District I

1625 N French Dr , Hobbs, NM 88240

1301 W Grand Ave , Artesia, NM 88210 District III

1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico Energy Minerals and Natural Resources

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

July 21, 2008 For temporary pits, closed-loop sytems, and below-grade tanks, submit to the appropriate NMOCD District Office

Form C-144

For permanent pits and exceptions submit to the Santa Fe

District IV 1220 S St Francis Dr , Santa Fe, NM 87505	Environmental Bureau office and provide a copy to the appropriate NMOCD District Office
Pit, Closed-Loop System	, Below-Grade Tank, or
	Permit or Closure Plan Application
Type of action: Permit of a pit, closed-loop syst	tem, below-grade tank, or proposed alternative method
X Closure of a pit, closed-loop sys	stem, below-grade tank, or proposed alternative method
Modification to an existing perr	mit
Closure plan only submitted for below-grade tank, or proposed a	r an existing permitted or non-permitted pit, closed-loop system, alternative method
Instructions: Please submit one application (Form C-144) per ind	lividual pit, closed-loop system, below-grade tank or alternative
Please be advised that approval of this request does not relieve the operator of liab	· · · · ·
environment Nor does approval relieve the operator of its responsibility to comply w	nth 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: Calloway 1B	
API Number: 30-045-34796	OCD Permit Number
U/L or Qtr/Qtr: B(NW/NE) Section: 27 Township: 31N	Range: 11W County: San Juan
Center of Proposed Design: Latitude: 36.874033 °N	Longitude: <u>107.975565</u> <u>°W</u> NAD: <u>1927 X 1983</u>
Surface Owner: Federal State X Private Tr	ribal Trust or Indian Allotment
Permanent Emergency Cavitation P&A Lined Unlined Liner type: Thickness mil String-Reinforced Liner Seams. Welded Factory Other	LLDPE HDPE PVC Other Volume bbl Dimensions L x W x D
X Closed-loop System: Subsection H of 19 15 17 11 NMAC Type of Operation P&A X Drilling a new well Workover of notice of int X Drying Pad X Above Ground Steel Tanks Haul-off Bins X Lined Unlined Liner type Thickness 20 mil Liner Seams X Welded X Factory Other	Other XLLDPE HDPE PVD Other RECEIVED
Below-grade tank: Subsection I of 19 15 17 11 NMAC Volume bbl Type of fluid Tank Construction material	er, 6-inch lift and automatic overflow shut-off
Secondary containment with leak detection Visible sidewalls, line Visible sidewalls and liner Visible sidewalls only O Liner Type Thickness mil HDPE PVC	ther
Submittal of an exception request is required Exceptions must be submitted to	o 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 San'à Fe Environmental Bureau Office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above grade-tanks associated with a closed-loop system.				
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - IWATERS database search, USGS, Data obtained from nearby wells	Yes No			
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐Yes ☐No			
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes No			
(Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site, Aerial photo; Satellite image	∐NA 			
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	Yes No			
Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	☐Yes ☐No			
- NM Office of the State Engineer - iWATERS database search, Visual inspection (certification) of the proposed site.				
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended - Written confirmation or verification from the municipality, Written approval obtained from the municipality	Yes No			
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map, Topographic map, Visual inspection (certification) of the proposed site	Yes No			
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	Yes No			
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources, USGS, NM Geological Society; Topographic map	Yes No			
Within a 100-year floodplain - FEMA map	Yes No			

Form C-144 Oil Conservation Division Page 2 of 5

Temporary Pits, Emergency Pits and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19 15 17 9 NMAC		
Instructions: Each of the following items must be attached to the application—Please indicate, by a check mark in the box, that the documents are attached		
Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19 15 17 9 NMAC		
Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19 15 17 9		
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15 17 10 NMAC		
Design Plan - based upon the appropriate requirements of 19 15 17.11 NMAC		
Operating and Maintenance Plan - based upon the appropriate requirements of 19 15 17 12 NMAC		
Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19 15.17 9 NMAC and 19 15 17 13 NMAC		
Previously Approved Design (attach copy of design) API		
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19 15 17 9 NMAC Instructions: Each of the following items must be attached to the application Please indicate, by a check mark in the box, that the documents are attached Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19 15 17 9		
Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19 15 17 10 NMAC		
Design Plan - based upon the appropriate requirements of 19 15 17 11 NMAC		
Operating and Maintenance Plan - based upon the appropriate requirements of 19 15 17 12 NMAC		
Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19 15 17 9 NMAC and 19 15.17 13 NMAC		
Previously Approved Design (attach copy of design) API		
Previously Approved Operating and Maintenance Plan API		
13		
Permanent Pits Permit Application Checklist: Subsection B of 19 15 17 9 NMAC		
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.		
Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19 15 17 9 NMAC		
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15 17 10 NMAC		
Climatological Factors Assessmen		
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 Plar		
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		
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		

Form C-144 Oil Conservation Division Page 3 of 5

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 j are required	luids and drill cultings. Use attachment if more than two fac	ilities		
Disposal Facility Name	Disposal Facility Permit #			
Disposal Facility Name	Disposal Facility Permit #			
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 No				
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				
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.	and Command and the	Yes No		
- NM Office of the State Engineer - 1WATERS database search, USGS Data obta	ined from nearby wells	∐N/A		
Ground water is between 50 and 100 feet below the bottom of the buried waste		Yes No		
- NM Office of the State Engineer - tWATERS database search, USGS, Data obtain	ned 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 Engineer - 1WATERS database search; USGS, Data obtain	ned from nearby wells	N/A		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signific (measured from the ordinary high-water mark)	ant watercourse or lakebed, sınkhole, or playa lake	Yes No		
- Topographic map, Visual inspection (certification) of the proposed site				
Within 300 feet from a permanent residence, school, hospital, institution, or church in e - Visual inspection (certification) of the proposed site, Aerial photo, satellite image	• •	∐Yes ∐No		
		Yes 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 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 we pursuant to NMSA 1978, Section 3-27-3, as amended		Yes No		
 Written confirmation or verification from the municipality, Written approval obtained from the municipality Within 500 feet of a wetland 		□Yes □No		
- US Fish and Wildlife Wetland Identification map, Topographic map, Visual insp	ection (certification) of the proposed site			
Within the area overlying a subsurface mine		Yes No		
- Written confiramtion or verification or map from the NM EMNRD-Mining and N	fineral Division			
Within an unstable area. - Engineering measures incorporated into the design, NM Bureau of Geology & M	meral Resources: LISGS_NM Geological Society	∐Yes ∐No		
Topographic map	moral resources, esses, esses, ess. esses,			
Within a 100-year floodplain - FEMA map		Yes No		
On-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each of the following items must bee 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 requiremen	•			
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 Site Reclamation Plan - based upon the appropriate requirements of Subsection P				

form C-144 Oil Conservation Division Page 4 of 5

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) Title			
Signature Date			
e-mail address: Telephone			
20 OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment) OCD Representative Signature: Title: OCD Permit Number:			
Closure Report (required within 60 days of closure completion): Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed X Closure Completion Date: 5/12/2009			
22 Closure Method: Waste Excavation and Removal On-site Closure Method Alternative Closure Method X 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 Envirotech / JFJ Landfarm % IEI Disposal Facility Permit Number NM-01-0011 / NM-01-0010B			
Disposal Facility Name Basin Disposal Facility Disposal Facility Permit Number NM-01-005			
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) X No (Original Approved Drying Pad was not utilized for this location)			
Required for impacted areas which will not be used for future service and operations. Site Reclamation (Photo Documentation)			
Soil Backfilling and Cover Installation			
Re-vegetation Application Rates and Seeding Technique			
Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached. 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 Installatior Re-vegetation Application Rates and Seeding Technique Site Reclamation (Photo Documentation) On-site Closure Location Latitude: Longitude NAD 1927 1983			
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is ture, accurate and complete to the best of my knowledge and belief I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.			
Name (Print). Crystal Tafoya Title Regulatory Technician			
Signature and Talogo Date 1/14/2010			
e-mail address <u>crystal tafoya@conocphillips com</u> Telephone 505-326-9837			