<u>District I</u>

1625 N French Dr , Hobbs, NM 88240

District II

1301 W Grand Ave, Artesia, NM 88210

District III

1000 Rio Brazos Rd, Aztec, NM 87410

District IV

1220 S St Francis Dr , Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Department
Oil Conservation Division
1220 South St. Francis Dr.
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 Environmental Bureau office and provide a copy to the appropriate NMOCD District Office

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

Closure of a pit, Modification to a Closure plan onl below-grade tank Instructions: Please submit one application (Form C-1) Please be advised that approval of this request does not relieve	losed-loop system, below-grade tank, or proposed alternative method closed-loop system, below-grade tank, or proposed alternative method an existing permit y submitted for an existing permitted or non-permitted pit, closed-loop system, x, or proposed alternative method 44) per individual pit, closed-loop system, below-grade tank or alternative request the operator of hability should operations result in pollution of surface water, ground water or the instibility to comply with any other applicable governmental authority's rules, regulations or ordinances
Operator: ConocoPhillips Company	OGRID#: 217817
Address: PO Box 4289, Farmington, NM 87499	
Facility or well name: Lindrith B Unit 15	
API Number: 30-039-22555	OCD Permit Number
U/L or Qtr/Qtr: O(SW/SE) Section: 21 Townsh Center of Proposed Design: Latitude: 36.291778 Surface Owner: Federal State X	
Pit: Subsection F or G of 19 15 17.11 NMAC Temporary Drilling Workover Permanent Emergency Cavitation P&A Lined Unlined Liner type Thickness String-Reinforced Liner Seams Welded Factory Other	mil
	MAC X Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) Iaul-off Bins Other mil LLDPE HDPE PVD Other
Below-grade tank: Subsection I of 19 15 17 11 NMAC Volumebbl Type of fluid Tank Construction material Secondary containment with leak detectionVisible Visible sidewalls and liner Visible sidewalls Liner Type Thickness milHDP	
Submittal of an exception request is required Exceptions must	be submitted to the Santa Fe Environmental Bureau office for consideration of approval



Fencing: Subsection D of 19 15.17.11 NMAC (Applies to permanent pit, temporary pits, and below-grade tanks) Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church) Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate Please specify				
Netting: Subsection E of 19 15 17 11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other Monthly inspections (If netting or screening is not physically feasible)				
Signs: Subsection C of 19.15 17 11 NMAC 12" X 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers X Signed in compliance with 19 15 3 103 NMAC				
Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required Please refer to 19.15 17 NMAC for guidance Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s) Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for consideration of approval (Fencing/BGT Liner) Exception(s) Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval				
Siting Criteria (regarding permitting) 19.15 17 10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above grade-tanks associated with a closed-loop system.				
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells		0		
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		0		
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.		0		
(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	0		
(Applied to permanent pits)	NA	Ü		
- Visual inspection (certification) of the proposed site, Aerial photo; Satellite image				
Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	∐Yes ∐No	0		
- 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	o		
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map, Visual inspection (certification) of the proposed site	Yes No	o		
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	Yes No	0		
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	Yes No	o		
Within a 100-year floodplain - FEMA map	Yes No	0		

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 or Permit			
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19 15 17.9 NMAC Instructions: Each of the following items must be attached to the application Please indicate, by a check mark in the box, that the documents are attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19 15.17 10 NMAC			
X Design Plan - based upon the appropriate requirements of 19 15 17 11 NMAC			
X Operating and Maintenance Plan - based upon the appropriate requirements of 19 15.17 12 NMAC			
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			
String 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 X P&A Permanent Pit Below-grade Tank X Closed-loop System			
Alternative			
Proposed Closure Method Waste Excavation and Removal			
X Waste Removal (Closed-loop systems only)			
On-site Closure Method (only for temporary pits and closed-loop systems)			
In-place Burial On-site Trench			
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)			
15			
Waste Excavation and Removal Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.			
Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC			
1 1 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)			
Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)			

Disposal Facility Name	Envirotech / JFJ Landfarm % IEI	Disposal Facility Permit #	NM-01-0011 / NM-01-0	010B
Disposal Facility Name		Disposal Facility Permit #		
Will any of the proposed clo	osed-loop system operations and associated rovide the information No	activities occur on or in areas that v	vill not be used for future	service and
Soil Backfill and Co Re-vegetation Plan -	which will not be used for future service and open ver Design Specification - based upon the a based upon the appropriate requirements of an - based upon the appropriate requirement	ppropriate requirements of Subsect f Subsection 1 of 19.15.17.13 NMA	С	AC
Instructions Each siting criteria certain siting criteria may requir	con-site closure methods only: 19 15 17 1 requires a demonstration of compliance in the clos e administrative approval from the appropriate dist val Justifications and/or demonstrations of equival	ure plan Recommendations of acceptable rict office or may be considered an excep	tion which must be submitted to	
	O feet below the bottom of the buried waste Engineer - iWATERS database search, USGS I	Data obtained from nearby wells		Yes No
	and 100 feet below the bottom of the burie Engineer - iWATERS database search; USGS, D			Yes No
	100 feet below the bottom of the buried was Engineer - iWATERS database search, USGS, E			Yes No
(measured from the ordinary h	· ·	significant watercourse or lakebed, su	nkhole, or playa lake	Yes No
, , , , , , , , , , , , , , , , , , , ,	Il inspection (certification) of the proposed site			
-	ent residence, school, hospital, institution, or che cation) of the proposed site, Aerial photo; satellii	· · · · · · · · · · · · · · · · · · ·	pplication	Yes No
purposes, or within 1000 horiz	private, domestic fresh water well or spring tha ontal fee of any other fresh water well or spring, ngineer - iWATERS database, Visual inspection	in existence at the time of the initial ap	•	
pursuant to NMSA 1978, Sect	boundaries or within a defined municipal fresh viton 3-27-3, as amended verification from the municipality, Written approximation		pal ordinance adopted	Yes No
Within 500 feet of a wetland	/Ithin 500 feet of a wetland - US Fish and Wildlife Wetland Identification map, Topographic map, Visual inspection (certification) of the proposed site //ithin the area overlying a subsurface mine - Written confirantion or verification or map from the NM EMNRD-Mining and Mineral Division		Yes No	
, ,			Yes No	
Within an unstable area			Coological Coorety	Yes No
Topographic map	orporated into the design, NW Bureau of Geolog	gy & Milleral Resources, 0303, NIVI	Deological Society,	
Within a 100-year floodplai - FEMA map	n			Yes No
	cklist: (19 15 17.13 NMAC) Instructions, that the documents are attached.	Each of the following items mus	st bee attached to the clos	ure plan. Please indicate,
Siting Criteria Comp	pliance Demonstrations - based upon the app	propriate requirements of 19 15 17	10 NMAC	
	mer Notice - based upon the appropriate req			
	Plan of Burial Trench (if applicable) based			10.15.17.13.33.44.6
<u> </u>	Plan of Temporary Pit (for in place burial of the Plan of Temporary Pit (for in place burial of the Plan of Temporary Pit (for in place burial)		ppropriate requirements of	19 15 17 11 NMAC
=	ing Plan (if applicable) - based upon the app		n F of 19 15 17 13 NMAC	
	pling Plan - based upon the appropriate requ	•		
Disposal Facility Na	me and Permit Number (for liquids, drilling	fluids and drill cuttings or in case	on-site closure standards c	annot be achieved)
=	based upon the appropriate requirements of			
Ke-vegetation Plan -	based upon the appropriate requirements of	Subsection Lot 19 15.17.13 NMA	U	

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				
e-mail address <u>crystal.tafoya@conocophillips.com</u> Telephone. (505) 326-9837				
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): 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				
23				
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.				
Disposal Facility Name Disposal Facility Permit Number				
Disposal Facility Name Disposal Facility Permit Number				
Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations?				
Yes (If yes, please demonstrate complilane to the items below)				
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				
25				
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). Title				
Signature Date				
e-mail address. Telephone.				

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.