<u>Pistrict I</u>

. 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

District IV

1220 S St Francis Dr , Santa Fe, NM 87505

Department
Oil Conservation Division
1220 South St. Francis Dr.

State of New Mexico

Energy Minerals and Natural Resources

220 South St. Francis Dr Santa Fe, NM 87505 July~21,~2008 For temporary pits, closed-loop sytems, and below-grade tanks, submit to the appropriate NMOCD District Office

Form C-144

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: ConocoPhillips Company OGRID#: 217817
Address: PO Box 4289, Farmington, NM 87499
Facility or well name: Bloomfield Canyon Federal 1
API Number: 30-045-09045 OCD Permit Number
U/L or Qtr/Qtr: D(NW/NW) Section: 35 Township: 30N Range: 11W County: San Juan
Center of Proposed Design: Latitude: 36.772998 °N Longitude: 107.966 °W NAD: X 1927 1983
Surface Owner: X Federal State Private Tribal Trust or Indian Allotment
² RCVD MAR 13'12
Pit: Subsection F or G of 19 15 17 11 NMAC Temporary Drilling Workover OIL COMS. DIV.
Permanent Emergency Cavitation P&A DIST. 3 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 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 Thicknessmil LLDPE HDPE PVD Other
Liner Seams Welded Gractory Other
4
Below-grade.tank: Subsection I of 19 15 17 11 NMAC Volume
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: 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

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, ins Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate Please specify	titution or chu	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						
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 (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.	Yes	∐No				
(Applied to permanent pits) - Visual inspection (certification) of the proposed site, Aerial photo, Satellite image	∐NA					
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 - (WATERS 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	Yes	□No				
 Written confirmation or verification from the municipality, Written approval obtained from the municipality 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.	Yes	□No				
- Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division Within an unstable area.	Yes	□No				
- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society, Topographic map	LI '**	□ ''`				
Within a 100-year floodplain - FEMA man	Yes	□No				

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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
String 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
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 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
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 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 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

16					
Waste Removal Closure For Instructions Please identify if	Closed-loop Systems That Utilize Above Ground St the facility or facilities for the disposal of liquids, drilli	teel Tanks or Haul-off Bins On ng fluids and drill cuttings. Use	alv: (19 15 17 13 D NMAC) attachment if more than two		
facilities are required			ý		
Disposal Facility Name	Envirotech / JFJ Landfarm / IEI	Disposal Facility Permit #	NM-01-0011 / NM-01-00)10B	
Disposal Facility Name	Basın Dısposal Facılıty	Disposal Facility Permit #	NM-01-005		
	osed-loop system operations and associated activition No	ties occur on or in areas that i	will not be used for future	service and	
	which will not be used for future service and operation		H 610 15 15 13 12 12		
	over Design Specification - based upon the approp - based upon the appropriate requirements of Subs			AC.	
_ =	an - based upon the appropriate requirements of S				
17 Siting Criteria (Regarding	g on-site closure methods only: 19 15 17 10 NM	AC			
	requires a demonstration of compliance in the closure pla				
	re administrative approval from the appropriate district off wal Justifications and/or demonstrations of equivalency a			ine Sania Pe En	vironmentai Bureau
Ground water is less than 5	0 feet below the bottom of the buried waste			Yes	No
- NM Office of the State	Engineer - iWATERS database search, USGS Data of	btained from nearby wells		∏ _{N/A}	
Ground water is between 56	0 and 100 feet below the bottom of the bursed was	ete.	l	Yes	□No
	Engineer - iWATERS database search, USGS, Data ob			□ I cs	□'''
Cround water is more than	100 feet helevithe hettern of the himselvingto	•	'	<u>Г</u>	∏No
	100 feet below the bottom of the buried waste Engineer - iWATERS database search, USGS; Data ob	stained from nearby wells		∐Yes □N/A	
	•	•			—
(measured from the ordinary h	,	ficant watercourse or lakebed, si	nkhole, or playa lake	Yes	No
	al inspection (certification) of the proposed site				
•	nent residence, school, hospital, institution, or church in leation) of the proposed site, Aerial photo, satellite imag		pplication	Yes	∐No
vistai iispeedon (eerin	cation, or the proposed site, remai photo, stiteme imag	6°		□Yes	□No
purposes, or within 1000 horiz	a private, domestic fresh water well or spring that less t zontal fee of any other fresh water well or spring, in exi Engineer - IWATERS database, Visual inspection (certi	stence at the time of the initial ap	_		
pursuant to NMSA 1978, Sect			ipal ordinance adopted	Yes	No
	verification from the municipality, Written approval ob	tained from the municipality			□No
Within 500 feet of a wetlan - US Fish and Wildlife W	ıa /etland Identification map, Topographic map, Visual ins	spection (certification) of the pro	posed site	Yes	
Within the area overlying a		. , , .		Yes	No
- Written confiramtion or	verification or map from the NM EMNRD-Mining and	Mineral Division		_	_
Within an unstable area				Yes	No
Engineering measures in Topographic map	corporated into the design, NM Bureau of Geology & N	Mineral Resources, USGS, NM	Geological Society,		
Within a 100-year floodpla - FEMA map	in			Yes	No
. –	ecklist: (19 15 17 13 NMAC) Instructions: Eac x, that the documents are attached.	ch of the following items mu	st bee attached to the closi	ure plan. Plea	se indicate,
l '_	pliance Demonstrations - based upon the appropri	ate requirements of 19 15 17	10 NMAC		
= "	wner Notice - based upon the appropriate requirem	•			
	n Plan of Burial Trench (if applicable) based upon				
l 😾	` ,	• • • •		19.15 17 11 N	MAC
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					
	oling Plan (if applicable) - based upon the appropri		on 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					
	- based upon the appropriate requirements of Sub-				
Site Reclamation Pl	lan - based upon the appropriate requirements of S	suosection G of 19 15 17.13 f	NIVIAC		

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19 Out of Application Continues
Operator Application Certification: Thereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief
Name (Print) Dollie La Busse Title Staff Regulatory Technician
Signature Date 3/13/12
c-mail address dollie l.busse@conocophillips com Telephone 505-324-6104
C-mail address gene nedectatorio optimipo com recipitorio 303-324-0104
20
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)
OCD Representative Signature:Approval Date:Approval Date:
l P. A.
Title: 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 Alternative Closure Method Waste Removal (Closed-loop systems only)
If different from approved plan, please explain
23 Closure Papart Pagarding Wasta Pamaral Closure For Closed Ioan Systems That Utilize A hour Crown Steel Toule on Haul off Dire 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 stems 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
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 (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 addressTelephone

ConocoPhillips Company Closed-loop Plans

Closed-loop Design Plan

COPC'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

COPC'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.