District I 1625 N French Dr , Hobbs, NM 88240 District II 1301 W Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, 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

For temporary pits, closed-loop systems, 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

Type of action: 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 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.
I. Operator:XTO Energy, Inc. OGRID #:5380
Address: #382 County Road 3100, Aztec, NM 87410
Facility or well name: Stewart 2 #1
API Number: 30-045-34733 OCD Permit Number:
U/L or Qtr/Qtr D Section 2 Township 23N Range 11W County: San Juan
Center of Proposed Design: Latitude36.2668 Longitude107.98121 NAD: ☐ 1927 ☒ 1983
Surface Owner: Federal State Private Tribal Trust or Indian Allotment
Temporary: \(\) Drilling \(\) Workover\\ Permanent \(\) Emergency \(\) Cavitation \(\) P&A\\ \) Lined \(\) Unlined Liner type: Thickness \(\) 20 \(\) mil \(\) LLDPE \(\) HDPE \(\) PVC \(\) Other\(\) String-Reinforced\(\) Liner Seams: \(\) Welded \(\) Factory \(\) Other \(\) Volume: \(\) bbl Dimensions: \(\) 200 \(x \) W \(\) 60 \(x \) D \(\) 10
Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation:
Below-grade tank: Subsection I of 19.15.17.11 NMAC OIL CONS. DIV. DIST. 3 OIL CONS. D
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.

encing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, 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, institution or church)	hospital,				
☑ Four foot height, four strands of barbed wire evenly spaced between one and four feet					
Alternate. Please specify					
7.					
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)					
Screen Netting Other					
Monthly inspections (If netting or screening is not physically feasible)					
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					
☑ Signed in compliance with 19.15.3.103 NMAC					
9.					
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 or the Santa Fe Environmental Bureau	office for				
consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.					
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 accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the approoffice or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to dry above-grade tanks associated with a closed-loop system.	priate district pproval.				
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 significant watercourse or 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. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No ☐ NA				
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits)	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 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	☐ Yes ☐ No				
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No				
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division					
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ☐ No				
Within a 100-year floodplain FEMA map	☐ Yes ☐ No				

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 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 Number: or Permit Number:
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 Number: (Applies only to closed-loop system that use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)
13. Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC Liner Specifications and Compatibility Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Preeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Nuisance or Hazardous Odors, including H ₂ S, Prevention Plan Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control 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 Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan. Type:
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings) Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground S Instructions: Please indentify the facility or facilities for the disposal of liquids, d facilities are required.								
•	Disposal Facility Permit Number:							
Disposal Facility Name: Disposal Facility Permit Number:								
Will any of the proposed closed-loop system operations and associated activities occ Yes (If yes, please provide the information below) No	cur on or in areas that will not be used for future serv	vice and operations?						
Required for impacted areas which will not be used for future service and operation Soil Backfill and Cover Design Specifications based upon the appropriate Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection	requirements of Subsection H of 19.15.17.13 NMAC of 19.15.17.13 NMAC	C						
17. Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the coprovided below. Requests regarding changes to certain siting criteria may require considered an exception which must be submitted to the Santa Fe Environmental demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for	e administrative approval from the appropriate disti Bureau office for consideration of approval. Justi	rict office or may be						
Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data	obtained from nearby wells	Yes No						
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data	obtained from nearby wells	X Yes ☐ No ☐ NA						
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data	obtained from nearby wells	☐ Yes ☒ No ☐ NA						
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other sign lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	ificant watercourse or lakebed, sinkhole, or playa	☐ Yes 🏻 No						
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 watering purposes, or within 1000 horizontal feet of any other fresh water well or sp NM Office of the State Engineer - iWATERS database; Visual inspection (or	oring, in existence at the time of initial application.	☐ Yes 🏿 No						
Within incorporated municipal boundaries or within a defined municipal fresh water adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approve		☐ Yes ☒ No						
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visua	l inspection (certification) of the proposed site	☐ Yes 🏻 No						
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD-Mining	and Mineral Division	☐ Yes 🛛 No						
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map □ Yes □								
Within a 100-year floodplain. - FEMA map Yes ☒ No								
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of Construction/Design Plan of Burial Trench (if applicable) based upon the ap Construction/Design Plan of Temporary Pit (for in-place burial of a drying pa Protocols and Procedures - based upon the appropriate requirements of 19.15 Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Sisposal Facility Name and Permit Number (for liquids, drilling fluids and documents) Soil Cover Design - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection Research Plan - based upon the appropriate requirements of Subsection Research Plan - based upon the appropriate requirements of Subsection Research Plan - based upon the appropriate requirements of Subsection Research Plan - based upon the appropriate requirements of Subsection Research Plan - based upon the appropriate requirements of Subsection Research Plan - based upon the appropriate requirements of Subsection Research Plan - based upon the appropriate requirements of Subsection Plan - based upon the appropriate requirements of Subsection Research Plan - based upon the appropriate requirements of Subsection Plan - based upon the appropriate requirements of Subsection Plan - based upon the appropriate requirements of Subsection Plan - based upon the appropriate requirements of Subsection Plan - based upon the appropriate requirements of Subsection Plan - based upon the appropriate requirements of Subsection Plan - based upon the appropriate requirements of Subsection Plan - based upon the appropriate requirements of Subsection Plan - based upon the appropriate requirements of Subsection Plan - based upon the appropriate requirements of Subsection Plan - based upon	tirements of 19.15.17.10 NMAC Subsection F of 19.15.17.13 NMAC propriate requirements of 19.15.17.11 NMAC ad) - based upon the appropriate requirements of 19. 17.13 NMAC tirements of Subsection F of 19.15.17.13 NMAC Subsection F of 19.15.17.13 NMAC rill cuttings or in case on-site closure standards cann H of 19.15.17.13 NMAC T of 19.15.17.13 NMAC	15.17.11 NMAC						

Operator Application Certification: I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.
Name (Print): Kim Champlin Title: Environmental Representative
Signature: Kim Champlin Date: August 29, 2008
e-mail address: km_champlin@xtoenergy.com Telephone: (505) 333-3100
OCD Approval: Permit Application (including closure plan) Closure Plan (only) COD Conditions (see attachment)
OCD Representative Signature: Branch Sell Approval Date: 10-7-08
Title: OCD Permit Number:
21. Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed. Closure Completion Date:
22. Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method Waste Removal (Closed-loop systems only) If different from approved plan, please explain.
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: Instructions: Please indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized. Disposal Facility Name: Disposal Facility Permit Number: Disposal Facility Name: Disposal Facility Permit Number: Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations? Yes (If yes, please demonstrate compliance to the items below) No
Required for impacted areas which will not be used for future service and operations: Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique
Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached. Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if applicable) Waste Material Sampling Analytical Results (required for on-site closure) Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique Site Reclamation (Photo Documentation) On-site Closure Location: Latitude
25.
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.
Name (Print): Title:
Signature: Date:
e-mail address: Telephone:

Lodestar Services, Inc. Po Box 4465, Durango, CO 81302

Pit Permit Siting Criteria Information Sheet

Client:	XTO Energy	
Project:	Pit Permits	
Revised:	7-Aug-08	
Prepared by:	Ashley Ager	1

PO Box 4465, Durango,	Information Shee			Revised: Prepared by:	7-Aug-08 Ashley Ager
API#:		30-045-34733		USPLSS:	23N 11W Sec. 2D
Name:	Stewart 2 No. 001			Lat/Long:	36.2668, -107.98121
Depth to groundwater:	bet	between 50 and 100'		Geologic formation:	Nacimiento (Tn)
Distance to closest continuously flowing watercourse:		River: 10.6 miles; San n River: 30.8 miles			
Distance to closest significant watercourse, lakebed, playa lake, or sinkhole:	29	90' NW to arroyo			,
Permanent residence, school, hospital, institution or church within 300'		NO		Soil Type:	Entisols (<i>primary</i>), Aridisols
				Annual Precipitation:	Chaco: 8.73", Otis: 10.41", Newcomb: 5.97"
Domestic fresh water well or spring within 500'		NO		Precipitation Notes:	Daily Extreme Precip (chaco): 2.6" (sep.)
Any other fresh water well or spring within 1000'		NO			
Within incorporated municipal boundaries		NO		Attached Documents:	30-045-34733_gEarth-iWaters jpg, 30-045-34733_gEarth- PLS jpg, 30-045-34733_topo-PLS jpg, 30-045- 34733_topo-PLS_overview jpg
Within defined municipal fresh water well field		NO			23N10W_iWaters.pdf, 23N11W_iWaters.pdf, 23N12W_iWaters.pdf, 24N10W_iWaters.pdf, 24N11W_iWaters.pdf, 24N12W_iWaters.pdf, FM3500641075B_30-045-34733.jpg
Wetland within 500'		NO		Mining Activity:	None Near
Within unstable area		NO			NM-MMD-Coal Mines WebMap_30-045-34733.pdf NM_NRD-MMD_MinesMillQuarries_30-045-34733.jpg
Within 100 year flood plain	NC	D-FEMA Zone 'X'	,		• • •
Additional Notes:	'Ah-Shi-Sle	ns to 'De-Na-Zin wash' or e-Pah Wash': Chaco River dary/tertiary systems			

DISTRICT I

1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II

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

DISTRICT III

1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, N.M. 87505

Form C-102

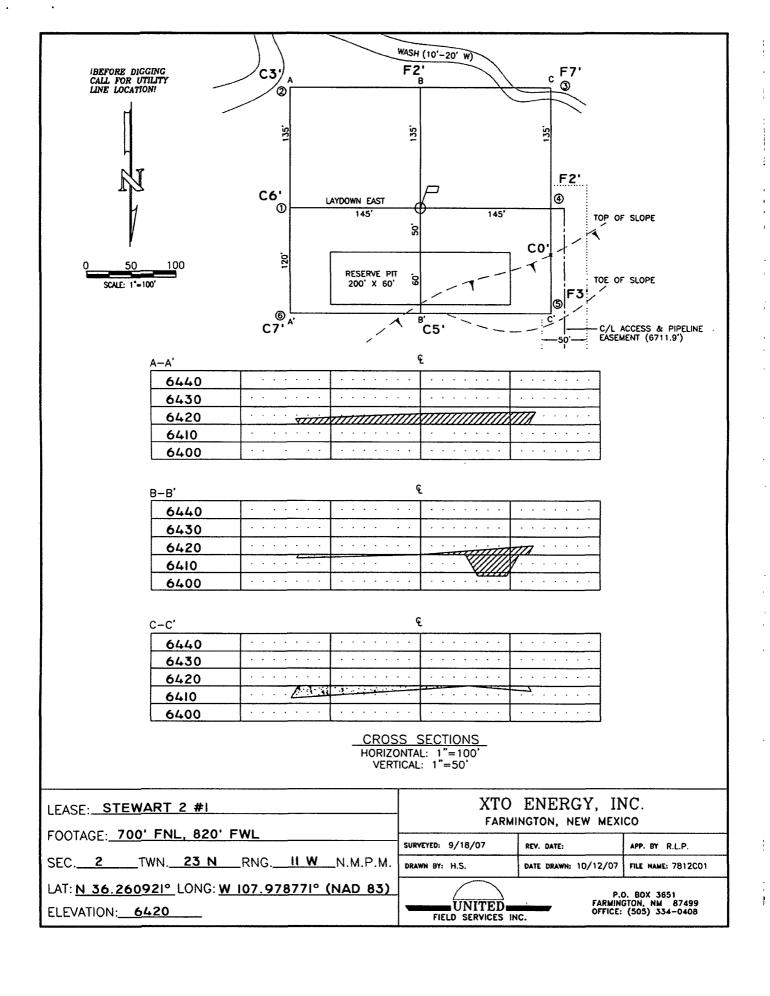
Revised October 12, 2005

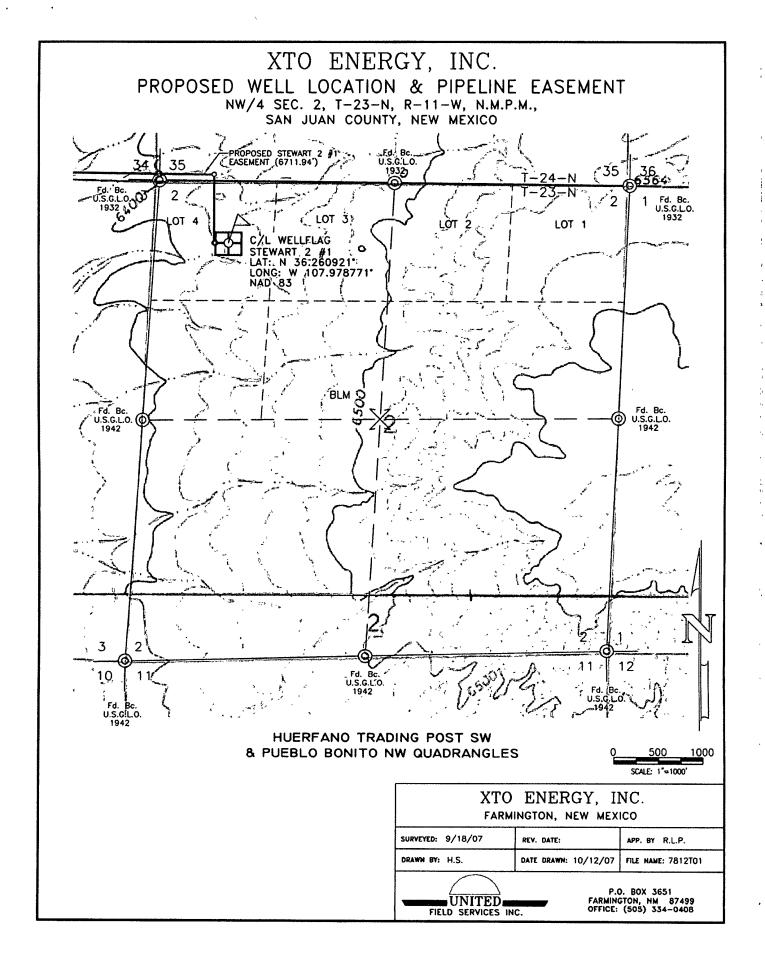
Submit to Appropriate District Office

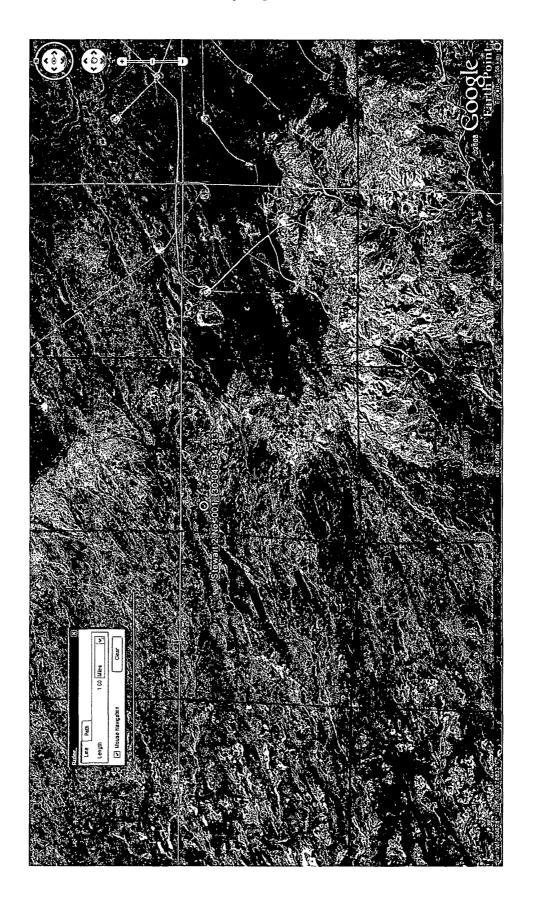
State Lease - 4 Copies

Fee Lease - 3 Copies

1220 S. St. Fran				OCATIO	N AND AC	CREAGE DED	IC A	L. TION PLAT	AML	NDED REPOR		
¹ API	Number		Pool Code Pool Name FRUITLAND COAL									
Property C	ode			Property Name STEWART 2 Well Number								
OGRID N	o.			*Operator Name *Elevation XTO ENERGY, INC. 6420								
					10 Surface	Location						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Fe	et from the East/Wes	t line	County		
D	2	23 N	II W	···	700	NORTH	<u> </u>	820 WES	ST_	SAN JUAN		
			11 Botto	m Hole	Location	If Different Fr	om	Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Fe	et from the East/Wes	t line	County		
Dedicated Acre	:s	13	Joint or Infil	ì	14 Consolidation	Code	100	Order No.				
W 1/2, 3	320 AC	±										
		ILL BE A						TERESTS HAVE B Y THE DIVISION	EEN	CONSOLIDATEI		
16 S 89°22	'44" E		3.48'	_	9°21'58" E	2621.34'		7	D CE	RTIFICATION		
. LOT 4	20' NAD 83 LAT: 36.2609		LOT 3		०४ इ	LOT i	2634.48	I hereby certify that the it true and complete to the le and that this organization or unleased mineral intere proposed bottom hole local well at this location pursu owner of such a mineral of voluntary pooling agreement heretofore entered by the c	nformation est of meither or st in the on or ha ant to a me workin ut or a c	m contained herein is y knowledge and belief, was a working interest land including the s a right to drill this contract with an g interest, or to a		
N 4°02'34" E			SEC	TION 2			S 2°43'19" W	Signature Printed Name		Date		
				1				18 SURVEYOR	CEE	TIFICATION		
2737.38'							2631.56'	I hereby certify that the usus plotted from held note or under my supervision, correct to the best of my b	ell location of action of that elief.	on shown on this plat ual surveys made by me the same is true and		
N 4°05'32" E	,		95 70'		O# 0'15" W	2607./61	S 2º48'21" W	Signature and Seal of Fi	EXICO	E Surreyor:		







New Mexico Office of the State Engineer **POD Reports and Downloads**

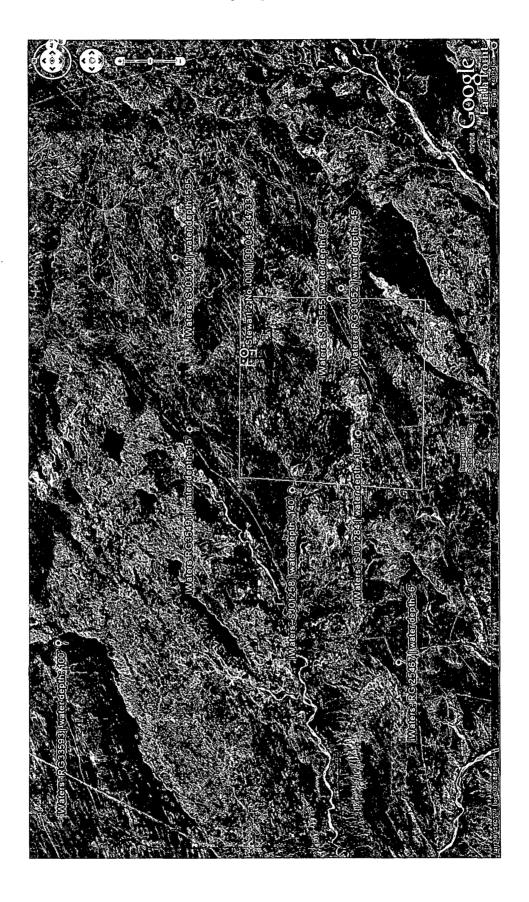
Township: 23N Range: 11W Sections:
NAD27 X: Y: Zone: Search Radius:
County:
Owner Name: (First) (Last) ONon-Domestic ODomestic @All
POD / Surface Data Report
Clear Form iWATERS Menu Help

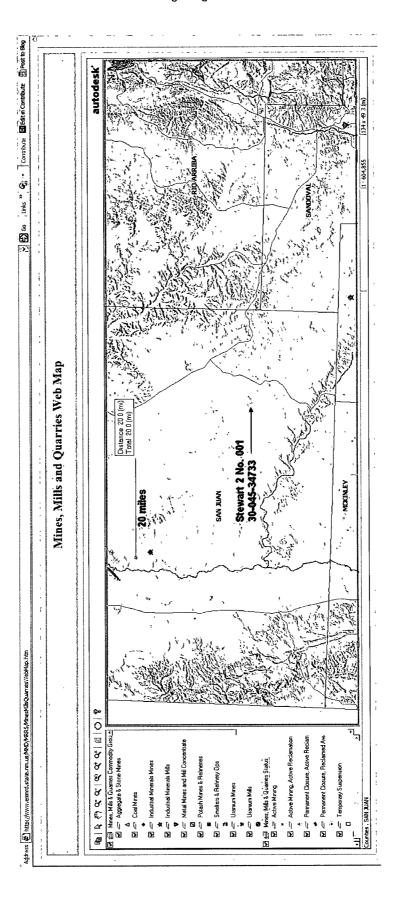
WATER COLUMN REPORT 08/07/2008

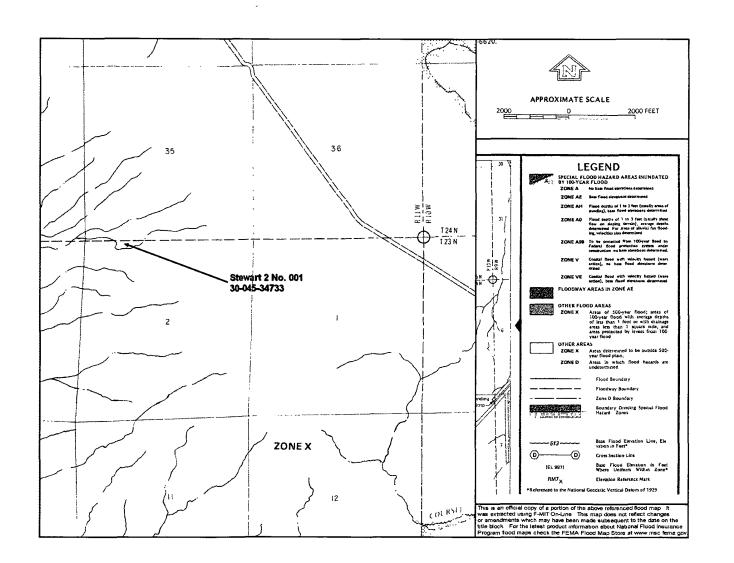
(quarters are higgest to smallest)

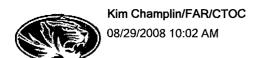
	(duar cer	s are	= 1—I	AW 2	[417-	J-54 4-5	- ·					
	(quarter	s are	∍ biq	gges	t to	smalles	t)		Depth	Depth	Water	(in feet)
POD Number	Tws	Rng	Sec	q q	q	Zone	x	Y	Well	Water	Column	
SJ_03555_	23N	11W	24	2 2	2				257	50	207	
SJ 01284	23N	11W	29	2 1					400	109	291	

Record Count: 2









To sdawson@slo.state.nm.us

CC

bcc

Subject Notice-Stewart 2 #1 Well Site

RE:

Stewart 2 #1 Gas Well API 30-045-34733 Sec. 2D- T23N- R11W, San Juan County

Dear Mr. Dawson:

This submittal is pursuant to Rule 19.15.17.13 requiring operators to notify surface owners of on site burial of temporary pits. XTO Energy Inc. (XTO) is hereby providing written documentation of our intention to close the temporary pit associated with the aforementioned location by means of in place on site burial.

Should you have any questions or require additional information please feel free to contact me at your earliest convenience (505) 333-3100.

Kim Champlin Environmental Representative XTO Energy
San Juan Division
(505) 333-3207 Office
(505)330-8357 Cell
(505) 333-3280 Fax

XTO Energy Inc. San Juan Basin Closure Plan

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure requirements of temporary pits on XTO Energy Inc. (XTO) locations. This is XTO'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 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

General Plan:

- 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 recycled, reused, or reclaimed in a manner that the Aztec Division office approves.
- 2. The preferred method of closure for all temporary pits will be on-site, in-place burial, assuming that all criteria listed in sub-section (B) of 19.15.17.13 are met.
- 3. The surface owner shall be notified of XTO proposed closure plan using a means that provides proof of notice i.e., Certified mail, return receipt requested.
- Within 6 months of the Rig Off status occurring XTO 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. Operators Name
 - ii. 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 liver 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 appropriate solidification. 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. Disposal facility to be utilized should this method be required will be Envirotech, Permit No. NM01-0011 or IEI, Permit No. NM01-0010B.

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

- 9. Upon completion of solidification and testing, the pit area will be backfield 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.
- 10. Re-contouring of location will match fit, shape, line, form and texture of the surrounding area. Re-shaping will include drainage control, ponding prevention, and erosion prevention. Natural drainages will be unimpeded and water bars and/or silt traps will be placed 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. Notification will be sent to OCD when the reclaimed area is seeded.
- 12. XTO 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 of Forest Service stipulated seed mixes will be 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.
- 13. 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 all wells on the pad are abandoned. The operator's information will include the following: Operators Name, Lease Name, Well Name and Number, Unit Number, Section, Township, Range and an indicator that the marker is an onsite burial location.