14 Consolidation	n Co	ode	13 Or	der No			
110 111 011								<u></u>				
NO ALLOW	ABLE V						ON UNTIL ALL EEN APPROVEC				EN CC	ONSOLIDATED
FD. 3 1/4" 9C		,		12 —					i hereby ce is true and belief, and interest or including the difference with contract with interest, or compulsory division.	rtify that the complete to that this organizations of the complete to that this organization will be proposed be ill this well at the an owner of to a voluntor pooling order.	information the best inization e roal interestation have the location of such a y pooling heretofore	RTIFICATION on contained herein of my knowledge and offer owns a working st in the lond i location or has a ion pursuant to a mineral or working agreement or a se entered by the
N 0018'19" E 2672.02' (M)	2255'		1180,	LAT: LON	G: 107.420 36 29 51 49)39°	. (NAD 83) • W. (NAD 83) . (NAD 27) • W. (NAD 27)		was plotted from or under my so correct to the	om field notes supervision, and best of my ki	of actual d that the nowledge	008
FD. 3 1/4" BC 1957 B L.M.	S 8 26	39'32'12" E 643.68' (M)		FD. 3 1/ 1957 B.L.					Certificate N	889		

XTO ENERGY INC.
BREECH C No. 120, 1180 FSL 2255 FWL
SECTION 12, T26N, R6W, N.M.P.M., RIO ARRIBA COUNTY, N.M.
GROUND ELEVATION: 6619' DATE: SEPTEMBER 23, 2008

NAD 83 LAT. = 36.49763° N LONG. = 107.42039° W NAD 27 LAT. = 36'29'51.49" N LONG. = 107'25'13.42" W



RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE)
BLOW PIT OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT



Lodestar Services, Inc.

Pit Permit Siting Criteria

Client:	XTO Energy
Project:	tank permitting
Revised:	8-Jan-08
repared by:	Trevor Ycas

PO Box 4465, Durang	ro. CO 81302	Sitting Criteria	Revised:	8-Jan-08
V,	,,,	Information Sheet	Prepared by:	Trevor Ycas
API#:[1	USPLSS:	26N 06W 12 N
Name:	BREECH C	#120	Lat/Long:	36.497630°, -107.420390°
Depth to groundwater:		depth > 100'	Geologic formation:	San Jose Formation (TsJ), alluvium
Distance to closest continuously flowing watercourse:	26 miles	NW to 'San Juan River'	Site Elevation 2015m/6611'	
Distance to closest significant watercourse, lakebed, playa lake, or sinkhole:	miles W	N to 'Albert Lake'; ~5.6 SW to 'Largo Canyon' SE to Albert Canyon	I	
Permanent residence,			Soil Type:	Rockland/ Aridisols
school, hospital, institution or church within 300'		NO		
			Annual Precipitation:	Navajo Dam. 12.95", Governador 11 98", Capulin Rgr Stn. 14 98", Otis 10 41"
Domestic fresh water well or spring within 500'		NO	Precipitation Notes:	Historical daily max. precip.: 4.19" (Bloomfield)
Any other fresh water well or spring within 1000'		NO		
Within incorporated municipal boundaries		NO	Attached Documents:	25N05W_iWaters pdf, 25N06W_iWaters pdf, 25N07W_iWaters pdf, 26N05W_iWaters pdf, 26N06W_iwaters pdf, 26N07W_iwaters pdf, 27N05W_iWaters pdf, 27N06W_iWaters pdf, 27N07W_iWaters pdf
Within defined municipal fresh water well field		NO	FM350049INDO_BRE ECH_C_120 jpg	BREECHC120_gEarth-PLS jpg, BREECHC120_topo-PLS jpg, BREECHC120_gEarth-IWaters jpg
Wetland within 500'		NO	Mining Activity:	None Near
Within unstable area		NO		NM_NRD-MMD_MinesMillQuarries_BREECH_group jpg
Within 100 year flood plain	No	-FEMA Zone 'X'		
Additional Notes:				
drains to 'Largo Canvon'		uppermost reaches of Albert n channels, located ~1000' NE of 'Albert Lake'		located on 'Ensenada Mesa', NNW of 'Albert Canyon', SSW of 'Albert Mesa' and E of 'Albert Lake'

Breech C #120 Below Grade Tank Hydrogeologic Report for Siting Criteria

General Geology and Hydrology

The San Juan Basin is a typical Rocky Mountain basin with a gently dipping southern flank and a steeply dipping northern flank. Asymmetrically layered Tertiary sandstones and shales, along with Quaternary alluvial deposits, dominate surficial geology (Dane and Bachman, 1965). The proposed pit location will be located in the central Cereza Canyon region of the San Juan Basin near the upper reaches of Dogie Canyon and atop Ensenada Mesa near Albert Lake. The predominant geologic formation is the San Jose Formation of Tertiary age, which underlies surface soils and is often exposed (Dane and Bachman, 1965). Deposits of Quaternary alluvial and aeolian sands occur prominently near the surface of the area, especially near streams and washes.

Cretaceous and Tertiary sandstones, as well as Quaternary alluvial deposits serve as the primary aquifers in the San Juan basin (Stone et al., 1983). In most of the proposed area, the San Jose Formation lies at the surface and overlies the Nacimiento Formation. Thickness of the San Jose ranges from 200 to 2700 feet, thickening from west to east across the region of interest (Stone et al., 1983). Aquifers within the coarser and continuous sandstone bodies of the San Jose Formation are between 0 and 2700' deep in this section of the basin (Stone et al., 1983). Groundwater within these aquifers flows north, toward the San Juan River. Little specific hydrogeologic data is available for the San Jose Formation system, but "numerous wells and springs used for stock and domestic supplies" draw their water from the San Jose Formation (Stone et al., 1983).

The prominent soil type(s) at the proposed site are entisols and aridisols, which are defined as soils exhibiting little to no 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.

Regional weather further prohibit active recharge. The climate is arid, averaging just over 12 inches of rainfall annually. As is typical of the southwestern United States monsoonal weather patterns, most precipitation falls from August through October. The heaviest rainfall occurs in the summer in isolated, intense cloudbursts. November through June is relatively dry. Snow generally falls from December to mid-February and averages less than one-half inch in depth. However, most recharge occurs during the winter months during snowmelt periods from the upper elevations (Western Regional Climate Center www.wrcc.dri.edu).

The predominant vegetation is sagebrush and grasses with a more restricted pinon-juniper association (Dick-Peddie, 1993).

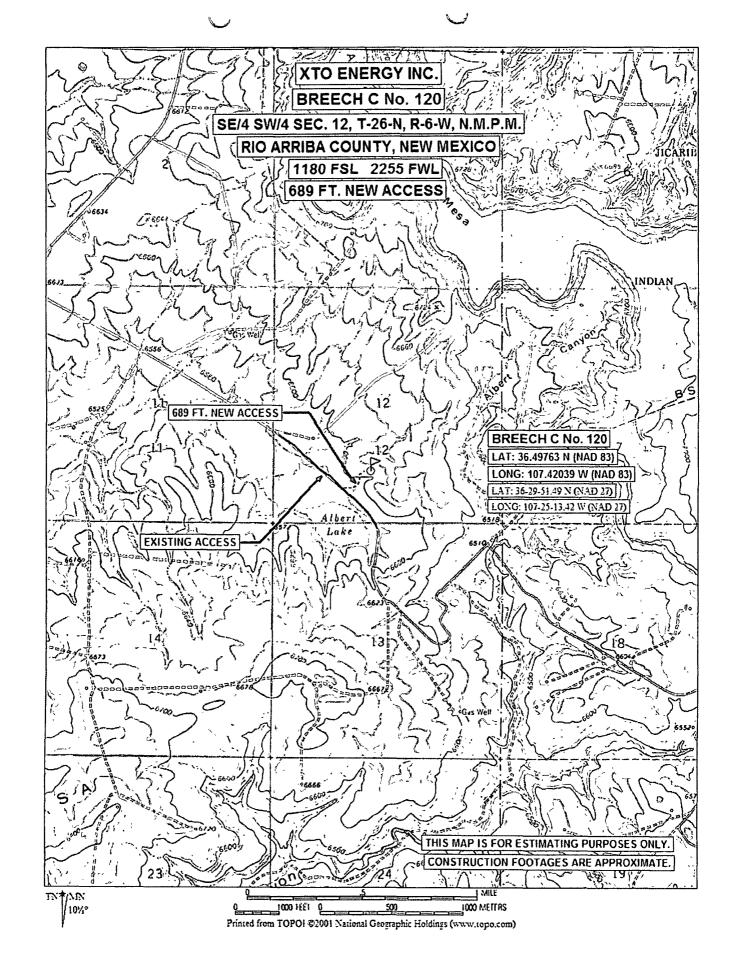
Site Specific Hydrogeology

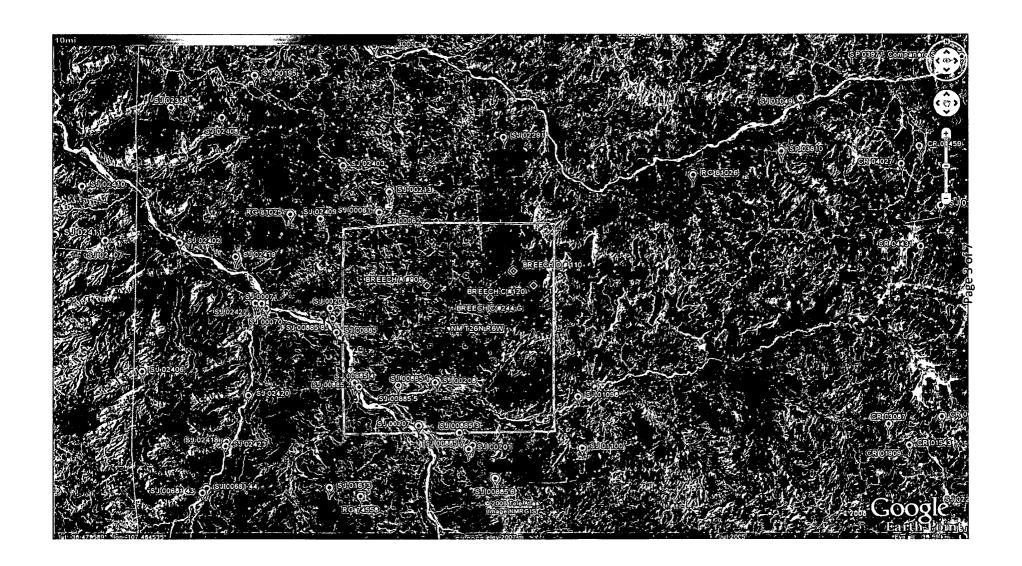
Depth to groundwater is estimated to be greater than 100'. This estimation is based on data from Stone and others (1983), the USGS Groundwater Atlas of the United States and depth to groundwater data published on the New Mexico State Engineer's iWaters Database website. Local topography, proximity to adjacent channels & spring features at similar elevations nearby are also taken into consideration. Additionally, three test wells were drilled in this area, confirming groundwater is greater than 115' deep.

Beds of water-yielding sandstone are present in the San Jose Formation, which are fluvial in origin and are interbedded with mudstone, siltstone & shale. "Extensive intertonguing" of different members of this formation is reported. (Stone et al., 1983). Porous sandstones form the principal aquifers, while relatively impermeable shales and mudstones form confining units between the aquifers (Stone et al., 1983). Local aquifers exist within the San Jose Formation at depths greater than 100 feet and thicknesses of the aquifer can be up to several hundred feet (USGS, Groundwater Atlas of the US) (Stone et al., 1983).

The site in question is located on relatively flat ground on Ensenada Mesa, between Dogie and Albert Canyons at an elevation of approximately 6613 feet and approximately 5.6 miles east of the main Largo Canyon wash channel, the nearest significant watercourse. This site drains to Largo Canyon via Albert Canyon and Dogie Canyon. This region is deeply incised by canyons, washes, gullies and arroyos, with large, flat-topped mesas the predominant topographic feature. The mesas are composed of cliff-forming sandstone, and systems of dry washes and their tributaries composed of alluvium are evident on the attached aerial image. Groundwater is expected to be shallow within Largo and Blanco Canyons and within major tributary systems

Groundwater data available from the NM State Engineer's iWaters Database for wells near the proposed site are attached. A map showing locations of test wells and depth to groundwater in those wells is also attached.





							of the State Engi and Downloads	ncer								
				Township 27	N Range 06W	V Sect	tions									
				NAD27 X	Y [Zone S	Search Radi	ius []							
			Со	ounty E	Basın [Number		Suffix []					
			Owner	Name (Fust)	(Las	st)	0	Non-Domes	stic o Dom	estic	o All					
				POD / Surface	Data Report	Avg Depth	to Water Report	Water Coli	umn Report							
					Clear Form	n (WA	TERS Menu He	elp								
			POD / SURFACE DATA REPORT	09/16/2008												
		e ft per ann	1				2=NE 3=SW 4=SE st to smallest		e in Feet		11m4	ın Meters		Start	Finish	D+1
DB File Nbr	Use	Diversion		POD Number	Source		Rng Secqqq	Zone	X	Y	UTM Zone		Northing	Date	Date	Depth Well
SJ 00061	DOM		EL PASO NATURAL GAS COMPANY	SJ 00061	Shallow		06W 32 3 3 3	20.12		-	13	276278	4044923	11/01/1956	11/07/1956	445
SJ 00062	DOM	0	EL PASO NATURAL GAS COMPANY	SJ 00062	Shallow		06W 32 3 3 3				13	276278	4044923	11/08/1956	11/12/1956	452
SJ 00213	IND	17	EL PASO NATURAL GAS COMPANY	SJ 00213	Shallow		06W 32 1 4 4				13	276897	4045750		06/20/1974	1308
SJ 02291	STK	3	BLM	SJ 02291		27N	06W 23 4 3 1				13	281993	4048335			
SJ 02403	DOM	2	JOE OR WILMA WAIME	SJ 02403		27N	06W 30 3 1 3				13	274714	4047115		12/31/1946	505
SJ 03001	DOM	3	CHARLES E BRADLEY	SJ 03001	Shallow	27N	06W 07 2 2 1				13	276165	4052831	06/28/2000	07/04/2000	141
Record Count	6															

1 of 1

Record Count 3

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				Township	27N Range 05W] Sections [
				NAD27 X	Y [Zone	s	earch Radiu	s						
			County		Basın		Number		Suffix						
			Owner Name	e (Fnst)	(Last)	o N	lon-Domesti	c o Dome	stic @ All					
			•	POD / Surf	ace Data Report A	vg Depth to Wa	ter Report	Water Colun	m Report						
					Clear Form	WATERS I	Menu Hel	p							
			POD / SURFACE DATA REPORT 09/1	L6/200B						, .					
	(acre	ft per ann	(mun)		(quarters are (quarters are				In Feet	IITM are	ın Meters		Start	Finish	Depth
DB File Nbr	Use	Diversion		D Number		Tws Rng S		Zone	X		Easting			Date	Well 1
RG 81026	STK	3	BUREAU OF LAND MANAGEMENT RO	81026	Shallow	27N 05W 2				13	290530	4046294	09/12/2003		460
SJ 00046	IND	16	BURLINGTON RESOURCES OIL & GAS SI	00046	Shallow	27N 05W 0	4 4 4			13	289133	4052788	01/13/1954	01/13/1954	506
SJ 00199	OFM	4	BURLINGTON RESOURCES OIL & GAS SJ	00199	Artesian	27N 05W 0	3 2 1			13	290409	4053971		05/02/1967	1840

l of l

Township:	26N Range: 07W	Sections:		
NAD27 X: \[\begin{align*} \text{VAD27} & X & \text{VAD27} & \t	Y:	Zone:	Search Radi	us:
County:	Basin:		Jumber:	Suffix:
Owner Name: (First)	(Last)		ONon-Domest	ic ODomestic OAI
POD / Surf	ace Data Report Avg	Depth to Water Rep	ort Water Colun	nn Report
	Clear Form	iWATERS Menu	Help	

(quarters	are	1=NW	2=NE	3= SW	4=SE)
(quarters	are	bigge	est to	smal	llest)

						o smalles	•		Depth	Depth	Water	(in feet)
POD Number	Tws	Rng	Sec	q (PF	Zone	x	Y	Well	Water	Column	
SJ 02409	26N	07W	01	1 2	2 2				700	400	300	
SJ 02402	26N	07W	05	3 3	3 2				36	18	18	
SJ 00071	26N	07W	15	4	1 2				365	26	339	
SJ 00070	26N	07W	15	4 2	2 3				335	22	313	
SJ 02406	26N	07W	30	3 2	2 1				280	180	100	

Record Count: 5

	Township: 26N Range: 06W Sections:
	NAD27 X: Y: Zone: Search Radius:
	County: Basin: Number: Suffix:
	Owner Name: (First) (Last) ONon-Domestic ODomestic OAII
	POD / Surface Data Report
	Clear Form iWATERS Menu Help
	WATER COLUMN REPORT 08/12/2008 (quarters are 1=NW 2=NE 3=SW 4=SE)
POD Number	(quarters are biggest to smallest) Depth Depth Water (in feet) Tws Rng Sec q q q Zone X Y Well Water Column

No Records found, try again

	Township: 26N Range: 05W Sections:
	NAD27 X: Y: Zone: Search Radius:
	County: Basin: Number: Suffix:
	Owner Name: (First) (Last) ONon-Domestic ODomestic OAll
	POD / Surface Data Report Avg Depth to Water Report Water Column Report
	Clear Form iWATERS Menu Help
	WATER COLUMN REPORT 08/12/2008
POD Number	(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest) Tws Rng Sec q q Zone X Y Well Water Column

No Records found, try again

	Township: 25N Range: 07W Sections:
	NAD27 X: Zone: Search Radius:
	County: Basin: Number: Suffix:
	Owner Name: (First) (Last) ONon-Domestic ODomestic @All
	POD / Surface Data Report
	Clear Form iWATERS Menu Help
	WATER COLUMN REPORT 08/28/2008
POD Number SJ 01613	(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest) Tws Rng Sec q q q Zone X Y Well Water Column 25N 07W 12 4 1083 730 353

Record Count: 1

	Township: 25N Range: 06W Sections:
	NAD27 X: Y: Zone: Search Radius:
	County: Basin: Number: Suffix:
	Owner Name: (First) (Last) ONon-Domestic ODomestic OAII
	POD / Surface Data Report
	Clear Form iWATERS Menu Help
	WATER COLUMN REPORT 08/12/2008
	(quarters are 1=NW 2=NE 3=SW 4=SE)
	(quarters are biggest to smallest) Depth Depth Water (in feet)
POD Number	Tws Rng Sec q q q Zone X Y Well Water Column
SJ 00201	25N 06W 03 4 1 1346 500 846

435

Record Count: 3

SJ 00681 12

25N 06W 33 4 4 4

Township: 25N Range: 05W Sections: NAD27 X: Y: Zone: Search Radius: County: Suffix: Number: Suffix: Owner Name: (First) (Last) ONon-Domestic ODomestic Od	
	Township: 25N Range: 05W Sections:
	NAD27 X: Y: Zone: Search Radius:
	County: Basin: Number: Suffix:
	Owner Name: (First) (Last) ONon-Domestic ODomestic OAII
	POD / Surface Data Report Avg Depth to Water Report Water Column Report
	Clear Form iWATERS Menu Help
	WATER COLUMN REPORT 08/12/2008
POD Number	

No Records found, try again

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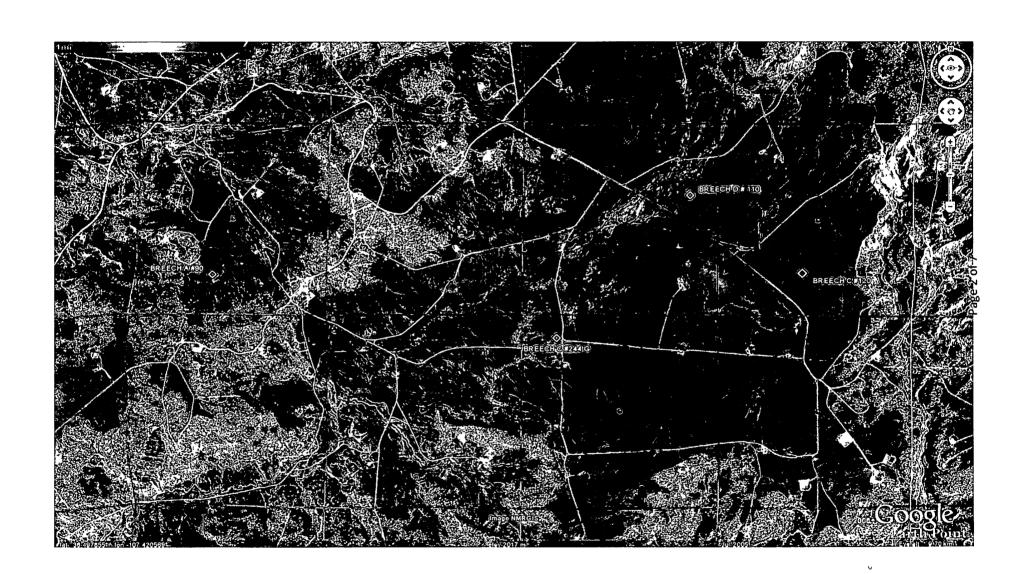
Township: 271	Range: 07W Se	ections:	
NAD27 X:	Y: Z	Zone: Search	Radius:
County: B	asin:	Number:	Suffix:
Owner Name: (First)	(Last)	O Non-Do	mestic ODomestic OAII
POD / Surface	Data Report Avg Depth	h to Water Report Water	Column Report
	Clear Form iWA	ATERS Menu Help	

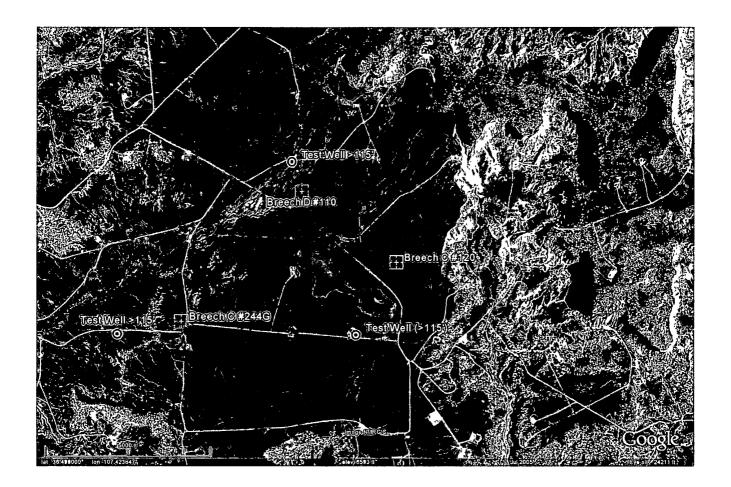
WATER COLUMN REPORT 08/04/2008

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

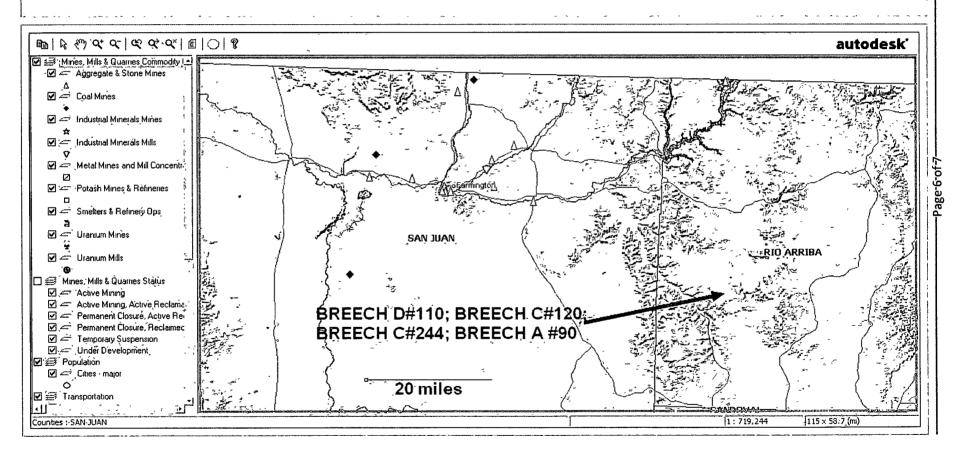
	(quarter	s are 1	biggest to	smallest)			Depth	Depth	Water	(in feet)
POD Number	Tws	Rng Se	ec q q q	Zone	X	Y	Well	Water	Column	
RG 81025	27N	07W 3	5 4 3 3				560	465	95	
SJ 00195	27N	07W 1	5 2				1633	500	1133	
SJ 02314	27N	07W 1	7 3 3				355	320	35	
SJ 02408	27N	07W 2	1 2 1 3				400	300	100	
SJ 03274	27N	07W 3	5 3 4 4				450			
SJ 02404	27N	07W 3	5 4 3 3				550	250	300	

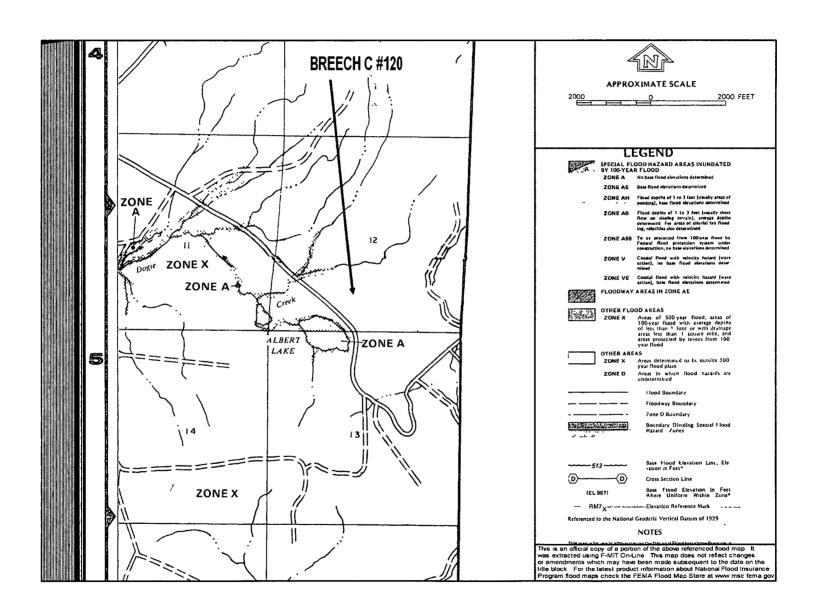
Record Count: 6

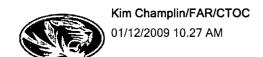




Mines, Mills and Quarries Web Map







To mark_kelly@blm.gov

CC

bcc

Subject Notice-Breech C #120 Well Site

RE:

Breech C #120 Gas Well

Sec. 12N- T26N- R06W, Rio Arriba County

Dear Mr Kelly:

This submittal is pursuant to Rule 19 15 17.13 requiring operators to notify surface owners of on site burial of temporary pits XTO Energy Inc. (XTO) is hereby providing written documentation of our intention to close the temporary pit associated with the aforementioned location by means of in place on site burial.

Should you have any questions or require additional information please feel free to contact me at your earliest convenience (505) 333-3100.

Kim Champlin Sr Environmental Representative XTO Energy San Juan Division (505) 333-3207 Office (505)330-8357 Cell (505) 333-3280 Fax

XTO Energy Inc. San Juan Basin Pit Design and Construction Plan

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

General Plan

- 1 XTO will design and construct a temporary pit to contain liquids and solids and prevent contamination of fresh water and protect public heath and environment.
- Prior to constructing the pit, topsoil will be stockpiled in the construction zone for later use in restoration.
- 3. XTO will post a well sign, in compliance with 19.15 3.103 NMAC, on the well site prior to construction of the temporary pit. 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.
- 4 XTO shall construct all new fences utilizing 48" steel mesh field-fence (hogwire) on the bottom with a single strand of barbed wire on top. T-posts shall be installed every 12 feet and corners shall be anchored utilizing a secondary T-post. Temporary pits will be fenced at all times excluding drilling or workover operations, when the front side of the fence will be temporarily removed for operational purposes
- 5. XTO shall construct the temporary pit so that the foundation and interior slopes are firm and free of rocks, debris, sharp edges or irregularities to prevent liner failure.
- 6. XTO shall construct the pit so that the slopes are no steeper than two horizontal feet to one vertical foot
- 7. Pit walls will be walked down by a crawler type tractor following construction.
- 8. All temporary pits will be lined with a 20-mil, string reinforced, LLDPE liner, complying with EPA SW-846 method 9090A requirements.
- Geotextile will be installed beneath the liner when rocks, debris, sharp edges or irregularities cannot be avoided.
- 10. All liners will be anchored in the bottom of a compacted earth-filled trench at least 18 inches deep.
- 11. XTO will minimize liner seams and orient them up and down, not across a slope. Factory seams will be used when possible. XTO will ensure all field seams are welded by qualified personnel. Field seams will be overlapped four to six inches and will be oriented parallel to the line of maximum slope. XTO will minimize the number of field seams in corners and irregularly shaped areas.
- 12. The liner shall be protected from any fluid force or mechanical damage through the use of mud pit slides, or a manifold system.
- 13. The pit shall be protected from run-off by constructing and maintaining diversion ditches around the location or around the perimeter of the pit in some areas.
- 14. The volume of the pit shall not exceed 10 acre-feet, including freeboard.

XTO Energy Inc. San Juan Basin Maintenance and Operating Plan

In accordance with Rule 19.15.17.12 NMAC the following information describes the operation and maintenance of temporary pits on XTO Energy Inc. locations. This is XTO's standard procedure for all temporary pits. A separate plan will be submitted for any temporary pit which does not conform to this plan.

General Plan

- 1 XTO will operate and maintain a temporary pit to contain liquids and solids and prevent contamination of fresh water and protect public health and environment.
- 2. XTO will conserve drilling fluids by transmitting liquids to pits ahead of the rigs whenever possible. All drilling fluids will be disposed at Basin Disposal Inc, Permit # NM-01-005
- 3 XTO will not discharge or store any hazardous waste in any temporary pit.
- 4. If any pit liner integrity is compromised, or if any penetration of the liner occurs above the liquid surface, then XTO shall notify the Aztec Division office by phone or email within 48 hours of the discovery and repair the damage or replace the liner.
- 5. If a leak develops below the liquid level, XTO shall remove all liquids above the damaged liner within 48 hours and repair the damage or replace the liner XTO shall notify the Aztec Division office by phone or email within 48 hours of the discovery for leaks less than 25 barrels XTO shall notify the Aztec Division office as required pursuant to Subsection B of 19 15.3.116 NMAC 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.
- 6. The liner shall be protected from any fluid force or mechanical damage through the use of mud pits slides, or a manifold system.
- 7. The pit shall be protected from run-off by constructing and maintaining diversion ditches around the location or around the perimeter of the pit in some cases.
- 8. XTO shall immediately remove any visible layer of oil from the surface of the temporary pit after cessation of a drilling or workover operation. Oil absorbent booms will be utilized to contain and remove oil from pits surface. An oil absorbent boom will be stored on-site until closure of pit.
- 9. Only fluids generated during the drilling or workover process will be discharged into a temporary pit
- 10. XTO will maintain the temporary pit free of miscellaneous solid waste or debris.
- During drilling or workover operations, XTO will inspect the temporary pit at least once daily to ensure compliance with this plan. Inspections will be logged and logs maintained for review. XTO will file this log with the Aztec Division office upon closure of the pit
- 12. After drilling or workover operations, XTO will inspect the temporary pit weekly so long as liquids remain in the temporary pit. A log of the inspections will be stored at XTO's office electronically and will be filed with the Aztec Division office upon closure of the pit.
- 13. XTO shall maintain at least two feet of freeboard for a temporary pit.
- 14. XTO shall remove all free liquids from a temporary pit within 30 days from the date the operator releases the drilling or workover rig.

XTO Energy Inc. San Juan Basin Closure Plan

In accordance with Rule 19.15 17 13 NMAC the following information describes the closure requirements of temporary pits on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all temporary pits. A separate plan will be submitted for any temporary pit which does not conform to this plan.

All closure activities will include proper documentation and be available for review upon request and will be submitted to OCD within 60 days of pit closure. Closure report will be filed on C-144 and incorporate the following.

- Details on Capping and Covering, where applicable.
- Plot Plan (Pit Diagram)
- Inspection Reports
- Sampling Results
- C-105
- Copy of Deed Notice will be filed with County Clerk

General Plan:

- 1. All free standing liquids will be removed at the start of the pit closure process from the pit and disposed of in a division-approved facility or recycled, reused, or reclaimed in a manner that the Aztec Division office approves.
- 2. The preferred method of closure for all temporary pits will be on-site, in-place burial, assuming that all criteria listed in sub-section (B) of 19.15.17.13 are met.
- 3. The surface owner shall be notified of XTO proposed closure plan using a means that provides proof of notice i.e., Certified mail, return receipt requested.
- 4. Within 6 months of the Rig Off status occurring XTO will ensure that temporary pits are closed, re-contoured, and reseeded.
- 5. Notice of Closure will be given to the Aztec Division office between 72 hours and one week of closure via email, or verbally. The notification of closure will include the following:
 - 1. Operators Name
 - ii. Location by Unit Letter, Section, Township, and Range. Well name and API number.
- 6. Liner of temporary pit shall be removed above "mud level" after stabilization. Removal of liner will consist of manually or mechanically cutting liner at mud level and removing all remaining liner. Care will be taken to remove "ALL" of the liner i.e., edges of liner entrenched or buried. All excessive liver will be disposed of at a licensed disposal facility.
- 7. Pit contents shall be mixed with non-waste containing, earthen material in order to achieve appropriate solidification. The solidification process will be accomplished using a combination of natural drying and mechanically mixing. Pit contents will be mixed with non-waste, earthen material to a consistency that is deemed a safe and stable. The mixing ratio shall not exceed 3 parts clean soil to 1 part pit contents.
- 8. A five point composite sample will be taken of the pit using sampling tools and all samples tested per Subsection B of 19.15.17.13(B)(1)(b) In the event that the criteria are not met, all contents will be handled per Subparagraph (a) of Paragraph (1) of Subsection B of 19.15.17.13 i.e., Dig and haul. Disposal facility to be utilized should this method be required will be Envirotech, Permit No. NM01-0011 or IEI, Permit No. NM01-0010B.

Components	Test Method	Limit (mg/Kg)
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 or background

- Upon completion of solidification and testing, the pit area will be backfield with compacted, non-waste containing, earthen material. 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.
- 10. Re-contouring of location will match fit, shape, line, form and texture of the surrounding area. Re-shaping will include drainage control, ponding prevention, and erosion prevention. 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.
- 11. Notification will be sent to OCD when the reclaimed area is seeded.
- 12. XTO 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 of 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.
- 13. The temporary pit will be located with a steel marker, no less than four inches in diameter, cemented in a hole three feet deep in the center of the onsite burial upon the abandonment of all the wells on the pad. The marker will be flush with the ground to allow access of the active well pad and for safety concerns. The marker will include a threaded collar to be used for future abandonment. The top of the marker will contain a welded steel 12" square plate that indicates the onsite burial of the temporary pit. The plate will be easily removable and a four foot tall riser will be threaded into the top of the collar marker and welded around the base with the operator's information at the time all wells on the pad are abandoned. The operator's information will include the following. Operators Name, Lease Name, Well Name and Number, Unit Number, Section, Township, Range and an indicator that the marker is an onsite burial location.

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

In accordance with Rule 19.15.17 11 NMAC the following information describes the design and construction of below-grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below-grade tanks. A separate plan will be submitted for any below-grade tank which does not conform to this plan.

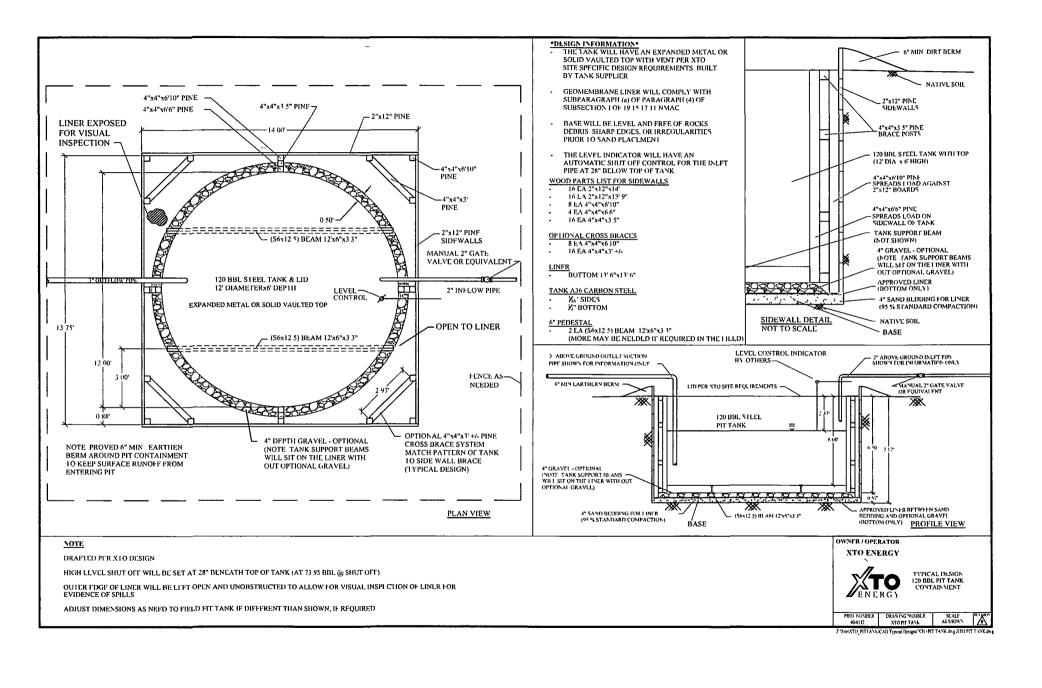
General Plan

- 1. XTO will design and construct below-grade tanks to contain liquids and solids and prevent contamination of fresh water and protect public health and environment.
- 2. XTO will post a well sign, in compliance with 19 15.3.103 NMAC, on the existing well site operated by XTO where the existing below-grade tank is located. The sign will list the Operator on record as the operator, the location of the well site by unit letter, section, township, range, and emergency telephone numbers
- 3. XTO is requesting approval of an alternative fencing to be used on below-grade tank locations Below-grade tank locations will be fenced utilizing 48" steel mesh field-fence (hogwire) with pipe railing along the top. A 6' chain link fence will be utilized around the well pad if the well site is within a city limits or ¼ mile of a permanent residence, school, hospital, institution or church. Below-grade tanks located within 1000' of a permanent residence, school, hospital, institution or church will be fenced by 6' chain link fence with at least two strands of barbed wire at the top. All gates associated with below-grade tanks will remain closed and locked when responsible individuals are not on site.
- 4. XTO shall construct below-grade tanks with an expanded metal covering or solid vaulted top on the top of the below-grade tank
- 5 XTO will ensure that below-grade tanks are constructed of materials resistant to the below-grade tank's particular contents and resistant to damage from sunlight. Tanks will be constructed of A36 carbon steel with 3/16" sides and ¼" bottom. (See attached drawing).
- 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 Basın (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 below-grade tank will be underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected. (See attached drawing).

- 9 XTO will equip below-grade tanks designed in this manner with a properly functioning automatic high-level shut-off control device and manual controls to prevent overflows (See attached drawing)
- 10. XTO will demonstrate to the OCD that the geomembrane liner complies with the specifications of Subparagraph (a) of Paragraph (4) of Subsection I of 19.15.17.11 NMAC and obtain approval from OCD prior to the installation of the design. The geomembrane liner shall have a hydraulic conductivity no greater than 1 x 10-9 cm/sec. The geomembrane liner shall be composed of an impervious, synthetic material that is resistant to petroleum hydrocarbons, salts and acidics and alkaline solutions. The liner material shall be resistant to ultraviolet light. Liner compatibility shall comply with EPA SW-846 method 9090A. (See attached drawing)
- 11. The general specifications for design and construction are attached.



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

In accordance with Rule 19.15.17.12 NMAC the following information describes the operation and maintenance of below-grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below-grade tanks. A separate plan will be submitted for any below-grade tank which does not conform to this plan.

General Plan

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

Well Name

API#

Sec., Twn., Rng.

XTO Inspector's name

Inspection date and time

Visible tears in liner

Visible signs of tank overflow

Collection of surface run on

Visible layer of oil

Visible signs of tank leak

Estimated freeboard

- 5 XTO will maintain adequate freeboard to prevent over topping of the below-grade tank. High level shut-off devices control the freeboard at an average of 28" beneath the top of the tank
- 6. XTO will not discharge into or store any hazardous waste in any below-grade tank.
- 7. If a below-grade tank develops a leak, or if any penetration of a below-grade tank occurs below the liquids surface, XTO will remove all liquids above the damage or leak line within 48 hours,

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

notify the appropriate division district office within 48 hours of the discovery and repair the damage or replace the below-grade tank. If an existing below-grade tank does not meet current requirements of Paragraphs 1-4 of Subsection I of 19 15.17 11 NMAC the tank will be modified or retrofitted to comply. If compliance can not be achieved XTO will implement the approved closure plan.

egals Sec: Township: Range: XTO Inspector's Inspecton Inspection Name Date Time tears (Y/N) tank overflows (Y/N) run on (Y/N) of oil (Y/N) of a tank overflows (Y/N) run on (Y/N) of oil (Y/N) of a tank overflows. Name Date Time tears (Y/N) tank overflows (Y/N) run on (Y/N) of oil (Y/N) of a tank overflows. Provide Detailed Description			MONT	HLY BELO	W GRADE TANK	INSPECTIO	N FORM		
XTO Inspector Inspection Inspecti	Well Name:		<u>,</u>			API No.:			
Inspector's Inspection Inspection Inner Any visible signs of Surface Visible layer Any Any Visible signs of Surface Visible layer Any Any Visible signs of Surface Visible layer Any Any Any Any Visible signs of Surface Visible layer Any		Sec:		Township:		Range:		-	
lotes: Provide Detailed Description	ector's In			liner	Any visible signs of	surface	Vısıble layer	Any visible signs of a tank leak (Y/N)	Freeboard Est. (ft)
		Date	Time	tears (1714)	tank overnows (1714)	1411 011 (1714)	Or Oil (1714)	Of a tarik leak (1774)	LSt. (It)
									- <u></u>
									
ISC	Pi	rovide De	tailed Descr	iption					
				-					
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XTO Energy Inc. San Juan Basin (Northwest New Mexico) General Closure Plan For Below-Grade Tanks

In accordance with Rule 19 15.17.13 NMAC the following information describes the closure requirements of below-grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below-grade tanks. A separate plan will be submitted for any below-grade tank which does not conform to this plan.

General Plan

- 1. 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

Basın Disposal Permit No. NM01-005 Produced water

- XTO will remove the below-grade tank and dispose of it in a division approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office has approved prior to removal. Any associated liners will be removed, properly cleaned and disposed of per 19.15.9 712 NMAC at San Juan County Landfill. Documentation of the final disposition will be included in the closure report.
- 6. XTO will remove any on-site equipment associated with a below-grade tank unless the equipment is required for some other purpose.
- 7 XTO will test the soils beneath the below-grade tank to determine whether a release has occurred. At a minimum 5 point composite sample will be collected along with individual grab samples from any area that is wet, discolored or showing other evidence of a release. Samples will be

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

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

- 8. If XTO or the division determines that a release has occurred, XTO will comply with 19.15.3.116 NMAC and 19.15.1.19NMAC as appropriate.
- 9. If the sampling program demonstrates that a release has not occurred or that any release does not exceed the concentrations specified in Paragraph (4) of Subsection E of 19.15 17.13 NMAC, XTO will backfill the excavation with compacted, non-waste containing, earthen material, construct a division prescribed soil cover; recontour and re-vegetate the site.
- 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:
 - 1 Operator's name
 - 11. 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:
 - 1. Proof of closure notice to division and surface owner;
 - 11. 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.

XTO Energy Inc. San Juan Basin Closed-Loop System Design and Construction Plan

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

General Plan

Our closed-loop system will not entail a drying pad, temporary pit, below grade tank or sump. It will entail an above ground tank suitable for holding the cuttings and fluids for rig operations. The tank will be of sufficient volume to maintain a safe free board between disposal of the liquids and solids from rig operations.

- 1. Fencing is not required for an above ground closed-loop system.
- 2. It will be signed in compliance with 19.15.3.103 NMAC.

XTO Energy Inc. San Juan Basin Closed-Loop Systems Maintenance and Operating Plan

In accordance with Rule 19.15.17 11 NMAC the following information describes the operation and maintenance of closed-loop systems on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all closed-loop systems. A separate plan will be submitted for any closed-loop system which does not conform to this plan.

General Plan

The closed-loop tank will be operated and maintained; to contain liquids and solids, to aid in the prevention of contamination of fresh water sources, in order to protect public health and the environment. To attain the goal the following steps will be followed:

- 1. The liquids will be vacuumed out and disposed of at the Basin Disposal, Inc. facility (Permit Number NM01-005). An alternative if available for liquids disposal, will be to move the liquids forward to a XTO temporary pit constructed in accordance with all specifications in NMAC Rule 19.15.17 for a well yet to be drilled. All specifications, limitations, and rules within the New Mexico Administrative Code regulating this transfer of liquids will be strictly adhered to. As a third alternative, if Basin Disposal turns away the fluids because of capacity reasons, and the second transfer option is not available, XTO may elect to haul fluids to IEI (Permit Number NM01-0010B) for final disposition
- 2. Solids in the closed-loop tank will be vacuumed out and disposed of at Envirotech (Permit Number NM01-0011) or IEI (Permit Number NM01-0010B) on a periodic basis to prevent over topping.
- No hazardous waste, miscellaneous solids, waste, or debris will be discharged into, or stored in the tank. Only fluids or cutting used or generated by rig operations will be placed or stored in the tank.
- 4. The division district office will be notified within 48 hours of the discovery of compromised integrity of the closed-loop tank. Upon discovery of the compromised tank, repairs will be enacted immediately.
- All of the above operations will inspected and a log will be signed and dated daily during rig operations.

XTO Energy Inc. San Juan Basin Closed-Loop System Closure Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the closure requirements of closed-loop systems on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all closed-loop systems. A separate plan will be submitted for any closed-loop system which does not conform to this plan.

General Plan

XTO will close a drying pad used for a closed-loop system within six months from the date that XTO released the drilling or workover rig. XTO will not the date of the drilling or workover rig's release on form C-105 or C-103, riled with the division, upon the well's or workover's completion.

The closed-loop tank will be closed in accordance with 19.15.17.13 NMAC. This will be done by transporting cuttings and all remaining sludges to Envirotech (Permit Number NM01-0011) or IEI (Permit Number NM01-0010B) immediately following rig operations.

All remaining liquids will be transported and disposed of at the Basin Disposal, Inc facility (Permit Number NM 01-005). As an alternative (in the event Basin Disposal refused liquids because of capacity considerations, and if proper inventory space is available for liquids transfer while meeting free board requirements), the liquids will be moved forward to a XTO temporary pit constructed in accordance with all specifications in NMAC Rule 19.15.17 for a well yet to be drilled. All specifications, limitations, and rules within the New Mexico Administrative Codes regulating this transfer of liquids will be strictly adhered to. As a third alternative, if Basin Disposal turns away the fluids because of capacity reasons, and the second transfer option is not available, XTO may elect to haul the fluids to IEI (Permit Number 01-0010B) for final disposition.

The tanks will be removed from the location as part of the rig move. At the time of well abandonment the site will be reclaimed and re-vegetated to pre-existing conditions when possible.

XTO Energy Inc. San Juan Basin Cavitation Pit

Design and Construction

XTO will construct an additional, separate pit that is designed to allow liquids to drain to a temporary pit used during a drilling or workover operation. This designed separate temporary pit does not require a liner, unless the appropriate division district office requires an alternative design in order to protect surface water, ground water and the environment. XTO will not allow freestanding liquids to remain on the unlined portion of a temporary pit used to vent or flare gas or used for cavitation.

Operational

XTO remove any liquids from the temporary pit used to vent or flare gas or used for cavitation within 48 hours after completing the operation. If applicable XTO may request and receive additional time to remove the liquids from the temporary pit used to vent or flare gas or used for cavitation if the XTO demonstrates to the appropriate division district office's satisfaction that it is not feasible to access the location within 48 hours.

Closure

XTO will remove contents of the temporary pit used to vent or flare gas or used for cavitation and will at a minimum collect a 5 point composite sample along with individual grab samples from any area that is wet, discolored or showing other evidence of a release. Samples will be analyzed for benzene, total BTEX, TPH, GRO/DRO Combined 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 2500 mg/kg; the GRO/DRO Combined concentration, as determined by EPA method 8015M or other EPA method that the division approves, does not exceed 500 mg/kg; and the chloride concentration, as determined by EPA method that the division approves, does not exceed 500 mg/kg, or the background concentration, whichever is greater. XTO will notify the division of its results on form C-141.