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 Di, 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 2018 [15] 8 PM 4 37

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

Ty	pe of action	Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method
Ex	isting BGT	Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method
	· ·	Modification to an existing permit
		Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system,
be	low-grade tanl	or proposed alternative method
Instructions:	Please submit	one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request
	•	quest does not relieve the operator of liability should operations result in pollution of surface water, ground water or th

Please be advised tha

Operator XTO Energy, Inc	OGRID#	5380
Address #382 County Road 3100, Aztec, NM 87410		
Facility or well name Anderson Gas Com B#1		
API Number <u>3004526168</u> OCD Permit N	lumber	
U/L or Qtr/Qtr K Section 28 Township 29N Range		
Center of Proposed Design Latitude 36 69297 Longitude	107 89314	NAD □1927 ⊠ 1983
Surface Owner ☐ Federal ☐ State ☒ Private ☐ Tribal Trust or Indian Allotment		
2		
Pit: Subsection F or G of 19 15 17 11 NMAC		
Temporary Drilling Workover		
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A		
☐ Lined ☐ Unlined Liner type Thicknessmil ☐ LLDPE ☐ HDPE	E PVC Other	·
String-Reinforced		
Linei Seams Welded Factory Other Volume	ebbl D	imensions Lx Wx D
3		
Closed-loop System: Subsection H of 19 15 17 11 NMAC		
Type of Operation P&A Drilling a new well Workover or Drilling (Applie intent)	s to activities which i	equite prior approval of a permit or notice of
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other		48789101173
☐ Lined ☐ Unlined Liner type Thicknessmil ☐ LLDPE ☐ HI	OPE PVC Otl	ner
Liner Seams Welded Factory Other		RECEIVED
4		MAY On 3
Below-grade tank: Subsection Lof 19 15 17 11 NMAC		ow shut-off high-level shut off, no lines
Volume 95 bbl Type of fluid Produced Water		B SONS DIV DIST A ST
Tank Construction material Steel		11.15
	and automatic overflo	ow shut-off
Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift		
 Secondary containment with leak detection	ls, vaulted, automatic	high-level shut off, no linei

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 wife at top (Required if located within 1000 feet of a permanent residence, school,	hospital,
institution or church) Four foot height, four strands of barbed wire evenly spaced between one and four feet	
Alternate Please specify Four foot height steel mesh field fence (hogwire) with pipe top railing	
Alternate Trease specify Tour root neight steer mesh field tende (nogwhe) with pipe top ranning	
Netting: Subsection E of 19 15 17 11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other Expanded metal or solid vaulted top Monthly inspections (If netting or screening is not physically feasible)	,
8	
Signs: Subsection C of 19 15 17 11 NMAC	
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers	
⊠ Signed in compliance with 19 15 3 103 NMAC	
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. Exception(s). Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	office for
Sting Criteria (regarding permitting): 19 15 17 10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the 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.	priate district pproval.
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank - NM Office of the State Engineer - iWATERS database search, USGS, Data obtained from nearby wells	⊠ Yes □ No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark) - Topographic map, Visual inspection (certification) of the proposed site	☐ Yes ⊠ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site, Aerial photo, Satellite image	Yes No
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application (Applies to permanent pits)	☐ Yes ☐ No ☐ NA
Visual inspection (certification) of the proposed site, Aerial photo. Satellite-image 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 of within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended - Written confirmation or verification from the municipality, Written approval obtained from the municipality	☐ Yes ☒ No
Within 500 feet of a wetland - US Fish and Wildlife Wetland Identification map, Topographic map, Visual inspection (certification) of the proposed site	☐ Yes 🏻 No
Within the area overlying a subsurface mine - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ⊠ No
Within an unstable area - Engineering measures incorporated into the design, NM Bureau of Geology & Mineral Resources, USGS, NM Geological Society, Topographic map	☐ Yes ☒ No
Within a 100-year floodplain - FEMA map	☐ Yes 🏻 No

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19 15 17 9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are
attached. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19 15 17 9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19 15 17 9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15 17 10 NMAC Design Plan - based upon the appropriate requirements of 19 15 17 11 NMAC
 ✓ Operating and Maintenance Plan - based upon the appropriate requirements of 19 15 17 12 NMAC ✓ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19 15 17 9 NMAC and 19 15 17 13 NMAC
Previously Approved Design (attach copy of design) API Number
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19 15 17 9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are
attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19 15 17 9 Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19 15 17 10 NMAC Design Plan - based upon the appropriate requirements of 19 15 17 11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19 15 17 12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19 15 17 9 NMAC and 19 15 17 13 NMAC
Previously Approved Design (attach copy of design) API Number
Previously Approved Operating and Maintenance Plan API Number (Applies only to closed-loop system that use
above ground steel tanks or haul-off bins and propose to implement waste removal for closure)
Permanent Pits Permit Application Checklist: Subsection B of 19 15 17 9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19 15 17 9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15 17 10 NMAC Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19 15 17 11 NMAC Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19 15 17 11 NMAC Leak Detection Design - based upon the appropriate requirements of 19 15 17 11 NMAC Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19 15 17 12 NMAC Freeboard and Overtoping Prevention Plan - based upon the appropriate requirements of 19 15 17 11 NMAC Nuisance or Hazardous Odors, including H ₂ S, Prevention Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19 15 17 9 NMAC and 19 15 17 13 NMAC
Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.
Type Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System Alternative Proposed Closure Method Waste Excavation and Removal Waste Removal (Closed-loop systems only) On-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial On-site Trench Burial Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)
Maste 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

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Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Instructions: Please indentify the facility or facilities for the disposal of liquids, facilities are required.					
Disposal Facility Name	Disposal Facility Permit Number				
	Disposal Facility Permit Number				
Will any of the proposed closed-loop system operations and associated activities of Yes (If yes, please provide the information below) \(\bigcap \) No	cui on oi in areas that will not be used for future set	rvice and operations?			
Required for impacted areas which will not be used for future service and operation Soil Backfill and Cover Design Specifications based upon the appropriate Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection	requirements of Subsection H of 19 15 17 13 NMA Lot 19 15 17 13 NMAC	.C .			
Siting Criteria (regarding on-site closure methods only): 19 15 17 10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the provided below. Requests regarding changes to certain siting criteria may require considered an exception which must be submitted to the Santa Fe Environmental demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for	e administrative approval from the appropriate dist Bureau office for consideration of approval. Just	trict office or may be			
Ground water is less than 50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search, USGS, Data	obtained from nearby wells	Yes No			
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					
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					
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other sign lake (measured from the ordinary high-water mark) - Topographic map, Visual inspection (certification) of the proposed site	ificant watercourse or lakebed, sinkhole, or playa	Yes No			
Within 300 feet from a permanent residence, school, hospital, institution, or church - Visual inspection (certification) of the proposed site, Aerial photo, Satellite		☐ Yes ☐ No			
Within 500 horizontal feet of a private, domestic fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or sp - NM Office of the State Engineer - iWATERS database, Visual inspection (co	ring, in existence at the time of initial application	☐ Yes ☐ No			
Within incorporated municipal boundaries or within a defined municipal fresh water adopted pursuant to NMSA 1978, Section 3-27-3, as amended - Written confirmation or verification from the municipality, Written approva		Yes No			
Within 500 feet of a wetland - US Fish and Wildlife Wetland Identification map, Topographic map, 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 a	and Mineral Division	☐ Yes ☐ No			
Within an unstable area - Engineering measures incorporated into the design, NM Bureau of Geology Society, Topographic map	& Mineral Resources, USGS, NM Geological	Yes No			
Within a 100-year floodplain - FEMA map -		☐ Yes ☐ No			
On-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each of the by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of S Construction/Design Plan of Burial Trench (if applicable) based upon the app Construction/Design Plan of Temporary Pit (for in-place burial of a drying pacture of Protocols and Procedures - based upon the appropriate requirements of 19 15 Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of S Disposal Facility Name and Permit Number (for liquids, drilling fluids and drilling Soil Cover Design - based upon the appropriate requirements of Subsection H Re-vegetation Plan - based upon the appropriate requirements of Subsection I Site Reclamation Plan - based upon the appropriate requirements of Subsection I	rements of 19 15 17 10 NMAC Subsection F of 19 15 17 13 NMAC repriate requirements of 19 15 17 11 NMAC d) - based upon the appropriate requirements of 19 1 17 13 NMAC rements of Subsection F of 19 15 17 13 NMAC ubsection F of 19 15 17 13 NMAC Il cuttings of in case on-site closure standards cannot of 19 15 17 13 NMAC of 19 15 17 13 NMAC	5 17 11 NMAC			

Operator Application Certification:	
I hereby certify that the information submitted with this application is true, accurate and complete to the best of	of my knowledge and belief
Name (Print) Kim Champlin Title Envi	ionmental Representative
Signature Nim Champlin Date 11/26/08	
e-mail address kim_champlin@xtoenergy.com Telephone (505)	
OCD Approval: Permit Application (including closure plan) Closure Plan (only) CD CD Coldition (including closure plan) Construction (including closure plan) Construction (including closure plan)	ons (see attachment) 1/03/2011 poroval Date: 3/10/10
Title: Environne - to Engale 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. The closure report is required to be submitted to the division within 60 days of the completion of the closure section of the form until an approved closure plan has been obtained and the closure activities have been controlled. Closure Completion I	activities. Please do not complete this
Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method Wall If different from approved plan, please explain	aste Removal (Closed-loop systems only)
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Instructions: Please indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings two facilities were utilized.	
Disposal Facility Name Disposal Facility Permit Nu	mber
	mber
Were the closed-loop system operations and associated activities performed on or in areas that will not be used to Yes (If yes, please demonstrate compliance to the items below) \(\Boxed{\substack}\) No	for future service and operations?
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 clemark in the box, that the documents are attached. Proof of Closure Notice (surface owner and division) a flaction Proof of Deed Notice (required for on-site closure) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if applicable) a flaction Waste Material Sampling Analytical Results (required for on-site closure) Disposal Facility Name and Permit Number See a flaction Soil Backfilling and Cover Installation will follow after PhA is completed Re-vegetation Application Rates and Seeding Technique Pursuant to BLM MOU Site Reclamation (Photo Documentation) will follow after PhA is completed On-site Closure Location Latitude Longitude	osure report. Please indicate, by a check NAD [1927 [1983
25 On the Classic Could be a second of the country	
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is true, accurate and combelled I also certify that the closure complies with all applicable closure requirements and conditions specified to the complex with all applicable closure requirements.	in the approved closure plan
Name (Print) James McDanie Title EHOS	Specialist Izon
Signature Date 5/5	770
e-mail address James - McDaniel Oxtoenergy com Telephone SOS-	<u> 333 - 370 l</u>

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

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe. NM 87505

Form C-141 Revised October 10, 2003

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action						
		OPERATOR	Initial Report			
Name of Company. XTO Energy, Inc.		Contact: James McDaniel				
Address: 382 Road 3100, Aztec, New Mexico 87410		Telephone No.: (505) 333-3701				
Facility Name. Anderson Gas COM B #1 (3004526168)		Facility Type Gas Well (Otero	Chacra)			
Surface Owner Private (Fee)	Mineral Own	er	Lease No. Fee			

Facility Name. Anderson Gas Co Surface Owner Private (Fee) LOCATION OF RELEASE Unit Letter North/South Line Feet from the Section Township Range Feet from the East/West Line County K 28 29N 10W 1470 **FSL** 1660 **FWL** San Juan Latitude: 36 69297 Longitude: -107 89314 NATURE OF RELEASE Type of Release. None Volume of Release NA Volume Recovered NA Source of Release None Date and Hour of Occurrence, NA Date and Hour of Discovery NA Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☐ No ☒ Not Required By Whom? Date and Hour Was a Watercourse Reached? If YES, Volume Impacting the Watercourse ☐ Yes ⊠ No If a Watercourse was Impacted, Describe Fully * Describe Cause of Problem and Remedial Action Taken * Below grade tank was taken out of service due to plugging and abandoning of the Anderson Gas COM B #1 well site A release has NOT occurred at this site. The applicable analytical results from the below grade tank closure sampling are attached for your reference. Describe Area Affected and Cleanup Action Taken * No release has occurred at this site, therefore there is no affected area, and no cleanup action will be taken I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations OIL CONSERVATION DIVISION Signature: Approved by District Supervisor Printed Name. James McDaniel Title EH&S Specialist Approval Date Expiration Date E-mail Address James McDaniel@xtoenergy.com Conditions of Approval Attached

Phone 505-333-3701

Date 5/3/2010

^{*} Attach Additional Sheets If Necessary

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

- 5 XTO will remove the below-grade tank and dispose of it in a division approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office has approved prior to removal. Any associated liners will be removed, properly cleaned and disposed of per 19.15.9.712 NMAC at San Juan County Landfill. Documentation of the final disposition will be included in the closure report.
- 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 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.
 - Proof of closure notice to division and surface owner,
 - Details on capping and covering, where applicable,
 - III Inspection reports,
 - confirmation sampling analytical results,
 - v Disposal facility name(s) and permit number(s),
 - vi. Soil backfilling and cover installation,
 - Re-vegetation application rates and seeding techniques, (or approved alternative to re-vegetation requirements if applicable),
 - viii. Photo documentation of the site reclamation

<u>District 1</u> 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W Grand Avenue, Artesia, NM 88210 District III 1000 Rio Biazos Road, Aztec, NM 87410 District IV 1220 S St Francis Di , Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back

Form C-141

Revised October 10, 2003

side of form

Release Notification and Corrective Action OPERATOR Initial Report

						OPERATOR Initial Report Final Report						
Name of Company. XTO Energy, Inc					Contact Jar	nes McDaniel						
Address 382 Road 3100, Aztec, New Mexico 87410				Telephone No.: (505) 333-3701								
Facility Name: Anderson Gas COM B #1 (3004526168)					Facility Typ	e: Gas Well (Ot	tero Ch	acra)				
Surface Ow	ner: Privat	le (Fec)		Mineral C)wner:				Lease N	lo · Fee		
Surface OV	11114	(1 00)		Willetar	WIICI.				Lease	10.100		
				LOCA		N OF REI	LEASE					
Unit Letter K	Section 28	Township 29N	Range 10W	Feet from the 1470	North	South Line FSL	Feet from the 1660		West Line FWL	County San Juan		
L				Latitude: 30	6 6929	7 Longitud	le: -107 89314					
				NAT	URE	OF RELI	EASE					
Type of Relea	ase None						Release NA		Volume F	Recovered N	١A	
Source of Re		;					lour of Occurrenc	e. NA	Date and	Hour of Disc	overy.	NA
Was Immedia	ite Notice (_		If YES, To	Whom?		-			
			Yes _	No 🛛 Not Re	equired							
By Whom?		· · · · · · · · · · · · · · · · · · ·				Date and F						
Was a Watercourse Reached? ☐ Yes ☒ No				If YES, Volume Impacting the Watercourse.								
If a Watercou	If a Watercourse was Impacted, Describe Fully *											
Describe Cause of Problem and Remedial Action Taken * Below grade tank was taken out of service due to plugging and abandoning of the Anderson Gas COM B #1 well site A release has NOT occurred at this site. The applicable analytical results from the below grade tank closure sampling are attached for your reference.					urred at this							
		and Cleanup A at this site, the		en * ie is no affected a	nrea, and	d no cleanup a	ection will be take	en				
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of hability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.												
			1			OIL CONSERVATION DIVISION						
Signature	///	" (L)	,	1								
Printed Name	. James Mo	Daniel .				Approved by	District Supervise	or				
Title, EH&S	Specialist					Approval Dat	e.		Expiration Date			
E-mail Addie	ss James_	McDaniel@xt	oenergy c	om		Conditions of	Conditions of Approval:					
Date 5/3/20	10		1	Phone 505-333-3	701							

^{*} Attach Additional Sheets If Necessary

XTO Energy Inc. San Juan Basin Below Grade Tank Closure Report

Lease Name: Anderson Gas COM B #1

API No.: 30-045-26168

Description: Unit K, Section 28, Township 29N, Range 10W, San Juan County

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

Closure Date is March 25, 2010

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.

Closure Date is March 25, 2010

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.

Required C-144 Form is attached to this document.

4. XTO will remove liquids and sludge from below-grade tanks prior to implementing a closure method and will dispose of the liquids and sludge in a division-approved facility. Approved facilities and waste streams include:

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

Soil contaminated by exempt petroleum hydrocarbons

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

Basin Disposal Permit No. NM01-005 Produced water

Troduced water

All liquids and sludge were removed from the tank prior to closure activities.

5. XTO will remove the below-grade tank and dispose of it in a division approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves. XTO has removed the below grade tank, and will dispose of it at a division approved facility, or recycle, reclaim or reuse it in a manner that is approved by the division.

6. XTO will remove any on-site equipment associated with a below-grade tank unless the equipment is required for some other purpose.

This well site is scheduled to be plugged and abandoned. All on-site well equipment will be removed during plugging and abandoning activities.

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 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 50 mg/kg; and the chloride concentration, as determined by EPA method 300.1 or other EPA method that the division approves, does not exceed 250 mg/kg, or the background concentration, whichever is greater. XTO will notify the division of its results on form C-141.

A five point composite sample was taken of the pit using sampling tools and all samples tested per Subsection B of 19.15.17.1 3(B)(1)(b). (Sample results attached).

Components	Test Method	Limit (mg/Kg)	Results
Benzene	EPA SW-846 8021B or 8260B	0.2	ND
BTEX	EPA SW-846 8021B or 8260B	50	ND
TPH	EPA SW-846 418.1	100	16.1 mg/kg
Chlorides	EPA 300.1	250 or background	9 mg/kg

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

No Release has occurred at this location

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.

This site will be recontoured and revegitated once plugging and abandoning activities have been completed.

10. Notice of Closure operations will be given to the Aztec Division District III office between 72 hours and one week prior to the start of closure activities via email or verbally.

The notification will include the following:

- i. Operator's name
- ii. Well Name and API Number
- iii. Location by Unit Letter, Section, Township, and Range

Notification was provided to Mr. Brandon Powell with the Aztec office of the OCD via email on March 22, 2010; see attached email printout.

The surface owner shall be notified of XTO's proposal to close the BGT as per the approved closure plan using certified mail, return receipt requested.

The surface owner was notified on March 18, 2010; see attached letter and return receipt.

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.

This site will be recontoured and revegitated once plugging and abandoning activities have been completed. The site will be recontoured to match the above mentioned specifications.

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.

The area will be backfilled to match these specifications once plugging and abandoning activities have been completed.

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.

The site will be re-seeded per the BLM MOU once plugging and abandoning activities have been completed.

- 14. All closure activities will include proper documentation and be available for review upon request and will be submitted in closure report form to OCD within 60 days of closure of the below-grade tank. Closure report will be filed on form C-144 and incorporate the following
 - i. Proof of closure notice to division and surface owner; attached
 - ii. Details on capping and covering, where applicable; per OCD Specifications
 - iii Inspection reports; attached
 - iv. Confirmation sampling analytical results; attached
 - v Disposal facility name(s) and permit number(s):
 - vi. Soil backfilling and cover installation; per OCD Specifications
 - vii. Re-vegetation application rates and seeding techniques, (or approved alternative to re-vegetation requirements if applicable); pursuant to BLM MOU
 - VIII. Photo documentation of the site reclamation. Will follow at your request after P&A activities are completed



EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

Client	XTO Energy	Project #	98031-0121
Sample ID.	BGT Cellar	Date Reported	03-10-10
Laboratory Number	53308	Date Sampled	03-09-10
Chain of Custody	87.72	Date Received:	03-09-10
Sample Matrix	Soil	Date Analyzed.	03-10-10
Preservative	Cool	Date Extracted	03-09-10
Condition	Intact	Analysis Requested.	BTEX

Parameter	Concentration (ug/Kg)	Det. Limit (ug/Kg)	
Benzene	ND	0.9	
Toluene	ND	1.0	
Ethylbenzene	ND	1.0	
p,m-Xylene	ND	1.2	
o-Xylene	ND	0.9	
Total BTEX	ND		

ND - Parameter not detected at the stated detection limit

Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	91.0 %
	1,4-difluorobenzene	99.0 %
	Bromochlorobenzene	94.0 %

References

Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA,

December 1996

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846,

USEPA, December 1996

Comments:

Anderson GC B#1

Analyst

NWILLAU C



EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

. Client	N/A	Project #	N/A
Sample ID,	03-10-BT QA/QC	Date Reported	03-10-10
Laboratory Number	53308	Date Sampled.	N/A
Sample Matrix	Soil	Date Received	N/A
Preservative	N/A	Date Analyzed	03-10-10
Condition	N/A	Analysis	BTEX
(T'C#/2073%************************************		<u>'</u>	
			British Co. Co. Sales St. Co. Lane V.

Calibration and Detection:Limits (ug/L)	. d-GaliRE. □	C-CaliRF Accept Ran	%Diff/ ge 0 15%		Defects Limit
Benzene	1 2132E+006	1 2156E+006	0.2%	ND	0.1
Toluene	1,1185E+006	1 1207E+006	0.2%	ND	0.1
Ethylbenzene	1 0090E+006	1,0111E+006	0.2%	ND	0.1
p,m-Xylene	2 5148E+006	2 5198E+006	0.2%	ND	0 1
o-Xylene	9 5393E+005	9,5584E+005	0.2%	ND	0.1

Duplicate Conc. (ug/Kg)	Sample Du	plicate	%Diff.	Accept Range	Detect Umit
Benzene -	ND	ND	0.0%	0 - 30%	0.9
Toluene	ND	ND	0.0%	0 - 30%	1.0
Ethylbenzene	ND	ND	0.0%	0 - 30%	1.0
p,m-Xylene	ND	ND	0.0%	0 - 30%	1.2
o-Xylene	ND	ND	0.0%	0 - 30%	0.9

Spike Conc. (ug/Kg)	- Sample - Amo	unt Spiked Spik	ed Sample	% Recovery	Accept Range
Benzene	ND	50.0	48.9	97.8%	39 - 150
Toluene	ND	50.0	49.1	98.2%	46 - 148
Ethylbenzene	ND	50.0	49.2	98.4%	32 - 160
p,m-Xylene	ND	100	99.1	99.1%	46 - 148
o-Xylene	ND	50.0	49:9	99.8%	46 - 148

ND - Parameter not detected at the stated detection limit

References

Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA,

December 1996

Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996

Comments:

QA/QC for Samples 53308, 53311, 53312, and 53315 - 53317

Analyst

Ph (505) 632-0615 Fr (800) 362-1879 Fx (505) 632-1865 lab@envirotech-inc.com envirotech-inc com

EPA METHOD 418.1 TOTAL PETROLEUM **HYDROCARBONS**

Client:	XTO Energy	Project #	98031-0121
Sample ID	BGT Cellar	Date Reported:	03-10-10
Laboratory Number.	53308	Date Sampled.	03-09-10
Chain of Custody No.	8772	Date Received	03-09-10
Sample Matrix	_. Soil	Date Extracted.	03-10-10
Preservative [.]	Cool	Date Analyzed:	03-10-10
Condition	Intact	Analysis Needed:	TPH-418.1

			Det.
		Concentration	Limit
Paramete	r	(mg/kg)	(mg/kg)

Total Petroleum Hydrocarbons

16.1

13.4

ND = Parameter not detected at the stated detection limit.

References:

Method 418 1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water

and Waste, USEPA Storet No. 4551, 1978.

Comments:

Anderson GC B #1.



EPA METHOD 418.1 TOTAL PETROLEUM HYROCARBONS QUALITY ASSURANCE REPORT

Client ⁻	QA/QC	Project #	N/A
Sample ID	QA/QC	Date Reported:	03-10-10
Laboratory Number	03-10-TPH,QA/QC 53308	Date Sampled	N/A
Sample Matrix	Freon-113	Date Analyzed.	03-10-10
Preservative:	. N/A	Date Extracted.	03-10-10
Condition:	N/A	Analysis Needed.	TPH

Calibration I-Cal Date	e, C-Cal Date	I-Cal RF:	C-Cal RF: , %	Difference	Accept. Range
03-04-1	0 03-10-10	1,680	1,670	0.6%	+/- 10%

Blank Conc. (mg/Kg)	oncentration	// // D	etection Limit
TPH	ND		13.4
		•	
Duplicate Conc. (mg/Kg)	Sample	uplicate %	Difference Accept Range

16.1

17.4

8.1%

+/- 30%

Spike Conc. (mg/Kg)	Sample	Spike Added	Spike Result	% Recovery	Accept Range
TPH	16.1	2,000	1,680	83.3%	80 - 120%

ND = Parameter not detected at the stated detection limit.

References: Method 418 1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water

and Waste, USEPA Storet No. 4551, 1978.

Comments: QA/QC for Samples 53308, 53311 and 53319 - 53322.

Analyst

Review Moltes

TPH



Chloride

Client	XTO Energy	Project #	98031-0121
Sample ID	BGT Cellar	Date Reported	03-10-10
Lab ID#	53308	Date Sampled ¹	03-09-10
Sample Matrix:	Soil	Date Received	03-09-10
Preservative ⁻	Cool	Date Analyzed	03-10-10
Condition	Intact	Chain of Custody [.]	8772

Parameter	Concentration (mg/Kg)	
	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	

Total Chloride

9

Reference

U S.E P.A , 4500B, "Methods for Chemical Analysis of Water and Wastes", 1983 Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992

Comments:

Anderson GC B #1

CHAIN OF CUSTODY RECORD

8772 Rust.

Client Project Name / Location.								T	ANALYSIS / PARAMETERS															
X.	XTO ENERGY ANNERSON CC B# 1 Client Address: Sampler Name										-						_,							
Client A 38 AZT	Address: ,2 ROAD EC NM	3100	27	(Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	als	ے		Q.								1						
į	Phone No.:	_ ~		Client No :	131-	0121				ethod	Methó	lethoc	RCRA 8 Metals	Cation / Anion		TCLP with H/P		TPH (418.1)	IDE				Sample Cool	Sample Intact
	333-32€ mple No7	Ð ; ∫ Sample	Samp	le l		Sample	No /Volume	e Pre	servati	we E	X	\ <u>S</u>	RA 8	/ uoi		₽ 🗎		1 (4.	CHLORIDE				nple	nple
1	ntification	Date	Time	I Labino.	1	Matrix	of Containers	HgCl _i	, RO	直	BTE	<u> ŏ</u>	RCI	Cat	S	[]	PAH	TP	핑				San	San
BGT	CELLAR	3/9	11:0	53308	Soit Solid	Sludge Aqueous	1-402				X							X	χ				Ų	y
					Soil Solid	Sludge Aqueous											·				ļ		J	$ \mathcal{I} $
					Soil Solid	Sludge Aqueous								-										
					Soil Solid	Sludge Aqueous																		
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				5796 1	IS Highwi	av 64 • Farmu	enston, NM 87	₩ nal	ytic	D L		C rato	>ry	E- Kv Ki	MAI URT M	L H Cr	ZESI OEK NAN	ults ST Ipli	S T RA N	07			1	



March 18, 2010

Mr. Edward Brimhall 562 Road 4990 Bloomfield, NM 87413

RE: Anderson Gas Com B #1

Sec. 28K-T29N-R10W, San Juan County

Dear Mr. Brimhall:

This submittal is pursuant to Rule 19.15.17.13 requiring operators to notify surface owners of closure of a below grade tank pit. XTO Energy Inc. (XTO) is hereby providing written documentation of our proposal to close the below grade tank pit associated with the aforementioned location by means of waste excavation and removal.

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

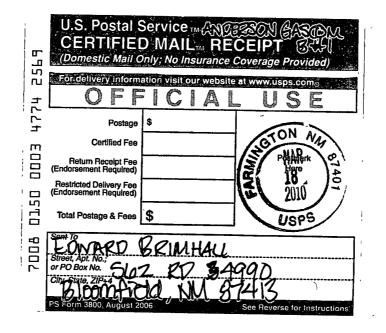
Respectfully submitted,

Kım Champlin EHS Administrative Coordinator XTO Energy Inc San Juan Division

Cc: OCD

File

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to. MR. EOWARD BRIMHAU SUZ RD 490 	A. Signature X. Agent Addressee B. Received by (Printed Name) C. Date of Delivery S. 23/10 D. Is delivery address different from Item 17 If YES, enter delivery address below: If YES, enter delivery address below:
BLOOMFIELD, NM 87413 ANDERSON GASCOM BJEI	3. Service Type Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D. 4. Restricted Delivery? (Extra Fee) Yes
2. Article Number (Transfer from service label) 7008 0150	
PS Form 3811 February 2004 Domestic Bets	urn Receipt 102595-02-M-1540





To Brandon Powell@state nm us

CC Kurt Hoekstra/FAR/CTOC@CTOC, Scott Baxstrom/FAR/CTOC@CTOC, Marcos Trujillo/FAR/CTOC@CTOC

bcc

Subject Notice of BGT Closure

Hı Brandon,

XTO will begin closure activities on the below listed locations on below grade tank cellars. Please consider this 72 hour notification. If you have any questions feel free to contact me. Thank you.

Evensen #2 30-045-06318 19P-27N-10W Anderson Gas Com B #1 30-045-26168 28K-29N-10W

Kim Champlin
XTO Energy Inc.
EH&S Administrative Coordinator
San Juan Division
(505) 333-3100 office
(505) 330-8357 cell
(505) 333-3280 fax
kim_champlin@xtoenergy.com

RouteName		StopName		Pumper	Foreman	WellNam	е		APIWellNum	ber	Section	Range	Township	•
FAR NM Run 53		ANDERSO	N GAS COM	BRoark, Patrick	Bramwell, Chri	s ANDERS	ON GC B	001	3004526168		28	10W	29N	
InspectorName	Inspection Date	Inspection Time	Visible LinerTears	VisibleTankLeak Overflow	Collection OfSurfaceRun	Visible LayerOil	Visible Leak	Freeboard EstFT	PitLocation	PitType	Notes			-
Pat Roark	03/04/2010	13 00		No	No	No	No	4	Well Water P	it Below C	Gr.			

RouteName FAR NM Run 53		StopName ANDERSO		Pumper B Roark, Patrick	Foreman Bramwell, Chri	WellNams ANDERS		001	AP!WellNumber 3004526168	Section 28	Range 10W	Township 29N	•
InspectorName	Inspection Date	Inspection Time	Visible LinerTears	VisibleTankLeak Overflow	Collection OfSurfaceRun	Visible LayerOil	Visible Leak	Freeboard EstFT	PitLocation PitType	e Notes			•
JEREMY BRUING	TON 1/01/2009	09 08		No	No	No	No	5					
JEREMY BRUING	TON01/12/2009	13 00		No	No	No	No	5	Well Water Pit Below	Gr ₁			

RouteName		StopName		Pumper	Foreman	WellNam	ie		APIWellNum	ber	Section	Range	Township	A
FAR NM Run 53	_	ANDERSO	N GAS COM	BRoark, Patrick	Bramwell, Chris	s ANDERS	SON GC B	001	3004526168		28	10W	29N	
InspectorName	Inspection Date	Inspection Time		VisibleTankLeak Overflow	Collection OfSurfaceRun	Visible LayerOil	Visible Leak	Freeboard EstFT	PitLocation	PitType	Notes		_	J
JEREMY BRUING	TON10/07/2008	11 20		No	No	No	No	5						

XTO Energy, Inc. Anderson Gas COM B #1 Section 28, Township 29N, Range 10W Closure Date 3/25/2010



Photo 1: Anderson Gas COM B #1 Well Site after Reclamation (View 1)



Photo 2: Anderson Gas COM B #1 Well Site after Reclamation (View 2)