

District I
1625 N. French Dr., 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.

RECEIVED
2008 DEC 8 PM 4 38

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

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.

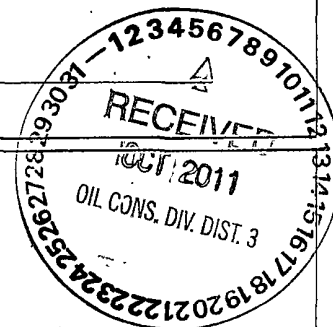
1.
Operator: XTO Energy, Inc. OGRID #: 5380
Address: #382 County Road 3100, Aztec, NM 87410
Facility or well name: Shipp Gas Com #1E
API Number: 30-045-25246 OCD Permit Number: _____
U/L or Qtr/Qtr A Section 01 Township 27N Range 13W County: San Juan
Center of Proposed Design: Latitude 36.60939 Longitude 108.1651 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: 95 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.



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6.	<p>Fencing: Subsection D of 19.15.17.11 NMAC (<i>Applies to permanent pits, temporary pits, and below-grade tanks</i>)</p> <p><input type="checkbox"/> Chain link, six feet in height, two strands of barbed wire at top (<i>Required if located within 1000 feet of a permanent residence, school, hospital, institution or church</i>)</p> <p><input type="checkbox"/> Four foot height, four strands of barbed wire evenly spaced between one and four feet</p> <p><input checked="" type="checkbox"/> Alternate. Please specify <u>Four foot height, steel mesh field fence (hogwire) with pipe top railing</u></p>																																								
7.	<p>Netting: Subsection E of 19.15.17.11 NMAC (<i>Applies to permanent pits and permanent open top tanks</i>)</p> <p><input type="checkbox"/> Screen <input type="checkbox"/> Netting <input checked="" type="checkbox"/> Other <u>Expanded metal or solid vaulted top</u></p> <p><input type="checkbox"/> Monthly inspections (If netting or screening is not physically feasible)</p>																																								
8.	<p>Signs: Subsection C of 19.15.17.11 NMAC</p> <p><input type="checkbox"/> 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers</p> <p><input checked="" type="checkbox"/> Signed in compliance with 19.15.3.103 NMAC</p>																																								
9.	<p>Administrative Approvals and Exceptions:</p> <p>Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.</p> <p>Please check a box if one or more of the following is requested, if not leave blank:</p> <p><input type="checkbox"/> Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval.</p> <p><input type="checkbox"/> Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.</p>																																								
10.	<p>Siting Criteria (regarding permitting): 19.15.17.10 NMAC</p> <p><i>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.</i></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 85%;">Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.</td> <td style="width: 15%; text-align: right;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </td> </tr> <tr> <td>- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells</td> <td></td> </tr> <tr> <td>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).</td> <td style="text-align: right;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </td> </tr> <tr> <td>- Topographic map; Visual inspection (certification) of the proposed site</td> <td></td> </tr> <tr> <td>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>)</td> <td style="text-align: right;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA </td> </tr> <tr> <td>- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</td> <td></td> </tr> <tr> <td>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>)</td> <td style="text-align: right;"> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA </td> </tr> <tr> <td>- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</td> <td></td> </tr> <tr> <td>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.</td> <td style="text-align: right;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </td> </tr> <tr> <td>- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site</td> <td></td> </tr> <tr> <td>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.</td> <td style="text-align: right;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </td> </tr> <tr> <td>- Written confirmation or verification from the municipality; Written approval obtained from the municipality</td> <td></td> </tr> <tr> <td>Within 500 feet of a wetland.</td> <td style="text-align: right;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </td> </tr> <tr> <td>- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</td> <td></td> </tr> <tr> <td>Within the area overlying a subsurface mine.</td> <td style="text-align: right;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </td> </tr> <tr> <td>- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division</td> <td></td> </tr> <tr> <td>Within an unstable area</td> <td style="text-align: right;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </td> </tr> <tr> <td>- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map</td> <td></td> </tr> <tr> <td>Within a 100-year floodplain.</td> <td style="text-align: right;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </td> </tr> <tr> <td>- FEMA map</td> <td></td> </tr> </table>	Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells		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).	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	- Topographic map; Visual inspection (certification) of the proposed site		Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. 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(<i>Applies to permanent pits</i>)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA	- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image		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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	- Written confirmation or verification from the municipality; Written approval obtained from the municipality		Within 500 feet of a wetland.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site		Within the area overlying a subsurface mine.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division		Within an unstable area	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map		Within a 100-year floodplain.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	- FEMA map	
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Within a 100-year floodplain.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																																								
- FEMA map																																									

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 indentify 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

☐ Yes ☐ No

☐ 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

☐ Yes ☐ No

☐ 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

☐ Yes ☐ No

☐ 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

☐ Yes ☐ 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

☐ 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 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

☐ Yes ☐ No

Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.

- Written confirmation or verification from the municipality; Written approval obtained from the municipality

☐ Yes ☐ No

Within 500 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within the area overlying a subsurface mine.

- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division

☐ Yes ☐ No

Within an unstable area.

- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map

☐ Yes ☐ No

Within a 100-year floodplain.

- FEMA map

☐ Yes ☐ 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: 12-04-08
 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: 10/07/2011Title: Environmental EngineerOCD Permit Number: [Blank]

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: March 14, 2011

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 indentify 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:

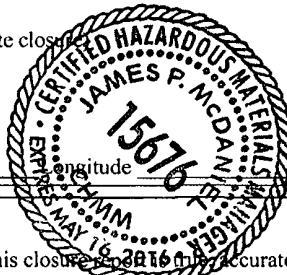
- ☐ Site Reclamation (Photo Documentation)
☐ Soil Backfilling and Cover Installation
☐ Re-vegetation Application Rates and Seeding Technique

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 _____



NAD: ☐ 1927 ☐ 1983

25.

Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure are 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, CHMM #15676 Title: EHS Supervisor
 Signature: [Signature] Date: 9/30/11
 e-mail address: James.McDaniel@xtoenergy.com Telephone: 505-333-3701

District I
1625 N. French Dr., 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
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: Shipp Gas COM #1E (30-045-25246)	Facility Type: Gas Well (Fruitland Coal)

Surface Owner: Federal	Mineral Owner:	Lease No.: NMSF078101
------------------------	----------------	-----------------------

LOCATION OF RELEASE

Unit Letter A	Section 1	Township 27N	Range 13W	Feet from the 790	North/South Line FNL	Feet from the 1040	East/West Line FEL	County San Juan
------------------	--------------	-----------------	--------------	----------------------	-------------------------	-----------------------	-----------------------	--------------------

Latitude: 36.60939 Longitude: -108.1651

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.*

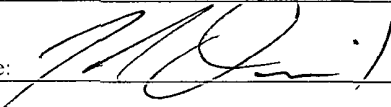
Describe Cause of Problem and Remedial Action Taken.*

The below grade tank was taken out of service at the Shipp Gas COM #1E 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 via USEPA Method 418.1, benzene, total BTEX and total chlorides, confirming that a release has not occurred at this location.

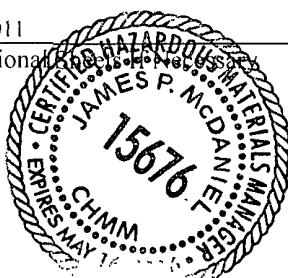
Describe Area Affected and Cleanup Action Taken.*

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.

Signature: 	<u>OIL CONSERVATION DIVISION</u>	
Printed Name: James McDaniel, CHMM #15676	Approved by District Supervisor:	
Title: EH&S Supervisor	Approval Date:	Expiration Date:
E-mail Address: James_McDaniel@xtoenergy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 9/30/2011	Phone: 505-333-3701	

* Attach Additional



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

Lease Name: Shipp Gas COM #1E

API No.: 30-045-25246

Description: Unit A, Section 1, Township 27N, Range 13W, 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 March 14, 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 March 14, 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 Shipp Gas COM #1E 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	BDL mg/kg
TPH	EPA SW-846 418.1	100	82 mg/kg
Chlorides	EPA 300.1	250 or background	BDL 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 for 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 March 9, 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 March 10, 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

Friday, March 11, 2011

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

TEL: (505) 787-0519

FAX (505) 333-3280

RE: BGT Closure Comp

Order No.: 1103423

Dear James McDaniel:


Hall Environmental Analysis Laboratory, Inc. received 1 sample(s) on 3/10/2011 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: 11-Mar-11

CLIENT: XTO Energy
Lab Order: 1103423
Project: BGT Closure Comp
Lab ID: 1103423-01

Client Sample ID: BGT Closure Comp
Collection Date: 3/9/2011 2:29:00 PM
Date Received: 3/10/2011
Matrix: SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 418.1: TPH						Analyst: JB
Petroleum Hydrocarbons, TR	82	20		mg/Kg	1	3/11/2011

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: BGT Closure Comp

Work Order: 1103423

Analyte	Result	Units	PQL	SPK Va	SPK ref	%Rec	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Method: EPA Method 418.1: TPH											
Sample ID: MB-25914		MBLK				Batch ID: 25914		Analysis Date:			3/11/2011
Petroleum Hydrocarbons, TR	ND	mg/Kg	20								
Sample ID: LCS-25914		LCS				Batch ID: 25914		Analysis Date:			3/11/2011
Petroleum Hydrocarbons, TR	99.08	mg/Kg	20	100	0	99.1	81.4	118			
Sample ID: LCSD-25914		LCSD				Batch ID: 25914		Analysis Date:			3/11/2011
Petroleum Hydrocarbons, TR	101.9	mg/Kg	20	100	0	102	81.4	118	2.79	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:

3/10/2011

Work Order Number 1103423

Received by: AMF

Checklist completed by:

Signature

Date

Sample ID labels checked by:

Initials

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 ☒

Number of preserved
bottles checked for
pH:

<2 >12 unless noted
below.

Container/Temp Blank temperature?

3.2°

<6° C Acceptable

If given sufficient time to cool.

COMMENTS:

Client contacted

Date contacted.

Person contacted

Contacted by:

Regarding

Comments:

Corrective Action

Client: XTO

Mailing Address: 382 ROAD 3100
AZTEC, NM 87410

Phone #: 505-787-0519

email or Fax#: james-mcdaniel@xto
Energy.Com

QA/QC Package:

☐ Standard ☐ Level 4 (Full Validation)

Accreditation

☐ NELAP ☐ Other _____

☐ EDD (Type) _____

☐ Standard ☒ Rush NXT DAY

BBT CLOSURE COMPOSITE

SHIPP GAS COM #1E

AMES McDANIEL

Sampler: BRAD GRIFFITH

On Ice ☒ Yes ☐ No

Sample Temperature 22 °C

Preservative
Type

HEALING

3.9.11	1429	SOIL	BLT CLOSURE COMPOSITE
--------	------	------	--------------------------

402

COO2

1103423-1

BTEX + MTBE + TMBE + TMB's (8021)

BTEX + MTBE + TPH (Gas only)

TPH Method 8015B (Gas/Diesel))

TPH (Method 418.1) .

EDB (Method 504.1)

8310 (PNA or PAH)

RCRA 8 Metals

Anions (F, Cl, NO₃, NO₂, PO₄, SO₄)

8081 Pesticides / 8082 PCB's

8260B (VOA)

8270 (Semi-VOA)

10

[illegible]

Air Bubbles (Y or N)

Date:	Time:	Relinquished by:
3/9/11	1622	Bl. G. H. K.

Date:	Time:	Relinquished by:
3/9/11	1630	Ant Waste

Received by.

Received by: Christin Vaeter

Received by:

Date	Time
------	------

3/9/11 1622

Date _____ Time _____

Remarks:



HALL ENVIRONMENTAL ANALYSIS LABORATORY

www.hallenvironmental.com

4901 Hawkins NE - Albuquerque, NM 87109

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

Analysis Request

If necessary, samples submitted to Hall Environmental may be subcontracted to other accredited laboratories. This serves as notice of this possibility. Any sub-contracted data will be clearly notated on the analytical report.



12065 Lebanon Rd
Mt. Juliet, TN 37122
(615) 758-5858
1-800-767-5859
Fax (615) 758-5859

Tax I D. 62-0814289

Est 1970

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

Report Summary

Monday March 14, 2011

Report Number: L505543

Samples Received: 03/10/11

Client Project:

Description: BGT Closure Composite

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.

This report may not be reproduced, except in full, without written approval from ESC Lab Sciences
Where applicable, sampling conducted by ESC is performed per guidance provided
in laboratory standard operating procedures 060302, 060303, and 060304.



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Mt. Juliet, TN 37122
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1-800-767-5859
Fax (615) 758-5859

Tax I.D 62-0814289

Est. 1970

REPORT OF ANALYSIS

March 14, 2011

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

Date Received : March 10, 2011
Description : BGT Closure Composite
Sample ID : BGT CLOSURE
Collected By : Brad Griffith
Collection Date : 03/09/11 14:29

ESC Sample # : L505543-01

Site ID : SHIPP GAS COM 1E

Project # :

Parameter	Dry Result	Det. Limit	Units	Method	Date	Dil.
Chloride	BDL	10.	mg/kg	9056	03/12/11	1
Total Solids	96.		%	2540G	03/14/11	1
Benzene	BDL	0.0026	mg/kg	8021/8015	03/10/11	5
Toluene	BDL	0.026	mg/kg	8021/8015	03/10/11	5
Ethylbenzene	BDL	0.0026	mg/kg	8021/8015	03/10/11	5
Total Xylene	BDL	0.0078	mg/kg	8021/8015	03/10/11	5
TPH (GC/FID) Low Fraction	BDL	0.52	mg/kg	GRO	03/10/11	5
Surrogate Recovery-%						
a,a,a-Trifluorotoluene (FID)	96.2		% Rec.	8021/8015	03/10/11	5
a,a,a-Trifluorotoluene (PID)	105.		% Rec.	8021/8015	03/10/11	5
TPH (GC/FID) High Fraction	230	4.2	mg/kg	3546/DRO	03/12/11	1
Surrogate recovery(%)						
o-Terphenyl	102.		% Rec.	3546/DRO	03/12/11	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: 03/14/11 17:57 Printed: 03/14/11 17:57

Summary of Remarks For Samples Printed
03/14/11 at 17:57:52

TSR Signing Reports: 288
R4 - Rush: Three Day

drywt

Sample: L505543-01 Account: XTORNM Received: 03/10/11 08:30 Due Date: 03/15/11 00:00 RPT Date: 03/14/11 17:57



YOUR LAB OF CHOICE

XTO Energy - San Juan Division
James McDaniel
382 Road 3100

Aztec, NM 87410

Quality Assurance Report
Level II

L505543

12065 Lebanon Rd.
Mt. Juliet, TN 37122
(615) 758-5858
1-800-767-5859
Fax (615) 758-5859

Tax I D 62-0814289

Est. 1970

March 14, 2011

Analyte	Result	Laboratory Blank		Limit	Batch	Date Analyzed
		Units	% Rec			
Benzene	< .0005	mg/kg			WG525366	03/10/11 15:14
Ethylbenzene	< .0005	mg/kg			WG525366	03/10/11 15:14
Toluene	< .005	mg/kg			WG525366	03/10/11 15:14
TPH (GC/FID) Low Fraction	< .1	mg/kg			WG525366	03/10/11 15:14
Total Xylene	< .0015	mg/kg			WG525366	03/10/11 15:14
a,a,a-Trifluorotoluene (FID)		% Rec	96.15	59-128	WG525366	03/10/11 15:14
a,a,a-Trifluorotoluene (PID)		% Rec.	105.1	54-144	WG525366	03/10/11 15:14
Chloride	< 10	mg/kg			WG525351	03/11/11 10:49
TPH (GC/FID) High Fraction	< 4	ppm			WG525396	03/11/11 13:42
o-Terphenyl		% Rec	127.5	50-150	WG525396	03/11/11 13:42
Total Solids	< .1	%			WG525493	03/14/11 14:43

Analyte	Units	Result	Duplicate	RPD	Limit	Ref Samp	Batch
Chloride	mg/kg	0	0	0	20	L505188-01	WG525351
Total Solids	%	90.0	91.8	2.41	5	L505593-17	WG525493

Analyte	Units	Laboratory Control Sample		% Rec	Limit	Batch
		Known Val	Result			
Benzene	mg/kg	.05	0.0527	105.	76-113	WG525366
Ethylbenzene	mg/kg	.05	0.0511	102.	78-115	WG525366
Toluene	mg/kg	.05	0.0518	104	76-114	WG525366
Total Xylene	mg/kg	.15	0.153	102.	81-118	WG525366
a,a,a-Trifluorotoluene (PID)				104.9	54-144	WG525366
TPH (GC/FID) Low Fraction	mg/kg	5.5	5.48	99.7	67-135	WG525366
a,a,a-Trifluorotoluene (FID)				103.8	59-128	WG525366
Chloride	mg/kg	200	210.	105	85-115	WG525351
TPH (GC/FID) High Fraction	ppm	60	54.3	90.5	50-150	WG525396
o-Terphenyl				106.2	50-150	WG525396
Total Solids	%	50	50.0	100.	85-155	WG525493

Analyte	Units	Result	Ref	% Rec	Limit	RPD	Limit	Batch
Benzene	mg/kg	0.0527	0.0527	105.	76-113	0.0200	20	WG525366
Ethylbenzene	mg/kg	0.0511	0.0511	102	78-115	0.0900	20	WG525366
Toluene	mg/kg	0.0509	0.0518	102.	76-114	1.79	20	WG525366
Total Xylene	mg/kg	0.152	0.153	101	81-118	0.800	20	WG525366
a,a,a-Trifluorotoluene (PID)				104.2	54-144			WG525366
TPH (GC/FID) Low Fraction	mg/kg	5.48	5.48	100.	67-135	0.0800	20	WG525366
a,a,a-Trifluorotoluene (FID)				103.4	59-128			WG525366

* 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

XTO Energy - San Juan Division
James McDaniel
382 Road 3100

Aztec, NM 87410

Quality Assurance Report
Level II

L505543

12065 Lebanon Rd
Mt. Juliet, TN 37122
(615) 758-5858
1-800-767-5859
Fax (615) 758-5859

Tax I.D 62-0814289

Est 1970

March 14, 2011

Analyte	Units	Laboratory Control Sample Duplicate				Limit	RPD	Limit	Batch
		Result	Ref	%Rec					
Chloride	mg/kg	213.	210.	106		85-115	1.42	20	WG525351
TPH (GC/FID) High Fraction	ppm	55.4	54.3	92.0		50-150	1.97	25	WG525396
o-Terphenyl				105.8		50-150			WG525396

Analyte	Units	Matrix Spike				Limit	Ref Samp	Batch
		MS Res	Ref Res	TV	% Rec			
Benzene	mg/kg	0.258	0	.05	103.	32-137	L505529-01	WG525366
Ethylbenzene	mg/kg	0.252	0	.05	101.	10-150	L505529-01	WG525366
Toluene	mg/kg	0.256	0	.05	102	20-142	L505529-01	WG525366
Total Xylene	mg/kg	0.757	0	.15	101.	16-141	L505529-01	WG525366
a,a,a-Trifluorotoluene(PID)					102.0	54-144		WG525366
TPH (GC/FID) Low Fraction	mg/kg	25.1	0	5.5	91.4	55-109	L505529-01	WG525366
a,a,a-Trifluorotoluene(FID)					102.0	59-128		WG525366
TPH (GC/FID) High Fraction	ppm	59.6	0	60	99.3	50-150	L505468-01	WG525396
o-Terphenyl					79.86	50-150		WG525396

Analyte	Units	Matrix Spike Duplicate				Limit	RPD	Limit	Ref Samp	Batch
		MSD	Ref	%Rec						
Benzene	mg/kg	0.257	0.258	103.		32-137	0.500	39	L505529-01	WG525366
Ethylbenzene	mg/kg	0.248	0.252	99.4		10-150	1.45	44	L505529-01	WG525366
Toluene	mg/kg	0.249	0.256	99.7		20-142	2.83	42	L505529-01	WG525366
Total Xylene	mg/kg	0.742	0.757	99.0		16-141	1.92	46	L505529-01	WG525366
a,a,a-Trifluorotoluene(PID)				102.8		54-144				WG525366
TPH (GC/FID) Low Fraction	mg/kg	25.0	25.1	90.8		55-109	0.610	20	L505529-01	WG525366
a,a,a-Trifluorotoluene(FID)				101.8		59-128				WG525366
TPH (GC/FID) High Fraction	ppm	55.8	59.6	93.0		50-150	6.58	25	L505468-01	WG525396
o-Terphenyl				73.04		50-150				WG525396

Batch number /Run number / Sample number cross reference

WG525366 R1606250 L505543-01
WG525351 R1607689 L505543-01
WG525396: R1607731: L505543-01
WG525493: R1609770. L505543-01

* * 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.'



YOUR LAB OF CHOICE

XTO Energy - San Juan Division
James McDaniel
382 Road 3100

Aztec, NM 87410

Quality Assurance Report
Level II

L505543

12065 Lebanon Rd
Mt Juliet, TN 37122
(615) 758-5858
1-800-767-5859
Fax (615) 758-5859

Tax I.D. 62-0814289

Est. 1970

March 14, 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
03/09/2011 09:44 AM

To brandon.powell@state.nm.us

cc

bcc

Subject BGT Closure Notification

Brandon,

Please accept this email as the required BGT closure notification for the Shipp Gas COM #1E well site (api # 30-045-25246) located in Unit A, Section 1, Township 27N, Range 13W, San Juan County, New Mexico. This BGT is being closed 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



March 9, 2011

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

Re: Shipp Gas COM #1E – API # 30-045-25246
Unit A, Section 1, Township 27N, Range 13W, 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,

A handwritten signature in black ink, appearing to read 'J. McDaniel', written over a horizontal line.

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

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 MAR 10 2011
 USPS

BLM-FFO
 MARK KELLY
 1235 LA PLATA HWY
 FARMINGTON, NM 87401

PS Form 3811, August 2004

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 <i>[Signature]</i> <input type="checkbox"/> Agent <input 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>2. Article Number (Transfer from service label)</p>	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>7010 0780 0001 6436 9598</p>	

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

XTO Energy, Inc.
Shipp Gas COM #1E
Section 1, Township 27N, Range 13W
Closure Date 3/14/2011



Photo 1: Shipp Gas COM #1E after Reclamation (View 1)

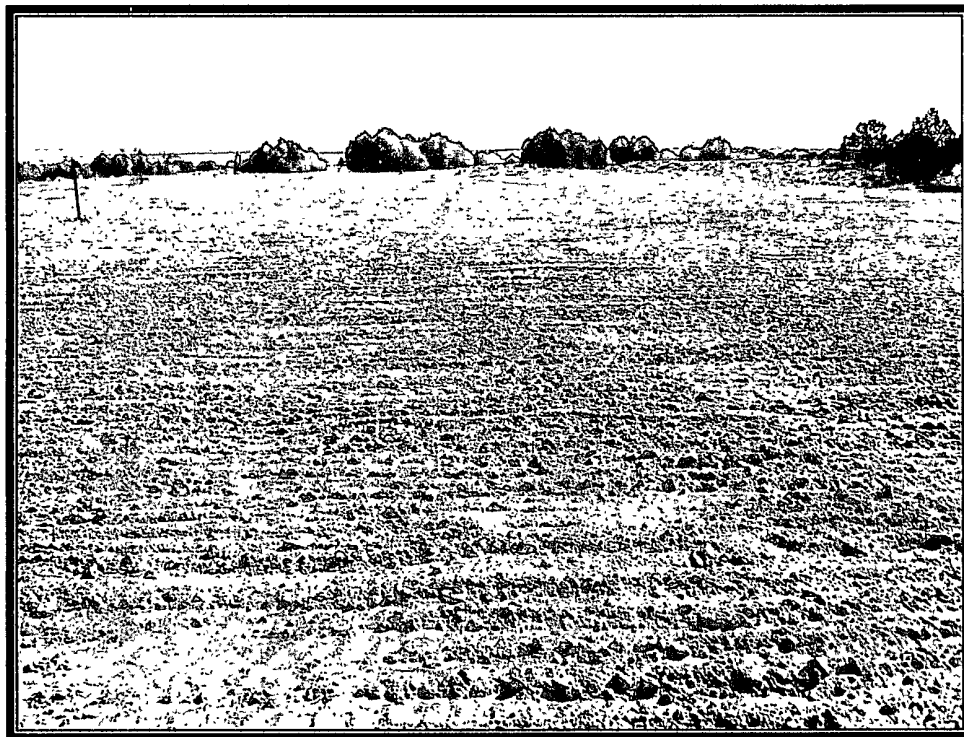


Photo 2: Shipp Gas COM #1E after Reclamation (View 2)



Well Below Tank Inspection Report

RouteName		StopName		Pumper	Foreman	WellName			APIWellNumber	Section	Range	Township
Below Grade Pit Forms (Temp)		Shipp GC 1E		Blackwell, Frankie	Unassigned	SHIPP GC 01E (PA)			3004525246	1	13W	27N
InspectorName	Inspection Date	Inspection Time	Visible LinerTears	VisibleTankLeak Overflow	Collection OfSurfaceRun	Visible LayerOil	Visible Leak	Freeboard EstFT	PitLocation	Notes		
Bryan Parker	09/24/2008	02:00	No	No	No	No	No	0				
Billy Pennington	01/12/2009	12 43	No	No	No	Yes	No	4	Compressor Water Pit	Oil in pit is comp oil, sand blown into		
Billy Pennington	01/20/2009	14 39	No	No	No	Yes	No	4	Compressor Water Pit	Oil in pit is comp oil, sand blown into		
Rondale Anderson	08/22/2009	10:00	No	No	No	Yes	No	4	Compressor Water Pit	Oil in pit is comp oil, sand blown into		
Rondale Anderson	05/31/2010	11:00	No	No	No	Yes	No	4	Compressor Water Pit	Oil in pit is comp oil, sand blown into		
Rondale Anderson	06/03/2010	10:00	No	No	No	Yes	No	4	Compressor Water Pit	Oil in pit is comp oil, sand blown into		
Rondale Anderson	07/30/2010	10:00	No	No	No	Yes	No	4	Compressor Water Pit	Oil in pit is comp oil, sand blown into		
Rondale Anderson	08/30/2010	10:00	No	No	No	Yes	No	4	Compressor Water Pit	Oil in pit is comp oil, sand blown into		
Rondale Anderson	09/30/2010	11:00	No	No	No	Yes	No	4	Compressor Water Pit	Oil in pit is comp oil, sand blown into		
Rondale Anderson	10/31/2010	11:00	No	No	No	Yes	No	4	Compressor Water Pit	Oil in pit is comp oil, sand blown into		
Rondale Anderson	11/30/2010	11:00	No	No	No	Yes	No	4	Compressor Water Pit	Oil in pit is comp oil, sand blown into		
Rondale Anderson	12/21/2010	08:10	No	No	No	Yes	No	4	Compressor Water Pit	Oil in pit is comp oil, sand blown into		
Rondale Anderson	12/30/2010	03:10	No	No	No	Yes	No	4	Compressor Water Pit	Oil in pit is comp oil, sand blown into		
Rondale Anderson	01/31/2011	03:10	No	No	No	Yes	No	4	Compressor Water Pit	Oil in pit is comp oil, sand blown into		
Rondale Anderson	02/28/2011	03:10	No	No	No	Yes	No	4	Compressor Water Pit	Oil in pit is comp oil, sand blown into		

-