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

June 16, 2008 r temporary pits, closed-loop sytems, and below-grade

Form C-144

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-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application OIL CONS. DIV.

Type of action: X Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the

environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances

OGRID#: 14538 Operator: Burlington Resources Oil & Gas Company, LP Address: PO Box 4289, Farmington, NM 87499 Facility or well name: Culpepper Martin #16 30-045-11821 OCD Permit Number: API Number: Range: 12W County: San Juan U/L or Qtr/Qtr: C(NENW) Section: 4 Township: 31N Longitude: 108.103440' W 36.932400' N Center of Proposed Design: Latitude: X Private Tribal Trust or Indian Allotment Surface Owner: Federal Pit: Subsection F or G of 19.15.17.11 NMAC X Closed-loop Systems: Subsection H of 19.15.17.11 NMAC Drying Pad X Tanks Haul-off Bins Other: Drilling Workover Temporary: Lined Unlined Permanent Emergency Cavitation Liner type: Thickness mil LLDPE HDPE PVC Lined Unlined mil LLDPE HDPE PVC Other: Liner type: Thickness String-Reinforced Seams: Welded Factory Other: Seams: Welded Factory Other Volume: 500 yd3 bbl Dimensions: L ____xW ___xD Dimernsions: Length **45'** x Width Below-grade tank: Subsection I of 19.15 17 11 NMAC Fencing: Subsection D of 19 15 17.11 NMAC Volume: bbl Chain link, six feet in height, two strangs of barbed wire at top Type of fluid: Four foot height, four strands of barbed wire evenly spaced between Tank Construction Material: one and four feet Secondary containment with leak detection Netting: Subsection E of 19.15.17.11 Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off Screen Netting Monthly inspections Visible sidewalls and liner Visible sidewalls only Subsection C of 19 15 17.11 NMAC Signs: 12"x 24", 2" lettering, provided Operator's name, site location, and Other: mil HDPE PVC emergency telephone numbers Liner type: Thickness: X Signed in compliance with 19.15.3.103 NMAC Alternative Method: **Administrative Approvals and Exceptions:** Justifications and/or demonstrations of equivalency are required. Please Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration refer to 19.15.17 NMAC for guidance. of approval. Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s). Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval. (Fencing in Design Plan) Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above grade-tanks associated with a closed-loop system.						
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes	□No				
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	□Yes	□No				
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes	□No				
(Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	□NA					
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	□Yes	\square_{No}				
(Applied to permanent pits)	□NA					
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	_	_				
Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	∐Yes	∐No				
- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site.						
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended	Yes	□No				
- 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	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	Yes	□No				
Society; Topographic map	[
Within a 100-year floodplain - FEMA map	∐Yes	∐No				
Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC						
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the de	ocuments ar	e attached.				
Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Operating and Maintence Plan - based upon the appropriate requirements of 19.15.17.9 NMAC and 19.15.17.13 NMAC						
Previously Approved Design (attach copy of API Number: or Permit						
Closed-loop Systems Permit Application Attachment Checklist: 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 (required for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (required for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.12 NMAC						
X Closure Plan - 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 API Number:						

Form C-144 Oil Conservation Division Page 2 of 4

Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC						
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.						
Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19.15.17.9 NMAC						
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC						
Climatological Factors Assessment						
Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC						
Dike Protection and Structural Integrity Design: based upon the appropriate requirements of 19.15.17.11 NMAC						
Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC						
Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC						
Quality Control/Quality Assurance Construction and Installation Plan						
Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC						
Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC						
Nuisance or Hazardous Odors, including H2S, Prevention Plan						
Emergency Response Plan						
Oil Field Waste Stream Characterization						
Monitoring and Inspection Plan						
Erosion Control Plan						
Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC	ļ					
Proposed Closure: 19.15.17.13 NMAC						
Type: Drilling Workover Emergency Cavitation Permanent Pit Below-grade Tank X Closed-loop System Altern	ative					
Proposed Closure X Waste Excavation and Removal						
Proposed Closure X Waste Excavation and Removal On-site Closure Method (only for temporary pits and closed-loop						
In-place On-site Trench						
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau fo	or					
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC						
Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommentations 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. Justification and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.						
Ground water is less than 50 feet below the bottom of the burned waste.	☐ Yes ☐ No					
- NM Office of the State Engineer - 1WATERS database search; USGS; Data obtained from nearby wells	□NA					
Ground water is between 50 and 100 feet below the bottom of the buried waste	☐ Yes ☐ No					
- NM Office of the State Engineer - tWATERS database serach; USGS; Data obtained from nearby wells	∐NA					
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 obtained from nearby wells	□NA					
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lal	☐Yes ☐No					
(measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site						
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial	∏Yes∏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 less than five households use for domestic	∏Yes ∏No					
or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time						
of initial application.						
- NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site						
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal	Yes No					
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.	∐Yes ∐No					
proposed site						
Within the consequence of the conference of the						
Within the area overlying a subsurface mine.	☐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					
	Yes No					
 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 						
- Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division Within an unstable area.	Yes No					
 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 						

Form C-144 Oil Conservation Division Page 3 of 4

	IMAC) Instructions: Each of the following items must be attached
to the closure plan Please indicfate, by a check mark in the box, that the documents are	
X Protocols and Procedures - based upon the appropriate requirements	
Confiramtion Sampling Plan (if applicable) - based upon the appropri	
X Disposal Facility Name and Permit Number (for liquids, drilling fluid	
Soil Backfill and Cover Design Specifications - based upon the appro	· · · · ·
X Re-vegetation Plan - based upon the appropriate requirements of Sub	section I of 19.15.17.13 NMAC
X Site Reclamation Plan - based upon the appropriate requirements of S	Subsection G of 19.15.17.13 NMAC
Waste Removal Closure for Closed-loop Systems That Utilize Haul-off facilities for the disposal of liquids, drilling fluids and drill cuttings.	Bins Only: (19 15 17 13 D NMAC) Instructions: Please identify the facility or
Disposal Facility Name: Envirotech, Basin Disposal	Disposal Facility Permit Number NM-01-0011 & NM-01-005
A A A A A A A A A A A A A A A A A A A	
On-Site Closure Plan Checklist: (19 15 17.13 NMAC) Instructions: Each of the check mark in the box, that the documents are attached.	
Siting Criteria Compliance Demonstrations - based upon the appropri	•
Proof of Surface Owner Notice - based upon the appropriate requiren	nents of Subsection F of 19.15.17.13 NMAC
Construction and Design of Burial Trench (if applicable) based upon	the appropriate requirements of 19.15.17.11 NMAC
Protocols and Procedures - based upon the appropriate requirements	of 19.15.17.13 NMAC
Confirmation Sampling Plan (if applicable) - based upon the appropri	ate requirements of Subsection F of 19.15.17.13 NMAC
Waste Material Sampling Plan - based upon the appropriate requirem	· •
Disposal Facility Name and Permit Number (for liquids, drilling fluid	(
	- I
Soil Cover Design - based upon the appropriate requirements of Subs	
Re-vegetation Plan - based upon the appropriate requirements of Sub	
Site Reclamation Plan - based upon the appropriate requirements of S	Subsection G of 19.15.17.13 NMAC
Operator Application Certification:	
I hereby certify that the information submitted with this application is true, accura	ate and complete to the best of my knowledge and belief.
Name (Print): Crystal Tafoya	Title. Regulatory Technician
Signature: Latal Talara	Date. 7/21/2008
e-mail address: <u>Erystal tafoya@conoCophfilips com</u>	Telephone 505-326-9837
OCD Approval: Permit Application (including closure plan)	Closure Plan (only)
	Closure Plan (only)
	Closure Plan (only) Approval Date: 7-25-08
OCD Representative Signature: Brand Fall Title: Enviro/spec	Approval Date: 7-25-08 OCD Permit Number
	Approval Date: 7- 25-08 OCD Permit Number: 17 13 NMAC
OCD Representative Signature: Brand Fall Title: Enviro/spec	Approval Date: 7-25-08 OCD Permit Number
OCD Representative Signature: Brand Fall Title: Enviro/spec	Approval Date: 7- 25-08 OCD Permit Number: 17 13 NMAC
OCD Representative Signature: Shand Sall Title: Env: ro spec Closure Report (required within 60 days of closure completion): Subsection K of 19 15 Closure Method:	Approval Date: 7- 25-08 OCD Permit Number: 17 13 NMAC
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OCD Representative Signature: Title: Env: ro spec Closure Report (required within 60 days of closure completion): Subsection K of 19 15 Closure Method: Waste Excavation and Removal If different from approved plan, please explain	Approval Date: 7-25-08 OCD Permit Number: 17 13 NMAC Closure Completion Date: Iternative Closure
OCD Representative Signature: Title: Encirols pec Closure Report (required within 60 days of closure completion): Subsection K of 19 15 Closure Method: Waste Excavation and Removal On-Site Closure A If different from approved plan, please explain Closure Report Attactment Checklist: Instructions: Each of the following item	Approval Date: 7-25-08 OCD Permit Number: 17 13 NMAC Closure Completion Date: Iternative Closure
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OCD Representative Signature: Title: Closure Report (required within 60 days of closure completion): Subsection K of 19 15	OCD Permit Number OCD Permit Number To 13 NMAC Closure Completion Date: Iternative Closure Iternative Closure Iternative to the closure report. Please indicate, by a check mark in the
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OCD Representative Signature: Title: Find: ro spec	Approval Date: 7-25-08 OCD Permit Number Iternative Closure Ite
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Closure Report (required within 60 days of closure completion): Subsection K of 19 15 Closure Method: Waste Excavation and Removal On-Site Closure A If different from approved plan, please explain Closure Report Attactment Checklist: Instructions: Each of the following itembox, that the documents are attached. Proof of Closure Notice Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results Waste Material Sampling Analytical Results 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 Latitude. Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is a closure complies with all applicable closure requirements and conditions specified in the a Name (Print)	OCD Permit Number To 17 13 NMAC Closure Completion Date: Iternative Closure Iterna

NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACERAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section

Range

1650

Pocl

12 West

Calpender Martin

County

feet from the

San Juan

West

Lease

| Well No

line Dedicated Avereage

16

Operator

Unit Letter

990

Ground Level Elev

AZTEC OIL & GAS COMPANY

Actual Footage Location of Well.

Section

feet from the

Township

North

Producing Formation

31 North

5989	Dakota	Resin Dekota	318.79°
Outline the acera	ge dedicated to the subject well	by colored pencil or hachure marks on the pl	at below.
2 If more than one interest and royalty)	e lease is dedicated to the well	, outline each and identify the ownership	thereof (both as to working
3. If more than one by communitization,	lease of different cwnership is unitization, force-pooling etc	dedicated to the well, have the interests of	all owners been consolidated
🗶 🧎 Yes () N	o If answer is "yes." typ	e of consolidation	
		rions which have actually consolidated (Use	e reverse side of this form if
No allowable will be pooling, or otherwise	assigned to the well until all int) or until a non stancard unit, e	erests have been consolidated (by commun eliminating such interests, has been approved	itization, unitization, forced- by the Commission
			ERTIFICATION
			certify that the information contains rue and complete to the best of w and belief,
ļ - 	9901 1 - + + + -	ORIG	NAL SIGNED BY JOE C SALMO
1650		Position	Joe C. Salmon
		Ccmpany	teriot Separintendent
	1	Ast	ec QL1 and Ges
		Date	e. 4, 1966
4	Sec		With the
	1		certify that the well location shown of actu
- +	+	The state of the s	le by me or under my supervision, as
q-q-	algopper &	OCG awards	ne is true and correct to the best of n and belief.
- Canada		dci com.	•
		OIL CON. COM. OIL CON. Septe	ed .
		Septe	mber 22, 1966 Professional Engineer
Ped		and/or Lan	
1		E. A.	Tour Law F.
		E. y. Certificate	No 3602

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

Closed-loop Design Plan

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

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

Closed-loop Operating and Maintenance Plan

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

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

Closed-loop Closure Plan

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