District I 1625 N French Dr , Hobbs, NM 88240

District II

1301 W Grand Ave, Artesia, NM 88210

District III

District IV

### State of New Mexico Energy Minerals and Natural Resources

Department Oil Conservation Division

July 21, 2008 For temporary pits, closed-loop sytems, and below-grade tanks, submit to the appropriate NMOCD District Office

Form C-144

#### 1220 South St. Francis Dr. 1000 Rio Brazos Rd, Aztec, NM 87410 For permanent pits and exceptions submit to the Santa Fe Santa Fe, NM 87505 Environmental Bureau office and provide a copy to the appropriate NMOCD District Office 1220 S St. Francis Dr., Santa Fe, NM 87505 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 OGRID#: 14538 Operator: Burlington Resources Oil & Gas Company, LP Address: PO Box 4289, Farmington, NM 87499 Facility or well name: Huerfano Unit NP 270 30-045-<del>21649-</del> 23836 API Number: OCD Permit Number. U/L or Qtr/Qtr: N(SE/SW) Section: 7 10W Township: 26N Range: County: San Juan Center of Proposed Design: Latitude: 36,49763 ٥N °W NAD: X 1927 Longitude: Surface Owner: Private Tribal Trust or Indian Allotment X Federal State RCVD FEB 17'12 Pit: Subsection F or G of 19 15 17 11 NMAC DIL CONS. DIV. Drilling Workover Temporary Emergency Cavitation P&A Permanent DIST. 3 Thickness mil LLDPE HDPE PVC Other Lined Unlined Liner type. String-Reinforced Liner Seams Factory Other Welded Volume bbl Dimensions L x W x D Subsection H of 19 15 17 11 NMAC Closed-loop System: Type of Operation P&A Drilling a new well X Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) Above Ground Steel Tanks Haul-off Bins LLDPE HDPE Unlined Thickness mil Lined Liner type Liner Seams Welded Factory Other

| Below-grade tank: Subsection   | on I of 19 I | 5 17 11 NMAC          |           |  |  |
|--|--------------|-----------------------|-----------|--|--|
| Volume   | _ bbi        | 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 onl | ly Other  |  |  |
| Liner Type Thickness   | m            | il HDPE               | PVC Other |  |  |
|  |              |                       |           |  |  |

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)  |                |        |  |  |  |  |
|--|----------------|--------|--|--|--|--|
| Subsection D of 19 13 17 11 NWAC (Applies to permanent pit, remporary pits, and below-grade ranks)   |                |        |  |  |  |  |
| 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   | -              |        |  |  |  |  |
| X Signed in compliance with 19 15 3 103 NMAC   |                |        |  |  |  |  |
| 9 Administrative Approvals and Expertions  |                |        |  |  |  |  |
| 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 consi (Fencing/BGT Liner)   | deration of ap | proval |  |  |  |  |
| 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 watercourse, lakebed, sinkhole, or playa lake  | Yes            | No     |  |  |  |  |
| (measured from the ordinary high-water mark).  - Topographic map; Visual inspection (certification) of the proposed site   |                |        |  |  |  |  |
| 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.   | Yes            | ∐No    |  |  |  |  |
| (Applied to permanent pits)  - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image   | ∐№             |        |  |  |  |  |
| Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering  | Yes            | □No    |  |  |  |  |
| 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.   |                |        |  |  |  |  |
| 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     |  |  |  |  |
| <ul> <li>Engineering measures incorporated into the design, NM Bureau of Geology &amp; Mineral Resources; USGS; NM Geological<br/>Society, Topographic map</li> </ul>  |                |        |  |  |  |  |
| 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 |  |  |  |  |
| Situng 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   |  |  |  |  |
| 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  |  |  |  |  |
|   |  |  |  |  |
| 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 Comphance 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   |  |  |  |  |
| Nutsance or Hazardous Odors, including H2S, Prevention Plan   |  |  |  |  |
| Emergency Response Plan   |  |  |  |  |
| Oil Field Waste Stream Characterization   |  |  |  |  |
| Monitoring and Inspection Plan  |  |  |  |  |
| Erosion Control Plan  Closure Plan based when the convergence requirements of Subsection C of 10.15.17.0 NIMAC and 10.15.17.12 NIMAC.   |  |  |  |  |
| Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC  |  |  |  |  |
| Proposed Cleanury, 10 15 17 12 NIVAC  |  |  |  |  |
| 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 X Workover Emergency Cavitation 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 Burial 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 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 1 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 Syste  |                                    |   |                             |                            |  |
|---|------------------------------------|---|-----------------------------|----------------------------|--|
| Instructions. Please identify the facility or facilit<br>facilities are required  | ies for the disposal of liquids, a | Irilling fluids and drill cuttings Use    | attachment if more than two |                            |  |
| Disposal Facility Name Envirotech / JF.   | J Landfarm / IEI                   | Disposal Facility Permit #:               | NM-01-0011 / NM-01-0        | 010B                       |  |
| Disposal Facility Name Basin Disposal   | Facility                           | Disposal Facility Permit #.               | NM-01-005                   |                            |  |
| Will any of the proposed closed-loop system Yes (If yes, please provide the inform  |                                    | ctivities occur on or in areas that w     | rill not be used for future | service and                |  |
| Required for impacted areas which will not be u.  |                                    |   |                             |                            |  |
| Soil Backfill and Cover Design Speci<br>Re-vegetation Plan - based upon the   |                                    |   |                             | AC                         |  |
| Site Reclamation Plan - based upon the  |                                    |   |                             |                            |  |
|   |                                    |   |                             |                            |  |
| 17  Siting Criteria (Regarding on-site closure methods only: 19 15 17 10 NMAC Instructions Each string criteria requires a demonstration of compliance in the closure plan Recommendations of acceptable source material are provided below. Requests regarding changes to certain string 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 a   |                                    | ncy are required Please rejer to 1915     |                             |                            |  |
| Ground water is less than 50 feet below the l - NM Office of the State Engineer - iWATE   |                                    | ute obtained from nearby yielle           |                             | Yes No                     |  |
| - WAY Office of the State Engineer - WATE   | No database search, 0303 Da        | na obtained from hearby wens              |                             |                            |  |
| Ground water is between 50 and 100 feet be  |                                    |   |                             | Yes No                     |  |
| - NM Office of the State Engineer - iWATE   | K5 database search, U5G5, Da       | ia obtained from nearby wells             |                             | ∐N/A                       |  |
| Ground water is more than 100 feet below th   |                                    |   |                             | Yes No                     |  |
| - NM Office of the State Engineer - tWATE   | RS database search, USGS, Dat      | ta obtained from nearby wells             |                             | ∐N/A                       |  |
| 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)  |                                    |   |                             | Yes No                     |  |
| - Topographic map, Visual inspection (certif  | ication) of the proposed site      |   |                             |                            |  |
| Within 300 feet from a permanent residence, scho - Visual inspection (certification) of the prop-   | •                                  | · · · · · · · · · · · · · · · · · · ·     | pplication                  | Yes No                     |  |
| - Visual inspection (certification) of the prop   | oscu siie, Achai photo, satemie    | mage                                      |                             | ☐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 fee of any other fresh water well or spring, in existence at the time of the initial application  - NM Office of the State Engineer - iWATERS database. Visual inspection (certification) of the proposed site   |                                    |   |                             |                            |  |
| Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended   |                                    |   |                             | Yes No                     |  |
| - Written confirmation or verification from the   | ne municipality, Written approve   | al obtained from the municipality         |                             |                            |  |
| Within 500 feet of a wetland - US Fish and Wildlife Wetland Identification  | m map, Topographic map, Visu:      | al inspection (certification) of the pro- | posed site                  | Yes No                     |  |
| Within the area overlying a subsurface mine   |                                    | , (, ,, ,,                                |                             | ∏Yes ∏No                   |  |
| - Written confirantion or verification or map   | from the NM EMNRD-Mining           | and Mineral Division                      |                             |                            |  |
| Within an unstable area   |                                    |   | i                           | Yes No                     |  |
| - Engineering measures incorporated into the Topographic map  | design, NM Bureau of Geology       | & Mineral Resources, USGS, NM C           | Geological Society,         |                            |  |
| Within a 100-year floodplain - FEMA map   | • . •                              |   |                             | ☐Yes ☐No                   |  |
| 18  |                                    |   |                             |                            |  |
| On-Site Closure Plan Checklist: (19.15 1' by a check mark in the box, that the docum  |                                    | Each of the following items mus           | t bee attached to the clos  | ure plan. Please indicate, |  |
| 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   |                                    |   |                             |                            |  |

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| 19 Operator Application Certification:   |  |  |  |  |  |
|--|--|--|--|--|--|
| I hereby certify that the information submitted with this application is true, accurate and  | I complete to the best of my knowledge and belief  |  |  |  |  |
| Name (Print) Dollie L. Busse   | Title Staff Regulatory Technician  |  |  |  |  |
| Signature Millie Dusso   | Date - 2/16/12   |  |  |  |  |
| c-mail address dollie I busse donocophillips com   | Telephone 505-324-6104   |  |  |  |  |
| 20 OCD Approval: Permit Application (including closure plan) Closure Control C | Sure Plan (only) OCD Conditions (see attachment)  Approval Date: 2/20/20/2017  OCD Permit Number:  |  |  |  |  |
| Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17 13 NMAC Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.  Closure Completion Date:   |  |  |  |  |  |
| 22 Closure Method:  Waste Excavation and Removal On-site Closure Method A If different from approved plan, please explain  | iternative Closure Method Waste Removal (Closed-loop systems only)   |  |  |  |  |
| 23  Closure Report Regarding Waste Removal Closure For Closed-loop Systems That  Instructions: Please identify the facility or facilities for where the liquids, drilling fluwere 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 opeartions?   |  |  |  |  |
| Yes (If yes, please demonstrate compliane to the items below)  No  Required for impacted areas which will not be used for future service and operation   | 100  |  |  |  |  |
| Site Reclamation (Photo Documentation)   | is a second of the second of t |  |  |  |  |
| Soil Backfilling and Cover Installation  |  |  |  |  |  |
| Re-vegetation Application Rates and Sceding Technique  |  |  |  |  |  |
| Closure Report Attachment Checklist: Instructions: Each of the following of 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  L  | ongitudeNAD 1927 1983  |  |  |  |  |
|  |  |  |  |  |  |
| 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  |  |  |  |  |

# 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.