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

Dietrict IV

State of New Mexico Energy Minerals and Natural Resources

Department Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

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

Form C-144

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

Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan App	
Proposed Alternative Method Dermit or Closure Dlan An	
roposed Anemative Method Fernit of Closure Plan App	olication
Type of action: X Permit of a pit, closed-loop system, below-grade tank, or proposed	alternative method
. Closure of a pit, closed-loop system, below-grade tank, or proposed	d alternative method
Modification to an existing permit	
Closure plan only submitted for an existing permitted or non-permi below-grade tank, or proposed alternative method	tted pit, closed-loop system,
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-	grade tank or alternative reauest
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of sur	
environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority	y's rules, regulations or ordinances.
Operator: ConocoPhillips Company OGRID#: 217	817
Address: PO Box 4289, Farmington, NM 87499	
Facility or well name: San Juan 28-7 32A	-
API Number: 30-039-22240 OCD Permit Number:	
U/L or Qtr/Qtr: C(NENW) Section: 19 Township: 28N Range: 7W County:	Rio Arriba
Center of Proposed Design: Latitude: 36.650901' N Longitude: 107.617075' V	V NAD: X 1927 1983
Surface Owner: X Federal State Private Tribal Trust or Indian Allotment	
Temporary: Drilling Workover Permanent Emergency Cavitation P&A Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC String-Reinforced Liner Seams: Welded Factory Other Volume: bbl Dimension	Other x W x D
X Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation: P&A Drilling a new well X Workover or Drilling (Applies to activities which renotice of intent)	
Liner Seams: Welded Factory Other	Other 12345676
Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: bbl Type of fluid:	ut-off RECEIVED OCT 2008 OIL CONS. DIV. DIST?
Tank Construction material:	OIL CONS. DIV. DIST ?
Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow sh	ut-off C
Visible sidewalls and liner Visible sidewalls only Other	CSS1202016,
Liner Type: Thickness mil HDPE PVC Other	
5 Alternative Method:	fice for consideration of approval.

	÷.						
	Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church)						
	Four foot height, four strands of barbed wire evenly spaced between one and four feet	saint, reserve	,				
٠	Alternate. Please specify		,				
	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							
	X Signed in compliance with 19.15.3.103 NMAC	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.						
	Treate theek a box y one of more by the following is requested, y not leave blank.	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 (Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	Administrative approval(s): Requests must be submitted to the appropriate division district of 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.						
	10 Siting Criteria (regarding permitting) 19.15.17.10 NMAC	•					
	Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acce source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from to						
<i>.</i> ?? .	appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Office						
	does not apply to drying pads or above grade-tanks associated with a closed-loop system.	,					
21.	Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes	No				
' '	Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or	r playa lake Yes	No				
,	(measured from the ordinary high-water mark). Topographic map; Visual inspection (certification) of the proposed site						
	Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of iniapplication.	nitial Yes	No				
	(Applies to temporary, emergency, or cavitation pits and below-grade tanks) Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	□ NA					
- 4	Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application	n. Yes	No				
٠	. (Applied to permanent pits)	│ ☐NA	1				
	- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image		1				
	Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or store purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	ock watering Yes	No				
•	NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed si	site.	_				
	Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ording adopted pursuant to NMSA 1978, Section 3-27-3, as amended Written confirmation or verification from the municipality, Written approval obtained from the municipality	nance Yes	No				
1, 1	Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the propo		No				
	Within the area overlying a subsurface mine.		No				
**	Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division		1.,				
i ja	Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM G	لصا السا ا	No				
	Society; Topographic map Within a 100-year floodplain	Yes]No				
14 m	では「Vivinian Service		<u>,</u>				
	Oil Concernation Division	Page 2 of 5					
	Form C-144 Oil Conservation Division	Page 2 of 5					
ラ、・・ - 特							

	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					
	Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC					
1	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					
ı	19.15.17.9 NMAC and 19.15.17.13 NMAC					
,	Previously Approved Design (attach copy of design) API or Permit					
Ī	12 Closed-loop Systems Permit Application Attachment Checklist:Subsection B of 19.15.17.9 NMAC					
1	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.					
1	Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9					
1	Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC					
	Name					
	X Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC					
	X Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9					
	NMAC and 19.15.17.13 NMAC					
	Previously Approved Design (attach copy of design) API					
	Previously Approved Operating and Maintenance Plan API					
	L. Thorousiy reproved operating and manner than					
1	13 Provide District Application Charletter Coloradian District Dis					
*	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.					
1	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					
٠	Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC					
1	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					
7	Nuisance or Hazardous Odors, including H2S, Prevention Plan					
`,	Emergency Response Plan					
	Oil Field Waste Stream Characterization					
Ì	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					
ď	Proposed Closure: 19.15.17.13 NMAC					
1.3	Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.					
	Type: Drilling X Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank X Closed-loop System					
1,7	Alternative Supplies Alternative					
	Proposed Closure Method: Waste Excavation and Removal					
	X Waste Removal (Closed-loop systems only)					
,	On-site Closure Method (only for temporary pits and closed-loop systems)					
,	In-place BurialOn-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.					
٠,	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)					
7	Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC					
0.0	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					

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	164 1T- 1 W-1 - 6TP - O-1 - (10.15.17.12 D.NR44-C)					
Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17 13.D NMAC) Instructions Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings Use attachment if more than two						
facilities are required.	7.	1812 B				
Disposal Facility Name: Envirotech	Disposal Facility Permit #: NM-01-0011	·				
Disposal Facility Name: Basin Disposal Facility	Disposal Facility Permit #: NM-01-005					
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will nbe used for future service and Yes (If yes, please provide the information No						
Required for impacted areas which will not be used for future service and operation. Soil Backfill and Cover Design Specification - based upon the approximation.		JMAC				
Re-vegetation Plan - based upon the appropriate requirements of Su	• •	WIAC				
Site Reclamation Plan - based upon the appropriate requirements of	Subsection G of 19 15 17 13 NMAC					
17 Siting Criteria (Regarding on-site closure methods only: 19.15.17.10 NI	MAC					
Instructions Each siting criteria requires a demonstration of compliance in the closure plan certain siting criteria may require administrative approval from the appropriate district officers.						
office for consideration of approval Justifications and/or demonstrations of equivalency are	•	Sania r e Environmentat Bureau				
Ground water is less than 50 feet below the bottom of the buried waste.		Yes No				
- NM Office of the State Engineer - iWATERS database search; USGS: Data	a obtained from nearby wells					
Ground water is between 50 and 100 feet below the bottom of the buried	waste	☐Yes ☐No				
- NM Office of the State Engineer - iWATERS database search, USGS, Data		N/A				
-						
Ground water is more than 100 feet below the bottom of the buried waste		Yes No				
- NM Office of the State Engineer - 1WATERS database search, USGS; Data	obtained from hearby wens	∐N/A				
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other si (measured from the ordinary high-water mark).	gnificant watercourse or lakebed, sinkhole, or playa lake	Yes No				
- Topographic map; Visual inspection (certification) of the proposed site						
Within 300 feet from a permanent residence, school, hospital, institution, or churc	**	Yes No				
Control Cont	mage					
Within 500 horizontal fact of a private domestic feed unter well or appear that less	then five households use for demostre or steel, wetering	Yes No				
Within 500 horizontal feet of a private, domestic fresh water well or spring that les purposes, or within 1000 horizontal fee of any other fresh water well or spring, in NM Office of the State Engineer - iWATERS database; Visual inspection (c	existence at the time of the initial application.					
Within incorporated municipal boundaries or within a defined municipal fresh water pursuant to NMSA 1978, Section 3-27-3, as amended.	er well field covered under a municipal ordinance adopted	Yes No				
- Written confirmation or verification from the municipality, Written approva	d obtained from the municipality					
Within 500 feet of a wetland - US Fish and Wildlife Wetland Identification map; Topographic map; Visua	al inspection (certification) of the proposed site	Yes No				
Within the area overlying a subsurface mine.	· mapetation (estimated) of the proposed site	Yes No				
Written confiramtion or verification or map from the NM EMNRD-Mining a	and Mineral Division					
Within an unstable area.		Yes No				
-Engineering measures incorporated into the design; NM Bureau of Geology Topographic map	& Mineral Resources; USGS; NM Geological Society;	The rest of the first steri				
Within a 100-year floodplain.		Yes No				
- FEMA map						
18.						
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: It by a check mark in the box, that the documents are attached.	Each of the following items must bee attached to the clo	osure plan. Please indicate,				
Siting Criteria Compliance Demonstrations - based upon the appropriate of the compliance Demonstrations - based upon the appropriate of the compliance Demonstrations - based upon the appropriate of the compliance Demonstrations - based upon the appropriate of the compliance Demonstrations - based upon the appropriate of the compliance Demonstrations - based upon the appropriate of the compliance Demonstrations - based upon the appropriate of the compliance Demonstrations - based upon the appropriate of the compliance Demonstrations - based upon the appropriate of the compliance Demonstration - based upon the appropriate of the compliance Demonstration - based upon the appropriate of the compliance Demonstration - based upon the compliance Demonstration - based upon the compliance - based upon the compli	opriate requirements of 19.15.17.10 NMAC					
Proof of Surface Owner Notice - based upon the appropriate requ	irements 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 burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC						
Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC						
Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC						
Waste Material Sampling Plan - 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 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						
Re-vegetation Plan - based upon the appropriate requirements of 3						

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<u>Öperator Appli</u>	cation Certification:			· ' · · · · · · · · · · · · · · · · · ·	The state of the s	4
I hereby certify that	at the information submit	ted with this application is true, ac	curate and complete to the bes	t of my knowledge and belief.		
Name (Print):	71	Rhonda Rogers	Title:	Regulatory Technician		Control of the Control
Signature:	(Mor	ell tocas	Date:	9/30/2008		
e-mail address:	rogeri	s@conocophillips.com	Telephone:	505-599-4018		
20		•	_	_		
OCD Approval	Permit Applica	tion (including closure plan)	Closure Plan (only)	OCD Conditions (see att	achment)	
OCD Represent	tative Signature:	Branchon D.	21	Approval Date:	11-3-02	
	0 . 1 .				<u>,, , , , , , , , , , , , , , , , , , ,</u>	
Title:	Emira/spe	<u>C</u>	OCD Permi	it Number:		
- 21	·					
i .	. (down of alonesses a second of a) .				i
		days of closure completion): tain an approved closure plan price			ure report. The closure	
_	-	vision within 60 days of the comple		_	-	
approved closure	plan has been obtained a	nd the closure activities have been	a completed.			
			Closure	Completion Date:		
22						
22 Closure Method	d:					
	cavation and Removal	On-site Closure Method	Alternative Closure N	Method Waste Removal (C	Closed-loop systems only)	
	t from approved plan, ple				: :	* 1
in differen	t from approved plan, pa			·		
23				Er 1		
-		val Closure For Closed-loop Syst				
Instructions: Plea were utilized.	se identify the facility or	facilities for where the liquids, d	rilling fluids and drill cuttings	were disposed. Use attachment	if more than two facilities	7
Disposal Facili	tv Name		Disposal Facility I	Permit Number		· ·
Disposal Facili	_		Disposal Facility I			
, •	·	and associated activities perform			eartions?	
		nplilane to the items below)	No	be used for future service and ope	our trons.	
	•	not be used for future service and	_			
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	filling and Cover Installa				•	.
	tion Application Rates at			•	**************************************	
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Closure Ren	ort 'Attachment Che	cklist: Instructions: Each of the	following items must be attack	had to the closure report Please	indicate by a check mark	**** *** *****************************
	he documents are attach		jouoving uems musi be unaci	ieu io ine ciosure report. Tieuse	muicute, by a check mail	
Proof of	Closure Notice (surface	ce owner and division)				
Proof of	Deed Notice (required	for on-site closure)				
	(for on-site closures a				· · ·	
` ==		ical Results (if applicable)				ľ
=		ytical Results (if applicable)				
=	Facility Name and Pe					
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	cfilling and Cover Inst				the fine to be	
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On-site C	Closure Location: L	atitude:	Longitude:	NAD [_	1927	. ,
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25:					\$ 7 4 7	
	re Certification:	, , , , , , , , , , , , , , , , , , , ,	,		, ,	100 4
, , ,	•	tachments submitted with this clos osure requirements and conditions	-	•	reage and belief. I also co	ertify that
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Name (Print):			Title:			ļ
Sec.			Data			ļ
Signature:			Date:	,	*	
e-mail address:	•		Telephone:		* *	. 1
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ConocoPhillips Company Closed-loop Plans

Closed-loop Design Plan

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

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

Closed-loop Operating and Maintenance Plan

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

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

Closed-loop Closure Plan

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