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

Form C-144
July 21, 2008

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.

9305

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

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

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

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

Operator: XTO Energy, Inc. OGRID #: 5380

Address: 382 Road 3100, Aztec, New Mexico 87410

Facility or well name: Ute Mountain Tribal D #10

RCVD DEC 12 '11

API Number: 30-045-33676 OCD Permit Number:

U/L or Qtr/Qtr N Section 3 Township 31N Range 14W County: San Juan

OIL CONS. DIV.

Center of Proposed Design: Latitude 36.9258 Longitude -108.2995 NAD: ☐ 1927 ☒ 1983

DIST. 3

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 ☐ Not labeled
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.

18

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_____ _____

7

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

☐ Screen ☐ Netting ☐ Other_____

☐ Monthly inspections (If netting or screening is not physically feasible)

8

Signs: Subsection C of 19 15.17.11 NMAC

☐ 12" x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers

☐ Signed in compliance with 19.15.3 103 NMAC

9.

Administrative Approvals and Exceptions:

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

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

☐ Administrative approval(s) Requests must be submitted to the appropriate division district 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	☐ 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 ☐ 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	☐ Yes ☐ No ☐ 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	☐ 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	☐ Yes ☐ No
Within 500 feet of a wetland	☐ Yes ☐ No
Within the area overlying a subsurface mine - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☐ No
Within an unstable area - Engineering measures incorporated into the design, NM Bureau of Geology & Mineral Resources, USGS; NM Geological Society, Topographic map	☐ Yes ☐ No
Within a 100-year floodplain. FEMA map	☐ Yes ☐ No

11

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19 15.17 9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15 17 9 NMAC
- ☐ Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19 15.17 9 NMAC
- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17 10 NMAC
- ☐ Design Plan - based upon the appropriate requirements of 19.15 17 11 NMAC
- ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
- ☒ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15 17 9 NMAC and 19.15.17.13 NMAC

☐ Previously Approved Design (attach copy of design) API Number _____ or Permit Number _____

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_2S, 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 indentify 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): James McDaniel Title: EH&S Supervisor

Signature: [signature] Date: 9/20/11

E-mail address: James_McDaniel@xtoenergy.com Telephone: 505-333-3701

20
OCD Approval: ☐ Permit Application (including closure plan) ☒ Closure ~~Plan (only)~~ ☐ OCD Conditions (see attachment)

OCD Representative Signature: Jonathan D. Kelly **Approval Date:** 12/19/2011

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

21
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17 13 NMAC

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

☑ **Closure Completion Date:** 10/7/11

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

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Disposal Facility Name _____ Disposal Facility Permit Number _____

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

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

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

☐ Site Reclamation (Photo Documentation)
☐ Soil Backfilling and Cover Installation
☐ Re-vegetation Application Rates and Seeding Technique

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

CERTIFIED HAZARDOUS MATERIALS MANAGER JAMES P. McDANIEL 15676 CHMM EXPIRES MAY 16, 2016

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: EH&S Supervisor

Signature: [signature] Date: 12/7/11

E-mail address: James_McDaniel@xtoenergy.com Telephone: 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: Ute Mountain Tribal D #10 (30-045-33676)	Facility Type: Gas Well

Surface Owner: Tribal (Ute)	Mineral Owner:	Lease No : BIA 14-20-604-79

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
N	3	31N	14W	1160	FSL	1740	FWL	San Juan

Latitude: 36.9258 **Longitude:** -108.2995

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? ☐ Yes ☐ No ☒ Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? ☐ Yes ☒ 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 taken out of service at the Ute Mountain Tribal D #101 well site due to the plugging and abandoning of this well site A composite sample was collected beneath the location of the on-site BGT, and submitted for laboratory analysis for TPH via USEPA Method 418 1 and 8015, benzene and BTEX via USEPA Method 8021, and for total chlorides The sample returned results below the 'Pit Rule' spill confirmation standards for TPH, benzene, total BTEX and total 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	OIL CONSERVATION DIVISION	
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 ☐
Date 12/7/2011 Phone 505-333-3701		

* Attach Additional Sheets If Necessary

CERTIFIED HAZARDOUS MATERIALS MANAGER
JAMES P. McDANIEL
15676
CHMM
EXPIRES MAY 16, 2016

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

Lease Name: Ute Mountain Tribal D #10
API No.: 30-045-33676
Description: Unit N, Section 3, Township 31N, Range 14W, 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 7, 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 7, 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, 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.
All equipment has been removed due to the plugging and abandoning of the Ute Mountain Tribal D #10 well site.

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	**< 0.047 mg/kg**
BTEX	EPA SW-846 8021B or 8260B	50	**< 0.235 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 September 30, 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 September 30, 2011 via email. Email has been approved as a means of surface owner notification to government agencies by Brandon Powell, NMOCD Aztec Office.

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 has been reclaimed pursuant to the BLM MOU.

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); **Per BLM MOU**
    viii. Photo documentation of the site reclamation. **attached**

HALL
ENVIRONMENTAL
ANALYSIS
LABORATORY

COVER LETTER

Friday, September 30, 2011

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

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

RE: UTE Mountain Tribal D #10

Order No.: 1109890

Dear James McDaniel:

Hall Environmental Analysis Laboratory, Inc. received 1 sample(s) on 9/23/2011 for the analyses presented in the following report.

This report is a revised report and it replaces the original report issued September 30, 2011.

These were analyzed according to EPA procedures or equivalent. To access our accredited tests please go to 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 don't hesitate to contact HEAL for any additional information or clarifications.

Sincerely,

Andy Freeman, Laboratory Manager

NM Lab # NM9425 NM0901
AZ license # AZ0682

Andy Freeman
Laboratory Manager

Hall Environmental Analysis Laboratory, Inc.

Date: *30-Sep-11*
Analytical Report

CLIENT:	XTO Energy	**Client Sample ID:**	BGT
Lab Order:	1109890	**Collection Date:**	9/20/2011 10:45:00 AM
Project:	UTE Mountain Tribal D #10	**Date Received:**	9/23/2011
Lab ID:	1109890-01	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **JB**
Diesel Range Organics (DRO)	ND	9.8		mg/Kg	1	9/27/2011 1:47:34 PM
Surr: DNOP	109	73.4-123		%REC	1	9/27/2011 1:47.34 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **RAA**
Gasoline Range Organics (GRO)	ND	4.7		mg/Kg	1	9/27/2011 2:02.20 PM
Surr. BFB	80.1	75.2-136		%REC	1	9/27/2011 2:02:20 PM
EPA METHOD 8021B: VOLATILES						Analyst: **RAA**
Benzene	ND	0.047		mg/Kg	1	9/27/2011 2:02:20 PM
Toluene	ND	0.047		mg/Kg	1	9/27/2011 2:02:20 PM
Ethylbenzene	ND	0 047		mg/Kg	1	9/27/2011 2.02:20 PM
Xylenes, Total	ND	0.094		mg/Kg	1	9/27/2011 2:02:20 PM
Surr 4-Bromofluorobenzene	76.4	80-120	S	%REC	1	9/27/2011 2:02:20 PM
EPA METHOD 300.0: ANIONS						Analyst: **SRM**
Chloride	ND	7.5		mg/Kg	5	9/29/2011 3 33 38 PM
EPA METHOD 418.1: TPH						Analyst: **JB**
Petroleum Hydrocarbons, TR	ND	20		mg/Kg	1	9/29/2011

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: UTE Mountain Tribal D #10 **Work Order:** 1109890

Analyte	Result	Units	PQL	SPK Va	SPK ref	%Rec	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Method: EPA Method 300.0: Anions											
Sample ID: MB-28618		*MBLK*				Batch ID: **28618**		Analysis Date:		9/29/2011 1:14:20 PM	
Chloride	ND	mg/Kg	1 5								
Sample ID: LCS-28618		*LCS*				Batch ID: **28618**		Analysis Date:		9/29/2011 1:31:45 PM	
Chloride	13 91	mg/Kg	1.5	15	0	92 7	90	110			
Method: EPA Method 418.1: TPH											
Sample ID: MB-28601		*MBLK*				Batch ID: **28601**		Analysis Date:		9/29/2011	
Petroleum Hydrocarbons, TR	ND	mg/Kg	20								
Sample ID: LCS-28601		*LCS*				Batch ID: **28601**		Analysis Date:		9/29/2011	
Petroleum Hydrocarbons, TR	100 5	mg/Kg	20	100	0	101	87 8	115			
Sample ID: LCSD-28601		*LCSD*				Batch ID: **28601**		Analysis Date:		9/29/2011	
Petroleum Hydrocarbons, TR	103 2	mg/Kg	20	100	0	103	87.8	115	2.61	8.04	
Method: EPA Method 8015B: Diesel Range Organics											
Sample ID: 1109890-01AMSD		*MSD*				Batch ID: **28583**		Analysis Date:		9/27/2011 2:57:41 PM	
Diesel Range Organics (DRO)	54.10	mg/Kg	10	52.03	0	104	61 9	125	14.8	22 3	
Sample ID: MB-28583		*MBLK*				Batch ID: **28583**		Analysis Date:		9/27/2011 12:37:45 PM	
Diesel Range Organics (DRO)	ND	mg/Kg	10								
Sample ID: LCS-28583		*LCS*				Batch ID: **28583**		Analysis Date.		9/27/2011 1:12:40 PM	
Diesel Range Organics (DRO)	55.89	mg/Kg	10	50	3.567	105	66.7	119			
Sample ID: 1109890-01AMS		*MS*				Batch ID: **28583**		Analysis Date.		9/27/2011 2:22:45 PM	
Diesel Range Organics (DRO)	46.64	mg/Kg	9.9	49.41	0	94.4	61.9	125			
Method: EPA Method 8015B: Gasoline Range											
Sample ID: MB-28579		*MBLK*				Batch ID **28579**		Analysis Date:		9/27/2011 1:24 32 PM	
Gasoline Range Organics (GRO)	ND	mg/Kg	5.0								
Sample ID: LCS-28579		*LCS*				Batch ID: **28579**		Analysis Date:		9/27/2011 9:33.15 PM	
Gasoline Range Organics (GRO)	29.68	mg/Kg	5.0	25	0	119	86.4	132			

Qualifiers:

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

QA/QC SUMMARY REPORT

Client: XTO Energy
Project: UTE Mountain Tribal D #10 **Work Order:** 1109890

Analyte	Result	Units	PQL	SPK Va	SPK ref	%Rec	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Method: EPA Method 8021B: Volatiles											
Sample ID: 1109890-01AMSD		*MSD*				Batch ID:	**28579**	Analysis Date:		9/27/2011 11:03:18 PM	
Benzene	1.064	mg/Kg	0 048	0.951	0.0127	111	67.2	113	3.77	14.3	
Toluene	0.9779	mg/Kg	0.048	0 951	0	103	62.1	116	2.79	15.9	
Ethylbenzene	1.119	mg/Kg	0 048	0.951	0.0080	117	67.9	127	3.24	14 4	
Xylenes, Total	3 425	mg/Kg	0 095	2.852	0	120	60.6	134	2.71	12.6	
Sample ID: MB-28579		*MBLK*				Batch ID:	**28579**	Analysis Date:		9/27/2011 1:24:32 PM	
Benzene	ND	mg/Kg	0 050								
Toluene	ND	mg/Kg	0 050								
Ethylbenzene	ND	mg/Kg	0.050								
Xylenes, Total	ND	mg/Kg	0.10								
Sample ID: LCS-28579		*LCS*				Batch ID:	**28579**	Analysis Date:		9/27/2011 10:03:14 PM	
Benzene	0 9909	mg/Kg	0 050	1	0 0236	96 7	83.3	107			
Toluene	0.9149	mg/Kg	0.050	1	0.0056	90.9	74.3	115			
Ethylbenzene	1.023	mg/Kg	0.050	1	0.0136	101	80.9	122			
Xylenes, Total	3.143	mg/Kg	0.10	3	0.0227	104	85.2	123			
Sample ID: 1109890-01AMS		*MS*				Batch ID:	**28579**	Analysis Date.		9/27/2011 10:33:10 PM	
Benzene	1 024	mg/Kg	0 047	0.935	0 0127	108	67.2	113			
Toluene	0.9510	mg/Kg	0 047	0.935	0	102	62 1	116			
Ethylbenzene	1.083	mg/Kg	0.047	0.935	0 0080	115	67.9	127			
Xylenes, Total	3 333	mg/Kg	0 093	2 804	0	119	60.6	134			

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

Chain-of-Custody Record

Client: XTO Energy

Mailing Address: 382 Road 3100 Aztec NM 87410

Phone #: 787 0519

email or Fax#: jones-mcdaniel@xtoenergy.com

QA/QC Package:
☒ Standard ☐ Level 4 (Full Validation)

Accreditation
☐ NELAP ☐ Other _____

☐ EDD (Type) _____

Turn-Around Time:
☒ Standard ☐ Rush _____

Project Name: UTE Mountain Tribal Gas #E

Project #:

Project Manager: James McDaniel

Sampler: Josh Kircher

On Ice: ☒ Yes ☐ No

Sample Temperature: 1.3 °C

HALL ENVIRONMENTAL ANALYSIS LABORATORY
www.hallenvironmental.com
4901 Hawkins NE - Albuquerque, NM 87109
Tel. 505-345-3975 Fax 505-345-4107

Date	Time	Matrix	Sample Request ID	Container Type and #	Preservative Type	HEAL No. 110990	BTEX + MTBE + TMB's (8021)	BTEX + MTBE + TPH (Gas only)	TPH Method 8015B (Gas/Diesel)	TPH (Method 418.1)	EDB (Method 504.1)	8310 (PNA or PAH)	RCRA 8 Metals	Anions (F,Cl,NO3,NO2,PO4,SO4)	8081 Pesticides / 8082 PCB's	8260B (VOA)	8270 (Semi-VOA)	CHLORIDE				Air Bubbles (Y or N)
9/20/11	1045	Soil	BGT	4 oz (2)	Cool	-1	✓		✓	✓								✓				

Analysis Request

Date:	Time:	Relinquished by:	Received by:	Date	Time
9-22-11	1325		Kristine Walker	9/22/11	1325
9/23/11	810	Kristine Walker			

Remarks:

If necessary, samples submitted to Hall Environmental may be subcontracted to other accredited laboratories. This serves as notice of this possibility. Any sub-contracted data will be clearly notated on the analytical report.

James McDaniel /FAR/CTOC
09/30/2011 09:08 AM

To brandon powell@state.nm.us
cc
bcc
Subject Ute Mountain Tribal D #10

Brandon,
Please accept this email as the required notification for BGT closure activities at the Ute Mountain Tribal D #10 well site (api #30-045-33676) located in Unit N, Section 3, Township 31N, Range 14W, San Juan County, New Mexico. 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

James McDaniel /FAR/CTOC
09/30/2011 09 09 AM

To ghammond@utemountain.org
cc
bcc
Subject Ute Mountain Tribal D #10 BGT Closure

Mr. Hammond
Please accept this email as the required notification for BGT closure activities at the Ute Mountain Tribal D #10 well site (api #30-045-33676) located in Unit N, Section 3, Township 31N, Range 14W, San Juan County, New Mexico. 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

XTO Energy, Inc.
Ute Mountain Tribal D #10
Section 3, Township 31N, Range 14W
Closure Date: 10/7/2011

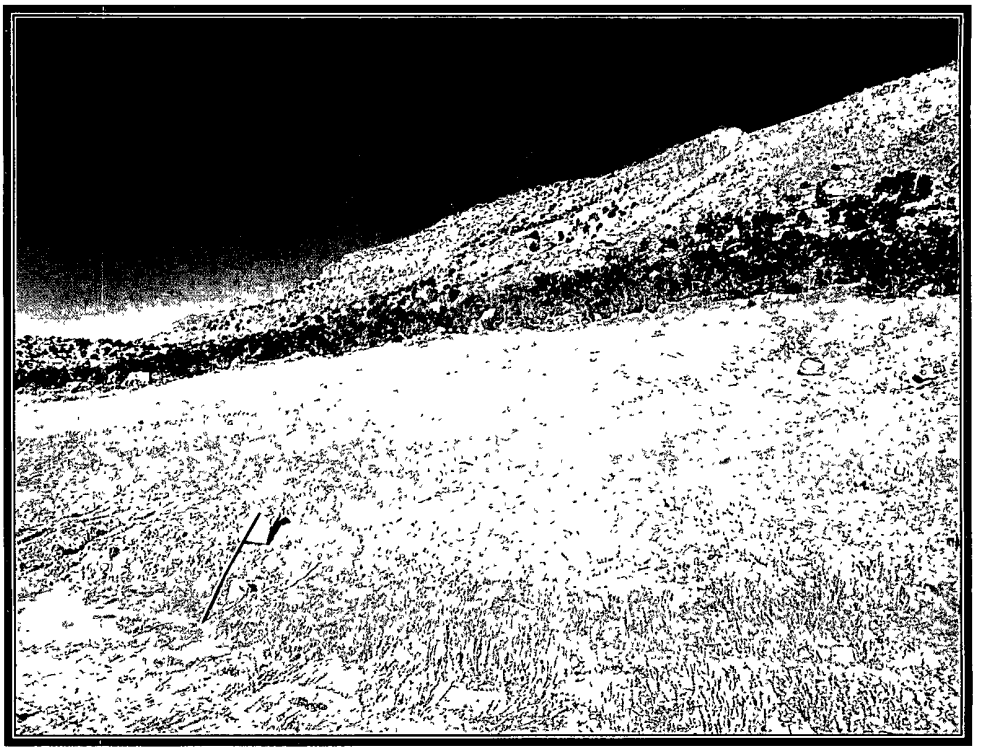

Photo 1: Ute Mountain Tribal D #10 after Reclamation (View 1)

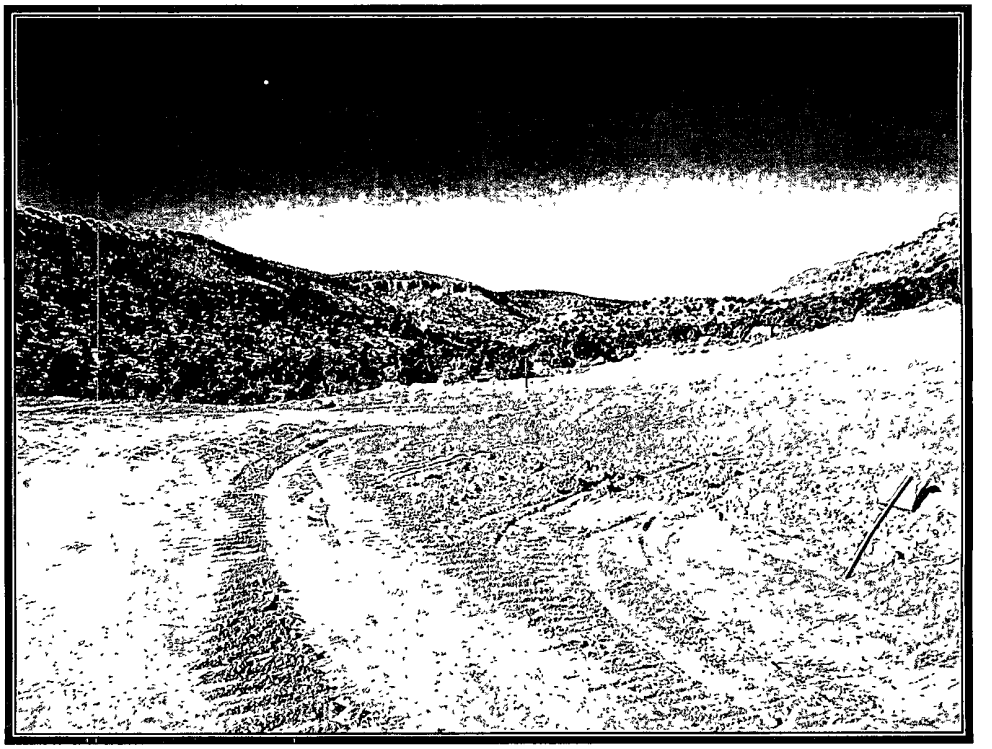

Photo 2: Ute Mountain Tribal D #10 after Reclamation (View 2)

Well Below Tank Inspection Report

RouteName	StopName	Pumper	Foreman	WellName	APIWellNumber	Section	Range	Township
Below Grade Pit Forms (Temp	Ute Mtn Tribal D #10	Rodgers, Jerry	Unassigned	UTE MTN TRIBAL D 10 (PA)	3004533676	3	14W	31N

InspectorName	Inspection Date	Inspection Time	Visible LinerTears	VisibleTankLeak Overflow	Collection OfSurfaceRun	Visible LayerOil	Visible Leak	Freeboard EstFT	PitLocation	PitType	Notes
dr	02/21/2009	01 40	No	No	No	No	No	4	Well Water Pit	Below Ground	
dr	03/20/2009	01 00	No	No	No	No	No	2	Well Water Pit	Below Ground	
dr	04/21/2009	10 00	No	No	No	No	No	4	Well Water Pit	Below Ground	
dr	05/13/2009	01 15	No	No	No	No	No	4	Well Water Pit	Below Ground	
dr	06/14/2009	01 00	No	No	No	No	No	4	Well Water Pit	Below Ground	
dr	07/07/2009	10 40	No	No	No	No	No	4	Well Water Pit	Below Ground	
dr	08/16/2009	10 20	No	No	No	No	No	4	Well Water Pit	Below Ground	
dr	09/20/2009	12 35	No	No	No	No	No	4	Well Water Pit	Below Ground	
dr	10/12/2009	01 20	No	No	No	No	No	4	Well Water Pit	Below Ground	
mth	11/16/2009	12 00	No	No	No	No	No	5	Well Water Pit	Below Ground	
mth	12/12/2009	12 08	No	No	No	No	No	5	Well Water Pit	Below Ground	
mth	01/19/2010	12 58	No	No	No	No	No	5	Well Water Pit	Below Ground	
mth	02/20/2010	12 07	No	No	No	No	No	5	Well Water Pit	Below Ground	
mth	03/24/2010	02 29	No	No	No	No	No	4	Well Water Pit	Below Ground	
mth	04/13/2010	02 58	No	No	No	Yes	No	5	Well Water Pit	Below Ground	
mth	05/29/2010	12 57	No	No	No	Yes	No	4	Well Water Pit	Below Ground	
mth	06/27/2010	11 23	No	No	No	Yes	No	6	Well Water Pit	Below Ground	
mth	07/20/2010	14 21	No	No	No	Yes	No	6	Well Water Pit	Below Ground	
mth	08/18/2010	13 41	No	No	No	Yes	No	6	Well Water Pit	Below Ground	
mth	09/20/2010	10 11	No	No	No	Yes	No	6	Well Water Pit	Below Ground	
mth	10/09/2010	12 35	No	No	No	Yes	No	6	Well Water Pit	Below Ground	
mth	12/14/2010	13 02	No	No	No	Yes	No	6	Well Water Pit	Below Ground	
mth	01/17/2011	13 51	No	No	No	Yes	No	6	Well Water Pit	Below Ground	
mth	02/15/2011	14 17	No	No	No	Yes	No	6	Well Water Pit	Below Ground	
mth	03/19/2011	12 50	No	No	No	Yes	No	6	Well Water Pit	Below Ground	
mth	04/15/2011	11 10	No	No	No	Yes	No	6	Well Water Pit	Below Ground	
mth	05/10/2011	12 26	No	No	No	Yes	No	6	Well Water Pit	Below Ground	
mth	06/15/2011	11 31	No	No	No	Yes	No	6	Well Water Pit	Below Ground	
mth	07/13/2011	11 36	No	No	No	Yes	No	6	Well Water Pit	Below Ground	
mth	08/10/2011	12 10	No	No	No	Yes	No	6	Well Water Pit	Below Ground	
mth	09/15/2011	11 11	No	No	No	Yes	No	6	Well Water Pit	Below Ground	