Istrict I 1625 N. French Dr., Hobbs, NM 88240 1301 W. Grand Ave., Artesia, NM 88210 District III

State of New Mexico Energy Minerals and Natural Resources Department Oil Conservation Division 1220 South St. Francis Dr.

Form C-144 July 21, 2008

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

| 1000 Rio Brazos Rd , Aztec, NM 87410 District IV | Santa Fe, NM | 87505 | For permanent pits and except Environmental Bureau office and | d provide a copy to the |
|---|---|--------------------------|--|-----------------------------------|
| 1220 S. St Francis Dr , Santa Fe, NM 87505 | | | appropriate NMOCD District O | fice. |
| -1 2/1 | Closed-Loop System | | | |
| Proposed A | Iternative Method I | Permit or Clos | sure Plan Application | <u>n</u> |
| Type of action: Peri | mit of a pit, closed-loop sys | tem, below-grade ta | ank, or proposed alternative | method |
| XClo | sure of a pit, closed-loop sy | stem, below-grade | tank, or proposed alternative | e method |
| Mo | dification to an existing per | mit | | |
| | | | ted or non-permitted pit, clo | osed-loop system, |
| | ow-grade tank, or proposed | | | |
| Instructions: Please submit one applicatio | - | | | _ |
| Please be advised that approval of this reques environment. Nor does approval relieve the oper | | · · | | |
| 1 | | | | |
| Operator: Burlington Resources Oil & Gas | | | OGRID#: <u>14538</u> | |
| Address: P.O. Box 4289, Farmington, NM | | | | |
| Facility or well name: HUERFANO UNIT | | | | |
| API Number: 30-045-34 | 496 | OCD Permit Numbe | r: | |
| ` ` | 4 Township: 25N | _ ~ _ | OW County: San Jua | |
| Center of Proposed Design: Latitude: | 36.43211 °N | Longitude: | 107.90861 °W N | AD: 1927 X 1983 |
| Surface Owner: X Federal S | State Private T | ribal Trust or Indiar | 1 Allotment | |
| 2 | | | | |
| X Pit: Subsection F or G of 19.15.17.11 NMA | 'C | | | |
| Temporary: X Drilling Workover | | | | |
| Permanent Emergency Cavitation X Lined Unlined Liner type: | 1 | | HDDE DAVOD Other | |
| | Thickness 12 mil | X LLDPE | HDPE PVC Other | |
| X String-Reinforced | 7 04 | 17.1 | IN Dimension I 1051 | W (5) D 101 |
| Liner Seams: X Welded X Factory | Other | Volume: <u>4400</u> | bbl Dimensions L 125' | x W <u>65'</u> x D <u>10'</u> |
| 3 | | | | |
| | 19.15 17.11 NMAC ganew well Workover o | r Drilling (Annlies to | notwites which require prior o | nnroval of a normit or |
| Type of Operation. | notice of int | | activities which require prior a | ., |
| Drying Pad Above Ground Steel 7 | Γanks Haul-off Bins | Other | | 1819202122232 |
| Lined Unlined Liner type: | Thicknessmil | LLDPE H | IDPE PVD Other | 1813 A 1028 |
| Liner Seams: Welded Factory | Other | _ | | PUED |
| 4 | | | 14 | The coan |
| Below-grade tank: Subsection I of 19.15. | .17.11 NMAC | | 13.1 | THE POWED TO THE CONS. DIV DIST 3 |
| Volume:bbl 7 | Гуре of fluid: | | | OIL CONS. DIV DIST 3 |
| Tank Construction material | | | /3 | 0, 1 |
| Secondary containment with leak detection | | er, 6-inch lift and auto | matic overflow shut-off | OIL CONS. DIV DIST 3 |
| , – – | · | ther | | |
| Liner Type Thickness mil | HDPE PVC | Other | | |

Alternative Method:

Submittal of an exception 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 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, instituted and the school of the school | ttion or church |) |
|--|-----------------|--------|
| 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 | | |
| 9 Administrative Approvals and Exceptions: | | |
| Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance. | | |
| Please check a box if one or more of the following is requested, if not leave blank: | | |
| Administrative approval(s): Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for consideration (Ferning (RCT Lines)) | leration of app | roval. |
| (Fencing/BGT Liner) Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. | | |
| Disception(8). Requests mass of statistics of the bank to Eliminate and Eliminate of Consideration of approval. | | |
| Siting Criteria (regarding permitting) 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of 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 | No |
| Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site | Yes | □No |
| Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. | Yes | □No |
| (Applies to temporary, emergency, or cavitation pits and below-grade tanks) | NA | |
| - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image | | ! |
| Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. | Yes | No |
| (Applied to permanent pits) | ∐NA | |
| - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image | | |
| Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. | Yes | ∐No |
| - 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 | 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 | Yes | No |
| Society; Topographic map | | |
| Within a 100-year floodplain - FEMA map | Yes | ∐No |

Form C-144 Oil Conservation Division Page 2 of 5

| Temporary Pits, Emergency Pits and Below-grade Tanks Permit Application Attachment Checklist Subsection B of 19.15.17.9 NMAC Instructions Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. |
|---|
| |
| Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Hydrogeologic Peter (Temporary and Emergency Pite) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 |
| Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 |
| Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC |
| 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 |
| |
| |
| Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application Please indicate, by a check mark in the box, that the documents are attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 |
| Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19 15.17.10 NMAC |
| Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC |
| Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC |
| Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC |
| Previously Approved Design (attach copy of design) API |
| Previously Approved Operating and Maintenance Plan API |
| 13 |
| Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC |
| Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. |
| Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19.15.17.9 NMAC |
| Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC |
| ☐ Climatological Factors Assessment |
| Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC |
| Dike Protection and Structural Integrity Design: based upon the appropriate requirements of 19.15.17.11 NMAC |
| Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC |
| Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC |
| Quality Control/Quality Assurance Construction and Installation Plan |
| Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC |
| Nuisance or Hazardous Odors, including H2S, Prevention Plan |
| Emergency Response Plan |
| Oil Field Waste Stream Characterization |
| Monitoring and Inspection Plan |
| Erosion Control Plan |
| Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC |
| 14 |
| Proposed Closure: 19.15.17.13 NMAC |
| Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan. |
| Type: 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 |
| 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 drill cuttings) |
| Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15 17.13 NMAC |
| Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC |
| Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC |

Form C-144 Oil Conservation Division Page 3 of 5

| 16 Waste Removal Closure For Closed-loop Systems That Utilize Above Ground | | | | |
|---|---|------------------------------|--|--|
| Instructions Please identify the facility or facilities for the disposal of liquids, dru facilities are required. | lling fluids and drill cuttings. Use attachment if more than two | | | |
| Disposal Facility Name: | Disposal Facility Permit #: | | | |
| Disposal Facility Name: | | 1 | | |
| Will any of the proposed closed-loop system operations and associated ac | | | | |
| Required for impacted areas which will not be used for future service and operation Soil Backfill and Cover Design Specification - based upon the app Re-vegetation Plan - based upon the appropriate requirements of Suil Site Reclamation Plan - based upon the appropriate requirements of | propriate requirements of Subsection H of 19.15.17.13 N bsection I of 19 15 17 13 NMAC | IMAC | | |
| 17 Siting Criteria (Regarding on-site closure methods only: 19.15.17 10 NI Instructions: Each siting criteria requires a demonstration of compliance in the closure plan certain siting criteria may require administrative approval from the appropriate district offic office for consideration of approval Justifications and/or demonstrations of equivalency are | Recommendations of acceptable source material are provided below to 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 No | | |
| - NM Office of the State Engineer - iWATERS database search, USGS: Data | obtained from nearby wells | N/A □ | | |
| Ground water is between 50 and 100 feet below the bottom of the buried | waste | ☐Yes ☐No | | |
| - NM Office of the State Engineer - iWATERS database search; USGS; Data | obtained from nearby wells | | | |
| Ground water is more than 100 feet below the bottom of the buried waste | t. | Yes No | | |
| - NM Office of the State Engineer - iWATERS database search, USGS; Data | | N/A | | |
| Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significance of the ordinary high-water mark). | gnificant watercourse or lakebed, sinkhole, or playa lake | Yes No | | |
| - Topographic map; Visual inspection (certification) of the proposed site | | | | |
| Within 300 feet from a permanent residence, school, hospital, institution, or churc - Visual inspection (certification) of the proposed site, Aerial photo; satellite in | • • | Yes No | | |
| • | | Yes No | | |
| Within 500 horizontal feet of a private, domestic fresh water well or spring that les purposes, or within 1000 horizontal fee of any other fresh water well or spring, in - NM Office of the State Engineer - iWATERS database: Visual inspection (or | existence at the time of the initial application. | | | |
| Within incorporated municipal boundaries or within a defined municipal fresh wate pursuant to NMSA 1978, Section 3-27-3, as amended - Written confirmation or verification from the municipality, Written approva | · | Yes No | | |
| Within 500 feet of a wetland | rotained from the manicipality | Tyes TNo | | |
| - US Fish and Wildlife Wetland Identification map; Topographic map, Visual | inspection (certification) of the proposed site | | | |
| Within the area overlying a subsurface mine Written confirantion or verification or map from the NM EMNRD-Mining a | and Mineral Division | Yes No | | |
| Within an unstable area. | and minoral Division | TYes TNo | | |
| - Engineering measures incorporated into the design; NM Bureau of Geology | & Mineral Resources; USGS; NM Geological Society; | | | |
| Topographic map Within a 100-year floodplain FEMA map | | Yes No | | |
| | | | | |
| On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: I by a check mark in the box, that the documents are attached. | Each of the following items must bee attached to the clo | osure plan. Please indicate, | | |
| Siting Criteria Compliance Demonstrations - based upon the appro | opriate requirements of 19.15.17.10 NMAC | | | |
| Proof of Surface Owner Notice - based upon the appropriate requi | irements of Subsection F of 19.15.17.13 NMAC | | | |
| Construction/Design Plan of Burial Trench (if applicable) based u | pon the appropriate requirements of 19.15.17.11 NMAG | | | |
| Construction/Design Plan of Temporary Pit (for in place burial of | a drying pad) - based upon the appropriate requirement | s of 19.15.17.11 NMAC | | |
| Protocols and Procedures - based upon the appropriate requiremen | nts of 19.15.17.13 NMAC | • | | |
| Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC | | | | |
| Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC | | | | |
| ☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved) ☐ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC | | | | |
| Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC | | | | |

| 19 Operator Application Certification: |
|--|
| I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief. |
| Name (Print): |
| Signature: Date: |
| e-mail address: Telephone: |
| |
| 20 OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment) |
| OCD Representative Signature: Approval Date: |
| Title: OCD Permit Number: |
| Closure Report (required within 60 days of closure completion): Subsection K of 19.15 17 13 NMAC Instructions Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed. |
| X Closure Completion Date: August 1, 2008 |
| 22 Closure Method: Waste Excavation and Removal X On-site Closure Method Alternative Closure Method Waste Removal (Closed-loop systems only) If different from approved plan, please explain. |
| Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized. Disposal Facility Name. Disposal Facility Permit Number. Disposal Facility Permit Number. Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations? Yes (If yes, please demonstrate compliante to the items below) Required for impacted areas which will not be used for future service and operations Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique |
| Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached. X Proof of Closure Notice (surface owner and division) X Proof of Deed Notice (required for on-site closure) X Plot Plan (for on-site closures and temporary pits) X Confirmation Sampling Analytical Results (if applicable) Waste Material Sampling Analytical Results (if applicable) X Disposal Facility Name and Permit Number X Soil Backfilling and Cover Installation X Re-vegetation Application Rates and Seeding Technique X Site Reclamation (Photo Documentation) On-site Closure Location: Latitude: 36.43216 °N Longitude: 107.90857 °W NAD, 1927 X 1983 |
| Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is ture, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan Name (Print): Staff Regulatory Technician Date: e-mail address: marie_eliaramillo@conocophillips.com Telephone: Signature: Telephone: Signature: Telephone: Signature: Telephone: Signature: Telephone: Signature: Telephone: Te |

Approved Form C-144

Oil Conservation Division

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Page 5 of 5

Burlington Resources Oil Gas Company, LP San Juan Basin Closure Report

Lease Name: HUERFANO UNIT 304

API No.: 30-045-34496

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure of the temporary pit referenced above. All proper documentation regarding closure activities is being included with the C-144. The temporary pit for this location was constructed and location drilled before June 16, 2008 (effective date for Rule 19.15.17). While closure of the temporary pit did fall within the rule some dates for submittals are after the rig release date.

- Details on Capping and Covering, where applicable. (See report)
- Plot Plan (Pit Diagram) (Included as an attachment)
- Inspection Reports (Included as an attachment)
- Sampling Results (included as an attachment)
- C-105 (Included as an attachment)
- Copy of Deed Notice will be filed with County Clerk (Not required on Federal, State, or Tribal land as stated by FAQ dated October 30, 2008)

General Plan:

1. All free standing liquids will be removed at the start of the pit closure process from the pit and disposed of in a division—approved facility or recycle, reuse or reclaim the liquids in a manner that the appropriate division district office approves.

All recovered liquids were disposed of at Basin Disposal (Permit #NM-01-005) and any sludge or soil required to be removed to facilitate closure was hauled to Envirotech Land Farm (Permit #NM-01-011) and JFJ Landfarm % IEI (Permit #NM-01-0010B).

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.

The pit was closed using onsite burial.

3. The surface owner shall be notified of BR's closing of the temporary pit as per the approved closure plan using certified mail, return receipt requested.

The closure process notification to the landowner was sent via email. (See Attached)(Well located on Federal Land, certified mail is not required for Federal Land per BLM/OCD MOU.)

 Within 6 months of the Rig Off status occurring BR will ensure that temporary pits are closed, re-contoured, and reseeded.

Provision 4 of the closure plan requirements were not met due to rig move off date as noted on C-105 which was prior to pit rule change. Burlington will ensure compliance with this rule in the future.

- 5. Notice of Closure will be given to the Aztec Division office between 72 hours and one week of closure via email, or verbally. The notification of closure will include the following:
 - i. Operator's name
 - ii. Location by Unit Letter, Section, Township, and Range. Well name and API number.

Notification is attached.

6. Liner of temporary pit shall be removed above "mud level" after stabilization. Removal of liner will consist of manually or mechanically cutting liner at mud level and removing all remaining liner. Care will be taken to remove "All" of the liner i.e., edges of liner entrenched or buried. All excessive liner will be disposed of at a licensed disposal facility.

Liner of temporary pit was removed above "mud level" after stabilization. Removal of the liner consisted of manually cutting liner at mud level and removing all remaining liner. Care was taken to remove "ALL" of the liner i.e., edges of liner entrenched or buried. All excessive liner was disposed of at a licensed disposal facility, (San Juan County Landfill).

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.

Burlington mixed the Pit contents with non-waste containing, earthen material in order to achieve the solidification process. The solidification process was accomplished by using a combination of natural drying and mechanically mixing. Pit contents were mixed with non-waste, earthen material to a consistency that is deemed as safe and stable. The mixing ratio consisted of approximately 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.

A five point composite sample was taken of the pit using sampling tools and all samples tested per Subsection B of 19.15.17.1 3(B)(1)(b). (Sample results attached).

| Components | Tests Method | Limit (mg/Kg) | Results |
|------------|---------------------------|---------------|------------|
| Benzene | EPA SW-846 8021B or 8260B | 0.2 | ND ug/kg |
| BTEX | EPA SW-846 8021B or 8260B | 50 | 24.6 ug/kG |
| TPH | EPA SW-846 418.1 | 2500 | 1,250mg/kg |
| GRO/DRO | EPA SW-846 8015M | 500 | 293 mg/Kg |
| Chlorides | EPA 300.1 | 1000/500 | 174 mg/L |

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.

The pit material passed solidification and testing standards. The pit area was then backfilled with compacted, non-waste containing, earthen material. More than four feet of cover was achieved and the cover included one foot of suitable material to establish vegetation at the site.

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.

The integrity of the liner was not damaged in the pit closure process.

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

Dig and Haul was not required.

12. 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 recontour shall have a uniform appearance with smooth surface, fitting the natural landscape.

The pit area was re-contoured to match fit, shape, line, form and texture of the surrounding area. Reshaping included drainage control, to prevent ponding and erosion. Natural drainages were unimpeded and water bars and/or silt traps were placed in areas where needed to prevent erosion on a large scale. Final recontour has a uniform appearance with smooth surface, fitting the natural landscape.

13. Notification will be sent to OCD when the reclaimed area is seeded.

Provision 13 was accomplished through complying with BLM seeding requirements as allowed by the BLM/OCD MOU.

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 or Forest Service stipulated seed mixes will used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs.

Provision 14 was accomplished through complying with BLM seeding requirements as allowed by the BLM/OCD MOU.

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.

Provision 15 was accomplished by installing a steel marker in the temporary pit, no less than four inches in diameter, cemented in a hole three feet deep in the center of the onsite burial. The marker is flush with the ground to allow access of the active well pad and for safety concerns. The top of the marker contains a welded steel 12" square plate that indicates the onsite burial of the temporary pit. The plate contains 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.

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 following operator's information at the time of all wells on the pad are abandoned. The riser will be labeled: BR, BLM, HUERFANO UNIT 304, UL-E, Sec. 4, T 25NN, R 10W, API # 30-045-34496.

Jaramillo, Marie E

From:

Tafoya, Crystal

Sent:

Friday, August 08, 2008 9:10 AM

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

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

Sunray B #1F Maddox C WN Federal Com #1F Huerfano Unit #304

Thank you,

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

Email: Crystal.Tafoya@conocophillips.com

District I 1625 N. French Dr., Hobbs, NM 88240 State of New Mexico
Energy, Minerals & Natural Resources Department

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

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

District IV 1220 S St Francis Dr. Santa Fe, NM **87505** OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe. NM 87505 Form C-102
Revised October 12, 2005
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

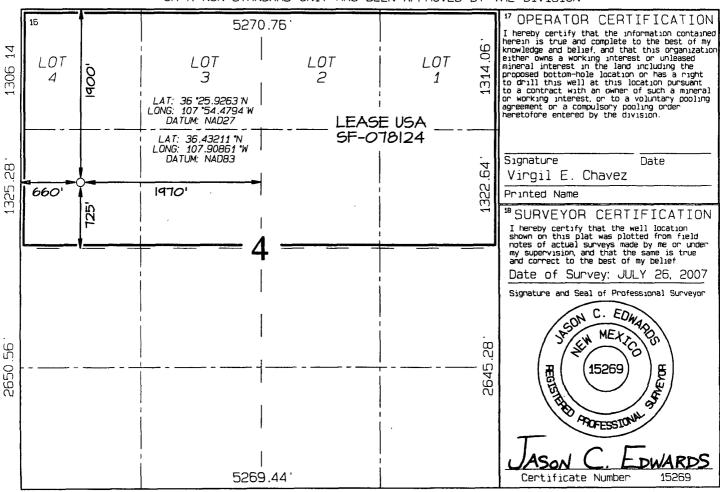
AMENDED REPORT

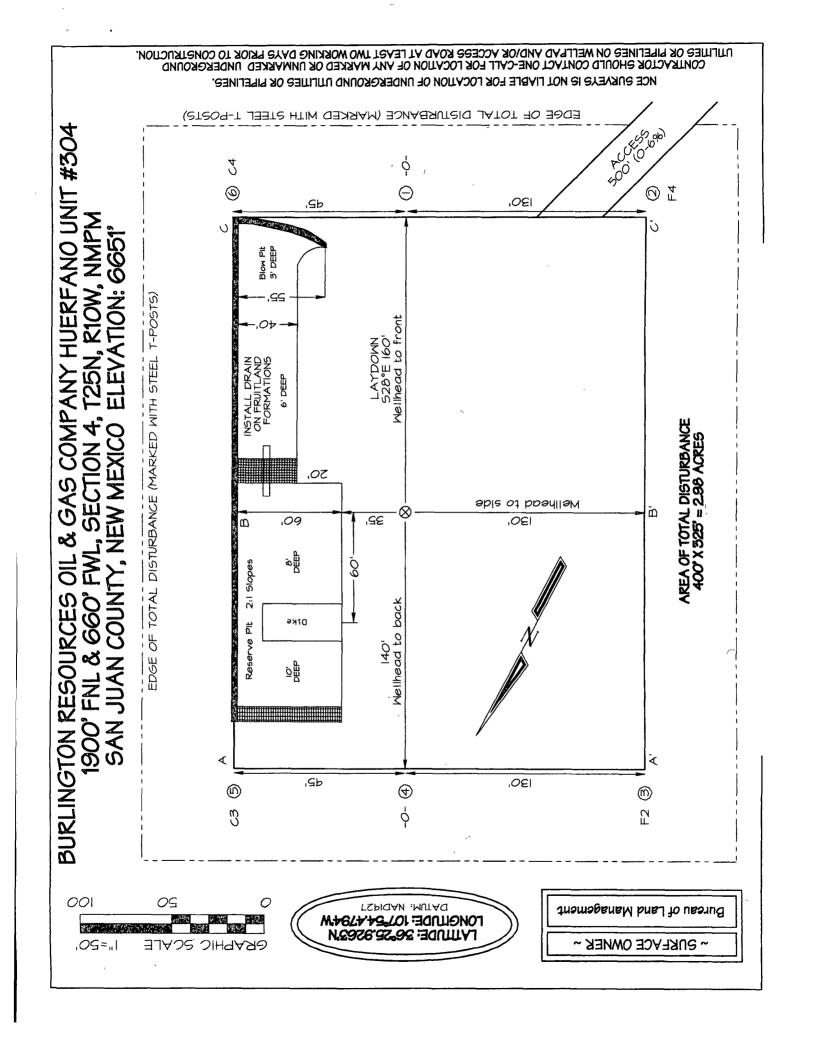
WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹API Number | *Pool Code 71599 | POO1 Name BASIN DAKOTA | |
|--------------------|---------------------|--|--------------------|
| *Property Code | | [®] Property Name HUERFANO UNIT | Well Number 304 |
| 'OGRID No 14538 | BURLINGTON RE | *Operator Name ESOURCES OIL & GAS COMPANY, LP | *Elevation 6651 |

¹⁰ Surface Location Feet from the UL or lot no Sect 100 Lot Idn North/South line East/West line County Feet from the Ε 4 25N 10W 1900 NORTH WEST 660 SAN JUAN 11 Bottom Hole Location If Different From Surface UL or lot no Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County 12 Dedicated Acres 13 Joint or Infill ¹⁴ Consolidation Code ¹⁵ Order No. 318.32 Acres - N/2

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION







EPA METHOD 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

| Client: | ConocoPhillips | Project #: | 96052-0026 |
|----------------------|----------------|---------------------|------------|
| Sample ID: | Huerfano #304 | Date Reported: | 08-06-08 |
| Laboratory Number: | 46577 | Date Sampled: | 07-31-08 |
| Chain of Custody No: | 4872 | Date Received: | 08-01-08 |
| Sample Matrix: | Soil | Date Extracted: | 08-04-08 |
| Preservative: | Cool | Date Analyzed: | 08-05-08 |
| Condition: | Intact | Analysis Requested: | 8015 TPH |

| Parameter | Concentration (mg/Kg) | Det. Limit (mg/Kg) |
|------------------------------|--------------------------|--------------------------|
| Gasoline Range (C5 - C10) | 4.0 | 0.2 |
| Diesel Range (C10 - C28) | 289 | 0.1 |
| Total Petroleum Hydrocarbons | 293 | 0.2 |

ND - Parameter not detected at the stated detection limit.

References: Method 8

Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste,

SW-846, USEPA, December 1996.

Comments:

Drill Mud

Analyst

(husting Walter Beview

5796 U.S. Highway 64 • Farmington, NM 87401 • Tel 505 • 632 • 0615 • Fax 505 • 632 • 1865



EPA METHOD 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

| Client: | ConocoPhillips | Project #: | 96052-0026 |
|----------------------|--------------------------|---------------------|------------|
| Sample ID: | Huerfano #304 Background | Date Reported: | 08-06-08 |
| Laboratory Number: | 46578 | Date Sampled: | 07-31-08 |
| Chain of Custody No: | 4872 | Date Received: | 08-01-08 |
| Sample Matrix: | Soil | Date Extracted: | 08-04-08 |
| Preservative: | Cool | Date Analyzed: | 08-05-08 |
| Condition: | Intact | Analysis Requested: | 8015 TPH |

| Parameter | Concentration (mg/Kg) | Det. Limit (mg/Kg) |
|------------------------------|--------------------------|--------------------------|
| Gasoline Range (C5 - C10) | ND | 0.2 |
| Diesel Range (C10 - C28) | 167 | 0.1 |
| Total Petroleum Hydrocarbons | 167 | 0.2 |

ND - Parameter not detected at the stated detection limit.

References:

Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste,

SW-846, USEPA, December 1996.

Comments:

Drill Mud

Analyst

Christin Midaeten Review



EPA Method 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

Quality Assurance Report

| Client: | QA/QC | | Project #: | | N/A |
|------------------------------|--|---------------|--|----------------|--|
| Sample ID: | 08-05-08 QA/ | QC | Date Reported: | | 08-06-08 |
| Laboratory Number: | 46576 | | Date Sampled: | | N/A |
| Sample Matrix: | Methylene Chlor | ride | Date Received: | | N/A |
| Preservative: | N/A | | Date Analyzed: | | 08-05-08 |
| Condition: | N/A | | Analysis Reques | ted: | TPH |
| | | | | | |
| | l-Cal Date | CaliRF: | C-Cal RF: | % Difference | a constant a telegraphic time constant mention (see, |
| Gasoline Range C5 - C10 | 05-07 - 07 | 9.9163E+002 | 9.9203E+002 | 0.04% | 0 - 15% |
| Diesel Range C10 - C28 | 05-07-07 | 1.0018E+003 | 1.0022E+003 | 0.04% | 0 - 15% |
| Blank Conc. (mg/L - mg/Kg) | | Concentration | | Detection Limi | 7 |
| Gasoline Range C5 - C10 | | ND | | 0.2 | . |
| Diesel Range C10 - C28 | | ND | | 0.1 | ~ |
| Total Petroleum Hydrocarbons | | ND | | 0.2 | |
| DVMV | Sample | | A SEE | | 73 |
| Duplicate Conc. (mg/Kg) | THE RESERVE THE PROPERTY OF THE PARTY OF THE | Duplicate | SATISTICAL STANDARD SANDARD SA | Accept Range | ä |
| Gasoline Range C5 - C10 | ND | ND | 0.0% | 0 - 30% | |
| Diesel Range C10 - C28 | ND | ND | 0.0% | 0 - 30% | |
| Spike Conc. (mg/Kg) | Sample | Spike Added | Spike Result | %Recovery | Accept Range |
| Gasoline Range C5 - C10 | ND | 250 | 249 | 99.6% | 75 - 125% |
| Diesel Range C10 - C28 | ND | 250 | 252 | 101% | 75 - 125% |
| - | | | | | |

ND - Parameter not detected at the stated detection limit.

References:

Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste,

SW-846, USEPA, December 1996.

Comments:

QA/QC for Samples 46576 - 46579 and 46594 - 46595.

Analyst



EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

| Client: | ConocoPhillips | Project #: | 96052-0026 |
|--------------------|----------------|---------------------|------------|
| Sample ID: | Huerfano #304 | Date Reported: | 08-06-08 |
| Laboratory Number: | 46577 | Date Sampled: | 07-31-08 |
| Chain of Custody: | 4872 | Date Received: | 08-01-08 |
| Sample Matrix: | Soil | Date Analyzed: | 08-05-08 |
| Preservative: | Cool | Date Extracted: | 08-04-08 |
| Condition: | Intact | Analysis Requested: | BTEX |

| Parameter | Concentration (ug/Kg) | Det. Limit (ug/Kg) | |
|--------------|--------------------------|--------------------------|----------|
| Benzene | ND | 0.9 | |
| Toluene | 5.3 | 1.0 | <i>;</i> |
| Ethylbenzene | 1.6 | 1.0 | ~ |
| p,m-Xylene | 11.5 | 1.2 | |
| o-Xylene | 6.2 | 0.9 | |
| Total BTEX | 24.6 | | |

ND - Parameter not detected at the stated detection limit.

| Surrogate Recoveries: | Parameter | Percent Recovery |
|-----------------------|---------------------|------------------|
| | Fluorobenzene | 96.0 % |
| | 1,4-difluorobenzene | 96 .0 % |
| | Bromochlorobenzene | 96.0 % |

References:

Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA,

December 1996.

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846,

USEPA, December 1996.

Comments:

Drill Mud

Analyst

Christian Wasters
Review



EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

| Client: | ConocoPhillips | Project #: | 96052-0026 |
|--------------------|--------------------------|---------------------|------------|
| Sample ID: | Huerfano #304 Background | Date Reported: | 08-06-08 |
| Laboratory Number: | 46578 | Date Sampled: | 07-31-08 |
| Chain of Custody: | 4872 | Date Received: | 08-01-08 |
| Sample Matrix: | Soil | Date Analyzed: | 08-05-08 |
| Preservative: | Cool | Date Extracted: | 08-04-08 |
| Condition: | Intact | Analysis Requested: | BTEX |

| Parameter | Concentration (ug/Kg) | Det. Limit (ug/Kg) | |
|--------------|--------------------------|--------------------------|---|
| Benzene | ND | 0.9 | |
| Toluene | 3.9 | 1.0 | • |
| Ethylbenzene | 1.5 | 1.0 | ~ |
| p,m-Xylene | 2.0 | , 1.2 | |
| o-Xylene | 3.4 | 0.9 | |
| Total BTEX | 10.8 | | |

ND - Parameter not detected at the stated detection limit.

| Surrogate Recoveries: | Parameter . | Percent Recovery |
|-----------------------|---------------------|------------------|
| | Fluorobenzene | 99.0 % |
| | 1,4-difluorobenzene | 99.0 % |
| | Bromochlorobenzene | 99.0 % |

References:

Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA,

December 1996.

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846,

USEPA, December 1996.

Comments:

Drill Mud

Analyst

Nestry Malder



EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

| Client: | N/A | | Project #: | | N/A |
|--------------------------|----------------|--------------|----------------|--------------|--------------|
| Sample ID: | 08-05-BT QA/QC | | Date Reported: | | 08-06-08 |
| Laboratory Number: | 46567 | | Date Sampled: | | N/A |
| Sample Matrix: | Soil | | Date Received: | | N/A |
| Preservative: | N/A | | Date Analyzed: | | 08-05-08 |
| Condition: | N/A | | Analysis: | | BTEX |
| Calibration and | I-CaliRF: | C-Cál/RF: | %Diff. | Blank | 2 Detect |
| Detection Limits (ug/L) | | Accept. Rang | je 0 - 15% | Conc | \$ &Limit |
| Benzene | 9.8181E+007 | 9.8377E+007 | 0.2% | ND | 0.1 |
| Toluene | 7.1657E+007 | 7.1800E+007 | 0.2% | ND | 0.1 |
| Ethylbenzene | 5.6732E+007 | 5.6846E+007 | 0.2% | ND | 0.1 |
| p,m-Xylene | 1.1987E+008 | 1.2011E+008 | 0.2% | ND | 0.1 |
| o-Xylene | 5.6620E+007 | 5.6734E+007 | 0.2% | ND | 0.1 |
| | | | | | |
| Duplicate Conc. (ug/Kg)/ | . Sample | - Duplicate | * %Dff(.* * | Accept Range | DefectsLimit |
| Benzene | 4.2 | 4.1 | 2.4% | 0 - 30% | 0.9 |
| Toluene | 6.3 | 5.9 | 6.3% | 0 - 30% | 1.0 |
| Ethylbenzene | 4.0 | 3.8 | 5.0% | 0 - 30% | 1.0 |

| Spike Conc. (ug/Kg) | Amo | unt Spiked (Spik | (ed Sample | % Recovery | Accept Range |
|---------------------|-----|------------------|------------|------------|--------------|
| Benzene | 4.2 | 50.0 | 53.8 | 99.3% | 39 - 150 |
| Toluene | 6.3 | 50.0 | 54.3 | 96.4% | 46 - 148 |
| Ethylbenzene | 4.0 | 50.0 | 51.0 | 94.4% | 32 - 160 |
| p,m-Xylene | 2.2 | 100 | 99.2 | 97.1% | 46 - 148 |
| o-Xylene | 8.9 | 50.0 | 56.9 | 96.6% | 46 - 148 |

2.0

9.1%

4.5%

0 - 30%

0 - 30%

1.2

2.2

ND - Parameter not detected at the stated detection limit.

References:

p,m-Xylene

o-Xylene

Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA,

December 1996.

Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996.

Comments:

QA/QC for Samples 46567 - 46570, 46576 - 46579, and 46594 - 46595.

Analyst

Review Locals



TRACE METAL ANALYSIS

| Client: | ConocoPhillips | Project #: | 96052-0026 |
|--------------------|----------------|------------------|--------------|
| Sample ID: | Huerfano #304 | Date Reported: | 08-06-08 |
| Laboratory Number: | 46577 | Date Sampled: | 07-31-08 |
| Chain of Custody: | 4872 | Date Received: | 08-01-08 |
| Sample Matrix: | Soil | Date Analyzed: | 08-05-08 |
| Preservative: | Caal | Date Digested: | 08-04-08 |
| Condition: | Intact | Analysis Needed: | Total Metals |

| Parameter | Concentration (mg/Kg) | Det. Limit (mg/Kg) | TCLP Regulatory Level (mg/Kg) |
|-----------|--------------------------|--------------------------|-------------------------------------|
| Arsenic | 0.061 | 0.001 | 5.0 |
| Barium | 45.3 | 0.001 | 100 |
| Cadmium | ND | 0.001 | 1.0 |
| Chromium | 0.080 | 0.001 | 5.0 |
| Lead | 0.222 | 0.001 | 5.0 |
| Mercury | ND | 0.001 | 0.2 |
| Selenium | 0.015 | 0.001 | 1.0 |
| Silver | ND | 0.001 | 5.0 |

ND - Parameter not detected at the stated detection limit.

References:

Method 3050B, Acid Digestion of Sediments, Sludges and Soils.

SW-846, USEPA, December 1996.

Method 6010B, Analysis of Metals by Inductively Coupled Plasma Atomic Emmision

Spectroscopy, SW-846, USEPA, December 1996.

Note:

Regulatory Limits based on 40 CFR part 261 subpart C

section 261.24, August 24, 1998.

Comments:

Drill Mud.

Analyst



TRACE METAL ANALYSIS Quality Control / Quality Assurance Report

| Offered | | 04/00 | | | | | |
|---------------------|-------------------------|-----------|-------------------|----------------------------------|---------------|------------|---------------------|
| Client: | | QAVQC | | Project #: | | | QA/QC |
| Sample ID: | | 08-05 TM | QAVAÇ | Date Rep | | | 08-06-08 |
| Laboratory Number: | | 46577 | | Date Sam | ıpled: | | N/A |
| Sample Matrix: | | Soil | | Date Rec | eived: | | N/A |
| Analysis Requested: | | Total RCR | A Metals | Date Ana | lyzed: | | 08-05-08 |
| Condition: | | N/A | | Date Dige | ested: | | 08-04-08 |
| | instrumen lank (mg/K | | Détéctio Limit | No. 13 Mil Charles at it will ve | Duplicate | % Diff. | Acceptance Range |
| Arsenic | ND | ND | 0.001 | 0.061 | 0.065 | 6.9% | 0% - 30% |
| Barium | ND | ND | 0.001 | 45.3 | 45.2 | 0.2% | 0% - 30% |
| Cadmium | ND | ND | 0.001 | ND | ND | 0.0% | 0% - 30% |
| Chromium | ND | ND | 0.001 | 0.080 | 0.078 | 3.0% | 0% - 30% |
| Lead | ND | ND | 0.001 | 0.222 | 0.222 | 0.0% | 0% - 30% |
| Mercury | ND | ND | 0.001 | ND | ND | 0.0% | 0% - 30% |
| Selenium | ND | ND | 0.001 | 0.015 | 0.017 | 17.0% | 0% - 30% |
| Silver | ND | ND | 0.001 | ND | ND | 0.0% | 0% - 30% |
| Spike Sylvin | | Spike | Sampl | e Spiked | Percent | | Acceptance |
| Conc. (mg/Kg) | 作学的 | Added | | Sample | e, : Recovery | | Range |
| Arsenic | | 0.250 | 0.061 | 0.295 | 94.7% | | 80% - 120% |
| Barium | | 0.500 | 45.3 | 42.6 | 93.0% | | 80% - 120% |
| Cadmium | | 0.250 | ND | 0.233 | 93.4% | | 80% - 120% |
| Chromium | | 0.500 | 0.080 | 0.556 | 95.8% | | 80% - 120% |
| Lead | | 0.500 | 0.222 | 0.588 | 81.5% | | 80% - 120% |
| Mercury | | 0.100 | ND | 0.097 | 97.2% | | 80% - 120% |
| Selenium | | 0.100 | 0.015 | 0.118 | 103% | | 80% - 120% |
| Silver | | 0.100 | ND | 0.088 | 87.9% | | 80% - 120% |

ND - Parameter not detected at the stated detection limit.

References:

Method 3050B, Acid Digestion of Sediments, Sludges and Soils.

SW-846, USEPA, December 1996.

Method 6010B, Analysis of Metals by Inductively Coupled Plasma Atomic Emmission

Spectorscopy, SW-846, USEPA, December 1996.

Comments:

QA/1QC for Samples 46577, 46578, 46596 - 46598, 46611, 45618 and 46625.

Analysi



CATION / ANION ANALYSIS

| | | (| |
|--------------------|----------------|-----------------|------------|
| Client: | ConocoPhillips | Project #: | 96052-0026 |
| Sample ID: | Huerfano #304 | Date Reported: | 08-05-08 |
| Laboratory Number: | 46577 | Date Sampled: | 07-31-08 |
| Chain of Custody: | 4872 | Date Received: | 08-01-08 |
| Sample Matrix: | Soil Extract | Date Extracted: | 08-03-08 |
| Preservative: | Cool | Date Analyzed: | 08-04-08 |
| Condition: | Intact | | |

| | Analytical | | | |
|-------------------------------|------------|----------|-------|--------|
| Parameter | Result | Units | | |
| рН | 7.56 | s.u. | | |
| Conductivity @ 25° C | 1,060 | umhos/cm | | |
| Total Dissolved Solids @ 180C | 720 | mg/L | | |
| Total Dissolved Solids (Calc) | 668 | mg/L | | |
| SAR | 14.4 | ratio | | |
| Total Alkalinity as CaCO3 | 168 | mg/L | | м |
| Total Hardness as CaCO3 | 47.3 | mg/L | | |
| Bicarbonate as HCO3 | 168 | mg/L | 2.75 | meq/L |
| Carbonate as CO3 | <0.1 | mg/L | 0.00 | meq/L |
| Hydroxide as OH | <0.1 | mg/L | 0.00 | meq/L |
| Nitrate Nitrogen | <0.01 | mg/L | 0.00 | meq/L |
| Nitrite Nitrogen | <0.01 | mg/L | 0.00 | meq/L |
| Chloride | 174 | mg/L | 4.91 | meq/L |
| Fluoride | 0.731 | mg/L | 0.04 | meq/L |
| Phosphate | < 0.01 | mg/L | 0.00 | meq/L |
| Sulfate | 143 | mg/L | 2.98 | -meq/L |
| Iron | 0.419 | · mg/L | 0.02 | meq/L |
| Calcium | 16.9 | mg/L | 0.84 | meq/L |
| Magnesium | 1.24 | mg/L | 0.10 | meq/L |
| Potassium | 3.09 | mg/L | 0.08 | meq/L |
| Sodium | 227 | mg/L | 9.87 | meq/L |
| Cations | | | 10.91 | meg/L |
| Anions | | | 10.68 | meq/L |
| Cation/Anion Difference | | | 2.21% | |

Reference: U.S.E.P.A., 600/4-79-020, "Methods for Chemical Analysis of Water and Wastes", 1983. Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments: Drill Mud.

Analyst

(Mestern Wastern Review



CATION / ANION ANALYSIS

| Client: | ConocoPhillips | Project #: | 96052-0026 |
|--------------------|--------------------------|-----------------|------------|
| Sample ID: | Huerfano #304 Background | Date Reported: | 08-05-08 |
| Laboratory Number: | 46578 | Date Sampled: | 07-31-08 |
| Chain of Custody: | 4872 | Date Received: | 08-01-08 |
| Sample Matrix: | Soil Extract | Date Extracted: | 08-03-08 |
| Preservative: | Cool | Date Analyzed: | 08-04-08 |
| Condition: | Intact | | |

| and the second s | Analytical | | | |
|--|------------|----------|-------|---------|
| Parameter | Result | Units | | |
| рН | 7.41 | s.u. | | |
| Conductivity @ 25° C | 401 | umhos/cm | | |
| Total Dissolved Solids @ 180C | 260 | mg/L | | |
| Total Dissolved Solids (Calc) | 227 | mg/L | | |
| SAR | 4.6 | ratio | | , |
| Total Alkalinity as CaCO3 | 63.0 | mg/L | | ~ |
| Total Hardness as CaCO3 | 42.3 | mg/L | | |
| Bicarbonate as HCO3 | 63.0 | mg/L | 1.03 | meq/L |
| Carbonate as CO3 | <0.1 | mg/L | 0.00 | meq/L |
| Hydroxide as OH | <0.1 | mg/L | 0.00 | meq/L |
| Nitrate Nitrogen | 0.100 | mg/L | 0.00 | meq/L |
| Nitrite Nitrogen | 0.784 | mg/L | 0.02 | meg/L |
| Chloride | 73.2 | mg/L | 2.06 | meq/L |
| Fluoride | 0.292 | mg/L | 0.02 | meq/L |
| Phosphate | 0.263 | mg/L | 0.01 | meq/L |
| Sulfate | 26.6 | mg/L | 0.55 | - meq/L |
| Iron | 1.69 | · mg/L | 0.06 | meq/L |
| Calcium | 14.5 | mg/L | 0.72 | meq/L |
| Magnesium | 1.47 | mg/L | 0.12 | meq/L |
| Potassium | 1.86 | mg/L | 0.05 | meq/L |
| Sodium | 69.4 | mg/L | 3.02 | meq/L |
| Cations | | | 3.97 | meq/L |
| Anions | | | 3.69 | meq/L |
| Cation/Anion Difference | | | 7.52% | |

Reference: U.S.E.P.A., 600/4-79-020, "Methods for Chemical Analysis of Water and Wastes", 1983. Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments: Drill Mud.

Analyst

Muster m Uceter Review



EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS

| Client: | ConocoPhillips | Project #: | 96052-0026 |
|----------------------|----------------|------------------|------------|
| Sample ID: | Huerfano #304 | Date Reported: | 08-04-08 |
| Laboratory Number: | 46577 | Date Sampled: | 07-31-08 |
| Chain of Custody No: | 4872 | Date Received: | 08-01-08 |
| Sample Matrix: | Soil | Date Extracted: | 08-01-08 |
| Preservative: | Cool | Date Analyzed: | 08-01-08 |
| Condition: | Intact | Analysis Needed: | TPH-418.1 |

| | | Det. |
|-----------|---------------|---------|
| | Concentration | Limit |
| Parameter | (mg/kg) | (mg/kg) |

Total Petroleum Hydrocarbons

1,250

5.0

ND = Parameter not detected at the stated detection limit.

References:

Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water

and Waste, USEPA Storet No. 4551, 1978.

Comments:

Drill Mud.

Analyst

Musturn Walter Review



EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS

| Client: | ConocoPhillips | Project #: | 96052-0026 |
|----------------------|--------------------------|------------------|------------|
| Sample ID: | Huerfano #304 Background | Date Reported: | 08-04-08 |
| Laboratory Number: | 46578 | Date Sampled: | 07-31-08 |
| Chain of Custody No: | 4872 | Date Received: | 08-01-08 |
| Sample Matrix: | Soil | Date Extracted: | 08-01-08 |
| Preservative: | Cool | Date Analyzed: | 08-01-08 |
| Condition: | Intact | Analysis Needed: | TPH-418.1 |

| | | Det. |
|-----------|---------------|---------|
| | Concentration | Limit |
| Parameter | (mg/kg) | (mg/kg) |

Total Petroleum Hydrocarbons

357

5.0

ND = Parameter not detected at the stated detection limit.

References:

Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water

and Waste, USEPA Storet No. 4551, 1978.

Comments:

Drill Mud.

Analyst

Muster m Weeter



EPA METHOD 418.1 TOTAL PETROLEUM HYROCARBONS QUALITY ASSURANCE REPORT

Client:

QA/QC

Project #:

N/A

Sample ID:

QA/QC

Date Reported:

08-04-08

Laboratory Number:

08-01-TPH.QA/QC 46558

Date Sampled:

N/A

Sample Matrix:

Freon-113

Date Analyzed:

08-01-08

Preservative:

N/A

Date Extracted:

08-01-08

Condition:

N/A

Analysis Needed:

TPH

Calibration

I-Cal Date

C-Cal Date

I-Cal RF:

C-Cal RF:

% Difference Accept. Range

08-01-08

08-01-08

1,790

1,770

1.1%

+/- 10%

Blank Conc. (mg/Kg)

Concentration

Detection Limit

TPH

ND

5.0

Duplicate Conc. (mg/Kg)

Sample

Duplicate ·

% Difference

Accept. Range

TPH

TPH

257

314

22.2%

+/- 30%

Spike Conc. (mg/Kg) Sample

257

2,000

Spike Added Spike Result % Recovery Accept Range 2,140

94.8%

80 - 120%

ND = Parameter not detected at the stated detection limit.

References:

Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water

and Waste, USEPA Storet No. 4551, 1978.

Comments:

QA/QC for Samples 46558, 46559, 46561 - 46563, 46567, 46470, 46571 and 46576 - 46578.

Review

5796 U.S. Highway 64 • Farmington, NM 87401 • Tel 505 • 632 • 0615 • Fax 505 • 632 • 1865

| Submit To Appropria Two Copies | te District Of | fice | | State of New Mexico | | | | | Form C-105 | | | | | | |
|---|---|----------------|-------------------------|--|--|----------|---|-------------|--------------------------------|--|---------|------------|--------------|---------------------------------------|---------------|
| <u>District I</u> 1625 N French Dr., I | Hobbs, NM 8 | 8240 | En | Energy, Minerals and Natural Resources | | | | | July 17, 2008 1. WELL API NO. | | | | | | |
| District II 1301 W. Grand Aven | ue, Artesia, N | NM 88210 | | Oil Conservation Division | | | | | 30-045-34496 | | | | | | |
| District III 1000 Rio Brazos Rd, | Aztec, NM 8 | 37410 | | 1220 South St. Francis Dr. | | | | | | 2. Type of L | | ☐ FEE | : I | FED/IND | LAN |
| District IV 1220 S St Francis D | r, Santa Fe, 1 | NM 87505 | | | Santa Fe, N | | | - | | 3. State Oil & | & Gas | | | TED/IND | IAN |
| WELLC | OMPLE | TION O | P PEC | MADI | ETION REI | D (E | T ANI |) I OG | | SF-07812 | | | _ | | |
| 4. Reason for filing | | TIONO | N NEC | JIVII L | E HON KEI | <u> </u> | Y AINL | LOG | | 5. Lease Nam | | | | | |
| COMPLETIC | N REPOR | T (Fill in bo | oxes #1 thro | ugh #31 | for State and Fee | wells | only) | | | HUERFANO 6. Well Num | | - | | | |
| ☐ C-144 CLOSU | | | | | | | • • | and #32 and | lor | 304 | | | , | | |
| #33; attach this and | the plat to | | | | | | | | 701 | | | | | | |
| | ELL 🗌 W | ORKOVE | R 🔲 DEEP | ENING | □PLUGBACK | <u> </u> | DIFFERE | NT RESERV | /OIF | R □ OTHER | | | - | | |
| 8. Name of Operator Burlington Resource | | Company. | LP | | | | | | | 9. OGRID 14538 | | | | | |
| 10. Address of Ope | | , | | | · · · · · · · · · · · · · · · · · · · | • | ***** | | | 11. Pool name | or W | 'ildcat | | | |
| | | | | | | | | ··· | | | | | | | · |
| 12.Location U | Jnit Ltr | Section | Town | ship | Range | Lot | | Feet from | the | N/S Line | Fee | t from the | E E/V | V Line | County |
| ВН: | | - | | | | <u> </u> | | | | | ├ | | | | |
| 13. Date Spudded | 14. Date | T.D. Reache | d 15. | Date Rig | Released | <u> </u> | 16. | Date Comp | letec | I (Ready to Pro | duce) | 11 | 7. Elev | ations (DF | and RKB, |
| 18. Total Measured | Depth of V | N/ell | | 2008 | k Measured Dep | | 20 | Was Direct | ione | al Survey Made | 9 | | RT, GR | · · · · · · · · · · · · · · · · · · · | ther Logs Run |
| 18. Total Weasured | i Deptii or v | Ven | 17. | riug Dat | ck Measured Dep | 111 | 20. | was Direct | none | ii Survey Made | í | 21. Ty | pe Elec | and O | mer Logs Run |
| 22. Producing Inter | val(s), of th | is completion | on - Top, Bo | ttom, Na | ame | | | | | | | | | | |
| 23. | | | | CAS | ING REC | ORI | D (Rep | ort all st | rin | gs set in w | ell) | | | | |
| CASING SIZI | E | WEIGHT | LB./FT. | I | DEPTH SET | ĬŢ | | LE SIZE | | CEMENTIN | | CORD | | AMOUNT | PULLED |
| | | | | | (A1 - A1 - | | • | | | | | | | | |
| | | | | 1 | | | | | | | | | | | |
| | | | , | | | | | | | | | | | | |
| 24. | | | | LIN | ER RECORD | | | | 25 | 1 | UBI | NG REC | CORD | | |
| SIZE | TOP | | воттом | | SACKS CEMI | ENT | SCREEN SIZ | | | | EPTH SE | | PACK | ER SET | |
| | | | | | | | | | _ | | +- | | | | |
| 26. Perforation re | ecord (inter | val, size, and | d number) | | | | | | | ACTURE, CE | | | | | |
| | | | | | | | DEPTH | INTERVAL | <u> </u> | AMOUNT A | ND I | CIND MA | ATERI/ | AL USED | |
| | | | | | | | | | | | | | | | |
| | | | | | | | | TTON. | | | | | | | |
| Date First Production | on | Pro | duction Me | thod (Flo | owing, gas lift, pi | | DDUC' g - Size an | |) | Well Status | (Pro | d. or Shu | t-in) | | |
| | | | | | | | 9 | JF - F F | | | | | , | | |
| Date of Test | Hours Tes | sted | Choke Size | | Prod'n For | | Oil - Bb | | Ga | s - MCF | w | ater - Bb | l. | Gas - C | Dil Ratio |
| | | | | | Test Period | | | | | | | | | | |
| Flow Tubing Press. | Casing Pr | essure | Calculated Hour Rate | 24- | Oil - Bbl. | | Gas | - MCF | ı | Water - Bbl. Oil Gravity - API - (Corr.) | | | r.) | | |
| | 29. Disposition of Gas (Sold, used for fuel, vented, etc.) 30. Test Witnessed By | | | | | | | | | | | | | | |
| 31. List Attachments | | | | | | | | | | | | | | | |
| 32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit. | | | | | | | | | | | | | | | |
| 33. If an on-site burial was used at the well, report the exact location of the on-site burial: | | | | | | | | | | | | | | | |
| Latitude 36.43216 \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ | | | | | | | | | | | | | | | |
| I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief Signature Name Marie E. Jaramillo Title: Staff Regulatory Technicain Date: 1/10/2010 | | | | | | | | | | | | | | | |
| 1 | E-mail Address marie.e.jaramillo@conocophillips.com | | | | | | | | | | | | | | |

Pit Closure Form:

Revised 10/22/07

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| Date: 8/1/08 |
|---|
| Well Name: Duechano#304 |
| Footages: 1900'FWL 660'FWL Unit Letter: E |
| Section: 4, T-25-N, R-10-W, County: San Juan State: N. M. |
| Pit Closure Date: 8/1/04 |
| Contractor Closing Pit: 4-2 |
| Eric Smith 811108 |
| Construction inspector Name Date ConocoPhillips |
| ignature |
| |
| |

Jaramillo, Marie E

From:

Busse, Dollie L

Sent:

Thursday, July 24, 2008 2:16 PM

To:

Brandon Powell; Busse, Dollie L; Mark Kelly; Robert Switzer; Sherrie Landon

Cc:

Smith Eric (sconsulting.eric@gmail.com); A&Z; Chavez, Virgil E; GRP:SJBU Production Foreman; GRP:SJBU Production Leads; Kramme, Jeff L; Blair, Maxwell O; Blakley, Maclovia;

Clark, Joan E; Farrell, Juanita R; Finkler, Jane; Maxwell, Mary Alice; McWilliams, Peggy L;

Seabolt, Elmo F

Subject:

Clean Up Notice - Huerfano 304

Importance:

High

Attachments:

Huerfano unit 304.PDF

A&Z Contracting will move a tractor to the Huerfano 304 on Tuesday, July 29 to start the reclamation process. Please contact Eric Smith (608-1387) if you have any questions or need additional information.

Thanks! Dollie

Network #: 10199948 NANN

Operator:

Burlington Resources

Legals:

1900' FNL, 660' FWL Section 4, T25N, R10W Unit Letter 'E' (SWNW) San Juan County, NM

Lease:

USA NMSF-078124

API#:

30-045-34496

Surface/Minerals:

BLM/BLM



Dollie L. Busse

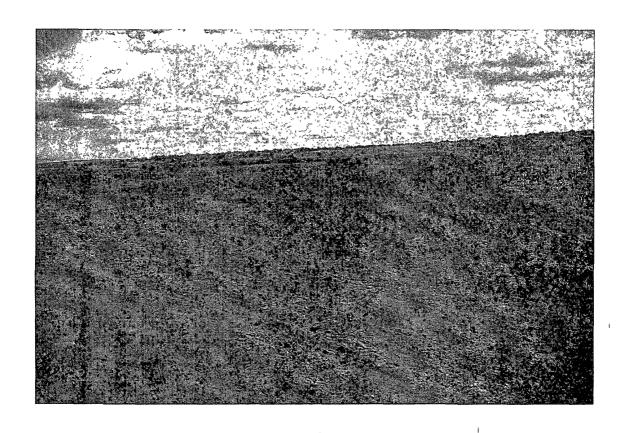
ConocoPhillips Company-SJBU

Construction Technician Project Development 505-324-6104 505-599-4062 (fax)

Dollie.L.Busse@conocophillips.com

ConocoPhillips

| Reclamation Form: |
|--|
| Date: 8/6/08 |
| Well Name: Hyerfano 7304 |
| Footages: 1900' FNL 660' FWL Unit Letter: E |
| Section: 4, T-25-N, R-10-W, County: Sautuan State: N. M. |
| Reclamation Contractor: A-Z |
| Reclamation Date: 8/2/08 |
| Road Completion Date: <u>8/6/08</u> |
| Seeding Date: 2/5/08 |
| , , , , , , , , , , , , , , , , , , , |
| Construction Inspector: Sic Swith Date: 8/6/08 |
| Inspector Signature: |









WELL PAD SAFETY AND ENVIRONMENTAL CHECK LIST

| WELL NAME: | Huerfano Unit 304 | | | | API 30-045-34496 |
|------------|-------------------|--------|--------------|-------------|---|
| | | SAFETY | LOCATION | | |
| DATE | INSPECTOR | CHECK | CHECK | TAKEN | COMMENTS |
| | Eric Smith | x | | | Rig on location |
| 2/6/2008 | Eric Smith | Х | X | X | |
| 3/12/2008 | Eric Smith | x | x | x | Fence needs tightened, tear in liner. Called MVCI to repair & notified the OCD |
| 4/11/2008 | Johnny McDonald | х | x | × | Called Noble to skim oil |
| 4/29/2008 | Jared Chavez | х | x | x | Fence needs tightened & blow pit has a big tear. Called Brandon w/OCD. Called MVCI |
| 5/16/2008 | Jared Chavez | х | х | × | Liner is unkeyed & tear in liner. Called MVCI & Brandon w/OCD |
| 6/3/2008 | Jared Chavez | x | x | x | Pit & location in good condition. 2 Noble water trucks on location |
| 6/9/2008 | | × | x | x | Fence needs tightened, barbed wire refastened, re-key liner vic blow pit. Notified MVCI & OCD |
| 6/12/2008 | S. Smith | х | x | х | Tighten fence, re-key liner @ blow pit. Contacted MVCI |
| 6/19/2008 | | × | x | × | Small holes in liner, fence needs tightened, some trash in pit (plastic bottles), small oil stains by fence & around location. Contacted MVCI & OCD |
| 6/26/2008 | | х | X | X | Small holes in liner, some trash in pit. Contaced MVCI & OCD |
| 7/3/2008 | | × | X | X | Repair fence (loose behine blow pit), p/u trash in liner. Contacted MVCI |
| 7/10/2008 | S. Smith | х | х | X | Some trash in reserve pit. Contacted MVCI |
| 8/1/2008 | | | | | Closed pit |
| | | | | | |
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