

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

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

Form C-144
July 21, 2008

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

2008 DEC 8 PM 4 44

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

8137

Type of action. ☒ Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method
Existing BGT ☒ Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method
☐ Modification to an existing permit
☒ Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances

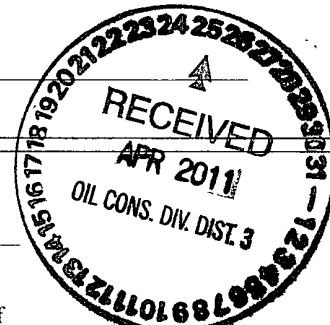
1
Operator XTO Energy Inc OGRID # 5380
Address #382 County Road 3100, Aztec, NM 87410
Facility or well name Murphy E #3
API Number: 30-045-21437 OCD Permit Number _____
U/L or Qtr/Qtr A Section 33 Township 30N Range 11W County San Juan
Center of Proposed Design Latitude 36.7736 Longitude 107.9894 NAD ☐ 1927 ☒ 1983
Surface Owner ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2
☐ **Pit:** Subsection F or G of 19 15 17 11 NMAC
Temporary ☐ Drilling ☐ Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A
☐ Lined ☐ Unlined Liner type Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
☐ String-Reinforced
Liner Seams ☐ Welded ☐ Factory ☐ Other _____ Volume _____ bbl Dimensions L _____ x W _____ x D _____

3.
☐ **Closed-loop System:** Subsection H of 19 15 17 11 NMAC
Type of Operation ☐ P&A ☐ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other _____
☐ Lined ☐ Unlined Liner type Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
Liner Seams ☐ Welded ☐ Factory ☐ Other _____

4.
☒ **Below-grade tank:** Subsection I of 19 15 17 11 NMAC
Volume 21 bbl Type of fluid Produced Water
Tank Construction material Steel
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☒ Other Visible sidewalls, vaulted, automatic high-level shut off, no liner
Liner type Thickness _____ mil ☐ HDPE ☐ PVC ☐ Other _____

5.
☐ **Alternative Method:**
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval



6

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, hospital, institution or church*)
- ☐ 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)

8

Signs: Subsection C of 19 15 17 11 NMAC

- ☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
- ☒ Signed in compliance with 19 15 3 103 NMAC

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 acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.

| | |
|---|--|
| Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank - NM Office of the State Engineer - iWATERS database search, USGS, Data obtained from nearby wells | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application (<i>Applies to temporary, emergency, or cavitation pits and below-grade tanks</i>) - Visual inspection (certification) of the proposed site, Aerial photo; Satellite image | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA |
| Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application (<i>Applies to permanent pits</i>) - Visual inspection (certification) of the proposed site; Aerial photo, Satellite image | <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map, Topographic map, Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within the area overlying a subsurface mine - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within an unstable area - Engineering measures incorporated into the design, NM Bureau of Geology & Mineral Resources, USGS, NM Geological Society, Topographic map | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Within a 100-year floodplain - FEMA map | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

11
Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19 15 17 9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

☒ Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19 15 17 9 NMAC
☐ Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19 15 17 9 NMAC
☒ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15 17 10 NMAC
☒ Design Plan - based upon the appropriate requirements of 19 15 17 11 NMAC
☒ Operating and Maintenance Plan - based upon the appropriate requirements of 19 15 17 12 NMAC
☒ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19 15 17 9 NMAC and 19 15 17 13 NMAC
☐ Previously Approved Design (attach copy of design) API Number _____ or Permit Number _____

12
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19 15 17 9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

☐ Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19 15 17 9
☐ Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19 15 17 10 NMAC
☐ Design Plan - based upon the appropriate requirements of 19 15 17 11 NMAC
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19 15 17 12 NMAC
☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19 15 17 9 NMAC and 19 15 17 13 NMAC
☐ Previously Approved Design (attach copy of design) API Number _____
☐ Previously Approved Operating and Maintenance Plan API Number _____ (Applies only to closed-loop system that use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

13.
Permanent Pits Permit Application Checklist: Subsection B of 19 15.17 9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

☐ Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19 15.17 9 NMAC
☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15 17 10 NMAC
☐ Climatological Factors Assessment
☐ Certified Engineering Design Plans - based upon the appropriate requirements of 19 15 17 11 NMAC
☐ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19 15 17 11 NMAC
☐ Leak Detection Design - based upon the appropriate requirements of 19 15 17 11 NMAC
☐ Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19 15 17.11 NMAC
☐ Quality Control/Quality Assurance Construction and Installation Plan
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19 15 17 12 NMAC
☐ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19 15 17 11 NMAC
☐ Nuisance or Hazardous Odors, including H₂S, Prevention Plan
☐ Emergency Response Plan
☐ Oil Field Waste Stream Characterization
☐ Monitoring and Inspection Plan
☐ Erosion Control Plan
☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19 15 17 9 NMAC and 19 15 17 13 NMAC

14
Proposed Closure: 19 15 17 13 NMAC
Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.

Type ☐ Drilling ☐ Workover ☐ Emergency ☐ Cavitation ☐ P&A ☐ Permanent Pit ☒ Below-grade Tank ☐ Closed-loop System
☐ Alternative
 Proposed Closure Method ☒ Waste Excavation and Removal
☐ Waste Removal (Closed-loop systems only)
☐ On-site Closure Method (Only for temporary pits and closed-loop systems)
☐ In-place Burial ☐ On-site Trench Burial
☐ Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)

15.
Waste Excavation and Removal Closure Plan Checklist: (19 15 17 13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.*

☒ Protocols and Procedures - based upon the appropriate requirements of 19 15.17 13 NMAC
☒ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19 15 17 13 NMAC
☒ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
☒ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19 15 17 13 NMAC
☒ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19 15 17 13 NMAC
☒ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15 17 13 NMAC

16

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19 15 17 13 D NMAC)

Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.

Disposal Facility Name _____ Disposal Facility Permit Number _____

Disposal Facility Name _____ Disposal Facility Permit Number _____

Will any of the proposed closed-loop system operations and associated activities occur on or in areas that *will not* be used for future service and operations?

☐ Yes (If yes, please provide the information below) ☐ No

Required for impacted areas which will not be used for future service and operations

☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19 15 17 13 NMAC

☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19 15 17 13 NMAC

☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15 17 13 NMAC

17

Siting Criteria (regarding on-site closure methods only): 19 15 17 10 NMAC

Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.

| | |
|--|---|
| Ground water is less than 50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search, USGS, Data obtained from nearby wells | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA |
| Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search, USGS, Data obtained from nearby wells | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA |
| Ground water is more than 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search, USGS, Data obtained from nearby wells | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA |
| Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark) - Topographic map, Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application - Visual inspection (certification) of the proposed site, Aerial photo, Satellite image | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application - NM Office of the State Engineer - iWATERS database, Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input type="checkbox"/> 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 | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within 500 feet of a wetland - US Fish and Wildlife Wetland Identification map, Topographic map, Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within the area overlying a subsurface mine - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within an unstable area - Engineering measures incorporated into the design, NM Bureau of Geology & Mineral Resources, USGS, NM Geological Society, Topographic map | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within a 100-year floodplain. - FEMA map | <input type="checkbox"/> Yes <input type="checkbox"/> No |

18

On-Site Closure Plan Checklist: (19.15 17 13 NMAC) **Instructions:** Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.

- ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15 17 10 NMAC
- ☐ Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19 15 17 13 NMAC
- ☐ Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19 15 17 11 NMAC
- ☐ Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19 15 17 11 NMAC
- ☐ Protocols and Procedures - based upon the appropriate requirements of 19 15 17 13 NMAC
- ☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19 15 17 13 NMAC
- ☐ Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19 15 17 13 NMAC
- ☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)
- ☐ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19 15 17 13 NMAC
- ☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19 15 17 13 NMAC
- ☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15 17 13 NMAC

19

Operator Application Certification:

I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief

Name (Print) Kim Champlin Title Environmental Representative
 Signature Kim Champlin Date 11-26-08
 e-mail address kim_champlin@xtoenergy.com Telephone (505) 333-3100

20

OCD Approval: ☐ Permit Application (including closure plan) ☒ Closure Plan (only) ☐ OCD Conditions (see attachment)

OCD Representative Signature: [Signature] Approval Date: 8/16/2011
 Title: Environmental Engineer Compliance Officer OCD Permit Number: _____

21

Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17 13 NMAC

Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☒ Closure Completion Date: 2/7/11

22

Closure Method:

☒ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-loop systems only)
☐ If different from approved plan, please explain

23

Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:

Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name _____ Disposal Facility Permit Number _____

Disposal Facility Name _____ Disposal Facility Permit Number _____

Were the closed-loop system operations and associated activities performed on or in areas that *will not* be used for future service and operations?

☐ Yes (If yes, please demonstrate compliance to the items below) ☐ No

Required for impacted areas which will not be used for future service and operations

- ☐ Site Reclamation (Photo Documentation)
☐ Soil Backfilling and Cover Installation
☐ Re-vegetation Application Rates and Seeding Technique

24

Closure Report Attachment Checklist: *Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.*

- ☐ 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 _____ Longitude _____ NAD ☐ 1927 ☐ 1983

25

Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print) James McDaniel Title EH&S Coordinator
 Signature [Signature] Date 4/19/11
 e-mail address James_McDaniel Telephone 505-333-3701

District I
1625 N French Dr , Hobbs, NM 88240
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1301 W Grand Avenue, Artesia, NM 88210
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State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

| | |
|---|---|
| Name of Company: XTO Energy, Inc. | Contact: James McDaniel |
| Address: 382 Road 3100, Aztec, New Mexico 87410 | Telephone No (505) 333-3701 |
| Facility Name: Murphy E #3 (30-045-21437) | Facility Type: Gas Well (Pictured Cliffs) |

| | | |
|------------------------|----------------|------------|
| Surface Owner: Federal | Mineral Owner: | Lease No : |
|------------------------|----------------|------------|

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|---------------|-----------------|--------------|----------------------|-------------------------|----------------------|-----------------------|--------------------|
| Unit Letter A | Section 33 | Township 30N | Range 11W | Feet from the 990 | North/South Line FNL | Feet from the 830 | East/West Line FEL | County San Juan |
|------------------|---------------|-----------------|--------------|----------------------|-------------------------|----------------------|-----------------------|--------------------|

Latitude: 36.7736 Longitude: -107.9894

NATURE OF RELEASE

| | | |
|--|--|--------------------------------|
| Type of Release: None | Volume of Release: NA | Volume Recovered: NA |
| Source of Release: NA | Date and Hour of Occurrence: NA | Date and Hour of Discovery: NA |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? | |
| By Whom? | Date and Hour | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse | |

If a Watercourse was Impacted, Describe Fully *

Describe Cause of Problem and Remedial Action Taken *


The below grade tank was taken out of service at the Murphy E #3 well site due to the plugging and abandoning of this well site. A composite sample was collected beneath the location of the on-site BGT, and submitted for laboratory analysis for TPH via USEPA Method 418.1 and 8015, benzene and BTEX via USEPA Method 8021, and for total chlorides. The sample returned results below the 'Pit Rule' spill confirmation standards for TPH, benzene, total BTEX and the total chlorides, confirming that a release has not occurred at this location.

Describe Area Affected and Cleanup Action Taken *

No release has been confirmed for this location.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

OIL CONSERVATION DIVISION

| | | | |
|--|---------------------------------|-----------------|-----------------------------------|
| Signature:  | Approved by District Supervisor | | |
| Printed Name: James McDaniel | | | |
| Title: EH&S Specialist | Approval Date | Expiration Date | |
| E-mail Address: James_McDaniel@xtoenergy.com | Conditions of Approval | | Attached <input type="checkbox"/> |
| Date: 4/19/2011 Phone: 505-333-3701 | | | |

* Attach Additional Sheets If Necessary

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

Lease Name: Murphy E #3

API No.: 30-045-21437

Description: Unit A, Section 33, Township 30N, Range 11W, San Juan County

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.
Closure Date is February 7, 2011
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.
Closure Date is February 7, 2011
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.
Required C-144 Form is attached to this document.
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**All liquids and sludge were removed from the tank prior to closure activities.**
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 approves.
XTO has removed the below grade tank, and will dispose of it at a division approved facility, or recycle, reclaim or reuse it in a manner that is approved by the division.

6. XTO will remove any on-site equipment associated with a below-grade tank unless the equipment is required for some other purpose
All equipment has been removed due to the plugging and abandoning of the Murphy E #3 well site.

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 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.

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

| Components | Test Method | Limit (mg/Kg) | Results |
|------------|---------------------------|-------------------|--------------------|
| Benzene | EPA SW-846 8021B or 8260B | 0.2 | BDL mg/kg |
| BTEX | EPA SW-846 8021B or 8260B | 50 | 0.019 mg/kg |
| TPH | EPA SW-846 418.1 | 100 | 64 mg/kg |
| Chlorides | EPA 300.1 | 250 or background | 220 mg/kg |

8. If XTO or the division determines that a release has occurred, XTO will comply with 19.15.3.116 NMAC and 19.15.1.19NMAC as appropriate.
No release has been confirmed at this location

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.
The pit cellar was backfilled using compacted, non-waste containing earthen material, with a division prescribed soil cover.

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
- Notification was provided to Mr. Brandon Powell with the Aztec office of the OCD via email on January 28, 2011; see attached email printout.**

The surface owner shall be notified of XTO's proposal to close the BGT as per the approved closure plan using certified mail, return receipt requested.

The surface owner was notified on January 28, 2011; see attached letter and return receipt.

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.
The location has been recontoured to match the above specifications.
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.
The site has been backfilled to match these specifications.
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
The location has been reclaimed pursuant to the BLM MOU.
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; **attached**
 - ii. Details on capping and covering, where applicable; **per OCD Specifications**
 - iii. Inspection reports; **attached**
 - iv. Confirmation sampling analytical results; **attached**
 - v. Disposal facility name(s) and permit number(s); **see above**
 - vi. Soil backfilling and cover installation; **per OCD Specifications**
 - vii. Re-vegetation application rates and seeding techniques, (or approved alternative to re-vegetation requirements if applicable); **Per BLM MOU**
 - viii. Photo documentation of the site reclamation. **attached**
15. This closure report is being submitted after the 60 day deadline required by the 'Pit Rule' due to a unforeseen delay on final reclamation of this well site. This delay was due to the pipeline riser not being removed by the gathering company in a timely fashion.

COVER LETTER

Tuesday, February 08, 2011

James McDaniel
XTO Energy
382 County Road 3100
Aztec, NM 87410

TEL: (505) 787-0519

FAX (505) 333-3280

RE: Murphy E #3

Order No.: 1102013

Dear James McDaniel:

Hall Environmental Analysis Laboratory, Inc. received 1 sample(s) on 2/1/2011 for the analyses presented in the following report.

These were analyzed according to EPA procedures or equivalent. Below is a list of our accreditations. To access our accredited tests please go to www.hallenvironmental.com or the state specific web sites.

Reporting limits are determined by EPA methodology.

Please do not hesitate to contact HEAL for any additional information or clarifications.

Sincerely,



Andy Freeman, Laboratory Manager

NM Lab # NM9425 NM0901
AZ license # AZ0682
ORELAP Lab # NM100001
Texas Lab# T104704424-08-TX



Hall Environmental Analysis Laboratory, Inc.

Date: 08-Feb-11

CLIENT: XTO Energy
Lab Order: 1102013
Project: Murphy E #3
Lab ID: 1102013-01

Client Sample ID: BGT Closure Comp.
Collection Date: 1/28/2011 12:10:00 PM
Date Received: 2/1/2011
Matrix: SOIL

| Analyses | Result | PQL | Qual | Units | DF | Date Analyzed |
|------------------------------|--------|-----|------|-------|----|---------------|
| EPA METHOD 418.1: TPH | | | | | | |
| Petroleum Hydrocarbons, TR | 64 | 20 | | mg/Kg | 1 | 2/8/2011 |

Analyst: JB

Qualifiers:

* Value exceeds Maximum Contaminant Level
E Estimated value
J Analyte detected below quantitation limits'
NC Non-Chlorinated
PQL Practical Quantitation Limit

B Analyte detected in the associated Method Blank
H Holding times for preparation or analysis exceeded
MCL Maximum Contaminant Level
ND Not Detected at the Reporting Limit
S Spike recovery outside accepted recovery limits

QA/QC SUMMARY REPORT

Client: XTO Energy
Project: Murphy E #3

Work Order: 1102013

| Analyte | Result | Units | PQL | SPK Val | SPK ref | %Rec | LowLimit | HighLimit | %RPD | RPDLimit | Qual |
|-------------------------------|--------|-------|-----|---------|---------|-----------------|----------|----------------|------|----------|----------|
| Method: EPA Method 418.1: TPH | | | | | | | | | | | |
| Sample ID: MB-25544 | | MBLK | | | | Batch ID: 25544 | | Analysis Date. | | | 2/8/2011 |
| Petroleum Hydrocarbons, TR | ND | mg/Kg | 20 | | | | | | | | |
| Sample ID: LCS-25544 | | LCS | | | | Batch ID: 25544 | | Analysis Date. | | | 2/8/2011 |
| Petroleum Hydrocarbons, TR | 95.26 | mg/Kg | 20 | 100 | 0 | 95.3 | 81.4 | 118 | | | |
| Sample ID: LCSD-25544 | | LCSD | | | | Batch ID: 25544 | | Analysis Date. | | | 2/8/2011 |
| Petroleum Hydrocarbons, TR | 102.7 | mg/Kg | 20 | 100 | 0 | 103 | 81.4 | 118 | 7.52 | 8.58 | |

Qualifiers:

| | | | |
|----|--|----|--|
| E | Estimated value | H | Holding times for preparation or analysis exceeded |
| J | Analyte detected below quantitation limits | NC | Non-Chlorinated |
| ND | Not Detected at the Reporting Limit | R | RPD outside accepted recovery limits |

Hall Environmental Analysis Laboratory, Inc.

Sample Receipt Checklist

Client Name XTO ENERGY

Date Received

2/1/2011

Work Order Number 1102013

Received by LNM

Checklist completed by

[Signature]

Sample ID labels checked by

Initials

[Signature]

2/1/11

Signature

Date

Matrix:

Carrier name. Greyhound

Shipping container/cooler in good condition?

Yes ☒

No ☐

Not Present ☐

Custody seals intact on shipping container/cooler?

Yes ☒

No ☐

Not Present ☐

Not Shipped ☐

Custody seals intact on sample bottles?

Yes ☐

No ☐

N/A ☒

Chain of custody present?

Yes ☒

No ☐

Chain of custody signed when relinquished and received?

Yes ☒

No ☐

Chain of custody agrees with sample labels?

Yes ☒

No ☐

Samples in proper container/bottle?

Yes ☒

No ☐

Sample containers intact?

Yes ☒

No ☐

Sufficient sample volume for indicated test?

Yes ☒

No ☐

All samples received within holding time?

Yes ☒

No ☐

Water - VOA vials have zero headspace?

No VOA vials submitted ☒

Yes ☐

No ☐

Water - Preservation labels on bottle and cap match?

Yes ☒

No ☐

N/A ☐

Water - pH acceptable upon receipt?

Yes ☒

No ☐

N/A ☐

Container/Temp Blank temperature?

5.9°

<6° C Acceptable

If given sufficient time to cool

Number of preserved bottles checked for pH:

<2 >12 unless noted below.

COMMENTS:

Client contacted

Date contacted:

Person contacted

Contacted by

Regarding:

Comments:

Corrective Action

| | | | |
|---|--|--|--|
| <h1>Chain-of-Custody Record</h1> | | Turn-Around Time: | |
| Client: <u>XTO</u> | | <input checked="" type="checkbox"/> Standard <input type="checkbox"/> Rush | |
| Mailing Address: <u>382 ROAD 3100</u> | | Project Name: <u>MURPHY E #3</u> | |
| <u>AZTEC, NM 87410</u> | | Project #: | |
| Phone #: <u>505-787-0519</u> | | Project Manager: | |
| email or Fax#: <u>james_mcdaniel@xto</u> | | <u>JAMES MCDANIEL</u> | |
| QA/QC Package: <u>energy.com</u> | | Sampler: <u>BRAO GRIFFITH</u> | |
| <input checked="" type="checkbox"/> Standard <input type="checkbox"/> Level 4 (Full Validation) | | <input type="checkbox"/> NELAP <input type="checkbox"/> Other | |
| Accreditation | | Sample Temperature: <u>3.9</u> | |
| <input type="checkbox"/> EDD (Type) | | <input type="checkbox"/> NELAP <input type="checkbox"/> Other | |

☒ Standard ☐ Rush

Project #:

Project Manager:

Sampler: BRAO GRIFFITH

Office ☒ Yes ☐ No

Sample Temperature: 39

www.hallenvironmental.com

4901 Hawkins NE - Albuquerque, NM 87109

Tel. 505-345-3975 Fax 505-345-4107

Analysis Request

[illegible]

| | | | | | |
|---------------|---------------|------------------------------|----------------------------------|-----------------|--------------|
| Date: 1/31 | Time: 1550 | Relinquished by: Bl G H H | Received by: Christina Wooten | Date 1/31/11 | Time 1550 |
| Date: | Time: | Relinquished by: | Received by: [Signature] | Date: 2/1/11 | Time 1000 |

| | |
|----------|--|
| Remarks: | |
|----------|--|



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Fax (615) 758-5859

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Est 1970

James McDaniel
XTO Energy - San Juan Division
382 Road 3100
Aztec, NM 87410

Report Summary

Thursday February 03, 2011

Report Number: L499865

Samples Received: 02/02/11

Client Project:

Description: Murphy E 3

The analytical results in this report are based upon information supplied by you, the client, and are for your exclusive use. If you have any questions regarding this data package, please do not hesitate to call.

Entire Report Reviewed By:

Daphne Richards , ESC Representative

Laboratory Certification Numbers

A2LA - 1461-01, AIHA - 100789, AL - 40660, CA - I-2327, CT - PH-0197, FL - E87487
GA - 923, IN - C-TN-01, KY - 90010, KYUST - 0016, NC - ENV375/DW21704, ND - R-140
NJ - TN002, NJ NELAP - TN002, SC - 84004, TN - 2006, VA - 00109, WV - 233
AZ - 0612, MN - 047-999-395, NY - 11742, WI - 998093910, NV - TN000032008A,
TX - T104704245, OK-9915

Accreditation is only applicable to the test methods specified on each scope of accreditation held by ESC Lab Sciences

Note The use of the preparatory EPA Method 3511 is not approved or endorsed by the CA ELAP

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in laboratory standard operating procedures 060302, 060303, and 060304



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REPORT OF ANALYSIS

February 03, 2011

James McDaniel
XTO Energy - San Juan Division
382 Road 3100
Aztec, NM 87410

Date Received February 02, 2011
Description Murphy E 3
Sample ID BGT CLOSURE COMP
Collected By James McDaniel
Collection Date 01/28/11 12 10

ESC Sample # L499865-01

Site ID MURPHY E 3

Project #

| Parameter | Dry Result | Det Limit | Units | Method | Date | Dil |
|------------------------------|------------|-----------|-------|-----------|----------|-----|
| Chloride | 220 | 12 | mg/kg | 9056 | 02/02/11 | 1 |
| Total Solids | 87 | | % | 2540G | 02/03/11 | 1 |
| Benzene | BDL | 0.0029 | mg/kg | 8021/8015 | 02/02/11 | 5 |
| Toluene | BDL | 0.029 | mg/kg | 8021/8015 | 02/02/11 | 5 |
| Ethylbenzene | 0.019 | 0.0029 | mg/kg | 8021/8015 | 02/02/11 | 5 |
| Total Xylene | BDL | 0.0087 | mg/kg | 8021/8015 | 02/02/11 | 5 |
| TPH (GC/FID) Low Fraction | 8.0 | 0.58 | mg/kg | GRO | 02/02/11 | 5 |
| Surrogate Recovery-% | | | | | | |
| a,a,a-Trifluorotoluene (FID) | 97.1 | | % Rec | 8021/8015 | 02/02/11 | 5 |
| a,a,a-Trifluorotoluene (PID) | 99.9 | | % Rec | 8021/8015 | 02/02/11 | 5 |
| TPH (GC/FID) High Fraction | 26 | 4.6 | mg/kg | 3546/DRO | 02/03/11 | 1 |
| Surrogate recovery(%) | | | | | | |
| o-Terphenyl | 54.9 | | % Rec | 3546/DRO | 02/03/11 | 1 |

Results listed are dry weight basis

BDL - Below Detection Limit

Det Limit - Practical Quantitation Limit (PQL)

Note

This report shall not be reproduced, except in full, without the written approval from ESC

The reported analytical results relate only to the sample submitted

Reported 02/03/11 14 07 Printed 02/03/11 14 18



YOUR LAB OF CHOICE

XTO Energy - San Juan Division
James McDaniel
382 Road 3100

Aztec, NM 87410

Quality Assurance Report
Level II

L499865

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(615) 758-5858
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February 03, 2011

| Analyte | Result | Laboratory Blank Units % Rec | Limit | Batch | Date Analyzed |
|-----------------------------|--------|---------------------------------|--------|----------|----------------|
| Benzene | < 0005 | mg/kg | | WG519875 | 02/02/11 14 27 |
| Ethylbenzene | < 0005 | mg/kg | | WG519875 | 02/02/11 14 27 |
| Toluene | < 005 | mg/kg | | WG519875 | 02/02/11 14 27 |
| TPH (GC/FID) Low Fraction | < 1 | mg/kg | | WG519875 | 02/02/11 14 27 |
| Total Xylene | < 0015 | mg/kg | | WG519875 | 02/02/11 14 27 |
| a,a,a-Trifluorotoluene(FID) | | % Rec 97 90 | 59-128 | WG519875 | 02/02/11 14 27 |
| a,a,a-Trifluorotoluene(PID) | | % Rec 101 9 | 54-144 | WG519875 | 02/02/11 14 27 |
| Chloride | < 10 | mg/kg | | WG519855 | 02/02/11 12 15 |
| TPH (GC/FID) High Fraction | < 4 | ppm | | WG519874 | 02/03/11 03 33 |
| o-Terphenyl | | % Rec 97 59 | 50-150 | WG519874 | 02/03/11 03 33 |
| Total Solids | < 1 | % | | WG519923 | 02/03/11 12 02 |

| Analyte | Units | Result | Duplicate Duplicate | RPD | Limit | Ref Samp | Batch |
|--------------|-------|--------|------------------------|-------|-------|------------|----------|
| Total Solids | % | 87 0 | 86 8 | 0 559 | 5 | L499889-03 | WG519923 |

| Analyte | Units | Laboratory Control Sample Known Val Result | % Rec | Limit | Batch |
|-----------------------------|-------|---|--------|--------|-----------------|
| Benzene | mg/kg | 05 | 0 0499 | 99 8 | 76-113 WG519875 |
| Ethylbenzene | mg/kg | 05 | 0 0492 | 98 5 | 78-115 WG519875 |
| Toluene | mg/kg | 05 | 0 0480 | 96 0 | 76-114 WG519875 |
| Total Xylene | mg/kg | 15 | 0 147 | 97 8 | 81-118 WG519875 |
| a,a,a-Trifluorotoluene(PID) | | | 97 77 | 54-144 | WG519875 |
| TPH (GC/FID) Low Fraction | mg/kg | 5 5 | 5 79 | 105 | 67-135 WG519875 |
| a,a,a-Trifluorotoluene(FID) | | | 105 0 | 59-128 | WG519875 |
| Chloride | mg/kg | 200 | 202 | 101 | 85-115 WG519855 |
| TPH (GC/FID) High Fraction | ppm | 60 | 50 5 | 84 2 | 50-150 WG519874 |
| o-Terphenyl | | | | 87 68 | 50-150 WG519874 |
| Total Solids | % | 50 | 50 0 | 100 | 85-155 WG519923 |

| Analyte | Units | Result | Ref | %Rec | Limit | RPD | Limit | Batch |
|-----------------------------|-------|--------|--------|-------|--------|------|-------|----------|
| Benzene | mg/kg | 0 0506 | 0 0499 | 101 | 76-113 | 1 35 | 20 | WG519875 |
| Ethylbenzene | mg/kg | 0 0503 | 0 0492 | 101 | 78-115 | 2 21 | 20 | WG519875 |
| Toluene | mg/kg | 0 0493 | 0 0480 | 99 0 | 76-114 | 2 73 | 20 | WG519875 |
| Total Xylene | mg/kg | 0 150 | 0 147 | 100 | 81-118 | 2 24 | 20 | WG519875 |
| a,a,a-Trifluorotoluene(PID) | | | | 100 8 | 54-144 | | | WG519875 |
| TPH (GC/FID) Low Fraction | mg/kg | 5 67 | 5 79 | 103 | 67-135 | 2 10 | 20 | WG519875 |
| a,a,a-Trifluorotoluene(FID) | | | | 105 0 | 59-128 | | | WG519875 |
| Chloride | mg/kg | 198 | 202 | 99 0 | 85-115 | 2 00 | 20 | WG519855 |

* Performance of this Analyte is outside of established criteria
For additional information, please see Attachment A 'List of Analytes with QC Qualifiers'



YOUR LAB OF CHOICE

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James McDaniel
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Aztec, NM 87410

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Est 1970

February 03, 2011

| Analyte | Laboratory Control | | Sample Duplicate | | Limit | RPD | Limit | Batch |
|----------------------------|--------------------|--------|------------------|-------|--------|-------|-------|----------|
| | Units | Result | Ref | %Rec | | | | |
| TPH (GC/FID) High Fraction | ppm | 50.7 | 50.5 | 84.0 | 50-150 | 0.451 | 25 | WG519874 |
| o-Terphenyl | | | | 85.77 | 50-150 | | | WG519874 |

| Analyte | Units | Matrix Spike | | TV | % Rec | Limit | Ref Samp | Batch |
|------------------------------|-------|--------------|---------|-----|-------|--------|------------|----------|
| | | MS Res | Ref Res | | | | | |
| Benzene | mg/kg | 0.234 | 0 | 05 | 93.5 | 32-137 | L499860-01 | WG519875 |
| Ethylbenzene | mg/kg | 0.229 | 0 | 05 | 91.6 | 10-150 | L499860-01 | WG519875 |
| Toluene | mg/kg | 0.224 | 0 | 05 | 89.6 | 20-142 | L499860-01 | WG519875 |
| Total Xylene | mg/kg | 0.680 | 0 | 15 | 90.7 | 16-141 | L499860-01 | WG519875 |
| a,a,a-Trifluorotoluene (PID) | | | | | 100.3 | 54-144 | | WG519875 |
| TPH (GC/FID) Low Fraction | mg/kg | 23.3 | 0 | 5.5 | 84.8 | 55-109 | L499860-01 | WG519875 |
| a,a,a-Trifluorotoluene (FID) | | | | | 102.9 | 59-128 | | WG519875 |
| Chloride | mg/kg | 570 | 44.0 | 500 | 105 | 80-120 | L499810-02 | WG519855 |
| TPH (GC/FID) High Fraction | ppm | 50.1 | 0 | 60 | 83.5 | 50-150 | L499871-07 | WG519874 |
| o-Terphenyl | | | | | 84.90 | 50-150 | | WG519874 |

| Analyte | Units | Matrix Spike Duplicate | | Limit | RPD | Limit | Ref Samp | Batch |
|------------------------------|-------|------------------------|-------|-------|--------|-------|----------|------------|
| | | MSD | Ref | | | | | |
| Benzene | mg/kg | 0.242 | 0.234 | 96.9 | 32-137 | 3.60 | 39 | L499860-01 |
| Ethylbenzene | mg/kg | 0.237 | 0.229 | 94.7 | 10-150 | 3.34 | 44 | L499860-01 |
| Toluene | mg/kg | 0.233 | 0.224 | 93.1 | 20-142 | 3.87 | 42 | L499860-01 |
| Total Xylene | mg/kg | 0.711 | 0.680 | 94.8 | 16-141 | 4.44 | 46 | L499860-01 |
| a,a,a-Trifluorotoluene (PID) | | | | 100.8 | 54-144 | | | WG519875 |
| TPH (GC/FID) Low Fraction | mg/kg | 24.5 | 23.3 | 89.2 | 55-109 | 5.07 | 20 | L499860-01 |
| a,a,a-Trifluorotoluene (FID) | | | | 103.2 | 59-128 | | | WG519875 |
| Chloride | mg/kg | 568 | 570 | 105 | 80-120 | 0.351 | 20 | L499810-02 |
| TPH (GC/FID) High Fraction | ppm | 49.7 | 50.1 | 82.8 | 50-150 | 0.884 | 25 | L499871-07 |
| o-Terphenyl | | | | 82.70 | 50-150 | | | WG519874 |

Batch number / Run number / Sample number cross reference

WG519875 R1560769 L499865-01
WG519855 R1560849 L499865-01
WG519874 R1561190 L499865-01
WG519923 R1561729 L499865-01

* * Calculations are performed prior to rounding of reported values
* Performance of this Analyte is outside of established criteria
For additional information, please see Attachment A 'List of Analytes with QC Qualifiers'



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Est 1970

February 03, 2011

The data package includes a summary of the analytic results of the quality control samples required by the SW-846 or CWA methods. The quality control samples include a method blank, a laboratory control sample, and the matrix spike/matrix spike duplicate analysis. If a target parameter is outside the method limits, every sample that is effected is flagged with the appropriate qualifier in Appendix B of the analytic report.

Method Blank - an aliquot of reagent water carried through the entire analytic process. The method blank results indicate if any possible contamination exposure during the sample handling, digestion or extraction process, and analysis. Concentrations of target analytes above the reporting limit in the method blank are qualified with the "B" qualifier.

Laboratory Control Sample - is a sample of known concentration that is carried through the digestion/extraction and analysis process. The percent recovery, expressed as a percentage of the theoretical concentration, has statistical control limits indicating that the analytic process is "in control". If a target analyte is outside the control limits for the laboratory control sample or any other control sample, the parameter is flagged with a "J4" qualifier for all effected samples.

Matrix Spike and Matrix Spike Duplicate - is two aliquots of an environmental sample that is spiked with known concentrations of target analytes. The percent recovery of the target analytes also has statistical control limits. If any recoveries that are outside the method control limits, the sample that was selected for matrix spike/matrix spike duplicate analysis is flagged with either a "J5" or a "J6". The relative percent difference (%RPD) between the matrix spike and the matrix spike duplicate recoveries is all calculated. If the RPD is above the method limit, the effected samples are flagged with a "J3" qualifier.



James McDaniel /FAR/CTOC
01/28/2011 08:00 AM

To brandon.powell@state.nm.us
cc Martin Nee/FAR/CTOC@CTOC
bcc
Subject Murphy E #3 BGT Closure

Brandon,

Please accept this email as the required notice for BGT closure activities at the Murphy E. #3 well site (api # 30-045-21437) located in Unit A, Section 33, Township 30N, Range 11W, San Juan County, New Mexico. We are closing this BGT due to the plugging and abandoning of this well location. Thank you for your time in regards to this matter.



James McDaniel
EH&S Specialist
XTO Energy, Inc.
Office # 505-333-3701
Cell # 505-787-0519



January 28, 2011

Mark Kelly,
Bureau of Land Management – Farmington Field Office
1235 La Plata Highway
Farmington, New Mexico, 87401


Re: Murphy E #3
Unit A, Section 33, Township 30N, Range 11W, San Juan County, New Mexico

Dear Mr. Kelly,

This submittal is pursuant to Rule 19.15.17.13 requiring operators to notify surface owners of the closure of a below grade tank pit. XTO Energy, Inc. (XTO) is hereby providing written documentation of our proposal to close the below grade tank pit associated with the above mentioned well site by waste excavation and removal.

Should you have questions or require additional information, please feel free to contact me at your convenience at (505) 333-3100. Thank you for your time in regards to this matter.

Respectfully Submitted,



James McDaniel
EH&S Specialist
XTO Energy, Inc.
San Juan Division

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 1235 LA PLATA HWY
 FARMINGTON, NM 87401

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 JAN 28 2001
 USPS

PS Form 3800

| SENDER: COMPLETE THIS SECTION | COMPLETE THIS SECTION ON DELIVERY |
|--|---|
| <ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. | <p>A. Signature <input checked="" type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> |
| <p>1. Article Addressed to:</p> <p>BLM-FFO MARK KELLY 1235 LA PLATA HWY FARMINGTON, NM 87401</p> | <p>3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p> |
| <p>2. Article Number (Transfer from service label)</p> <p>7010 0780 0001 6436 9451</p> | |
| <p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p> | |

XTO Energy, Inc.
Murphy E #3
Section 33, Township 30N, Range 11W
Closure Date: 2/7/2011



Photo 1: Murphy E #3 after Reclamation (View 1)



Photo 2: Murphy E #3 after Reclamation (View 2)



Well Below Tank Inspection Report

| RouteName | | StopName | | Pumper | Foreman | WellName | | | APIWellNumber | Section | Range | Township |
|-------------------------------|-----------------|-----------------|--------------------|--------------------------|-------------------------|------------------|--------------|-----------------|----------------|--------------|--------------------------------|----------|
| Below Grade Pit Forms (Temp) | | Murphy E 3 | | Unassigned | Unassigned | MURPHY E 03 (PA) | | | 3004521437 | 33 | 11W | 30N |
| InspectorName | Inspection Date | Inspection Time | Visible LinerTears | VisibleTankLeak Overflow | Collection OfSurfaceRun | Visible LayerOil | Visible Leak | Freeboard EstFT | PitLocation | PitType | Notes | |
| Tony Breadmont | 08/05/2008 | 07 00 | No | No | No | No | No | 2 | Well Water Pit | Above G | Pit has been dry and empty for | |
| Tony Breadmont | 09/06/2008 | 07 50 | No | No | No | No | No | 2 | Well Water Pit | Above G | Pit has been dry and empty for | |
| Tony Breadmont | 10/05/2008 | 11 00 | No | No | No | No | No | 2 | Well Water Pit | Above G | Pit has been dry and empty for | |
| Tony Breadmont | 11/03/2008 | 01 00 | No | No | No | No | No | 2 | Well Water Pit | Above G | Pit has been dry and empty for | |
| Tony Breadmont | 12/26/2008 | 02 00 | No | No | No | No | No | 2 | Well Water Pit | Above G | Pit has been dry and empty for | |
| PAT ROARK | 01/10/2009 | 15 00 | No | No | No | No | No | 2 | Well Water Pit | Above G | ABOUT 2" PRECIPITATION W | |
| TONY BREADMOI | 02/16/2009 | 01 00 | No | No | No | No | No | 2 | Well Water Pit | Above G | ABOUT 2" PRECIPITATION W | |
| TONY BREADMOI | 03/04/2009 | 02 34 | No | No | No | No | No | 2 | Well Water Pit | Above G | ABOUT 2" PRECIPITATION W | |
| TONY BREADMOI | 04/18/2009 | 08 41 | No | No | No | No | No | 2 | Well Water Pit | Above G | ABOUT 2" PRECIPITATION W | |
| TONY BREADMOI | 05/02/2009 | 08 00 | No | No | No | No | No | 2 | Well Water Pit | Above G | ABOUT 2" PRECIPITATION W | |
| LRoss | 06/04/2009 | 08 00 | No | No | No | No | No | 2 | Well Water Pit | Above G | ABOUT 2" PRECIPITATION W | |
| LRoss | 07/08/2009 | 08 00 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |
| LRoss | 08/08/2009 | 10 45 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |
| TB | 09/09/2009 | 10 44 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |
| TB | 10/20/2009 | 08 56 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |
| TB | 11/23/2009 | 11 56 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |
| TB | 12/10/2009 | 11 37 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |
| TB | 01/06/2010 | 11 00 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |
| rf | 02/10/2010 | 07 58 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |
| rf | 03/02/2010 | 11 36 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |
| rf | 04/11/2010 | 03 20 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |
| tb | 05/07/2010 | 11 00 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |
| rf | 06/04/2010 | 09 33 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |
| rf | 07/02/2010 | 09 44 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |
| tb | 08/16/2010 | 10 11 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |
| tb | 09/09/2010 | 09 23 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |
| tb | 10/06/2010 | 09 44 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |
| tb | 11/03/2010 | 09 15 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |
| tb | 12/09/2010 | 09 21 | No | No | No | No | No | 2 | Well Water Pit | Above Ground | | |