District I District III

1000 Rio Brazos Road, Aztec, NM 87410 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico **Energy Minerals and Natural Resources** Department 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 NMOGD District Office. For permanent pits and exceptions submit to the Santa Fé Environmental Bureau office and provide a copy to the appropriate NMOCD District Office AM 11 42 District Office

Pit, Closed-Loop System, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application

	ъ	1 4 1						
	Propo	sed Alternative	<u>Metho</u>	d Permi	<u>t or Clos</u>	<u>ure Plan</u>	<u>Application</u>	
DOT1	Type of action: Existing BGT	Closure of a pit, on Modification to a	closed-loc n existing	op system, l g permit	below-grade	tank, or pro	posed alternative method posed alternative method	
BGT1	below-grade tan	Li Closure plan only k, or proposed alternat	submitte	ed for an ex ed	isting permi	itted or non-	permitted pit, closed-loop system	i,
Instruct	ions: Please submi	t one application (Form	C-144) per	r individual į	pit, closed-lo	op system, be	low-grade tank or alternative reque	st
environment. Nor	that approval of this re does approval relieve	equest does not relieve the the operator of its respons	operator of ibility to co	liability shoomply with a	uld operations ny other appli	result in pollu cable governm	tion of surface water, ground water or ental authority's rules, regulations or or	the rdinances.
i. Operator: XT	O Energy, Inc.				OGR	ID #:	5380	
		OUNTAIN H #2						
							San Juan	
							NAD: □1927 ⊠ 1983	
		☐ Private ☐ Tribal Tru						
2.								
	ction F or G of 19.1:	5.17.11 NMAC						
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· ·	Emergency Ca							
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		on H of 19.15.17.11 NM/						
Type of Operation intent)	on: LP&A LDri	illing a new well Wo	rkover of I	Orilling (App	olies to activi	ties which req	uire prior approval of a permit or no	tice of
*	Above Ground	Steel Tanks	Bins 🗍	Other				
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		y Other			iiDi E 🔲 i			
Effici Scalis.	Weided [] Factor	y double						
4.					0-			
Below-grade	70	I of 19.15.17.11 NMAC	20 10					
Volume:12		bl Type of fluid:	Produced	Water				
1	on material:	Steel		-				
4		k detection 🔲 Visible s						
☐ Visible side	walls and liner 🔲	Visible sidewalls only [2	Other _	Visible side	walls, vaulted	l, automatic h	igh-level shut off, no liner	
Liner type: Thic	kness	mil	E 🗆 PVC	Other				
5.				1010				
Alternative	Method:							,
Submittal of an e	exception request is	required. Exceptions mu	st be subm	nitted to the	Santa Fe Env	ironmental Bu	reau office for consideration of appr	roval.
	Form C-144		Oil Co	nservation D	rivision		Page 1 of 5	

1		
Fencing: Subsection D of 19.15.17.11 NMAC (App.	lies to permanent pits, temporary pits, and below-grade tanks)	
Chain link, six feet in height, two strands of barbe	ed wire at top (Required if located within 1000 feet of a permanent residence, scho	ol, hospital,
institution or church) Four foot height, four strands of barbed wire even	nly spaced between one and four feet	
☑ Alternate. Please specify Four foot height, steel	mesh field fence (hogwire) with pipe top railing	
7.		
Netting: Subsection E of 19.15.17.11 NMAC (Appli		
☐ Screen ☐ Netting ☒ Other <u>Expanded metal of</u> ☐ Monthly inspections (If netting or screening is no		
a.	t physicany reasone)	
Signs: Subsection C of 19.15.17.11 NMAC		
12"x 24", 2" lettering, providing Operator's name	e, site location, and emergency telephone numbers	
Signed in compliance with 19.15.3.103 NMAC		
Please check a box if one or more of the following it. Administrative approval(s): Requests must be consideration of approval.	are required. Please refer to 19.15.17 NMAC for guidance. Is requested, if not leave blank: e submitted to the appropriate division district or the Santa Fe Environmental Bures the Santa Fe Environmental Bureau office for consideration of approval.	au office for
material are provided below. Requests regarding ch office or may be considered an exception which mus	pliance for each siting criteria below in the application. Recommendations of ac hanges to certain siting criteria may require administrative approval from the app st be submitted to the Santa Fe Environmental Bureau office for consideration o ase refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to d	propriate district f approval.
Ground water is less than 50 feet below the bottom of NM Office of the State Engineer - iWATERS	f the temporary pit, permanent pit, or below-grade tank. S database search; USGS; Data obtained from nearby wells	☐ Yes ☑ No
Within 300 feet of a continuously flowing watercours lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certific	se, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa ration) of the proposed site	☐ Yes ⊠ No
Within 300 feet from a permanent residence, school, (Applies to temporary, emergency, or cavitation pits - Visual inspection (certification) of the propos		☐ Yes ☑ No ☐ NA
Within 1000 feet from a permanent residence, school (Applies to permanent pits) - Visual inspection (certification) of the propose	l, hospital, institution, or church in existence at the time of initial application.	☐ Yes ☐ No ☑ NA
Within 500 horizontal feet of a private, domestic fres watering purposes, or within 1000 horizontal feet of a	th water well or spring that less than five households use for domestic or stock any other fresh water well or spring, in existence at the time of initial application. S database search; Visual inspection (certification) of the proposed site	☐ Yes 🖾 No
adopted pursuant to NMSA 1978, Section 3-27-3, as	a defined municipal fresh water well field covered under a municipal ordinance amended. e 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 for	from the NM EMNRD-Mining and Mineral Division	☐ Yes ⊠ No
Within an unstable area. - Engineering measures incorporated into the discountry, Topographic map	design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological	☐ Yes ☑ No
Within a 100-year floodplain FEMA map		☐ Yes ⊠ No
Within a 100-year floodplain FEMA map Form C-144		
Form C-144	Oil Conservation Division Page 2 o	f 5

(4		
Temporary Pits, Emergency Pits, and Below-grade Tank Instructions: Each of the following items must be attached attached.	s Permit Application Attachment Checklid to the application. Please indicate, by a ch	st: Subsection B of 19.15.17,9 NMAC neck mark in the box, that the documents are
 ☑ Hydrogeologic Report (Below-grade Tanks) - based up ☐ Hydrogeologic Data (Temporary and Emergency Pits) ☑ Siting Criteria Compliance Demonstrations - based up ☑ Design Plan - based upon the appropriate requirements ☑ Operating and Maintenance Plan - based upon the app ☑ Closure Plan (Please complete Boxes 14 through 18, if and 19.15.17.13 NMAC 	- based upon the requirements of Paragraph on the appropriate requirements of 19.15.17. s of 19.15.17.11 NMAC ropriate requirements of 19.15.17.12 NMAC	(2) of Subsection B of 19.15.17.9 NMAC 10 NMAC
Previously Approved Design (attach copy of design)	API Number: o	Permit Number:
Closed-loop Systems Permit Application Attachment Che Instructions: Each of the following items must be attached attached. Geologic and Hydrogeologic Data (only for on-site cle Siting Criteria Compliance Demonstrations (only for of Design Plan - based upon the appropriate requirement Operating and Maintenance Plan - based upon the app Closure Plan (Please complete Boxes 14 through 18, i and 19.15.17.13 NMAC Previously Approved Design (attach copy of design) Previously Approved Operating and Maintenance Plan	osure) - based upon the requirements of Para on-site closure) - based upon the appropriate s of 19.15.17.11 NMAC propriate requirements of 19.15.17.12 NMAC of applicable) - based upon the appropriate red API Number:	graph (3) of Subsection B of 19.15.17.9 requirements of 19.15.17.10 NMAC quirements of Subsection C of 19.15.17.9 NMAC
above ground steel tanks or haul-off bins and propose to imp	plement waste removal for closure)	
Instructions: Each of the following items must be attached attached. Hydrogeologic Report - based upon the requirements of Siting Criteria Compliance Demonstrations - based upon Climatological Factors Assessment Certified Engineering Design Plans - based upon the apolike Protection and Structural Integrity Design - based Leak Detection Design - based upon the appropriate relations and Compatibility Assessment - based upon the appropriate relations and Maintenance Plan - based upon the appropriate and Maintenance Plan - based upon the appropriate of Preeboard and Overtopping Prevention Plan - based upon the appropriate of Hazardous Odors, including H ₂ S, Preventing Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements	of Paragraph (1) of Subsection B of 19.15.17 con the appropriate requirements of 19.15.17.11 NM ₂ dupon the appropriate requirements of 19.15.17.11 NMAC coased upon the appropriate requirements of 19.15.17.11 NMAC coased upon the appropriate requirements of 1 installation Plan propriate requirements of 19.15.17.12 NMAC pon the appropriate requirements of 19.15.17 the propriate requirements of 19.15.17	2.9 NMAC 10 NMAC AC 5.17.11 NMAC 9.15.17.11 NMAC
Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes	14 through 18, in regards to the proposed ci	losure plan.
_ In-place Burial	val	ıs)
Waste Excavation and Removal Closure Plan Checklist: closure plan. Please indicate, by a check mark in the box, a Protocols and Procedures - based upon the appropriate Confirmation Sampling Plan (if applicable) - based up Disposal Facility Name and Permit Number (for liquid Soil Backfill and Cover Design Specifications - based Re-vegetation Plan - based upon the appropriate required Site Reclamation Plan - based upon the appropriate received.	that the documents are attached. e requirements of 19.15.17.13 NMAC on the appropriate requirements of Subsections, drilling fluids and drill cuttings) upon the appropriate requirements of Subsection to f 19.15.17.13 NMA	on F of 19.15.17.13 NMAC stion H of 19.15.17.13 NMAC SCIENCE STATES STAT
Form C-144	Oil Conservation Division	Page 3 of 5

Disposal Facility Name:	Disposal Facility Permit Number:	
Disposal Facility Name:		_
	ions and associated activities occur on or in areas that will not be used for	
Re-vegetation Plan - based upon the appropria	for future service and operations: s based upon the appropriate requirements of Subsection H of 19.15.17 ate requirements of Subsection I of 19.15.17.13 NMAC priate requirements of Subsection G of 19.15.17.13 NMAC	7.13 NMAC
rovided below. Requests regarding changes to cel	nstration of compliance in the closure plan. Recommendations of acceptation siting criteria may require administrative approval from the approto the Santa Fe Environmental Bureau office for consideration of appro	priate district office or may
iround water is less than 50 feet below the bottom of NM Office of the State Engineer - iWATER	of the buried waste. S database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
round water is between 50 and 100 feet below the NM Office of the State Engineer - iWATER	bottom of the buried waste S database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
round water is more than 100 feet below the botton NM Office of the State Engineer - iWATER	m of the buried waste. S database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
/ithin 300 feet of a continuously flowing watercourke (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification)		or playa Yes No
rithin 300 feet from a permanent residence, school, Visual inspection (certification) of the proportion	, hospital, institution, or church in existence at the time of initial applicationsed site; Aerial photo; Satellite image	on.
atering purposes, or within 1000 horizontal feet of	sh water well or spring that less than five households use for domestic or any other fresh water well or spring, in existence at the time of initial apples database; Visual inspection (certification) of the proposed site	
dopted pursuant to NMSA 1978, Section 3-27-3, as	a defined municipal fresh water well field covered under a municipal ord s amended. e municipality; Written approval obtained from the municipality	linance Yes No
Vithin 500 feet of a wetland. - US Fish and Wildlife Wetland Identification	n map; Topographic map; Visual inspection (certification) of the proposed	☐ Yes ☐ No
Vithin the area overlying a subsurface mine. - Written confirmation or verification or map	from the NM EMNRD-Mining and Mineral Division	☐ Yes ☐ No
Vithin an unstable area. - Engineering measures incorporated into the Society; Topographic map	design; NM Bureau of Geology & Mineral Resources; USGS; NM Geolo	gical Yes No
Vithin a 100-year floodplain FEMA map		☐ Yes ☐ No
y a check mark in the box, that the documents are Siting Criteria Compliance Demonstrations - Proof of Surface Owner Notice - based upon to Construction/Design Plan of Burial Trench (i) Construction/Design Plan of Temporary Pit (f) Protocols and Procedures - based upon the applicable of Confirmation Sampling Plan (if applicable) - Waste Material Sampling Plan - based upon the Disposal Facility Name and Permit Number (i) Soil Cover Design - based upon the appropria Re-vegetation Plan - based upon the appropria	AC) Instructions: Each of the following items must be attached to the entached. based upon the appropriate requirements of 19.15.17.10 NMAC the appropriate requirements of Subsection F of 19.15.17.13 NMAC if applicable) based upon the appropriate requirements of 19.15.17.11 NM for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.13 NMAC based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC for liquids, drilling fluids and drill cuttings or in case on-site closure standate requirements of Subsection H of 19.15.17.13 NMAC atter requirements of Subsection I of 19.15.17.13 NMAC priate requirements of Subsection G of 19.15.17.13 NMAC	IAC ents of 19.15.17.11 NMAC NMAC
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Operator Application Certification:		
I hereby certify that the information submitted with this application is true, accu	rate and complete to t	he best of my knowledge and belief.
Name (Print): Kim Champlin	Title:	Environmental Representative
Signature: Kim Champlin	Date:	11.2108
e-mail address: kim_champlin@xtoenergy.com		(505) 333-3100
20.	N. (. 1.)	
OCD Approval: Permit Application (including closure plan) Closure l		
OCD Representative Signature: Victoria Venegas		Approval Date:07/06/2022
Title: Environmental Specialist	OCD Permit Num	ber: BGT1
Closure Report (required within 60 days of closure completion): Subsection Instructions: Operators are required to obtain an approved closure plan prior The closure report is required to be submitted to the division within 60 days of section of the form until an approved closure plan has been obtained and the complete the submitted to the division within 60 days of section of the form until an approved closure plan has been obtained and the complete the submitted to the division within 60 days of section of the form until an approved closure plan has been obtained and the complete the submitted to the division within 60 days of closure completion):	to implementing any 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 ☐ Altern☐ If different from approved plan, please explain.	native Closure Method	☐ Waste Removal (Closed-loop systems only)
23. Closure Report Regarding Waste Removal Closure For Closed-loop System	s That Litilize Ahove	Ground Steel Tanks or Haul-off Rins Only
Instructions: Please indentify the facility or facilities for where the liquids, dr		
two facilities were utilized.	Diagonal Parities P	I was to No. or to an
Disposal Facility Name:		ermit Number:
Disposal Facility Name: Were the closed-loop system operations and associated activities performed on or		ermit Number:
Yes (If yes, please demonstrate compliance to the items below) \(\Boxed{\square}\) No	or in areas that will not	be used for future service and operations?
Required for impacted areas which will not be used for future service and operation Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	tions:	
24. Closure Report Attachment Checklist: Instructions: Each of the following is 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 on-site closure) 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		i to the closure report. Please indicate, by a check NAD: 1927 1983
25. Operator Closure Certification:		
I hereby certify that the information and attachments submitted with this closure belief. I also certify that the closure complies with all applicable closure require.		
Name (Print):		province in the approved violate pitali
Signature:		
e-mail address:		
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Form C-144 Oil Conservation Division Page 5 of 5

DISTRICT | 1825 N. French Dr., Hobbs, N.M. 88240

DISTRICT # 1301 W. Grand Ava., Artesia, N.M. 88210

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

Form C-102 Revised June 10, 2003 Submit to Appropriate District Office

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Certificate Number

DISTRICT III 1000 Rio Brazos F	Rd., Azlec,	N.M. 87410		1	Santa F		Francis Dr. I 87505			Lease - 3 Copie
DISTRICT IV 1220 South St. Fr	oncia Dr.,									ENDED REPOR
		· · · · · · · · · · · · · · · · · · ·	WELL L	OCATIO	N AND	AC	REAGE DEC	CATION F	PLAT	
^E API	Number			Pool Code				⁴ Pool No		
Property Co	ode				^a Proc	perty No	Orne			* Well Number
					M N	GALT	ГН			2
OGRID No) ₄				*Oper	retor No	ame			* Elevation
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					10 Surfe	ace	Location	3.000000		
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EC. CORNER	S	89-53-53		FD 2 1		1		17	OPERATOR	CERTIFICATION
D. 2 1/2° BC. 913 U.S.G.L.O.		2639.1' (1	N)	1913 G.				I hereby	certify that the informal	tion contained herein
LOT 4		LOT	1					is true of belief	and complete to the best	l of my knowledge and
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2400.		LOT 3 LOT 2 LOT 1 LAT: 36'36'17" N. (NAD 27)								
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'n				LAT: 3	6'36'17" 107'51'06	V (I	NAD 27) (NAD 27)	11		
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A	_	Dia Daniela	Clien	t: XTO Energy
Lodestar Service	es, Inc.	Pit Permit	Projec	-
PO Box 4465, Durang		Siting Criteria	Revised	
V		Information Shee	et Prepared by	y: Brooke Herb
API#:		3004532578	USPLS	S: T27N,R10W,S01E
Name:		GALT MN H #2	Lat/Long	g: 36.60472, -107.852222
Depth to groundwater:		> 100'	Geolog formation	I Nacimiento Formation I
Distance to closest continuously flowing watercourse:	6.50 mi	iles S of San Juan River		
Distance to closest significant watercourse, lakebed, playa lake, or sinkhole:	3662' E of s	of Armenta Canyon Wash; small secondary tributary of Armenta Wash		
			Soil Type	e: Entisols
Permanent residence, school, hospital, institution or church within 300'		No		
			Annua Precipitation	8./1 inches (Bloomfield)
Domestic fresh water well or spring within 500'		No	Precipitatio Note:	I Historical Daily May Bloomfield 4 19" I
Any other fresh water well or spring within 1000'	l .	No		
Within incorporated municipal boundaries	ı	No	Attache Document	Groundwater report and Data: FEMA Flood Zone Map
Within defined municipal fresh water well field		No		Aerial Photo, Topo Map, Mines Mills and Quarries Map
Wetland within 500'		No	Mining Activity	/:
	V			None Near
Within unstable area		No		
Within 100 year flood plain	I No-F	FEMA Flood Zone 'X'		
Additional Notes:				
		25		

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GALT MN H #2 Below Ground 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 Armenta Canyon region of the San Juan Basin. The predominant geologic formation is the Nacimiento 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 altuvial deposits serve as the primary aquifers in the San Juan basin (Stone et al., 1983). In most of the proposed area, the Nacimiento Formation lies at the surface and grades into the Animas Formation to the west. Thickness of the Nacimiento ranges from 418 to 2232 feet (Stone et al., 1983). Aquifers within the coarser and continuous sandstone bodies of the Nacimiento Formation are between 0 and 1000' deep in this section of the basin (Stone et al., 1983). Groundwater within these aquifers flows toward the San Juan River.

The prominent soil type at the proposed site are entisols and aridisols, which are defined as soils that exhibit little to no any 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. The sudden influx of water from storm events easily erodes the soils that cover the area and prohibits effective recharge to the underlying aquifers.

Dry and arid weather further prohibit active recharge. The climate of the region is arid, averaging 8 to 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). However, vegetation is very sparse and discontinuous.

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Site Specific Hydrogeology

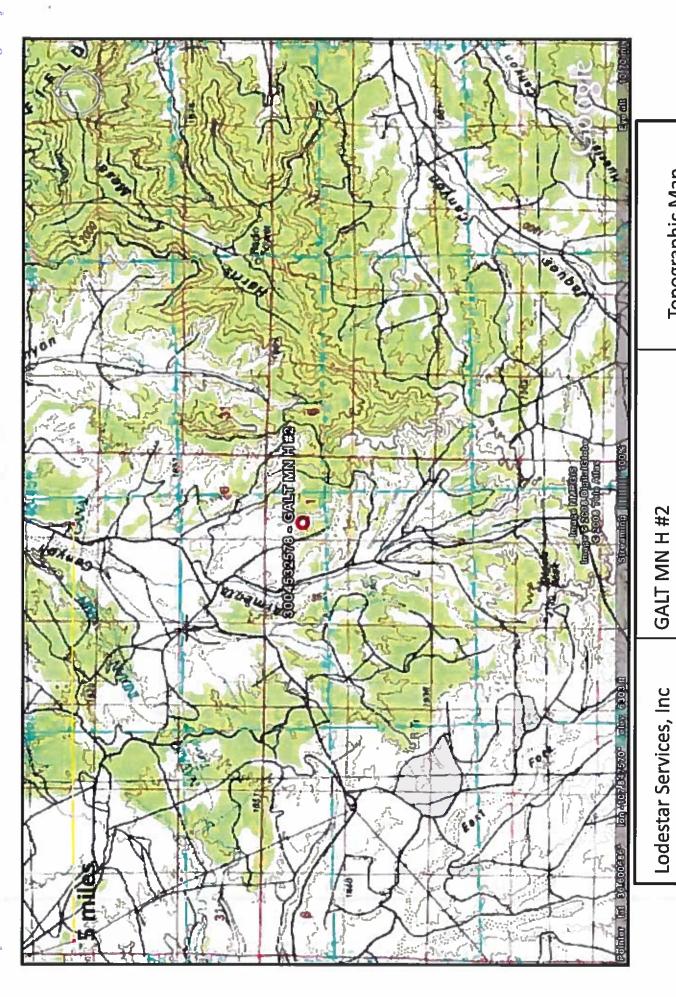
Depth to groundwater is estimated to be greater than 100 feet. This estimation is based on data from Stone and others (1983), the USGS Groundwater Atlas of the United States and depth to groundwater data published on the New Mexico State Engineer's iWaters Database website. Local topography and proximity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

Beds of water-yielding sandstone are present in the Nacimiento Formation, which are fluvial in origin and are interbedded with siltstone, shale and coal. Porous sandstones form the principal aquifers, while relatively impermeable shales form confining units between the aquifers (Stone et al., 1983). Local aquifers exist within the Nacimiento Formation at depths greater than 100 feet and thicknesses of the aquifer can be up to 3500 feet (USGS, Groundwater Atlas of the US).

The site in question is located near the edge of Armenta Canyon, where deeply eroded sandstone-capped mesas and slope-forming mudstones occur in a sparsely vegetated and arid badlands-type setting. Broad shalely hills are interspersed with occasional sandstone outcrops, and systems of dry washes and their tributaries are evident on the attached aerial image.

The pit is situated at an elevation of approximately 6038 feet. The proposed site is located approximately 535 feet from the Armenta Canyon tributary system, and 3662 feet east of Armenta Canyon Wash. Groundwater is expected to be shallow within Armenta Wash. The proposed site is approximately 125 feet higher than the center of the Armenta Wash.

State iWaters data points are sparsely distributed in this region. There are two iWaters data points approximately 3.45 miles to the west-southwest of the site, at an elevation of approximately 5985 feet. Depth to groundwater within the wells is 60 feet and 170 feet below ground surface. A map showing the location of wells in reference to the proposed pit location is attached.



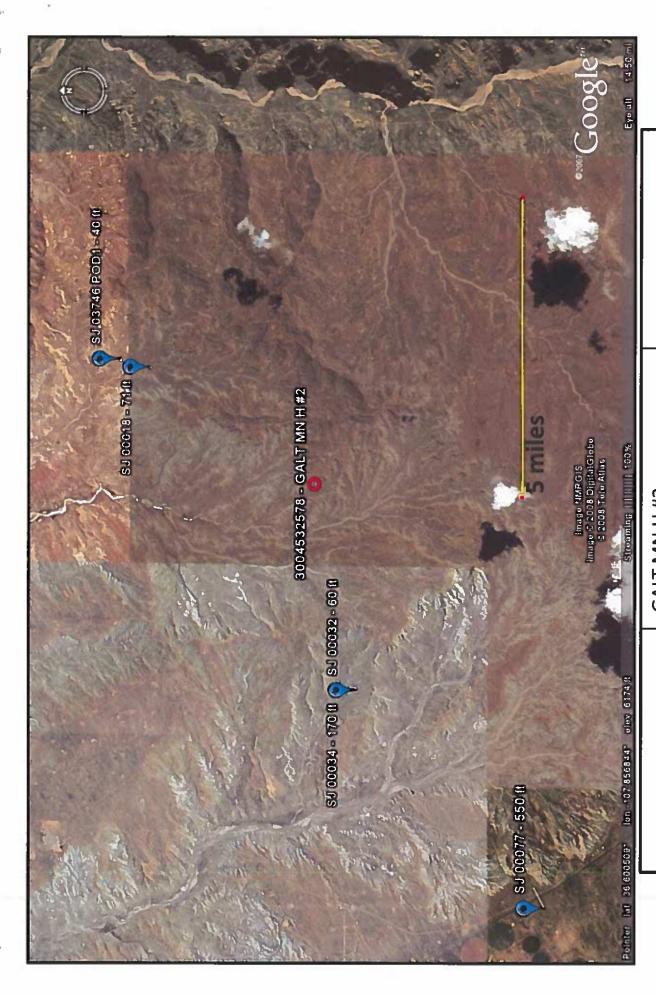
Topographic Map

San Juan County, NM

Durango, CO 81302

PO Box 4465

T27N, R10W, S01E



Lodestar Services, Inc CALLI PO Box 4465
Durango, CO 81302
San Ju

GALT MN H #2 T27N, R10W, S01E San Juan County, NM

iWaters Groundwater Data Map

New Mexico Office of the State Engineer POD Reports and Downloads

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	Radius:	Suffix:	tic Domestic	oluma Report
	Search Radius:	Number	Non-Domestic	POD / Surface Data ReportAvg Depth to Water ReportWater Column Report
Township: ZhRange: 10v Sections:	Zone:		(Last)	Avg Depth to Wa
p: ZII Range	 	Basin:		e Data Repor
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Record Count: 3

New Mexico Office of the State Engineer POD Reports and Downloads

Township: 28h Range: 089 Sections:

WATER COLUMN REPORT 10/30/2008

PLD Number SJ 03746 PCD1 SI 00018

New Mexico Office of the State Engineer POD Reports and Downloads

Township: 77 Range: 111 Sections:

POD / Surface Data ReportAvg Depth to Water ReportWater Column Report

WATER COLUMN REPORT 10/30/2008

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Record Count: 2

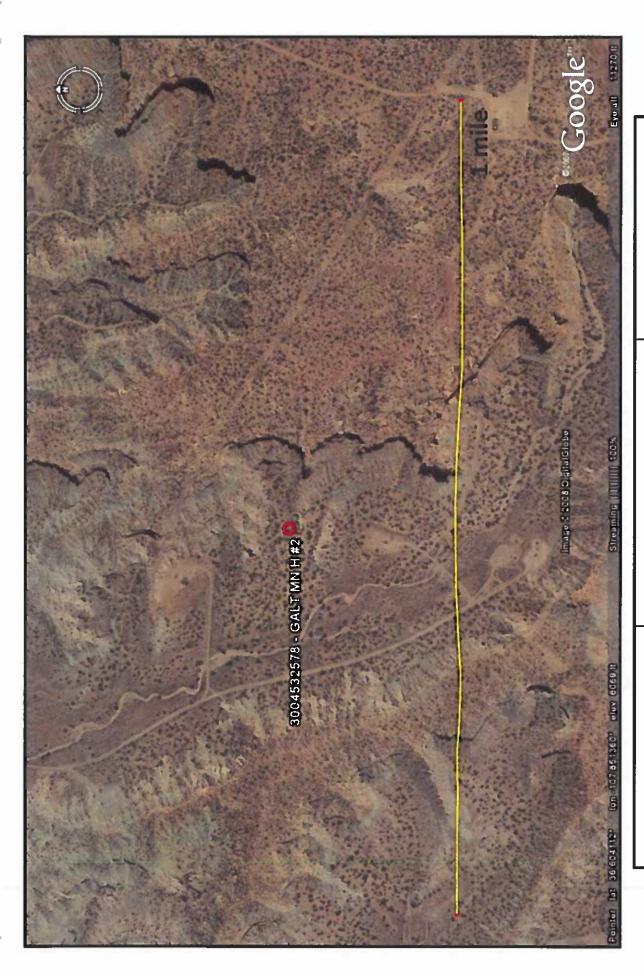
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Township: 29h Range: 10v Sections:

WATER COLUMN REPORT 10/27/2008

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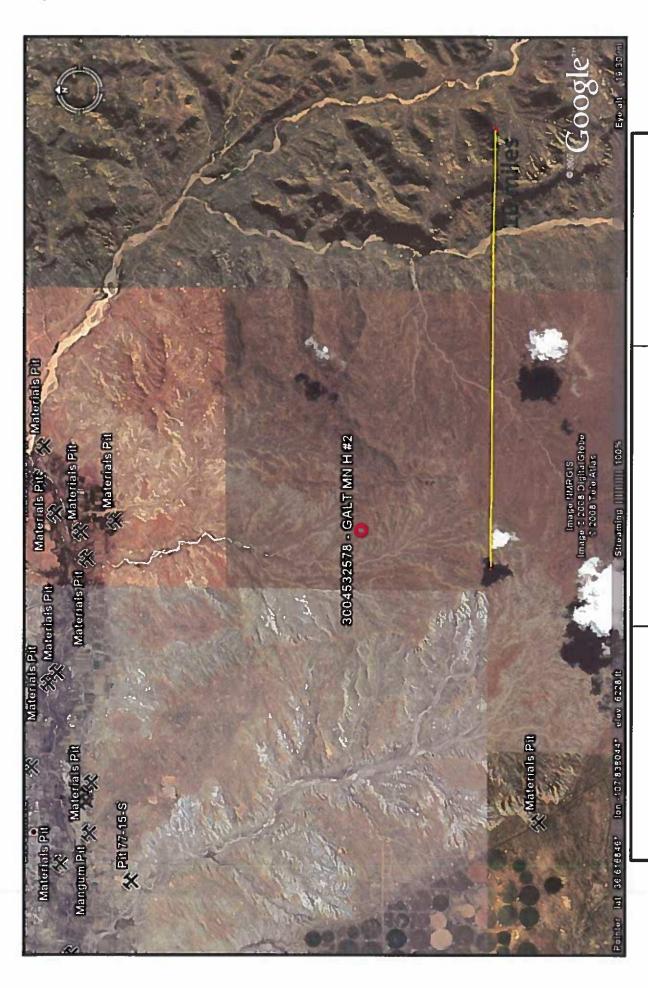
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Lodestar Services, Inc G/PO Box 4465
Durango, CO 81302

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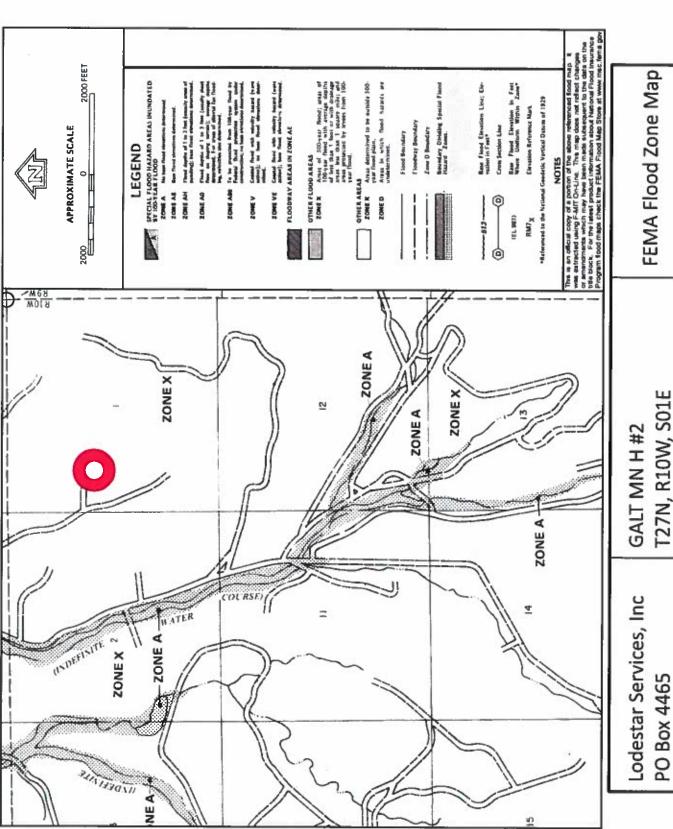
Aerial Photograph



Lodestar Services, Inc G. PO Box 4465
Durango, CO 81302 Sa

GALT MN H #2 T27N, R10W, S01E San Juan County, NM

Mines, Mills, and Quarries Map



San Juan County, NM T27N, R10W, S01E

Durango, CO 81302

XTO Energy Inc. San Juan Basin (Northwest New Mexico) General Design and Construction Plan For Below-Grade Tanks

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 which does not conform to this plan.

General Plan

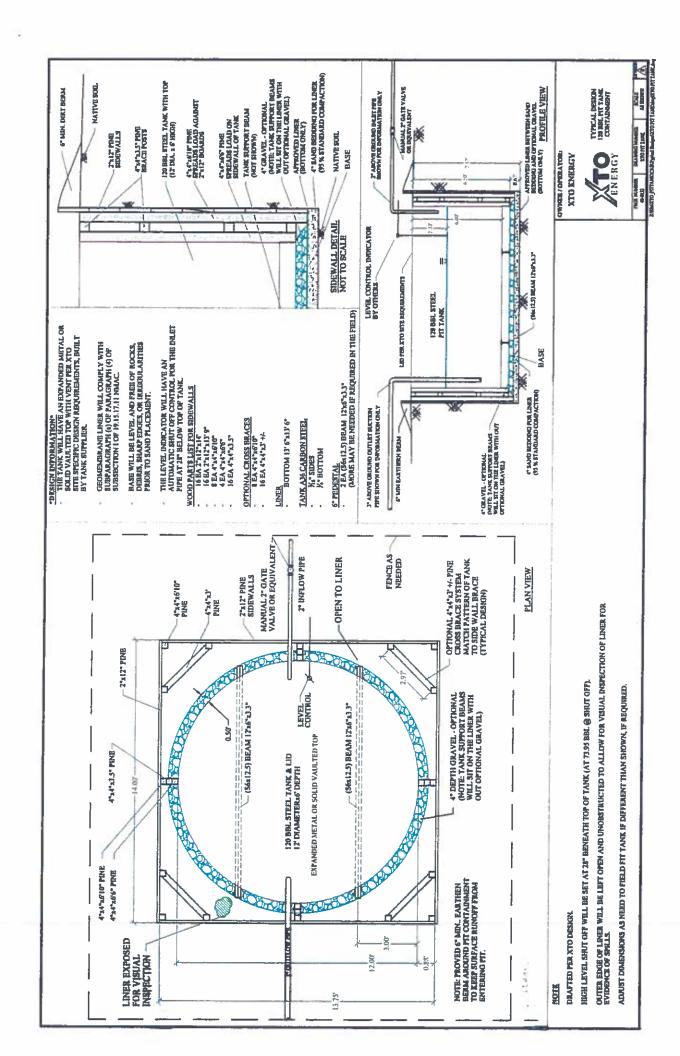
- XTO will design and construct below-grade tanks to contain liquids and solids and prevent contamination of fresh water and protect public health and environment.
- XTO will post a well sign, in compliance with 19.15.3.103 NMAC, on the existing well site
 operated by XTO where the existing below-grade tank is located. 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.
- 3. XTO is requesting approval of an alternative fencing to be used on below-grade tank locations. Below-grade tank locations will be fenced utilizing 48" steel mesh field-fence (hogwire) with pipe railing along the top. A 6' chain link fence will be utilized around the well pad if the well site is within a city limits or ¼ mile of a permanent residence, school, hospital, institution or church. Below-grade tanks located within 1000' of a permanent residence, school, hospital, institution or church will be fenced by 6' chain link fence with at least two strands of barbed wire at the top. All gates associated with below-grade tanks will remain closed and locked when responsible individuals are not on site.
- 4. XTO shall construct below-grade tanks with an expanded metal covering or solid vaulted top on the top of the below-grade tank.
- 5. XTO will ensure that below-grade tanks are constructed of materials resistant to the below-grade tank's particular contents and resistant to damage from sunlight. Tanks will be constructed of A36 carbon steel with 3/16" sides and ¼" bottom. (See attached drawing).
- 6. The below-grade tank 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. Sand bedding (4") will be placed on top of a level foundation to ensure prevention of punctures, cracks or indentations of the liner or tank bottom.
- 7. XTO will construct a berm and/or diversion ditch in a manner that prevents the collection of surface water run-on. Below-grade tanks will be equipped with automatic high level shut-off devices as well as manually operated shut-off valves. (See attached drawing).
- 8. XTO will construct and use below-grade tanks that do not have double walls. The below-grade tank sidewalls will be open for visual inspection for leaks. The sidewalls of the cellar will be constructed with 2" X 12" pine sidewalls and 4" X 4" pine brace posts. The below-grade tank

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XTO Energy Inc.
San Juan Basin (Northwest New Mexico)
General Design and Construction Plan
For Below-Grade Tanks
Page 2

bottom will be elevated a minimum of 6" above the underlying ground surface and the belowgrade tank will be underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected. (See attached drawing).

- 9. XTO will equip below-grade tanks designed in this manner with a properly functioning automatic high-level shut-off control device and manual controls to prevent overflows. (See attached drawing).
- 10. XTO will demonstrate to the OCD that the geomembrane liner complies with the specifications of Subparagraph (a) of Paragraph (4) of Subsection I of 19.15.17.11 NMAC and obtain approval from OCD prior to the installation of the design. The geomembrane liner shall have a hydraulic conductivity no greater than 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 acidics and alkaline solutions. The liner material shall be resistant to ultraviolet light. Liner compatibility shall comply with EPA SW-846 method 9090A. (See attached drawing).
- 11. The general specifications for design and construction are attached.



XTO Energy Inc. San Juan Basin (Northwest New Mexico) General Maintenance and Operating Plan For Below-Grade Tanks

In accordance with Rule 19.15.17.12 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 which does not conform to this plan.

General Plan

- XTO will operate and maintain below-grade tanks to contain liquids and solids, maintain the
 integrity of the liner and secondary containment system, prevent contamination of fresh water and
 protect public health and the environment. Fluid levels will be monitored weekly and high levels
 will be removed as necessary. Monthly inspections will be conducted to monitor integrity of
 below-grade tank systems and below-grade tanks will be equipped with automatic high-level
 shut-off devices.
- 2. XTO will not allow below-grade tanks to overflow and will use berms and/or diversion ditch to prevent surface run on to enter the below-grade tank. Below-grade tanks will be equipped with automatic high-level shut-off control devices as well as manually operated shut-off valves. See attached drawing for vault design and placement of diversion berms and shut-off devices.
- 3. XTO will continuously remove any visible or measurable layer of oil from the fluid surface of below-grade tanks in order to prevent significant accumulation of oil.
 - 4. XTO will inspect the below-grade tank monthly and maintain written records for five years. Monthly inspections will consist of documenting the following: (see attached template),

Well Name

API#

Sec., Twn., Rng.

XTO Inspector's name

Inspection date and time

Visible tears in liner

Visible signs of tank overflow

Collection of surface run on

Visible layer of oil

Visible signs of tank leak

Estimated freeboard

- 5. XTO will maintain adequate freeboard to prevent over topping of the below-grade tank. High level shut-off devices control the freeboard at an average of 28" beneath the top of the tank.
- XTO will not discharge into or store any hazardous waste in any below-grade tank.
- If a below-grade tank develops a leak, or if any penetration of a below-grade tank occurs below the liquids surface, XTO will remove all liquids above the damage or leak line within 48 hours,

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XTO Energy Inc. San Juan Basin (Northwest New Mexico) General Maintenance and Operating Plan For Below-Grade Tanks Page 2

notify the appropriate division district office within 48 hours of the discovery and repair the damage or replace the below-grade tank. If an existing below-grade tank does not meet current requirements of Paragraphs 1-4 of Subsection I of 19.15.17.11 NMAC the tank will be modified or retrofitted to comply. If compliance can not be achieved XTO will implement the approved closure plan.

			T. cock	Est. (ft)												
			Any vie ible sions	of a tank leak (Y/N)												
N FORM			Visible laver	of oil (Y/N)								:				
INSPECTION	API No.:	Range:	Collection of	run on (Y/N)												:
MONTHLY BELOW GRADE TANK INSPECTION FORM			Any visible signs of	tank overflows (Y/N)									:			
1LY BELO		Township:	Any visible	tears (Y/N)								otion:				
MONT			Inspection									Provide Detailed Description:				
		Sec:	Inspection	Date								Provide De				
	Well Name:	Legals	XTO	Name					i			Notes:	į.	Misc:		

XTO Energy Inc. San Juan Basin (Northwest New Mexico) General Closure Plan For Below-Grade Tanks

In accordance with Rule 19.15.17.13 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 which does not conform to this plan.

General Plan

- XTO will close below-grade tanks 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.
- XTO will close a below-grade tank 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 below-grade tank within 60 days of cessation of the below-grade tank'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 below-grade tanks prior to implementing a closure method and will dispose of the liquids and sludge in a division-approved facility. Approved facilities and waste streams include:

Envirotech Permit No. NM01-0011 and IEI Permit No. NM 01-0010B

Soil contaminated by exempt petroleum hydrocarbons

Produced sand, pit sludge and contaminated bottoms from storage of exempt wastes

Basin Disposal Permit No. NM01-005 Produced water

- 5. XTO will remove the below-grade tank and dispose of it in a division approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office has approved prior to removal. Any associated liners will be removed, properly cleaned and disposed of per 19.15.9.712 NMAC at San Juan County Landfill. Documentation of the final disposition will be included in the closure report.
- 6. XTO will remove any on-site equipment associated with a below-grade tank unless the equipment is required for some other purpose.
- 7. XTO will test the soils beneath the below-grade tank 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

XTO Energy Inc.
San Juan Basin (Northwest New Mexico)
General Closure Plan
For Below-Grade Tanks
Page 2

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.

- 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 operations will be given to the Aztec Division District III office between 72 hours and one week prior to the start of closure activities via email or verbally. The notification will include the following:
 - Operator's name
 - ii. Well Name and API Number
 - iii. Location by Unit Letter, Section, Township, and Range

The surface owner shall also be notified prior to the implementation of any closure operations of below-grade tanks as per the approved closure plan using certified mail, return receipt requested.

- 11. 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.
- 12. A minimum of 4 feet of cover shall be achieved and the cover shall include 1 foot of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater. Soil cover will be constructed to the site's existing grade and ponding of water and erosion of the cover material will be prevented with drainage control, natural drainages and silt traps where needed.
- 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.

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XTO Energy Inc. San Juan Basin (Northwest New Mexico) General Closure Plan For Below-Grade Tanks Page 3

- 14. All closure activities will include proper documentation and be available for review upon request and will be submitted in closure report form to OCD within 60 days of closure of the below-grade tank. Closure report will be filed on form C-144 and incorporate the following:
 - Proof of closure notice to division and surface owner;
 - ii Details on capping and covering, where applicable;
 - iii. Inspection reports;
 - iv. Confirmation sampling analytical results;
 - v. Disposal facility name(s) and permit number(s).
 - vi. Soil backfilling and cover installation;
 - vii. Re-vegetation application rates and seeding techniques, (or approved alternative to re-vegetation requirements if applicable);

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viii. Photo documentation of the site reclamation.

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 94374

QUESTIONS

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	94374
	Action Type:
	[C-144] Legacy Below Grade Tank Plan (C-144LB)

QUESTIONS

Facility and Ground Water							
Please answer as many of these questions as possible in this group. More information will help us id	lentify the appropriate associations in the system.						
Facility or Site Name	MNGALTH2						
Facility ID (f#), if known	Not answered.						
Facility Type	Below Grade Tank - (BGT)						
Well Name, include well number	MNGALTH2						
Well API, if associated with a well	30-045-32578						
Pit / Tank Type	Not answered.						
Pit / Tank Name or Identifier	Not answered.						
Pit / Tank Opened Date, if known	Not answered.						
Pit / Tank Dimensions, Length (ft)	Not answered.						
Pit / Tank Dimensions, Width or Diameter (ft)	Not answered.						
Pit / Tank Dimensions, Depth (ft)	Not answered.						
Ground Water Depth (ft)	Not answered.						
Ground Water Impact	No						
Ground Water Quality (TDS)	Not answered.						

Below-Grade Tank	
Subsection I of 19.15.17.11 NMAC	
Volume / Capacity (bbls)	120
Type of Fluid	Produced Water
Pit / Tank Construction Material	Steel
Secondary containment with leak detection	Not answered.
Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off	Not answered.
Visible sidewalls and liner	Not answered.
Visible sidewalls only	Not answered.
Tank installed prior to June 18. 2008	True
Other, Visible Notation. Please specify	Not answered.
Liner Thickness (mil)	Not answered.
HDPE (Liner Type)	Not answered.
PVC (Liner Type)	Not answered.
Other, Liner Type. Please specify (Variance Required)	Not answered.

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1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS (continued)

QUESTIONS, Page 2

ction	94374	

Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171 Action Number: 94374 Action Type:							
	[C-144] Legacy Below Grade Tank Plan (C-144LB)							
QUESTIONS								
Fencing								
Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tank	(S)							
Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church)	Not answered.							
Four foot height, four strands of barbed wire evenly spaced between one and four feet	Not answered.							
Alternate, Fencing. Please specify (Variance Required)	4' steel mesh							
Netting								
Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen	Not answered.							
Netting								
Netting	Not answered.							
Other, Netting. Please specify (Variance May Be Needed)	expanded metal or called vaulted ton							
Caron, Housing. Floude opening (Variance may be Heeded)	expanded metal or solid vaulted top							
Signs								
Subsection C of 19.15.17.11 NMAC (If there are multiple operators at a site, each operator must have	e their own sign in compliance with Subsection C of 19.15.17.11 NMAC.)							
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers	Not answered.							
Signed in compliance with 19.15.16.8 NMAC	True							
Variances and Exceptions								
Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for Please check a box if one or more of the following is requested, if not leave blank:	guidance.							
Variance(s): Requests must be submitted to the appropriate division district for consideration of approval.	Not answered.							
Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval	Not answered.							

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1111 Travis Street Houston, TX 77002

HILCORP ENERGY COMPANY

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS, Page 3

Action 94374

QUESTIONS (continued)	
	OGRID:
	372171
	Action Number

94374

Action Type: [C-144] Legacy Below Grade Tank Plan (C-144LB)

QUESTIONS

Operator:

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. Siting criteria does not apply to drying pads or above-grade tanks.

Siting Criteria, General Siting	
Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank	No
NM Office of the State Engineer - iWATERS database search	True
USGS	Not answered.
Data obtained from nearby wells	Not answered.

Siting Criteria, Below Grade Tanks	
Within 100 feet of a continuously flowing watercourse, significant watercourse, lakebed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark)	No
Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption	No

Proposed Closure Method		
Below-grade Tank	Below Grade Tank - (BGT)	
Waste Excavation and Removal	Not answered.	
Alternate Closure Method. Please specify (Variance Required)	Not answered.	

Operator Application Certification	
Registered / Signature Date	11/21/2008

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ACKNOWLEDGMENTS

Action 94374

ACKNOWLEDGMENTS

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	94374
	Action Type:
	[C-144] Legacy Below Grade Tank Plan (C-144LB)

ACKNOWLEDGMENTS

V	I acknowledge that I have received prior approval from the OCD to submit documentation of a legacy below-grade tank on behalf of my operator.
V	I hereby certify that the information submitted with this documentation is true, accurate and complete to the best of my knowledge and belief.

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CONDITIONS

Action 94374

CONDITIONS

CONDITIONS		
Operator:	OGRID:	
HILCORP ENERGY COMPANY	372171	
1111 Travis Street	Action Number:	
Houston, TX 77002	94374	
	Action Type:	
	[C-144] Legacy Below Grade Tank Plan (C-144LB)	

CONDITIONS

Created By	Condition	Condition Date
vvenega	s None	7/6/2022