

District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
July 21, 2008

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.
For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

**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.

1. Operator: XTO Energy, Inc. OGRID #: 5380
Address: 382 Road 3100 Aztec, NM 87410
Facility or well name: KUTZ J FEDERAL #2E
API Number: 3004530755 OCD Permit Number: _____
U/L or Qtr/Qtr _____ Section 06I Township 27N Range 10W County: San Juan
Center of Proposed Design: Latitude 36.60083 Longitude 107.93167 NAD: ☐ 1927 ☐ 1983
Surface Owner: ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2. ☐ **Pit:** Subsection F or G of 19.15.17.11 NMAC
Temporary: ☐ Drilling ☐ Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A
☐ Lined ☐ Unlined Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
☐ String-Reinforced
Liner Seams: ☐ Welded ☐ Factory ☐ Other _____ Volume: _____ bbl Dimensions: L _____ x W _____ x D _____

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OIL CONS. DIV.
DIST. 3

3. ☐ **Closed-loop System:** Subsection H of 19.15.17.11 NMAC
Type of Operation: ☐ P&A ☐ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other _____
☐ Lined ☐ Unlined Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
Liner Seams: ☐ Welded ☐ Factory ☐ Other _____

4. ☒ **Below-grade tank:** Subsection I of 19.15.17.11 NMAC
Volume: 120 bbl Type of fluid: Produced Water
Tank Construction material: Steel
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☒ Other Visible sidewalls, vaulted, automatic high level shut off
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.

6.	<p>Fencing: Subsection D of 19.15.17.11 NMAC (<i>Applies to permanent pits, temporary pits, and below-grade tanks</i>)</p> <p><input type="checkbox"/> Chain link, six feet in height, two strands of barbed wire at top (<i>Required if located within 1000 feet of a permanent residence, school, hospital, institution or church</i>)</p> <p><input checked="" type="checkbox"/> Four foot height, four strands of barbed wire evenly spaced between one and four feet</p> <p><input type="checkbox"/> Alternate. Please specify _____</p>																				
7.	<p>Netting: Subsection E of 19.15.17.11 NMAC (<i>Applies to permanent pits and permanent open top tanks</i>)</p> <p><input type="checkbox"/> Screen <input type="checkbox"/> Netting <input type="checkbox"/> Other _____</p> <p><input type="checkbox"/> Monthly inspections (If netting or screening is not physically feasible)</p>																				
8.	<p>Signs: Subsection C of 19.15.17.11 NMAC</p> <p><input type="checkbox"/> 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers</p> <p><input checked="" type="checkbox"/> Signed in compliance with 19.15.3.103 NMAC</p>																				
9.	<p>Administrative Approvals and Exceptions:</p> <p>Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.</p> <p><i>Please check a box if one or more of the following is requested, if not leave blank:</i></p> <p><input type="checkbox"/> Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval.</p> <p><input type="checkbox"/> Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.</p>																				
10.	<p>Siting Criteria (regarding permitting): 19.15.17.10 NMAC</p> <p><i>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.</i></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 85%; vertical-align: top;"> <p>Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.</p> <p style="margin-left: 20px;">- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells</p> </td> <td style="width: 15%; text-align: center; vertical-align: top;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>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).</p> <p style="margin-left: 20px;">- Topographic map; Visual inspection (certification) of the proposed site</p> </td> <td style="text-align: center; vertical-align: top;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. 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(<i>Applies to permanent pits</i>)</p> <p style="margin-left: 20px;">- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p> </td> <td style="text-align: center; vertical-align: top;"> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA </td> </tr> <tr> <td style="vertical-align: top;"> <p>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.</p> <p style="margin-left: 20px;">- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site</p> </td> <td style="text-align: center; vertical-align: top;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>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.</p> <p style="margin-left: 20px;">- Written confirmation or verification from the municipality; Written approval obtained from the municipality</p> </td> <td style="text-align: center; vertical-align: top;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within 500 feet of a wetland.</p> <p style="margin-left: 20px;">- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</p> </td> <td style="text-align: center; vertical-align: top;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within the area overlying a subsurface mine.</p> <p style="margin-left: 20px;">- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division</p> </td> <td style="text-align: center; vertical-align: top;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within an unstable area.</p> <p style="margin-left: 20px;">- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map</p> </td> <td style="text-align: center; vertical-align: top;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within a 100-year floodplain.</p> <p style="margin-left: 20px;">- FEMA map</p> </td> <td style="text-align: center; vertical-align: top;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </td> </tr> </table>	<p>Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.</p> <p style="margin-left: 20px;">- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>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).</p> <p style="margin-left: 20px;">- Topographic map; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. 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<p>Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to permanent pits</i>)</p> <p style="margin-left: 20px;">- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA																				
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<p>Within an unstable area.</p> <p style="margin-left: 20px;">- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																				
<p>Within a 100-year floodplain.</p> <p style="margin-left: 20px;">- FEMA map</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																				

11

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC

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

- ☒ Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
☐ Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC
☒ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
☒ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☒ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☒ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

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

12.

Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC

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

- ☐ Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9
☐ Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

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

☐ Previously Approved Operating and Maintenance Plan API Number: _____ (Applies only to closed-loop system that use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

13.

Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC

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

- ☐ Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC
☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Climatological Factors Assessment
☐ Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Quality Control/Quality Assurance Construction and Installation Plan
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☐ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Nuisance or Hazardous Odors, including 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 ☐ P&A ☐ Permanent Pit ☒ Below-grade Tank ☐ Closed-loop System
☐ Alternative

Proposed Closure Method: ☒ Waste Excavation and Removal
☐ Waste Removal (Closed-loop systems only)
☐ On-site Closure Method (Only for temporary pits and closed-loop systems)
☐ In-place Burial ☐ On-site Trench Burial
☐ Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)

15.

Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.*

- ☒ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
☒ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☒ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
☒ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☒ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
☒ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

16. **Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:** (19.15.17.13.D NMAC)
Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.

Disposal Facility Name: _____ Disposal Facility Permit Number: _____
 Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Will any of the proposed closed-loop system operations and associated activities occur on or in areas that *will not* be used for future service and operations?
☐ Yes (If yes, please provide the information below) ☐ No

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

☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

17. **Siting Criteria (regarding on-site closure methods only):** 19.15.17.10 NMAC
Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.

Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within a 100-year floodplain. - FEMA map	<input type="checkbox"/> Yes <input type="checkbox"/> No

18. **On-Site Closure Plan Checklist:** (19.15.17.13 NMAC) **Instructions:** Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.

☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☐ Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☐ Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)
☐ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

19.

Operator Application Certification:

I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): Kim Champlin Title: Environmental Representative

Signature: Kim Champlin Date: August 19, 2008

e-mail address: kim_champlin@xtoenergy.com Telephone: (505) 333-3100

20.

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

OCD Representative Signature: Brandon Orell Approval Date: 8-26-08

Title: Enviro/spec OCD Permit Number: Compliance Officer

21.

Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC

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

☒ Closure Completion Date: 4/18/12

22.

Closure Method:

☒ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-loop systems only)

☐ If different from approved plan, please explain.

23.

Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:

Instructions: Please 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 compliance to the items below) ☐ No

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

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

24.

Closure Report Attachment Checklist: *Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.*

- ☒ Proof of Closure Notice (surface owner and division)
☐ Proof of Deed Notice (required for on-site closure)
☐ Plot Plan (for on-site closures and temporary pits)
☒ Confirmation Sampling Analytical Results (if applicable)
☐ Waste Material Sampling Analytical Results (required for on-site closure)
☒ Disposal Facility Name and Permit Number
☒ Soil Backfilling and Cover Installation
☒ Re-vegetation Application Rates and Seeding Technique
☒ Site Reclamation (Photo Documentation)

On-site Closure Location: Latitude _____ Longitude _____ NAD: ☐ 1927 ☐ 1983

25.

Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): Logan Hixon Title: EHS Technician

Signature: Logan Hixon Date: 6/22/12

e-mail address: Logan.Hixon@XTOenergy.com Telephone: (505) 333-3683

District I
1625 N. French Dr , Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr , Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company: XTO Energy, Inc.	Contact: Logan Hixon
Address: 382 Road 3100, Aztec, New Mexico 87410	Telephone No.: (505) 333-3683
Facility Name: Kutz J Federal #2E (30-045-30755)	Facility Type: Gas Well

Surface Owner: Federal Land	Mineral Owner:	Lease No.: NMSF-077384
-----------------------------	----------------	------------------------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	6	27 N	10W	1645	FSL	1160	FEL	San Juan

Latitude: N36*.60083 Longitude: W-107*.93167

NATURE OF RELEASE

Type of Release: Produced Water	Volume of Release: Unknown	Volume Recovered: None
Source of Release: BGT	Date and Hour of Occurrence: Unknown	Date and Hour of Discovery: January 5, 2012
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? N/A	
By Whom?	Date and Hour:	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

The below grade tank was taken out of service at the Kutz J Federal #2E well site due to the plugging and abandoning of this well site. A composite sample was collected beneath the location of the on-site BGT, and submitted for laboratory analysis for TPH via USEPA Method 418.1 and 8015, Benzene and BTEX via USEPA Method 8021, and for total chlorides. The sample returned results below the 'Pit Rule' spill confirmation standards for Benzene, Total BTEX and the total chlorides, but above the 'pit rule' standards for TPH, confirming that a release has occurred at this location.

Describe Area Affected and Cleanup Action Taken.*

Based on TPH results of 257 PPM via USEPA Method 418.1, it has been confirmed that a release had occurred at this location.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

OIL CONSERVATION DIVISION

Signature: <i>Logan Hixon</i>	Approved by District Supervisor.		
Printed Name: Logan Hixon			
Title: Environmental Technician	Approval Date:	Expiration Date:	
E-mail Address: Logan_Hixon@xtoenergy.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 6/22/12 Phone: 505-333-3202			

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

Lease Name: Kutz J Federal #2E

API No.: 30-045-30755

Description: Unit I, Section 6, Township 27N, Range 10 W, San Juan County

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure requirements of below-grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below-grade tanks. A separate plan will be submitted for any below-grade tank which does not conform to this plan.

General Plan

1. XTO will close below-grade tanks within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the division requires because of imminent danger to fresh water, public health or the environment.
Closure Date is June 18, 2012
2. XTO will close a below-grade tank that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or is not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC within five years after June 16, 2008, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC.
Closure Date is June 18, 2012
3. XTO will close a permitted below-grade tank within 60 days of cessation of the below-grade tank's operation or as required by the transitional provisions of Subsection B of 19.15.17.17 NMAC in accordance with a closure plan that the appropriate division district office approves. The closure report will be filed on form C-144.
Required C-144 Form is attached to this document.
4. XTO will remove liquids and sludge from below-grade tanks prior to implementing a closure method and will dispose of the liquids and sludge in a division-approved facility. Approved facilities and waste streams include:
 - Envirotech Permit No. NM01-0011 and IEI Permit No. NM 01-0010B
 - Soil contaminated by exempt petroleum hydrocarbons
 - Produced sand, pit sludge and contaminated bottoms from storage of exempt wastes
 - Basin Disposal Permit No. NM01-005
 - Produced water**All liquids and sludge were removed from the tank prior to closure activities.**
5. XTO will remove the below-grade tank and dispose of it in a division approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves.
XTO has removed the below grade tank, and will dispose of it at a division approved facility, or recycle, reclaim or reuse it in a manner that is approved by the division.

6. XTO will remove any on-site equipment associated with a below-grade tank unless the equipment is required for some other purpose.

All equipment has been removed due to the plugging and abandoning of the Kutz J Federal #2E well site.

7. XTO will test the soils beneath the below-grade tank to determine whether a release has occurred. At a minimum 5 point composite sample will be collected along with individual grab samples from any area that is wet, discolored or showing other evidence of a release. Samples will be analyzed for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 8021B or 8260B or EPA method that the division approves, does not exceed 0.2 mg/kg; total BTEX concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 50 mg/kg; the TPH concentration, as determined by EPA method 418.1 or other EPA method that the division approves, does not exceed 100mg/kg; and the chloride concentration, as determined by EPA method 300.1 or other EPA method that the division approves, does not exceed 250 mg/kg, or the background concentration, whichever is greater. XTO will notify the division of its results on form C-141.

A five point composite sample was taken of the pit using sampling tools and all samples tested per Subsection B of 19.15.17.1 3(B)(1)(b). (Sample results attached).

Components	Test Method	Limit (mg/Kg)	Results
Benzene	EPA SW-846 8021B or 8260B	0.2	< 0.2 mg/Kg
BTEX	EPA SW-846 8021B or 8260B	50	< 50.0 mg/kg
TPH	EPA SW-846 418.1	100	257 mg/Kg
Chlorides	EPA 300.1	250 or background	120 mg/Kg

8. If XTO or the division determines that a release has occurred, XTO will comply with 19.15.3.116 NMAC and 19.15.1.19NMAC as appropriate.

Due to TPH results of 257 PPM, a release has been confirmed for this location. A C-141 Release Notification form will be sent outlining any remediation activities taken regarding this release.

9. If the sampling program demonstrates that a release has not occurred or that any release does not exceed the concentrations specified in Paragraph (4) of Subsection E of 19.15.17.13 NMAC, XTO will backfill the excavation with compacted, non-waste containing, earthen material; construct a division prescribed soil cover; recontour and re-vegetate the site.

The pit cellar was backfilled using compacted, non-waste containing earthen material, with a division prescribed soil cover.

10. Notice of Closure operations will be given to the Aztec Division District III office between 72 hours and one week prior to the start of closure activities via email or verbally.

The notification will include the following:

- i. Operator's name
- ii. Well Name and API Number
- iii. Location by Unit Letter, Section, Township, and Range

Notification was provided to Mr. Brandon Powell with the Aztec office of the OCD via email on January 4, 2012; see attached email printout. Due to an unforeseen delay in plugging and abandonment schedule, notification was sent earlier than anticipated scheduling.

The surface owner shall be notified of XTO's proposal to close the BGT as per the approved closure plan using certified mail, return receipt requested.

The surface owner was notified on January 4, 2012 via email. Email has been approved as a means of surface owner notification to the BLM by Brandon Powell, NMOCD Aztec Office. Due to an unforeseen delay in plugging and abandonment schedule, notification was sent earlier than anticipated scheduling.

11. Re-contouring of location will match fit, shape, line, form and texture of the surrounding area. Re-shaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be placed in areas where needed to prevent erosion on a large scale. Final re-contour shall have a uniform appearance with smooth surface, fitting the natural landscape.

The location has been recontoured to match the above specifications.

12. A minimum of 4 feet of cover shall be achieved and the cover shall include 1 foot of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater.

The site has been backfilled to match these specifications.

13. XTO will seed the disturbed areas the first growing season after the operator closes the pit. Seeding will be accomplished via drilling on the contour whenever practical or by other division-approved methods. BLM or Forest Service stipulated seed mixes will be used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs.

Site will be reclaimed pursuant to the BLM MOU.

14. All closure activities will include proper documentation and be available for review upon request and will be submitted in closure report form to OCD within 60 days of closure of the below-grade tank. Closure report will be filed on form C-144 and incorporate the following:

- i. Proof of closure notice to division and surface owner; **attached**
- ii. Details on capping and covering, where applicable; **per OCD Specifications**
- iii. Inspection reports; **attached**
- iv. Confirmation sampling analytical results; **attached**
- v. Disposal facility name(s) and permit number(s); **see above**
- vi. Soil backfilling and cover installation; **per OCD Specifications**
- vii. Re-vegetation application rates and seeding techniques, (or approved alternative to re-vegetation requirements if applicable); **Per BLM MOU.**
- viii. Photo documentation of the site reclamation. **attached**



**EPA METHOD 8015 Modified
Nonhalogenated Volatile Organics
Total Petroleum Hydrocarbons**

Client:	XTO	Project #:	98031-0528
Sample ID:	BGT Closure	Date Reported:	01-05-12
Laboratory Number:	60725	Date Sampled:	01-04-12
Chain of Custody No:	13121	Date Received:	01-04-12
Sample Matrix:	Soil	Date Extracted:	01-04-12
Preservative:	Cool	Date Analyzed:	01-05-12
Condition:	Intact	Analysis Requested:	8015 TPH

Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)
Gasoline Range (C5 - C10)	ND	0.2
Diesel Range (C10 - C28)	ND	0.1
Total Petroleum Hydrocarbons	ND	

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: Kutz J Federal #2E


Analyst

5796 US Highway 64, Farmington, NM 87401

Three Springs - 65 Mercado Street, Suite 115, Durango, CO 81301


Review

Ph (505) 632-0615 Fx (505) 632-1865

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envirotech-inc.com
laboratory@envirotech-inc.com



EPA Method 8015 Modified
Nonhalogenated Volatile Organics
Total Petroleum Hydrocarbons

Quality Assurance Report

Client:	QA/QC	Project #:	N/A
Sample ID:	01-05-12 QA/QC	Date Reported:	01-05-12
Laboratory Number:	60725	Date Sampled:	N/A
Sample Matrix:	Methylene Chloride	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	01-05-12
Condition:	N/A	Analysis Requested:	TPH

	I-Cal Date	I-Cal RF	C-Cal RF	% Difference	Accept. Range
Gasoline Range C5 - C10	40913	9.996E+02	1.000E+03	0.04%	0 - 15%
Diesel Range C10 - C28	40913	9.996E+02	1.000E+03	0.04%	0 - 15%

Blank Conc. (mg/L - mg/Kg)	Concentration	Detection Limit
Gasoline Range C5 - C10	3.49	0.2
Diesel Range C10 - C28	6.38	0.1

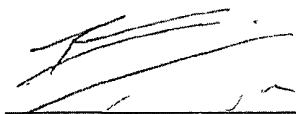
Duplicate Conc. (mg/Kg)	Sample	Duplicate	% Difference	Range
Gasoline Range C5 - C10	ND	ND	0.00%	0 - 30%
Diesel Range C10 - C28	ND	ND	0.00%	0 - 30%

Spike Conc. (mg/Kg)	Sample	Spike Added	Spike Result	% Recovery	Accept. Range
Gasoline Range C5 - C10	ND	250	220	87.9%	75 - 125%
Diesel Range C10 - C28	ND	250	235	93.8%	75 - 125%

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste,
SW-846, USEPA, December 1996.

Comments: QA/QC for Samples 60725-60728.



Analyst



Review

Client:	XTO	Project #:	98031-0528
Sample ID:	BGT Closure	Date Reported:	01-05-12
Laboratory Number:	60725	Date Sampled:	01-04-12
Chain of Custody:	13121	Date Received:	01-04-12
Sample Matrix:	Soil	Date Analyzed:	01-05-12
Preservative:	Cool	Date Extracted:	01-04-12
Condition:	Intact	Analysis Requested:	BTEX
		Dilution:	10

Parameter	Concentration (ug/Kg)	Det. Limit (ug/Kg)
Benzene	ND	10.0
Toluene	ND	10.0
Ethylbenzene	ND	10.0
p,m-Xylene	ND	10.0
o-Xylene	ND	10.0
Total BTEX	ND	


ND - Parameter not detected at the stated detection limit.


Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	85.2 %
	1,4-difluorobenzene	82.3 %
	Bromochlorobenzene	82.6 %

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: Kutz J Federal #2E


 Analyst


 Review

Client:	N/A	Project #:	N/A
Sample ID:	0105BBLK QA/QC	Date Reported:	01-05-12
Laboratory Number:	60725	Date Sampled:	N/A
Sample Matrix:	Soil	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	01-05-12
Condition:	N/A	Analysis:	BTEX
		Dilution:	10

Calibration and Detection Limits (ug/L)	I-Cal RF	C-Cal RF	%Diff	Blank Conc	Detect Limit
		Accept Range 0 - 15%			
Benzene	2.0718E+007	2.0759E+007	0.2%	ND	1.0
Toluene	2.1276E+007	2.1319E+007	0.2%	ND	1.0
Ethylbenzene	1.9045E+007	1.9084E+007	0.2%	ND	1.0
p,m-Xylene	4.8336E+007	4.8433E+007	0.2%	ND	1.0
o-Xylene	1.7518E+007	1.7553E+007	0.2%	ND	1.0

Duplicate Conc. (ug/Kg)	Sample	Duplicate	%Diff	Accept Range	Detect Limit
Benzene	ND	ND	0.0%	0 - 30%	10.0
Toluene	ND	ND	0.0%	0 - 30%	10.0
Ethylbenzene	ND	ND	0.0%	0 - 30%	10.0
p,m-Xylene	ND	ND	0.0%	0 - 30%	10.0
o-Xylene	ND	ND	0.0%	0 - 30%	10.0


Spike Conc. (ug/Kg)	Sample	Amount Spiked	Spiked Sample	% Recovery	Accept Range
Benzene	ND	500	477	95.3%	39 - 150
Toluene	ND	500	488	97.6%	46 - 148
Ethylbenzene	ND	500	481	96.2%	32 - 160
p,m-Xylene	ND	1000	972	97.2%	46 - 148
o-Xylene	ND	500	495	99.0%	46 - 148

ND - Parameter not detected at the stated detection limit.

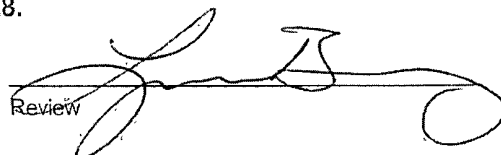
Dilution: Spike and spiked sample concentration represent a dilution proportional to sample dilution.

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.
Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996.

Comments: QA/QC for Samples 60725, 60727-60728.



Analyst



Review



EPA METHOD 418.1

TOTAL PETROLEUM HYDROCARBONS

Client:	XTO	Project #:	98031-0528
Sample ID:	BGT Closure	Date Reported:	01-05-12
Laboratory Number:	60725	Date Sampled:	01-04-12
Chain of Custody No:	13121	Date Received:	01-04-12
Sample Matrix:	Soil	Date Extracted:	01-05-12
Preservative:	Cool	Date Analyzed:	01-05-12
Condition:	Intact	Analysis Needed:	TPH-418.1

Parameter	Concentration (mg/kg)	Det. Limit (mg/kg)
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Total Petroleum Hydrocarbons	257	18.2
------------------------------	-----	------

ND = Parameter not detected at the stated detection limit.

References: Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water and Waste, USEPA Storet No. 4551, 1978.

Comments: Kutz J Federal #2E

Analyst

5796 US Highway 64, Farmington, NM 87401

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Ph (970) 259-0615 Fr (800) 362-1879

Review



EPA METHOD 418.1
ANALYTICAL LABORATORY TOTAL PETROLEUM HYDROCARBONS
QUALITY ASSURANCE REPORT

Client:	QA/QC	Project #:	N/A
Sample ID:	QA/QC	Date Reported:	01-05-12
Laboratory Number:	01-04-TPH.QA/QC 60725	Date Sampled:	N/A
Sample Matrix:	Freon-113	Date Analyzed:	01-05-12
Preservative:	N/A	Date Extracted:	01-05-12
Condition:	N/A	Analysis Needed:	TPH

Calibration	I-Cal Date	C-Cal Date	I-Cal RF	C-Cal RF	% Difference	Accept Range
	11-16-11	01-05-12	1,610	1,670	3.7%	+/- 10%

Blank Conc. (mg/Kg)	Concentration	Detection Limit
TPH	ND	6.4

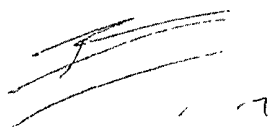
Duplicate Conc. (mg/Kg)	Sample	Duplicate	% Difference	Accept Range
TPH	257	295	15.0%	+/- 30%

Spike Conc. (mg/Kg)	Sample	Spike Added	Spike Result	% Recovery	Accept Range
TPH	257	2,000	1,860	82.4%	80 - 120%

ND = Parameter not detected at the stated detection limit.

References: Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water and Waste, USEPA Storet No. 4551, 1978.

Comments: QA/QC for Samples 60725



Analyst



Review

Client:	XTO	Project #:	98031-0528
Sample ID:	BGT Closure	Date Reported:	01-05-12
Lab ID#:	60725	Date Sampled:	01-04-12
Sample Matrix:	Soil	Date Received:	01-04-12
Preservative:	Cool	Date Analyzed:	01-05-12
Condition:	Intact	Chain of Custody:	13121

Parameter	Concentration (mg/Kg)
-----------	-----------------------

Total Chloride**120**

Reference: U.S.E.P.A., 4500B, "Methods for Chemical Analysis of Water and Wastes", 1983.
Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments: **Kutz J Federal #2E**



Analyst

5796 US Highway 64, Farmington, NM 87401

Three Springs • 65 Mercado Street, Suite 115, Durango, CO 81301



Review

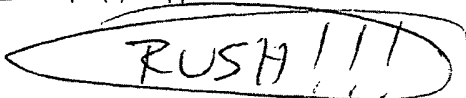

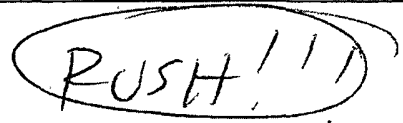
Ph (505) 632-0615 Fx (505) 632-1865

Ph (970) 259-0615 Fr (800) 362-1879


envirotech-inc.com
laboratory@envirotech-inc.com

CHAIN OF CUSTODY RECORD

13121

Client: XTO			Project Name / Location: KUTZ J FEDERAL #2E			ANALYSIS / PARAMETERS																
Email results to: GAMES McDANIEL			Sampler Name: BRAD GRIFFIN			TPH (Method 8015)	BTEX (Method 8021)	VOC (Method 8260)	RCRA 8 Metals	Cation / Anion	Pb	TCLP with H/P	CO Table 910-1	TPH (418.1)	CHLORIDE			Sample Cool	Sample Intact			
Client Phone No.: 757-0859			Client No.: 98031-0528																			
Sample No./ Identification	Sample Date	Sample Time	Lab No.	No./Volume of Containers	Preservative			TPH	BTEX	VOC	RCRA 8 Metals	Cation / Anion	Pb	TCLP with H/P	CO Table 910-1	TPH (418.1)	CHLORIDE			Sample Cool	Sample Intact	
					HgCl ₂	HCl																
PET CLASURE	1/4	1422	60725	2	402				X	X							X	X			X	X
Relinquished by: (Signature) Bl Griffin					Date 1/4	Time 1500	Received by: (Signature) William Joe										Date 1/4/12	Time 1500				
Relinquished by: (Signature)							Received by: (Signature)															
Sample Matrix																						
Soil <input checked="" type="checkbox"/> Solid <input type="checkbox"/> Sludge <input type="checkbox"/> Aqueous <input type="checkbox"/> Other <input type="checkbox"/>																						
<input type="checkbox"/> Sample(s) dropped off after hours to secure drop off area.																						
																						
5795 US Highway 64 • Farmington, NM 87401 • 505-632-0615 • Three Springs • 65 Mercado Street, Suite 115, Durango, CO 81301 • laboratory@envirotech-inc.com																						



James McDaniel /FAR/CTOC

01/04/2012 08:13 AM

To Mark_Kelly@blm.gov

cc

bcc

Subject BGT Closure Notifications

Mark,

Please accept this email as the required notification for BGT Closure activities at the following well sites :

Kutz J Federal #2E - 30-034-30755 - Unit I, Section 6, Township 27N, Range 10W, San Juan County, New Mexico

O H Randel 14 #1E - 30-045-34010 - Unit M, Section 14, Township 26N, Range 11W, San Juan County, New Mexico

The BGTs at both of these well sites are being closed due to the plugging and abandoning of the well sites. Thank you for your time in regards to this matter.



James McDaniel, CHMM #15676

EH&S Supervisor

XTO Energy, Inc.

Office # 505-333-3701

Cell # 505-787-0519

James_Mcdaniel@xtoenergy.com



James McDaniel /FAR/CTOC

01/04/2012 08:12 AM

To brandon.powell@state.nm.us

cc

bcc

Subject BGT Closures

Brandon,

Please accept this email as the required notification for BGT Closure activities at the following well sites :

Kutz J Federal #2E - 30-034-30755 - Unit I, Section 6, Township 27N, Range 10W, San Juan County, New Mexico

O H Randel 14 #1E - 30-045-34010 - Unit M, Section 14, Township 26N, Range 11W, San Juan County, New Mexico

The BGTs at both of these well sites are being closed due to the plugging and abandoning of the well sites. Thank you for your time in regards to this matter.



James McDaniel, CHMM #15676

EH&S Supervisor

XTO Energy, Inc.

Office # 505-333-3701

Cell # 505-787-0519

James.Mcdaniel@xtoenergy.com



Well Below Tank Inspection Report

StopName KUTZ J FEDERAL 02E Pumper Brown Zachary Foreman Sanders, David WellName KUTZ J FED 02E APIWellNumber 3004530755 Section 6 Range 10W Township 27N

InspectorName	Inspection Date	Inspection Time	Visible LinerTears	VisibleTankLeak Overflow	Collection OfSurfaceRun	Visible LayerOil	Visible Leak	Freeboard EstFT	PitLocation	PitType	Notes
LDR	08/07/2008	1048.00	No	No	No	Yes	No	1			
Trent Willis	10/06/2008	13:18	No	No	No	Yes	No	1			New Seperator.
ldr	11/04/2008	1405 00	No	No	No	Yes	No	1	Well Water Pit	Below Ground	New Seperator.
ldr	12/05/2008	100:00	No	No	No	Yes	No	1	Well Water Pit	Below Ground	New Seperator.
Trent Willis	01/29/2009	14:55	No	No	No	Yes	No	2	Well Water Pit	Below Ground	
LDR	02/28/2009	09:00	No	No	No	Yes	No	3	Well Water Pit	Below Ground	
gary ward	03/04/2009	14:10	No	No	No	Yes	No	3	Well Water Pit	Below Ground	
GARY WARD	04/15/2009	11:34	No	No	No	Yes	No	2	Well Water Pit	Below Ground	
GARY WARD	05/25/2009	11:02	No	No	No	Yes	No	4	Well Water Pit	Below Ground	
GARY WARD	06/24/2009	12:03	No	No	No	Yes	No	3	Well Water Pit	Below Ground	
GARY WARD	07/17/2009	12:07	No	No	No	Yes	No	3	Well Water Pit	Below Ground	
GARY WARD	08/17/2009	11 30	No	No	No	Yes	No	5	Well Water Pit	Below Ground	
GARY WARD	09/10/2009	10:52	No	No	No	Yes	No	3	Well Water Pit	Below Ground	
GARY WARD	10/22/2009	14:06	No	No	No	Yes	No	5	Well Water Pit	Below Ground	
LDR	11/26/2009	14 00	No	No	No	Yes	No	5	Well Water Pit	Below Ground	
GARY WARD	12/21/2009	11 44	No	No	No	Yes	No	4	Well Water Pit	Below Ground	
GARY WARD	01/29/2010	14 11	No	No	No	Yes	No	3	Well Water Pit	Below Ground	
GARY WARD	02/20/2010	10 58	No	No	No	Yes	No	5	Well Water Pit	Below Ground	
GARY WARD	03/12/2010	10 34	No	No	No	Yes	No	2	Well Water Pit	Below Ground	
GARY WARD	04/12/2010	12:40	No	No	No	Yes	No	3	Well Water Pit	Below Ground	
LDR	05/11/2010	12:25	No	No	No	Yes	No	5	Well Water Pit	Below Ground	
GARY WARD	06/06/2010	14 20	No	No	No	Yes	No	4	Well Water Pit	Below Ground	
kolby durham	07/05/2010	08:26	No	No	No	Yes	No	4	Well Water Pit	Below Ground	
GARY WARD	08/05/2010	12:42	No	No	No	Yes	No	3	Well Water Pit	Below Ground	
GARY WARD	09/06/2010	12:29	No	No	No	Yes	No	3	Well Water Pit	Below Ground	
GARY WARD	10/05/2010	14:52	No	No	No	Yes	No	4	Well Water Pit	Below Ground	
LDR	11/12/2010	10:15	No	No	No	Yes	No	3	Well Water Pit	Below Ground	
LDR	12/04/2010	03:00	No	No	No	Yes	No	4	Well Water Pit	Below Ground	
LDR	02/12/2011	01:45	No	No	No	Yes	No	3	Well Water Pit	Below Ground	

LDR	03/08/2011	10:25	No	No	No	Yes	No	3	Well Water P	Below Ground
GARY WARD	04/11/2011	13:36	No	No	No	Yes	No	1	Well Water P	Below Ground
LDR	05/03/2011	09:48	No	No	No	Yes	No	2	Well Water P	Below Ground

XTO Energy, Inc.
Kutz J Federal #2E
Section 6, Township 27N, Range 10W
Closure Date 6/18/2012

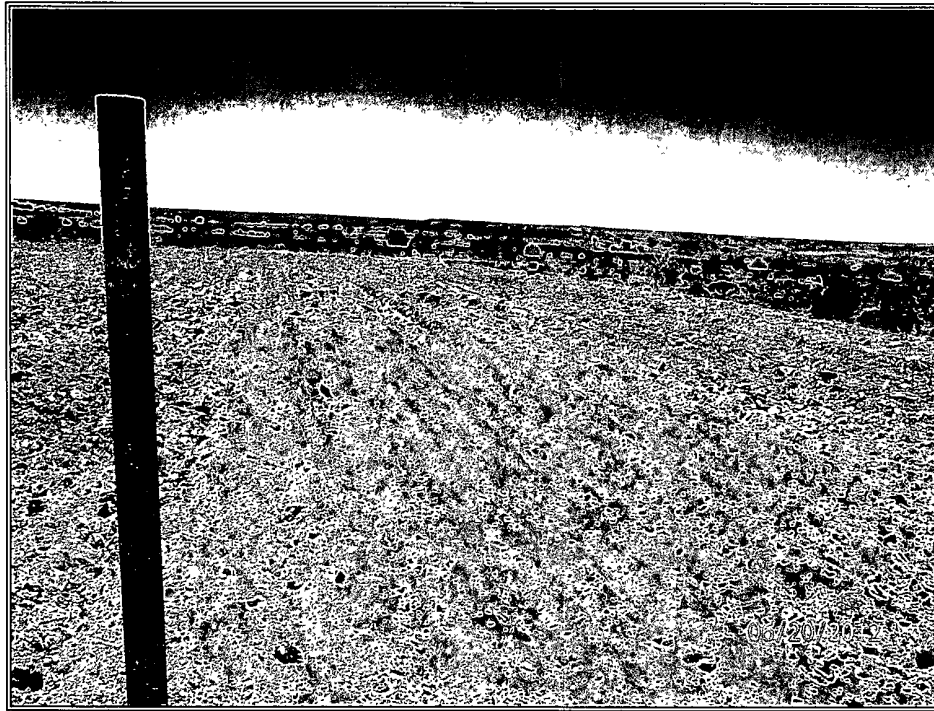


Photo 1: Kutz J Federal #2E after Reclamation.



Photo 2: Kutz J Federal #2E after Reclamation.

XTO Energy, Inc.
Kutz J Federal #2E
Section 6, Township 27N, Range 10W
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Photo 3: Kutz J Federal #2E after Reclamation.



Photo 4: Kutz J Federal #2E after Reclamation.