District I

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

July 21, 2008 For temporary pits, closed-loop sytems, and below-grade

Form C-144

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

TToposed 7 Men	marive vicined I crime of Crestic I am Tippitettien
	a pit, closed-loop system, below-grade tank, or proposed alternative method
=	f a pit, closed-loop system, below-grade tank, or proposed alternative method
	ion to an existing permit
— •	lan only submitted for an existing permitted or non-permitted pit, closed-loop system, ide tank, or proposed alternative method
Instructions: Please submit one application (For	rm C-144) per individual pit, closed-loop system, below-grade tank or alternative request
	not relieve the operator of liability should operations result in pollution of surface water, ground water or the its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.
1 Operator: Burlington Resources Oil & Gas Comp	pany, LP OGRID#: 14538
Address: PO Box 4289, Farmington, NM 87499	
Facility or well name: Negro Canyon #4	
API Number: 30-045-34644	OCD Permit Number:
U/L or Qtr/Qtr: M(SWSW) Section: 31 T	Fownship: 32N Range: 7W County: San Juan
Center of Proposed Design: Latitude: 36.	.933928' W Longitude: 107.617299' W NAD: 1927 X 1983
Surface Owner: X Federal State	Private Tribal Trust or Indian Allotment
X Lined Unlined Liner type: This X String-Reinforced	P&A ickness
Closed-loop System: Subsection H of 19.15.1 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 Lined Unlined Liner type: Thick Liner Seams: Welded Factory Othe	Haul-off Bins Other ckness mil LLDPE HDPE PVD Other cr ——————————————————————————————————
X Below-grade tank: Subsection I of 19.15.17.11	
Volume: 120 bbl Type of	f fluid: Produced Water OIL CONS. DIV. DIST.
Tank Construction material:	Metal Produced water OIL CONS. Div
	MMAC If fluid: Produced Water Metal Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off dewalls only Other DEV. Visible Sidewalls only Other LIPPE
Liner Type: Thickness 45 mil	HDPE PVC X Other LLDPE
5 Alternative Method:	
Submittal of an exception request is required. Exception	ns 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, host Four foot height, four strands of barbed wire evenly spaced between one and four feet X Alternate. Please specify 4' hogwire fence with a single strand of barbed wire on top.	pital, institution or church)
7	
Netting: Subsection E of 19 15.17 11 NMAC (Applies to permanent pits and permanent open top tanks) X Screen Netting Other Monthly inspections (If netting or screening is not physically feasible)	
8 Signs: Subsection C of 19.15.17.11 NMAC 12" X 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers X Signed in compliance with 19.15 3.103 NMAC	,
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	e 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 acceptab 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 criteri 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 X 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	a Yes XNo
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes X No
(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 pus)	Yes No XNA
- 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 water purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	tering Yes XNo
- NM Office of the State Engineer - 1WATERS 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 X No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	e Yes XNo
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	Yes X No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geologica Society; Topographic map	al Yes X No
Within a 100-year floodplain - FEMA map	Yes XNo

Form C-144 Oil Conservation Division Page 2 of 5

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
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
Closed-loop Systems Permit Application Attachment Checklist: 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 (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC
Design Plan - based upon the appropriate requirements of 19.15.17 11 NMAC
Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17 9 NMAC and 19.15.17.13 NMAC
Previously Approved Design (attach copy of design) API
Previously Approved Operating and Maintenance Plan API
13
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.
Hydrogeologic Report - based upon the requirements of Paragraph (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
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: X Drilling Workover Emergency X 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
X Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17 13 NMAC
X Communation Sampling Fign (if applicable) - based upon the appropriate requirements of Subsection F of 19.13.17 13 NWIAC 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 Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15.17 13 NMAC
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Form C-144 Oil Conservation Division Page 3 of 5

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13 D NMAC) o facilities							
Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than tware required	o juctimes							
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 of 19 15 17 13 NM 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	IAC							
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 material are provided to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to for consideration of approval Justifications 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 buried waste.	Yes X No							
- NM Office of the State Engineer - iWATERS database search; USGS: Data obtained from nearby wells	□ N/A							
Ground water is between 50 and 100 feet below the bottom of the buried waste	X Yes 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.	Yes X No							
- NM Office of the State Engineer - 1WATERS 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, or playa lake (measured from the ordinary high-water mark).	Yes XNo							
- 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	Yes X No							
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal fee of any other fresh water well or spring, in existence at the time of the initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted	Yes XNo							
pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality								
Within 500 feet of a wetland - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	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 Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society;	Yes X No							
Topographic map	Yes X No							
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 attached to the closure was the box, that the documents are attached.	sure plan. Please indicate,							
X Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC								
X Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19 15.17.13 NMAC								
Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC								
Construction/Design Plan of Temporary Pit (for in place burnal of a drying pad) - based upon the appropriate requirements	of 19.15.17.11 NMAC							
X Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC								
Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NM/	AC							
Waste Material Sampling Plan - 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 or in case on-site closure standards	cannot be achieved)							
 Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19 15 17.13 NMAC 								
X Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15 17.13 NMAC								

Form C-144 Oil Conservation Division Page 4 of 5

Operator Application	. Cortification		
Operator Application Thereby certify that the i	n Certification: information submitted with this application is true, a	ccurate and complete to the	best of my knowledge and belief.
Name (Print):	Crystal Tafoya	Title:	Regulatory Technician
`	12 1 0-1	Date:	9/24/2008
Signature.	crystalifafoya@conocophillubs.com	Telephone:	505-326-9837
e-mail address	erystamaroya@conocopiiimps.com	receptione.	303-320-9631
20 OCD Approval: OCD Representative	Permit Application (including closure plan)		OCD Conditions (see attachment) Approval Date: 10-8-08
	A		
Title: \(\psi \psi \cdot	stro/Spec	OCD Perr	nit Number:
Instructions: Operators of report is required to be s		or to implementing any clos letion of the closure activition n completed.	C ure activities and submitting the closure report. The closure Please do not complete this section of the form until an Completion Date:
	on and Removal On-site Closure Method approved plan, please explain.	Alternative Closure	e Method
23 Closure Report Regard	ling Waste Removal Closure For Closed-loop Syst	tems That Utilize Above G	round Steel Tanks or Haul-off Bins Only:
			ings were disposed. Use attachment if more than two facilities
were utilized.			
Disposal Facility Nan		_	y Permit Number
Disposal Facility Nan			y Permit Number:
_ `	system operations and associated activities perform		ot be used for future service and opeartions?
Yes (If yes, pleas	se demonstrate complilane to the items below)	∐No	
 '	ed areas which will not be used for future service and	d operations:	
=	n (Photo Documentation)		
= '	and Cover Installation		
Re-vegetation Ap	pplication Rates and Seeding Technique		
Closure Report At the box, that the docu		following items must be att	ached to the closure report. Please indicate, by a check mark in
	re Notice (surface owner and division)		
=	Notice (required for on-site closure)		
Plot Plan (for o	on-site closures and temporary pits)		
Confirmation S	Sampling Analytical Results (if applicable)		
Waste Material	Sampling Analytical Results (if applicable)		
Disposal Facili	ty Name and Permit Number		
	g and Cover Installation		
=	Application Rates and Seeding Technique		
	on (Photo Documentation)		
On-site Closure	e Location: Latitude:	Longitude:	NAD
25			
	***************************************	-	e and complete to the best of my knowledge and belief. I also certify that closure plan.
Name (Print):		Title:	
·			
Signature:		Date	•
e-mail address:		Telephone:	

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

Tov	vnship: 32N	Range: 07W	Sections:			
NÁD27	X :	¥:	Zone:	Search R	adius:	
County:	Bas	in:		Number:	Suffix:	
Owner Name: (Fi	irst)	(Last)		O Non-Dome	estic ODomestic	: •All
POD / Surfa	ice Data Repo	ort Av	g Depth to Water	Report	Water Column Repo	ort
	1	Clear Form	WATERS Me	nu Help		
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Zone

SJ 01612

32N 07W 07 2 2 2 32N 07W 34 3

Tws Rng Sec q q q

Depth Water Column

240 800

Well

Water (in feet)

Record Count: 2

POD Number

SJ 03117

New Mexico Office of the State Engineer POD Reports and Downloads

Town	ship: 31N Range:	07W Section	ns:			,	
NAD27	X: Y:	Zone	e: 24.	Search Ra	dius:		
County:	Basin:		Nun	nber:	Suffix:		
Owner Name: (Fir	st)	(Last)		Non-Dome	stic C Don	estic e	All
POD//Surfac	e Data Report	Avg Depthit	Water Repor		Water Column	Report 1	
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		,				·••••	
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600

540

570

300

420

470

300

120

100

Record Count: 3

31N

31N

31N

07W 02 1 4

1 2 4

07W 14

07W 28

SJ 03649

SJ 03426

SJ 03355

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

Township: 32N Range: 08W Sections: Search Radius: NADŽY X: W. Zone: Basin: Number: Saffix: County: Non-Domestic Domestic All Owner Name: (Hirst) (Last) POD / Surface Data Report Avg Depth to Water Report Water Column Report Help Clear Form WATERS Menu

WATER COLUMN REPORT 09/20/2009

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SJ 03250	32N	W80	27	4	3 4	Ļ		-		400	375	25	*
\$3 03259	32N	W80	34	1	2 3	}				550	500	50-	
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Record Count: 7

New Mexico Office of the State Engineer POD Reports and Downloads

Township: 31N Range: 08W Sections:

NAD27 X: Y: Zoue: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) Non-Domestic Domestic All

POD / Surface Data Report Avg Depth to Water Report Water Column Report

iWATERS Menu

Help

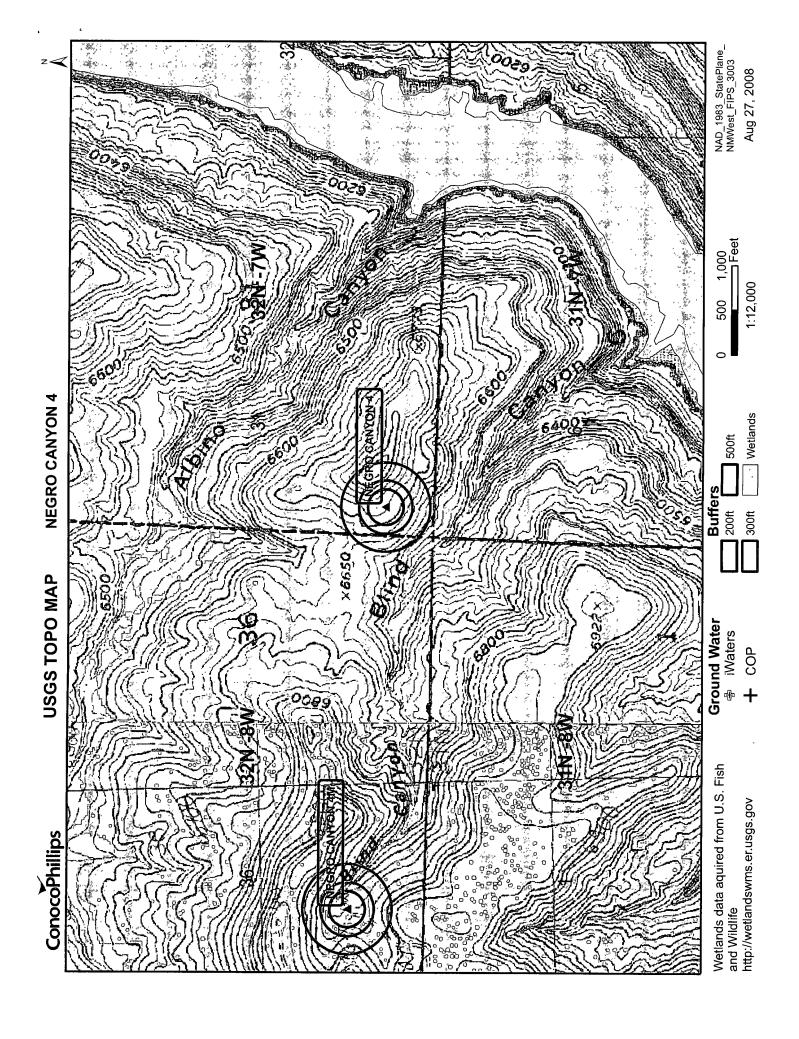
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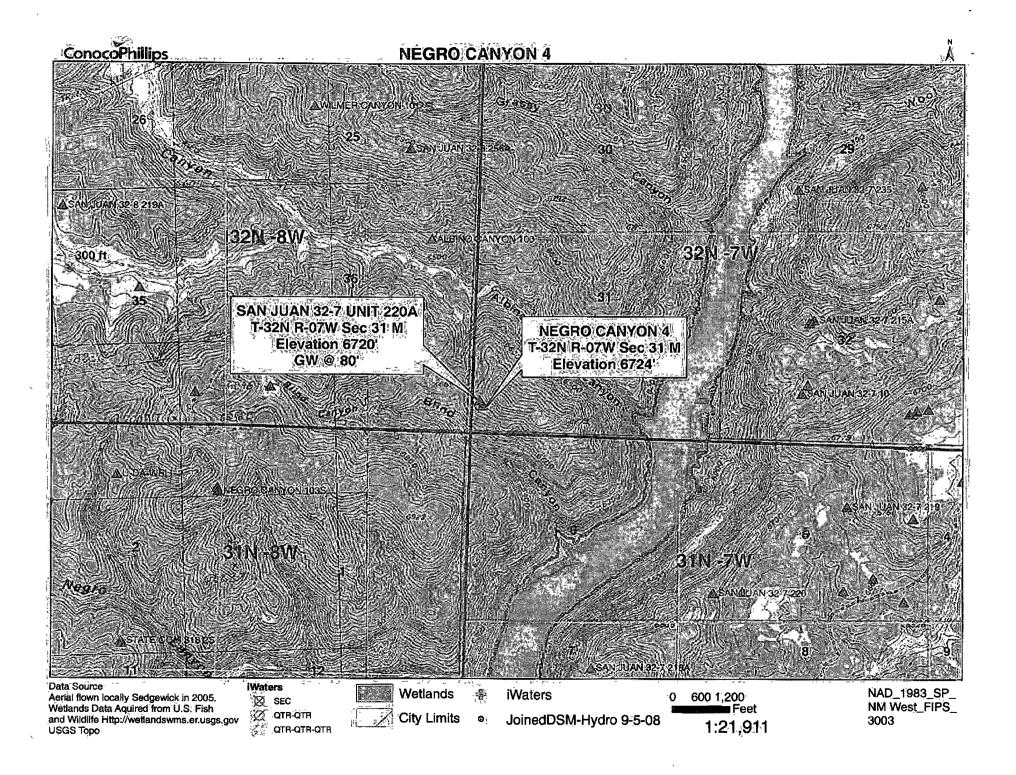
Clear Form

MATER COLUMN REPORT 08/20/2003

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reduing cos	Type	Rag	Soc "	1 9	S.	Zone	X	····X	Wall	Water	Colima		
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SJ 01822	- 31N	08W	25.	2 2	2				550	500	50		
SJ 00012	31N	08W	30	2					1021	47,5	5,46		
SJ 00198	31N	W80	32	3, 3,	4				2003				

Record Count: 5





Form 3160-4 (April 2004)

Address

Hole Size

12.25

8.75

6.25

B) Ω

D)

Choice Size

Choke Size

Date First | Test | Date

Flwg.

Flwg.

(See Instructions and spaces for additional

UNITED STATES DEPARTMENT OF THE INTERIOR FORM APPROVED OMB NO. 1004-0137 Expires: March 31, 2007 BUREAU OF LAND MANAGEMENT WELL COMPLETION OR RECOMPLETION REPORT AND LOG 5. Lease Serial No. SF078996 Oil Well X Gas Well Dry Other 6. If Indian, Allottee or Tribe Name la. Type of Well b. Type of Completion X New Well Work Over Deepen Plug Back Diff. Resvr. 7. Unit or CA Agreement Name and no. Other Name of Operator 8. Lease Name and Well No. ConocoPhillips Company Phone No. (In Allermen code) SAN JUAN 32-7 UNIT (505)5993419 9. API Well No. 5525 Highway 64 Farmington NM 87401 4. Location of Well (Report location clearly and in accordance with Federal requirements) — Control Offices. 30-045-32975 10. Field and Pool, or Exploratory At Surface SWSW SEC 31 T32N R7W 680 FSL & 268 FWL BASIN FRUITLAND COAL 11. Sec., T., R., M., on Block and At top prod. interval reported below Survey or Area M Sec: 31 Twn: 32N 12. County or Parish 13. State At total depthNWNW SEC 6 T31N R7W 805 FNL & 749 FWL SAN JUAN NM 16. Date Completed 14. Date Spudded 15. Date T.D. Reached 17. Elevations (DF, RKB, RT, GL)* X Ready to Prod. 09/28/2005 10/17/2005 6720 GL 11/12/2005 18: Total Depth: MD 4185 19 Plug Back T.D.: MD 4183 20. Depth Bridge Plug Set: MĎ TVD TVD4185 TVD4183 21. Type of Electric & Other Mechanical Logs Run (Submit copy of each) Mud Logs Was well cored? X No Yes (Submit analysis) Was DST run? X No Yes (Submit analysis) Directional Survey? No X Yes. (Submit copy) 23. Casing and Liner Record (Report all strings set in well) Slurry Vol. (BBL) No. of Sks. & Stage Cementer **Amount Pulled** Cement Top* Size/Grade Wt. (#/ft.) Top (MD) Bottom (MD) Type of Cement Depth 9.625H-40 32.3 231 16 bbl 0, 200 0 7.0 J-55 23.0 0 3758 0 23.bbl 600 5.5 Liner 15.5 3685 4185 0 24. Tuhing Record Size Depth Set (MD) Packer Depth (MD) Size Depth Set (MD) Packer Depth (MD) Depth Set (MD) Packer Depth (MD) 2.375 4156 25. Producing Intervals 4156 Perforation Record Perforated Interval No. Holes **Formation** Bottom Size Perf. Status Tóp A)Basin Fruitland Coal 3801 .75 4116 3801-4116 Open' 0 O -,41 27. Acid. Fracture. Treatment. Cement Squeze. Etc. Depth Interval Amount and Type of Material Underreamed 6.25" hole to 9.5' from 3770' to 4185'. Cavitated. 성 28. Production - Interval A
Date First | Test
Produced | Date | Tested -Production Method Test Production Gas MCF Oil Gravity Corr. API Gas Gravity Oil CCEPTED FOR RECORD 11/12/05 11/11/0\$ 1 0 1191 Gas Pumping Unit 24 Hr. Rate Tbg. Press. Well Status Oil BBL Gas MCF Water BBL Gas : Oil Ratio JAN 09 2006 2" Pitot SI n/a 15 <u>psi</u> Shut-in FARMINGTON FIELD OFFICE Production - Interval B Production Method Test Production Oil Oil Gravity Corr. API Gas Gravity Well Status The Press 24 Hr. Rate Csg. Oil BBL Gas MCF Gas : Oil

RCVD MAR28'07

OCD CATHODIC PROTECTION DEEPWELL GROUNDBED REPORTIL CONS. DIV. DATA SHEET: NORTHWESTERN NEW MEXICO DIST. 3

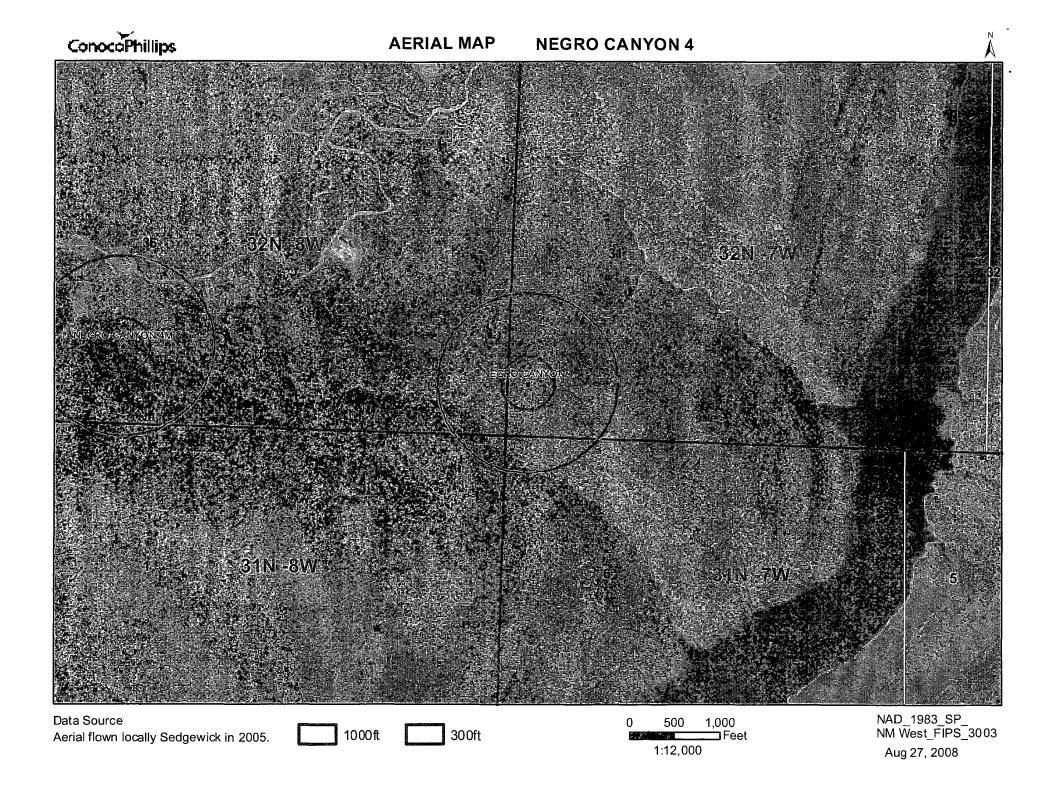
OPERATOR: ConocoPhillips CO.

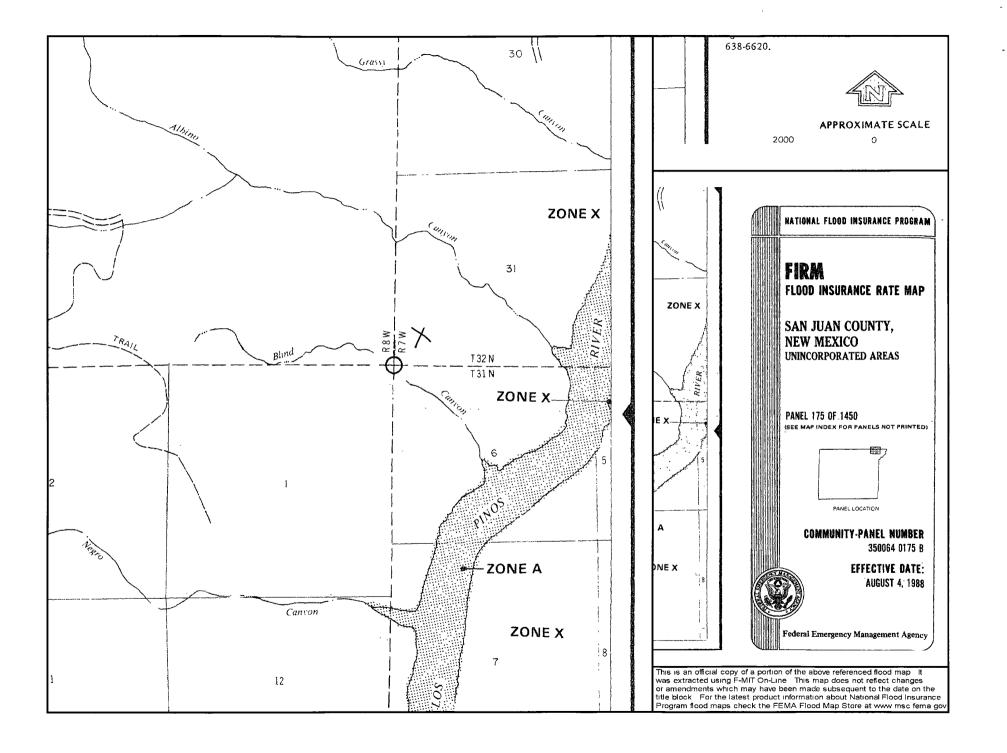
SUBMIT 2 COPIES TO O.C.D. AZTEC OFFICE			FARMINGTON, NM 87401 PHONE: 599-3400
LOCATION INFORMATION	1	API itushur	3004532975
WELL SLANE OR PPELSE SERVED: 32-7 220A	TECAT FOCYLINE	23-32-8	DESTALLATION RATE: 4/18/2008
PPCO DECIFER NO. FM-0954 ADMITCHAL WELLS:	ŅĄ	<u> </u>	
TYPE OF LEASE. FEDERAL LEASE N	SF-0	78996	
	TYPE BF CASSNE: PVC 90 250,280,270,280,290	CASHE D	EPTH: 20 CARBOR SEPARATED:
WATER INFORMATION	G-15		
WATER DEPTH (1): 80 WATER DEPTH (2):			
CAS DEPTH: CHRENT PLUCS:			
OTHER INFORMATION		<u> </u>	
TOP OF VENT PERFORATIONS: 120 VENT PUPE REPTER	300		
REMARKS. START UP ON 5-16-06. STATIC READ 593			

IF ANY OF THE ABOVE DATA IS UNAVAILABLE; PLEASE INDICATE SO, COPIÈS OF ALL LOGS, INCLUDING DRILLERS LOGS, WATER ANALYSIS, AND WELL BORE SCHEMATICS SHOULD BE SUBMITTED WHEN AVAILABLE. UNPLUGGED UNABANDONED WELLS ARE TO BE INCLUDED.

*- LAND TYPE MAY BE SHOWN: F-FEDERAL; I-INDÏAN; S-STATE; P-FEE IF FEDERAL OR INDIAN, ADD LEASE NUMBER.

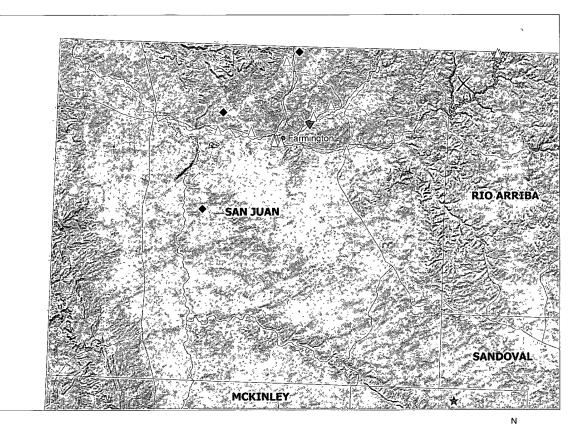
Monday, March 26

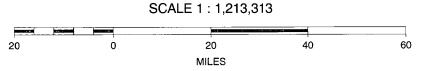




Negro Canyon 4 Mines, Mills and Quarries Web Map

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
Population	
•	Cities - major
Transportation	on
+ ; +	Railways
	Interstate Highways
	Major Roads
	- •







Hydrogeological report for Negro Canyon #4

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.

Siting Criteria Compliance Demonstration & Hydro Geologic Analysis

The Negro Canyon #4 is not located in an unstable area. The location is not over a mine and is not on the side of a hill as indicated on the Mines, Mills and Quarries Map and Topographic Map. The location of the excavated pit material will not be located within 300' of any continuously flowing watercourse or 200' from any other watercourse as indicated on the Topographic Map. The location is not within a 100-year floodplain area as indicated on the FEMA Map. The groundwater depth is considered to be greater than 100' as determined by the topographic map and the Cathodic well data from the San Juan 32-7 Unit 220A with an elevation of 6720' and groundwater depth of 80'. The subject well has an elevation of 6724' which is slightly greater than the San Juan 32-7 Unit 220A, therefore the groundwater depth is approximately 80'. There are no iWATERS data points in the area as indicated on the TOPO Map. The Cathodic data provides the indication that groundwater depth is approximately 80'. The hydro geologic analysis indicates the groundwater depth and the San Jose formation will create a stable area for this new location.

Tafoya, Crystal

From:

Tafoya, Crystal

Sent:

Wednesday, September 24, 2008 8:29 AM 'mark_kelly@nm.blm.gov'

To: Subject:

Surface Owner Notification

The following wells temporary pit will be closed on-site. Please let me know if you have any questions.

Huerfano Unit 289 Negro Canyon 4 Morris A 101 San Juan 28-6 Unit 164P

Thanks,

Crystal L. Tafoya Regulatory Technician *ConocoPhillips Company* San Juan Business Unit Phone: (505) 326-9837

Email: Crystal.Tafoya@conocophillips.com

District 1

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, 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 & Natural Resources Department OIL CONSERVATION DIVISION Submit CAppropriate District Office

1220 South St. Francis Dr. Santa Fe, NM 87505

APR 04 2008

Form C-102 Revised October 12, 2005 State Lease - 7 Copies

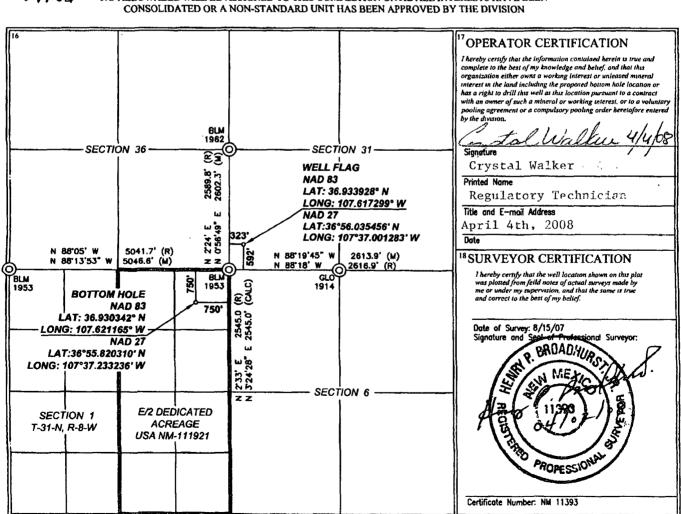
Fee Lease - 3 Copies

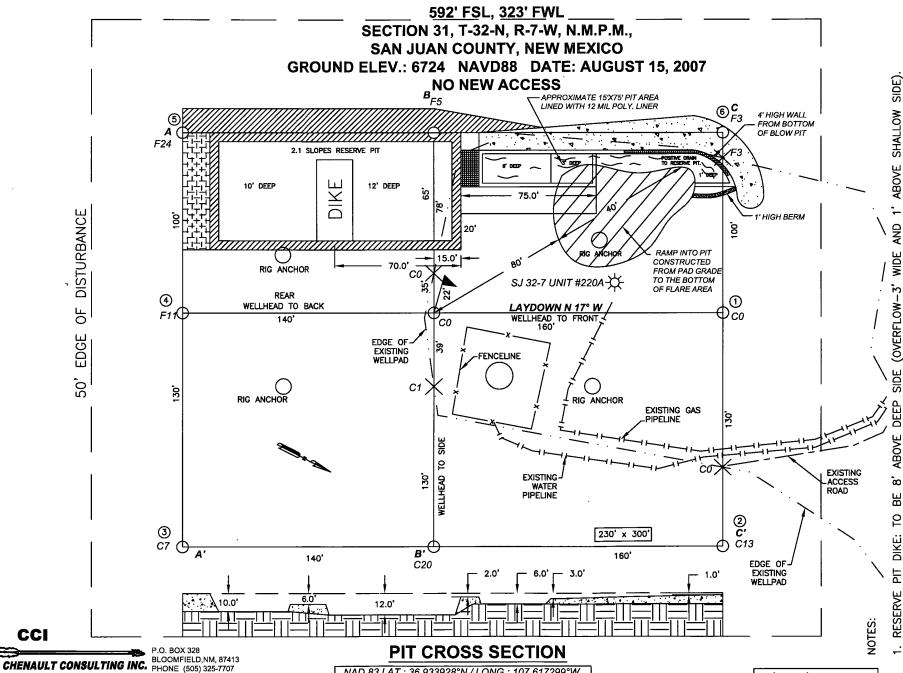
Bureau of Land Management AMMENDED REPORT

Farmington Field Office WELL LOCATION AND ACREAGE DEDICATION PLAT

30-045-	PI Number	14		Pool Code 3 Pool Name 19/71599 BASIN DAKOTA / BLANCO MESAVERDE								
4 Property Coo		<u></u>	⁶ Well Number 4									
7 OGRID N 14538	о.		8 Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP									
					10 SURFACE I	LOCATION						
JL or lot no. M	Section 31	Township 32-N	Range 7-W	Lot Idn	Feet from the 592	North/South line SOUTH	Feet from the 323	East/West line WEST	County SAN JUAN			
			'' B	ottom He	ole Location I	f Different Fro	m Surface					
JL or lot no. A	Section 1	Township 31-N	Range 8-W		Feet from the 750	North/South line NORTH	Feet from the 750	East/West line EAST	County SAN JUAN			
Dedicated Acres		or Infill	Consolidation	Code 15	Order No.	<u></u>						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN





NAD 83 LAT.: 36.933928°N / LONG.: 107.617299°W

CCI

PRIOR UNMARKED BURIED (2) WORKING DAYS 3 NY MARKED OR AT LEAST TWO UNDERGROUND UTILITALE FOR LOCATION OF AND OR ACCESS ROA LIABLE F YS IS NO SHOULD CABLES C.C.I. SURVEY: CONTRACTOR S PIPLINES OR (

CONSTRUCTION.

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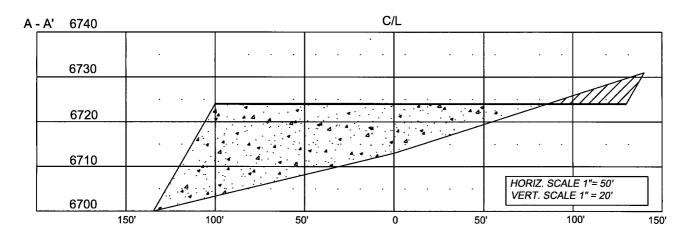
330' x 400' = 3.03 ACRES

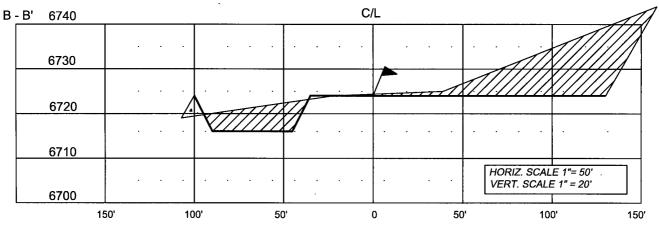
BURLINGTON RESOURCES OIL AND GAS COMPANY LP

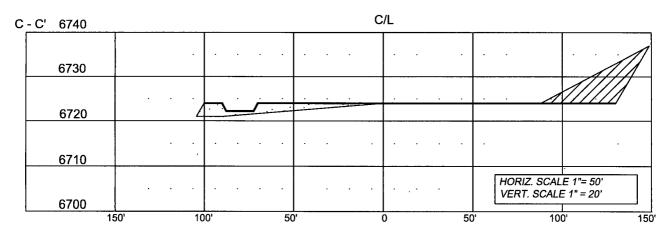
NEGRO CANYON 4 592' FSL. 323' FWL

SECTION 31, T-32-N, R-7-W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO

ELEV.: 6724 NAVD88







NOTE: CCI 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 AND OR ACCESS ROAD PRIOR TO CONSTRUCTION

REVISIONS					
NO	DESCRIPTION	REVISED BY	DATE		
1	ISSUED FOR REVIEW	TJR	8/15/07		



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.

- BR will design and construct a properly sized and approved temporary pit which will contain liquids and solids and should prevent contamination of fresh water and protect public health and environment.
- Prior to constructing the pit, topsoil will be stockpiled in the construction zone for later use in restoration.
- 3. BR will sign the well location in compliance with 19.15.3.103 NMAC.
- 4. BR shall construct all new fences around the temporary pit 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.
- 6. BR shall construct the pit so that the slopes are no steeper than two horizontal feet to one 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 a 20-mil, string reinforced, LLDPE 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 maintain the integrity of the liner and liner system to 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 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 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. The facilities to be used will be Basin Disposal (Permit #NM-01-005) and Envirotech Land Farm (Permit #NM-01-011)
- 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 prior to closure as per the approved closure plan via 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 prior to the Aztec Division office between 72 hours and one week via email, or verbally. The notification of closure will include the following:
 - i. Operator's name
 - ii. Location by Unit Letter, Section, Township, and Range. Well name and API number.
- 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 the San Juan County Landfill located on CR 3100.
- 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	Tests Method	Limit (mg/Kg)
Benzene	EPA SW-846 8021B or 8260B	0.2
BTEX	EPA SW-846 8021B or 8260B	50
TPH	EPA SW-846 418.1	2500
GRO/DRO	EPA SW-846 8015M	500
Chlorides	EPA 300.1	1000/500

9. A five point composite sample will be taken from the cavitation pit pursuant to 19.15.17.13(B)(1)(b)(i) in order to assure there has not been any type of release.

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

- 10. 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.
- 11. 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.
- 12. 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
- 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. Notification will be sent to OCD when the reclaimed area is seeded.
- 15. 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.

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

40 percent

Percent PLS

20 percent

Source No. two (better quality)

Purity

80 percent

Germination

63 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

16. 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.

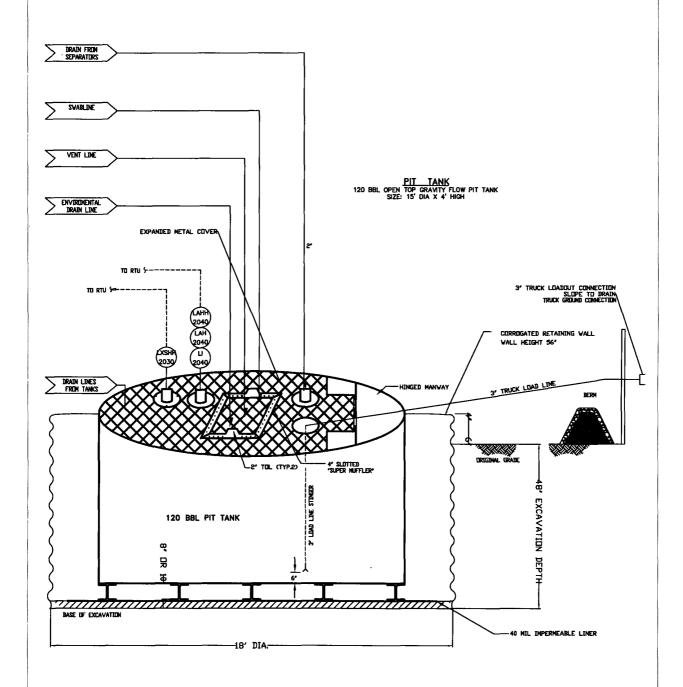
- 1. BR will design and construct a properly sized and approved BGT which will contain liquids and should prevent contamination of fresh water to protect the public health and environment.
- 2. BR will sign the well location in compliance with 19.15.3.103 NMAC.
- 3. BR shall construct fencing around 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 screened, 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 has equipped the below-grade tanks with the ability to detect high level in the tank and provide alarm notification and shutdown process streams into the tank. Once high level is detected RTU logic closes the inlet separator sales valve and does not permit vent valve to open. This shutdown of the sales valve and gagging of the vent valves prevents any hydrocarbon process streams from entering the pit tank once a high level is detected. Furthermore, an electronic page is sent to the BR MSO for that well site and to the designated contract "Water-Hauling" Company indicating a high level and that action must be taken to address this alarm. The environmental drain line from BR's compressor skid under normal operating conditions is in the open position. The environmental

drain line is in place to capture any collected rain water or spilled lubricants from our compressor skids. The swab drain line is a manually operated drain and by normal operating procedures is in the closed position. The tank drain line is also a manually operated drain and during normal operations it is in the closed position.

- 10. The geomembrane liner consists of a 45-mil flexible LLDPE material manufactured by Raven Industries as RUFCO 4000B. This product provides a level of UV and harsh weather conditions protection. It is rated to a Low temperature impact failure of -94°F. It exceeds ASTMD3083 standard by 10%. It is typically used in Brine Pond, Oilfield Pit liner and other industrial applications. The manufacture specific sheet is attached.
- 11. The general specification for design and construction are attached in the BR document.

MANUAL OPERATIONS
PRODUCTION TANKS DRAINLINE
SWABLINE DRAIN LINE
ENVIROMENTAL DRAIN LINE
FROM COMPRESSOR SKID

AUTOMATED OPERATION
VENT VALVE DRAIN LINE
DUMP LINE FROM SEPARATORS



ConocoPhillips

San Juan Business Unit

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

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

- 1. BR will operate and maintain a BGT to contain liquids and solids and maintain the integrity of the liner, liner system and secondary containment system to prevent contamination of fresh water and protect public health and environment.
- 2. BR will not discharge into or store any hazardous waste in the BGT.
- 3. BR shall operate and install the below-grade tank to prevent the collection of surface water run-on. BR shall not allow a below-grade tank to overflow or allow surface water run-on to enter the below-grade tank.
- 4. 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.
- 5. BR shall inspect the below-grade tank at least monthly and maintain a written record of each inspection for five years.
- 6. BR shall maintain adequate freeboard to prevent overtopping of the below-grade tank.
- 7. If a leak develops below the liquid's level, BR shall remove all liquids within 48 hours and repair the damage or replace the below-grade tank. 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.

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

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

General Requirements:

- 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.
- 2. BR shall close a permitted below-grade tank within 60 days of cessation of the below-grade tank's operation. The closure report will be filed on C-144
- 3. BR shall remove liquids and sludge from a below-grade tank prior to implementing a closure method and shall dispose of the liquids and sludge in a division-approved facility. The facilities to be used will be Basin Disposal (Permit #NM-01-005) and Envirotech Land Farm (Permit #NM-01-011). The liner will be disposed of at the San Juan County Landfill located on CR 3100.
- 4. BR will receive prior approval to remove the below-grade tank and dispose of it in a division-approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves. Documentation of how the below-grade tank was disposed of or recycled will be provided in the closure report.
- If there is any on-site equipment associated with a below-grade tank, then BR shall remove the equipment, unless the equipment is required for some other purpose.
- 6. 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.
- 7. 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.

- 8. 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.
- 9. Notice of Closure will be given prior to closure to the Aztec Division office between 72 hours and one week via email or verbally. The notification of closure will include the following:
 - i. Operator's name
 - ii. Location by Unit Letter, Section, Township, and Range. Well name and API number.
- The surface owner shall be notified of BR's closing of the below-grade tank prior to closure as per the approved closure plan via certified mail, return receipt requested.
- 11. 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.
- 12. 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.
- 13. 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.
- 14. All closure activities will include proper documentation and be available for review upon request and will be submitted to OCD within 60 days of closure of the below-grade tank. Closure report will be filed on C-144 and incorporate the following:
 - Soil Backfilling and Cover Installation
 - Re-vegetation application rates and seeding techniques
 - Photo documentation of the site reclamation
 - Confirmation Sampling Results
 - Proof of closure notice