

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  
2008 DEC 12 PM 4 01

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

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

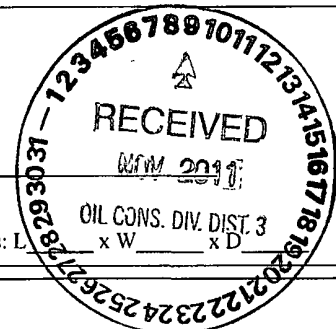
9191  
Type of action: ☐ Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method  
Existing BGT ☒ Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method  
☐ Modification to an existing permit  
Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method

**Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request**

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1.  
Operator XTO Energy, Inc. OGRID #: 5380  
Address: #382 County Road 3100, Aztec, NM 87410  
Facility or well name: FEE # 8  
API Number: 30-045-24694 OCD Permit Number: \_\_\_\_\_  
U/L or Qtr/Qtr H Section 08 Township 30N Range 11W County San Juan  
Center of Proposed Design. Latitude 36.82779 Longitude 108.00716 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 Thickness \_\_\_\_\_ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other \_\_\_\_\_  
☐ String-Reinforced  
Liner Seams: ☐ Welded ☐ Factory ☐ Other \_\_\_\_\_ Volume: \_\_\_\_\_ bbl Dimensions: L \_\_\_\_\_ x W \_\_\_\_\_ x D \_\_\_\_\_



3.  
☐ **Closed-loop System:** Subsection H of 19.15.17.11 NMAC  
Type of Operation: ☐ P&A ☐ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)  
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other \_\_\_\_\_  
☐ Lined ☐ Unlined Liner type Thickness \_\_\_\_\_ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other \_\_\_\_\_  
Liner Seams: ☐ Welded ☐ Factory ☐ Other \_\_\_\_\_

4.  
☒ **Below-grade tank:** Subsection I of 19.15.17.11 NMAC  
Volume: 120 bbl Type of fluid: Produced Water  
Tank Construction material: Steel  
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off  
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☒ Other Visible sidewalls, vaulted, automatic high-level shut off, no liner  
Liner type: Thickness \_\_\_\_\_ mil ☐ HDPE ☐ PVC ☐ Other \_\_\_\_\_

5.  
☐ **Alternative Method:**  
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

6.

**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*)
- ☐ 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

7

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

- ☐ Screen ☐ Netting ☒ Other Expanded metal or solid vaulted top
- ☐ Monthly inspections (If netting or screening is not physically feasible)

8

**Signs:** Subsection C of 19.15.17 11 NMAC

- ☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
- ☒ Signed in compliance with 19 15 3 103 NMAC

9.

**Administrative Approvals and Exceptions:**

Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.

**Please check a box if one or more of the following is requested, if not leave blank:**

- ☐ Administrative approval(s) Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval.
- ☐ Exception(s) Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

10

**Siting Criteria (regarding permitting):** 19 15 17.10 NMAC

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

Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search, USGS; Data obtained from nearby wells	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo, Satellite image	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map, Topographic map, Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within the area overlying a subsurface mine - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society, Topographic map	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Within a 100-year floodplain. - FEMA map	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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. \_\_\_\_\_

12  
**Closed-loop Systems Permit Application Attachment Checklist:** Subsection B of 19.15.17.9 NMAC  
*Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.*

☐ Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9  
☐ Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC  
☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC  
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC  
☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

☐ Previously Approved Design (attach copy of design) API 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)

13  
**Permanent Pits Permit Application Checklist:** Subsection B of 19.15.17.9 NMAC  
*Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.*

☐ Hydrogeologic Report - based upon the requirements of Paragraph (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<sub>2</sub>S, Prevention Plan  
☐ Emergency Response Plan  
☐ Oil Field Waste Stream Characterization  
☐ Monitoring and Inspection Plan  
☐ Erosion Control Plan  
☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

14.  
**Proposed Closure:** 19.15.17.13 NMAC  
*Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.*

Type: ☐ Drilling ☐ Workover ☐ Emergency ☐ Cavitation ☐ P&A ☐ Permanent Pit ☒ 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)

15.  
**Waste Excavation and Removal Closure Plan Checklist:** (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.*

☒ 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 I of 19.15.17.13 NMAC  
☒ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

16.

**Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:** (19 15 17 13.D NMAC)

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

Disposal Facility Name: \_\_\_\_\_ Disposal Facility Permit Number: \_\_\_\_\_

Disposal Facility Name: \_\_\_\_\_ Disposal Facility Permit Number: \_\_\_\_\_

Will any of the proposed closed-loop system operations and associated activities occur on or in areas that *will not* be used for future service and operations?

☐ Yes (If yes, please provide the information below) ☐ No

*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 NMAC

☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC

☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

17.

**Siting Criteria (regarding on-site closure methods only):** 19.15.17 10 NMAC

**Instructions:** Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.

Ground water is less than 50 feet below the bottom of the buried waste.

- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

☐ Yes ☐ No  
☐ 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  
☐ NA

Ground water is more than 100 feet below the bottom of the buried waste.

- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

☐ Yes ☐ No  
☐ NA

Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

☐ Yes ☐ No

Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal 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

☐ 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

18.

**On-Site 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.

☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15.17.10 NMAC

☐ Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19 15.17 13 NMAC

☐ Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17 11 NMAC

☐ Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19 15.17 11 NMAC

☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC

☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC

☐ Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC

☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)

☐ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19 15 17.13 NMAC

☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17 13 NMAC

☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

19.

**Operator Application Certification:**

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

Name (Print): Kim Champlin Title: Environmental Representative

Signature: Kim Champlin Date: 11-26-08

e-mail address: kim\_champlin@xtoenergy.com Telephone: (505) 333-3100

20.

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

OCD Representative Signature: [Signature] Approval Date: 11/15/2011

Title: Environmental Engineer OCD Permit Number: 10/22/11

21.

**Closure Report (required within 60 days of closure completion):** Subsection K of 19.15.17 13 NMAC

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

☒ Closure Completion Date: 10/31/11

22.

**Closure Method:**

☒ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-loop systems only)  
☐ If different from approved plan, please explain.

23.

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

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

Disposal Facility Name: \_\_\_\_\_ Disposal Facility Permit Number: \_\_\_\_\_

Disposal Facility Name: \_\_\_\_\_ Disposal Facility Permit Number: \_\_\_\_\_

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

☐ Yes (If yes, please demonstrate 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

24.

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

- ☒ Proof of Closure Notice (surface owner and division)  
☐ Proof of Deed Notice (required for on-site closure)  
☐ Plot Plan (for on-site closures and temporary pits)  
☒ Confirmation Sampling Analytical Results (if applicable)  
☐ Waste Material Sampling Analytical Results (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

25.

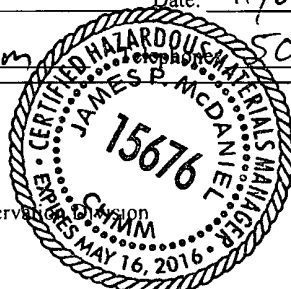
**Operator Closure Certification:**

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): James McDaniel, CHMM #15676 Title: EHS Supervisor

Signature: [Signature] Date: 11/2/11

e-mail address: James.McDaniel@xtoenergy.com 505-333-3701



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  
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 ☒ Final 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: Fee #8 (30-045-24694)	Facility Type: Gas Well (Mesaverde)

Surface Owner: Private	Mineral Owner	Lease No.: Fee
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#### LOCATION OF RELEASE

Unit Letter H	Section 8	Township 30N	Range 11W	Feet from the 2280	North/South Line FNL	Feet from the 790	East/West Line FEL	County San Juan
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Latitude: 36 82779 Longitude: -108 00716

#### NATURE OF RELEASE

Type of Release: None	Volume of Release: NA	Volume Recovered: NA
Source of Release: NA	Date and Hour of Occurrence: NA	Date and Hour of Discovery: NA
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse	

If a Watercourse was Impacted, Describe Fully \*

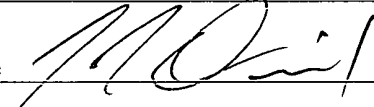
Describe Cause of Problem and Remedial Action Taken.\*

The below grade tank was moved at the Fee #8 well site due to maintenance upgrades at the facility. The BGT was closed and brought above grade. The BGT cellar beneath the BGT was sampled for TPH via USEPA Method 8015 and 418.1, for BTEX via USEPA Method 8021, and for total chlorides. The sample returned results below the 'pit rule' standards of 100 ppm TPH, 0.2 ppm benzene, 10 ppm total BTEX and 250 ppm chlorides, confirming that a release has not occurred at this location.

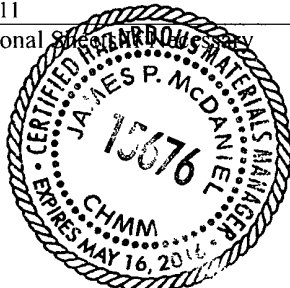
Describe Area Affected and Cleanup Action Taken \*

No release has been confirmed for this location.

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.

Signature: 	<u>OIL CONSERVATION DIVISION</u>		
Printed Name: James McDaniel, CHMM #15676	Approved by District Supervisor		
Title: EH&S Supervisor	Approval Date	Expiration Date	
E-mail Address: James.McDaniel@xtoenergy.com	Conditions of Approval		Attached <input type="checkbox"/>
Date: 11/2/2011	Phone: 505-333-3701		

\* Attach Additional Sheets if Necessary



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

**Lease Name: Fee #8**

**API No.: 30-045-24694**

**Description: Unit H, Section 8, Township 30N, Range 11W, 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 October 31, 2011**
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 October 31, 2011**
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**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, inspected it for integrity, and will reuse the tank at this location.**

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

**All equipment will remain on location for the continued production of oil and gas.**

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 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.

**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	< 0.05 mg/kg
BTEX	EPA SW-846 8021B or 8260B	50	< 0.25 mg/kg
TPH	EPA SW-846 418.1	100	< 20 mg/kg
Chlorides	EPA 300.1	250 or background	< 7.5 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 been confirmed at this location**

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.

**The pit cellar was backfilled using compacted, non-waste containing earthen material, with a division prescribed soil cover.**

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 October 26, 2011; 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 October 27, 2011; see attached letter and return receipt.**



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.  
**The location has been recontoured to match the above 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 site has been backfilled to match these specifications.**
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 location will be reclaimed pursuant to the surface use agreement upon the plugging and abandoning of this well location.**
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); **see above**
  - 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); **NA**
  - viii. Photo documentation of the site reclamation. **attached**



## COVER LETTER

Tuesday, November 01, 2011

James McDaniel  
XTO Energy  
382 County Road 3100  
Aztec, NM 87410

TEL: (505) 333-3100  
FAX (505) 333-3280

RE: FEE #008

Order No.: 1110B68

Dear James McDaniel:

Hall Environmental Analysis Laboratory, Inc. received 1 sample(s) on 10/26/2011 for the analyses presented in the following report.

These were analyzed according to EPA procedures or equivalent. Below is a list of our accreditations. To access our accredited tests please go to [www.hallenvironmental.com](http://www.hallenvironmental.com) or the state specific web sites. See the sample checklist and/or the Chain of Custody for information regarding the sample receipt temperature and preservation. Data qualifiers or a narrative will be provided if the sample analysis or analytical quality control parameters require a flag. All samples are reported as received unless otherwise indicated.

Please do not hesitate to contact HEAL for any additional information or clarifications.

Sincerely,

A handwritten signature in black ink, appearing to read "Andy Freeman", is written over a horizontal line.

Andy Freeman, Laboratory Manager

NM Lab # NM9425 NM0901  
AZ license # AZ0682

Andy Freeman  
Laboratory Manager

**Hall Environmental Analysis Laboratory, Inc.**

Date: 01-Nov-11

Analytical Report

**CLIENT:** XTO Energy  
**Lab Order:** 1110B68  
**Project:** FEE #008  
**Lab ID:** 1110B68-01

**Client Sample ID:** BGT  
**Collection Date:** 10/25/2011 11:00:00 AM  
**Date Received:** 10/26/2011  
**Matrix:** MEOH (SOIL)

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
<b>EPA METHOD 8015B: DIESEL RANGE ORGANICS</b>						Analyst: JB
Diesel Range Organics (DRO)	14	9.9		mg/Kg	1	10/26/2011 11:28:19 AM
Surr: DNOP	96.3	73.4-123		%REC	1	10/26/2011 11:28:19 AM
<b>EPA METHOD 8015B: GASOLINE RANGE</b>						Analyst: RAA
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	10/27/2011 8:08:39 PM
Surr: BFB	95.1	75.2-136		%REC	1	10/27/2011 8:08:39 PM
<b>EPA METHOD 8021B: VOLATILES</b>						Analyst: RAA
Benzene	ND	0.050		mg/Kg	1	10/27/2011 8:08:39 PM
Toluene	ND	0.050		mg/Kg	1	10/27/2011 8:08:39 PM
Ethylbenzene	ND	0.050		mg/Kg	1	10/27/2011 8:08:39 PM
Xylenes, Total	ND	0.10		mg/Kg	1	10/27/2011 8:08:39 PM
Surr: 4-Bromofluorobenzene	105	80-120		%REC	1	10/27/2011 8:08:39 PM
<b>EPA METHOD 300.0: ANIONS</b>						Analyst: SRM
Chloride	ND	7.5		mg/Kg	5	10/26/2011 11:47:47 AM
<b>EPA METHOD 418.1: TPH</b>						Analyst: JB
Petroleum Hydrocarbons, TR	ND	20		mg/Kg	1	10/26/2011

**Qualifiers:**

* Value exceeds Maximum Contaminant Level	B Analyte detected in the associated Method Blank
E Estimated value	H Holding times for preparation or analysis exceeded
J Analyte detected below quantitation limits	MCL Maximum Contaminant Level
NC Non-Chlorinated	ND Not Detected at the Reporting Limit
PQL Practical Quantitation Limit	S Spike recovery outside accepted recovery limits

## QA/QC SUMMARY REPORT

Client: XTO Energy  
Project: FEE #008

Work Order: 1110B68

Analyte	Result	Units	PQL	SPK Va	SPK ref	%Rec	LowLimit	HighLimit	%RPD	RPDLimit	Qual
<b>Method: EPA Method 300.0: Anions</b>											
Sample ID: MB-29088		MBLK				Batch ID: 29088		Analysis Date: 10/26/2011 11:12:58 AM			
Chloride	ND	mg/Kg	1.5								
Sample ID: LCS-29088		LCS				Batch ID: 29088		Analysis Date: 10/26/2011 11:30:22 AM			
Chloride	14.11	mg/Kg	1.5	15	0	94.1	90	110			
<b>Method: EPA Method 418.1: TPH</b>											
Sample ID: MB-29087		MBLK				Batch ID: 29087		Analysis Date: 10/26/2011			
Petroleum Hydrocarbons, TR	ND	mg/Kg	20								
Sample ID: LCS-29087		LCS				Batch ID: 29087		Analysis Date: 10/26/2011			
Petroleum Hydrocarbons, TR	98.36	mg/Kg	20	100	0	98.4	87.8	115			
Sample ID: LCSD-29087		LCSD				Batch ID: 29087		Analysis Date: 10/26/2011			
Petroleum Hydrocarbons, TR	101.0	mg/Kg	20	100	0	101	87.8	115	2.61	8.04	
<b>Method: EPA Method 8015B: Diesel Range Organics</b>											
Sample ID: MB-29086		MBLK				Batch ID: 29086		Analysis Date: 10/26/2011 10:16:29 AM			
Diesel Range Organics (DRO)	ND	mg/Kg	10								
Sample ID: LCS-29086		LCS				Batch ID: 29086		Analysis Date: 10/26/2011 10:51:07 AM			
Diesel Range Organics (DRO)	51.48	mg/Kg	10	50	0	103	66.7	119			
Sample ID: LCSD-29086		LCSD				Batch ID: 29086		Analysis Date: 10/26/2011 5:16:03 PM			
Diesel Range Organics (DRO)	48.93	mg/Kg	10	50	0	97.9	66.7	119	5.07	18.9	

## Qualifiers:

E	Estimated value	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	NC	Non-Chlorinated
ND	Not Detected at the Reporting Limit	R	RPD outside accepted recovery limits

# Hall Environmental Analysis Laboratory, Inc.

## Sample Receipt Checklist

Client Name XTO ENERGY

Date Received

10/26/2011

Work Order Number 1110B68

Received by

AMG

Checklist completed by:

Michelle Garcia

Signature

10/26/11

Date

Sample ID labels checked by

Initials

Matrix:

Carrier name: FedEx

Shipping container/cooler in good condition?

Yes ☒

No ☐

Not Present ☐

Custody seals intact on shipping container/cooler?

Yes ☒

No ☐

Not Present ☐

Not Shipped ☐

Custody seals intact on sample bottles?

Yes ☐

No ☐

N/A ☒

Chain of custody present?

Yes ☒

No ☐

Chain of custody signed when relinquished and received?

Yes ☒

No ☐

Chain of custody agrees with sample labels?

Yes ☒

No ☐

Samples in proper container/bottle?

Yes ☒

No ☐

Sample containers intact?

Yes ☒

No ☐

Sufficient sample volume for indicated test?

Yes ☒

No ☐

All samples received within holding time?

Yes ☒

No ☐

Water - VOA vials have zero headspace?

No VOA vials submitted ☒

Yes ☐

No ☐

Water - Preservation labels on bottle and cap match?

Yes ☐

No ☐

N/A ☒

Water - pH acceptable upon receipt?

Yes ☐

No ☐

N/A ☒

Number of preserved bottles checked for pH:

<2 >12 unless noted below.

Container/Temp Blank temperature?

1.0°

<6° C Acceptable

If given sufficient time to cool.

COMMENTS:

Client contacted

Date contacted

Person contacted

Contacted by

Regarding

Comments:

One of the two soil jars arrived broken. MS 10/26/11

Corrective Action





James McDaniel /FAR/CTOC  
10/26/2011 04:30 PM

To: brandon.powell@state.nm.us

cc

bcc

Subject - Fee #8 BGT Closure

Brandon,

Please accept this email as the required notification for a BGT closure at the Fee #8 well site (api # 30-045-24694) located in Unit H, Section 8, Township 30N, Range 11W, San Juan County, New Mexico. This BGT is being closed and brought above grade. Thank you for your time in regards to this matter.



*James McDaniel, CHMM #15676*

**EH&S Supervisor**

**XTO Energy, Inc.**

Office # 505-333-3701

Cell # 505-787-0519

James.Mcdaniel@xtoenergy.com



October 26, 2011

Don D Dial and Pamela S Trust Et Al  
2014 San Juan Blvd.  
Suite H  
Farmington, New Mexico 87401

Re: Fcc #8 – API # 30-045-24694  
Unit H, Section 8, Township 30N, Range 11W, San Juan County, New Mexico

Dear Sir or Madam,

This submittal is pursuant to Rule 19.15.17.13 requiring operators to notify surface owners of the 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 above mentioned well site by excavation and removal.

Should you have questions or require additional information, please feel free to contact me at your convenience at (505) 333-3100. Thank you for your time in regards to this matter.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "J. McDaniel", written over a horizontal line.

James McDaniel, CHMM #15676  
EH&S Supervisor  
XTO Energy, Inc.  
San Juan Division





9450 48TE E000 028T 0T02

U.S. Postal Service™	
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(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a>	
OFFICIAL USE	
Postage	\$
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Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

FLORAVIA

OCT 21 2011

USPS

Postmark Here

Sent To	Don D Dial + Pamela S. Trust	
Street, Apt No., or PO Box No	2014 San Juan Blvd Suite H	
City, State, ZIP+4	Farmington, NM 87401	

PS Form 3800, August 2006

See Reverse for Instructions

XTO Energy, Inc.  
Fee #8  
Section 8, Township 30N, Range 11W  
Closure Date: 10/31/2011



Photo 1: Fee #8 after backfill and tank re-set (View 1)

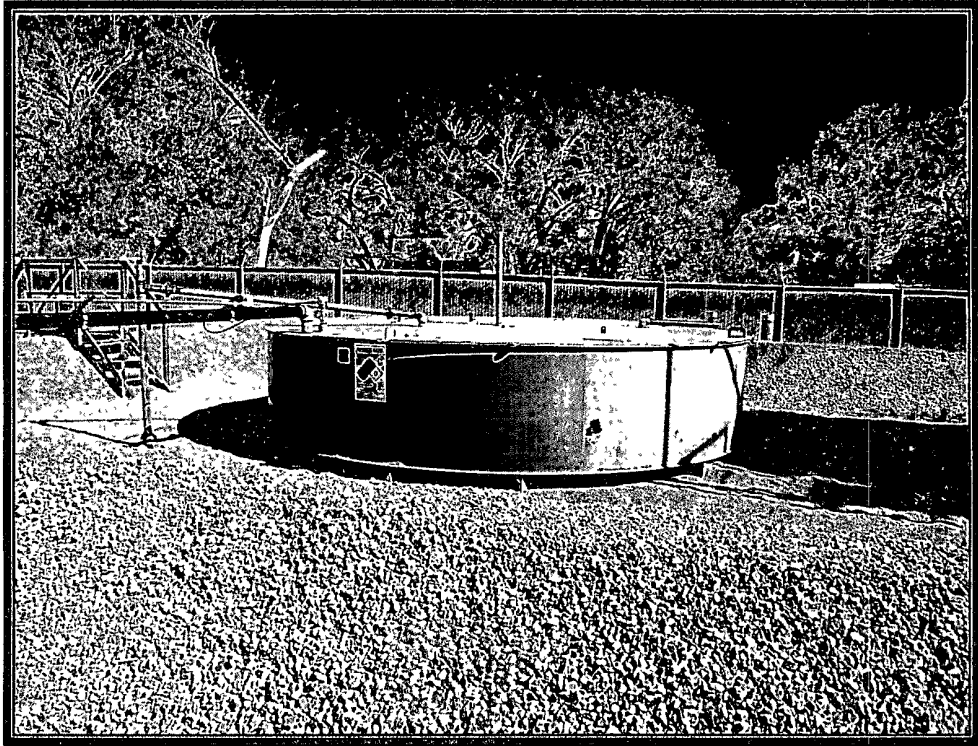


Photo 2: Fee #8 after backfill and tank re-set (View 2)



# Well Below Tank Inspection Report

RouteName		StopName	Pumper		Foreman	WellName			APIWellNumber		Section	Range	Township
FAR NM Run 54B		FEE 008	Blackwell, Frankie		Steiner, Geoffrey	FEE 08			3004524694		8	11W	30N
InspectorName	Inspection Date	Inspection Time	Visible LinerTears	VisibleTankLeak Overflow	Collection OfSurfaceRun	Visible LayerOil	Visible Leak	Freeboard EstFT	PitLocation	PitType	Notes		
Jrodgers	08/21/2008	12 00	No	No	No	No	No	4			good shape		
Jrodgers	09/24/2008	01 15	No	No	No	No	No	4			good shape		
Jrodgers	10/24/2008	12 45	No	No	No	No	No	4	Well Water Pit	Below Ground	good shape		
Jrodgers	11/20/2008	02 15	No	No	No	No	No	3	Well Water Pit	Below Ground	good shape		
Jrodgers	12/31/2008	02 30	No	No	No	No	No	3	Well Water Pit	Below Ground	good shape		
Jrodgers	01/21/2009	12 00	No	No	No	No	No	3	Well Water Pit	Below Ground	good shape		
Jrodgers	03/19/2009	08 30	No	No	No	No	No	3	Well Water Pit	Below Ground	good shape		
Jrodgers	04/22/2009	01 30	No	No	No	No	No	3	Well Water Pit	Below Ground	good shape		
L Ross	05/20/2009	01 30	No	No	No	No	No	3	Well Water Pit	Below Ground	good shape		
Jrodgers	06/23/2009	11 20	No	No	No	No	No	3	Well Water Pit	Below Ground	good shape		
Jrodgers	07/25/2009	01 10	No	No	No	No	No	3	Well Water Pit	Below Ground	good shape		
Jrodgers	08/28/2009	10 45	No	No	No	No	No	3	Well Water Pit	Below Ground	good shape		
Jrodgers	09/30/2009	01 30	No	No	No	No	No	3	Well Water Pit	Below Ground	good shape		
Jrodgers	10/19/2009	11 25	No	No	No	No	No	3	Well Water Pit	Below Ground	good shape		
Jrodgers	11/25/2009	12 08	No	No	No	No	No	3	Well Water Pit	Below Ground	good shape		
Jrodgers	12/21/2009	08 34	No	No	No	No	No	3	Well Water Pit	Below Ground	good shape		
Jrodgers	01/28/2010	01 54	No	No	Yes	No	No	2	Well Water Pit	Below Ground	8' snow on loc,		
Jrodgers	02/19/2010	09 00	No	No	Yes	No	No	2	Well Water Pit	Below Ground	melting snow on loc		
Jrodgers	03/18/2010	11 44	No	No	Yes	No	No	2	Well Water Pit	Below Ground	good	dry	Jr
Jrodgers	04/20/2010	01 21	No	No	No	No	No	1	Well Water Pit	Below Ground	good	dry	Jr
Jrodgers	05/20/2010	10 26	No	No	No	No	No	1	Well Water Pit	Below Ground	good	dry	Jr
Jrodgers	06/03/2010	12 17	No	No	No	No	No	1	Well Water Pit	Below Ground	good	dry	Jr
Jrodgers	07/16/2010	11 30	No	No	No	No	No	4	Well Water Pit	Below Ground	good	dry	Jr
Jrodgers	08/25/2010	11 30	No	No	No	No	No	4	Well Water Pit	Below Ground	good	dry	Jr
Jrodgers	09/28/2010	01 03	No	No	No	No	No	4	Well Water Pit	Below Ground	good	dry	Jr
Jrodgers	10/11/2010	12 56	No	No	No	No	No	3	Well Water Pit	Below Ground	good	dry	Jr
Jrodgers	11/23/2010	09 42	No	No	No	No	No	3	Well Water Pit	Below Ground	good	dry	Jr
Jrodgers	12/27/2010	12 16	No	No	No	No	No	3	Well Water Pit	Below Ground	good	dry	Jr
Jrodgers	01/20/2011	11 16	No	No	No	No	No	3	Well Water Pit	Below Ground	good	dry	Jr
Jrodgers	02/28/2011	10 16	No	No	No	No	No	3	Well Water Pit	Below Ground	good	dry	Jr
Jrodgers	03/24/2011	10 52	No	No	No	No	No	3	Well Water Pit	Below Ground	good	dry	Jr
Jrodgers	04/10/2011	10 52	No	No	No	No	No	2	Well Water Pit	Below Ground	good	dry	Jr
FLB	05/24/2011	01 59	No	No	No	No	No	3	Well Water Pit	Below Ground			
FLB	06/16/2011	08 28	No	No	No	No	No	3	Well Water Pit	Below Ground			
Jackie	07/20/2011	12 42	No	No	No	No	No	3	Well Water Pit	Below Ground	pit good	Jr	

Jackie	08/03/2011	01 08	No	No	No	No	No	4	Well Water Pit	Below Ground	0/0/0 pit good JJ	
Jose	09/07/2011	01 43	No	No	No	No	No	4	Well Water Pit	Below Ground	0 5 0 pit good JV	.
Jose	10/04/2011	09 09	No	No	No	No	No	4	Well Water Pit	Below Ground	0 5 0 pit good JV	.
				.								.