State of New Mexico District I 1625 N. French Dr., Hobbs, NM 88240 **Energy Minerals and Natural Resources** District II 1301 W. Grand Avenue, Artesia, NM 88210 Department District III 1000 Rio Brazos Road, Aztec, NM 87410 Conservation Division μ¹²²⁰ South St. Francis Dr. Santa Fe, NM 87505 1220 S. St. Francis Dr., Santa Fe, NA427503 [C 12

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

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

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

<u>110pc</u>	Sed Alternative iv	iculou i cillit	or Closuic	Timi Vi	pircation
Type of action: Existing BGT BGT1	Closure of a pit, clo Modification to an e	sed-loop system, be existing permit ubmitted for an exis	low-grade tank	c, or propos	
•	nk, or proposed alternative				
Instructions: Please subm	it one application (Form C-	144) per individual pi	t, closed-loop sy.	stem, below-	grade tank or alternative request
Please be advised that approval of this					
	the operator of its responsible	lity to comply with any	other applicable	governmenta	l authority's rules, regulations or ordinances.
					380
Address: #382 County Road 3	1100, Aztec, NM 87410				
Facility or well name:DAWSO	N FEDERAL # 1B				
API Number: <u>30-045-30886</u>		OCD Permi	t Number:		
<u> </u>					San Juan_
Center of Proposed Design: Latitud					
Surface Owner: ⊠ Federal ☐ State			_		
		or monail renotifical			
2.	5.15.11.30.44.0				
Pit: Subsection F or G of 19.1					
Temporary: Drilling Works					
Permanent Emergency C					
☐ Lined ☐ Unlined Liner type	: Thicknessmil	☐ LLDPE ☐ HDF	E PVC	Other	
☐ String-Reinforced					
Liner Seams: Welded Facto	ory 🔲 Other	Volun	ne:t	obl Dimensi	ons: L x W x D
3.					
Closed-loop System: Subsecti	ion H of 19 15 17 11 NMAC				
			ies to activities u	vhich require	prior approval of a permit or notice of
intent)	ining a new wen worke	ver or Dinning (Appr	ies to activities v	vincii require	prior approvar of a permit of notice of
☐ Drying Pad ☐ Above Ground	Steel Tanks 🔲 Haul-off B	ins 🔲 Other		_	
Lined Unlined Liner type:	Thickness n	il 🗆 LLDPE 🗀 I	IDPE □ PVC	Other	
Liner Seams: Welded Facto					
Ellier Scalis. Welded Track					
4.					
Below-grade tank: Subsection	n I of 19.15.17.11 NMAC				
Volume: <u>120</u>	bbl Type of fluid:F	Produced Water			
Tank Construction material:	Steel				
Secondary containment with lea	ak detection 🔲 Visible sid	ewalls, liner, 6-inch li	ft and automatic	overflow shi	ıt-off
☐ Visible sidewalls and liner ☐	Visible sidewalls only	Other Visible sidew	alls, vaulted, aut	omatic high-	level shut off, no liner
Liner type: Thickness	· ·	□ PVC □ Other _	, , , , , , , , , , , , , , , , , , , ,		
Since type. Thickness	nin [] HDFE				
5.					
Alternative Method:					
Submittal of an exception request is	required. Exceptions must	be submitted to the Sa	anta Fe Environr	nental Burea	u office for consideration of approval.
E C 144		Oil Conservation Di	vision		Page 1 of 5
Form C-144		On Conscivation Dr	r 1910H		rage rord

Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)	
Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, institution or church)	hospital,
☐ Four foot height, four strands of barbed wire evenly 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 (Applies to permanent pits and permanent open top tanks)	
☐ Screen ☐ Netting ☑ Other Expanded metal or solid vaulted top	
☐ 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	
☑ 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 or the Santa Fe Environmental Bureau	office for
consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	
10.	
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptant material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to dry above-grade tanks associated with a closed-loop system.	opriate district approval.
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ⊠ No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	Yes No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	Yes No
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No ☑ NA
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ⊠ No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes 🖾 No
Within the area overlying a subsurface mine. Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ⊠ No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ☒ No ☐ Yes ☒ No ☐ Yes ☒ No ☐ Yes ☒ No
Within a 100-year floodplain FEMA map	☐ Yes 🖾 No
	** W
Form C-144 Oil Conservation Division Page 2 of 5	,

3	2		
Instru	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 appr Closure Plan (Please complete Boxes 14 through 18, if 0.15.17.13 NMAC	pon the requirements of Paragraph (4) of Su- 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 f applicable) - based upon the appropriate re	theck mark in the box, that the documents are absection B of 19.15.17.9 NMAC absection B of 19.15.17.9 NMAC b. (2) of Subsection B of 19.15.17.9 NMAC c. C. C. Equirements of Subsection C of 19.15.17.9 NMAC
☐ Pr	eviously Approved Design (attach copy of design)	API Number:	or Permit Number:
attach and 19 and 19 Pr above	Geologic and Hydrogeologic Data (only for on-site clesiting Criteria Compliance Demonstrations (only for or Design Plan - based upon the appropriate requirement Operating and Maintenance Plan - based upon the app Closure Plan (Please complete Boxes 14 through 18, i 0.15.17.13 NMAC eviously Approved Design (attach copy of design) eviously Approved Operating and Maintenance Plan ground steel tanks or haul-off bins and propose to impenent Pits Permit Application Checklist: Subsections: Each of the following items must be attached	osure) - based upon the requirements of Paron-site closure) - based upon the appropriate s of 19.15.17.11 NMAC propriate requirements of 19.15.17.12 NMA of applicable) - based upon the appropriate requirements of 19.15.17.12 NMA of API Number: API Number: API Number: Colement waste removal for closure)	ragraph (3) of Subsection B of 19.15.17.9 re requirements of 19.15.17.10 NMAC C requirements of Subsection C of 19.15.17.9 NMAC (Applies only to closed-loop system that use
	ed. Hydrogeologic Report - based upon the requirements of Siting Criteria Compliance Demonstrations - based upon Climatological Factors Assessment Certified Engineering Design Plans - based upon the a Dike Protection and Structural Integrity Design - base Leak Detection Design - based upon the appropriate re Liner Specifications and Compatibility Assessment - be Quality Control/Quality Assurance Construction and I Operating and Maintenance Plan - based upon the apprecedant of Overtopping Prevention Plan - based upon the apprecedant or Hazardous Odors, including H ₂ S, Prevent Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Closure Plan - based upon the appropriate requirement	appropriate requirements of 19.15.17.11 NM d upon the appropriate requirements of 19.15.17.11 NMAC based upon the appropriate requirements of 19.15.17.11 NMAC based upon the appropriate requirements of Installation Plan propriate requirements of 19.15.17.12 NMA pon the appropriate requirements of 19.15.17.12 NMA pon the appropriate requirements of 19.15.1 tion Plan	7.10 NMAC 1AC 15.17.11 NMAC 19.15.17.11 NMAC C 17.11 NMAC
14.			
	sed Closure: 19.15.17.13 NMAC ctions: Please complete the applicable boxes, Boxes	14 through 18, in regards to the neonosed	closure plan
Type:	☐ Drilling ☐ Workover ☐ Emergency ☐ Cavita ☐ Alternative sed Closure Method: ☐ Waste Excavation and Remo ☐ Waste Removal (Closed-loc ☐ On-site Closure Method (On ☐ In-place Burial	oval op systems only) ally for temporary pits and closed-loop system on-site Trench Burial	ow-grade Tank Closed-loop System
closur	Excavation and Removal Closure Plan Checklist: e 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 red Site Reclamation Plan - based upon the appropriate red	that the documents are attached. The requirements of 19.15.17.13 NMAC from the appropriate requirements of Subsect ds, drilling fluids and drill cuttings) The upon the appropriate requirements of Subsection I of 19.15.17.13 NM quirements of Subsection G of 19.15.17.13	ion F of 19.15.17.13 NMAC ection H of 19.15.17.13 NMAC IAC NMAC
4	Form C-144	Oil Conservation Division	Page 3 of 5

nstructions: Please indentify the facility or facilit	s That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13 ies for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if	more than two
acilities are required. Disposal Facility Name:	Disposal Facility Permit Number:	
Disposal Facility Name:		
	ons and associated activities occur on or in areas that will not be used for future se	
Re-vegetation Plan - based upon the appropria	for future service and operations: s based upon the appropriate requirements of Subsection H of 19.15.17.13 NMA ate requirements of Subsection I of 19.15.17.13 NMAC priate requirements of Subsection G of 19.15.17.13 NMAC	AC
provided below. Requests regarding changes to cel	nstration of compliance in the closure plan. Recommendations of acceptable sou rtain siting criteria may require administrative approval from the appropriate dis to the Santa Fe Environmental Bureau office for consideration of approval. Jus	strict office or may be
Ground 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
Ground 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
iround 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
Vithin 300 feet of a continuously flowing watercounkle (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification)		Yes No
Vithin 300 feet from a permanent residence, school Visual inspection (certification) of the proportion	, hospital, institution, or church in existence at the time of initial application. osed site; Aerial photo; Satellite image	☐ Yes ☐ No
vatering purposes, or within 1000 horizontal feet of	sh 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; Visual inspection (certification) of the proposed site	Yes No
dopted pursuant to NMSA 1978, Section 3-27-3, as	a defined municipal fresh water well field covered under a municipal ordinance samended. e municipality; Written approval obtained from the municipality	Yes No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification	n map; Topographic map; Visual inspection (certification) of the proposed site	☐ 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 Geological	☐ 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 (in Protocols and Procedures - based upon the apular Confirmation Sampling Plan (if applicable) - Waste Material Sampling Plan - based upon the Disposal Facility Name and Permit Number (in Soil Cover Design - based upon the appropriation Plan	IAC) Instructions: Each of the following items must be attached to the closure peratached. 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 NMAC 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 he appropriate requirements of Subsection F of 19.15.17.13 NMAC for liquids, drilling fluids and drill cuttings or in case on-site closure standards can atter requirements of Subsection I of 19.15.17.13 NMAC atter requirements of Subsection I of 19.15.17.13 NMAC atter requirements of Subsection I of 19.15.17.13 NMAC appriate requirements of Subsection G of 19.15.17.13 NMAC	0.15.17.11 NMAC
Form C-144	Oil Conservation Division Page 4	ef 5

1		
9. Operator Application Certification:		
I hereby certify that the information submitted with the	nis application is true, accurate and complet	te to the best of my knowledge and belief.
Name (Print): Kim Champlin	Title;	Environmental Representative
		50000 LACTORY NO. 5710 Mar.
Signature: <u>Kim Champlin</u>	Date	11-25-08
-mail address: <u>kim_champlin@xtoenergy.com</u>	Telephon	e: (505) 333-3100
0,		5)
OCD Approval: 🛛 Permit Application (including o	closure plan)	OCD Conditions (see attachment)
OCD Representative Signature: <u>Victoria</u>	Venegas	Approval Date:07/21/2022
ritle: Environmental Specialist		Number: BGT1
	OCD I CI III	tramper.
	proved closure plan prior to implementing division within 60 days of the completion of	g any closure activities and submitting the closure report. of the closure activities. Please do not complete this
	Closure	Completion Date:
22. Closure Method: Waste Excavation and Removal On-Site Clo	osure Method	ethod Waste Removal (Closed-loop systems only)
two facilities were utilized.	s for where the liquids, drilling fluids and	Above Ground Steel Tanks or Haul-off Bins Only: drill cuttings were disposed. Use attachment if more than ility Permit Number:
		ility Permit Number:
Were the closed-loop system operations and associate		
Yes (If yes, please demonstrate compliance to t		op dage 10. 10. 10. 10. 10. 10. 10. 10. 10. 10.
Required for impacted areas which will not be used for Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding T		
24. Closure Report Attachment Checklist: Instruction mark in the box, that the documents are attached. Proof of Closure Notice (surface owner and div.) Proof of Deed Notice (required for on-site closure) Plot Plan (for on-site closures and temporary pi.) Confirmation Sampling Analytical Results (if a.) Waste Material Sampling Analytical Results (if a.) Disposal Facility Name and Permit Number. Soil Backfilling and Cover Installation. Re-vegetation Application Rates and Seeding T. Site Reclamation (Photo Documentation). On-site Closure Location: Latitude.	vision) ure) its) applicable) equired for on-site closure) echnique	nAD: 1927 1983
35.		
Operator Closure Certification:	and an electric description of the second se	
hereby certify that the information and attachments so belief. I also certify that the closure complies with all		curate and complete to the best of my knowledge and tions specified in the approved closure plan.
Name (Print):	-	
Signature:	Date	:
-mail address:	Telepho	ne:
Form C-144	Oil Conservation Division	Page 5 of 5
		<u> </u>

FAX NO. 5055646700

Received by OCD: 4/5/2022 8:32:01 AM

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

DISTRICT IS 811 South First, Adesig, N.M. 88210

1825 N. Franch Dr., Hebbs, R.M. 88240

OIL CONSERVATION DIVISION 2040 South Pachece Santa Fe, NM 87505 Submit to Appropriate District Office State Lease — 4 Copies Fee Lease — 3 Copies

AMENDED REPORT

Released to Imaging: 7/21/2022 3:39:53 PM

DISTRICT IV 2040 South Fachero, Scrita Fe, NM 87505

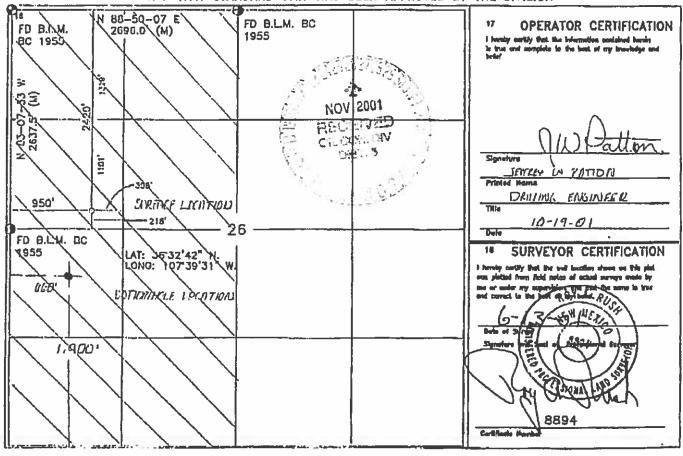
WELL LOCATION AND ACREAGE DEDICATION PLAT

30-045-3088	12319	BLANCO	MESA VERDE	
Property Code	* Pro	party Hame		* Well Number
22602	DAWSON	N FEDERAL		19
OCER No.	*Ope	ergier Name		Elevation
167067	XTO E	NERGY INC.		6019'
	10 Care	igan Location		23

UL or lot ha. Section Township Range Lat Idn Feet from the North/South fine Feet from the East/West Una

⁴⁵ Dedicated Acres		11/	"Joint or I	n(N)	™ Corasildation C	inde	"Order No.		
UL or to 1 no.	Section 2.6	7 7- Al	Rong«	Let Idq	Fool from the	S.O UTH	GGD!	East/West line ADEST	SH M JUNN
				om Hole		If Different F			
E	25	27-N	8-W		2420'	NORTH	950'	WEST	SAN JUAN

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



Lodestar Services, Inc. PO Bez 4465, Durage, CO 81302		Pit Permit Siting Criteria Information Sheet Client Project Revised Prepared by		Pit Permits 11/21/2008 Ashley Ager
API#:		30-045-30886	USPLSS:	T27N, R8W, S26F
Name:	Dav	vson Federal #1B	Lat/Long:[36.545, -107.65861
Depth to groundwater:		50-100'	Geologic formation:	San Jose Formation
Distance to closest continuously flowing watercourse:	14.75 m	iles to San Juan River		
Distance to closest significant watercourse, lakebed, playa lake, or sinkhole:	3478'	NE to Largo Wash		
Permanent residence, school, hospital, institution or church within 300'		NO	Soil Type:[Rockland/Aridisols
Willin 300 [Annual Precipitation:	Navajo Dam: 12.95", Gobranador: 11.98", Capulin Rgr Stn.: 14.98", Otis: 10.41"
Domestic fresh water well or spring within 500'	andreite and a second life in Albert	NO	Precipitation Notes:	Historical Daily Max: 4.19" (Bloomfield
Any other fresh water well or spring within 1000'		NO		
Within incorporated municipal boundaries		NO	Attached Documents:	Hydrogeologic Report Aerial Photo Topo Map Mines, Mills and Quarries Map Groundwater map and data FEMA Floodzone Map
Within defined municipal fresh water well field		NO		
Wetland within 500'		NO	Mining Activity:	None Near
Within unstable area		NO		
Within 100 year flood plain		NO		
Additional Notes:				

Dawson Federal #1B Below Grade Tank Hydrogeologic Report for Siting Criteria

General Geology and Hydrology

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

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

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

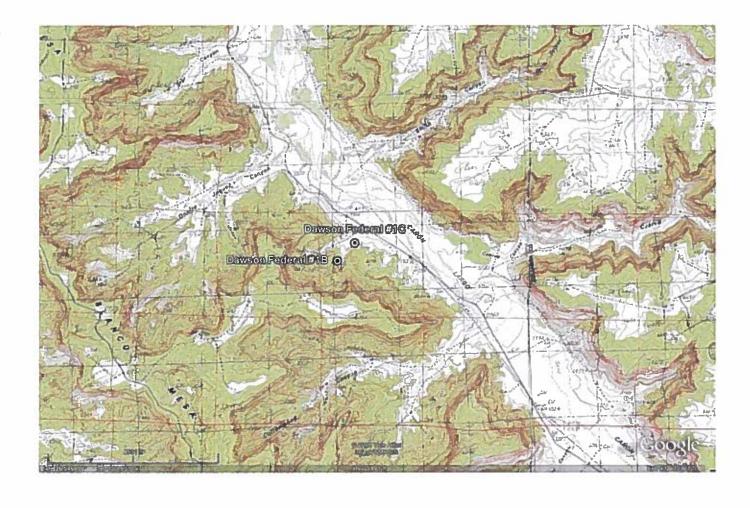
Regional weather further prohibit active recharge. The climate is arid, averaging just over 12 inches of rainfall annually. As is typical of the southwestern United States monsoonal weather patterns, most precipitation falls from August through October. The heaviest rainfall occurs in the summer in isolated,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

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

Site Specific Hydrogeology

Depth to groundwater is estimated to be between 50 and 100 feet. This estimation is based on data from Stone and others (1983), the USGS Groundwater Atlas of the United States and depth to groundwater data published on the New Mexico State Engineer's iWaters Database website. Local topography and proximity to adjacent channel features are also taken into consideration.

The site in question is a little over 3000 feet from Largo Wash and 128 feet higher in elevation. Groundwater is expected to be shallow within Largo and Blanco Canyons and within major tributary systems in this region. Groundwater data available from the NM State Engineer's iWaters Database for wells near the proposed site are attached. The closest well is located at a similar elevation along Largo Canyon and contains groundwater at a depth of 18 feet. It is 22 feet lower in elevation. Topography suggests groundwater could be greater than 100'; however, nearby groundwater data dictates a more conservative estimate of 50 to 100° for depth to groundwater at this site.





New Mexico Office of the State Engineer POD Reports and Downloads

Township: 4	7N Range: 08W	Sections: 2		
NAD27 X:	Y:	Zone:	Search R	adius:
County:	Basin:	i	Number:	Suffix:
Owner Name: (First)	(Last)	= =	O Non-Dom	estic O Domestic O Al
POD / Surface Data	Report Av	g Depth to Wa	ter Report	Water Column Report
	Clear Form	iWATERS	Menu Heip	
1,01,000,000,000,000,000	WATER COLU	JMN REPORT	L1/21/2008	

Depth

Well

2200

Depth

Water

Water (in feet)

Column

(quarters are biggest to smallest)

Tws Rng Sec q q q 27N 08W 36 1 3 2

Record Count: 1

POD Number

SJ 02410

New Mexico Office of the State Engineer POD Reports and Downloads

Range: 07W	Sections: 17	7	
Y:	Zone:	Search R	adius:
sin:		Number:	Suffix:
(Last)		O Non-Dome	estic ODomestic OA!
ort Av	g Depth to Wate	r Report	Water Column Report
Clear Form	WATERS M	lenu Help	
3	Y: asin: (Last)	Y: Zone: asin: (Last) Oort Avg Depth to Water	Y: Zone: Search Rasin: Number: (Last) Non-Dome

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

 (quarters are biggest to smallest)
 Depth
 Depth
 Water (in feet)

 POD Number
 Tws
 Rng
 Sec q q q
 Zone
 X
 Y
 Well
 Water
 Column

 SJ
 02314
 27N
 07W
 17
 3
 3
 355
 320
 35

Record Count: 1

New Mexico Office of the State Engineer POD Reports and Downloads

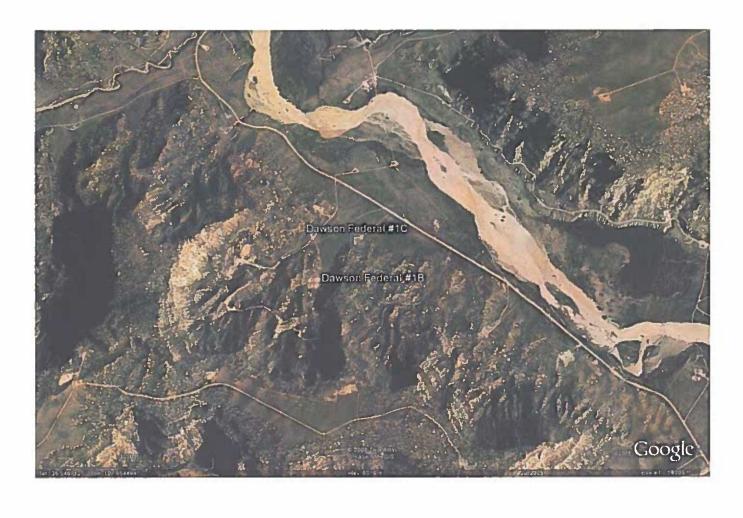
NAD27 X:	Y:	Zone:	Search Radius:
County: B	asin:	iii	Number: Suffix:
Owner Name: (First)	(Last)		○ Non-Domestic ○ Domestic ●
POD / Surface Data Re	port Av	g Depth to Water F	Report Water Column Report
	Clear Form	iWATERS Men	nu Help

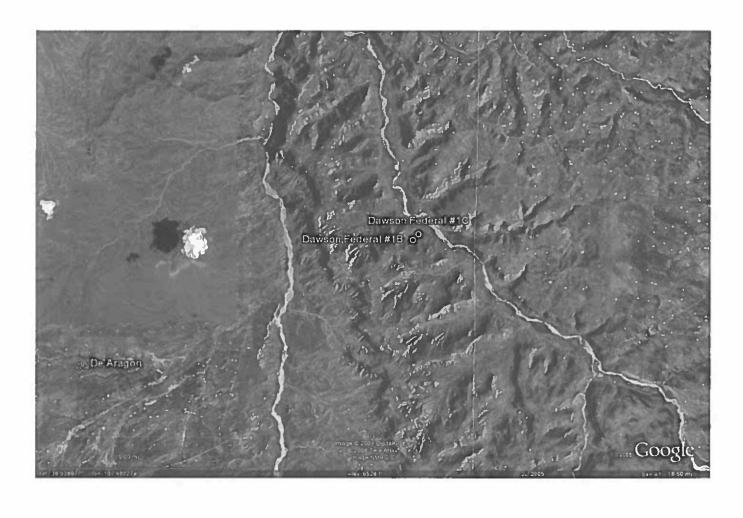
WATER COLUMN REPORT 11/21/2008

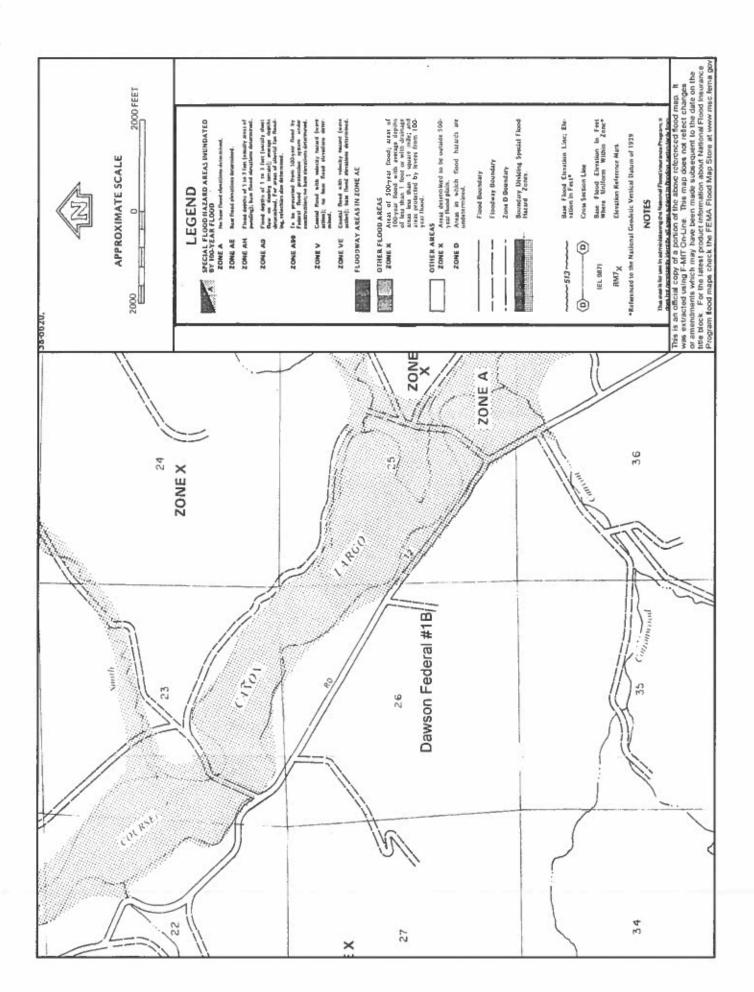
quarters	are	1=NW	2=NE	3=SW	4=SE)
				_	_	

	(quarter	s are	a pro	gge	151	t to	smallest)			Depth	Depth	Water	(in le	et)
POD Number	Tws	Rng	Sec	q	q	P	Zone	x	Y	Well	Water	Column		
SJ 02405	26N	08W	01	3	4	3				180	100	80		
SJ 02411	26N	08W	01	4	4	1				6000				
SJ 02407	26N	08W	01	4	4	1				2200				

Record Count: 3







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.

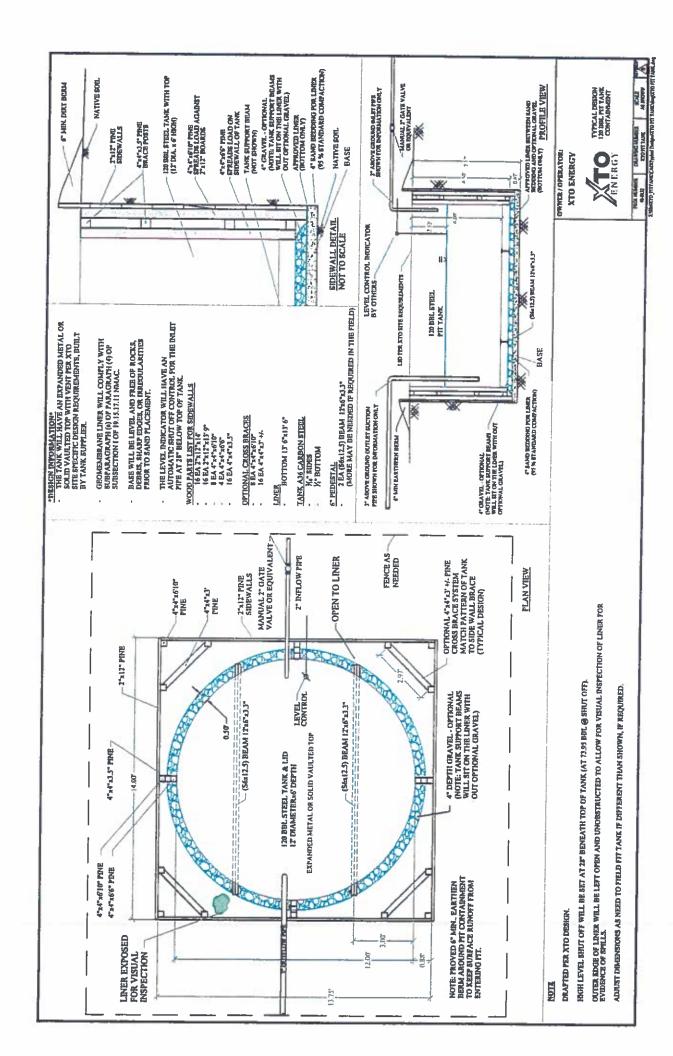
General Plan

- 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.
- 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 '4" 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

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).

- 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 figuids and solids, maintain the 1. 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.
- XTO will not allow below-grade tanks to overflow and will use berms and/or diversion ditch to 2. 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.
- 6. XTO will not discharge into or store any hazardous waste in any below-grade tank.
- 7. 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.

	ı	MONT	1LY BELO	'HLY BELOW GRADE TANK INSPECTION FORM	INSPECTIO	N FORM		
Well Name:					API No.:			
Legals	Sec		Township:		Range:			
XTO	Inspection	Inspection	Any visible liner	Any visible signs of	Collection of surface	Visible layer	Any visible signs	Freeboard
Name	Date	line	tears (Y/N)	tank overflows (Y/N)	run on (Y/N)	of oil (Y/N)	of a tank leak (Y/N)	Est. (ft)
Notes:	Provide De	Provide Detailed Description:	ption:					
8								
Misc:					į.			
	:							

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

- 1. 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.
- 2. 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

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:
 - i. 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.

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:
 - i. 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;
 - 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.

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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 95949

QUESTIONS

Operator:		OGRID:
HILCORP ENERGY C	OMPANY	372171
1111 Travis Street		Action Number:
Houston, TX 77002		95949
		Action Type:
		[C-144] Legacy Below Grade Tank Plan (C-144LB)

QUESTIONS

cility and Ground Water				
Please answer as many of these questions as possible in this group. More information will help us i	dentify the appropriate associations in the system.			
Facility or Site Name	DAWSON FEDERAL 1B			
Facility ID (f#), if known	Not answered.			
Facility Type	Below Grade Tank - (BGT)			
Well Name, include well number	DAWSON FEDERAL 1B			
Well API, if associated with a well	30-045-30886			
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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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS, Page 2

Action 95949

OUEST	NS (continued)	
Operator: HILCORP ENERGY COMPANY 1111 Travis Street Houston, TX 77002	OGRID: 372171 Action Number: 95949	
Houston, 1X 77002	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		
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	Not answered.	
Other, Netting. Please specify (Variance May Be Needed)	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	heir 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 Eventions		
Variances and Exceptions Justifications and/or demonstrations ofequivalency 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:	idance.	
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	Not answered.	

consideration of approval

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

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

QUESTIONS, Page 3

Action	95949

TIONS (continued	0
	OGRID: 372171 Action Number: 95949 Action Type: [C-144] Legacy Below Grade Tank Plan (C-144LB)
	, , , , , , , , , , , , , , , , , , , ,
a below in the applic	cation. Recommendations of acceptable source material are provided
No	
True	
Not answered.	
Not answered.	
No	
No	
1	
	ık - (BGT)
Not answered. Not answered.	
	No True Not answered. Not answered. No No No No No Below Grade Tar Not answered.

11/25/2008

Operator Application Certification Registered / Signature Date

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

ACKNOWLEDGMENTS

Action 95949

ACKNOWLEDGMENTS

Operator:	OGRID:		
HILCORP ENERGY COMPANY	372171		
1111 Travis Street	Action Number:		
Houston, TX 77002	95949		
	Action Type:		
	[C-144] Legacy Below Grade Tank Plan (C-144LB)		

ACKNOWLEDGMENTS

$\overline{\checkmark}$	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.
\overline{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 95949

CONDITIONS

Operator:	OGRID:
HILCORP ENERGY COMPANY	372171
1111 Travis Street	Action Number:
Houston, TX 77002	95949
	Action Type:
	[C-144] Legacy Below Grade Tank Plan (C-144LB)

CONDITIONS

Created By	Condition	Condition Date
vvenega	None	7/21/2022