District I     1     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     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 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.
	Pit, Closed-Loop System, Below-Grad	e Tank, or
Propos	sed Alternative Method Permit or Closur	re Plan Application
Type of action:	<ul> <li>X Permit of a pit, closed-loop system, below-grade t</li> <li>Closure of a pit, closed-loop system, below-grade</li> <li>Modification to an existing permit</li> <li>Closure plan only submitted for an existing permit below-grade tank, or proposed alternative method</li> </ul>	tank, or proposed alternative method tted or non-permitted pit, closed-loop system,
Please be advised that approval	application (Form C-144) per individual pit, closed-loo of this request does not relieve the operator of liability should operations r lieve the operator of its responsibility to comply with any other applicable	result in pollution of surface water, ground water or the
1 Operator: Burlington Resources O		OGRID#: 14538
Address: PO Box 4289, Farmingto		
Facility or well name: SAN JUAN API Number:	3004531104 OCD Permit Numbe	
U/L or Qtr/Qtr: K Secti Center of Proposed Design: Latitud Surface Owner: Federal	on: <u>2</u> Township: <u>31N</u> Range: <u>1</u>	IOW         County:         San Juan           -107.85558°W         NAD:         X 1927
Permanent Emergency ( Lined Unlined L String-Reinforced Liner Seams: Welded F	rkover Cavitation P&A	HDPE PVC Other _ bbl Dimensions L x W x D
Type of Operation:     P&A       Drying Pad     Above Group       Lined     Unlined	tion H of 19.15.17.11 NMAC Drilling a new well Workover or Drilling (Applies to notice of intent) und Steel Tanks Haul-off Bins Other er type: Thicknessmil LLDPE H actory Other	activities which require prior approval of a permit or
4       X       Below-grade tank:       Subsection         Volume:       120       b         Tank Construction material:	Type of fluid:       Produced Water         Metal         etection       X Visible sidewalls, liner, 6-inch lift and auto         Visible sidewalls only       Other	omatic overflow shut-off
5 Alternative Method:		
Submittal of an exception request is re-	quired. Exceptions must be submitted to the Santa Fe Enviro	nmental Bureau office for consideration of annroval

Four foot height, four strands of barbed wire evenly spaced between one and four feet         X Alternate.       Please specify 4' hog wire fencing topped with two strands barbed wire.         Image: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)         X Screen       Netting         Other         Monthly inspections (If netting or screening is not physically feasible)         8         Signs:       Subsection C of 19.15.17.11 NMAC         I 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         9         Administrative Approvals and Exceptions:
Four foot height, four strands of barbed wire evenly spaced between one and four feet X Alternate. Please specify <u>4' hog wire fencing topped with two strands barbed wire.</u> Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) X 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 X Signed in compliance with 19.15.3.103 NMAC 9 Administrative Approvals and Exceptions:
X Alternate.       Please specify       4' hog wire fencing topped with two strands barbed wire.         7       Netting:       Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)         X       Screen       Netting       Other
X       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         X       Signed in compliance with 19.15.3.103 NMAC         9       Administrative Approvals and Exceptions:
X       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         X       Signed in compliance with 19.15.3.103 NMAC         9       Administrative Approvals and Exceptions:
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:
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         9         Administrative Approvals and Exceptions:
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         9         Administrative Approvals and Exceptions:
X Signed in compliance with 19.15.3.103 NMAC Administrative Approvals and Exceptions:
9 <u>Administrative Approvals and Exceptions:</u>
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 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 NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa       Yes       X         lake (measured from the ordinary high-water mark).       Topographic map; Visual inspection (certification) of the proposed site       X
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.
(Applied to permanent pits)
- 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.
- 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
Within 500 feet of a wetland.       -       US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site
Within the area overlying a subsurface mine.       Yes         Written confirmation 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; Topographic map
Within a 100-year floodplain     Yes     XN       - FEMA map

Form C-144

Oil Conservation Division

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Instructions: Each of the fo X Hydrogeologic Re Hydrogeologic Da X Siting Criteria Cou X Design Plan - base X Operating and Ma X Closure Plan (Plea	rency Pits and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC allowing items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. port (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC ta (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 mpliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC ed upon the appropriate requirements of 19.15.17.11 NMAC intenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC ase complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of C and 19.15.17.13 NMAC
Previously Approved	Design (attach copy of design) API or Permit
Instructions: Each of the fo         Geologic and Hyd         Siting Criteria Con         Design Plan - base         Operating and Ma         Closure Plan (Plea NMAC and 19.15         Previously Approved	ermit Application Attachment Checklist:       Subsection B of 19.15.17.9 NMAC         dlowing items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.         rogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9         mpliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC         ed upon the appropriate requirements of 19.15.17.11 NMAC         intenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC         use complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9         .17.13 NMAC         Design (attach copy of design)       API         Operating and Maintenance Plan       API
13	
Instructions: Each of the fe Hydrogeologic Re Siting Criteria Cor Climatological Fac Certified Engineer Dike Protection an Leak Detection De Liner Specification Quality Control/Qu Operating and Mai Freeboard and Ove Nuisance or Hazar Emergency Respon Oil Field Waste St Monitoring and Ins Erosion Control Pl Closure Plan - base	ting Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC ad Structural Integrity Design: based upon the appropriate requirements of 19.15.17.11 NMAC esign - based upon the appropriate requirements of 19.15.17.11 NMAC as and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC uality Assurance Construction and Installation Plan intenance Plan - based upon the appropriate requirements of 19.15.17.11 NMAC ertopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC adous Odors, including H2S, Prevention Plan ream Characterization spection Plan
	ete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.
Please indicate, by a check         X       Protocols and Proce         X       Confirmation Samp         X       Disposal Facility N         X       Soil Backfill and C         X       Re-vegetation Plan	Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. mark in the box, that the documents are attached. edures - based upon the appropriate requirements of 19.15.17.13 NMAC pling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC lame and Permit Number (for liquids, drilling fluids and drill cuttings) lover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC 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 Group Instructions: Please identify the facility or facilities for the disposal of liquids, a	nd Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC) Irilling fluids and drill cuttings. Use attachment if more than two	facilities
are required.		
Disposal Facility Name:		
	Disposal Facility Permit #:	
Will any of the proposed closed-loop system operations and associated ac Yes (If yes, please provide the information No	ctivities occur on or in areas that will not be used for future :	service and operations?
Required for impacted areas which will not be used for future service and operation of Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Soil Backfill Site Reclamation Plan - based upon the appropriate requirements	propriate requirements of Subsection H of 19.15.17.13 NMA Subsection I of 19.15.17.13 NMAC	AC
17 <u>Siting Criteria (Regarding on-site closure methods only:</u> 19.15.17.10 Instructions: Each siting criteria requires a demonstration of compliance in the closure certain siting criteria may require administrative approval from the appropriate district for consideration of approval. Justifications and/or demonstrations of equivalency are	plan. Recommendations of acceptable source material are provided bel t office or may be considered an exception which must be submitted to the	
Ground water is less than 50 feet below the bottom of the buried waste.		Yes No
<ul> <li>NM Office of the State Engineer - iWATERS database search; USGS: Database</li> </ul>	ata obtained from nearby wells	N/A
Ground water is between 50 and 100 feet below the bottom of the buried	waste	Yes No
- NM Office of the State Engineer - iWATERS database search; USGS; Dat	ta 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 - iWATERS database search; USGS; D		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other (measured from the ordinary high-water mark).	significant 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 chu	rch in existence at the time of initial application.	Yes No
- Visual inspection (certification) of the proposed site; Aerial photo; satellite	image	
Within 500 horizontal feet of a private, domestic fresh water well or spring that a purposes, or within 1000 horizontal fee of any other fresh water well or spring, i - NM Office of the State Engineer - iWATERS database; Visual inspection (	n existence at the time of the initial application.	Yes No
Within incorporated municipal boundaries or within a defined municipal fresh w pursuant to NMSA 1978, Section 3-27-3, as amended.	vater well field covered under a municipal ordinance adopted	Yes No
<ul> <li>Written confirmation or verification from the municipality; Written approv</li> <li>Within 500 feet of a wetland</li> </ul>	val obtained from the municipality	
<ul> <li>US Fish and Wildlife Wetland Identification map: Topographic map; Visu</li> </ul>	al inspection (certification) of the proposed site	Yes No
Within the area overlying a subsurface mine.		Yes No
- Written confiramtion or verification or map from the NM EMNRD-Mining	and Mineral Division	
Within an unstable area.		Yes No
Engineering measures incorporated into the design; NM Bureau of Geology     Topographic map	y & Mineral Resources; USGS; NM Geological Society;	where the second
Within a 100-year floodplain. - FEMA map		Yes No
18 On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: I by a check mark in the box, that the documents are attached.	Each of the following items must bee attached to the closur	re plan. Please indicate,
Siting Criteria Compliance Demonstrations - based upon the appro	opriate requirements of 19.15.17.10 NMAC	
Proof of Surface Owner Notice - based upon the appropriate requi	rements of Subsection F of 19.15.17.13 NMAC	
Construction/Design Plan of Burial Trench (if applicable) based up	pon the appropriate requirements of 19.15.17.11 NMAC	
Construction/Design Plan of Temporary Pit (for in place burial of a	a drying pad) - based upon the appropriate requirements of 14	9.15.17.11 NMAC
Protocols and Procedures - based upon the appropriate requiremen	its of 19.15.17.13 NMAC	
Confirmation Sampling Plan (if applicable) - based upon the appro	priate requirements of Subsection F of 19.15.17.13 NMAC	
Waste Material Sampling Plan - based upon the appropriate require	ements of Subsection F of 19.15.17.13 NMAC	
Disposal Facility Name and Permit Number (for liquids, drilling flu	• • • • • • • • • • • • • • • • • • •	nnot be achieved)
Soil Cover Design - based upon the appropriate requirements of Su		
Re-vegetation Plan - based upon the appropriate requirements of S Site Reclamation Plan - based upon the appropriate requirements of		

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Oil Conservation Division

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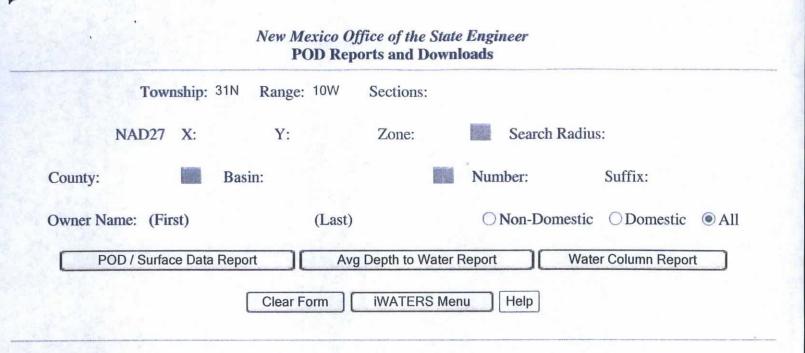
bereby certify that the		second a second second second second second	hand a firm hand hand half of
	nformation submitted with this application is true, ac		
Name (Print):	Crystal Tafoya	Title:	Regulatory Technician
Signature:	Capital Tajoyo	Date:	12/22/2008
e-mail address:	crystal tatoya@conocophillips.com	Telephone:	505-326-9837
0		1	
	Permit Application (including closure plan)	Closure Plan (onl	y) OCD Conditions (see attachment)
OCD Representative	Signature:		Approval Date:
itle:		OCD Pe	rmit Number:
1			
losure Report (requ	ired within 60 days of closure completion): Si		
			osure activities and submitting the closure report. The closure ities. Please do not complete this section of the form until an
	as been obtained and the closure activities have been		nes. Trease ab not complete this section of the form that an
		Close	ure Completion Date:
2			
Vaste Excavatio	n and Removal On-site Closure Method	Alternative Close	re Mathad Waste Ramoual (Cloud loss materie ash)
=			Ire Method Waste Removal (Closed-loop systems only)
I different from	approved plan, please explain.		
	and the second se		
	ing Waste Removal Closure For Closed-loop Syste		
structions: Please ide ere utilized.	ntify the facility or facilities for where the liquids, di	illing fluids and drill cu	ttings were disposed. Use attachment if more than two facilities
Disposal Facility Nar	ne:	Disposal Facil	ity Permit Number:
Disposal Facility Nar			ity Permit Number:
			ky rennit (winder.
were the closed-loop			not be used for future service and opeartions?
Ves (If yes pleas			not be used for future service and opeartions?
	e demonstrate complilane to the items below)	No	not be used for future service and opeartions?
Required for impacte	e demonstrate complilane to the items below) d areas which will not be used for future service and	No	not be used for future service and opeartions?
Required for impacte	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation)	No	not be used for future service and opeartions?
Required for impacte Site Reclamation Soil Backfilling	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation	No	not be used for future service and opeartions?
Required for impacte Site Reclamation Soil Backfilling	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation)	No	not be used for future service and opeartions?
Required for impacte Site Reclamation Soil Backfilling Re-vegetation Ap	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation oplication Rates and Seeding Technique	No operations:	
Required for impacte Site Reclamation Soil Backfilling Re-vegetation Ap	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation oplication Rates and Seeding Technique tachment Checklist: Instructions: Each of the fo	No operations:	not be used for future service and opeartions? ttached to the closure report. Please indicate, by a check mark in
Required for impacte Site Reclamation Soil Backfilling Re-vegetation Ap Closure Report At the box, that the doct	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation oplication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for uments are attached.	No operations:	
Required for impacte Site Reclamation Soil Backfilling a Re-vegetation Apple Closure Report At the box, that the doct Proof of Closure	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation oplication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for aments are attached. e Notice (surface owner and division)	No operations:	
Required for impacte  Site Reclamation  Soil Backfilling a  Re-vegetation Apple  Closure Report Af  the box, that the docu  Proof of Closur  Proof of Deed N	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation oplication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for uments are attached. e Notice (surface owner and division) Notice (required for on-site closure)	No operations:	
Required for impacte  Site Reclamation  Soil Backfilling :  Re-vegetation Ap  Closure Report Af  the box, that the doct  Proof of Closur  Proof of Deed N  Plot Plan (for or	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation oplication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for uments are attached. e Notice (surface owner and division) Notice (required for on-site closure) n-site closures and temporary pits)	No operations:	
Required for impacte         Site Reclamation         Soil Backfilling :         Re-vegetation Application         Closure Report All         the box, that the doct         Proof of Closur         Proof of Deed N         Plot Plan (for or         Confirmation S	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation oplication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for aments are attached. e Notice (surface owner and division) Notice (required for on-site closure) an-site closures and temporary pits) ampling Analytical Results (if applicable)	No operations:	
Required for impacte         Site Reclamation         Soil Backfilling :         Re-vegetation Application         Re-vegetation Application         Proof of Closure         Proof of Deed N         Plot Plan (for or         Confirmation S         Waste Material	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation optication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for uments are attached. e Notice (surface owner and division) Notice (required for on-site closure) a-site closures and temporary pits) ampling Analytical Results (if applicable) Sampling Analytical Results (if applicable)	No operations:	
Required for impacte         Site Reclamation         Soil Backfilling :         Re-vegetation Application         Closure Report Affilter         Proof of Closur         Proof of Deed N         Plot Plan (for of         Confirmation S         Waste Material         Disposal Facilitie	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation oplication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for ments are attached. e Notice (surface owner and division) Notice (required for on-site closure) n-site closures and temporary pits) ampling Analytical Results (if applicable) Sampling Analytical Results (if applicable) y Name and Permit Number	No operations:	
Required for impacte         Site Reclamation         Soil Backfilling :         Re-vegetation Application         Proof of Closur         Proof of Closur         Proof of Deed N         Plot Plan (for or         Confirmation S         Waste Material         Disposal Faciliti         Soil Backfilling	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation oplication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for uments are attached. e Notice (surface owner and division) Notice (required for on-site closure) n-site closures and temporary pits) ampling Analytical Results (if applicable) Sampling Analytical Results (if applicable) y Name and Permit Number and Cover Installation	No operations:	
Required for impacte         Site Reclamation         Soil Backfilling :         Re-vegetation Application         Proof of Closure         Proof of Closure         Proof of Deed N         Plot Plan (for or         Confirmation S         Waste Material         Disposal Facilitien         Soil Backfilling         Re-vegetation Application	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation oplication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for uments are attached. e Notice (surface owner and division) Notice (required for on-site closure) n-site closures and temporary pits) ampling Analytical Results (if applicable) Sampling Analytical Results (if applicable) Sampling Analytical Results (if applicable) y Name and Permit Number and Cover Installation opplication Rates and Seeding Technique	No operations:	
Required for impacte         Site Reclamation         Soil Backfilling :         Re-vegetation Application         Proof of Closure         Proof of Closure         Proof of Deed N         Plot Plan (for or         Confirmation S         Waste Material         Disposal Faciliti         Soil Backfilling         Re-vegetation Application         Soil Backfilling         Soil Backfilling         Stie Reclamation	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation oplication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for ments are attached. e Notice (surface owner and division) Notice (required for on-site closure) n-site closures and temporary pits) ampling Analytical Results (if applicable) Sampling Analytical Results (if applicable) y Name and Permit Number and Cover Installation application Rates and Seeding Technique n (Photo Documentation)	□No operations: Nowing items must be a	ttached to the closure report. Please indicate, by a check mark in
Required for impacte         Site Reclamation         Soil Backfilling :         Re-vegetation Application         Proof of Closure         Proof of Closure         Proof of Deed N         Plot Plan (for or         Confirmation S         Waste Material         Disposal Facilitie         Soil Backfilling	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation oplication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for ments are attached. e Notice (surface owner and division) Notice (required for on-site closure) n-site closures and temporary pits) ampling Analytical Results (if applicable) Sampling Analytical Results (if applicable) y Name and Permit Number and Cover Installation application Rates and Seeding Technique n (Photo Documentation)	No operations:	
Required for impacte         Site Reclamation         Soil Backfilling :         Re-vegetation Application         Proof of Closure         Proof of Closure         Proof of Deed N         Plot Plan (for or         Confirmation S         Waste Material         Disposal Faciliti         Soil Backfilling         Re-vegetation Application         Soil Backfilling         Stie Reclamation	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation oplication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for ments are attached. e Notice (surface owner and division) Notice (required for on-site closure) n-site closures and temporary pits) ampling Analytical Results (if applicable) Sampling Analytical Results (if applicable) y Name and Permit Number and Cover Installation application Rates and Seeding Technique n (Photo Documentation)	□No operations: Nowing items must be a	ttached to the closure report. Please indicate, by a check mark in
Required for impacte         Site Reclamation         Soil Backfilling :         Re-vegetation Application         Proof of Closure         Proof of Closure         Proof of Deed N         Plot Plan (for or         Confirmation S         Waste Material         Disposal Facilitien         Soil Backfilling         Re-vegetation Application         On-site Closure	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation oplication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for ments are attached. e Notice (surface owner and division) Notice (required for on-site closure) n-site closures and temporary pits) ampling Analytical Results (if applicable) Sampling Analytical Results (if applicable) y Name and Permit Number and Cover Installation application Rates and Seeding Technique n (Photo Documentation)	□No operations: Nowing items must be a	ttached to the closure report. Please indicate, by a check mark in
Required for impacte         Site Reclamation         Soil Backfilling :         Re-vegetation Application         Proof of Closure         Proof of Closure         Proof of Deed N         Plot Plan (for or         Confirmation S         Waste Material         Disposal Faciliti         Soil Backfilling         Re-vegetation Application         On-site Closure	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation oplication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for uments are attached. e Notice (surface owner and division) Notice (required for on-site closure) n-site closures and temporary pits) ampling Analytical Results (if applicable) Sampling Analytical Results (if applicable) y Name and Permit Number and Cover Installation opplication Rates and Seeding Technique n (Photo Documentation) Location: Latitude:	□No operations: Nowing items must be a	ttached to the closure report. Please indicate, by a check mark in
Required for impacte         Site Reclamation         Soil Backfilling :         Re-vegetation Application         Proof of Closure         Proof of Closure         Proof of Deed N         Plot Plan (for or         Confirmation S         Waste Material         Disposal Faciliti         Soil Backfilling         Re-vegetation Application S         Waste Material         Disposal Faciliti         Soil Backfilling         Re-vegetation Application S         Disposal Faciliti         Soil Backfilling         Re-vegetation Application Application S         Disposal Faciliti         Soil Backfilling         Re-vegetation Application Application S         Site Reclamation On-site Closure         Dependence Consume Consupplace Consupplace Consume Consume Consume Consume Con	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation optication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for- ments are attached. e Notice (surface owner and division) Notice (required for on-site closure) n-site closures and temporary pits) ampling Analytical Results (if applicable) Sampling Analytical Results (if applicable) y Name and Permit Number and Cover Installation application Rates and Seeding Technique n (Photo Documentation) Location: Latitude: tification: formation and attachments submitted with this closu	No operations:  No llowing items must be a Longitude: re report is ture, accurat	ttached to the closure report. Please indicate, by a check mark in          NAD        1927        1983           te and complete to the best of my knowledge and belief. I also certify that
Required for impacte         Site Reclamation         Soil Backfilling :         Re-vegetation Application         Proof of Closure         Proof of Closure         Proof of Deed N         Plot Plan (for or         Confirmation S         Waste Material         Disposal Faciliti         Soil Backfilling         Re-vegetation Application         Soil Backfilling         Re-vegetation Application         Soil Backfilling         Disposal Faciliti         Soil Backfilling         Re-vegetation Application         Site Reclamation         On-site Closure         Perator Closure Centereby certify that the intervision	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation optication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for- ments are attached. e Notice (surface owner and division) Notice (required for on-site closure) n-site closures and temporary pits) ampling Analytical Results (if applicable) Sampling Analytical Results (if applicable) y Name and Permit Number and Cover Installation application Rates and Seeding Technique n (Photo Documentation) Location: Latitude:	No operations:  No llowing items must be a Longitude: re report is ture, accurat	ttached to the closure report. Please indicate, by a check mark in          NAD        1927        1983           te and complete to the best of my knowledge and belief. I also certify that
Required for impacte         Site Reclamation         Soil Backfilling :         Re-vegetation Application         Proof of Closure         Proof of Closure         Proof of Deed N         Plot Plan (for or         Confirmation S         Waste Material         Disposal Faciliti         Soil Backfilling         Re-vegetation Application         Soil Backfilling         Re-vegetation Application         Soil Backfilling         Disposal Faciliti         Soil Backfilling         Re-vegetation Application         Site Reclamation         On-site Closure         Perator Closure Centereby certify that the intervision	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation optication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for- ments are attached. e Notice (surface owner and division) Notice (required for on-site closure) n-site closures and temporary pits) ampling Analytical Results (if applicable) Sampling Analytical Results (if applicable) y Name and Permit Number and Cover Installation application Rates and Seeding Technique n (Photo Documentation) Location: Latitude: tification: formation and attachments submitted with this closu	No operations:  No llowing items must be a Longitude: re report is ture, accurat	ttached to the closure report. Please indicate, by a check mark in          NAD        1927        1983           te and complete to the best of my knowledge and belief. I also certify that
Required for impacte         Site Reclamation         Soil Backfilling :         Re-vegetation Application         Proof of Closure         Proof of Closure         Proof of Deed N         Plot Plan (for or         Confirmation S         Waste Material         Disposal Faciliti         Soil Backfilling         Re-vegetation Application         Soil Backfilling         Re-vegetation Application         Soil Backfilling         Re-vegetation Application         Site Reclamation         On-site Closure         Perator Closure Centereby certify that the ist of the closure complies with	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation optication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for- ments are attached. e Notice (surface owner and division) Notice (required for on-site closure) n-site closures and temporary pits) ampling Analytical Results (if applicable) Sampling Analytical Results (if applicable) y Name and Permit Number and Cover Installation application Rates and Seeding Technique n (Photo Documentation) Location: Latitude: tification: formation and attachments submitted with this closu	No operations:  No lowing items must be a Longitude: Longitude: re report is ture, accurat pecified in the approved Title:	ttached to the closure report. Please indicate, by a check mark in          NAD        1927        1983           te and complete to the best of my knowledge and belief. I also certify that
Required for impacte         Site Reclamation         Soil Backfilling :         Re-vegetation Approved         Proof of Closure         Proof of Closure         Proof of Deed N         Plot Plan (for or         Confirmation S         Waste Material         Disposal Faciliti         Soil Backfilling         Re-vegetation A         Soil Backfilling         Re-vegetation A         Soil Backfilling         Re-vegetation A         Soil Backfilling         Re-vegetation A         Site Reclamation         On-site Closure         Cereator Closure Center         ereby certify that the interest of the state of th	e demonstrate complilane to the items below) d areas which will not be used for future service and (Photo Documentation) and Cover Installation optication Rates and Seeding Technique tachment Checklist: Instructions: Each of the for- ments are attached. e Notice (surface owner and division) Notice (required for on-site closure) n-site closures and temporary pits) ampling Analytical Results (if applicable) Sampling Analytical Results (if applicable) y Name and Permit Number and Cover Installation application Rates and Seeding Technique n (Photo Documentation) Location: Latitude: tification: formation and attachments submitted with this closu	No operations:  No lowing items must be a Longitude: te report is ture, accurate pecified in the approved	ttached to the closure report. Please indicate, by a check mark in          NAD        1927        1983           te and complete to the best of my knowledge and belief. I also certify that

Oil Conservation Division

Page 5 of 5

Form C-144

Mexico Office of the State Engineer



### WATER COLUMN REPORT 08/20/2008

							3=SW 4=SE				i na se			
							o smallest			Depth	Depth	Water	(in	feet)
POD Number	Tws	Rng				đ	Zone	x	Y	Well	Water	Column		
SJ 00498	31N	10W		1						26	8	18		
SJ 03062 CLW263578	31N	10W		1						47	40	7		
SJ 03062	31N	10W		1						55	46	9		
SJ 02844	31N	10W		1	2	4				37	21	16		
SJ 00573	31N	10W		1						37	12	25		
SJ 00595	31N	10W		1		2				90	12	78		
SJ 00595 S	31N	10W		1	4	2				· 70	10	60		
SJ 00175	31N	10W		2						28	13	15		•
SJ 01563	31N	10W		2						44	28	16		
SJ 02089	31N	10W		2		1				55	40	15		
SJ 03033	31N	10W		2	1					52	30	22		
SJ 03034	31N	10W		2	1	2	1 ·			45	23	22		
SJ 01564	31N	10W	100	2						34	10	24		
SJ 00128	31N	10W	04	2	2					70	21	49		
SJ 02044	31N	10W	05	1	3					22	12	10		
SJ 01370	31N	10W	05	1	3	2				48	28	20		
SJ 01967 X	31N	10W	05	1	3	2				25	10	15		
SJ 02843	31N	10W	05	1	3	2				25	10	15		
SJ 02044 X	31N	10W	05	1	3	4				28	14	14		
SJ 02083	31N	10W	05	2	2	1				23	10	13		
SJ 02069	31N	10W	05	2	2	1				22	9	13		
SJ 03013	31N	10W	05	2	2	3				19	7	12		
SJ 03109	31N	10W	05	2	2	3				21	2	19		
SJ 03004	31N	10W	05	2	2	4				18	6	12		
SJ 02945	31N	10W	05	2	2	4				17	5	.12		
SJ 03368	31N	10W	05	2	2	4				19	6	13		
SJ 03549	31N	10W	05	2	4	4				42	35	7		
SJ 02884	31N	10W		2	4					75				
SJ 00304	31N	10W		3		1.47%				18	5	13		
SJ 02399	31N	10W		3		1				40	14	26		
SJ 02944	31N	10W		3		2				100				
SJ 03112	31N	10W		3	1.0					45	33	12		
NO OFFICE	- all	2011	00	2	1						11	2.2		

SJ 01373 X	31N	10W 05	8	3 4	3			35	10	25	
SJ 02107	31N	10W 05		4 3				35	16	19	
SJ 01373	31N	10W 05		4 3	5			6	3	3	
SJ 02037	31N	10W 05		4 3				39	11	28	
SJ 03452	31N	10W 05		4 4	2			61	30	31	
SJ 03336	31N	10W 05	1	4 4	. 3			58	28	30	
SJ 03246	31N	10W 05		4 4	3			65	15	50	
SJ 01958	31N	10W 06		2				103	83	20	
SJ 01977	31N	10W 06		2 3				93	33	60	
SJ 03308	31N	10W 06		2 4	3			100	60	40	
SJ 02150	31N	10W 07	1	2 2	2			41	23	18	
SJ 02389	31N	10W 07		2 2	3			48	31	17	
SJ 03079	31N	10W 07		2 2	3			50			
SJ 03330	31N	10W 07	2	3 3	1			400			
SJ 01521	31N	10W 07	2	1				45	29	16	
SJ 03802 POD1	31N	10W 07	4	4 3	2	269793	2149984	41	24	17	
SJ 00585	31N	10W 08						40	23	17	
SJ 02304	31N	10W 08		1 2				35	29	6	
SJ 03057	31N	10W 08		1 3				19	6	13	
SJ 03714 POD1	31N	10W 08		3 1	. 1			21	6	15	
SJ 00054	31N	10W 10		2				455			
SJ 00830 -EXPLOR	31N	10W 15		3				550			
SJ 01198	31N	10W 17		3 4				158	97	61	
SJ 02624	31N	10W 18		1 1				295	125	170	
SJ 01616	31N	10W 18		1 3				18	8	10	
SJ 01534	31N	10W 18		1 3				34	23	11	
SJ 03345	31N	10W 18		1 3				21	11	10	
SJ 01796	31N	10W 18		1 3				32	20	12	
SJ 01598	31N	10W 18		1 4				30	5	25	
SJ 01587	31N	10W 18		1 4				35	5	30	
SJ 03163 SJ 01747	31N 31N	10W 18 10W 18		14				19	5	14	
SJ 01718	31N	10W 18		1 4 2 1				20 30	6	14 26	
SJ 03813 POD1	31N	10W 18		2 1		269778	2148065	16	4	10	
SJ 03070	31N	10W 18		2 3		209110	2140005	. 21	1	20	
SJ 03324	31N	10W 18		2 3				43	20	23	
SJ 03474	31N	10W 18		2 4				35	20	15	
SJ 01625	31N	10W 18		3 1				21	6	15	
SJ 01500	31N	10W 18		3 1				26	15	11	
SJ 01550	31N	10W 18		3 1				22	7	15	
SJ 02821	31N	10W 18			. 1			24	8	16	
SJ 03119	31N	10W 18		3 1	. 2			10	8	2	
SJ 01552	31N	10W 18		3 1	. 4			30	22	8	
SJ 03114	31N	10W 18			1			16	8	8	
SJ 02749	31N	10W 18			2			16	10	6	
SJ 03722 POD1	31N	10W 18			3			20	6	14	
SJ 03721 POD1	31N	10W 18			3			25	10	15	
SJ 03435	31N	10W 18			3			10	6	4	
SJ 03622	31N	10W 18			3			20	6	14	
SJ 00611 S	31N	10W 18		3 3				65	25	40	
SJ 00611	31N	10W 18			3			58	46	12	
SJ 00555 CLW225581	31N	10W 19		1				70	45	25	
SJ 02909	31N	10W 19			. 1			60	47	•13	
SJ 02929	31N	10W 19			_ 1			58	40	18	
SJ 02979	31N	10W 19			. 1			57	43	14	
SJ 03103	31N	10W 19			1			53	33	20	
SJ 03359	31N	10W 19			_ 1			70	10000		
SJ 03705 POD1	31N	10W 19			2			69	56	13	
SJ 03487	31N	10W 19		1 1	. 3			65	45	20	

New Mexico Office of the State Engineer

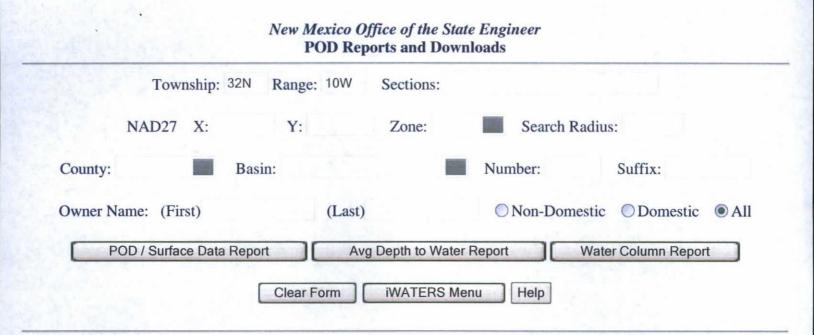
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SJ 03086 `	31N	10W	19	1	1	3	
SJ 03486	31N	10W	19	1	1	3	
SJ 01428	31N	10W	19	1	3		
SJ 01349	31N	10W	19	1	3	3	
SJ 03285	31N	10W	19	3	1	1	
SJ 02084	31N	10W	25	4	4	2	
SJ 00967	31N	10W	27	4	3		
SJ 00990	31N	100	27	4	3		
SJ 01483	31N	100	27	4	4	1	
SJ 02960	31N	10W	27	4	4	2	
SJ 03178	31N	10W	27	4	4	2	
SJ 03539	31N	10W	27	4	4	3	
SJ 00163	31N	100	28	1	4	1	
SJ 00163 EXPL	31N	10W	28	1	4	3	
SJ 03459	31N	10W	32	3	3	2	
SJ 00981	31N	10W	34	2	1		
SJ 01480	31N	10W	34	2	1		
SJ 03624	31N	10W	34	2	1	2	
SJ 03387	31N	10W	34	2	2	1	
SJ 03728 POD1	31N	10W	35	1	3	3	
SJ 03545	31N	10W	35	1	4	3	
SJ 03544	31N	10W	35	1	4	4	
SJ 03571	31N	10W	35	1	4	4	
SJ 03576	31N	10W	35	2	3	3	
SJ 03570	31N	10W	35	2	4	4	
SJ 03554	31N	10W	35	4	2	1	

61	44	17
65	45	20
65	45	20
78	67	11
40		
315		
130	90	40
162	110	52
195	150	45
200	150	50
235	150	85
205	124	81
1538		
1538		
185	175	10
164	118	46
245	125	120
165	65	100
250	200	50
365	230	135
455	317	138
325	220	105
250		
450	137	313
250		
454	317	137

Record Count: 117

### New Mexico Office of the State Engineer



WATER COLUMN REPORT 08/20/2008

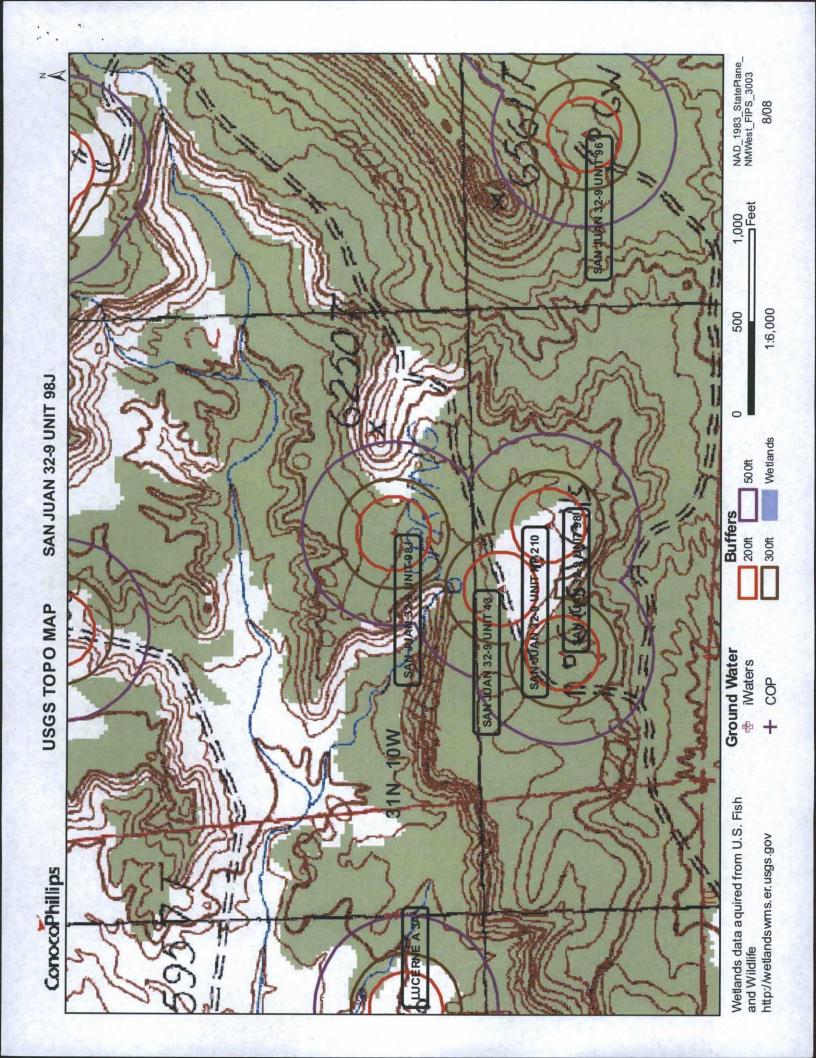
	(quarter	s are	1=	NW	2:	=NE	3=SW 4=S	E)						
	(quarter	s are	e bi	gge	est	t to	smalles	t)		Depth	Depth	Water	(in	feet)
POD Number	Tws	Rng		q	q	g	Zone	x	Y	Well	Water	Column		
SJ 01424	32N	10W	10							164	94	70		
SJ 00528	32N	10W			1					240	100	140		
SJ 00263	32N	10W	10	3	2	2				108	50	58		
SJ 01177	32N	10W	10	3	4					83	38	45		
SJ 01688	32N	10W	10	4	3	3				23	6	17		
SJ 01153	32N	10W	15	1						100	47	53		
SJ 03078	32N	10W	15	1	2	2				21	18	3		
SJ 03527	32N	10W	15	1	4	1				80				
SJ 01290	32N	10W	15	3						105	20	85		
SJ 02845	32N	10W	15	3	2	3				11	5	6		
SJ 01157	32N	10W	15	4	2									
SJ 03429	32N	10W	20	3	1	3				103	54	49		
SJ 02144	32N	10W	21							87	62	25		
SJ 01512	32N	10W	21	2	3					77	67	10		
SJ 00446	32N	10W	21	2	3	4				76	60	16		
SJ 03483	32N	10W	21	2	4	1				90				
SJ 02381	32N	10W	21	2	4	3				65				
SJ 01435	32N	10W	21	4	3					70	40	30		
SJ 00489	32N	10W	21	4	4	1				65	30	35		
SJ 03072	32N	10W	22	1	1	1				80	62	18		
SJ 02980	32N	10W	22	1	1	3				65	36	29		
SJ 03307	32N	10W	22	1	1	4				60	20	40		
SJ 03000	32N	10W	22	1	1	4				105	19	86		
SJ 00153	32N	10W	28	4	1					23	14	9		
SJ 01356	32N	10W			3					65	50	15		
SJ 00323	32N	10W								25	15	10		
SJ 01546	32N	10W		2	2	3				230	160	70		
SJ 01897	32N	10W			4					54	25	29		
SJ 00231	32N	10W		4	-					50	27	23		
SJ 01346	32N	10W			1					70	40	30		
SJ 01222	32N	10W			1					41	34	7		
SJ 02733	32N	10W			1	3				28	16	12		
00 02135	5214	TOW	55		+	5				20	10	12		

New Mexico Office of the State Engineer

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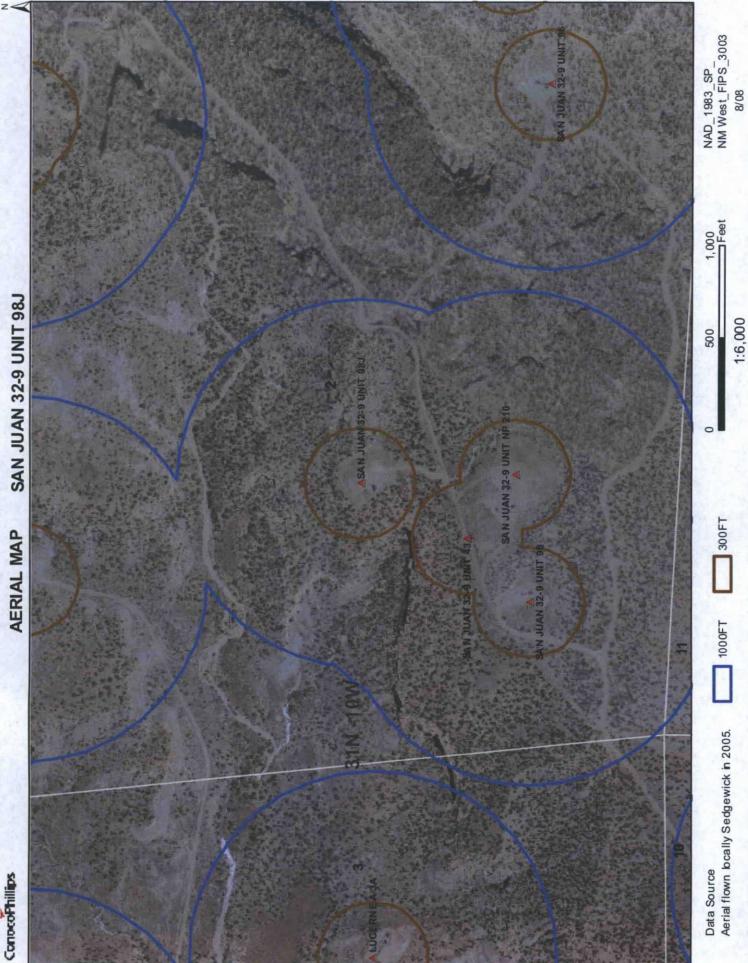
SJ 00860	32N	10W 33	4	2				70	28	42
SJ 01110	32N	10W 33	4	2	4			60	20	40
SJ 01577	32N	10W 33	4	3				44	20	24
SJ 03495	32N	10W 33	4	3	3			40	6	34
SJ 03568	32N	10W 33	4	3	3			80	8	72
SJ 03778 POD1	32N	10W 33	4	3	4	270831	2159896	60	30	30
SJ 02789	32N	10W 33	4	4	4			31	18	13
SJ 00718	32N	10W 34	1	3				31	13	18
SJ 00586	32N	10W 34	3					34	8	26
SJ 00534	32N	10W 34	3					28	12	16
SJ 01490	32N	10W 34	3	1				48	20	28
SJ 01029	32N	10W 34	3	1				31	7	24
SJ 03067	32N	10W 34	3	1	1			20		
SJ 02809	32N	10W 34	3	1	1			30		
SJ 03672	32N	10W 34	3	1	2			25	10	15
SJ 02757	32N	10W 34	3	1	2			29	12	17
SJ 03068	32N	10W 34	3	1	4			35		
SJ 00921	32N	10W 34	3	3	1			60	40	20
SJ 01389	32N	10W 34	3	3	1			35	6	29
SJ 03731 POD1	32N	10W 34	3	3	3			22	12	10

Record Count: 52





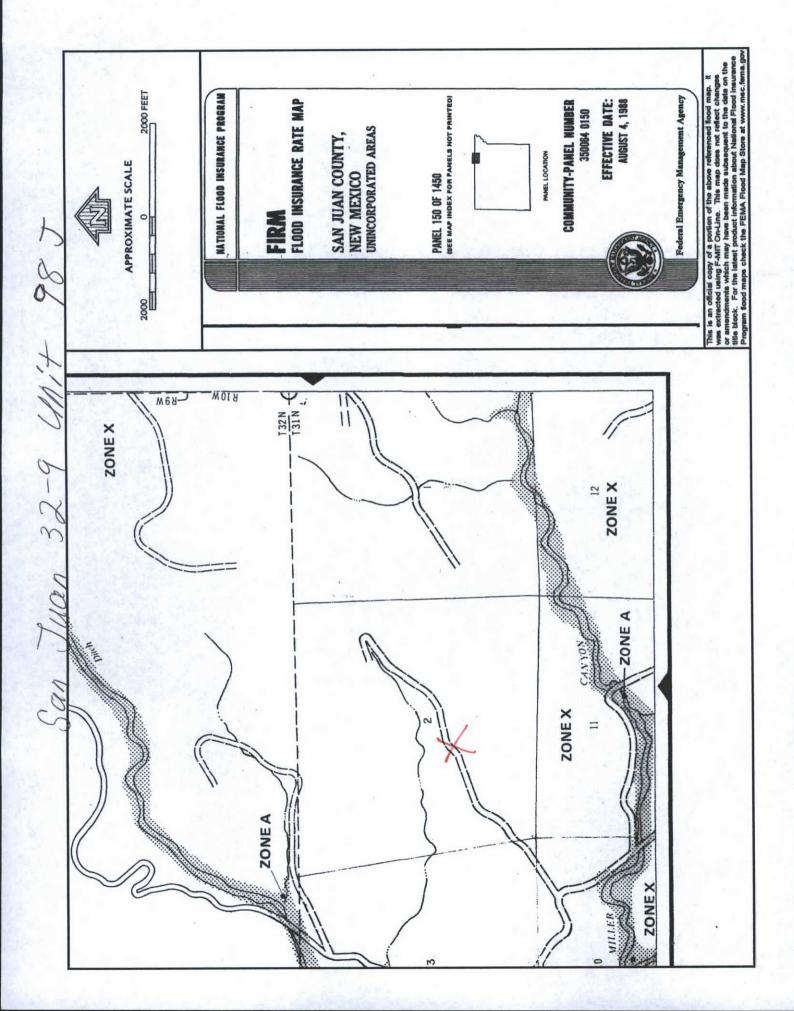
SAN JUAN 32-9 UNIT 98J AERIAL MAP



# Mines, Mills and Quarries Web Map San Juan 32-9 UNIT 98J Unit Letter: K, Section: 02, Town: 031N, Range: 010W

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			6		P. 1	¥.		N.C.					14		No.			
lines, Wills & Quarries Commodity Groups	Aggregate & Stone Mines	Coal Mines	Industrial Minerals Mines	Industrial Minerals Mills	Metal Mines and Mill Concentrate	Potash Mines & Refinerles	Smetters & Refinery Ops.	Uranium Mines	Uranium Mills		Cities - major		Reilways	Interstate Highways	Major Roads		SCALE 1:1,180,363	
ines, Mills (	V	•	*	•			n	*	٩	opulation	•	ranaportation	+	1				III ș

MILES



### SAN JUAN 32-9 UNIT 98J

### Site Specific Hydrogeology

A visual site inspection confirming the information contained herein was performed on the well 'SAN JUAN 32-9 UNIT 98J', which is located at 36.92473 degrees North latitude and 107.85558 degrees West longitude. This location is located on the Mount Nebo 7.5' USGS topographic quadrangle. This location is in section 2 of Township 31 North Range 10 West of the Public Land Survey System (New Mexico Principal Meridian). This location is located in San Juan County, New Mexico. The nearest town is Cedar Hill, located 2.1 miles to the northwest. The nearest large town (population greater than 10,000) is Farmington, located 23.5 miles to the southwest (National Atlas). The nearest highway is US Highway 550, located 2.1 miles to the northwest. The location is on State land and is 1,748 feet from the edge of the parcel as notated in the BLM land status layer updated January 2008. This location is in the Animas. Colorado, New Mexico, Sub-basin. This location is located 1883 meters or 6176 feet above sea level and receives 14 inches of rain each year. The vegetation at this location is classified as Colorado Plateau Pinion-Juniper Woodland as per the Southwest Regional Gap Analysis Program.

The estimated depth to ground water at this point is 257 feet. This estimation is based on the data published on the New Mexico Engineer's iWaters Database website and water depth data from ConocoPhillips' Cathodic wells. Groundwater data available from the NM State Engineer's iWaters Database for wells near the proposed site are attached. The nearest stream is 573 feet to the southwest and is classified by the USGS as an intermittent stream. The nearest perrenial stream is named Animas River and is 7.201 feet to the northwest. The nearest water body is 6,518 feet to the west. It is classified by the USGS as an intermittent lake and is 0.1 acres in size. The nearest spring is 573 feet to the southwest. All stream, river, water body and spring information was determined as per the USGS Hydrographic Dataset (High Resolution), downloaded 3/2008. The nearest water well is 4,060 feet to the southwest. There is no wetland data available for this area. The slope at this location is 6 degrees to the northwest as calculated from USGS 30M National Elevation Dataset. This information is also discerned from the aerial and topographic map included. The surface geology at this location is SAN JOSE FORMATION--Siltstone, shale, and sandstone with a Sandstone dominated formations of all ages substrate. The soil at this location is 'Farb-Persayo-Rock outcrop complex, moderately steep' and is excessively drained and not hydric with severe erosion potential as taken from the NRCS SSURGO map unit, downloaded January 2008. The nearest underground mine is 3.4 miles to the northwest as indicated on the Mines. Mills and Quarries Map of New Mexico provided.

### Regional Hydrogeological context:

The San Jose Formation of Eocene age occurs in New Mexico and Colorado, and its outcrop forms the land surface over much of the eastern half of the central basin. It overlies the Nacimiento Formation in the area generally south of the Colorado-New Mexico State line and overlies the Animas Formation in the area generally north of the State line. The San Jose Formation was deposited in various fluvial-type environments. In general, the unit consists of an interbedded sequence of sandstone, siltstone, and variegated shale. Thickness of the San Jose Formation generally increases from west to east (200 feet in the west and south to almost 2,700 feet in the center of the structural basin). Ground water is associated with alluvial and fluvial sandstone aguifers. Thus, the occurrence of ground water is mainly controlled by the distribution of sandstone in the formation. The distribution of such sandstone is the result of original depositional extent plus any post-depositional modifications, namely erosion and structural deformation. Transmissivity data for San Jose Formation are minimal. Values of 40 and 120 feet squared per day were determined from two aguifer tests (Stone et al, 1983, table 5). The reported or measured discharge from 46 water wells completed in San Jose Formation ranges from 0.15 to 61 gallons per minute and the median is 5 gallons per minute. Most of the wells provide water for livestock and domestic use. The San Jose Formation is a very suitable unit for recharge from precipitation because soils that form on the unit are sandy and highly permeable and therefore readily adsorb precipitation. However, low annual precipitation, relatively high transpiration and evaporation rates, and deep dissection of the San Jose Formation by the San Juan River and its tributaries all tend to reduce the effective recharge to the unit.

Stone et al., 1983, Hydrogeology and Water Resources of the San Juan Basin, New Mexico: Socorro, New Mexico Bureau of Mines and Mineral Resources Hydrologic Report 6, 70 p.

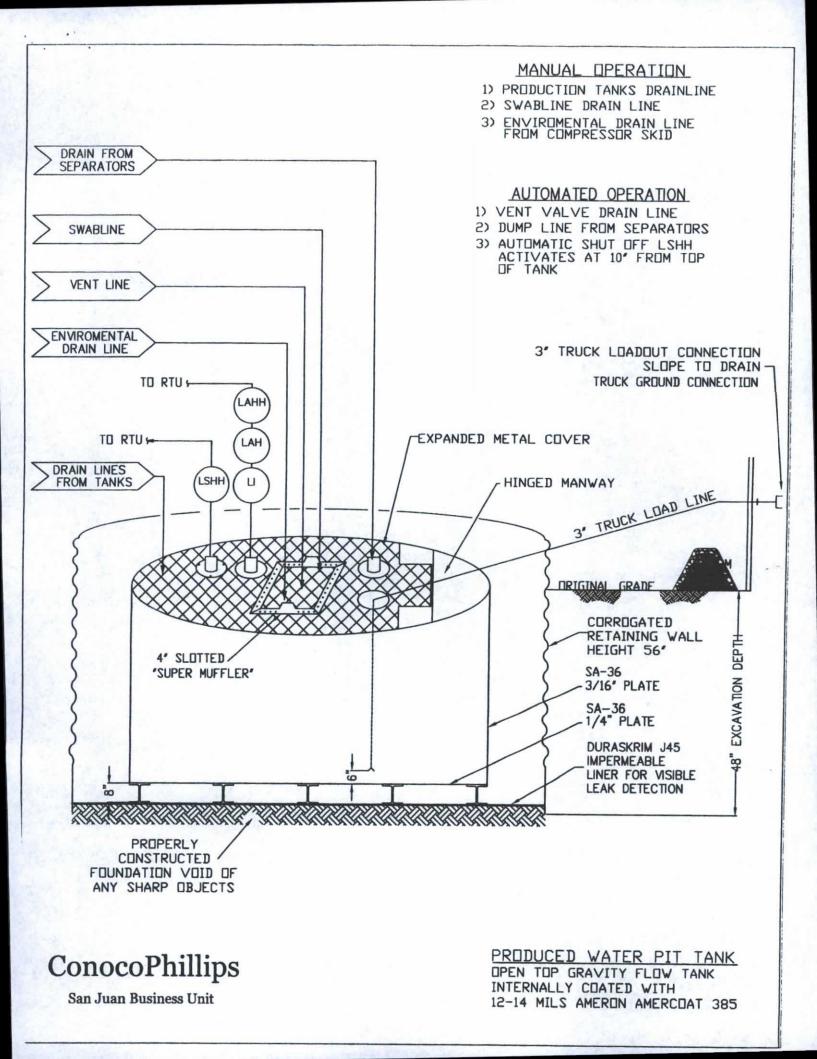
### Burlington Resources Oil & Gas Company, LP San Juan Basin Below Grade Tank Design and Construction

In accordance with NMAC 19.15.17 the following information describes the design and construction of below grade tanks on Burlington Resources Oil & Gas Company, LP (BR) locations. This is BR's standard procedure for all below grade tanks (BGT). A separate plan will be submitted for any BGT which does not conform to this plan.

### General Plan:

- 1. BR will design and construct a properly sized and approved BGT which will contain liquids and should prevent contamination of fresh water to protect the public health and environment.
- BR signage will comply with 19.15.3.103 NMAC when BR is the operator. If BR is not the operator it will comply with 19.15.17.11NMAC. BR includes Emergency Contact information on all signage.
- 3. BR has approval to use alternative fencing that provides better protection. BR constructs fencing around the BGT using 4 foot hog wire fencing topped with two strands of barbed wire, or with a pipe top rail. A six foot chain link fence topped with three strands of barbed wire will be use if the well location is within 1000 feet of permanent residence, school, hospital, institution or church. BR ensures that all gates associated with the fence are closed and locked when responsible personnel are not onsite.
- 4. BR will construct a screened, expanded metal covering, on the top of the BGT.
- BR shall ensure that a below-grade tank is constructed of materials resistant to the below-grade tank's particular contents and resistant to damage from sunlight as shown on design drawing and specification sheet.
- The BR below-grade tank system shall have a properly constructed foundation consisting of a level base free of rocks, debris, sharp edges or irregularities to prevent punctures, cracks or indentations of the liner or tank bottom as shown on design drawing.
- 7. BR shall operate and install the below-grade tank to prevent the collection of surface water run-on. BR has built in shut off devices that do not allow a belowgrade tank to overflow. BR constructs berms and corrugated retaining walls at least 6" above ground to keep from surface water run-on entering the below grade tank as shown on the design plan.
- 8. BR will construct and use a below-grade tank that does not have double walls. The below-grade tank's side walls will be open for visual inspection for leaks, the below-grade tank's bottom is elevated a minimum of six inches above the underlying ground surface and the below-grade tank is underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected.

- 9. BR has equipped the below-grade tanks with the ability to detect high level in the tank and provide alarm notification and shutdown process streams into the tank. Once high level is detected RTU logic closes the inlet separator sales valve and does not permit vent valve to open. This shutdown of the sales valve and gagging of the vent valves prevents any hydrocarbon process streams from entering the pit tank once a high level is detected. Furthermore, an electronic page is sent to the BR MSO for that well site and to the designated contract "Water-Hauling" Company indicating a high level and that action must be taken to address this alarm. The environmental drain line from BR's compressor skid under normal operating conditions is in the open position. The environmental drain line is in place to capture any collected rain water or spilled lubricants from our compressor skids. The swab drain line is a manually operated drain and by normal operating procedures is in the closed position. The tank drain line is also a manually operated drain and during normal operations it is in the closed position.
- 10. The geomembrane liner consists of a 45-mil flexible LLDPE material manufactured by Raven Industries as J45BB. This product is a four layer reinforced laminated containing no adhesives. The outer layers consist of a high strength polyethylene film manufactured using virgin grade resins and stabilizers for UV resistance in exposed applications. The J45BB is reinforced with 1300 denier (minimum) tri-directional scrim reinforcement. It exceeds ASTMD3083 standard by 10%. J45BB has a warranty for 20 years from Raven Industries and is attached. It is typically used in Brine Pond, Oilfield Pit liner and other industrial applications. The manufacture specific sheet is attached and the design attached displays the proper installation of the liner.
- The general specification for design and construction are attached in the BR document.



# DURA-SKRIM®

PROPERTIES	TEST METHOD	J3	OBB	J3(	6 <b>88</b>	J45BB		
		Min. Roll Averages	Typical Roll Averages	Min. Roll Averages	Typical Roll Averages	Min. Roll Averages	Typical Roll Averages	
Appearance		Blac	k/Black	Black	/Black	Black/Black		
Thickness	ASTM D 5199	27 mil	30 mil	32 mil	36 mil	40 mil	45 mil	
Weight Lbs Per MSF (oz/yd²)	ASTM D 5261	126 lbs (18.14)			151 lbs 168 lbs (21.74) (24.19)		210 lbs (30.24)	
Construction		**Extr	usion laminated	with encapsula	ted tri-direction	al scrim reinforcement		
Ply Adhesion	ASTM D 413	16 lbs	20 lbs	19 lbs	24 lbs	25 lbs	31 lbs	
1" Tensile Strength	ASTM D 7003	88 lbf MD 63 lbf DD			90 lbf MD 113 lbf MD 70 lbf DD 87 lbf DD		138 lbf MD 105 lbf DD	
1" Tensile Elongation @ Break. % (Film Break)	ASTM D 7003	550 MD 550 DD	750 MD 750 DD	550 MD 550 DD	750 MD 750 DD	550 MD 550 DD	750 MD 750 DD	
1" Tensile Elongation @ Peak % (Scrim Break)	ASTM D 7003	20 MD 20 DD	33 MD 33 DD	20 MD 20 DD	30 MD 31DD	20 MD 20 DD	36 MD 36 DD	
Tongue Tear Strength	ASTM D 5884	75 lbf MD 75 lbf DD	97 lbf MD 90 lbf DD	75 lbf MD 75 lbf DD	104 lbf MD 92 lbf DD	100 lbf MD 100 lbf DD	117 lbf MD 118 lbf DD	
Grab Tensile	ASTM D 7004	180 lbf MD 180 lbf DD	218 lbf MD 210 lbf DD	180 lbf MD 180 lbf DD	222 lbf MD 223 lbf DD	220 lbf MD 220 lbf DD	257 lbf MD 258 lbf DD	
Trapezoid Tear	ASTM D 4533	120 lbf MD 120 lbf DD	146 lbf MD 141 lbf DD	130 lbf MD 130 lbf DD	189 lbf MD 172 lbf DD	160 lbf MD 160 lbf DD	193 lbf MD 191 lbf DD	
* Dimensional Stability	ASTM D 1204	<1	<0.5	<1	<0.5	<1	<0.5	
Puncture Resistance	ASTM D 4833	50 lbf	64 lbf	65 lbf	83 lbf	80 lbf	99 lbf	
Maximum Use Temperature		180° F	180° F	180° F	180° F	180° F	180° F	
Minimum Use Temperature		-70° F	-70° F	-70° F	-70° F	-70° F	-70° F	

MD = Machine Direction

DD = Diagonal Directions



Note: Minimum Roll Averages are set to take into account product variability in addition to testing variability between laboratories.

\*Dimensional Stability Maximum Value

\*\*DURA-SKRIM J30BB, J36BB & J45BB are a four layer reinforced laminate containing no adhesives. The outer layers consist of a high strength polyethylene film manufactured using virgin grade resins and stabilizers for UV resistance in exposed applications. DURA-SKRIM J30BB, J36BB & J45BB are reinforced with a 1300 denier (minimum) tri-directional scrim reinforcement.

Note: RAVEN INDUSTRIES MAKES NO WARRANTIES AS TO THE FITNESS FOR A SPECIFIC USE OR MERCHANTABILITY OF PRODUCTS REFERRED TO, no guarantee of satisfactory results from reliance upon contained information or recommendations and disclaims all liability for resulting loss or damage.

# R A V E N Industries

PLANT LOCATION

Sioux Falls, South Dakota

### SALES OFFICE

J30, J36 a J45

P.O. Box 5107 Sioux Falls, SD 57117-5107 (605) 335-0174 (605) 331-0333 FAX 800-635-3456

## RAVEN INDUSTRIES INC. EXPOSED GEOMEMBRANE LIMITED WARRANTY

Raven Industries Inc. warrants Dura-Skrim J30BB, J36BB, and J45BB to be free from manufacturing defects and to be able to withstand normal exposure to sunlight for a period of 20 years from the date of sale for normal use in approved applications in the U.S and Canada, excluding Hawaii. This warranty is effective for products sold and shipped from January 1, 2008 to December 31, 2008. These dates will be updated prior to December 31, 2008.

This Limited Warranty does not include damages or defects in the Raven geomembrane resulting from acts of God, casualty or catastrophe including but not limited to: earthquakes, floods, piercing hail, or tornadoes. The term "normal use" as used herein does not include, among other things improper handling during transportation, unloading, storage or installation, the exposure of Raven geomembranes to harmful chemicals, atypical atmospheric conditions, abuse of Raven geomembranes by machinery, equipment or people; improper site preparation or covering materials, excessive pressures or stresses from any source or improper application or installation. Raven geomembrane material warranty is intended for commercial use only and is not in effect for the consumer as defined in the Magnuson Moss Warranty or any similar federal, state, or local statues. The parties expressly agree that the sale hereunder is for commercial or industrial use only.

Should defects or premature loss of use within the scope of the above Limited Warranty occur, Raven Industries Inc. will, at its option, repair or replace the Raven geomembrane on a pro-rata basis at the then current price in such manner as to charge the Purchaser/User only for that portion of the warranted life which has elapsed since purchase of the material. Raven Industries Inc. will have the right to inspect and determine the cause of any alleged defect in the Raven geomembrane and to take appropriate steps to repair or replace the Raven geomembrane if a defect exists which is covered under this warranty. This Limited Warranty extends only to Raven's geomembrane, and does not extend to the installation service of third parties nor does it extend to materials furnished or installed by others in connection with the intended use of the Raven geomembranes.

Any claim for any alleged breach of this warranty must be made in writing, by certified mail, to the General Manager of Engineered Films Division of Raven Industries Inc. within ten (10) days of becoming aware of the alleged defect. Should the required notice not be given, the defect and all warranties are waived by the Purchaser, and Purchaser shall not have any rights under this warranty. Raven Industries Inc. shall not be obligated to perform repairs or replacements under this warranty unless and until the area to be repaired or replaced is clean, dry, and unencumbered. This includes, but is not limited to, the area made available for repair and/or replacement of Raven geomembrane to be free from all water, dirt, sludge, residuals and liquids of any kind. If after inspection it is determined that there is no claim under this Limited Warranty, Purchaser shall reimburse Raven Industries Inc. for its costs associated with the site inspection.

In the event the exclusive remedy provided herein fails in its essential purpose, and in that event only, the Purchaser shall be entitled to a return of the purchase price for so much of the material as Raven Industries Inc. determines to have violated the warranty provided herein. Raven Industries Inc. shall not be liable for direct, indirect, special, consequential or incidental damages resulting from a breach of this warranty including, but not limited to, damages for loss of production, lost profits, personal injury or property damage. Raven Industries Inc. shall not be obligated to reimburse Purchaser for any repairs, replacement, modifications or alterations made by Purchaser unless Raven Industries Inc. specifically authorized, in writing, said repairs, replacements, modifications or alteration in advance of them having been made. Raven Industry's liability under this warranty shall in no event exceed the replacement cost of the material sold to the Purchaser for the particular installation in which it failed.

Raven Industries Inc. neither assumes nor authorizes any person other than the undersigned of Raven Industries Inc. to assume for it any other or additional liability in connection with the Raven geomembrane made on the basis of the Limited Warranty. The Limited Warranty on the Raven geomembrane herein is given in lieu of all other possible material warranties, either expressed or implied, and by accepting delivery of the material; Purchaser waives all other possible warranties, except those specifically given. This Limited Warranty may only be modified by written document mutually executed by Owner and Raven Industries Inc.

Limited Warranty is extended to the purchaser/owner and is non-transferable and non-assignable; i.e., there are no third-party beneficiaries to this warranty.

Purchaser acknowledges by acceptance that the Limited Warranty given herein is accepted in preference to any and other possible materials warranties.

THIS LIMITED WARRANTY SHALL BE GOVERNED BY SOUTH DAKOTA LAW AND VENUE FOR ALL LEGAL PROCEEDINGS IN CONNECTION WITH THIS LIMITED WARRANTY SHALL BE IN MINNEHAHA COUNTY, SOUTH DAKOTA. RAVEN INDUSTRIES INC. MAKES NO WARRANTY OF ANY KIND OTHER THAN THAT GIVEN ABOVE AND HEREBY DISCLAIMS ALL WARRANTIES, BOTH EXPRESSED OR IMPLIED, OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THIS IS THE ONLY WARRANTY THAT APPLIES TO THE MATERIALS REFERED TO HEREIN AND RAVEN INDUSTRIES INC. DISCLAIMS ANY LIABILITY FOR ANY WARRANTIES GIVEN BY ANY OTHER PERSON OR ENTITY, EITHER WRITTEN OR ORAL.

RAVEN INDUSTRIES' WARRANTY BECOMES AN OBLIGATION OF RAVEN INDUSTRIES INC. TO PERFORM UNDER THE WARRANTY ONLY UPON RECEIPT OF FINAL PAYMENT AND EXECUTION BY A DULY AUTHORIZED OFFICER OF RAVEN INDUSTRIES INC.

### Burlington Resources Oil & Gas Company, LP San Juan Basin Below Grade Tank Maintenance and Operating Plan

In accordance with Rule 19.15.17 the following information describes the operation and maintenance of Below Grade Tank (BGT) on Burlington Resources Oil & Gas Company, LP (BR) locations. This is BR's standard procedure for all BGT. A separate plan will be submitted for any BGT which does not conform to this plan.

### General Plan:

- BR will operate and maintain a BGT to contain liquids and solids and maintain the integrity of the liner, liner system and secondary containment system to prevent contamination of fresh water and protect public health and environment. BR will accomplish this by performing an inspection on a monthly basis, installing cathodic protection, and automatic overflow shutoff devices as seen on the design plan.
- 2. BR will not discharge into or store any hazardous waste in the BGT.
- 3. BR shall operate and install the below-grade tank to prevent the collection of surface water run-on. BR has built in shut off devices that do not allow a belowgrade tank to overflow. BR constructs berms and corrugated retaining walls at least 6" above ground to keep from surface water run-on entering the below grade tank as shown on the design plan.
- 4. As per 19.17.15.12 Subsection D, Paragraph 3, BR will inspect the below-grade tank at least monthly reviewing several items which include 1) containment berms adequate and no oil present, 2) tanks had no visible leaks or sign of corrosion, 3) tank valves, flanges, and hatches had no visible leaks and 4) no evidence of significant spillage of produced liquids. In addition, BR's multi-skilled operators (MSOs) are required to visit each well location once per week. If detected on either inspection, BR shall remove any visible or measurable layer of oil from the fluid surface of a below-grade tank in an effort to prevent significant accumulation of oil overtime. The written record of the monthly inspections will include the items listed above and will be maintained for five years.
- 5. BR shall require and maintain a 10" adequate freeboard to prevent overtopping of the below-grade tank.
- 6. If the below grade tank develops a leak, or if any penetration of the pit liner or below grade tank, occurs below the liquid's surface, then BR shall remove all liquid above the damage or leak line within 48 hours. BR shall notify the appropriate district office. BR shall repair or replace the pit liner or below grade tank, within 48 hours of discovery. If the below grade tank or pit liner does not demonstrate integrity, BR shall promptly remove and install a below grade tank or pit liner that complies with Subsection I of 19.15.17.11 NMAC. BR shall notify the appropriate district office of a discovery of leaks less than 25 barrels as required pursuant to Subsection B of 19.15.3.116 NMAC shall be reported within twenty-four (24) hours of discovery of leaks greater than 25 barrels. In addition, immediate verbal notification pursuant to Subsection B, Paragraph (1), and Subparagraph (d) of 19.15.3.116 NMAC shall be reported to the division's Environmental Bureau Chief.

### Burlington Resources Oil & Gas Company, LP San Juan Basin Below Grade Tank Closure Plan

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure requirements of Below Grade Tanks (BGTs) on Burlington Resources Oil & Gas Company, LP locations hereinafter known as BR locations. This is BR's standard procedure for all BGTs. A separate plan will be submitted for any BGT which does not conform to this plan.

### General Requirements:

- BR shall close a below-grade tank within the time periods provided in Subsection A of 19.15.17.13 NMAC. This will include a) below-grade tanks that do 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, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC; b) permitted below-grade tanks within 60 days of cessation of the below-grade tank's operation., or c) an earlier date that the division requires because of imminent danger to fresh water, public health or the environment. For any closure, BR will file the C144 Closure Report as required.
- 2. BR shall remove liquids and sludge from a below-grade tank prior to implementing a closure method and shall dispose of the liquids and sludge in a division-approved facility. The facilities to be used will be Basin Disposal (Permit #NM-01-005) and Envirotech Land Farm (Permit #NM-01-011). The liner after being cleaned well (Subsection D, Paragraph 1, Subparagraph (m) of 19.15.9.712 NMAC) will be disposed of at the San Juan County Regional Landfill located on CR 3100.
- 3. BR will receive prior approval to 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. Documentation of how the below-grade tank was disposed of or recycled will be provided in the closure report.
- If there is any on-site equipment associated with a below-grade tank, then BR shall remove the equipment, unless the equipment is required for some other purpose.
- 5. BR shall test the soils beneath the below-grade tank to determine whether a release has occurred. BR shall collect, at a minimum, a five point, composite sample; collect individual grab samples from any area that is wet, discolored or showing other evidence of a release; and analyze for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 8021B or 8260B or other 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 50 mg/kg; the TPH concentration, as determined by EPA method 418.1 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 50 mg/kg; the TPH concentration, as determined by EPA method 418.1 or other EPA method that the division approves, does not exceed 50 mg/kg; and the chloride concentration, as determined by EPA method that the division approves, does not exceed 250 mg/kg, or the background concentration, whichever is greater. BR shall notify the division of its results on form C-141.
- If BR or the division determines that a release has occurred, then BR shall comply with 19.15.3.116 NMAC and 19.15.1.19 NMAC, as appropriate.

- 7. 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, then BR shall backfill the excavation with compacted, non-waste containing, earthen material; construct a division-prescribed soil cover; recontour and re-vegetate the site.
- Notice of Closure will be given prior to closure to the Aztec Division office between 72 hours and one week via email or verbally. The notification of closure will include the following:
  - i. Operator's name
  - ii. Location by Unit Letter, Section, Township, and Range. Well name and API number.
- The surface owner shall be notified of BR's closing of the below-grade tank prior to closure as per the approved closure plan via certified mail, return receipt requested.
- 10. 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.
- 11. BR shall 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 stipulated seed mixes will used on federally jurisdicted lands and division-approved seed mixtures (administratively approved if required) will be utilized on all State or private 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. If alternate seed mix is required by the state, private owner or tribe, it will be implemented with administrative approval if needed. BR will repeat seeding or planting will be continued until successful vegetative growth occurs.
- 12. A minimum of four feet of cover shall be achieved and the cover shall include one foot of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater.
- 13. All closure activities will include proper documentation and be available for review upon request and will be submitted to OCD within 60 days of closure of the below-grade tank. Closure report will be filed on C-144 and incorporate the following:
  - Soil Backfilling and Cover Installation
  - Re-vegetation application rates and seeding techniques
  - Photo documentation of the site reclamation
  - Confirmation Sampling Results
  - Proof of closure notice

# OCD Aztec District III Conoco Phillips/Burlington Checklist Below Grade Tank Registration

# 19.15.17.9 Permit application

Signed C-144 (Page 5 of C-144)

Site Specific Hydrogeology

# 19.15.17.10 Siting requirements

New Mexico Office of State Engineer attachment

USGS TOPO map

Aerial Map

Mines, Mills and Quarries Web Map

FIRM map (flood insurance rate map from Federal Emergency Management Agency)

# 19,15.17.11 Design Plan Contents

Below Grade Tank Design and Construction Plan.

# 19.15.17.12 Operating and Maintenance Plan

Below Grade Tank Operating and Maintenance Plan

# 19.15.17.13 Closure Plan

Below Grade Tank Closure Plan

**Requirements:** 

Registration Date: 2/12/2016