District I 1625 N French Dr , Hobbs, NM 88240

1301 W Grand Ave , Artesia, NM 88210

District III

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State of New Mexico Energy Minerals and Natural Resources

> Department Oil Conservation Division 1220 South St. Francis Dr.

Form C-144 July 21, 2008

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

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00 Rio Brazos Rd , Aztec, NM 87410  strict IV  20 S St Francis Dr , Santa Fe, NM 87505	Santa Fe, NM	87505	For permanent pits and exce Environmental Bureau office a appropriate NMOCD District (	nd provide a copy to the
. 0	Pit, Closed-Loop System osed Alternative Method F			
Type of action:	Permit of a pit, closed-loop syst  X Closure of a pit, closed-loop syst  Modification to an existing perr  Closure plan only submitted for below-grade tank, or proposed a	tem, below-grade tan stem, below-grade tan mit an existing permitte	k, or proposed alternative	e method ve method
Please be advised that approval o	pplication (Form C-144) per individent of this request does not relieve the operator of hale eve the operator of its responsibility to comply we have the operator of its responsibility to comply we have the operator of its responsibility to comply we have the operator of its responsibility to comply we have the operator of its responsibility to comply we have the operator of its responsibility to comply we have the operator of the operator opera	bility should operations resu	lt in pollution of surface water, g	ground water or the
perator: ConocoPhillips Compan	у	(	DGRID#: <b>217817</b>	
ddress: PO Box 4289, Farmingto				
acility or well name: AXI Apache		OCD Permit Number		
PI Number: 30  /L or Qtr/Qtr: O(SW/SE) Section  enter of Proposed Design: Latitude  urface Owner: Federal	: 36.4095 °N	Range: 41  Longitude: ibal Trust or Indian A	107.2179 °W	<b>Triba</b> NAD: <b>X</b> 1927 1983
Permanent Emergency C Lined Unlined Li String-Reinforced	VII NMAC kover Pavitation P&A ner type Thickness mil		DPE PVC Other	
Type of Operation X P&A  Drying Pad X Above Grou  Lined Unlined Line	on H of 19 15 17 11 NMAC  Drilling a new well Workover or notice of intend Steel Tanks Haul-off Bins r type Thickness milectory Other	• • • • • • • • • • • • • • • • • • • •	tivities which require prior	approval of a permit or
Below-grade tank: Subsection I Volume b Tank Construction material Secondary containment with leak de Visible sidewalls and liner	bi Type of fluid	r, 6-inch lift and autom:	atic overflow shut-off	

Alternative Method:

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

Fencing: Subsection D of 19 15 17 11 NMAC (Applies to permanent pit, temporary pits, and below-grade tanks)  Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church)  Four foot height, four strands of barbed wire evenly spaced between one and four feet  Alternate Please specify					
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)					
Signs: Subsection C of 19 15 17 11 NMAC  12" X 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers  X Signed in compliance with 19 15 3 103 NMAC					
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.  Exception(s). Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	aderation of approval				
Siting Criteria (regarding permitting) 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above grade-tanks associated with a closed-loop system.					
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.  - NM Office of the State Engineer - iWATERS database search, USGS, Data obtained from nearby wells	Yes No				
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).  - Topographic map; Visual inspection (certification) of the proposed site	Yes No				
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes No				
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)  - Visual inspection (certification) of the proposed site; Aerial photo, Satellite image	L_NA				
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.  (Applied to permanent pits)	Yes No				
- Visual inspection (certification) of the proposed site, Aerial photo; Satellite image  Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering 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 - iWATERS database search, Visual inspection (certification) of the proposed site  Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	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					
<ul> <li>Within 500 feet of a wetland.</li> <li>US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</li> </ul>	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				

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
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
Previously Approved Operating and Maintenance Plan API
Permanent Pits Permit Application Checklist: Subsection B of 19.15 17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.
Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19.15.17 9 NMAC
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
Climatological Factors Assessment  Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17 11 NMAC
Dike Protection and Structural Integrity Design: based upon the appropriate requirements of 19.15 17 11 NMAC
Leak Detection Design - based upon the appropriate requirements of 19.15 17.11 NMAC
Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15 17 11 NMAC
Quality Control/Quality Assurance Construction and Installation Plan
Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
Nuisance or Hazardous Odors, including H2S, Prevention Plan
Emergency Response Plan
Oil Field Waste Stream Characterization
Monitoring and Inspection Plan   Erosion Control Plan
Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19 15.17.13 NMAC
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 ☐ 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 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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16 Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Sto	cel 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 facilities are required				
Disposal Facility Name	Disposal Facility Permit #			
Disposal Facility Name	Disposal Facility Permit #			
Will any of the proposed closed-loop system operations and associated activities  Yes (If yes, please provide the information No		service and		
Required for impacted areas which will not be used for future service and operations  Soil Backfill and Cover Design Specification - based upon the appropr  Re-vegetation Plan - based upon the appropriate requirements of Subset	iate requirements of Subsection H of 19 15 17 13 NMA action I of 19 15 17 13 NMAC	AC .		
Siting Criteria (Regarding on-site closure methods only: 19 15 17 10 NMA Instructions. Each siting criteria requires a demonstration of compliance in the closure plan certain siting criteria may require administrative approval from the appropriate district office for consideration of approval. Justifications and/or demonstrations of equivalency are	n Recommendations of acceptable source material are provided to see or may be considered an exception which must be submitted to			
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 to the state of the State Engineer - iWATERS database search; USGS Data	tained from nearby wells	Yes N/A	No	
Ground water is between 50 and 100 feet below the bottom of the buried wast		☐Yes	□No	
- NM Office of the State Engineer - tWATERS database search, USGS, Data obt		□ N/A		
		☐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 obt.	ained from nearby wells	□ I'es		
•	·			
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signifi (measured from the ordinary high-water mark)	cant watercourse or lakebed, sinkhole, or playa lake	∐Yes	]No	
- Topographic map, Visual inspection (certification) of the proposed site		Πν		
<ul> <li>Within 300 feet from a permanent residence, school, hospital, institution, or church in</li> <li>Visual inspection (certification) of the proposed site, Aerial photo, satellite image</li> </ul>		∐ Yes	∐No	
Within 500 horizontal feet of a private, domestic fresh water well or spring that less th purposes, or within 1000 horizontal fee of any other fresh water well or spring, in exist - NM Office of the State Engineer - iWATERS database, Visual inspection (certification)	tence at the time of the initial application	Yes	No	
Within incorporated municipal boundaries or within a defined municipal fresh water w pursuant to NMSA 1978, Section 3-27-3, as amended  - Written confirmation or verification from the municipality, Written approval obt	·	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		Yes	□No	
- Written confirantion or verification or map from the NM EMNRD-Mining and Mineral Division  Within an unstable area  - Engineering measures incorporated into the design, NM Bureau of Geology & Mineral Resources, USGS, NM Geological Society,		Yes	□No	
Topographic map Within a 100-year floodplain FEMA map		Yes	No	
On-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each by a check mark in the box, that the documents are attached.	of the following items must bee attached to the closu	ire plan. Pleas	e indicate,	
Siting Criteria Compliance Demonstrations - based upon the appropria	te requirements of 19 15 17 10 NMAC			
Proof of Surface Owner Notice - based upon the appropriate requirement	ents 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 Subse				
Site Reclamation Plan - based upon the appropriate requirements of Su	absection 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) Title
Signature Date
e-mail address Telephone.
OCD Approval: Permit Application (including closure plan) Closure Plan-(only) OCD Conditions (see attachment)  OCD Representative Signature: Approval Date: 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  [X] Closure Completion Date: 8/30/2012
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 Envirotech / JFJ Landfarm % IEI Disposal Facility Permit Number: NM-01-0011 / NM-01-0010B
Disposal Facility Name Basin Disposal Facility Disposal Facility Permit Number. NM-01-005
Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations?  Yes (If yes, please demonstrate compliane to the items below) $X = X$
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
Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box; that the documents are attached.  Proof of Closure Notice (surface owner and division)  Proof of Deed Notice (required for on-site closure)  Plot Plan (for on-site closures and temporary pits)  Confirmation Sampling Analytical Results (if applicable)  Waste Material Sampling Analytical Results (if applicable)  Disposal Facility Name and Permit Number  Soil Backfilling and Cover Installation  Re-vegetation Application Rates and Seeding Technique  Site Reclamation (Photo Documentation)  On-site Closure Location Latitude Longitude: NAD 1927 1983
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) Dølfie L Busse Title Staff Regulatory Technician
Signature Date 9/24/12
e-mail address dollie.l busse@conocophillips.com Telephone (505) 324-6104