District I 1625 N. French Dr., Hobbs, NM 88240

1301 W Grand Ave., Artesia, NM 88210

State of New Mexico Energy Minerals and Natural Resources

Department Oil Conservation Division Form C-144 July 21, 2008

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

District III	1220 South St. Francis Dr.	
1000 Rio Brazos Rd., Aztec, NM 87410 District-IV	Santa Fe, NM 87505	For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.
1220 S. St. Francis Dr., Santa Fe, NM 87505		
RECEIVED By Proper Property Pr	Pit, Closed-Loop System, Below- osed Alternative Method Permit or	
RECEI 2003 Type of action:	X Permit of a pit, closed-loop system, below-	grade tank, or proposed alternative method
2 UN DIO. VI	Closure of a pit, closed-loop system, below	-grade tank, or proposed alternative method
o OIL COINS.	Modification to an existing permit	
Instructions: Please submit one at	Closure plan only submitted for an existing below-grade tank, or proposed alternative n	permitted or non-permitted pit, closed-loop system, nethod
Instructions: Please submit one a	oplication (Form C-144) per individual pit, clos	sed-loop system, below-grade tank or alternative request
	f this request does not relieve the operator of liability should oper eve the operator of its responsibility to comply with any other app	rations result in pollution of surface water, ground water or the plicable governmental authority's rules, regulations or ordinances.
Operator: Burlington Resources Oi	l & Gas Company, LP	OGRID#: 14538
Address: PO Box 4289, Farmingto		
Facility or well name: San Juan 29	·* ··· ··· ··· ··· ··· ··· ··· ··· ···	
	0-039-30516 OCD Permit	
U/L or Qtr/Qtr: J(NWSE) Section Center of Proposed Design: Latitude	· ·	
Surface Owner: X Federal		r Indian Allotment
X Pit: Subsection F or G of 19.15.1	7.11 NMAC	
Temporary: X Drilling Wor	kover	
Permanent Emergency	Cavitation P&A	
X Lined Unlined Li	iner type: Thickness 20 mil X LLDF	PE HDPE PVC Other
X String-Reinforced		
Liner Seams: X Welded X F	actory Other Volume:	7000 bbl Dimensions L 120' x W 55' x D 12'
3 Closed-loop System: Subsect	ion H of 19.15.17.11 NMAC	
Type of Operation: P&A	_	oplies to activities which require prior approval of a permit or
	notice of intent)	••
	and Steel Tanks Haul-off Bins Other	
	er type: Thicknessmil LLDP. actory Other	E HDPE PVD Other
Enter Scattis. Worked F		
4 X Below-grade tank: Subsection	I of 19.15.17.11 NMAC	
-	bl Type of fluid: Produced Water	
Tank Construction material:	Metal	
Secondary containment with leak de	etection X Visible sidewalls, liner, 6-inch lift a	and automatic overflow shut-off
Visible sidewalls and liner	Visible sidewalls only Other	- 1 NATE - 1 NATE - 1 NATE - 1 NATE - 1
Liner Type: Thickness 45	milHDPEPVC _X_Ott	her LLDPE
5		
Alternative Method:		
Submittal of an exception request is red	ruired. Exceptions must be submitted to the Santa Fe	Environmental Bureau office for consideration of approval.

Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pit, temporary pits, and below-grade tanks) Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution.	tion 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.	w 115 s	
7 Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other Monthly inspections (If netting or screening is not physically feasible)		
Signs: Subsection C of 19.15.17.11 NMAC 12" X 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers X Signed in compliance with 19.15.3.103 NMAC		
Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance. Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s): Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for consideration of approval.	eration of appr	oval.
Siting Criteria (regarding permitting) 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above grade-tanks associated with a closed-loop system.		
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes	XNo
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	Yes	X No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes	XNo
(Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	∐NA }}	
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applied to permanent pits)	Yes XNA	∐No
Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	Yes	XNo
NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site.		, , , , , , , , , , , , , , , , , , ,
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended - Written confirmation or verification from the municipality; Written approval obtained from the municipality	Yes	XNo
Within 500 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site.	Yes	XNo
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	Yes	X No
Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	Yes	X No
Within a 100-year floodplain FEMA map	Yes	XNo

1.6 64 4 7.7 40 40 40 40 40 40 40 40 40 40 40 40 40	Instructions: Each of the folk X Hydrogeologic Re X Hydrogeologic Da X Siting Criteria Con X Design Plan - base X Operating and Ma X Closure Plan (Plea 19.15.17.9 NMAC Previously Approved 12 Closed-loop Systems Pe Instructions: Each of the folk Geologic and Hyd Siting Criteria Con Design Plan - base Operating and Ma	Allowing items must be attached to the appliate port (Below-grade Tanks) - based upon the appropriate (Temporary and Emergency Pits) - impliance Demonstrations - based upon the appropriate requirements of a tintenance Plan - based upon the appropriate complete Boxes 14 through 18, if a cand 19.15.17.13 NMAC Design (attach copy of design) Permit Application Attachment Check allowing items must be attached to the appliate drogeologic Data (only for on-site closs impliance Demonstrations (only for one and upon the appropriate requirements of a tintenance Plan - based upon the appropriate complete Boxes 14 through 18, if a cand 19.15, if a complete Boxes 14 through 18, if a cand 19.15 and 18, if a cand 19.15 and 19.15	API Alist:Subsection B of 19.15.17.9 NMAC cation Please indicate, by a check mark in ure) - based upon the appropriat of 19.15.17.11 NMAC opriate requirements of 19.15.17.12 NM	the box, that the documents are attached. F Subsection B of 19:15:17.9 NMAC raph (2) of Subsection B of 19:15.17.9 5.17.10 NMAC The requirements of Subsection C of or Permit The box, that the documents are attached. Paragraph (3) of Subsection B of 19:15.17.9 iate requirements of 19:15.17.10 NMAC
	_	Design (attach copy of design)	API	
		Operating and Maintenance Plan	API	
STANDERS OF THE STANDERS OF TH	Instructions: Each of the feet Hydrogeologic Research Siting Criteria Coo Climatological Fact Certified Engineer Dike Protection an Leak Detection Door Liner Specificatio Quality Control/Q Operating and Ma Freeboard and Ov Nuisance or Hazar Emergency Resport Oil Field Waste Soo Monitoring and In Erosion Control Pl	eport - based upon the requirements of impliance Demonstrations - based upon otors Assessment ring Design Plans - based upon the append Structural Integrity Design: based uesign - based upon the appropriate requirements and Compatibility Assessment - based upon the appropriate requirements of the properties of the pr	Paragraph (I) of Subsection B of 19.15 in the appropriate requirements of 19.15. Propriete requirem	5.17.10 NMAC NMAC 9.15.17.11 NMAC of 19.15.17.11 NMAC AAC 5.17.11 NMAC
The Property of the contract o	Proposed Closure: 19.1 Instructions: Please comple	tete the applicable boxes, Boxes 14 through Workover	tems only) temporary pits and closed-loop systems; On-site Trench	low-grade Tank Closed-loop System
	Please indicate, by a check X Protocols and	mark in the box, that the documents are a cedures - based upon the appropriate rappling Plan (if applicable) - based upon Name and Permit Number (for liquids, Cover Design Specifications - based upon n - based upon the appropriate require	attached. equirements of 19.15.17.13 NMAC n the appropriate requirements of Subs	ubsection H of 19.15.17:13 NMAC

Form C-144 Oil Conservation Division Page 3 of

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۱	Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Instructions: Please identify the facility or facilities for the disposal of liquids, drill	Steel Tanks or Haul-off Bins Only: (19 15.17.13.D NMAC) Ing fluids and drill cuttings Use attachment if more than two				
	facilities are required.		ÍS.	海点社		
1	Disposal Facility Name:	_ Disposal Facility Permit #:	* 40		-1450 day 5 m	CARTES.
	Disposal Facility Name:	Disposal Facility Permit #:				
	Will any of the proposed closed-loop system operations and associated act	tivities occur on or in areas that will nbe used for future	: serv	vice and		
١	Required for impacted areas which will not be used for future service and operation					
l	Soil Backfill and Cover Design Specification - based upon the appr	•	IMΑ	Ç,		-
	Re-vegetation Plan - based upon the appropriate requirements of Sub-		,	1 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		,
L	oused upon the appropriate requirements of the	Subsection G of 19 15 17.15 NAME		,		<u> </u>
I	17		+ ÷,			
l	Siting Criteria (Regarding on-site closure methods only: 19.15.17.10 NN Instructions: Each siting crueria requires a demonstration of compliance in the closure plan		v Rec	niests regard	lino chanoes	to
	certain siting criteria may require administrative approval from the appropriate district office office for consideration of approval Justifications and/or demonstrations of equivalency are	e or may be considered an exception which must be submitted to the S				
	Ground water is less than 50 feet below the bottom of the buried waste.			Yes	X No	
Į	- NM Office of the State Engineer - iWATERS database search; USGS: Data	obtained from nearby wells		N/A	L	,
١	Ground water is between 50 and 100 feet below the bottom of the buried v	vioate	l	□v∞	XNo	
١	- NM Office of the State Engineer - iWATERS database search; USGS; Data of			Yes	ANO	
		;		∐N/A		
1	Ground water is more than 100 feet below the bottom of the buried waste.	4 15	1000	X Yes	∐No	Aler Fr
1	- NM Office of the State Engineer - iWATERS database search; USGS; Data of the State Engineer - iWATERS database search; USGS;	obtained from nearby wells		N/A	ا ما مست	
1	Within 300 feet of a continuously flowing watercourse, or 200 feet of any other sig	mificant watercourse or lakebed, sinkhole, or playa lake 🐺 🦠	3.00	Yes	X No	
:	(measured from the ordinary high-water mark).		1.45 1.47		The state of	
l	Topographic map; Visual inspection (certification) of the proposed site		一套		· <u></u>	
7	Within 300 feet from a permanent residence, school, hospital, institution, or church	••	١.	Yes	X No	
l	- Visual inspection (certification) of the proposed site, Aerial photo; satellite in	nage	'		G71. 1	1
1	Within 500 horizontal feet of a private, domestic fresh water well or spring that less	then Gue households are for demantic or stock and since	421	Yes	XNo	4
	purposes, or within 1000 horizontal fee of any other fresh water well or spring, in each NM Office of the State Engineer - iWATERS database; Visual inspection (ce	existence at the time of the initial application.	, ; ; , ; ;		;	
۱,	Within incorporated municipal boundaries or within a defined municipal fresh water pursuant to NMSA 1978, Section 3-27-3, as amended.	well field covered under a municipal ordinance adopted		Yes	XNo	the state of
	Written confirmation or verification from the municipality; Written approval	obtained from the municipality				
	Within 500 feet of a wetland		1	Yes	X No	
1	US Fish and Wildlife Wetland Identification map; Topographic map; Visual	inspection (certification) of the proposed site	. 2	1 3 # 3 Pm	1,51	
١	Within the area overlying a subsurface mine.	and the second second	1 150	Yes.	XNo	
١	Written confiramtion or verification or map from the NM EMNRD-Mining at	nd Mineral Division	1	ida da d	\ \forall \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	
I	Within an unstable area.	A Mineral December 11000 NIM Confession Services	~~ ~~	Yes	X No.	, mar or or or or
1	 Engineering measures incorporated into the design; NM Bureau of Geology & Topographic map 	k Milleral Resources; OSOS; NM Geological Society;	1		· ',	
1	Within a 100-year floodplain.		:	Yes	X No	
	FEMA map	ار اين الاستان الياب الاست	1		A Transport	
	On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Ed	ach of the following items must bee attached to the cle	sure	plan. Pla	ease indic	ate,
	by a check mark in the box, that the documents are attached.	The state of the s		的基		陰陽關
١	X Siting Criteria Compliance Demonstrations - based upon the appro	The state of the s	系统			ise to the
1	Proof of Surface Owner Notice - based upon the appropriate requir	a single of the				
	Construction/Design Plan of Burial Trench (if applicable) based up	• • •	4 1			
١	Construction/Design Plan of Temporary Pit (for in place burial of a		s of J	19.15.17.1	1 NMAC	, selfe
	Protocols and Procedures - based upon the appropriate requiremen	* * * *	1 ' , '		e Company	1.
1	Confirmation Sampling Plan (if applicable) - based upon the appro		IAC.	a salahan kan		
	X Waste Material Sampling Plan - based upon the appropriate require	ements of Subsection F of 19.15.17.13 NMAC	E		· · ·	
	X Disposal Facility Name and Permit Number (for liquids, drilling flu	uids and drill cuttings or in case on-site closure standar	ds ca	nnot be a	chieved)	
	Soil Cover Design - based upon the appropriate requirements of Su					Same Care
-	Re-vegetation Plan - based upon the appropriate requirements of S	· · · · · · · · · · · · · · · · · · ·		選擇了		
	Site Reclamation Plan - based upon the appropriate requirements o	f Subsection G of 19.15.17.13 NMAC 💛 👚 📆	1.3	The state of the s	(네 -)	素質的對

Form C-144 Oil Conservation Division Page 4 of 5

reby certify that the information submitted with this application is true, accurate an ame (Print): Rhenda Rogers Signature: nail address: Permit Application (including closure plan) D Representative Signature:	d complete to the best Title: Date: Telephone: Closure Plan (only)	Regulator 2 -/ 5 505	ge and belief. ry Technician	Amount)	
Signature: nail address: Concerns@conocophilips.com Concerns@conocop	Date:	2 -15 505	-599-4018	hmont	
D Approval: Permit Application (including closure plan) CD Representative Signature:	Telephone:		****	hmant	
D Approval: Permit Application (including closure plan) C			****	hmont	
D Representative Signature:	losure Plan (only)	OCD Cone	litions (see attac	hmont	
D Representative Signature:	losure Plan (only)	OCD Cone	litions (see attac	hmont	
D Representative Signature:	losure Pian (only)	Поср сов	uttions (see attac		1 137
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e: finisoleger.		App	roval Date:	12-29-0	≥ 8
	OCD Perm	it Number:			
sure Report (required within 60 days of closure completion): Subsection	V of 10 15 17 12 NB4AC	,		**	
ructions. Operators are required to obtain an approved closure plan prior to imple			mitting the closur	e report. The closure	
ort is required to be submitted to the division within 60 days of the completion of the		Please do not con	plete this section	of the form until an	
roved closure plan has been obtained and the closure activities have been complete	_	C	-4		
	Closure	Completion Da	ate:		v - r *
				· · · · · · · · · · · · · · · · · · ·	. 3
sure Method:		_			
	Alternative Closure l	Method W	aste Removal (Cle	osed-loop systems only	0
If different from approved plan, please explain.		· · · · · · · · · · · · · · · · · · ·			
			-	The state of the s	
sure Report Regarding Waste Removal Closure For Closed-loop Systems That	t Utilize Above Gro	und Steel Tanks	or Haul-off Bins	Only:	
ructions: Please identify the facility or facilities for where the liquids, drilling flu	iids and drill cutting:	s were disposed.	Use attachment if	more than two faciliti	es
e utilized.	Dienocal Facility	Darmit Must	e endidi	1946-1514 D. J. C. 129	· , - ; ,
Disposal Facility Name:	Disposal Facility		-	THE STREET STREET	1.1. 流河
Disposal Facility Name: Were the closed-loop system operations and associated activities performed on or it	Disposal Facility		coming and an	rtione?	3.8
Yes (If yes, please demonstrate compliant to the items below)		oc asea tot tature	, service and opea	CELOTED Entropy (1964)	
Required for impacted areas which will not be used for future service and operation			, was Cal as	The state of the s	E CALLES
Site Reclamation (Photo Documentation)		1	1 4 6 - 3 - 3 - 1	मीं कि भिन्ने हो।	
Soil Backfilling and Cover Installation			, .l	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
Re-vegetation Application Rates and Seeding Technique		* :			
			. ,;	7. (24)	
Closure Report Attachment Checklist: Instructions: Each of the following	items must be attac	hed to the closure	report. Please ir	dicate, by a check ma	rk in
he box, that the documents are attached.			4, 4,	1 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
Proof of Closure Notice (surface owner and division)			The state of		
Proof of Deed Notice (required for on-site closure)		*		r vigilələr Medlerin i məndələlərini Vədə	1 1
Plot Plan (for on-site closures and temporary pits)			.,,,		·
Confirmation Sampling Analytical Results (if applicable)		11 2	per 2		10000000000000000000000000000000000000
Waste Material Sampling Analytical Results (if applicable)		-		radi a produktu yilarisi shan ribadhalariya dalariya dalariya	ئەسمەلىدىسادەت تەس
Disposal Facility Name and Permit Number					, (i)
Soil Backfilling and Cover Installation				The second se	
Re-vegetation Application Rates and Seeding Technique			a set of the		in the state of
Site Reclamation (Photo Documentation)		•			
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erator Closure Certification:					A Print
9 G.	t is ture, accurate an	٠, .	best of my knowle	dge and belief. I also o	certify that
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erator Closure Certification: reby certify that the information and attachments submitted with this closure repor closure complies with all applicable closure requirements and conditions specified the (Print):		nd complete to the	best of my knowle		certify that
erator Closure Certification: reby certify that the information and attachments submitted with this closure repor closure complies with all applicable closure requirements and conditions specified	in the approved clos	nd complete to the	best of my knowle		certify that

New Mexico Office of the State Engineer POD Reports and Downloads

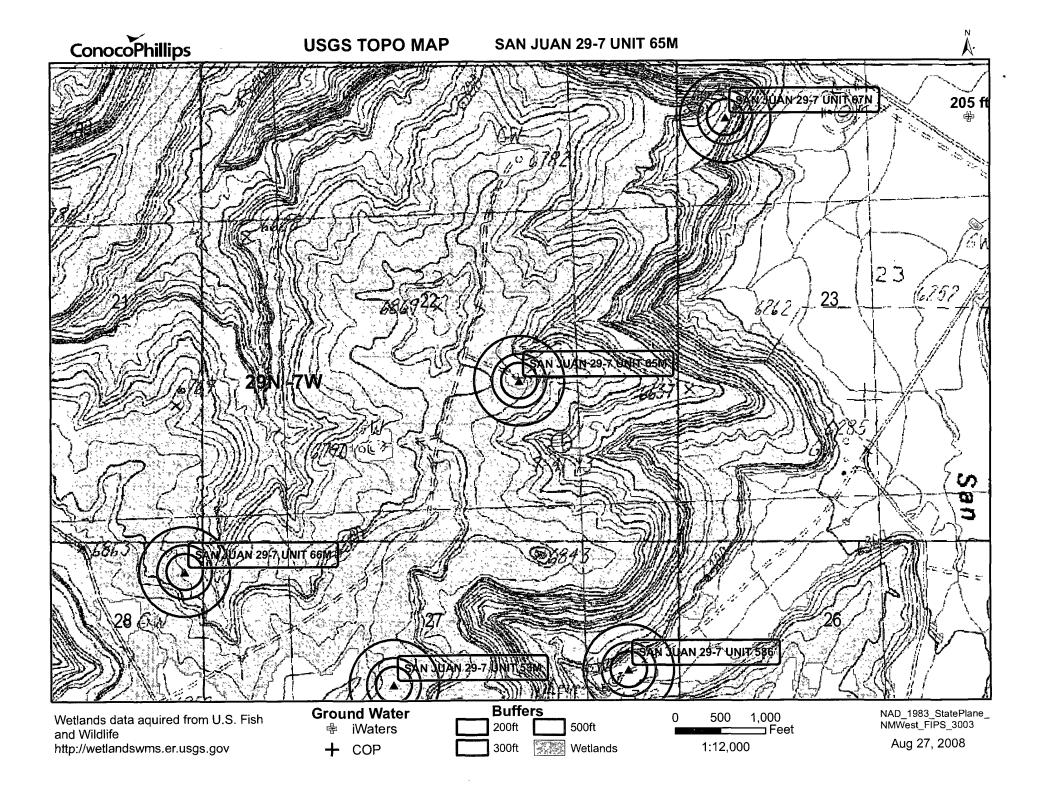
Township: 29N Range: 07W Sections: 16,15,14,21,22,23,28,27,26 NAD27 X: Y: Zone: Search Radius: County: Basin: Number: Suffix: Owner Name: (First) (Last) One-Domestic Domestic POD / Surface Data Report Avg Depth to Water Report Water Column Report Clear Form iWATERS Menu Help													
County: Basin: Number: Suffix: Owner Name: (First) (Last) Onn-Domestic Onnestic Onn		Town	ship: 2	29N R	ange:	07W	Sections:	16,1	5,14,21	,22,23,2	28,27,26	1 marine 2 m 2 marine 20 m 2 m 2 m 2 m 2 m 2 m 2 m 2 m 2 m 2	1.000
Owner Name: (First) (Last) Non-Domestic Domestic POD / Surface Data Report Avg Depth to Water Report Water Column Report	1	NAD27	X:		Y:		Zone:		hi saja Siste	Search	Radius	:	
POD / Surface Data Report Avg Depth to Water Report Water Column Report	County:		٠	Basin:				4 6 /	Num	ber:		Suffix:	
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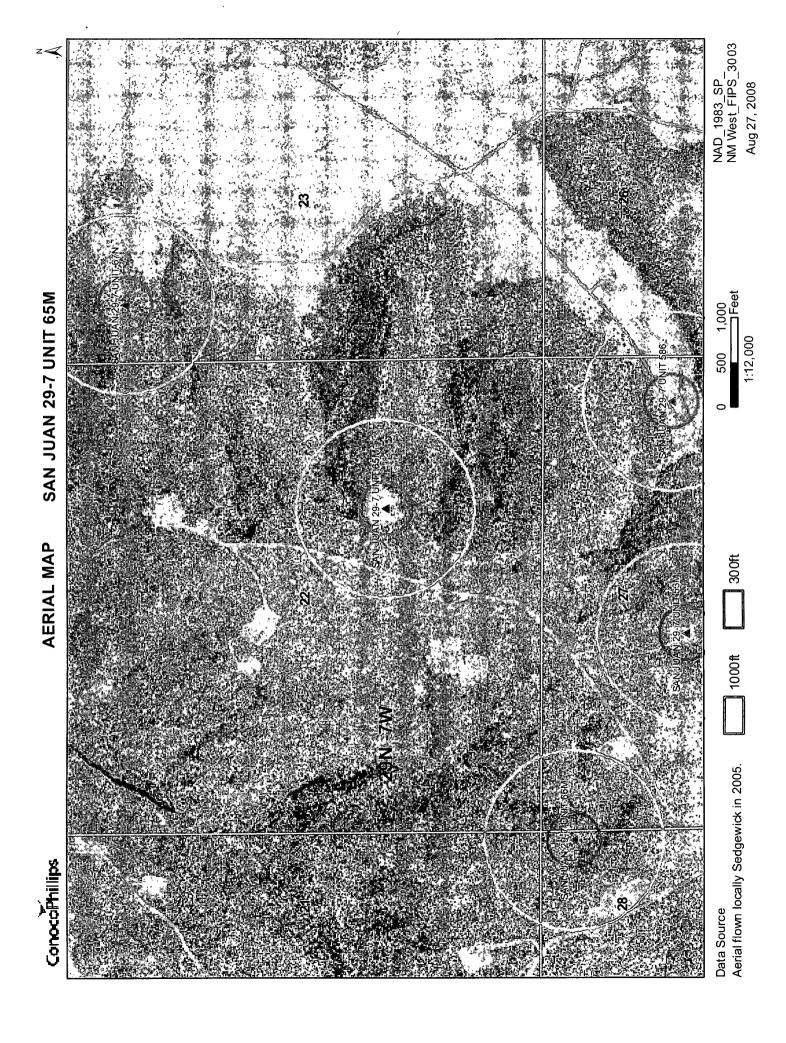
WATER COLUMN REPORT 12/15/2008

(quarters are 1=NW 2=NE 3=SW 4=SE)

	(quarter	s are bi	ggest to	smalles	st)		Depth	Depth	Water (
POD Number	Tws	Rng Sec	qqq	Zone	х	Y	Well	Water	Column
SJ 01228	29N	07W 23	2 1				285	205	80
SJ 01112	29N	07W 28	2 4 4				2453	900	1553

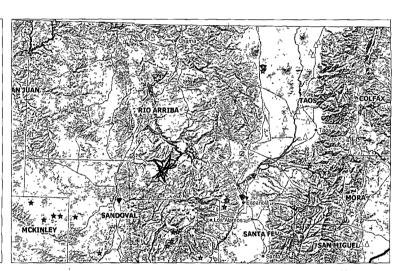
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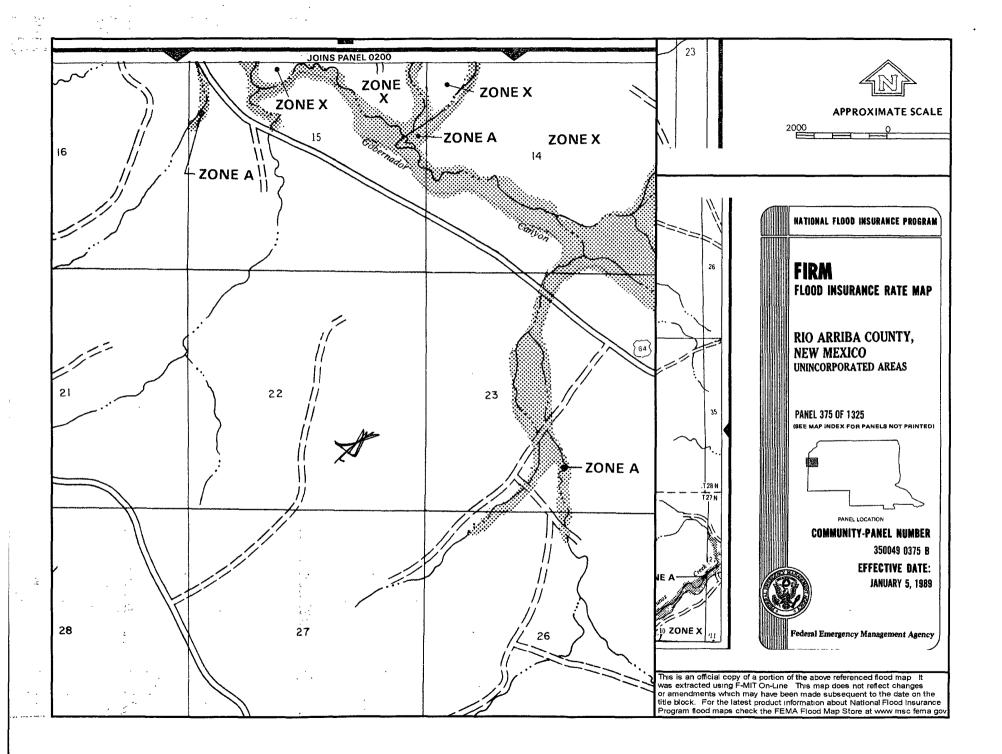
San Juan 29-7 Unit 65M Mines, Mills and Quarries Web Map

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









Siting Criteria Compliance Demonstration & Hydro Geologic Analysis

The San Juan 29-7 Unit 65M 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. The subject well has an elevation of 6784' & the groundwater depth is greater than 100'. There are iWATERS data points located in the area as indicated on the TOPO Map. 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 Jose Formation

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 Juán Basin, New Mexico: Socorro, New Mexico Bureau of Mines and Mineral Resources Hydrologic Report 6, 70 p.

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Rogers, Rhonda S

Rogers, Rhonda S

Sent: Monday, December 15, 2008 8:52 AM

'Mark_kelly@nm.blm.gov' Surface Owner Notification To: Subject:

The following location temporary pit will be closed on-site. Please let me know if you have any questions. Thank you San Juan 29-7 Unit 30M San Juan 29-7 Unit 65M

Rhonda Rogers
Regulatory Technician
ConocoPhillips - SJBU
phone (505) 599-4018 e-mail rogerrs@conocophillips.com DISTRICT I 1625 N. French Dr., Hobbs, N.M. 88240 State of New Mexico Energy. Winerals & Natural Resources Department

Revised October 12, 2005

DISTRICT II 1301 West Grand Avenue, Artesia, N.M. 98210 OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Submit to Appropriate District Office State Lease - 4 Copics Fee Lease - 3 Copies

4 (2)

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

☐ AMENDED REPORT

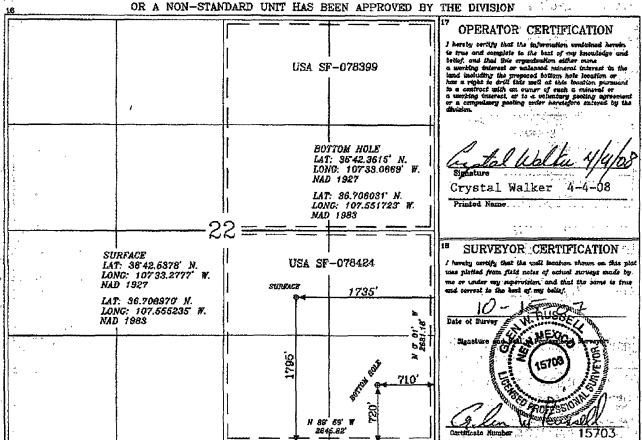
DISTRICT IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-	71599/72319	³Pool Name BASIN DAKCTA/BLANCO	MESAVERDE
Property Code 7465	°Prop SAN JUAN	erty Name 20-7 UNIT	*Well Kumber 65M
*OGRED No. 14538	-	ator Name OIL AND GAS COMPANY LP	Elevation 6784

¹⁰ Surface Location UL or lot no Section Township Range Lot Ida Foot from the North/South line Feet from the East/West line County 22 29-N 7-W 1795 SOUTH 1735' CAST RIO ARRIBA "Bottom Hole Location If Different From Surface III. or lot na. Section Township Lot Idn Feet from the North/South line Feet from the Boat/West line Bange County 29-N 7-W 720 SOUTH BAST RIO ARRIBA 710 ¹² Dedicated Acres Joint or Infili 14 Consulidation Code Order No. 320.00 (E/2)

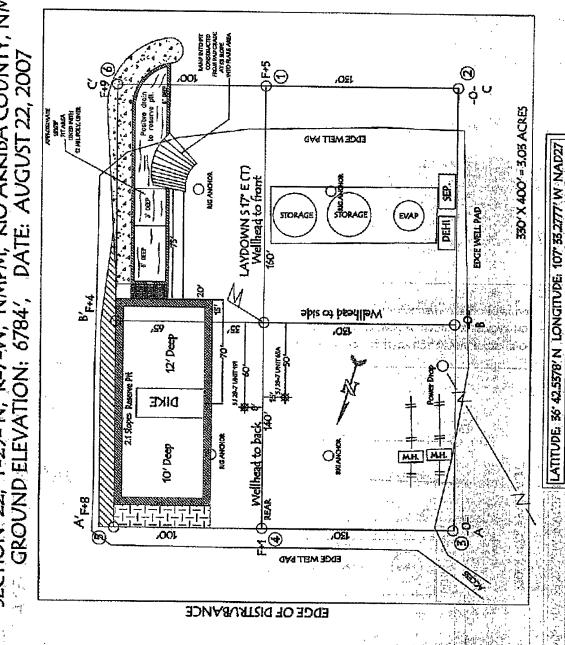
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED.



PERTINES OF CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO CAS WORKING DAYS PRIOR TO CONSTRUCTION.

WOTE VECTOR SHOWD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURNED

WOTE VENTES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO CAS WORKING DAYS PRIVED.

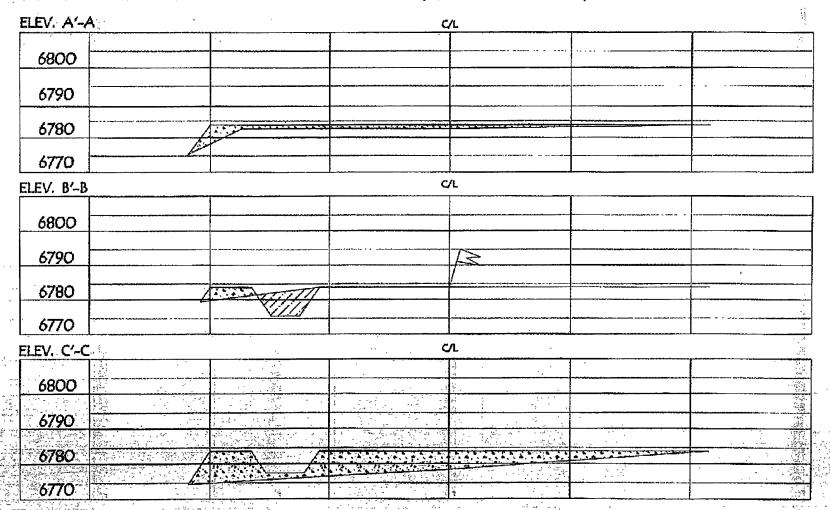


RESERVE BIT DIKE: TO BE 8. ABOVE DEEP SIDE (OVERFLOW - 3" WIDE AND 1" AROVE SHALLOW SIDE).

& GAS COMPANY

BURLINGTON RESOURCES OIL

BURLINGTON RESOURCES OIL & GAS COMPANY LP SAN JUAN 29-7 UNIT 65M, 1795' FSL & 1735' FEL SECTION 22, T-29- N, R-7-W, NMPM, RIO ARRIBA COUNTY, NM GROUND ELEVATION: 6784', DATE: AUGUST 22, 2007



NOTE: VECTOR SURVEYS LLC IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.

CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED

PIPLINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

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

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

- 1. BR will design and construct a 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.
- 2. Prior to constructing the pit, topsoil will be stockpiled in the construction zone for later use in restoration.
- BR will sign the well location in compliance with 19.15.3.103 NMAC.
- 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.
- 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.
- Pit walls will be walked down by a crawler type tractor following construction.
- All temporary pits will be lined with a 20-mil, string reinforced, LLDPE liner, complying with EPA SW-846 method 9090A requirements.
- 9. Geotextile will be installed beneath the liner when rocks, debris, sharp edges or irregularities cannot be avoided.
- 10. 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 #1 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.

General Plan:

- 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.
- 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 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.
- 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	(1000/300

- 9. Upon completion of solidification and testing standards being passed, the pit area will be backfilled with compacted, non-waste containing, earthen material. A minimum of four feet of cover shall be achieved and the cover shall include one foot of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater. If standard testing fails BR will dig and haul all contents pursuant to 19.15.17.13.i.a. After doing such, confirmation sampling will be conducted to ensure a release has not occurred.
- 10. During the stabilization process if the liner is ripped by equipment the Aztec OCD office will be notified within 48 hours and the liner will be repaired if possible. If the liner can not be repaired then all contents will be excavated and removed.
- 11. Dig and Haul Material will be transported to the Envirotech Land Farm located 16 miles south of Bloomfield on Angel Peak Road, CR 7175. Permit # NM010011
- 12. Re-contouring of location will match fit, shape, line, form and texture of the surrounding. Reshaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be place in areas where needed to prevent erosion on a large scale. Final re-contour shall have a uniform appearance with smooth surface, fitting the natural landscape.
- Notification will be sent to OCD when the reclaimed area is seeded.
- 14. BR shall seed the disturbed areas the first growing season after the operator closes the pit. Seeding will be accomplished via drilling on the contour whenever practical or by other division-approved methods. BLM 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

Source No. two (better quality)

Source No. two (better quality)

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

1 lb. PLS 1 lb. PL

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

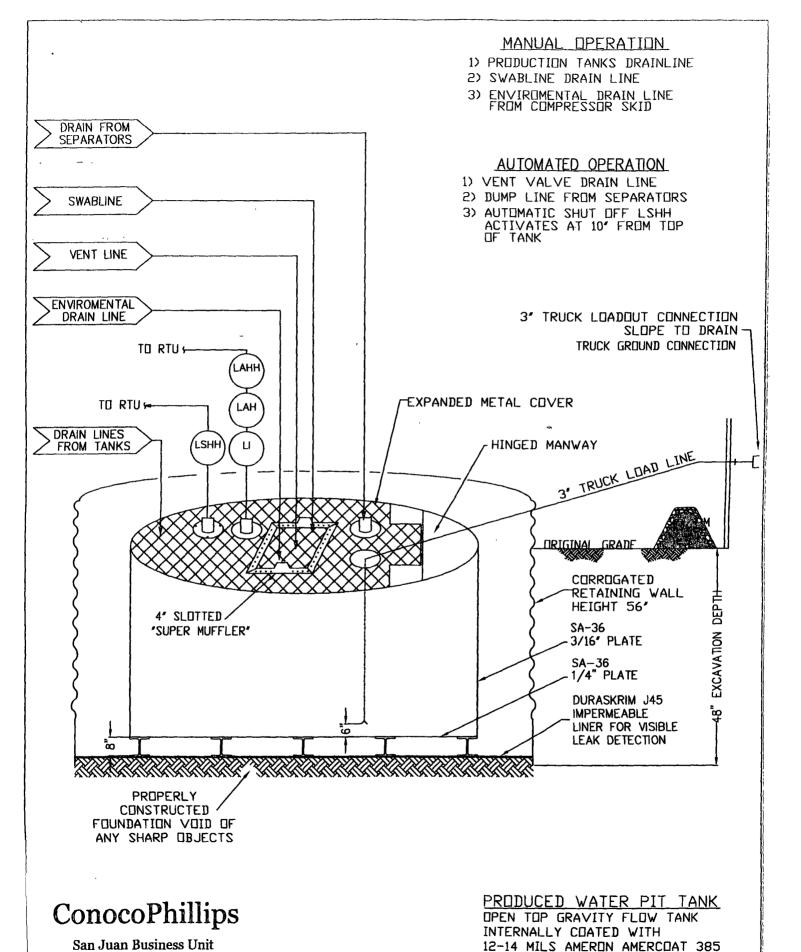
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Burlington Resources Oil & Gas Company, LP San Juan Basin Below Grade Tank Design and Construction

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 signage will comply with 19,15.3.103 NMAC when BR is the operator. If BR is not the operator it will comply with 19.15.17.11NMAC. BR includes Emergency Contact information on all signage.
- 3. BR has approval to use alternative fencing that provides better protection. BR constructs 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. BR ensures that all gates associated with the fence are closed and locked when responsible personnel are not onsite.
- 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 as shown on design drawing and specification sheet.
- 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 as shown on
 design drawing.
- 7. BR shall operate and install the below-grade tank to prevent the collection of surface water run-on. BR has built in shut off devices that do not allow a belowgrade tank to overflow. BR constructs berms and corrugated retaining walls at least 6" above ground to keep from surface water run-on entering the below grade tank as shown on the design plan.
- 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 J45BB. This product is a four layer reinforced laminated containing no adhesives. The outer layers consist of a high strength polyethylene film manufactured using virgin grade resins and stabilizers for UV resistance in exposed applications. The J45BB is reinforced with 1300 denier (minimum) tri-directional scrim reinforcement. It exceeds ASTMD3083 standard by 10%. J45BB has a warranty for 20 years from Raven Industries and is attached. It is typically used in Brine Pond, Oilfield Pit liner and other industrial applications. The manufacture specific sheet is attached and the design attached displays the proper installation of the liner.
- The general specification for design and construction are attached in the BR document.



PROPERTIES	TEST METHOD	Ja	ose (्राह्म इ.स.च्या	Bs.	J 4	BE
		Min. Roll Averages	Typical Roll Averages	Min. Roll Averages	Typical Roll Averages	Min Roll Averages	Typical Roll Averages
Appearance		Blac	k/Black	Black/	Black	Black	Black
Thickness	ASTM D 5199	27 mil	30 mil	32 mil	36 mil	40 mil	45 mil
Weight Lbs Per MSF (oz/yd²)	ASTM D 5261	126 lbs (18.14)	140 lbs (20.16)	151 lbs (21.74)	168 lbs (24.19)	189 lbs (27.21)	210 lbs (30.24)
Construction		**Extr	usion laminated	with encapsular	ted tri-direction	al scrim reinford	ement
Ply Adhesion	ASTM D 413	16 lbs	20 lbs	19 lbs	24 lbs	25 lbs	31 lbs
1" Tensile Strength	ASTM D 7003	88 lbf MD 63 lbf DD	110 lbf MD 79 lbf DD	90 lbf MD 70 lbf DD	113 lbf MD 87 lbf DD	110 lbf MD 84 lbf DD	138 lbf MD 105 lbf DD
1" Tensile Elongation @ Break % (Film Break)	ASTM D 7003	550 MD 550 DD	750 MD 750 DD	550 MD 550 DD	750 MD 750 DD	550 MD 550 DD	750 MD 750 DD
1" Tensile Elongation @ Peak % (Scrim Break)	ASTM D 7003	20 MD 20 DD	33 MD 33 DD	20 MD 20 DD	30 MD 31DD	20 MD 20 DD	36 MD 36 DD
Tongue Tear Strength	ASTM D 5884	75 lbf MD 75 lbf DD	97 lbf MD 90 lbf DD	75 lbf MD 75 lbf DD	104 lbf MD 92 lbf DD	100 lbf MD 100 lbf DD	117 lbf MD 118 lbf DD
Grab Tensile	ASTM D 7004	180 lbf MD 180 lbf DD	218 lbf MD 210 lbf DD	180 lbf MD 180 lbf DD	222 lbf MD 223 lbf DD	220 lbf MD 220 lbf DD	257 lbf MD 258 lbf DD
Trapezoid Tear	ASTM D 4533	120 lbf MD 120 lbf DD	146 lbf MD 141 lbf DD	130 lbf MD 130 lbf DD	189 lbf MD 172 lbf DD	160 lbf MD 160 lbf DD	193 lbf MD 191 lbf DD
* Dimensional Stability	ASTM D 1204	<1	<0.5	<1	<0.5	<1	<0.5
Puncture Resistance	ASTM D 4833	50 lbf	64 lbf	65 lbf	83 lbf	80 lbf	99 lbf
Maximum Use Temperature		180° F					
Minimum Use Temperature	,	-70° F					

MD = Machine Direction DD = Diagonal Directions



Note: Minimum Roll Averages are set to take into account product variability in addition to testing variability between laboratories.

*Dimensional Stability Maximum Value

**DURA-SKRIM J30BB, J36BB & J45BB are a four layer reinforced laminate containing no adhesives. The outer layers consist of a high strength polyethylene film manufactured using virgin grade resins and stabilizers for UV resistance in exposed applications. DURA-SKRIM J30BB, J36BB & J45BB are reinforced with a 1300 denier (minimum) tri-directional scrim reinforcement.

Note: RAVEN INDUSTRIES MAKES NO WARRANTIES AS TO THE FITNESS FOR A SPECIFIC USE OR MERCHANTABILITY OF PRODUCTS REFERRED TO, no guarantee of satisfactory results from reliance upon contained information or recommendations and discraims all liability for resulting loss or damage.

PLANT LOCATION

Sioux Falls, South Dakota

SALES OFFICE

RAVEN

P.O. Box 5107 Sioux Falls, SD 57117-5107 (605) 335-0174 (605) 331-0333 FAX

800-635-3456

08/06

RAVEN INDUSTRIES INC. EXPOSED GEOMEMBRANE LIMITED WARRANTY

Raven Industries Inc. warrants Dura-Skrim J30BB, J36BB, and J45BB to be free from manufacturing defects and to be able to withstand normal exposure to sunlight for a period of 20 years from the date of sale for normal use in approved applications in the U.S and Canada, excluding Hawaii. This warranty is effective for products sold and shipped from January 1, 2008 to December 31, 2008. These dates will be updated prior to December 31, 2008.

This Limited Warranty does not include damages or defects in the Raven geomembrane resulting from acts of God, casualty or catastrophe including but not limited to: earthquakes, floods, piercing hail, or tornadoes. The term "normal use" as used herein does not include, among other things improper handling during transportation, unloading, storage or installation, the exposure of Raven geomembranes to harmful chemicals, atypical atmospheric conditions, abuse of Raven geomembranes by machinery, equipment or people; improper site preparation or covering materials, excessive pressures or stresses from any source or improper application or installation. Raven geomembrane material warranty is intended for commercial use only and is not in effect for the consumer as defined in the Magnuson Moss Warranty or any similar federal, state, or local statues. The parties expressly agree that the sale hereunder is for commercial or industrial use only.

Should defects or premature loss of use within the scope of the above Limited Warranty occur, Raven Industries Inc. will, at its option, repair or replace the Raven geomembrane on a pro-rata basis at the then current price in such manner as to charge the Purchaser/User only for that portion of the warranted life which has elapsed since purchase of the material. Raven Industries Inc. will have the right to inspect and determine the cause of any alleged defect in the Raven geomembrane and to take appropriate steps to repair or replace the Raven geomembrane if a defect exists which is covered under this warranty. This Limited Warranty extends only to Raven's geomembrane, and does not extend to the installation service of third parties nor does it extend to materials furnished or installed by others in connection with the intended use of the Raven geomembranes.

Any claim for any alleged breach of this warranty must be made in writing, by certified mail, to the General Manager of Engineered Films Division of Raven Industries Inc. within ten (10) days of becoming aware of the alleged defect. Should the required notice not be given, the defect and all warranties are waived by the Purchaser, and Purchaser shall not have any rights under this warranty. Raven Industries Inc. shall not be obligated to perform repairs or replacements under this warranty unless and until the area to be repaired or replaced is clean, dry, and unencumbered. This includes, but is not limited to, the area made available for repair and/or replacement of Raven geomembrane to be free from all water, dirt, sludge, residuals and liquids of any kind. If after inspection it is determined that there is no claim under this Limited Warranty, Purchaser shall reimburse Raven Industries Inc. for its costs associated with the site inspection.

In the event the exclusive remedy provided herein fails in its essential purpose, and in that event only, the Purchaser shall be entitled to a return of the purchase price for so much of the material as Raven Industries Inc. determines to have violated the warranty provided herein. Raven Industries Inc. shall not be liable for direct, indirect, special, consequential or incidental damages resulting from a breach of this warranty including, but not limited to, damages for loss of production, lost profits, personal injury or property damage. Raven Industries Inc. shall not be obligated to reimburse Purchaser for any repairs, replacement, modifications or alterations made by Purchaser unless Raven Industries Inc. specifically authorized, in writing, said repairs, replacements, modifications or alteration in advance of them having been made. Raven Industry's liability under this warranty shall in no event exceed the replacement cost of the material sold to the Purchaser for the particular installation in which it failed.

Raven Industries Inc. neither assumes nor authorizes any person other than the undersigned of Raven Industries Inc. to assume for it any other or additional liability in connection with the Raven geomembrane made on the basis of the Limited Warranty. The Limited Warranty on the Raven geomembrane herein is given in lieu of all other possible material warranties, either expressed or implied, and by accepting delivery of the material; Purchaser waives all other possible warranties, except those specifically given. This Limited Warranty may only be modified by written document mutually executed by Owner and Raven Industries Inc.

Limited Warranty is extended to the purchaser/owner and is non-transferable and non-assignable; i.e., there are no third-party beneficiaries to this warranty.

Purchaser acknowledges by acceptance that the Limited Warranty given herein is accepted in preference to any and other possible materials warranties.

THIS LIMITED WARRANTY SHALL BE GOVERNED BY SOUTH DAKOTA LAW AND VENUE FOR ALL LEGAL PROCEEDINGS IN CONNECTION WITH THIS LIMITED WARRANTY SHALL BE IN MINNEHAHA COUNTY, SOUTH DAKOTA. RAVEN INDUSTRIES INC. MAKES NO WARRANTY OF ANY KIND OTHER THAN THAT GIVEN ABOVE AND HEREBY DISCLAIMS ALL WARRANTIES, BOTH EXPRESSED OR IMPLIED, OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THIS IS THE ONLY WARRANTY THAT APPLIES TO THE MATERIALS REFERRED TO HEREIN AND RAVEN INDUSTRIES INC. DISCLAIMS ANY LIABILITY FOR ANY WARRANTIES GIVEN BY ANY OTHER PERSON OR ENTITY, EITHER WRITTEN OR ORAL.

RAVEN INDUSTRIES' WARRANTY BECOMES AN OBLIGATION OF RAVEN INDUSTRIES INC. TO PERFORM UNDER THE WARRANTY ONLY UPON RECEIPT OF FINAL PAYMENT AND EXECUTION BY A DULY AUTHORIZED OFFICER OF RAVEN INDUSTRIES INC.

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.

- 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.
 BR will accomplish this by performing an inspection on a monthly basis, installing
 cathodic protection, and automatic overflow shutoff devices as seen on the
 design plan.
- 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 has built in shut off devices that do not allow a belowgrade tank to overflow. BR constructs berms and corrugated retaining walls at least 6" above ground to keep from surface water run-on entering the below grade tank as shown on the design plan.
- 4. As per 19.17.15.12 Subsection D, Paragraph 3, BR will inspect the below-grade tank at least monthly reviewing several items which include 1) containment berms adequate and no oil present, 2) tanks had no visible leaks or sign of corrosion, 3) tank valves, flanges, and hatches had no visible leaks and 4) no evidence of significant spillage of produced liquids. In addition, BR's multi-skilled operators (MSOs) are required to visit each well location once per week. If detected on either inspection, BR shall 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. The written record of the monthly inspections will include the items listed above and will be maintained for five years.
- 5. BR shall require and maintain a 10" adequate freeboard to prevent overtopping of the below-grade tank.
- 6. If the below grade tank develops a leak, or if any penetration of the pit liner or below grade tank, occurs below the liquid's surface, then BR shall remove all liquid above the damage or leak line within 48 hours. BR shall notify the appropriate district office. BR shall repair or replace the pit liner or below grade tank, within 48 hours of discovery. If the below grade tank or pit liner does not demonstrate integrity, BR shall promptly remove and install a below grade tank or pit liner that complies with Subsection I of 19.15.17.11 NMAC. BR shall notify the appropriate district office of a discovery of leaks less than 25 barrels 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 Subsection A of 19.15.17.13 NMAC. This will include a) below-grade tanks that do not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or is not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC within five years, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC; b) permitted below-grade tanks within 60 days of cessation of the below-grade tank's operation., or c) an earlier date that the division requires because of imminent danger to fresh water, public health or the environment. For any closure, BR will file the C144 Closure Report as required.
- 2. 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 after being cleaned well (Subsection D, Paragraph 1, Subparagraph (m) of 19.15.9.712 NMAC) will be disposed of at the San Juan County Regional Landfill located on CR 3100.
- 3. 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.
- 4. 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.
- 5. 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.
- 6. 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.

- 7. 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.
- 8. 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.
- 9. 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.
- 10. 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.
- 11. 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 stipulated seed mixes will used on federally jurisdicted lands and division-approved seed mixtures (administratively approved if required) will be utilized on all State or private 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. If alternate seed mix is required by the state, private owner or tribe, it will be implemented with administrative approval if needed. BR will repeat seeding or planting will be continued until successful vegetative growth occurs.
- 12. 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.
- 13. 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 belowgrade 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