<u> District I</u>

1625 N French Dr , Hobbs, NM 88240

1023 14 1161611 21 , 110003, 1441 00

District II

1301 W Grand Ave , Artesia, NM 88210

District III

1000 Rio Brazos Rd, 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.

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

Form C-144

July 21, 2008

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

1220 South St. Francis Dr. Santa Fe, NM 87505

Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application
Type of action: X Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method 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 hability 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
Operator Burlington Resources Oil & Gas Company, LP OGRID#: 14538 Address: PO Box 4289, Farmington, NM 87499
Facility or well name SUSCO 16 STATE 101H API Number: 30-045- 299 19 OCD Permit Number U/L or Qtr/Qtr: G(SW/NE) Section. 16 Township: 32N Range 8W County. SAN JUAN Center of Proposed Design: Latitude: 36.986605 °N Longitude. 107.677081 °W NAD. 1927 X 1983 Surface Owner: Federal X State Private Tribal Trust or Indian Allotment
Pit: Subsection F or G of 19 15 17 11 NMAC Temporary
Subsection H of 19 15 17 11 NMAC Type of Operation P&A X Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) X Drying Pad X Above Ground Steel Tanks Haul-off Bins Other X Lined Unlined Liner type Thickness 20 mil X LLDPE HDPE PVD Other DVD Other Company Co
Below-grade tank: Subsection I of 19 15 17 11 NMAC Volume bbl Type of fluid Tank Construction material Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off Visible sidewalls and liner Visible sidewalls only Other Liner Type Thickness mil HDPE PVC Other
Submittal of an exception request is required Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval

Fencing: Subsection D of 19 15 17 11 NMAC (Applies to permanent pit, temporary pits, and below-grade tanks) Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church) Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate Please specify				
Netting: Subsection E of 19 15 17 11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other Monthly inspections (If netting or screening is not physically feasible)				
Signs: Subsection C of 19 15 17 11 NMAC \ 12" X 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers X Signed in compliance with 19 15 3 103 NMAC				
Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required Please refer to 19 15 17 NMAC for guidance Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s) Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for consideration of approval (Fencing/BGT Liner) Exception(s) Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval				
Siting Criteria (regarding permitting) 19 15 17 10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance Siting criteria does not apply to drying pads or above grade-tanks associated with a closed-loop system.				
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - IWATERS database search, USGS, Data obtained from nearby wells	Yes	No		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map, Visual inspection (certification) of the proposed site	Yes	□No		
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks)	Yes	No		
- Visual inspection (certification) of the proposed site, Aerial photo, Satellite image				
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applied to permanent pits) - Visual inspection (certification) of the proposed site, Aerial photo, Satellite image				
Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	Yes	□No		
- NM Office of the State Engineer - 1WATERS database search, Visual inspection (certification) of the proposed site				
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended - Written confirmation or verification from the municipality, Written approval obtained from the municipality	Yes	□No		
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map, Topographic map, Visual inspection (certification) of the proposed site	Yes	No		
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	Yes	□No		
Within an unstable area. - Engineering measures incorporated into the design, NM Bureau of Geology & Mineral Resources, USGS, NM Geological	Yes	No		
Society, Topographic map Within a 100-year floodplain - FEMA map	Yes	□No		

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				
String 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 or Permit				
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				
X Design Plan - based upon the appropriate requirements of 19 15 17 11 NMAC				
X Operating and Maintenance Plan - based upon the appropriate requirements of 19 15 17 12 NMAC				
X Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19 15 17 9				
NMAC and 19 15 17 13 NMAC				
Previously Approved Design (attach copy of design) API				
Previously Approved Operating and Maintenance Plan API				
13				
Permanent Pits Permit Application Checklist: Subsection B of 19 15 17 9 NMAC				
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.				
Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19 15 17 9 NMAC				
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15 17 10 NMAC				
☐ Climatological Factors Assessment ☐ Certified Engineering Design Plans - based upon the appropriate requirements of 19 15 17 11 NMAC				
Dike Protection and Structural Integrity Design based upon the appropriate requirements of 19 15 17 11 NMAC				
Leak Detection Design - based upon the appropriate requirements of 19 15 17 11 NMAC				
Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19 15 17 11 NMAC				
Quality Control/Quality Assurance Construction and Installation Plan				
Operating and Maintenance Plan - based upon the appropriate requirements of 19 15 17 12 NMAC				
Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19 15 17 11 NMAC				
Nuisance or Hazardous Odors, including H2S, Prevention Plan				
Emergency Response Plan				
Oil Field Waste Stream Characterization Monitoring and Inspection Plan				
Erosion Control Plan				
Closure Plan - based upon the appropriate requirements of Subsection C of 19 15 17 9 NMAC and 19 15 17 13 NMAC				
14				
Proposed Closure: 19 15 17 13 NMAC				
Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.				
Type Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank X Closed-loop System				
Alternative Proposed Closure Method Waste Excavation and Removal				
X Waste Removal (Closed-loop systems only)				
On-site Closure Method (only for temporary pits and closed-loop systems)				
In-place Burial On-site Trench				
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)				
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 Subscriptor F of 10 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				

	Closed-loop Systems That Utilize Above Ground S				
facilities are required				NOD.	
Disposal Facility Name Disposal Facility Name	Envirotech / JFJ Landfarm % IEI Basin Dianosal Faculty:	Disposal Facility Permit # Disposal Facility Permit #		TOB	
1	osed-loop system operations and associated activ			service and	
Yes (If yes, please pr	rovide the information No		The second of factors	or rice and	
Required for impacted areas which will not be used for future service and operations Soil Backfill and Cover Design Specification - 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					
Siting Criteria (Regarding on-site closure methods only: 19 15 17 10 NMAC Instructions Each string 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					
	0 feet below the bottom of the buried waste Engineer - iWATERS database search, USGS Data	obtained from nearby wells		Yes N/A	No
Ground water is between 50	and 100 feet below the bottom of the buried wa	aste		Yes	No
- NM Office of the State E	Engineer - iWATERS database search, USGS, Data of	obtained from nearby wells		□N/A	
Ground water is more than	100 feet below the bottom of the buried waste			Yes	No
- NM Office of the State E	Engineer - iWATERS database search, USGS, Data o	obtained from nearby wells		□ N/A	
(measured from the ordinary hi	,	nificant watercourse or lakebed, si	nkhole, or playa lake	Yes	No
	al inspection (certification) of the proposed site tent residence, school, hospital, institution, or church	in avistance at the time of initial a	malication	□Yes	ΠNο
•	cation) of the proposed site, Aerial photo, satellite im		ррисацоя		
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 fee of any other fresh water well or spring, in existence at the time of the initial application - NM Office of the State Engineer - iWATERS database, Visual inspection (certification) of the proposed site					
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended - Written confirmation or verification from the municipality, Written approval obtained from the municipality					No
Within 500 feet of a wetland		ocamed from the municipality		Yes	No
	etland Identification map, Topographic map, Visual ii	nspection (certification) of the pro	posed site		— .
Within the area overlying a - Written confirmation or v	subsurface mine verification or map from the NM EMNRD-Mining and	d Mineral Division		∐Yes	No
Within an unstable area	corporated into the design, NM Bureau of Geology &		Geological Society,	Yes	No
Topographic map Within a 100-year floodplai	n			Yes	No
- FEMA map				<u> </u>	
by a check mark in the box	ecklist: (19 15 17 13 NMAC) Instructions. Each of the documents are attached.			ire plan Pleaso	e indicate,
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 Rurial Trench (if applicable) based upon the appropriate requirements of 19 15 17 11 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					
= -	based upon the appropriate requirements of Sub				
Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15 17 13 NMAC					

Form C-144 Oil Conservation Division Page 4 of 5

Operator Application Certification:				
I hereby certify that the information submitted with this application is true, accurately	rate and complete to the	best of my knowledge and belief		
Name (Print) Jamie Goodwin	Title	Regulatory Technician		
Signature / Amu Goodiau	Date	2/24/11		
e-mail address // Jamie L Goodwin @conocophillips com	Telephone	505-326-9784		
20 OCD Approval: Permit Application (including closure plan)	Closure Plan (only	C) OCD Conditions (see attachment)		
OCD Representative Signature:	se	Approval Date: 2/28///		
Title: Compliance Office	OCD Per	rmit Number:		
Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17 13 NMAC Instructions Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed. Closure Completion Date:				
22				
Closure Method: Waste Excavation and Removal On-site Closure Method If different from approved plan, please explain	Alternative Closur	re Method Waste Removal (Closed-loop systems only)		
23				
Closure Report Regarding Waste Removal Closure For Closed-loop System Instructions Please identify the facility or facilities for where the liquids, dril were utilized		• • • • • • • • • • • • • • • • • • •		
Disposal Facility Name	Disposal Facili	ty Permit Number		
Disposal Facility Name	Disposal Facili	ty 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 compliane to the items below)				
Required for impacted areas which will not be used for future service and of Site Reclamation (Photo Documentation)	perations			
Soil Backfilling and Cover Installation				
Re-vegetation Application Rates and Seeding Technique				
24				
Closure Report Attachment Checklist: Instructions: Each of the fol	lowing items must be a	ttached 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 (if applicable)				
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		
25 Operator Closure Certification: I hereby certify that the information and attachments submitted with this closur the closure complies with all applicable closure requirements and conditions specifications.	•			
Name (Print)	Title	Closure plan		
Signature	Date			
e-mail address	Telephone			

Burlington Resources Oil & Gas Company, LP

Closed Loop Design:

The closed loop design will not incorporate a temporary pit or below grade tank. The plan will utilize an above grade tank suitable for holding the cuttings and fluids generated during drilling operations. The volume of the tank shall be of a sufficient volume to maintain an adequate free board for periodic removal and disposal of cuttings and fluids.

Burlington Resources Oil & Gas Company, LP may incorporate the use of a 20 mil, string reinforced, LLDPE liner with factory welded seams to line the drying pad in order to minimize the volume of fluids to be disposed of. The drying pad will be designed to prevent contamination of fresh water, protect public health and the environment, and have sumps to facilitate the collection of liquids derived from drilling cuttings, as specified per subsection H of 19.15 17.11. The cuttings pad will be constructed above grade and containment will be through the use of earthen berms of sufficient height to contain the cuttings and prevent run-off of surface water or fluids. The drying pad area will replace the area of the drill site previously designated for the reserve pit. It will be signed in compliance with 19.15.3.103 NMAC. Frac tanks will be utilized on site for fresh water storage.

Closed Loop Operations and Maintenance:

The closed loop system will be operated and maintained for solids and liquid containment to prevent ground water contamination as follows

- 1 Any free liquids will be recovered and reused or disposed of at the Basin Disposal Facility (Permit # NM-01-005) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM- 01-0010B). Reuse may include the relocating of liquids to be used in other permitted drilling operations.
- 2. Drill solids will be recovered from location and hauled to Envirotech (Permit #NM-01-0011) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B) periodically as required to maintain a safe free board in the cuttings tank. No onsite trench burial of cuttings will occur
- 3 In the event a drying pad is utilized, the cuttings will be picked up and transported to Basin Disposal Facility (Permit #NM-01-005) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B) The liner will be disposed of at the San Juan County Landfill located on CR 3100. The drying pad will be closed within 6 months from the date that the drilling rig is released Berms constructed from native materials will be bladed on site to the location's contour.
- 4 Any drilling materials or trash will be stored and disposed of appropriately
- The NMOCD will be notified within 48 hours of the discovery of compromised integrity of the closed loop containment. Any required repairs will commence immediately

Closed Loop Closure Plan:

1. Upon completion of the drilling operations, all solids and liquids will be removed and disposed of to Envirotech (Permit #NM-01-0011) and/or Basin Disposal Facility (Permit #NM-01-005) and/or JFJ Landfarm % Industrial Ecosystem Inc. (Permit #NM-01-0010B). Equipment shall also be removed from location. In the event a drying pad is utilized, the solids contained on the pad shall remain on site to allow sufficient drying and will then be transported to Envirotech (Permit #NM-01-0011) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit #NM-01-0010B) within 6 months from the date that the drilling rig is released

2 After the drying pad is removed the surface below will be visually inspected for any contamination. If contamination is discovered a five point composite sample will be taken of the drying pad area using sampling tools and all samples tested per Subsection B of 19.15.17.13(B)(1)(b). In the event that the criteria are not met, all contents will be handled per Subparagraph (a) of Paragraph (1) of Subsection B of 19.15.17.13 i.e., Dig and haul

Components	Tests Method	Limit (mg/Kg)
Benzene	EPA SW-846 8021B or 8260B	02
BTEX	EPA SW-846 8021B or 8260B	50
TPH	EPA SW-846 418 1	2500
GRO/DRO	EPA SW-846 8015M	500
Chlorides	EPA 300.1	500

- 3. Re-contouring of location will match fit, shape, line, form and texture of the surrounding Re-shaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be place in areas where needed to prevent erosion on a large scale. Final re-contour shall have a uniform appearance with smooth surface, fitting the natural landscape.
- 4. Notification will be sent to OCD when the reclaimed area is seeded
- BR shall seed the disturbed areas the first growing season after the operator closes the drying pad. Seeding will be accomplished via drilling on the contour whenever practical or by other division-approved methods. BLM or Forest Service stipulated seed mixes will used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs.

Туре	Variety or Cultivator	PLS/A
Western wheatgrass	Arrıba	3 0
Indian ricegrass	Paloma or Rımrock	3 0
Slender wheatgrass	San Luis	20
Crested wheatgrass	Hy-crest	3 0
Bottlebrush Squirreltail	Unknown	2 0
Four-wing Saltbrush	Delar	25

Species shall be planted in pounds of pure live seed per acre: Present Pure Live Seed (PLS) = Purity X Germination/100 Two lots of seed can be compared on the basis of PLS as follows:

Source No One (poor quality)

Purity

50 percent

Germination

40 percent

Percent PLS

20 percent

Percent PLS

21 b bulk good required to make

5 lb. bulk seed required to make 2 lb. bulk seed required to make

1 lb. PLS 1 lb. PLS