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 For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.

For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application
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  Existing BGT  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:OGRID #:
Facility or well name:STATE GAS COM BC #3
API Number:
U/L or Qtr/Qtr         Section 32 Township         31NRange         12W County:         San Juan           Center of Proposed Design: Latitude         36.85889         Longitude         108.11889         NAD: 1927 1983
Center of Proposed Design: Latitude 36.85889 Longitude 108.11889 NAD: 1927 1983
Surface Owner: Federal State Private Tribal Trust or Indian Allotment
Pit: Subsection F or G of 19.15.17.11 NMAC   Temporary:   Drilling   Workover   Permanent   Emergency   Cavitation   P&A   PECEIVED   RECEIVED   RECEIVE
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   Other
XBelow-grade tank: Subsection I of 19.15.17.11 NMAC   Volume: 120
s.  Alternative Method:  Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

6	
Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)  Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, h institution or church)  Four foot height, four strands of barbed wire evenly spaced between one and four feet  Alternate. Please specify	ospital,
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	
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 o consideration of approval.  Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	ffice for
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 accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the approp office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of ap Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to dryin above-grade tanks associated with a closed-loop system.	riate district proval.
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.  - 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

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)
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   Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC   Quality Control/Quality Assurance Construction and Installation Plan   Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC   Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC   Nuisance or Hazardous Odors, including H <sub>2</sub> S, Prevention Plan   Emergency Response Plan   Oil Field Waste Stream Characterization   Monitoring and Inspection Plan   Erosion Control Plan   Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
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)
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 G of 19.15.17.13 NMAC

16. <u>Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only</u> : (19.15.17.13 <i>Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment is</i>	.D NMAC)
facilities are required.	more mun two
Disposal Facility Name: Disposal Facility Permit Number:	<del></del>
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 <i>will not</i> be used for future se  Yes (If yes, please provide the information below) No	rvice and operations?
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 NM. 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	\C
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 so provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate disconsidered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Just demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.	strict office or may be
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
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
<ul> <li>Within an unstable area.</li> <li>Engineering measures incorporated into the design; NM Bureau of Geology &amp; Mineral Resources; USGS; NM Geological Society; Topographic map</li> </ul>	☐ Yes ☐ No
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 be attached to the closure 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 19.15.17.13 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 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	9.15.17.11 NMAC

Form C-144 Oil Conservation Division Page 4 of 5

19. Operator Application Certification:		
I hereby certify that the information submitted with this application is true, accurately	rate and complete to the	ne best of my knowledge and belief.
Name (Print): Kim Champlin		Environmental Representative
Signature: Kim Champlin		
e-mail address: kim champlin@xtoenergy.com		(505) 333-3100
	relephone:	(303) 333-5100
20. OCD Approval: X Permit Application (including closure plan) 🗌 Closure I	Plan (only) 🔲 OCD	Conditions (see attachment)
OCD Representative Signature:		Approval Date: 4/25/2012
Title: Deputy Oil & Gas Inspector,  District #3		\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \
	OCD Permit Numl	ber:
Closure Report (required within 60 days of closure completion): Subsection Instructions: Operators are required to obtain an approved closure plan prior The closure report is required to be submitted to the division within 60 days of section of the form until an approved closure plan has been obtained and the c	to implementing any o the completion of the losure activities have	closure activities and submitting the closure report. closure activities. Please do not complete this been completed.
	Closure Comp	oletion Date:
Closure Method:  Waste Excavation and Removal On-Site Closure Method Altern  If different from approved plan, please explain.	native Closure Method	☐ Waste Removal (Closed-loop systems only)
Closure Report Regarding Waste Removal Closure For Closed-loop System Instructions: Please indentify the facility or facilities for where the liquids, dra two facilities were utilized.	illing fluids and drill c	uttings were disposed. Use attachment if more than
Disposal Facility Name:		ermit Number:ermit Number:
Disposal Facility Name:	•	
Yes (If yes, please demonstrate compliance to the items below) No		·
Required for impacted areas which will not be used for future service and opera    Site Reclamation (Photo Documentation)	tions.	
Soil Backfilling and Cover Installation		·
Re-vegetation Application Rates and Seeding Technique		
Closure Report Attachment Checklist: Instructions: Each of the following a 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)	items must be attachea	l to the closure report. Please indicate, by a check
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)	itudo	NAD: □1927 □ 1983
On-site Closure Location: Latitude Long	mud	1775. [1727 ] 1705
Operator Closure Certification:  I hereby certify that the information and attachments submitted with this closure	raport is true accurate	and complete to the best of my knowledge and
belief. I also certify that the closure complies with all applicable closure require	ments and conditions s	specified in the approved closure plan.
Name (Print):	Title:	
Signature:		
a-mail address	Telephone:	

DISTRICT () P.O. Box 1980, Hobbs, N.M. (88241-1980) State of New Mexico
Energy, Minerals & Natural Resources Department

Form: C-102 Revised, February 21, 1994 Instructions on back Submit to Appropriate District Office State Lease — 4 Copies Fae Lease — 3 Copies

DISTRICT II P.O. Drawer DD. Artesia, N.M. 88211-0719

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, NM 87504-2088

DISTRICT III 1000 Rio Brozos Rd., Azioc, N.M., 87410 INSTRICT IV.

AMENDED REPORT

DISTRICT IV. PD Box 2088, Santo Fei: NM! 87504-2088

WELL	LOCATION	AND	ACREAGE	DEDICATION	PLAT

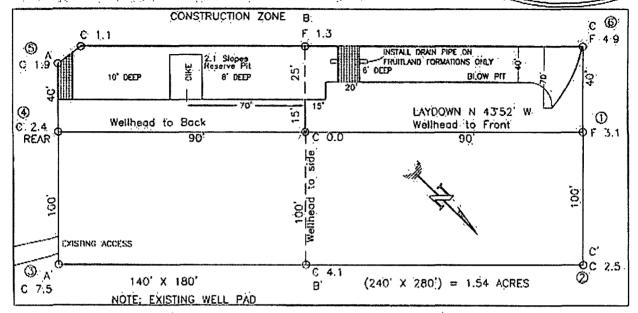
¹API	Number			* Pool Code	<sup>1</sup> Pool Name					
*Property 'Co	de			····	*	Katl Number				
	STATE GAS COM BC			OM BC			3			
OCRID No	·•	·	<del></del>	<del></del>	* Operator 1	łamę	•	<del></del>	Elávátlan	
				XȚO ENERG	Y INC.			6015		
					<sup>io</sup> Surface.	Location		•	······································	
UL or let no. G	Section 32	Township 31-N	Ronge 12-W	Lat Idn	Feet from the 1530	North/South, line NORTH	Feet from the 1760	East/West line EAST	County SAN JUAN	
			"Bötte	om Hole	Location I	f Different Fro	om 'Surface			
UL or lot no.	Section.	dițenwot	Range	Lot Idu	Feet from the	North/South line	Feel from the	East/West line	County	
Dodleated Acre	<u> </u>	13 J	oint or Intil	1	** Consolidation Co	ode	<sup>U</sup> Order No:			
NO ALLOV	VADIC V	VIII DE	ACCIONE	в то ти	IS COMPLETE	ON UNTIL ALL	INTERFETE	HAVE BEEN C	ONCOLIDATE	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

5					711L D77(3(0)4
	FND 3:1/4" BC 9 1952 BLM	S 8958 2497.5	8'50" W FND. 3 5' (M)	1/4* BC 951 BLM	9 17 OPERATOR CERTIFICATION 1 hereby certify that the information contained herein is build and complete to the best of my knowledge and ballet
	LAT: 36'51'32" N. (NAD 83) LONG:108'07'08' W. (NAD 83)		1760'	S 00'36'44" W 5272.8' (M)	Printed Name  Title  Date  18 SURVEYOR CERTIFICATION  I hereby certify that the well location shown on this plot was platted from field poles of octual surveys mode by me or under my supervision, dry Bot the same is true and correct to the best of my both.  Date on Survey.  Signature and San of Protopolone Surveyor:  1482.7  Certificate Number
1			, DC. /	2.10 COK.	<b>3</b>

XTO ENERGY INC. STATE GAS COM BC No. 3, 1530 FNL. 1760 FEL SECTION 32, 131N, R.2W, N.M.P.M., SAN JUAN COUNTY, N. M. GROUND ELEVATION: 6045, DATE: JULY 31, 2003

LAT. = 36'51'32" N LONG. = 108'07'08" 'NAD 83



RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW  $\pm 13'$  WIDE AND  $1^{1'}$  ABOVE SHALLOW SIDE). BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.

NOTE:

DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERCROUND UTILITIES OR PIPELINES, NEW MEXICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION. ELEV. A-A-6060 6050 muunsiittiillikk 6040 6030 C/L ELEV. B-B 6060 6050 ermatitililli 6040 .6030 C/L ELEV. C+C 6060 .6050 6040 6030

NOTE: CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

DRAWN BY: A.G. ROW#: CR227 CADFILE: CR227CF8

DATE: 08/5/03:

5 Oil Fleid Services Formington, Na 87401 72 Fox (505) 326-6019 Daggett Enterprises, Inc. Surveying and Ol 0. Box 15068: Fo 1 (505) 326—1772 0. Box

#### Pit Permit Siting Criteria nformation Sheet

Client:	XTO Energy	Т
Project:	Pit Permits	7
Revised:	1-Sep-08	$\neg$
Prepared by:	Brooke Herb	7

PO Box 4465, Durango,	CO 81302	Information Sheet	Revised: Prepared by:	· · · · · · · · · · · · · · · · · · ·		
V		illorillation Sheet		Brooke Herb		
API#:		3004532109	USPLSS:	T31N,R12W,S32G		
Name:	STATE GAS COM BC - 3		Lat/Long:	36.85889, -108.11889		
Depth to groundwater:		50-100'	Geologic formation:	I NISCIMIANTO FORMSTIAN I		
Distance to closest	4 0 milo	s to La Plata River; 5.2				
continuously flowing watercourse:		to the Animas River				
Distance to closest significant watercourse, lakebed, playa lake, or sinkhole:	4325 f	t to Farmington Glade				
		. ,	Soil Type:	Entisols		
Permanent residence, school, hospital, institution or church within 300'		No				
	, × ,		Annual Precipitation:	8.21 inches average annual		
Domestic fresh water well or spring within 500'		No	Precipitation Notes:			
Any other fresh water well or spring within 1000'		. No				
Within incorporated municipal boundaries		No	Attached Documents:	StateGC_BC-3_attachments pdf		
Within defined municipal fresh water well field		No		StateGC_BC-3_report.pdf		
Wetland within 500'		No	Mining Activity:	none near		
Within unstable area		No		2.9 miles to Materials Pit		
Within 100 year flood plain		No	* * * * * * * * * * * * * * * * * * * *			
Additional Notes:	, <u>, , , , , , , , , , , , , , , , , , </u>		1			

#### STATE GAS COM BC #3 Below Ground Tank Siting Criteria and Closure Plan

#### **Well Site Location**

Legals: T31N, R12W, Section 32, Quarter Section G Latitude/Longitude: approximately 36.85889, -108.11889

County: San Juan County, NM General Description: near Glade Run

#### General Geology and Hydrology

The San Juan Basin is a typical Rocky Mountain basin with a gently dipping southern flank and a steeply dipping northern flank. Asymmetrically layered Tertiary sandstones and shales, along with Quaternary alluvial deposits dominate surficial geology (Dane and Bachman, 1965). The proposed below ground tank location will be located on the flanks of the Farmington Glade between Aztec and La Plata, New Mexico. Within the Farmington Glade, the Tertiary Nacimiento Formation is exposed, along with Quaternary alluvial and aeoloian sands surrounding the center of the wash.

Cretaceous and Tertiary sandstones, as well as Quaternary alluvial deposits serve as the primary aquifers in the San Juan basin (Stone et al., 1983). In most of the proposed area, the Nacimiento Formation lies at the surface. Thickness of the Nacimiento ranges from 418 to 2232 feet (Stone et al., 1983). Aquifers within the coarser and continuous sandstone bodies of the Nacimiento Formation are between 0 and 1000' deep in this section of the basin (Stone et al., 1983). Groundwater within these aquifers flows toward the nearby San Juan River and its tributaries.

The prominent soil type at the proposed site is entisols, which are defined as soils that do not show any profile development. Soils are basically unaltered from their parent rock. Miles of arroyos, washes and intermittent streams exist as part of the drainage network towards the La Plata River (www.emnrd.state.nm.us). These features often cut into soil and other unconsolidated materials, contributing to sedimentation downstream. The sudden influx of water from storm events easily erodes soils that cover the area.

The climate of the region is arid, averaging just over 8 inches of rainfall annually. As is typical of the southwestern United States monsoonal weather patterns, most precipitation falls from August through October. The heaviest rainfall occurs in the summer in isolated, intense cloudbursts. November through June is relatively dry. Snow generally falls from December to mid-February and averages less than one-half inch in depth. However, most recharge occurs during the winter months during snowmelt periods from the upper elevations (Western Regional Climate Center www.wrcc.dri.edu).

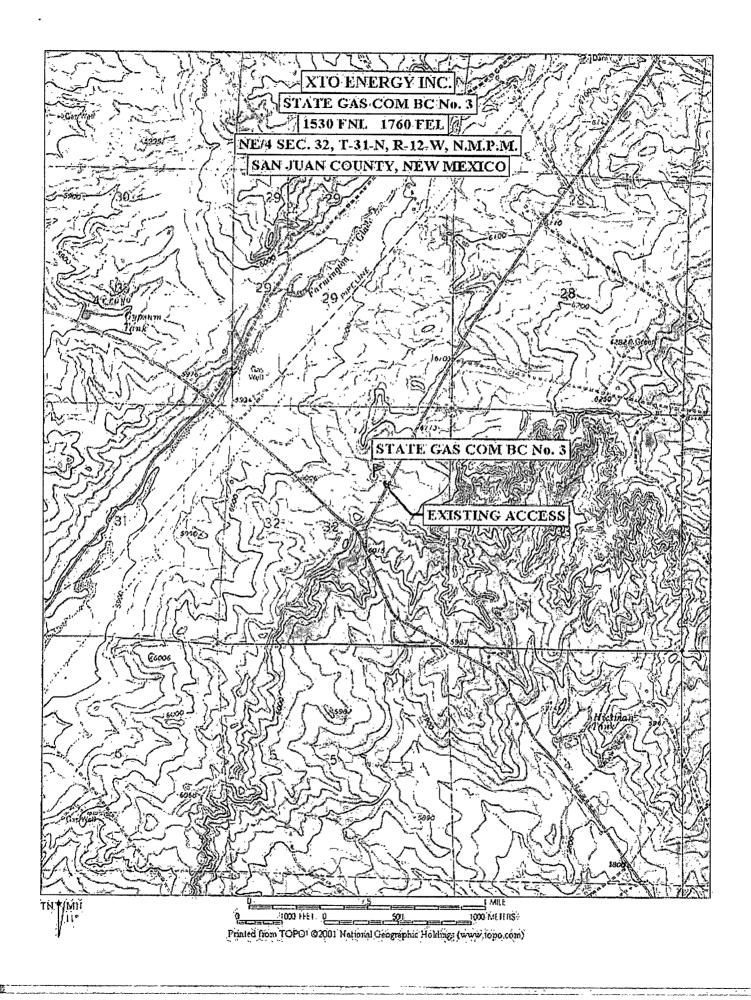
The predominant vegetation is sagebrush and grasses with a more restricted pinon-juniper association (Dick-Peddie, 1993).

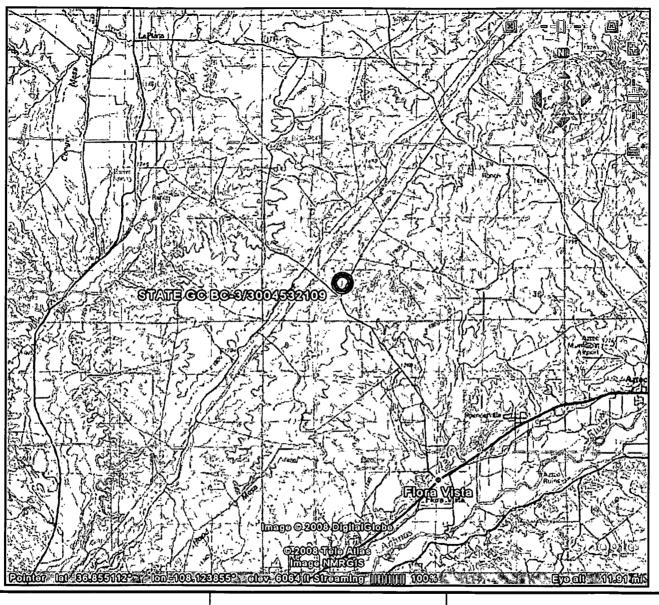
#### Site Specific Hydrogeology

Depth to groundwater is estimated to be between 50 and 100 feet. This estimation is based on data from Stone and others, 1983 and depth to groundwater data published on the New Mexico State Engineer's iWaters Database website. Local topography and proximity to surface hydrologic features are also taken into consideration.

Local aquifers include sandstones within the Nacimiento Formation, which ranges from 0 to 1000 feet deep in this area, as well as shallow aquifers within Quaternary alluvial deposits (Stone et al., 1983). The 1000-foot depth range for Nacimiento aquifers covers an area over 20 miles wide, and depth decreases towards the margin of the San Juan Basin. The site in question is more centrally located, and depth to the aquifer is expected to be closer to 1000 feet. It is well known that groundwater close to the Farmington Glade can be shallow, as the Quaternary deposits near the wash itself form shallow aquifers. However, the proposed site is situated 4325 ft to the east and approximately 125 feet higher in elevation from Glade Wash (Google Earth).

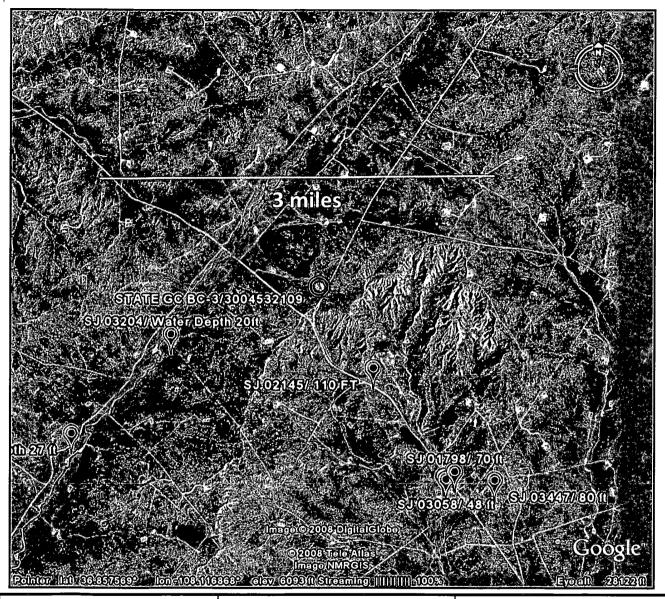
Groundwater data available from the NM State Engineer's iWaters Database for wells near the proposed site are attached. A map showing the location of wells in reference to the proposed pit location is also included. Pinpoints show locations of wells and the labels for each pinpoint indicate depth to groundwater in feet. A well to the southeast of the site in question has a depth to groundwater of 110 feet and is approximately 100 feet lower in elevation. Several wells are clustered to the southeast of the site, depth to groundwater within the wells ranges from 39 to 80 feet below ground surface. However, these wells are approximately 250 ft lower in elevation then the proposed site. There is one well to the southwest of the site that has a depth to groundwater of 20 feet. This well is in a shallow aquifer due to the close proximity to the Glade Wash.





STATE GAS COM BC-3 T31N, R12W, S32G San Juan County, NM

Topographic Map



STATE GAS COM BC-3 T31N, R12W, S32G San Juan County, NM

iWaters Groundwater Data Map

### New Mexico Office of the State Engineer POD Reports and Downloads

Township: 3ih Range: 12V Sections: 3i

POD / Surface Data ReportAvg Depth to Water ReportWater Column Report

Depth

Depth

Water (in feet)

#### WATER COLUMN REPORT 09/01/2008

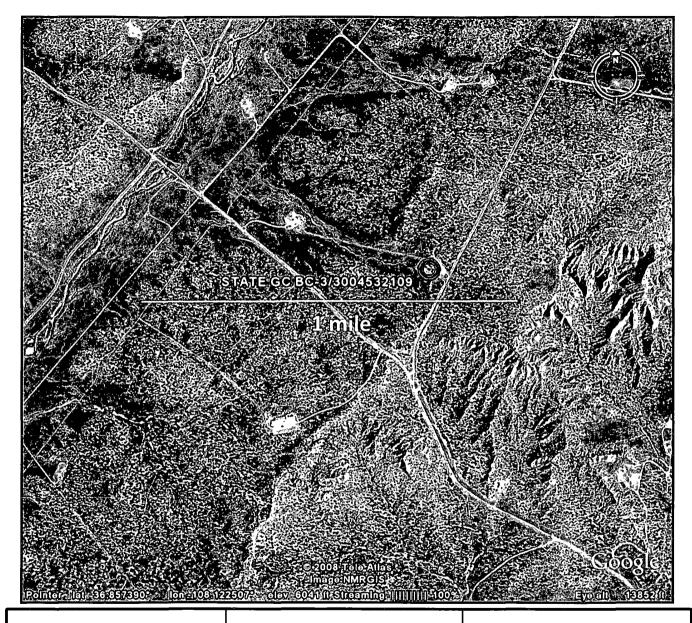
(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest)

Tws Rng Sec q q q Zone X Y Well Water Column 31% 12% 31 4 3 1 40 20 20

Record Count: 1

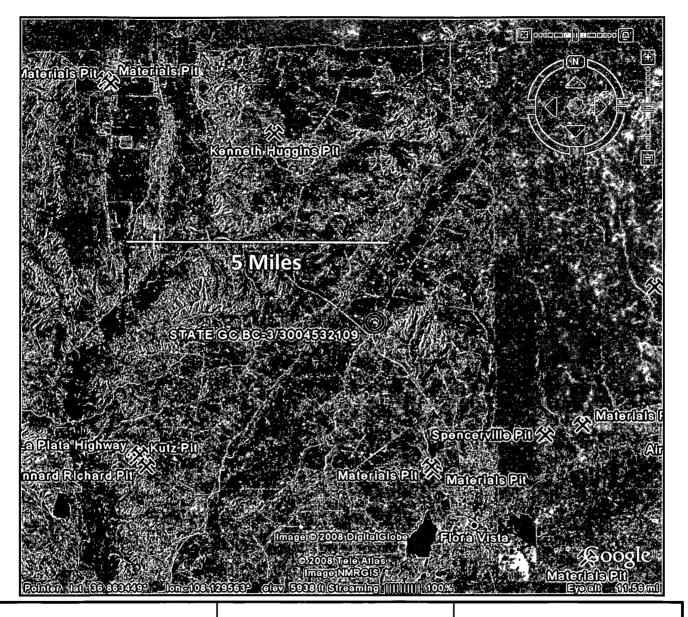
POD Number

SJ 03204



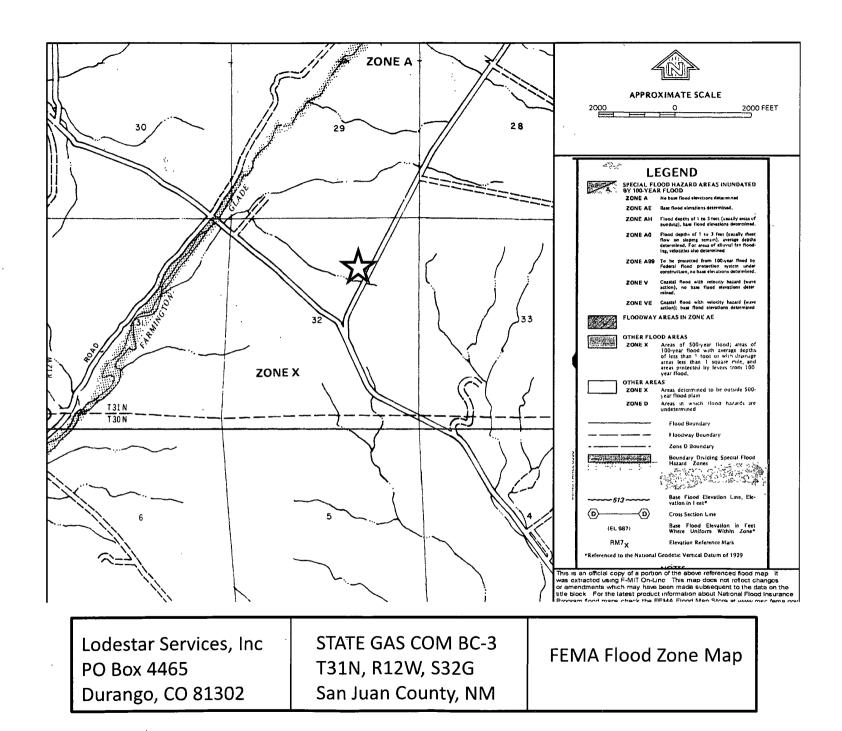
STATE GAS COM BC-3 T31N, R12W, S32G San Juan County, NM

Aerial Photograph



STATE GAS COM BC-3 T31N, R12W, S32G San Juan County, NM

Mines, Mills, and Quarries Map



# XTO Energy Inc. San Juan Basin Below Grade Tank Design and Construction Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the design and construction 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 (BGT) which does not conform to this plan.

#### **General Plan**

- XTO will design and construct a BGT to contain liquids and solids and prevent contamination of fresh water and protect public heath and environment.
- Prior to constructing the pit, topsoil will be stockpiled in the construction zone for later use in restoration.
- 3. XTO will post a well sign, in compliance with 19.15.3.103 NMAC, on the well site prior to construction of the BGT. The sign will list the Operator on record as the operator, the location of the well site by unit letter, section, township, range, and emergency telephone numbers.
- 4. XTO shall construct all new fences utilizing 48" steel mesh field-fence (hogwire) on the bottom with two strands of barbed wire on top, or with a pipe top rail. A 6' chain link fence topped with three stands of barbed wire will be used if the well location is within 1000' of a permanent residence, school, hospital, institution or church.
- 5. XTO shall construct an expanded metal covering on top of the BGT.
- 6. XTO will ensure that a BGT is constructed of materials resistant to the BGT's particular contents and resistant to damage from sunlight.
- 7. The BGT system will have a properly constructed foundation consisting of a level base free of rocks, debris, sharp edges or irregularities to prevent punctures, cracks or indentations of the liner or tank bottom.
- XTO will construct a berm and/or diversion ditch in a manner that prevents the collection of surface water run-on.
- 9. XTO will construct and use BGT that does not have double walls. The BGT sidewalls will be open for visual inspection for leaks, the BGT bottom will be elevated a minimum of 6" above the underlying ground surface and the BGT will be underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected.
- 10. XTO will equip BGT's designed in this manner with a properly functioning automatic high-level shut-off control device and manual controls to prevent overflows.
- 11. The geomembrane liner shall consist of 30-mil flexible PVC or 60-mil HDPE liner, or an equivalent liner material that the appropriate division district office approves. The geomembrane liner shall have a hydraulic conductivity greater that 1 x 10-9 cm/sec. The geomembrane liner shall be composed of an impervious, synthetic material that is resistant to petroleum hydrocarbons, salts and acidic and alkaline solutions. The liner material shall be resistant to ultraviolet light. Liner compatibility shall comply with EPA SW-846 method 9090A.
- 12. The general specifications for design and construction are attached.

# XTO Energy Inc. San Juan Basin Below Grade Tank Maintenance and Operating Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the operation and maintenance 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 (BGT) which does not conform to this plan.

#### General Plan

- 1. XTO will operate and maintain a BGT to contain liquids and solids and prevent contamination of fresh water and protect public health and the environment.
- 2. XTO will not allow a BGT to overflow and will use berms and/or diversion ditch to prevent surface run on to enter the BGT.
- 3. XTO will continuously remove any visible or measurable layer of oil from the fluid surface of a BGT in order to prevent significant accumulation of oil.
- 4. XTO will inspect the BGT monthly and maintain written records for five years.
- 5. XTO will maintain adequate freeboard to prevent over topping of the BGT.

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

In accordance with Rule 19.15.17.11 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 (BGT) which does not conform to this plan.

#### General Plan

- XTO will close a BGT 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.
- 2. XTO will close an existing BGT 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.
- 3. XTO will close a permitted BGT within 60 days of cessation of the BGT'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.
- 4. XTO will remove liquids and sludge from a BGT prior to implementing a closure method and will dispose of the liquids and sludge in a division-approved facility.
- 5. XTO will remove the BGT 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.
- 6. XTO will remove any on-site equipment associated with a BGT unless the equipment is required for some other purpose.
- 7. XTO will test the solids beneath the BGT 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.
- 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.
- 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.
- 10. Notice of Closure will be given to the Aztec Division District III office between 72 hours and one week of closure via email or verbally. The notification will include the following:
  - i. Operator's name
  - Location by Unit Letter, Section, Township, and Range. Well name and API number.

- 11. All closure activities will include proper documentation and be available for review upon request and will be submitted to OCD within 60 days of closure of the BGT. Closure report will be filed on form C-144 and incorporate the following:
  - i. Details on capping and covering, where applicable
  - ii. Inspection reports
  - iii. Sampling results
- 12. 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.
- 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.
- 14. A minimum of 4' of cover shall be achieved and the cover shall include 1' of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater.
- 15. 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.