District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources Department Oil Conservation Division

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.

For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

1400	Proposed Alternative Method Permit or Clasure Plan Application				
7	Proposed Alternative Method Permit or Closure Plan Application Type of action: Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method				
_	Existing BGT				
Instruction	s: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request				
environment. Nor do	approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the es approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.				
Operator: XTO	Energy, Inc. OGRID #: 5380				
	oad 3100 Aztec, NM 87410				
	ne: BLANCO L5 #13				
API Number:	3004506857 OCD Permit Number:				
U/L or Qtr/Qtr	3004506857 OCD Permit Number: Section 01 Township 27N Range 8W County: San Juan				
	Design: Latitude 36.60624 Longitude 107.62997 NAD: 1927 1983				
	Federal State Private Tribal Trust or Indian Allotment				
Temporary: Dr Permanent E Lined Unli String-Reinforc Liner Seams: V Closed-loop Sy Type of Operation: intent)	on F or G of 19.15.17.11 NMAC illing				
Lined Unline	ed Liner type: Thicknessmil				
Liner Seams: U					
☐ Visible sidewa	nk: Subsection I of 19.15.17.11 NMAC 0 bbl Type of fluid: Produced Water Steel				
5.					
Alternative Me	•				
Submittal of an exc	eption request is required. 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 pits, temporary pits, and below-grade tanks) Chain link, six feet in height, two strands of barbed wire at top (Required of located within 1000 feet of a permanent residence, school, institution or church) Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate. Please specify	hospital,
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent puts and permanent open top tanks) Screen Netting Other Monthly inspections (If netting or screening is not physically feasible)	
8. Signs: Subsection C of 19.15.17.11 NMAC ☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers ☐ Signed in compliance with 19.15.3.103 NMAC	
Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance. Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	office for
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the approoffice or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to dry above-grade tanks associated with a closed-loop system.	priate district pproval.
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ⊠ No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☑ No ☐ NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits)	☐ Yes ☐ No ☐ NA
 Visual inspection (certification) of the proposed site; Aerial photo; Satellite image Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site 	☐ Yes ☑ No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ⊠ No
 Within 500 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site 	☐ Yes ☑ No
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ⊠ No
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map 	☐ Yes ⊠ No
Within a 100-year floodplain FEMA map	☐ Yes ⊠ No

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Previously Approved Design (attach copy of design) API Number or Permit Number:
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Previously Approved Design (attach copy of design) API Number:
Previously Approved Operating and Maintenance Plan API Number:
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC Liner Specifications and Compatibility 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 H ₂ S, Prevention Plan Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15 17.9 NMAC and 19.15 17 13 NMAC
14. <u>Proposed Closure</u> : 19.15.17.13 NMAC <u>Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.</u>
Type: Drilling Workover Emergency 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) On-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial On-site Trench Burial Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. ☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC ☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC ☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and driff 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

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.1 Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if the state of the disposal of liquids and drill cuttings.	
facilities are required.	
Disposal Facility Name: Disposal Facility Permit Number:	
Disposal Facility Name: Disposal Facility Permit Number:	
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future ser Yes (If yes, please provide the information below) No	vice and operations?
Required for impacted areas which will not be used for future service and operations. Soil Backfill and Cover Design Specifications based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC	С
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 soun provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate dist considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justic demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.	rict office.or may be
Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☐ No
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map 	☐ Yes ☐ No
Within a 100-year floodplain FEMA map	☐ Yes ☐ No
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19. Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC 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 Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC	15.17.11 NMAC

19. Operator Application Certification:		
I hereby certify that the information submitted with this application	n is true, accurate and complete to the	he best of my knowledge and belief.
Name (Print)· Kim Champlin	Title:	Environmental Representative
Signature: Kim (hamplin	Date:	9-15.08
e-mail address: kim_champlin@xtoenergy.com	Telephone:	(505) 333-3100
20.		
OCD Approval: Permit Application (including closure plan)		Conditions (see attachment)
OCD Representative Signature: But Wall		Approval Date: 10-29-09
Title: Enviro Spec	OCD Permit Num	ber:
Closure Report (required within 60 days of closure completion Instructions: Operators are required to obtain an approved closure closure report is required to be submitted to the division with section of the form until an approved closure plan has been obtain	re plan prior to implementing any in 60 days of the completion of the	closure activities and submitting the closure report. closure activities. Please do not complete this been completed.
22.		
Closure Method: ☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ If different from approved plan, please explain.	Alternative Closure Method	☐ Waste Removal (Closed-loop systems only)
Closure Report Regarding Waste Removal Closure For Closed Instructions: Please indentify the facility or facilities for where to two facilities were utilized.		
Disposal Facility Name:		ermit Number:
Disposal Facility Name:		ermit Number:
Were the closed-loop system operations and associated activities p Yes (If yes, please demonstrate compliance to the items below		be used for future service and operations?
Required for impacted areas which will not be used for future serv Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	ice and operations	
24. Closure Report Attachment Checklist: Instructions: Each of t.	he following items must be attached	to the closure report. Please indicate, by a check
mark in the box, that the documents are attached. Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if applicable) Waste Material Sampling Analytical Results (required for o 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
Operator Closure Certification: I hereby certify that the information and attachments submitted with belief. I also certify that the closure complies with all applicable c		
Name (Print):	Title:	
Signature:	Date:	
e-mail address:	Telephone:	

District_1 1625 N. French Dr., Hobbs, NM 88240

State of New Mexico Energy, Minerals & Natural Resources

Form C-102 Revised June 10, 2003

District II 1301 W. Grand Avenue, Artesia, NM 88210

OIL CONSERVATION DIVISION

Submit to Appropriate District Office State Lease - 4 Copies

1000 Río Brazos R	id., Aztec, N	M 87410	87410 1220 South St. Francis Dr. Santa Fe, NM 87505						1	Fee Lease	- 3 Copies
District IV. 1220 S. St. Francis	Dr., Santa F	-	,						Al	MENDED	REPORT
			LL LOCA			REAGE	DEDICAT				
I		² Pool Code ³ Pool Name									
30		716			Ba	Basin Fruitland Coal					
⁴ Property	Code			⁵ Property Name						 Well Number 	
			•		Bl	anco LS				#13	
70GRID	No.				8 Ope	rator Name				9 Elevati	ion
1670	67	•			XTO E	nergy Inc				6905	5
					¹⁰ Surface	Location					
UL or lot no.	Section	Township	Range	Lo			North/South line	Feet from the	East/West	line	County
G	1	271	W80		16	50	North	1850	East S		n Juan
			¹¹ Bott	om Ho	le Location	If Differer	it From Surfa	ice			
UL or lot no.	Section	Township	Range	Lo	ot. Idn Feet	from the	North/South line	Feet from the	East/West	East/West line	
126 11 11	10111	1 (7)	110	<u> </u>	15.0.1. 11.						
12 Dedicated Acres 13 Joint or Infill 14 Consolidatio				Code	¹⁵ Order No.						
312.12 N/	2	I								~~~	
NO ALLOWA	BLE WIL						ALL INTERE	STS HAVE BE	EN CON	SOLIDAT	ΈD OR Λ
16'	1						\ \	17 OPERATO I hereby certify that the	e information	contained here	ll ll
	`.				1650'			complete to the oest of	, my naissicug	e and oches.	

1850 Signature Jeffrey W. Printed Name Drilling Engineer Title and Email 2/25/04 18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. April 10, 1955 Date of Survey Signature and Seal of Professional Surveyer: DRIGINAL SURVEY SIGNED BY JAMES & LEESE SURVEYOR LUMBER #1463 Certificate Number

A Lodestar Services, Inc.

Pit Permit

Client:	XTO Energy	
Project:	tank permitting	
Revised:	14-Sep-08	
Prepared by:	Trevor Ycas	

PO Box 4465, Durango, CO 8		Siting Criteria	Revised:	14-Sep-08			
V	Information Sheet		Prepared by:	Trevor Ycas			
API#:		30-045-06857	 USPLSS:	27N 08W 1 G			
and the second of the second s		S No. 013	Lat/Long:	36.606240°, -107.629970°			
Transcentistics	DEAITCO L	3110.013	Geologic	30.000240 , 107.023370			
Depth to groundwater:	depth>100'		formation:	San Jose Formation (Tsj)			
Distance to closest continuously flowing watercourse:	12.3 miles NW to 'San Juan River'		Site Elevation: 2104m/6903'				
Distance to closest significant watercourse, lakebed, playa lake, or sinkhole:	6750' N to 'Carrizo Canyon'						
			Soil Type:	Rockland/ Aridisols			
Permanent residence, school, hospital, institution or church within 300'	NO						
			Annual Precipitation:	Navajo Dam: 12.95", Governador: 11.98", Capulin Rgr Stn.: 14.98", Otis: 10.41"			
Domestic fresh water well or spring within 500'		NO	Precipitation Notes:	Historical daily max. precip.: 4.19" (Bloomfield)			
Any other fresh water well or spring within 1000'	NO						
Within incorporated municipal boundaries		NO	Attached Documents:	25N06W_IWaters.pdf, 25N07W_IWaters.pdf, 25N08W_IWaters.pdf, 26N07W_IWaters.pdf, 26N08W_Iwaters.pdf, 26N09W_Iwaters.pdf, 27N07W_IWaters.pdf, 27N08W_IWaters.pdf, 27N09W_IWaters.pdf			
Within defined municipal fresh water well field	NO		FM3500640750B-30- 045-06857.jpg	30-045-06857_gEarth-PLS.jpg, 30-045-06857_topo- PLS.jpg, 30-045-06857_gEarth-IWaters.jpg			
Wetland within 500'	NO		Mining Activity:	None Near			
Within unstable area				NM_NRD-MMD_MinesMillQuarries_30-045-06857.jpg			
			,				
Within 100 year flood plain	No	-FEMA Zone 'X'					
Additional Notes:							
drains to 'Carrizo				located atop a mesa, NW of Gould Pass,			
Canyon'				between Carrizo & Largo Canyons			

Blanco #13 Below Grade Tank Hydrogeologic Report for Siting Criteria

General Geology and Hydrology

The San Juan Basin is a typical Rocky Mountain basin with a gently dipping southern flank and a steeply dipping northern flank. Asymmetrically layered Tertiary sandstones and shales, along with Quaternary alluvial deposits, dominate surficial geology (Dane and Bachman, 1965). The proposed pit location will be located in the southern-central Largo Canyon region of the San Juan Basin, atop an (unnamed) mesa between Canon Largon and Carrizo Canyon. The predominant geologic formation is the San Jose Formation of Tertiary age, which underlies surface soils and is often exposed (Dane and Bachman, 1965). Deposits of Quaternary alluvial and aeolian sands occur prominently near the surface of the area, especially near streams and washes.

Cretaceous and Tertiary sandstones, as well as Quaternary alluvial deposits serve as the primary aquifers in the San Juan basin (Stone et al., 1983). In most of the proposed area, the San Jose Formation lies at the surface and overlies the Nacimiento Formation. Thickness of the San Jose ranges from 200 to 2700 feet, thickening from west to east across the region of interest (Stone et al., 1983). Aquifers within the coarser and continuous sandstone bodies of the San Jose Formation are between 0 and 2700' deep in this section of the basin (Stone et al., 1983). Groundwater within these aquifers flows north, toward the San Juan River. Little specific hydrogeologic data is available for the San Jose Formation system, but "numerous wells and springs used for stock and domestic supplies" draw their water from the San Jose Formation (Stone et al, 1983).

The prominent soil type at the proposed site are rocklands and aridisols, which are defined as soils exhibiting little to no profile development (www.emnrd.state.nm.us). Soils are basically unaltered from their parent rock. Miles of arroyos, washes and intermittent streams exist as part of the drainage network towards the San Juan River. These features often cut into soil and other unconsolidated materials, contributing to sedimentation downstream. The sudden influx of water from storm events easily erodes the soils that cover the area and prohibits effective recharge to the underlying aquifers.

Regional weather further prohibit active recharge. The climate is arid, averaging just over 12 inches of rainfall annually. As is typical of the southwestern United States monsoonal weather patterns, most precipitation falls from August through October. The heaviest rainfall occurs in the summer in isolated, intense cloudbursts. November through June is relatively dry. Snow generally falls from December to mid-February and averages less than one-half inch in depth. However, most recharge occurs during the winter months during snowmelt periods from the upper elevations (Western Regional Climate Center www.wrcc.dri.edu).

The predominant vegetation is sagebrush and grasses with a more restricted pinon-juniper association (Dick-Peddie, 1993).

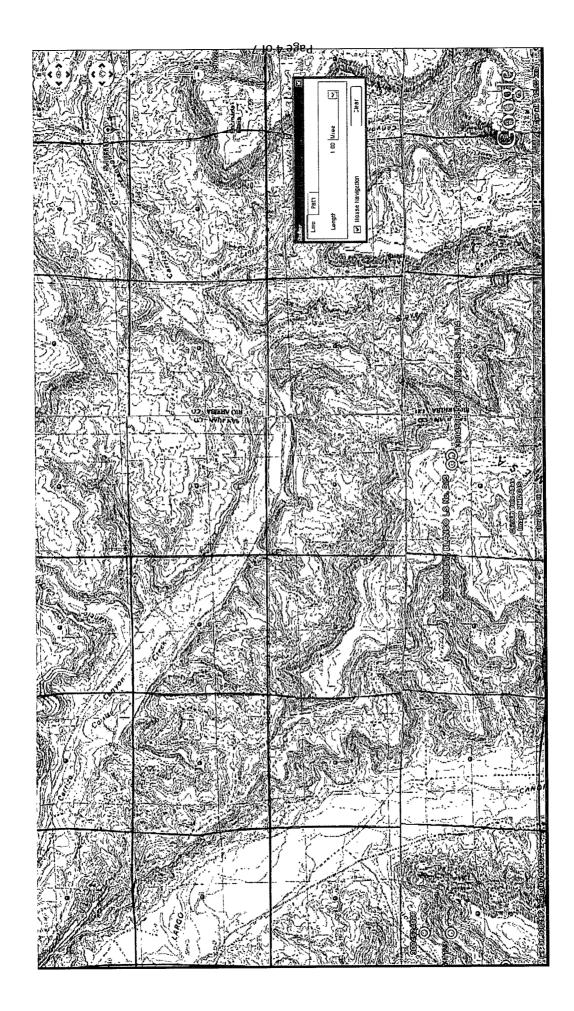
Site Specific Hydrogeology

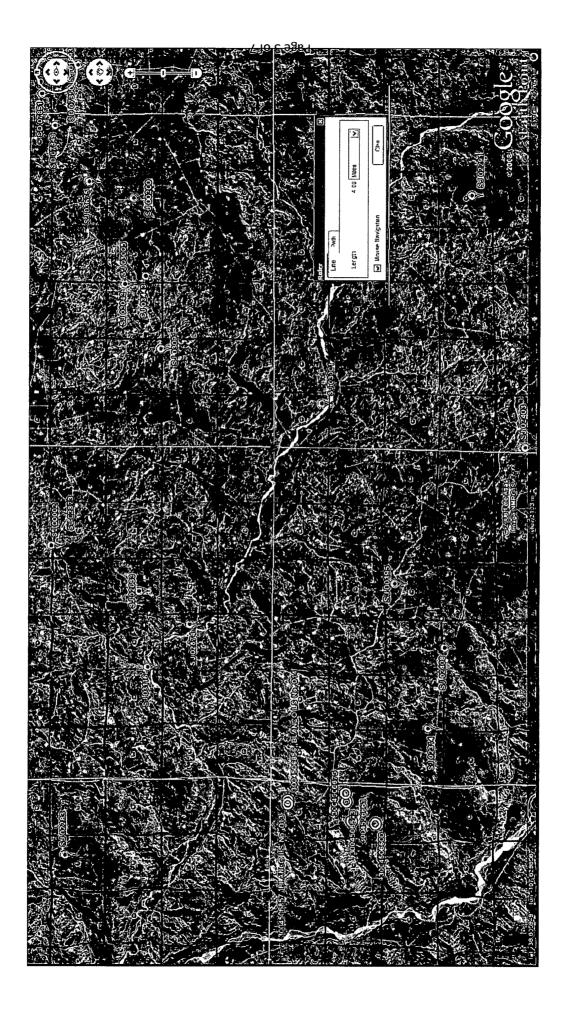
Depth to groundwater is estimated to be greater than 100 feet. This estimation is based on data from Stone and others (1983), the USGS Groundwater Atlas of the United States and depth to groundwater data published on the New Mexico State Engineer's iWaters Database website. Local topography and proximity to adjacent channel features are also taken into consideration.

Beds of water-yielding sandstone are present in the San Jose Formation, which are fluvial in origin and are interbedded with mudstone, siltstone & shale. "Extensive intertonguing" of different members of this formation is reported. (Stone et al., 1983). Porous sandstones form the principal aquifers, while relatively impermeable shales and mudstones form confining units between the aquifers (Stone et al., 1983). Local aquifers exist within the San Jose Formation at depths greater than 100 feet and thicknesses of the aquifer can be up to several hundred feet (USGS, Groundwater Atlas of the US) (Stone et al., 1983).

The site in question is located on a relatively flat mesa-top, at an elevation of approximately 6900 feet and approximately 6750 feet south of Carrizo Canyon. This site drains to Carrizo Canyon, then Largo Canyon (the nearest significant watercourse). This region is deeply incised by canyons, washes, gullies and arroyos, with large, flat-topped mesas the predominant topographic feature. The mesas are composed of cliff-forming sandstone, and systems of dry washes and their tributaries composed of alluvium are evident on the attached aerial image. Groundwater is expected to be shallow within Largo and Blanco Canyons and within major tributary systems.

Groundwater data available from the NM State Engineer's iWaters Database for wells near the proposed site are attached. Groundwater data is extremely limited in this region; the nearest iWaters data point lies 3 miles southeast (SJ02314). Other 'nearby' iWaters wells are located 3.4 miles northeast (SJ03116) and 4.1 miles southeast (SJ02408). Wells located at similar elevations along Largo Canyon contain groundwater at depths of 180 feet and deeper. The exact topography and elevation relative to the nearest tributary (over four hundred feet higher) suggests that groundwater is deeper than 100 feet. A map showing the location of wells in reference to the proposed pit location is attached.



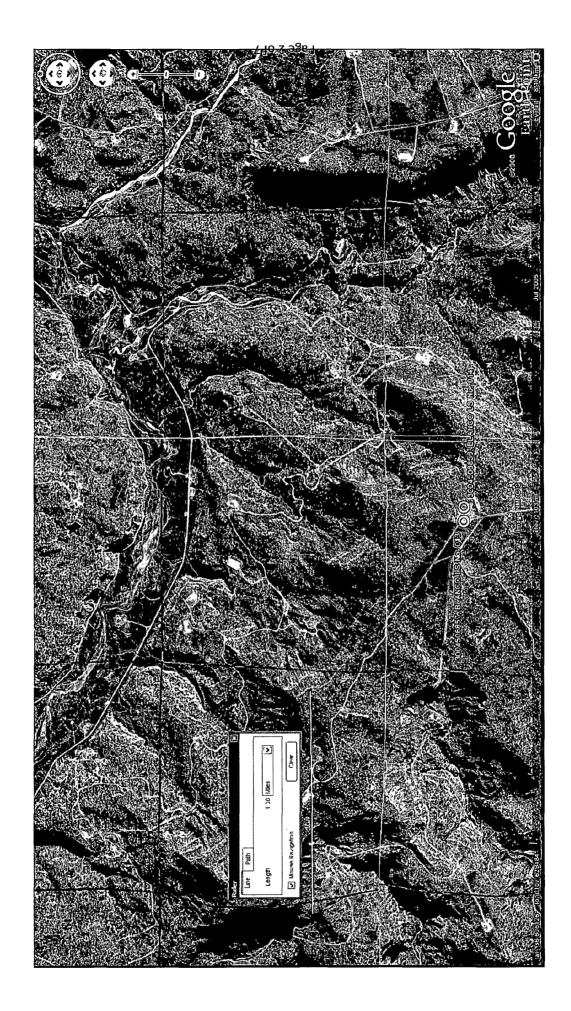


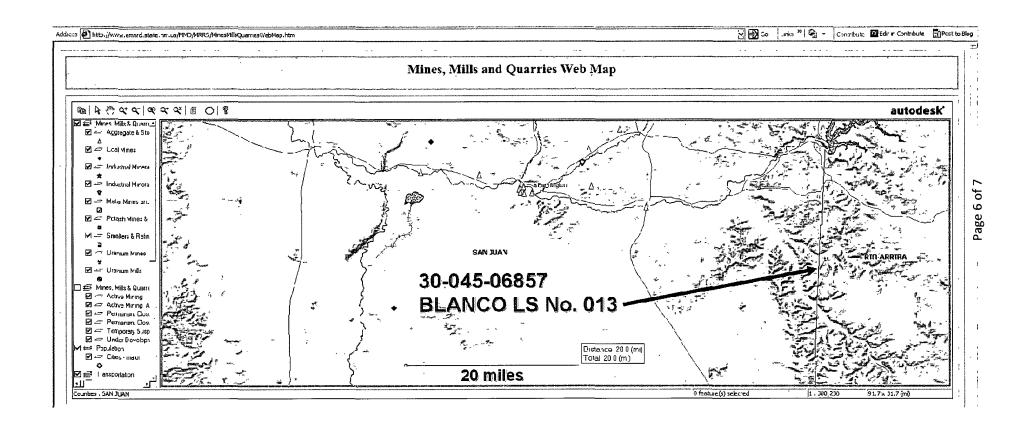
New Mexico Office of the State Engineer POD Reports and Downloads

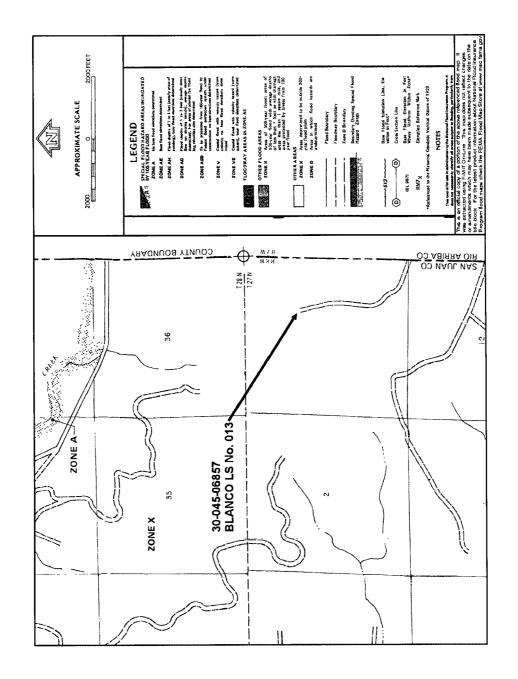
	TOD Reports and Downloads
	Township: 27N Range: 08W Sections:
	NAD27 X: Y: Zone: Search Radius:
	County: Basin: Number: Suffix:
	Owner Name: (First) (Last) Onn-Domestic Odomestic @All
	POD / Surface Data Report Avg Depth to Water Report Water Column Report
	Clear Form IWATERS Menu Help
	WATER COLUMN REPORT 08/04/2008
	(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest) Depth Depth Water (in feet)
POD Number	Two Rng Sec qqq Zone X Y Well Water Column
SJ 02410	27N 08W 36 1 3 2 2200

Record Count: 1

8/4/2008 7 53 PM







XTO Energy Inc. San Juan Basin Below Grade Tank Design and Construction Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the design and construction of below grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below grade tanks. A separate plan will be submitted for any below grade tank (BGT) which does not conform to this plan.

General Plan

- 1. XTO will design and construct a BGT to contain liquids and solids and prevent contamination of fresh water and protect public heath and environment.
- 2. Prior to constructing the pit, topsoil will be stockpiled in the construction zone for later use in restoration.
- 3. XTO will post a well sign, in compliance with 19.15.3.103 NMAC, on the well site prior to construction of the BGT. The sign will list the Operator on record as the operator, the location of the well site by unit letter, section, township, range, and emergency telephone numbers.
- 4. XTO shall construct all new fences utilizing 48" steel mesh field-fence (hogwire) on the bottom with two strands of barbed wire on top, or with a pipe top rail. A 6' chain link fence topped with three stands of barbed wire will be used if the well location is within 1000' of a permanent residence, school, hospital, institution or church.
- 5. XTO shall construct an expanded metal covering on top of the BGT.
- 6. XTO will ensure that a BGT is constructed of materials resistant to the BGT's particular contents and resistant to damage from sunlight.
- 7. The BGT system will 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.
- 8. XTO will construct a berm and/or diversion ditch in a manner that prevents the collection of surface water run-on.
- 9. XTO will construct and use BGT that does not have double walls. The BGT sidewalls will be open for visual inspection for leaks, the BGT bottom will be elevated a minimum of 6" above the underlying ground surface and the BGT will be underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected.
- 10. XTO will equip BGT's designed in this manner with a properly functioning automatic high-level shut-off control device and manual controls to prevent overflows.
- 11. The geomembrane liner shall consist of 30-mil flexible PVC or 60-mil HDPE liner, or an equivalent liner material that the appropriate division district office approves. The geomembrane liner shall have a hydraulic conductivity greater that 1 x 10-9 cm/sec. The geomembrane liner shall be composed of an impervious, synthetic material that is resistant to petroleum hydrocarbons, salts and acidic and alkaline solutions. The liner material shall be resistant to ultraviolet light. Liner compatibility shall comply with EPA SW-846 method 9090A.
- 12. The general specifications for design and construction are attached.

XTO Energy Inc. San Juan Basin Below Grade Tank Maintenance and Operating Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the operation and maintenance of below grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below grade tanks. A separate plan will be submitted for any below grade tank (BGT) which does not conform to this plan.

General Plan

- 1. XTO will operate and maintain a BGT to contain liquids and solids and prevent contamination of fresh water and protect public health and the environment.
- 2. XTO will not allow a BGT to overflow and will use berms and/or diversion ditch to prevent surface run on to enter the BGT.
- 3. XTO will continuously remove any visible or measurable layer of oil from the fluid surface of a BGT in order to prevent significant accumulation of oil.
- 4. XTO will inspect the BGT monthly and maintain written records for five years.
- 5. XTO will maintain adequate freeboard to prevent over topping of the BGT.

XTO Energy Inc. San Juan Basin Below Grade Tank Closure Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the closure requirements of below grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below grade tanks. A separate plan will be submitted for any below grade tank (BGT) which does not conform to this plan.

General Plan

- 1. XTO will close a BGT within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the division requires because of imminent danger to fresh water, public health or the environment
- 2. XTO will close an existing BGT that does 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 after June 16, 2008, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC.
- 3. XTO will close a permitted BGT within 60 days of cessation of the BGT's operation or as required by the transitional provisions of Subsection B of 19.15.17.17 NMAC in accordance with a closure plan that the appropriate division district office approves. The closure report will be filed on form C-144.
- 4. XTO will remove liquids and sludge from a BGT prior to implementing a closure method and will dispose of the liquids and sludge in a division-approved facility.
- 5. XTO will remove the BGT 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.
- 6. XTO will remove any on-site equipment associated with a BGT unless the equipment is required for some other purpose.
- 7. XTO will test the solids beneath the BGT to determine whether a release has occurred. At a minimum 5 point composite sample will be collected along with individual grab samples from any area that is wet, discolored or showing other evidence of a release. Samples will be analyzed for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 8021B or 8260B or 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 100mg/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. XTO will notify the division of its results on form C-141.
- 8. If XTO or the division determines that a release has occurred, XTO will comply with 19.15.3.116 NMAC and 19.15.1.19NMAC as appropriate.
- 9. 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, XTO will backfill the excavation with compacted, non-waste containing, earthen material; construct a division prescribed soil cover; recontour and re-vegetate the site.
- 10. Notice of Closure will be given to the Aztec Division District III office between 72 hours and one week of closure via email or verbally. The notification will include the following:
 - i. Operator's name
 - ii. Location by Unit Letter, Section, Township, and Range. Well name and API number.

- 11. 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 BGT. Closure report will be filed on form C-144 and incorporate the following:
 - i. Details on capping and covering, where applicable
 - ii. Inspection reports
 - iii. Sampling results
- 12. Re-contouring of location will match fit, shape, line, form and texture of the surrounding area. 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 placed in areas where needed to prevent erosion on a large scale. Final re-contour shall have a uniform appearance with smooth surface, fitting the natural landscape.
- 13. XTO will 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 be used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs.
- 14. A minimum of 4' of cover shall be achieved and the cover shall include 1' of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater.
- 15. The surface owner shall be notified of XTO's proposal to close the BGT as per the approved closure plan using certified mail, return receipt requested.