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

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

July 21, 2008 For temporary pits, closed-loop sytems, and below-grade tanks, submit to the appropriate NMOCD District Office

Form C-144

For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office

Dit Closed Loop System Relow Grade Tonk or

Proposed Alternative Method Permit or Closure Plan Application
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 Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request Please be advised that approval of this request does not relieve the operator of hability should operations result in pollution of surface water, ground water or the environment Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances
Operator: Burlington Resources Oil & Gas Compan, LP Address: PO Box 4289, Farmington, NM 87499 OGRID#: 14538 RCVD AUG 5 '08
Facility or well name: Vaughn #8P OIL CONS. DIV.
API Number: 30-039-30544 OCD Permit Number: DIST 3 U/L or Qtr/Qtr: P(SESE) Section: 26 Township: 26N Range: 6W County: Rio Arriba Center of Proposed Design: Latitude: 36.45352'N Longitude: 107.43211'W NAD: 1927 X 1983 Surface Owner: Federal State X Private Tribal Trust or Indian Allotment
Pit: Subsection F or G of 19.15.17.11 NMAC Temporary: X Drilling Workover Permanent Emergency Cavitation P&A X Lined Unlined Liner type: Thickness 20 mil X LLDPE HDPE PVC Other X String-Reinforced Liner Seams: X Welded X Factory Other Volume: 7000 bbl Dimensions L 120' x W 55' x D 12'
Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) Drying Pad Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type: Thickness mil LLDPE HDPE PVD Other Liner Seams: Welded Factory Other
X Below-grade tank: Subsection of 19.15.17.11 NMAC Volume: 120 bbl Type of fluid: Produced Water Tank Construction material: Metal Secondary containment with leak detection X Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off Visible sidewalls and liner Visible sidewalls only Other Liner Type: Thickness 30 mil X HDPE PVC Other
5 Alternative Method:

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

Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pit, temporary pits, and below-grade tanks) Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, inst. Four foot height, four strands of barbed wire evenly spaced between one and four feet X Alternate. Please specify Please See Design Plan	itution or chur	ch)
Netting: Subsection E of 19 15.17 11 NMAC (Applies to permanent pits and permanent open top tanks) X Screen Netting Other X 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		
Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19.15 17 NMAC for guidance. Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s): Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for consumption of approval.	ideration of ap	proval.
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	XNo
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	X No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes	XNo
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)	□NA	
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.		
(Applied to permanent pits)	Yes X NA	∐No
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image		
Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	Yes	XNo
- NM Office of the State Engineer - IWATERS database search; Visual inspection (certification) of the proposed site.		
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended - Written confirmation or verification from the municipality; Written approval obtained from the municipality	Yes	XNo
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	Yes	XNo
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	Yes	XNo
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological	Yes	XNo
Society; Topographic map Within a 100-year floodplain - FEMA map	Yes	XNo

Temporary Pits, Emergency Pits and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15 17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.
X Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15 17.9 NMAC
X Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9
X Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15 17.10 NMAC
X Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
X Operating and Maintenance Plan - based upon the appropriate requirements of 19.15 17.12 NMAC
X Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Previously Approved Design (attach copy of design) API or Permit
12
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9
Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15 17.10 NMAC
Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Previously Approved Design (attach copy of design) API
Previously Approved Operating and Maintenance Plan API
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
Situng 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
14 Proposed Classes, 10.15 17 12 20 AG
Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.
Type. X Drilling Workover Emergency Cavitation P&A Permanent Pit X Below-grade Tank Closed-loop System
Alternative Proposed Closure Method: X Waste Excavation and Removal (Below-grade Tank)
Waste Removal (Closed-loop systems only)
X On-site Closure Method (only for temporary pits and closed-loop systems)
X In-place Burial On-site Trench
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)
15
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.
X Protocols and Procedures - based upon the appropriate requirements of 19 15.17 13 NMAC
Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
X Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
X Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
X Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17 13 NMAC
X Ste Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

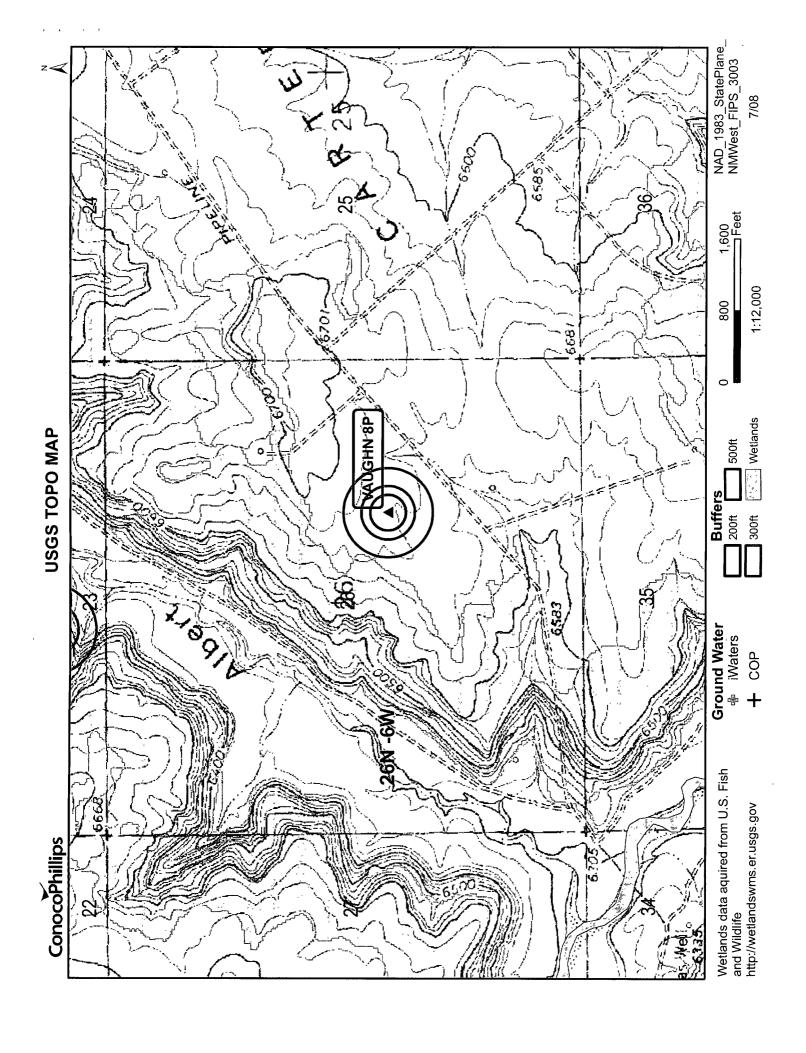
Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.	15.17.13.D NMAC)							
Instructions Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachmare required	uent if more than two facilities							
Disposal Facility Name Disposal Facility Permit #:								
Disposal Facility Name Disposal Facility Permit #:								
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations? Yes (If yes, please provide the information No								
Required for impacted areas which will not be used for future service and operations Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Subsection H o Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15.17.13 NMAC	f 19.15.17.13 NMAC							
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. Recommendations of acceptable source me certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19 15 17 10 NMAC for	must be submitted to the Santa Fe Environmental Bureau offic							
Ground water is less than 50 feet below the bottom of the buried waste.	Yes X No							
- NM Office of the State Engineer - IWATERS database search, USGS. Data obtained from nearby wells								
Ground water is between 50 and 100 feet below the bottom of the buried waste	Yes X No							
- NM Office of the State Engineer - tWATERS database search, USGS; Data obtained from nearby wells	N/A							
Ground water is more than 100 feet below the bottom of the buried waste.	X Yes No							
- NM Office of the State Engineer - IWATERS database search; USGS, Data obtained from nearby wells	□ N/A							
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, (measured from the ordinary high-water mark).	or playa lake Yes X No							
- 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 application. 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 or purposes, or within 1000 horizontal fee of any other fresh water well or spring, in existence at the time of the initial application. - NM Office of the State Engineer - iWATERS database, Visual inspection (certification) of the proposed site.	on.							
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal org pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	dinance adopted Yes X No							
Within 500 feet of a wetland - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed s	Yes X No							
Within the area overlying a subsurface mine.	Yes X No							
- Written confirantion or verification or map from the NM EMNRD-Mining and Mineral Division Within an unstable area.	Yes X No							
- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geologic Topographic map	cal Society,							
Within a 100-year floodplain FEMA map	Yes X No							
On-Site Closure Plan Checklist: (19 15.17 13 NMAC) Instructions: Each of the following items must bee at by a check mark in the box, that the documents are attached.	tached to the closure plan. Please indicate,							
X Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15.17.10 NM	AC							
X Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19 15 17 13 1	NMAC							
Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19 I	5.17.11 NMAC							
Construction/Design Plan of Temporary Pit (for in place burial of a drying pad) - based upon the appropria	te requirements of 19.15.17.11 NMAC							
X Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC	0 15 17 12 NMAC							
Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 1 X Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19 15 17.13 N								
X Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site c								
X Soil Cover Design - based upon the appropriate requirements of Subsection H of 19 15 17 13 NMAC	nosare standards camor de aemeved)							
X Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC								
X Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15.17.13 NMAC								

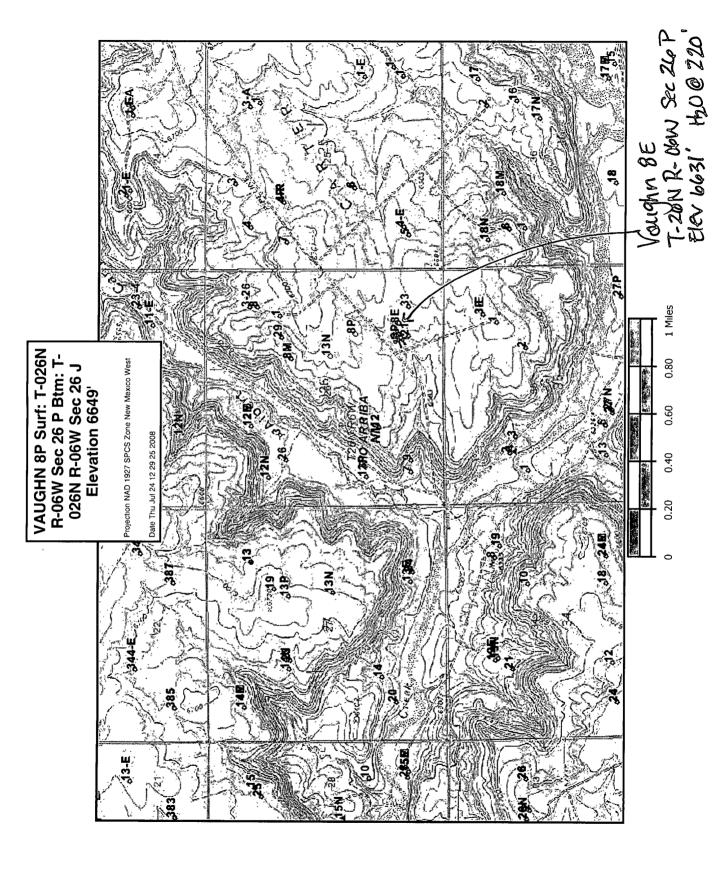
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19				
Operator Application Certification: I hereby certify that the information submi	tted with this application is true, acci	urate and complete to the	hest of my knowledge and helief	
Name (Print):	Crystal Tafoya	Title:	Regulatory Technician	
Signature	An Talan	Date:	8/4/08	
	afoya@conocophilips.com	Telephone:	505-326-9837	
e-man audress. <u>crystar.ti</u>	поуи в сопосории прясои	receptione.	303-320-7031	
OCD Approval: Permit Application OCD Representative Signature:	Bal Bell		Approval Date:	8-19-08
Title: Euris /	, pec	OCD Peri	nit Number:	
Closure Report (required within 60 of Instructions: Operators are required to ob report is required to be submitted to the disapproved closure plan has been obtained of the control of th	tain an approved closure plan prior vision within 60 days of the completi	to implementing any clos ion of the closure activitie completed.	ure activities and submitting the cle	•
Closure Method: Waste Excavation and Removal If different from approved plan, plan	On-site Closure Method ease explain.	Alternative Closure	Method Waste Removal (C	Closed-loop systems only)
23 Closure Report Regarding Waste Remo Instructions: Please identify the facility o were utilized. Disposal Facility Name		lling fluids and drill cutt		
Disposal Facility Name		Disposal Facility	Permit Number:	
Were the closed-loop system operation:	·	on or in areas that will n	ot be used for future service and op	peartions?
Yes (If yes, please demonstrate co	nplilane to the items below)	No		
Required for impacted areas which will Site Reclamation (Photo Document	tation)	pperations [.]		
Soil Backfilling and Cover Installa Re-vegetation Application Rates a				
	and occoming recommende		· ··· · · · · · · · · · · · · · · · ·	
Closure Report Attachment Chec the box, that the documents are attach	ed.	llowing items must be att	ached to the closure report. Pleaso	e indicate, by a check mark in
Proof of Closure Notice (surface	•			
Plot Plan (for on-site closures at	*			
Confirmation Sampling Analyti				
Waste Material Sampling Analy	· •••			
Disposal Facility Name and Per				
Soil Backfilling and Cover Insta				
Re-vegetation Application Rates				
Site Reclamation (Photo Docum	nentation)			
On-site Closure Location La	atitude:	Longitude:	NAD	1927 🔲 1983
Operator Closure Certification: I hereby certify that the information and at the closure complies with all applicable of				wledge and belief. I also certify that
Name (Print):		Title [.]		
Signature:		Date.		
e-mail address		Telephone:		

New Mexico Office of the State Engineer POD Reports and Downloads

Town	nship: 26N	Range: 06W	Sections: 2	2,23,24,25	5,26,27,34,3	5,36	-	Action is the second of the se
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No Records fou	nd, try ag	ain						





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Form 3160-4 (November 1983)	LINII	TED ST	ATFS	SUB	(IT II	N DUPLIC		Budg	approvet Bur-	ved. eau No. 1004-0137 gust 31, 1985
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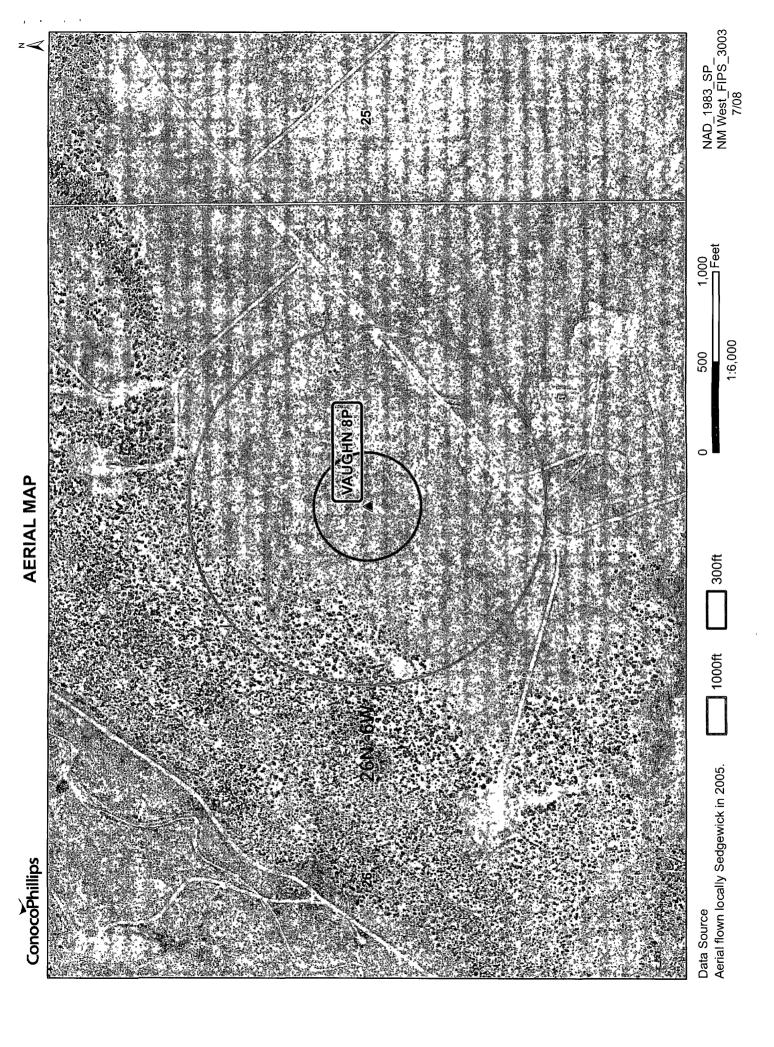
#6 30-039-82350 #8E 30-039-23854 #21 30-039-20507 #33 30-039-2384

DATA SHEET FOR DEEP GROUND BED CATHODIC. PROTECTION WELLS:

Operator Meridian Oil INC. Location:	Unit P Sec. 26Twp 26Rng	06
Name of Well/Wells or Pipeline Serviced	.44	
VAUGHN #21, #33, #8E, + #6		جاند ا ا
Elevation 636 Completion Date 6-19-95 Total Dep	oth 439 Land Type P	m.
Casing Strings; Sizes, Types & Depths 5/2/ Se	T 59 Of 8"PK CASIN	9
NO GAS, WATER, OF Boulders Wete. ENCOUNT	Tered During CASING	
If Casing Strings are cemented, show amounts &	types used Cemented	
WITH 12 SACKS:		
If Cement or Bentonite Plugs have been placed, No plug 5	show depths & amounts	used.
Depths%& thickness#of water zones with descrip	tion of water: Fresh, C	lear,
Salty, Sulphur, Etc. 220' and was c	lear	-
\	1717 A 25	
Depths gas encountered: No gas		
Ground bed depth with type & amount of coke br	eeze=used:	
Depths anodes placed: 1/13 a + 370 and 41.	5,3 at 230	
Depths vent pipes placed: Bottom do Sur		2
Vent pipe perforations: 2 p to 150.	KERELAE	W.
Remarks:	JAN 31 1994	
	ON CON. DT	· · · · · · · · · · · · · · · · · · ·
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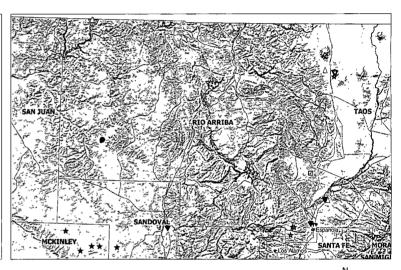
If any of the above data is unavailable, please indicate so. Copies of all logs, including Drillers Log, Water Analyses & Well, Bore Schematics should be submitted when available. Unplugged abandoned wells are to be included a

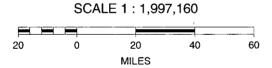
Land Type may be shown: F-Federal; I-Indian; S-State; P-Fee. If Federal or Indian, add Lease Numbers



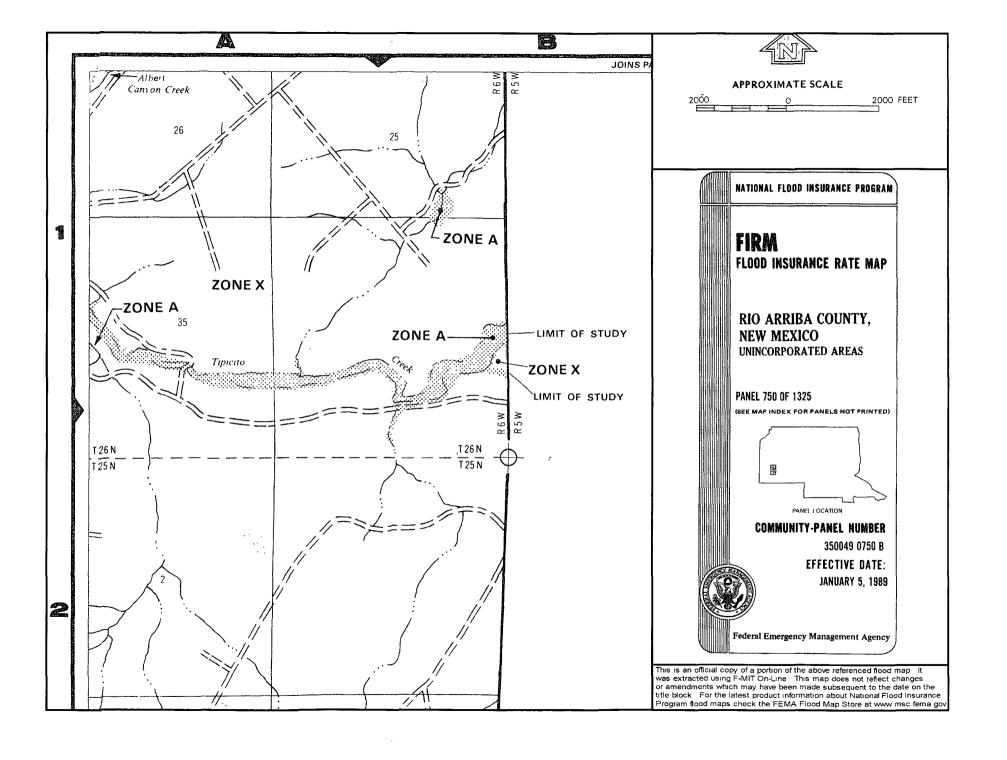
Vaughn #8P Mines, Mills and Quarries Web Map

Mines, Mills & Quarries Commodity Groups									
Δ	Aggregate & Stone Mines								
•	Coal Mines								
*	Industrial Minerals Mines								
•	Industrial Minerals Mills								
	Metal Mines and Mill Concentrate								
	Potash Mines & Refineries								
2	Smelters & Refinery Ops.								
*	Uranium Mines								
•	Uranium Mills								









Siting Criteria Compliance Demonstrations

The Vaughn #8P is not located in an unstable area. The location is not over a mine and is not on the side of a hill. The location of the excavated pit material will not be located within 300' of any continuously flowing watercourse or 200' from any other watercourse.

Hydrogeological report for Vaughn #8P

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 aquifers. 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 aquifer 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.



ConocoPhillips Company GRFS / PTRRC – San Juan Business Unit Juanita Farrell 3401 East 30th Street Farmington, NM 87402

Telephone: (505) 326-9597 Facsimile: (505) 324-6136

August 4, 2008

VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED 7110-6605-9590-0026-0845

Griffin Crest LLC Terry Cornell 403 W Broadway, Suite 182 Bloomfield, NM 87413

Subject:

Vaughn 8P

SE Section 26, T26N, R6W Rio Arriba County, New Mexico

Dear Landowner:

Pursuant to Paragraph 1 (b) of Subsection F of 19.15.17.13 NMAC, an operator shall provide the surface owner of the operator's proposal to close a temporary pit on-site in compliance with the on-site closure methods specified in the same Subsection of the NMAC. In compliance of this requirement, please consider this notification of ConocoPhillips' intent to close the temporary pit on the above referenced location.

If you have any questions, please contact Mark Stallsmith @ (505)324-6172.

Sincerely,

Mary Kay Cornwall

Mary Kay Cornwall Staff Associate, PTRRC DISTRICT-1 1625 N. French Dr., Hobbs, N.M. 88240

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised October 12, 2005

DISTRICT II 1301 W. Grand Avenue, Artesia, N.M. 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, N.M. 87410 OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

☐ AMENDED REPORT

DISTRICT IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

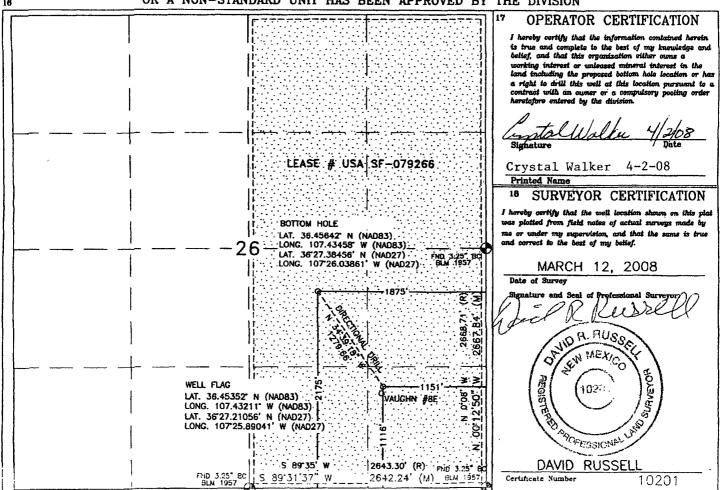
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code	³ Pool Name				
30-039-30	599	72319/71599	BLANCO MESA VERDE/BASIN	I DAKOTA			
⁴ Property Code		⁶ Pro	6 Well Number				
7623		VAUGHN					
OGRID No.		⁶ Ope	erator Name	Elevation			
14538		BURLINGTON RESOURC	ES OIL & GAS COMPANY LP	6649'			
		••	**************************************	<u> </u>			

¹⁰ Surface Location

UL or lot no.	Section 26	Township 26N	Range 6Ŵ	Lot Idn	Feet from the 1116'	North/South line SOUTH	Feet from the 1151	East/West line EAST	RIO ARRIBA
11 Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
. j	26	26N	6W	1	2175'	SOUTH	1875'	EAST	RIO ARRIBA
P Dedicated Acres 19 Joint or Infill 14 Consolidation Code		ode	¹⁵ Order No.	*************************************					
320.00 Acres - (E/2)									

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



LATITUDE: 36.45352°N LONGITUDE: 107.43211°W DATUM: NAD 83

SLOPES TO BE CONSTRUCTED TO MATCH THE ORIGINAL CONTOURS AS CLOSE AS POSSIBLE.

BURLINGTON RESOURCES O&G CO LP

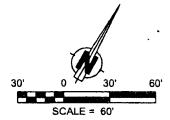
VAUGHN #8P

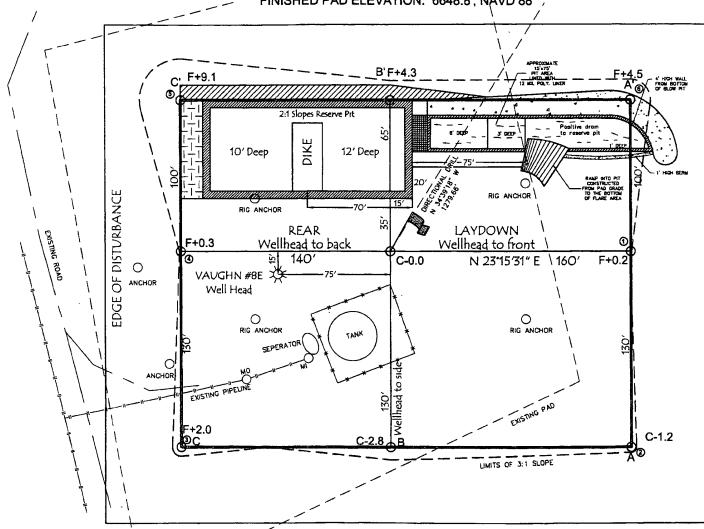
1116' FSL & 1151' FEL LOCATED IN THE SWA SE/4 OF SECTION 26,

T26N, R6W, N.M.P.M.,

RIO ARRIBA COUNTY, NEW MEXICO GROUND ELEVATION: 6649', NAVD 88

FINISHED PAD ELEVATION: 6648.8', NAVD 88





330' x 400' = 3.03 ACRES OF DISTURBANCE

SCALE: 1" = 60'

JOB No.: COPC080_REV1

DATE: 03/23/08

NOTE:
RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).
RUSSELL SURVEYING, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.
CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED, BURIED PIPELINES OR
CABLES ON WELL PAD, IN CONSTRUCTION ZONE AND/OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR
TO CONSTRUCTION.



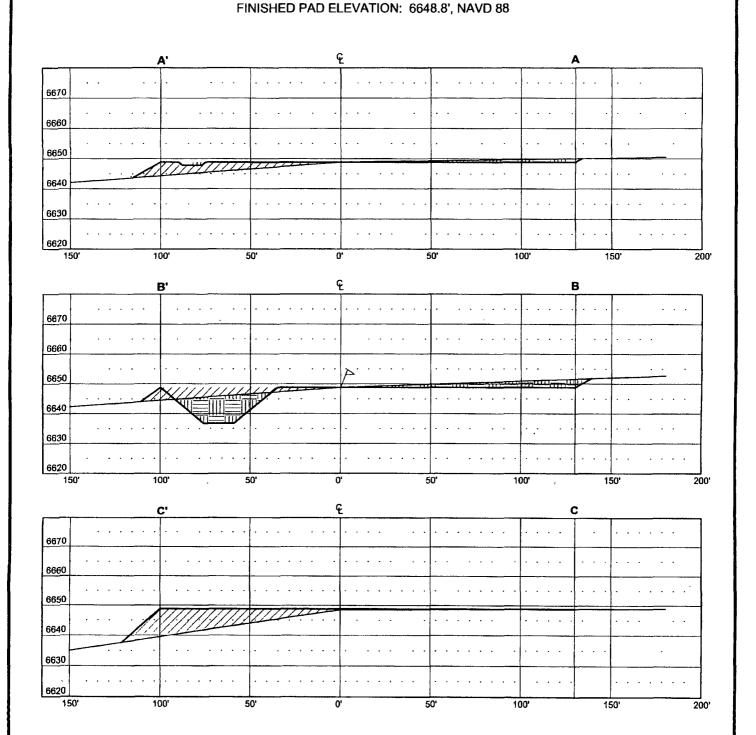
Russell Surveying 1409 W. Aztec Blvd. #2 Aztec, New Mexico 87410 (505) 334-8637 LATITUDE: 36.45352°N LONGITUDE: 107.43211°W DATUM: NAD 83

BURLINGTON RESOURCES O&G CO LP

VAUGHN #8P

1116' FSL & 1151' FEL

LOCATED IN THE SW/4 SE/4 OF SECTION 26,
T26N, R6W, N.M.P.M.,
RIO ARRIBA COUNTY, NEW MEXICO
GROUND ELEVATION: 6649', NAVD 88



THIS DIAGRAM IS AN ESTIMATE OF DIRT BALANCE AND IS NOT INTENDED TO BE AN EXACT MEASURE OF VOLUME

VERT. SCALE: 1" = 30' HORZ. SCALE: 1" = 50' JOB No.: COPC080_REV1 DATE: 03/23/08





Russell Surveying 1409 W. Aztec Blvd. #2 Aztec, New Mexico 87410 (505) 334-8637

Burlington Resources Oil & Gas Company, LP San Juan Basin Pit Design and Construction Plan

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

- 1. BR will design and construct a temporary pit to contain liquids and solids and prevent contamination of fresh water and protect public health and environment.
- 2. Prior to constructing the pit, topsoil will be stockpiled in the construction zone for later use in restoration.
- 3. BR will post a well sign, not less than 12" by 24", on the well site prior to construction of the temporary pit. The sign will list the operator on record as the operator; the location of the well site by unit letter, section, township range; and emergency telephone numbers.
- 4. BR shall construct all new fences utilizing 48" steel mesh field-fence (hogwire) on the bottom with a single strand of barbed wire on top. T-posts shall be installed every 12 feet and corners shall be anchored utilizing a secondary T-post. Temporary pits will be fenced at all times excluding drilling or workover operations, when the front side of the fence will be temporarily removed for operational purposes.
- 5. BR shall construct the temporary pit so that the foundation and interior slopes are firm and free of rocks, debris, sharp edges or irregularities to prevent liner failure.
- BR shall construct the pit so that the slopes are no steeper than two horizontal feet to 1 vertical foot.
- 7. Pit walls will be walked down by a crawler type tractor following construction
- 8. All temporary pits will be lined with a 20-mil, string reinforced, LLDPE liner, complying with EPA SW-846 method 9090A requirements.
- Geotextile will be installed beneath the liner when rocks, debris, sharp edges or irregularities cannot be avoided.
- All liners will be anchored in the bottom of a compacted earth-filled trench at least 18 inches deep.
- 11. BR will minimize liner seams and orient them up and down, not across a slope. Factory seams will be used whenever possible. BR will ensure all field seams are welded by qualified personnel. Field seams will be overlapped four to six inches and will be oriented parallel to the line of maximum slope. BR will minimize the number of field seams in corners and irregularly shaped areas.
- 12. The liner shall be protected from any fluid force or mechanical damage through the use of mud pit slides, or a manifold system.
- 13. The pit shall be protected from run-off by constructing and maintaining diversion ditches around the location or around the perimeter of the pit in some cases.
- 14. The volume of the pit shall not exceed 10 acre-feet, including freeboard.
- 15. Temporary blow pits will be constructed to allow gravity flow to discharge into lined drill pit.
- 16. The lower half of the blow pit (nearest lined pit) will be lined with the same 20 mil liner. The upper half of the blow pit will remain unlined as allowed in Rule 19.15.17.11 F.11.
- 17. BR will not allow freestanding liquids to remain on the unlined portion of a temporary blow pit.

Burlington Resources Oil & Gas Company, LP San Juan Basin Maintenance and Operating Plan

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

- 1. BR will operate and maintain a temporary pit to contain liquids and solids and prevent contamination of fresh water and protect public health and environment.
- 2. BR will conserve drilling fluids by transferring liquids to pits ahead of the rigs whenever possible. All other drilling fluids will be disposed at Basin Disposal Inc., permit # NM-01-005.
- 3. BR will not discharge or store any hazardous waste in any temporary pit.
- 4. If any pit liner's integrity is compromised, or if any penetration of the liner occurs above the liquid's surface, then BR shall notify the Aztec Division office by phone or email within 48 hours of the discovery and repair the damage or replace the liner.
- 5. If a leak develops below the liquid's level, BR shall remove all liquids above the damaged liner within 48 hours and repair the damage or replace the liner. BR shall notify the Aztec Division office by phone or email within 48 hours of the discovery for leaks less than 25 barrels BR shall notify the Aztec Division office 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.
- 6. The liner shall be protected from any fluid force or mechanical damage through the use of mud pit slides, or a manifold system.
- 7. The pit shall be protected from run-off by constructing and maintaining diversion ditches around the location or around the perimeter of the pit in some cases.
- 8. BR shall immediately remove any visible layer of oil from the surface of the temporary pit after cessation of a drilling or workover operation. Oil absorbent booms will be utilized to contain and remove oil from the pit's surface. An oil absorbent boom will stored on-site until closure of pit.
- 9. Only fluids generated during the drilling or workover process may be discharged into a temporary pit.
- 10. BR will maintain the temporary pit free of miscellaneous solid waste or debris.
- 11. During drilling or workover operations, BR will inspect the temporary pit at least once daily to ensure compliance with this plan. Inspections will be logged in the IADC reports. BR will file this log with the Aztec Division office upon closure of the pit.
- 12. After drilling or workover operations, BR will inspect the temporary pit weekly so long as liquids remain in the temporary pit. A log of the inspections will be stored at BR's office electronically and will be filed with the Aztec Division office upon closure of the pit.
- 13. BR shall maintain at least two feet of freeboard for a temporary pit.
- 14. BR shall remove all free liquids from a temporary pit within 30 days from the date the operator releases the drilling rig.
- 15. BR shall remove all free liquids from a cavitation pit within 48 hours after completing cavitation. BR may request additional time to remove liquids from the Aztec Division office if it is not feasible to remove liquids within 48 hours.

Burlington Resources Oil & Gas Company, LP San Juan Basin Closure Plan

In accordance with Rule 19.15.17.12 NMAC the following information describes the closure requirements of temporary pits on Burlington Resources Oil & Gas Company, LP (BR) locations. This is BR's standard procedure for all temporary pits. A separate plan will be submitted for any temporary pit which does not conform to this plan.

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 pit closure. Closure report will be filed on C-144 and incorporate the following:

- Details on Capping and Covering, where applicable.
- Plot Plan (Pit Diagram)
- Inspection Reports
- Sampling Results
- C-105
- Copy of Deed Notice will be filed with County Clerk

- 1. All free standing liquids will be removed at the start of the pit closure process from the pit and disposed of in a division—approved facility or recycle, reuse or reclaim the liquids in a manner that the appropriate division district office approves.
- 2. The preferred method of closure for all temporary pits will be on-site burial, assuming that all the criteria listed in sub-section (B) of 19.15.17.13 are met.
- 3. The surface owner shall be notified of BR's closing of the temporary pit as per the approved closure plan using certified mail, return receipt requested.
- 4. Within 6 months of the Rig Off status occurring BR will ensure that temporary pits are closed, re-contoured, and reseeded.
- 5. Notice of Closure will be given to the Aztec Division office between 72 hours and one week of closure via email, or verbally. The notification of closure will include the following:
 - i. Operator's name
 - Location by Unit Letter, Section, Township, and Range. Well name and API number.
- 6. Liner of temporary pit shall be removed above "mud level" after stabilization. Removal of liner will consist of manually or mechanically cutting liner at mud level and removing all remaining liner. Care will be taken to remove "All" of the liner i.e., edges of liner entrenched or buried. All excessive liner will be disposed of at a licensed disposal facility.
- 7. Pit contents shall be mixed with non-waste containing, earthen material in order to achieve the solidification process. The solidification process will be accomplished using a combination of natural drying and mechanically mixing. Pit contents will be mixed with non-waste, earthen material to a consistency that is deemed a safe and stable. The mixing ratio shall not exceed 3 parts clean soil to 1 part pit contents.
- 8. A five point composite sample will be taken of the pit using sampling tools and all samples tested per Subsection B of 19.15.17.13(B)(1)(b). In the event that the criteria are not met, all contents will be handled per Subparagraph (a) of Paragraph (1) of Subsection B of 19.15.17.13 i.e., Dig and haul.

Components	Components Tests Method					
Benzene	EPA SW-846 8021B or 8260B	0.2				
BTEX	EPA SW-846 8021B or 8260B	50				
TPH	EPA SW-846 418.1	2500				
GRO/DRO	EPA SW-846 8015M	500				
Chlorides	EPA 300.1	(1000)500				

- 9. Upon completion of solidification and testing standards being passed, the pit area will be backfilled with compacted, non-waste containing, earthen material. 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. If standard testing fails BR will dig and haul all contents pursuant to 19.15.17.13.i.a. After doing such, confirmation sampling will be conducted to ensure a release has not occurred.
- 10. During the stabilization process if the liner is ripped by equipment the Aztec OCD office will be notified within 48 hours and the liner will be repaired if possible. If the liner can not be repaired then all contents will be excavated and removed.
- 11. Dig and Haul Material will be transported to the Envirotech Land Farm located 16 miles south of Bloomfield on Angel Peak Road, CR 7175. Permit # NM010011
- 12. Re-contouring of location will match fit, shape, line, form and texture of the surrounding. Reshaping 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.
- 13. Notification will be sent to OCD when the reclaimed area is seeded.
- 14. 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 or Forest Service stipulated seed mixes will used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (unimpacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs.

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

Species shall be planted in pounds of pure live seed per acre: Present Pure Live Seed (PLS) = Purity X Germination/100

Two lots of seed can be compared on the basis of PLS as follows:

Source No. One (poor quality)
Purity
50 percent
Germination
Percent PLS
20 percent
Source No. two (better quality)
Purity
80 percent
Germination
63 percent
Percent PLS
50 percent
Percent PLS
50 percent

5 lb. bulk seed required to make 2 lb. bulk seed required to make

1 lb. PLS 1 lb. PLS

15. The temporary pit will be located with a steel marker, no less than four inches in diameter, cemented in a hole three feet deep in the center of the onsite burial upon the abandonment of all the wells on the pad. The marker will be flush with the ground to allow access of the active well pad and for safety concerns. The marker will include a threaded collar to be used for future abandonment. The top of the marker will contain a welded steel 12" square plate that indicates the onsite burial of the temporary pit. The plate will be easily removable and a four foot tall riser will be threaded into the top of the collar marker and welded around the base with the operator's information at the time of all wells on the pad are abandoned. The operator's information will include the following: Operator Name, Lease Name, Well Name and number, Unit Number, Section, Township, Range and an indicator that the marker is an onsite burial location.

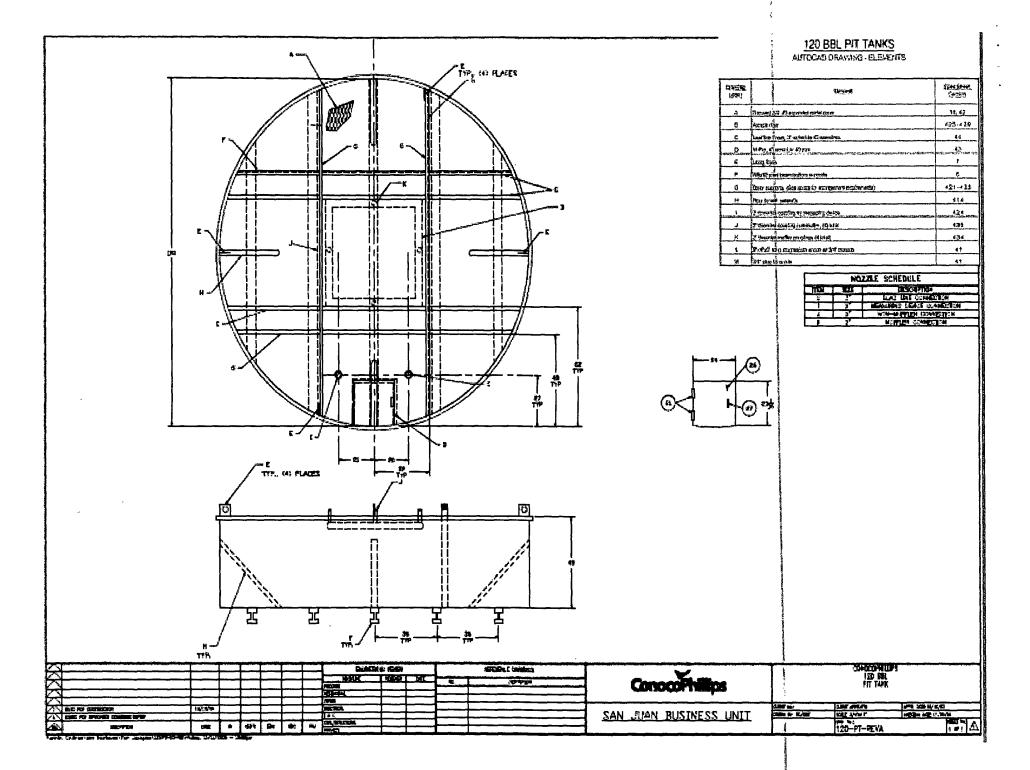
Burlington Resources Oil & Gas Company, LP San Juan Basin Below Grade Tank Design and Construction

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.

- 1. BR will design and construct a BGT to contain liquids and to prevent contamination of fresh water and protect public health and environment.
- 2. BR will use the general location sign posted on location. If no general sign is posted a separate sign at the location of the BGT will be provided.
- 3. BR shall construct 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.
- 4. BR will construct a expanded metal covering on the top of the BGT
- 5. 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.
- 6. 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.
- 7. BR shall construct a below-grade tank to prevent overflow and the collection of surface water run-on.
- 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 shall equip below-grade tanks designed in this manner with a properly operating automatic high-level shut-off control device and manual controls to prevent overflows.
- 10. The geomembrane liner shall consist of 30-mil flexible PVC or 60-mil HDPE liner, or an equivalent liner material that the appropriate division district office approves. The geomembrane liner shall have a hydraulic conductivity no greater than 1 x 10-9 cm/sec. The geomembrane liner shall be composed of an impervious, synthetic material that is resistant to petroleum hydrocarbons, salts and acidic and alkaline solutions. The liner material shall be resistant to

ultraviolet light. Liner compatibility shall comply with EPA SW-846 method 9090A.

11. The general specification for design and construction are attached in the BR document.



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 Pit (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.

- 1. BR will operate and maintain a BGT to contain liquids and solids and prevent contamination of fresh water and protect public health and environment.
- 2. BR shall not allow a below-grade tank to overflow or allow surface water run-on to enter the below-grade tank.
- 3. BR shall continuously 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.
- 4. BR shall inspect the below-grade tank at least monthly and maintain a written record of each inspection for five years.
- 5. BR shall maintain adequate freeboard to prevent overtopping of the below-grade tank.

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

In accordance with Rule 19.15.17.12 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:

- 1. BR shall close a below-grade tank within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the division requires because of imminent danger to fresh water, public health or the environment.
- BR shall close an existing below-grade tank that does 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 after June 16, 2008, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC.
- 3. BR shall close a permitted below-grade tank within 60 days of cessation of the below-grade tank's operation or as required by the transitional provisions of Subsection B of 19.15.17.17 NMAC in accordance with a closure plan that the appropriate division district office approves. The closure report will be filed on C-144
- 4. 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.
- 5. BR shall 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.
- 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.
- 7. 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 100

mg/kg; and the chloride concentration, as determined by EPA method 300.1 or other 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.

- 8. 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.
- If contamination is confirmed by field sampling. BR will follow the Guidelines For Remediation Of Leaks, Spills, and Releases NMOCD August 1993 when remediating contaminants identified
- 10. 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.
- 11. Notice of Closure will be given to the Aztec Division office between 72 hours and one week of closure 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.
- 12. 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:
 - Details on Capping and Covering, where applicable.
 - Inspection Reports
 - Sampling Results
- 13. 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.
- 14. 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 or Forest Service stipulated seed mixes will used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs.

- 15. 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.
- 16. The surface owner shall be notified of BR's closing of the below-grade tank as per the approved closure plan using certified mail, return receipt requested.