District I

1625 N French Dr., Hobbs, NM 88240

District II

1301 W Grand Ave, Artesia, NM 88210

District III

1000 Rio Brazos Rd, Aztec, NM 87410

District IV

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 sytems, 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

1220 S St Francis Dr , Santa Fe, NM 87505 Pit. Closed-Loop System, Below-Grade Tank, or 10386 Proposed Alternative Method Permit or Closure Plan Application X Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Type of action: Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances Operator: Burlington Resources Oil & Gas Company, LP OGRID#: 14538 Address: PO Box 4289, Farmington, NM 87499 Facility or well name: Newberry 9A API Number: 30-045-26386 OCD Permit Number 12W U/L or Qtr/Qtr: C(NE/NW) Section: 31N Township: Range: County: San Juan Center of Proposed Design: Latitude: 36.93272 ٥N 108.12092 **°W** NAD: **X** 1927 1983 Longitude: Surface Owner: X Private Tribal Trust or Indian Allotment Pit: Subsection F or G of 19 15 17 11 NMAC RCVD SEP 12'12 OIL CONS. DIV. Drilling Workover D75T. 3 Permanent Emergency Cavitation P&A Thickness mil LLDPE HDPE PVC Other Lined Unlined Liner type. String-Reinforced Liner Seams Welded Factory Other Volume Dimensions L X Closed-loop System: Subsection H of 19 15.17 11 NMAC X P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or Type of Operation notice of intent) Above Ground Steel Tanks Haul-off Bins Other LLDPE HDPE PVD Other Lined Unlined Liner type Thickness mıl Welded ___ Liner Seams Factory Other Below-grade tank: Subsection I of 19 15 17 11 NMAC Type of fluid. Volume bbl Tank Construction material Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off Visible sidewalls and liner Visible sidewalls only Other THDPE IPVC Liner Type mil Alternative Method:

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Oil Conservation Division

Submittal of an exception request is required Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval

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Fernance Subsection D of 10.15.17.11 NIMAC (Applies to payment out tempovary puts and below area to tanke)					
Fencing: Subsection D of 19 15 17 11 NMAC (Applies to permanent pit, temporary pits, and below-grade tanks)					
Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, ins.	titution or chui	rch)			
Four foot height, four strands of barbed wire evenly spaced between one and four feet					
Alternate Please specify					
Nothing Subsection For FIG. 15.17.11. NIMAC (Applies to proper party and a proper party a					
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		İ			
X Signed in compliance with 19 15 3 103 NMAC					
9					
Administrative Approvals and Exceptions:					
Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance					
Please check a box if one or more of the following is requested, if not leave blank:					
Administrative approval(s) Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for consideration of approval					
(Fencing/BGT Liner)					
Exception(s) Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval					
10					
Siting Criteria (regarding permitting) 19.15 17 10 NMAC					
Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable					
source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Office for					
consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria					
does not apply to drying pads or above grade-tanks associated with a closed-loop system.					
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.	□Yes	\square_{No}			
- NM Office of the State Engineer - IWATERS database search, USGS, Data obtained from nearby wells	🗀 🔐	ш···			
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake	Пуеѕ	\square_{N_0}			
(measured from the ordinary high-water mark).					
- Topographic map, Visual inspection (certification) of the proposed site					
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial	□Yes	\square_{No}			
application.					
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)	□NA				
- Visual inspection (certification) of the proposed site; Aerial photo, Satellite image					
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes	□No			
(Applied to permanent pits)					
- Visual inspection (certification) of the proposed site, Acrial photo, Satellite image					
		□Na			
Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	∐Yes	∐No			
- NM Office of the State Engineer - 1WATERS database search; Visual inspection (certification) of the proposed site					
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	Yes	□No			
adopted pursuant to NMSA 1978, Section 3-27-3, as amended					
- Written confirmation or verification from the municipality; Written approval obtained from the municipality Within 500 feet of a wetland.		□N ₀			
- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	∐Yes	∐No			
Within the area overlying a subsurface mine.	☐ Yes	□No			
- Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	٦.۵.	··			
Within an unstable area.	Yes	∏No			
- Engineering measures incorporated into the design, NM Bureau of Geology & Mineral Resources; USGS; NM Geological					
Society; Topographic map					
Within a 100-year floodplain	Yes	No			
- FEMA map	ł				

Temporary Pits, Emergency Pits and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19 15 17 9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached				
Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC				
Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19 15.17.9				
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15 17.10 NMAC				
Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC				
Operating and Maintenance Plan - based upon the appropriate requirements of 19 15.17.12 NMAC				
Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17 9 NMAC and 19.15 17 13 NMAC				
Previously Approved Design (attach copy of design) API or Permit				
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15 17 9 NMAC Instructions Each of the following items must be attached to the application Please indicate, by a check mark in the box, that the documents are attached Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19 15 17.9				
Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15 17.10 NMAC				
X Design Plan - based upon the appropriate requirements of 19.15.17 11 NMAC				
X Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17 12 NMAC				
X Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9				
NMAC and 19 15.17 13 NMAC				
Previously Approved Design (attach copy of design) API				
Previously Approved Operating and Maintenance Plan API				
13				
Permanent Pits Permit Application Checklist: Subsection B of 19 15.17.9 NMAC				
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.				
Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19 15.17.9 NMAC				
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15.17 10 NMAC				
Climatological Factors Assessment				
Certified Engineering Design Plans - based upon the appropriate requirements of 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 Clasure Plan has a discontinuous ta sequipamenta of Subsection C of 10.15.17.0 NMAC and 10.15.17.13 NMAC				
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 X P&A Permanent Pit Below-grade Tank X Closed-loop System				
Alternative				
Proposed Closure Method Waste Excavation and Removal				
X Waste Removal (Closed-loop systems only)				
On-site Closure Method (only for temporary pits and closed-loop systems)				
In-place Burial On-site Trench				
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)				
15 Waste Excavation and Removal Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each of the following items must be attached to the closure plan.				
Please indicate, by a check mark in the box, that the documents are attached.				
Protocols and Procedures - based upon the appropriate requirements of 19 15.17.13 NMAC				
Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15 17 13 NMAC				
Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)				
Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19 15.17.13 NMAC				
Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17 13 NMAC				
Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15.17.13 NMAC				

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Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Instructions Please identify the facility or facilities for the disposal of liquids, dri				
facilities are required	D' 15 1 D 1 H	NR 4 01 0011 (NR 01 0	0100	
Disposal Facility Name Envirotech / JFJ Landfarm / IEI	Disposal Facility Permit #		UIUB .	
Disposal Facility Name Basin Disposal Facility Disposal Facility Permit # NM-01-005 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				
Yes (If yes, please provide the information No				
Required for impacted areas which will not be used for future service and operations Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Subsection H of 19 15 17 13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19 15 17.13 NMAC				
Site Reclamation Plan - based upon the appropriate requirements of	Subsection G of 19 13 17 13 N	IMAC		
Siting Criteria (Regarding on-site closure methods only: 19.15 17 10 NMAC Instructions Each sting 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 - (WATERS database search, USGS) Data	obtained from nearby wells		∐Yes ∐No ∏N/A	
Ground water is between 50 and 100 feet below the bottom of the buried w	aste		Yes No	
- NM Office of the State Engineer - IWATERS database search, USGS, Data	obtained from nearby wells		□N/A	
Ground water is more than 100 feet below the bottom of the buried waste			Yes No	
- NM Office of the State Engineer - (WATERS database search, USGS, Data	obtained from nearby wells		□N/A	
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other sig (measured from the ordinary high-water mark)	nuficant watercourse or lakebed, si	nkhole, or playa lake	Yes No	
- Topographic map, Visual inspection (certification) of the proposed site				
Within 300 feet from a permanent residence, school, hospital, institution, or church - Visual inspection (certification) of the proposed site, Aerial photo, satellite in		pplication	YesNo	
Within 500 horizontal feet of a private, domestic fresh water well or spring that les purposes, or within 1000 horizontal fee of any other fresh water well or spring, in e - NM Office of the State Engineer - iWATERS database, Visual inspection (ce	xistence at the time of the initial ap	-	∐Yes ∐No	
Within incorporated municipal boundaries or within a defined municipal fiesh water pursuant to NMSA 1978, Section 3-27-3, as amended		pal ordinance adopted	☐Yes ☐No	
Written confirmation or verification from the municipality; Written approval Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map, Topographic map, Visual		noced site	Yes No	
Within the area overlying a subsurface mine	inspection (certification) of the pro	posed site	∏Yes ∏No	
- Written confiramtion or verification or map from the NM EMNRD-Mining ar	nd Mineral Division			
Within an unstable area - Engineering measures incorporated into the design, NM Bureau of Geology &	t Mineral Resources, USGS, NM (Geological Society,	Yes No	
Topographic map Within a 100-year floodplain - FEMA map			Yes No	
- FEMA map 18 On-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each of the following items must bee attached to the closure plan. Please indicate,				
by a check mark in the box, that the documents are attached.			, c prime 2 touse strategy	
Siting Criteria Compliance Demonstrations - based upon the approp	•			
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) Dollief Basse Title Staff Regulatory Technician
Signature Date 9/11/12
e-mail address dollie I busse@conocophillips com Telephone 505-324-6104
OCD Approval: Permit Application (including closs tre-plan) Closure Plan (only) OCD Conditions (see attachment) OCD Representative Signature: Approval Date: OCD Permit Number:
Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17 13 NMAC Instructions Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed. Closure Completion Date:
22 Closure Method: Waste Excavation and Removal On-site Closure Method Alternative Closure Method Waste Removal (Closed-loop systems only) If different from approved plan, please explain
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
Site Reclamation (Photo Documentation) On-site Closure Location Latitude Longitude NAD 1927 1983
25
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is ture, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.
Name (Print) Title
Signature Date e-mail address Telephone

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

Closed-loop Design Plan

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

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

Closed-loop Operating and Maintenance Plan

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

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

Closed-loop Closure Plan

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