District I 1625 N French Dr , Hobbs, NM 88240

State of New Mexico Energy Minerals and Natural Resources Form C-144 July 21, 2008

District II 1301 W Grand Ave , Artesia, NM 88210 District III

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

District IV 1220 S St Francis Dr., Santa Fe, NM 87505	Santa Fe, NM	8/303	Environmental Bureau office an appropriate NMOCD District C	d provide a copy to the
	Pit, Closed-Loop System,	Below-Grade	e Tank, or	
Prope	osed Alternative Method Po	ermit or Clos	ure Plan Application	<u>on</u>
Type of action:	X Permit of a pit, closed-loop syste	em below-grade tai	nk or proposed alternative	method
Type of delion.	Closure of a pit, closed-loop syst			
	Modification to an existing perm	_	ank, or proposed unernauv	e memou
	Closure plan only submitted for		ed or non-permitted pit_clo	osed-loon system
	below-grade tank, or proposed al		ed or non permitted pri, ere	socu roop system,
Instructions: Please submit one a	pplication (Form C-144) per individi	ual pit, closed-loop	system, below-grade tani	k or alternative request
Please be advised that approval o	f this request does not relieve the operator of liabi	ılıty should operations re	sult in pollution of surface water, gi	round water or the
environment Nor does approval reli	eve the operator of its responsibility to comply wi	ith any other applicable g	governmental authority's rules, regul	lations or ordinances
Operator: ConocoPhillips Compan	y		OGRID#: 217817	
Address: PO Box 4289, Farmingto	on, NM 87499			
Facility or well name: Lindrith B U	nit 31			
API Number: 30	0-039-23968	OCD Permit Number		
U/L or Qtr/Qtr: C(NE/NW) Section	on: 21 Township: 24N	Range: 3	W County: Rio Ar	riba
Center of Proposed Design: Latitude	: 36.301288 °N	Longitude:	107.16326 °W 1	NAD: X 1927 1983
Surface Owner: X Federal	State Private Tri	bal Trust or Indian	Allotment	
Lined Unlined Li	Cavitation P&A ner type Thickness mil actory Other	LLDPE I	HDPE PVC Other	xwxD
Type of Operation P&A Drying Pad X Above Grou Lined Unlined Line	notice of inter	nt) Other	DPE PVD Other	123456789707
	tection Visible sidewalls, liner, Visible sidewalls only Oth mil HDPE PVC		matic overflow shut-off	OIL CONS. DIN DIS:
5 Alternative Method: Submittal of an exception request is req	uired Exceptions must be submitted to th	ne Santa Fe Environm		

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				
7				
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)				
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 X 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 of the Santa Fe Environmental Bureau office for cons (Fencing/BGT Liner)	ideration of ap	proval		
Exception(s) Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval		i		
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	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)	NA			
- 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.	Yes	No		
(Applied to permanent pits) - Visual inspection (certification) of the proposed site, Aerial photo, Satellite image	∐ ^{NA}			
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	Yes	No		
 Written confirmation or verification from the municipality; Written approval obtained from the municipality 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		

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				
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				
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 19.15.17.11 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 X Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank X Closed-loop System				
Alternative Proposed Closure Method				
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)				
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 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				

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	osed-loop Systems That Utilize Above Ground Ste aculty or faculties for the disposal of liquids, drilling			
facilities are required			·	
	nvirotech / JFJ Landfarm % IEI	Disposal Facility Permit #		010B
Disposal Facility Name B	<u> </u>	Disposal Facility Permit #		 ,
Yes (If yes, please prov	-		will not be used for future s	service and
Soil Backfill and Cover Re-vegetation Plan - ba	ch will not be used for future service and operations. Design Specification - based upon the appropriate requirements of Subset based upon the appropriate requirements of Subset based upon the appropriate requirements of Su	rate requirements of Subsection I of 19 15 17 13 NMA	С	.C
Instructions Each siting criteria requertain siting criteria may require ac	n-site closure methods only: 19 15 17 10 NMA juires a demonstration of compliance in the closure plan dministrative approval from the appropriate district offic Justifications and/or demonstrations of equivalency are	Recommendations of acceptable ce or may be considered an except	tion which must be submitted to	
Ground water is less than 50 fe	eet below the bottom of the buried waste			Yes No
- NM Office of the State Eng	gineer - IWATERS database search, USGS Data obt	ained from nearby wells		□N/A
Ground water is between 50 an	nd 100 feet below the bottom of the buried waste	e		Yes No
- NM Office of the State Eng	ineer - iWATERS database search, USGS, Data obta	ained 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 Engi	ineer - iWATERS database search, USGS, Data obta	ained from nearby wells		N/A
Within 300 feet of a continuously (measured from the ordinary high-	flowing watercourse, or 200 feet of any other significant water mark)	cant watercourse or lakebed, sir	nkhole, or playa łake	Yes No
- Topographic map, Visual in	spection (certification) of the proposed site			
-	residence, school, hospital, institution, or church in on of the proposed site, Aerial photo, satellite image	•	pplication	∐Yes ∐No
				Yes No
purposes, or within 1000 horizonta	vate, domestic fresh water well or spring that less the al fee of any other fresh water well or spring, in exist neer - iWATERS database, Visual inspection (certifi	ence at the time of the initial ap		
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		Yes No		
- Written confirmation or veri Within 500 feet of a wetland	fication from the municipality, Written approval obtain	amed from the municipality		∏Yes ∏No
	nd Identification map, Topographic map, Visual insp	ection (certification) of the prop	posed site	Lifes Life
Within the area overlying a sub	osurface mine			Yes No
- Written confiramtion or verification or map from the NM EMNRD-Mining and Mineral Division				
Within an unstable area	porated into the design, NM Bureau of Geology & M	unaral Dagourage LISCS NIM (Coological Constitu	∐Yes ∐No
Topographic map	oraced into the design, NWI Bureau of Geology & W	merai Resources, 0303, NW C	deological Society,	
Within a 100-year floodplain - FEMA map				Yes No
18			-	
	ist: (19 15 17 13 NMAC) Instructions: Each nat the documents are attached.	of the following items mus	t bee attached to the closu	re plan. Please indicate,
Siting Criteria Complia	nce Demonstrations - based upon the appropriate	te 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				
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				

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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) CRYSTAL TAFOYA Title STAFF REGULATORY TECHNICIAN
Signature Date
e-mail address crystal.tafoya@conocoptallips.dom Telephone (505) 326-9837
20 OCD Approval: Permit Application (including closure plan) Glisure Plan (only) OCD Conditions (see attachment) OCD Representative Signature: Approval Date: OCD Permit 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 Alternative Closure Method Waste Removal (Closed-loop systems only) If different from approved plan, please explain
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 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) 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
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 Installation 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)
Signature Date
e-mail address Telephone

Form C-144

ConocoPhillips Company Closed-loop Plans

Closed-loop Design Plan

COPC's closed loop system will not entail a drying pad, temporary pit, below grade tank or sump. It will include an above ground tank suitable for holding the cuttings and fluids for rig operations. The tank will be sufficient volume to maintain a safe free board between disposal of the liquids and solids from rig operations.

- 1. Fencing is not required for an above ground closed-loop system
- 2. It will be signed in compliance with 19.15.3.103 NMAC
- 3. A frac tank will be on location to store fresh water

Closed-loop Operating and Maintenance Plan

COPC's closed-loop tank will be operated and maintained to contain liquids and solids in order to prevent contamination of fresh water sources, in order to protect public health and the environment. To ensure the operation is maintained the following steps will be followed:

- 1. The liquids will be vacuumed out and disposed of at the Basin Disposal facility (Permit # NM-01-005) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B). Solids in the closed-loop tank will be vacuumed out and disposed of at Envirotech (Permit # NM-01-0011) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B) on a periodic basis to prevent over topping.
- 2. No hazardous waste, miscellaneous solid waste or debris will be discharged into or stored in the tank. Only fluids or cutting used or generated by rig operations will be placed or stored in the tank.
- 3. The division district office will be notified within 48 hours of the discovery of compromised integrity of the closed-loop tank. Upon the discovery of the compromised tank, repairs will be enacted immediately

Closed-loop Closure Plan

The closed-loop tank will be closed in accordance with 19.15.17.13. This will be done by transporting cuttings and all remaining sludges to Envirotech (Permit # NM-01-0011) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B) immediately following rig operations. All remaining liquids will be transported and disposed of in the Basin Disposal facility (Permit # NM-01-005) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B). The tanks will be removed from the location as part of the rig move. At time of well abandonment, the site will be reclaimed and re-vegetated to pre-existing conditions when possible.