District I

1625 N French Dr., Hobbs, NM 88240

1301 W Grand Ave , Artesia, NM 88210 District III

1000 Rio Brazos Rd, Aztec, NM 87410

District 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

Form C-144

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

tanks, submit to the appropriate NMOCD District Office

appropriate NMOCD District Office 1220 S. St Francis Dr., Santa Fe, NM 87505 Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Type of action: Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request

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

1 Operator: Cono	coPhillips Company	OGRID#: 217817	
Address: POB	ox 4289, Farmington, NM 87499		
Facility or well n	ame: San Juan 30-5 Unit 78N		
API Number:	30-039-30255	OCD Permit Number:	
U/L or Qtr/Qtr:	O(SW/SE) Section: 7 Township: 30N	Range: 5W County: Rio A	Arriba
Center of Propos	ed Design: Latitude: 36°82173400' N	Longitude: 107°39.619700' W	NAD: X 1927 1983
Surface Owner:	Federal State X Private	Tribal Trust or Indian Allotment	
X Pit: Subse Temporary Permanent X Lined X String-Reinfi	ction F or G of 19.15 17 11 NMAC X Drilling Workover Emergency X Cavitation P&A Unlined Liner type Thickness 12 mileorced X Welded X Factory Other	X LLDPE HDPE PVC Other	
Closed-Io Type of Operation Drying Pa Lined Liner Seams:	notice of in	or Drilling (Applies to activities which require produtent) Other LLDPE HDPE PVD Other	100 HECEIVED
Volume: Tank Construct	ontainment with leak detection Visible sidewalls, lin	ner, 6-inch lift and automatic overflow shut-off Other C Other	ON - WE DIV DIST. S
	ve Method: exception request is required. Exceptions must be submitted to	o the Santa Fe Environmental Bureau office for co	nsideration of approval

Fencing: Subsection D of 19.15 17.11 NMAC (Applies to permanent pit, temporary pits, and below-grade tanks) Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church) 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.					
7					
Netting: Subsection E of 19.15.17 11 NMAC (Applies to permanent pits and permanent open top tanks)		i			
Screen Netting Other					
Monthly inspections (If netting or screening is not physically feasible)					
Monthly inspections (i) nenting of screening is not physically jeasure)					
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					
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 of the Santa Fe Environmental Bureau office for const	deration of ap	proval.			
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 acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above grade-tanks associated with a closed-loop system.					
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells					
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	Yes	XNo			
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes	XNo			
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)	□NA				
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image					
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Πvos	□No			
	Yes	∐No			
(Applied to permanent pits)	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 watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	∐Yes	XNo			
- NM Office of the State Engineer - iWATERS database search, Visual inspection (certification) of the proposed site.	l <u> </u>				
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		जिल्ल			
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site					
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					
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				
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				
X Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC				
X Design Plan - based upon the appropriate requirements of 19 15 17.11 NMAC				
X Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC				
X Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC				
Previously Approved Design (attach copy of design) API or Permit				
12				
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9				
Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17 10 NMAC				
Design Plan - based upon the appropriate requirements of 19.15 17.11 NMAC				
Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC				
Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15 17.9 NMAC and 19.15.17.13 NMAC				
Previously Approved Design (attach copy of design) API				
Previously Approved Operating and Maintenance Plan API				
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19.15.17.9 NMAC 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				
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 Below-grade Tank Closed-loop System Alternative				
Proposed Closure Method. Waste Excavation and Removal				
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. Described and Proceedures - based upon the consensation requirements of 10 15 17 13 NIMAC.				
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				
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 I of 19.15.17.13 NMAC				
Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC				

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) Instructions: Pleave identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities					
are required.	ment y more than two faculties				
Disposal Facility Name Disposal Facility Permit #:		į			
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 Yes (If yes, please provide the information No	of be used for future service and open	rations?			
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 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					
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 closure plan Recommendations of acceptable source	material are provided below. Requests rega	rding changes to			
certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception while for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19 15 17 10 NMAC for	ch must be submitted to the Santa Fe Environ				
Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - tWATERS database search; USGS. Data obtained from nearby wells	Yes N/A	X No			
Ground water is between 50 and 100 feet below the bottom of the burned waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	X Yes	XNo			
Ground water is more than 100 feet below the bottom of the buried waste	Yes	XNo			
- NM Office of the State Engineer - IWATERS database search, USGS; Data obtained from nearby wells	∐N/A				
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhol (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	e, or playa lake Yes	XNo			
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial applic	ation. Yes	X No			
- Visual inspection (certification) of the proposed site; Aerial photo; satellite image	Yes	XNo			
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 pursuant to NMSA 1978, Section 3-27-3, as amended.	ordinance adopted Yes	X No			
- Written confirmation or verification from the municipality; Written approval obtained from the municipality Within 500 feet of a wetland [18] Februard Widths Wetland Heart February 22, Teachard States and Widths Wetland	Yes	XNo			
- US Fish and Wildlife Wetland Identification map, Topographic map; Visual inspection (certification) of the proposed Within the area overlying a subsurface mine.	Yes	XNo			
- Written confirantion or verification or map from the NM EMNRD-Mining and Mineral Division Within an unstable area.	Yes	XNo			
- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS, NM Geological Society; Topographic map					
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 by a check mark in the box, that the documents are attached.	attached to the closure plan. Pleas	e indicate,			
X Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15.17.10 N	MAC				
X Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19 15 17.1					
Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19) 15.17.11 NMAC				
Construction/Design Plan of Temporary Ptt (for in place burial of a drying pad) - based upon the appropriate the construction of the construction	riate requirements of 19.15.17.11 NM	1AC			
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					
Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13					
X Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-sit	e closure standards cannot be achiev	ed)			
X 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					

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19 '
Operator Application Certification: Thereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.
Name (Print): Ethel Tally Title Staff Regulatory Technician
Signature: Phyl Jaller Date: 9-29-08
e-mail address Ethel. Tally @ ConocoPhillips com Telephone: 505-599-4027
C-man address
20
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)
OCD Representative Signature: 3rund Sell Approval Date: 1/-3-08
Title:OCD Permit Number:
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.
23 <u>Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:</u> Instructions: Please identify 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 compliane 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 (if applicable)
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 Longitude NAD 1927 1983
On-one Crosure Eccanon. Lantage Longitude NAD 1927 1983
25
Operator Closure Certification:
I hereby certify that the information and attachments submitted with this closure report is ture, 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

New Mexico Office of the State Engineer POD Reports and Downloads

Township: 30N Range: 05W Sections: 5,6,7,8,17,18	
NAD27 X: Y: Zone: Search F	Radius:
County: Basin: Numbe	er: Suffix:
Owner Name: (First) (Last) ONon-D	Domestic O Domestic
POD / Surface Data Report Avg Depth to Water F	Report
Clear Form iWATERS Menu Help	
WATER COLUMN REPORT 09/26/20	008
(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest)	Depth Depth Wate

x

Zone

Well

450

325

Record Count: 2

POD Number

SJ 03556

SJ 02771

Tws Rng Sec q q q

30N 05W 06 4 2 4

30N 05W 17 1 1 2

Colun

2(

18

Water

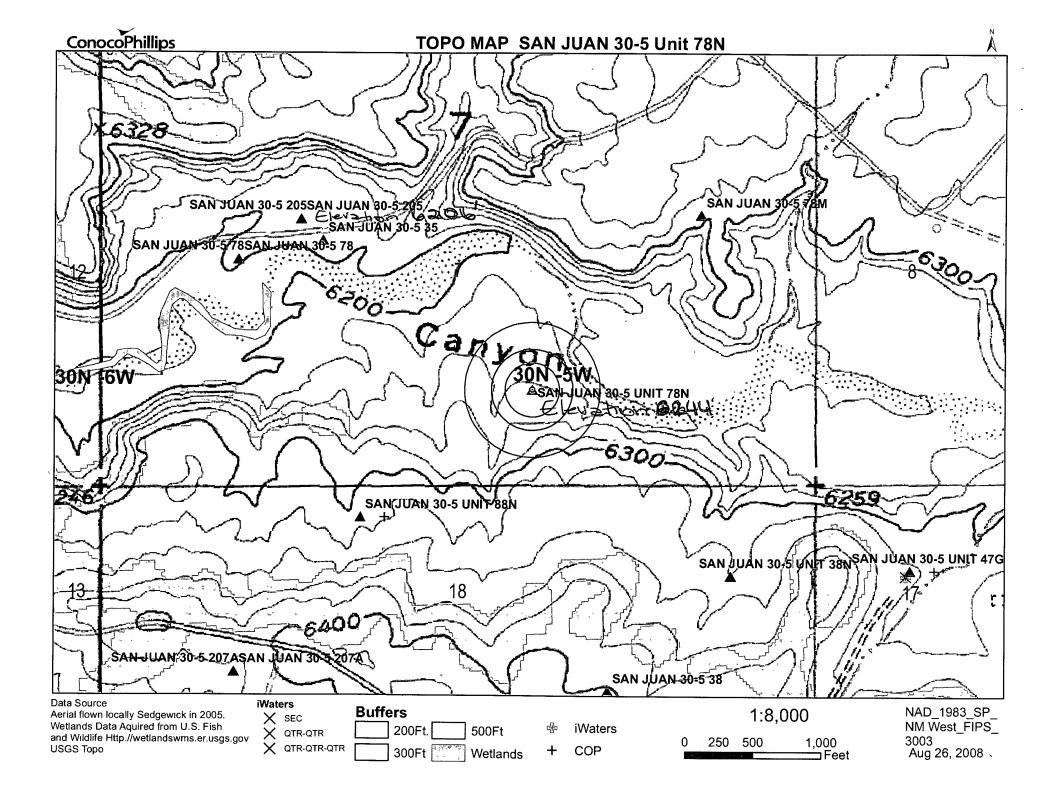
250

137

New Mexico Office of the State Engineer POD Reports and Downloads

Townsh	nip: 30N Range: 06W	Sections: 1,1	2,13					
NAD27	X : Y:	Zone:	Search R	adius:				
County:	Basin:		Number	• ;	Suffix	:		
Owner Name: (Fi	Owner Name: (First) (Last) ONon-Domestic ODomestic							
POD / Surface Data Report Avg Depth to Water Report Water Column Report								
Clear Form WATERS Menu Help								
	Þ	ATER COLUMN R	EPORT 09/26/20	08				
	(quarters are 1=NW 2 (quarters are bigges Tws Rng Sec q c	t to smallest		Depth Well	Depth Water	Wat∈ Colum		

No Records found, try again



205-30039-2463

DATA SHEET FOR DEEP BED CATHODIC PROTECTION WELLS NORTHWESTERN NEW MEXICO

(SUBMIT 2 COPIES TO OCD AZTEC OFFICE)

35-30-039-07884 78-30039-22707 ^{1993REP}

PPCO DESIGNATION: FM-287 "REPLACEMENT"

OPERATOR: PHILLIPS PETROLEUM COMPANY

LOCATION: K 7 30 5 LEASE NUMBER: 650113 FARMINGTON, N.M. 87401

IN.

(505) 599-3400

NAME OF WELL/S OR PIPELINE SERVED: (1) SJ 30-5 UNIT #35 MV (2) SJ 30-5 #78,205

ELEVATION:-O-

COMPLETION DATE: 06/08/93

TOTAL DEPTH: 350 FT.

LAND: FEE

CASING INFO.: SIZE: 8

TYPE: PVC

DEPTH: 20 FT. CEMENT USED: N/A

IF CEMENT OR BENTONITE PLUGS HAVE BEEN PLACED, SHOW DEPTHS & AMOUNTS:

PLUG DEPTH: NONE PLUG AMOUNT: NONE

WATER INFORMATION:

WATER DEPTH (FT): (1) 60 (2) N/A

WATER INFORMATION: N/A

DEPTHS GAS ENCOUNTERED (FT): N/A

TYPE AND AMOUNT OF COKE BREEZE USED:

COKE TYPE: METALLURGICAL COKE BREEZE

COKE AMOUNT: 6464 LBS.

DEPTHS ANODES PLACED (FT):

75,85,95,125,170,185,195,205,215,240,250,270,280,290,300

DEPTH VENT PIPE PLACED (FT): 350

VENT PIPE PERFORATIONS (FT): TOP 65 BOTTOM 350

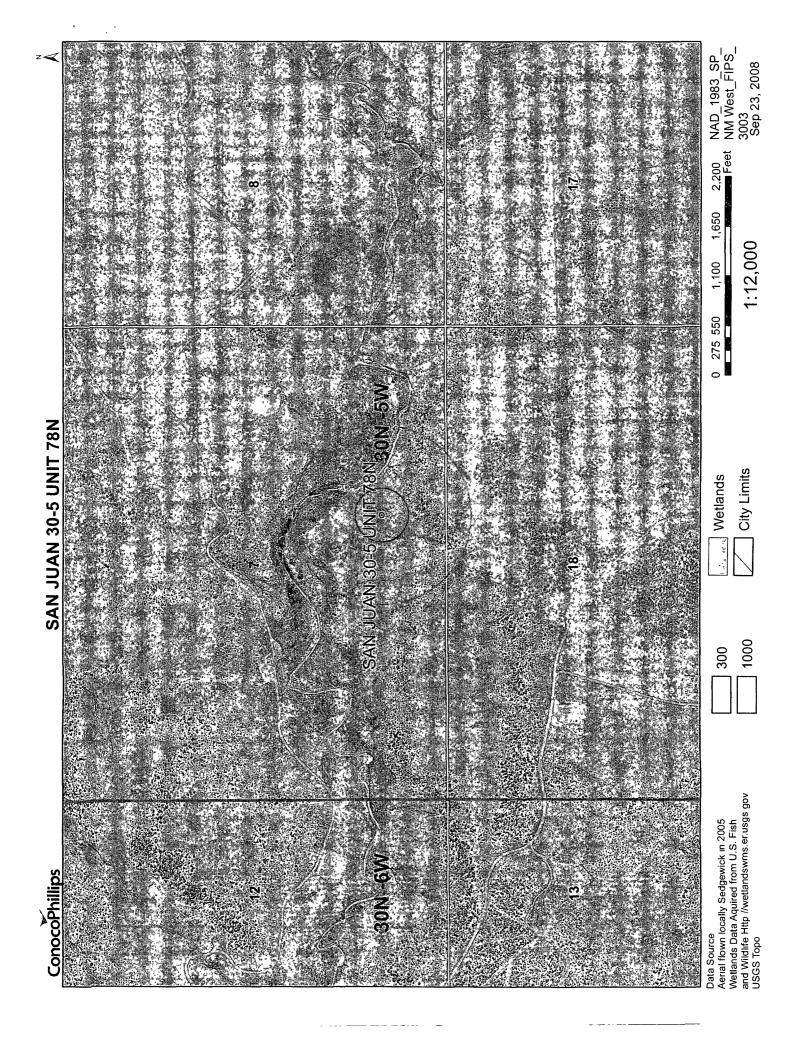
REMARKS:

IF ANY OF THE ABOVE DATA IS UNAVAILABLE, PLEASE INDICATE SO. COPIES OF ALL LOGS. INCLUDING DRILLERS LOG, WATER ANALYSIS & WELL BOKE SCHEMATICS SHOULD BE SUBMITTED WHEN AVAILABLE. UNPLUGGED ABANDONED WELLS ARE TO BE INCLUDED.

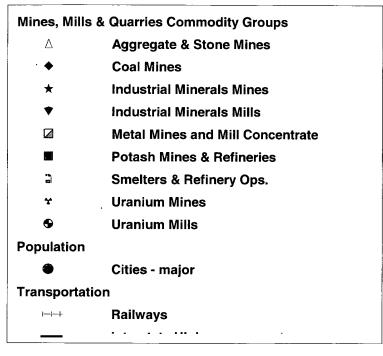
* - LAND TYPE MAY BE SHOWN: F-FEDERAL; I-INDIAN; S-STATE; F-FEE IF FEDERAL OR INDIAN, ADD LEASE NUMBER.

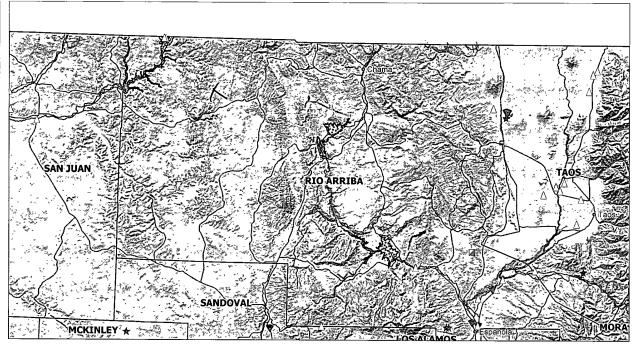
NA-INFORMATION NOT AVAILABLE

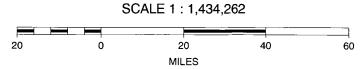
CC: CP FILE--FARMINGTON



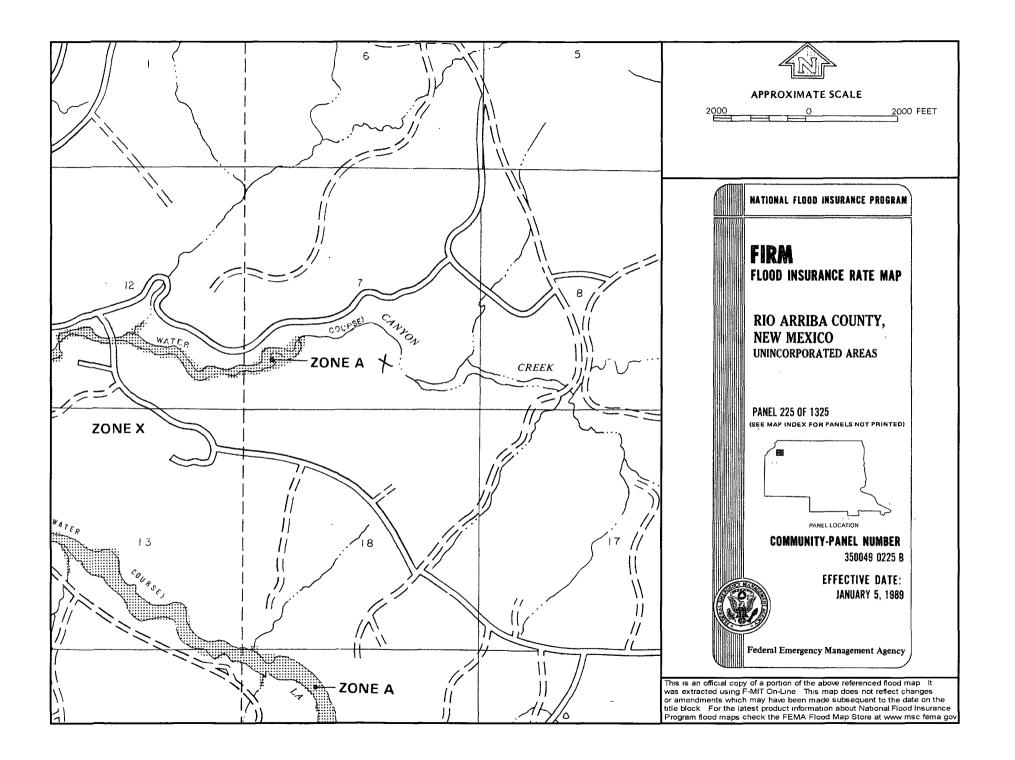
SJ 30-5 UNIT 78N / MINES, MILLS AND QUARRIES MAP











Siting Criteria Compliance Demonstration & Hydro Geologic Analysis

The San Juan 30-5 Unit 78N 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 60' as determined by the topographic map and the Cathodic well data from the SJ 30-5 Unit 205 and the SJ 30-5 Unit 35 with an elevation of 6206" and groundwater depth of 60'. The subject well has an elevation of 6244' which is greater than the SJ 30-5 Unit 208 and Unit 35, therefore the groundwater depth is greater than 80'. The iWATERS data points are located in section 6 and 17 and are depths of 250' and 137' as indicated on the TOPO Map. Using these data points and the cathodic data provided the indication of groundwater depth is greater than 90'. The hydro geologic analysis indicates the groundwater depth and the San Jose formation will create a stable area for this new location.

Hydrogeological report for San Juan 30-5 Unit 78N

Regional Hydrogeological context:

The San Jose Formation of Eocene age occurs in New Mexico and Colorado, and its outcrop forms the land surface over much of the eastern half of the central basin. It overlies the Nacimiento Formation in the area generally south of the Colorado-New Mexico State line and overlies the Animas Formation in the area generally north of the State line.

The San Jose Formation was deposited in various fluvial-type environments. In general, the unit consists of an interbedded sequence of sandstone, siltstone, and variegated shale. Thickness of the San Jose Formation generally increases from west to east (200 feet in the west and south to almost 2,700 feet in the center of the structural basin). Ground water is associated with alluvial and fluvial sandstone aquifers. Thus, the occurrence of ground water is mainly controlled by the distribution of sandstone in the formation. The distribution of such sandstone is the result of original depositional extent plus any post-depositional modifications, namely erosion and structural deformation. Transmissivity data for San Jose Formation are minimal. Values of 40 and 120 feet squared per day were determined from two aquifer tests (Stone et al, 1983, table 5). The reported or measured discharge from 46 water wells completed in San Jose Formation ranges from 0.15 to 61 gallons per minute and the median is 5 gallons per minute. Most of the wells provide water for livestock and domestic use.

The San Jose Formation is a very suitable unit for recharge from precipitation because soils that form on the unit are sandy and highly permeable and therefore readily adsorb precipitation. However, low annual precipitation, relatively high transpiration and evaporation rates, and deep dissection of the San Jose Formation by the San Juan River and its tributaries all tend to reduce the effective recharge to the unit.

Stone et al., 1983, Hydrogeology and Water Resources of the San Juan Basin, New Mexico: Socorro, New Mexico Bureau of Mines and Mineral Resources Hydrologic Report 6, 70 p.



ConocoPhillips Company GRFS / PTRRC – San Juan Business Unit Mary Kay Cornwall 3401 East 30th Street Farmington, NM 87402 Telephone: (505) 326-9597 Facsimile: (505) 324-6136

August 4, 2008

VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED 7110-6605-9590-0026-2070

Gomez Y Gomez P.O. Box 505 Blanco, NM 87412

Re: San Juan 30-5 Unit 78N

SWSE Section 7, T30N, R5W Rio Arriba County, New Mexico

Dear Landowner:

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

If you have any questions, please contact Elmo Seabolt @ (505)326-9554.

Sincerely,

Mary Kay Cornwall

Mary Kay Cornwall Staff Associate, PTRRC District I 1625 N. French Dr., Hobbs, NM 88240

State of New Mexico Energy, Minerals & Natural Resources Department

District II 1301 W Grand Avenue, Artesia. NM 88210

OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

District III 1000 R10 Brazos Rd., Aztec, NM 87410

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

Santa Fe, NM 87505

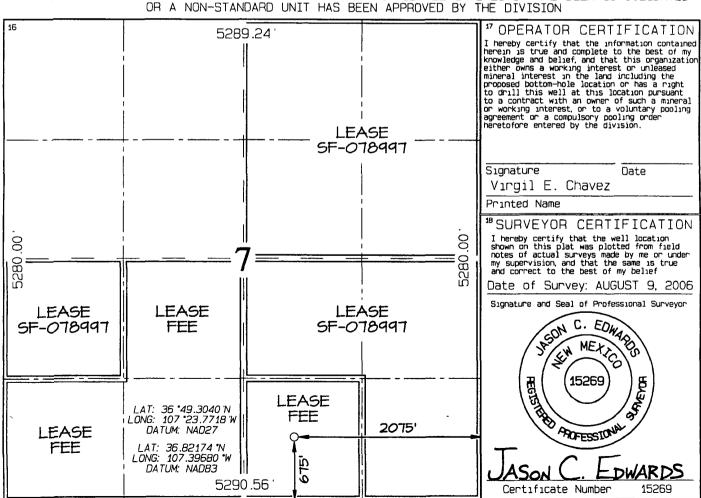
Form C-102 Revised October 12, 2005 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number 'Pool Code 'Pool Name						Δ			
Property Code Property Name 31327 SAN JUAN 30-5 UNIT							*Well Number 78N		
	'OGRID No. *Operator Name 217817 CONOCOPHILLIPS COMPANY						a {	*Elevation 6244	
				1	^o Surface	Location			
UL or lot no	Section	Township	Range	Lat Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	7	30N	5W		675	SOUTH	2075	EAST	RIO ARRIBA
	¹¹ Bottom Hole Location If Different From Surface								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres	J2U.U		- E/2 - S/2	(MV) (DK)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.		

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



ConocoPhillips Company 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 ConocoPhillips Company (COPC) locations. This is COPC'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

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

Components	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 COPC 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. COPC 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

2 lb. bulk seed required to make

5 lb. bulk seed required to make

PLS 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.