District I 1625 N. French Dr., Hobbs, NM 88240

District II 1301 W. Grand Ave., Artesia, NM 88210

District III

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.

1000 Rio Brazos Rd., Aztec, NM 87410  District IV	Santa Fe, NM	87505	For permanent pits and except Environmental Bureau office and appropriate NMOCD District C	nd provide a copy to the
1220 S. St. Francis Dr., Santa Fe, NM 87505	Closed-Loop System,	Below-Grad	e Tank or	
	Alternative Method P			on
~~\				
	rmit of a pit, closed-loop syste		• •	
	osure of a pit, closed-loop sys		tank, or proposed alternativ	ve method
	odification to an existing perm		and the second second	
<b>—</b>	osure plan only submitted for low-grade tank, or proposed a		ted or non-permitted pit, cl	osed-loop system,
Instructions: Please submit one applicati			n system helow-grade tank	k or alternative reauest
Please be advised that approval of this requ	•	• •		•
environment. Nor does approval relieve the op	•			
1 Out of Park and Par	- C		OCDID#: 14529	,
Operator: Burlington Resources Oil & Ga			OGRID#: <u>14538</u>	
Address: PO Box 4289, Farmington, NM				
Facility or well name: HUERFANITO UN				***************************************
API Number: 30-045-3		OCD Permit Numbe		
	1 Township: 26N	_	OW County: SAN J	
Center of Proposed Design: Latitude:	36.51374 °N	Longitude:		NAD: 1927 <b>X</b> 1983
Surface Owner: X Federal	State Private Tri	ibal Trust or Indiar	Allotment	
Pit: Subsection F or G of 19.15.17.11 NM	ıAC			RCVD MAR 25 '13
Temporary: Drilling Workover				OIL CONS. DIV.
Permanent Emergency Cavitatio				DIST. 3
Lined Unlined Liner type	e: Thickness mil	LLDPE	HDPE PVC Other	<del></del> .
String-Reinforced				
Liner Seams: Welded Factory	Other	Volume:	bbl Dimensions L	_ x W x D
3				
	f 19.15.17.11 NMAC			
Type of Operation: P&A X Drillin	ng a new well Workover or notice of inte	•	activities which require prior	approval of a permit or
Drying Pad Above Ground Stee			ET) MUD	
Lined Unlined Liner type:	Thickness mil		IDPE PVD Other	
Liner Seams: Welded Factory	Other			
		· 		
Below-grade tank: Subsection I of 19.1	5.17.11 NMAC			
Volume: bbl	Type of fluid:			
Tank Construction material:			<del></del>	
Secondary containment with leak detection	Visible sidewalls, line	r, 6-inch lift and auto	matic overflow shut-off	
		her		
Liner Type: Thickness m				
Alternative Method:				
Submittal of an exception request is required.	Exceptions must be submitted to	the Santa Fe Environ	mental Bureau office for con-	sideration 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:  X Administrative approval(s): Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for consideration (Closed Loop Pre-set)  Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	leration of app	roval.	
Siting Criteria (regarding permitting) 19.15.17.10 NMAC  Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above grade-tanks associated with a closed-loop system.			
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.  - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes	No	
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).  - Topographic map; Visual inspection (certification) of the proposed site	Yes	□No	
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes	No	
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)	□NA		
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image		<b>_</b>	
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 NA	∐No	
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<u> </u>		
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 adopted pursuant to NMSA 1978, Section 3-27-3, as amended  - Written confirmation or verification from the municipality; Written approval obtained from the municipality	Yes	No	
Within 500 feet of a wetland.  - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	Yes	No	
Within the area overlying a subsurface mine.  - Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	Yes	□No	
Within an unstable area.  - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	Yes	No	
Within a 100-year floodplain - FEMA map	Yes	No	

Temporary Pits, Emergency Pits and Below-grade Tanks Permit Application Attachment ChecklistSubsection 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  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
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
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 (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
Closure Fran - based upon the appropriate requirements of subsection C of 19.13.17.9 NMAC and 19.13.17.13 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 X Closed-loop System
Alternative (PRE-SET)
Proposed Closure Method:   Waste Excavation and Removal
, ·
Waste Removal (Closed-loop systems only)
Waste Removal (Closed-loop systems only) On-site Closure Method (only for temporary pits and closed-loop systems)
Waste Removal (Closed-loop systems only) On-site Closure Method (only for temporary pits and closed-loop systems) In-place Burial On-site Trench
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 Removal (Closed-loop systems only) On-site Closure Method (only for temporary pits and closed-loop systems) In-place Burial On-site Trench
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.
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
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
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)
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
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)

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Waste Removal Closure For Closed-loop Systems That Utilize Above Ground St. Instructions: Please identify the facility or facilities for the disposal of liquids, drilling			
facilities are required.	.,,		
Disposal Facility Name: Envirotech / JFJ Landfarm % IEI	Disposal Facility Permit #: NM-01-0011 / NM-01-0	010B	
Disposal Facility Name: Basin Disposal Facility	Disposal Facility Permit #: NM-01-005		
Will any of the proposed closed-loop system operations and associated active 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 appropriate requirements of Subset Site Reclamation Plan - based upon the appropriate requirements of Subset Site Reclamation Plan - based upon the appropriate requirements of Su	priate requirements of Subsection H of 19.15.17.13 Notetion I of 19.15.17.13 NMAC	MAC	
17 <u>Siting Criteria (Regarding on-site closure methods only:</u> 19.15.17.10 NMA Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. R certain siting criteria may require administrative approval from the appropriate district office o office for consideration of approval. Justifications and/or demonstrations of equivalency are rec	ecommendations of acceptable source material are provided below. r may be considered an exception which must be submitted to the Sa		
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 ob	stained from nearby wells	Yes No	
Ground water is between 50 and 100 feet below the bottom of the buried wa	iste	Yes No	
- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the State Engineer - iWATERS database search; USGS; Data obtained the USGS database search - iWATERS database search - iWATERS database search - iWATERS database search - iWATERS data	tained 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 - iWATERS database search; USGS; Data ob	tained from nearby wells	□N/A □	
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signi (measured from the ordinary high-water mark).	ficant watercourse or lakebed, sinkhole, 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 in - Visual inspection (certification) of the proposed site; Aerial photo: satellite image		Yes No	
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal fee of any other fresh water well or spring, in existence at the time of the initial application.  - NM Office of the State Engineer - iWATERS database: Visual inspection (certification) of the proposed site			
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 of	rell field covered under a municipal ordinance adopted	Yes No	
Within 500 feet of a wetland  - US Fish and Wildlife Wetland Identification map: Topographic map: Visual in:	, ,	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 & I Topographic map	Mineral Resources; USGS; NM Geological Society:	YesNo	
Within a 100-year floodplain FEMA map		Yes No	
18  On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each by a check mark in the box, that the documents are attached.	th of the following items must bee attached to the clo	sure plan. Please indicate,	
Siting Criteria Compliance Demonstrations - based upon the appropr	riate requirements of 19.15.17.10 NMAC		
Proof of Surface Owner Notice - based upon the appropriate requires	nents 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			
X 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			
<ul> <li>Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC</li> <li>Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)</li> </ul>			
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			

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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: Regulatory Tech.
Signature: (1000(10c)) Date: 3/25/13
e-mail address: / jamie.l.goowin@conocophillips.com Telephone: 505-326-9784
V
20 OCD Approval: Permit Application (including closs re plan)
OCD Representative Signature: Approval Date: 3/26/2013
Title: (SM) (ance Carrel () OCD Permit Number:
Clause Parant (required within 60 days of about a completion), at a second so we are a se
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:
Cosuit Compiction Date.
22 Closure Method:
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 complilane to the items below)
Required for impacted areas which will not be used for future service and operations:
Site Reclamation (Photo Documentation)  Soil Backfilling and Cover Installation
Re-vegetation Application Rates and Seeding Technique
24
Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in
the box, that the documents are attached.
Proof of Closure Notice (surface owner and division)  Proof of Deed Notice (required for on-site closure)
Plot Plan (for on-site closures and temporary pits)
Confirmation Sampling Analytical Results (if applicable)
Waste Material Sampling Analytical Results (if applicable)
Disposal Facility Name and Permit Number
Soil Backfilling and Cover Installation
Re-vegetation Application Rates and Seeding Technique
Site Reclamation (Photo Documentation)
On-site Closure Location: Latitude: Longitude: NAD 1927 1983
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 MUD PRE SET DRILL

## Closed Loop Design:

The closed loop design will not incorporate a temporary pit or below grade tank. The plan will utilize an above grade tank suitable for holding the cuttings and fluids generated during drilling operations. The volume of the tank shall be of a sufficient volume to maintain an adequate free board for periodic removal and disposal of cuttings and fluids.

Burlington Resources Oil & Gas Company, LP may incorporate the use of a 20 mil, string reinforced, LLDPE liner with factory welded seams to line the drying pad in order to minimize the volume of fluids to be disposed of. The drying pad will be designed to prevent contamination of fresh water, protect public health and the environment, and have sumps to facilitate the collection of liquids derived from drilling cuttings, as specified per subsection H of 19.15.17.11. The cuttings pad will be constructed above grade and containment will be through the use of earthen berms of sufficient height to contain the cuttings and prevent run-off of surface water or fluids. The drying pad area will replace the area of the drill site previously designated for the reserve pit. It will be signed in compliance with 19.15.3.103.NMAC. Frac tanks will be utilized on site for fresh water storage.

## **Closed Loop Operations and Maintenance:**

The closed loop system will be operated and maintained for solids and liquid containment to prevent ground water contamination as follows:

- Any free liquids will be recovered and reused or disposed of at the Basin Disposal Facility (Permit # NM-01-005) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B). Reuse may include the relocating of liquids to be used in other permitted drilling operations.
- Drill solids will be recovered from location and hauled to Envirotech (Permit #NM-01-0011) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B) periodically as required to maintain a safe free board in the cuttings tank. No onsite trench burial of cuttings will occur.
- 3. In the event a drying pad is utilized, the cuttings will be picked up and transported to Basin Disposal Facility (Permit #NM-01-005) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B). The liner will be disposed of at the San Juan County Landfill located on CR 3100. The drying pad will be closed within 6 months from the date that the drilling rig is released. Berms constructed from native materials will be bladed on site to the location's contour.
- 4. Any drilling materials or trash will be stored and disposed of appropriately.
- 5. The NMOCD will be notified within 48 hours of the discovery of compromised integrity of the closed loop containment. Any required repairs will commence immediately.

## **Closed Loop Closure Plan:**

1. Upon completion of the drilling operations, all solids and liquids will be removed and disposed of to Envirotech (Permit #NM-01-0011) and/or Basin Disposal Facility (Permit #NM-01-005) and/or JFJ Landfarm % Industrial Ecosystem Inc. (Permit #NM-01-0010B). Equipment shall also be removed from location. In the event a drying pad is utilized, the solids contained on the pad shall remain on site to allow sufficient drying and will then be transported to Envirotech (Permit #NM-01-0011) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit #NM-01-0010B) within 6 months from the date that the drilling rig is released.

2. After the drying pad is removed the surface below will be visually inspected for any contamination. If contamination is discovered a five point composite sample will be taken of the drying pad area using sampling tools and all samples tested per Subsection B of 19.15.17.13(B)(1)(b). In the event that the criteria are not met, all contents will be handled per Subparagraph (a) of Paragraph (1) of Subsection B of 19.15.17.13 i.e., Dig and haul.

Components	Tests Method	Limit (mg/Kg)
Benzene	EPA SW-846 8021B or 8260B	0.2
BTEX	EPA SW-846 8021B or 8260B	50
TPH	EPA SW-846 418.1	2500
GRO/DRO	EPA SW-846 8015M	500
Chlorides	EPA 300.1	500

- 3. Re-contouring of location will match fit, shape, line, form and texture of the surrounding. 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 place 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.
- 4. Notification will be sent to OCD when the reclaimed area is seeded.
- 5. BR shall seed the disturbed areas the first growing season after the operator closes the drying pad. 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 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.

Туре	Variety or Cultivator	PLS/A
Western wheatgrass	Arriba	3.0
Indian ricegrass	Paloma or Rimrock	3.0
Slender wheatgrass	San Luis	2.0
Crested wheatgrass	Hy-crest	3.0
Bottlebrush Squirreltail	Unknown	2.0
Four-wing Saltbrush	Delar	.25

Species shall be planted in pounds of pure live seed per acre: Present Pure Live Seed (PLS) = Purity X Germination/100 Two lots of seed can be compared on the basis of PLS as follows:

Source No. One (poor quality)
Purity 50 percent

cent Purity

Source No. two (better quality)
Purity 80 percent

Germination Percent PLS

40 percent 20 percent Germination

63 percent

5 lb. bulk seed required to make

Percent PLS 50 percent

2 lb. bulk seed required to make

1 lb. PLS

1 lb. PLS