1625 N French Dr , Hobbs, NM 88240

District II

1301 W Grand Ave , Artesia, NM 88210

District III

1000 Rio Brazos Rd, Aztec, NM 87410

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

July 21, 2008 For temporary pits, closed-loop sytems, and below-grade

Form C-144

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
Type of action X Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method
Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method
Modification to an existing permit
Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the
environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances
Operator Burlington Resources Oil & Gas Company, LP OGRID#: 14538
Address PO Box 4289, Farmington, NM 87499
Facility or well name: Canyon Largo Unit 243
API Number: 30-039-20899 OCD Permit Number
U/L or Qtr/Qtr: H(SE/NE) Section: 14 Township: 25N Range: 7W County. Rio Arriba Center of Proposed Design: Latitude: 36.40227 °N Longitude: 107.5381 °W NAD: X 1927 1983
Surface Owner: X Federal State Private Tribal Trust or Indian Allotment
2
Pit: Subsection F or G of 19 15 17 11 NMAC
Temporary Drilling Workover RCVD DEC 29 '11
Permanent Emergency Cavitation P&A OIL CONS. DIV.
Lined Unlined Liner type Thickness mil LLDPE HDPE PVC Other Other DIST. 3
String-Reinforced
X Closed-loop System: Subsection H of 19 15 17 11 NMAC
Type of Operation X 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 X Above Ground Steel Tanks Haul-off Bins Other
Lined Unlined Liner type Thickness mil LLDPE HDPE PVD Other
Liner Seams Welded Factory Other
4
Below-grade tank: Subsection I of 19 15 17 11 NMAC
Volumebbl Type of fluid Tank Construction material
Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
Visible sidewalls and liner Visible sidewalls only Other
Liner Type Thicknessmil 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

Fencing: Subsection D of 19 15 17 11 NMAC (Applies to permanent pit, temporary pits, and below-grade tanks) Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, inst Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate Please specify	itution or chui	rch)					
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							
X Signed in compliance with 19 15 3 103 NMAC							
9 Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required Please refer to 19 15 17 NMAC for guidance							
Please check a box if one or more of the following is requested, if not leave blank:							
Administrative approval(s) Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for consideration of approval (Fencing/BGT Liner)							
Exception(s) Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval							
Siting Criteria (regarding permitting) 19 15 17 10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Office for consideration of approval. Applicant must attach justification for request Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above grade-tanks associated with a closed-loop system.							
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - 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 watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map, Visual inspection (certification) of the proposed site	Yes	□No					
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes	No					
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)	NA						
- Visual inspection (certification) of the proposed site, Aerial photo, Satellite image							
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applied to permanent pits)	☐Yes ☐NA	No					
- Visual inspection (certification) of the proposed site, Aerial photo, Satellite image	LJ."'						
Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	Yes	No					
- NM Office of the State Engineer - iWATERS database search, Visual inspection (certification) of the proposed site							
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended - 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.	Yes	No					
- Engineering measures incorporated into the design, NM Bureau of Geology & Mineral Resources, USGS, NM Geological Society, Topographic map							
Within a 100-year floodplain - FEMA map	Yes	∐No					

Temporary Pits, Emergency Pits and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19 15 17 9 NMAC				
Instructions Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached				
Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19 15 17 9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19 15 17 9				
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15 17 10 NMAC				
Design Plan - based upon the appropriate requirements of 19 15 17 11 NMAC				
Operating and Maintenance Plan - based upon the appropriate requirements of 19 15 17 12 NMAC				
Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of				
19 15 17 9 NMAC and 19 15 17 13 NMAC				
Previously Approved Design (attach copy of design) API or Permit				
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				
X Design Plan - based upon the appropriate requirements of 19 15 17 11 NMAC				
X Operating and Maintenance Plan - based upon the appropriate requirements of 19 15 17 12 NMAC				
X Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19 15 17 9				
NMAC and 19 15 17 13 NMAC				
Previously Approved Design (attach copy of design) API				
Previously Approved Operating and Maintenance Plan API				
13				
Permanent Pits Permit Application Checklist: Subsection B of 19 15 17 9 NMAC				
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.				
Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19 15 17 9 NMAC				
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15 17 10 NMAC				
Climatological Factors Assessment Certified Engineering Design Plans, based upon the appropriate requirements of 10.15.17.11 NMAC				
Certified Engineering Design Plans - based upon the appropriate requirements of 19 15 17 11 NMAC Dike Protection and Structural Integrity Design based upon the appropriate requirements of 19 15 17 11 NMAC				
Leak Detection Design - based upon the appropriate requirements of 19 15 17 11 NMAC				
Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19 15 17 11 NMAC				
Quality Control/Quality Assurance Construction and Installation Plan				
Operating and Maintenance Plan - based upon the appropriate requirements of 19 15 17 12 NMAC				
Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19 15 17 11 NMAC				
Nuisance or Hazardous Odors, including H2S, Prevention Plan				
Emergency Response Plan				
Oil Field Waste Stream Characterization Monitoring and Inspection Plan				
Frosion 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 X P&A Permanent Pit Below-grade Tank X Closed-loop System				
Alternative				
Proposed Closure Method Waste Excavation and Removal X Waste Removal (Closed-loop systems only)				
On-site Closure Method (only for temporary pits and closed-loop systems)				
☐ In-place Burnal ☐ On-site Trench				
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 Bookfill and Cover Descriptions, based upon the emprepriete requirements of Subsection H of 10.15.17.13 NIMAC				
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				

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16 Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel 1 Instructions Please identify the facility or facilities for the disposal of liquids, drilling fli						
facilities are required						
Disposal Facility Name Envirotech / JFJ Landfarm % IEI Di	sposal Facility Permit # 1	NM-01-0011 / NM-01-001	0B			
Disposal Facility Name Basin Disposal Facility Di	sposal Facility Permit # 1	NM-01-005				
Will any of the proposed closed-loop system operations and associated activities of Yes (If yes, please provide the information No	occur on or in areas that wil	Il not be used for future se	ervice and			
Required for impacted areas which will not be used for future service and operations Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Subsection H of 19 15 17 13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19 15 17 13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15 17 13 NMAC						
Siting Criteria (Regarding on-site closure methods only: 19 15 17 10 NMAC Instructions Each siting criteria requires a demonstration of compliance in the closure plan Recommendations of acceptable source material are provided below. 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. Instifications 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			Yes	No		
- NM Office of the State Engineer - (WATERS database search, USGS) Data obtained	ed from nearby wells		∐N/A			
Ground water is between 50 and 100 feet below the bottom of the buried waste			Yes	No		
- NM Office of the State Engineer - (WATERS database search, USGS, Data obtaine	d from nearby wells		□N/A			
Ground water is more than 100 feet below the bottom of the buried waste			Yes	No		
- NM Office of the State Engineer - 1WATERS database search, USGS, Data obtaine	d from nearby wells		□ N/A			
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant (measured from the ordinary high-water mark)	watercourse or lakebed, sinkl	hole, or playa lake	Yes	No		
- Topographic map, Visual inspection (certification) of the proposed site						
Within 300 feet from a permanent residence, school, hospital, institution, or church in exis	tence at the time of initial app	lication	Yes	∐No		
- 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 f purposes, or within 1000 horizontal fee of any other fresh water well or spring, in existence - NM Office of the State Engineer - iWATERS database, Visual inspection (certificati	e at the time of the initial appl					
Within incorporated municipal boundaries or within a defined municipal fresh water well f pursuant to NMSA 1978, Section 3-27-3, as amended - Written confirmation or verification from the municipality, Written approval obtaine	·	al ordinance adopted	Yes	No		
Within 500 feet of a wetland	a nom me municipality		Yes	П		
US Fish and Wildlife Wetland Identification map, Topographic map, Visual inspects	ion (certification) of the propo	sed site				
Within the area overlying a subsurface mine			Yes	□No		
- Written confiramtion or verification or map from the NM EMNRD-Mining and Mine	eral Division		П.,			
Within an unstable area	and Description LISCS NIM Co	alamal Canata	Yes	∐No		
 Engineering measures incorporated into the design, NM Bureau of Geology & Minei Topographic map 	al Resources, USUS, NW Ge	sological society,				
Within a 100-year floodplain - FEMA map			Yes	No		
On-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each of the following items must bee 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 re	equirements 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						
Construction/Design Plan of Temporary Pit (for in place burial of a drying			9 15 17 11 N	MAC		
Protocols and Procedures - based upon the appropriate requirements of 19 15 17 13 NMAC						
Confirmation Sampling Plan (if applicable) - based upon the appropriate re	equirements 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 Site Reclamation Plan - based upon the appropriate requirements of Subsection						

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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) CRYSTAL TAFOY A Title STAFF REGULATORY TECHNICIAN
12/10/11
e-mail address <u>Crystal tafoya@conocophillip≰ com</u> Telephone (505)/326-9837
20 OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)
OCD Representative Signature: Approval Date: 1/04/20/2
Title: Complance Other Och 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:
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
The different month approved plant, please explain
Closure Penant Peranting Weste Penantal Closure For Closed Ican Systems That Lithing Above Cround Steel Tanks on Haul off Pine Only
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 compliane to the items below)
Required for impacted areas which will not be used for future service and operations
Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation
Re-vegetation Application Rates and Seeding Technique
Te-vegeration Application Rates and Security Technique
24 <u>Closure Report Attachment Checklist:</u> Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached
Proof of Closure Notice (surface owner and division)
Proof of Deed Notice (required for on-site closure)
Plot Plan (for on-site closures and temporary pits)
Confirmation Sampling Analytical Results (if applicable)
Waste Material Sampling Analytical Results (if applicable)
Disposal Facility Name and Permit Number
Soil Backfilling and Cover Installation
Re-vegetation Application Rates and Seeding Technique
Site Reclamation (Photo Documentation)
On-site Closure Location Latitude Longitude NAD 1927 1983
25
Operator Closure Certification:
I hereby certify that the information and attachments submitted with this closure report is ture, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.
Name (Print) Title
Signature Date
e-mail address Telephone

5~

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Burlington Resources Oil & Gas Company, LP Closed-loop Plans

Closed-loop Design Plan

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

- 1. Fencing is not required for an above ground closed-loop system
- 2. It will be signed in compliance with 19.15.3.103 NMAC
- 3. A frac tank will be on location to store fresh water

Closed-loop Operating and Maintenance Plan

BR's closed-loop tank will be operated and maintained to contain liquids and solids in order to prevent contamination of fresh water sources, in order to protect public health and the environment. To ensure the operation is maintained the following steps will be followed:

- 1. The liquids will be vacuumed out and disposed of at the Basin Disposal facility (Permit # NM-01-005) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B). Solids in the closed-loop tank will be vacuumed out and disposed of at Envirotech (Permit # NM-01-0011) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B) on a periodic basis to prevent over topping.
- 2. No hazardous waste, miscellaneous solid waste or debris will be discharged into or stored in the tank. Only fluids or cutting used or generated by rig operations will be placed or stored in the tank.
- 3. The division district office will be notified within 48 hours of the discovery of compromised integrity of the closed-loop tank. Upon the discovery of the compromised tank, repairs will be enacted immediately

Closed-loop Closure Plan

The closed-loop tank will be closed in accordance with 19.15.17.13. This will be done by transporting cuttings and all remaining sludges to Envirotech (Permit # NM-01-0011) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B) immediately following rig operations. All remaining liquids will be transported and disposed of in the Basin Disposal facility (Permit # NM-01-005) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B). The tanks will be removed from the location as part of the rig move. At time of well abandonment, the site will be reclaimed and re-vegetated to pre-existing conditions when possible.