District 1 1625 N French Dr , Hobbs, NM 88240

1301 W Grand Ave, Artesia, NM 88210

District III

1000 Rio Brazos Rd, Aztec, NM 87410

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

Form C-144

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

Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application Type of action X Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request Please be advised that approval of this request does not relieve the operator of 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 Operator Burlington Resources Oil & Gas Company, LP OGRID# 14538 Address PO Box 4289, Farmington, NM 87499 Facility or well name San Juan 32-9 Unit 100 API Number. 30-045-23275 OCD Permit Number U/L or Qtr/Qtr: L(NW/SW) Section: 10W 12 Township 31N Range: County: San Juan Center of Proposed Design: Latitude: 36.90935 ٥N 107.83946 **°W** NAD **X** 1927 1983 Longitude. Surface Owner Federal Private Tribal Trust or Indian Allotment Pit: Subsection F or G of 19 15 17 11 NMAC Drilling Workover Temporary Permanent Emergency Cavitation P&A Thickness _____ mil __ LLDPE __ HDPE __ PVC __ Other Lined Unlined Liner type String-Reinforced Liner Seams Volume ___ Closed-loop System: Subsection H of 19 15 17 11 NMAC Drilling a new well X Workover or Drilling (Applies to activities which require prior approval of a permit or Type of Operation P&A notice of intent) X Above Ground Steel Tanks Haul-off Bins Thickness mil Lined Unlined Liner type LLDPE HDPE Liner Seams Welded Factory Below-grade tank: Subsection I of 19 15 17 11 NMAC Volume bbl Type of fluid Tank Construction material Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off Visible sidewalls and liner Visible sidewalls only Other Liner Type Thickness HDPE PVC Other

Alternative Method:

Submittal of an exception request is required Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval

6		
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, ins	titution or chu	ırch)
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	ideration of ar	oproval
(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 - 1WATERS 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	Yes	No
(measured from the ordinary high-water mark). - 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	□ Vec	□No
application.		Ши
(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	Yes	□No
purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	☐ i es	Пио
- 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	Yes	No
- Written confirmation or verification from the municipality, Written approval obtained from the municipality Within 500 feet of a wetland.	□ Vec	No
- US Fish and Wildlife Wetland Identification map, Topographic map, Visual inspection (certification) of the proposed site	∐Yes	
Wittin the area overlying a subsurface mine.	Yes	No
- Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division Within an unstable area.	∏Yes	□No
- Engineering measures incorporated into the design, NM Bureau of Geology & Mineral Resources, USGS, NM Geological	П. _{се}	
Society, Topographic map		
Within a 100-year floodplain - FEMA map	Yes	∐No

Temporary Pits, Emergency Pits and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19 15 17 9 NMAC				
Instructions Each of the following items must be attached to the application Please indicate, by a check mark in the box, that the documents are attached				
Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19 15 17 9 NMAC				
Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19 15 17 9				
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				
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				
Treviously Approved Operating and Manifestance I fair Ar I				
Permanent Pits Permit Application Checklist: Subsection B of 19 15 17 9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19 15 17 9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15 17 10 NMAC Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19 15 17 11 NMAC Dike Protection and Structural Integrity Design based upon the appropriate requirements of 19 15 17 11 NMAC Leak Detection Design - based upon the appropriate requirements of 19 15 17 11 NMAC Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19 15 17 11 NMAC Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19 15 17 12 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19 15 17 11 NMAC Nuisance or Hazardous Odors, including H2S, Prevention Plan Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19 15 17 9 NMAC and 19 15 17 13 NMAC				
December 10.15.17.12.2DAAC				
<u>Proposed Closure:</u> 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 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)				
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 Beackfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 10.15.17.13 NIMAC				
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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Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Ste Instructions Please identify the facility or facilities for the disposal of liquids, drillin facilities are required	eel Tanks or Haul-off Bins On g fluids and drill cuttings Use	lv. (19 15 17 13 D NMAC) attachment if more than two			
Disposal Facility Name Envirotech / JFJ Landfarm % IEI	Disposal Facility Permit #	NM-01-0011 / NM-01-00)10B		
Disposal Facility Name Basin Disposal Facility	Disposal Facility Permit #	NM-01-005			
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 Yes (If yes, please provide the information No					
Required for impacted areas which will not be used for future service and operations Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Subsection H of 19 15 17 13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection G 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			Yes No		
- NM Office of the State Engineer - 1WATERS database search, USGS Data ob	tained from nearby wells		∐N/A		
Ground water is between 50 and 100 feet below the bottom of the buried wast			Yes No		
- NM Office of the State Engineer - (WATERS database search, USGS, Data obt	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 Engineer - IWATERS database search, USGS, Data obt	ained from nearby wells		∐N/A		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signific (measured from the ordinary high-water mark)	cant watercourse or lakebed, sir	nkhole, or playa lake	Yes No		
- Topographic map, Visual inspection (certification) of the proposed site					
Within 300 feet from a permanent residence, school, hospital, institution, or church in - Visual inspection (certification) of the proposed site, Aerial photo, satellite image	•	pplication	∐Yes ∐No		
W. 1. 500 L			∐Yes ∐No		
Within 500 horizontal feet of a private, domestic fresh water well or spring that less th purposes, or within 1000 horizontal fee of any other fresh water well or spring, in exist - NM Office of the State Engineer - iWATERS database, Visual inspection (certification)	tence at the time of the initial ap				
Within incorporated municipal boundaries or within a defined municipal fresh water w pursuant to NMSA 1978, Section 3-27-3, as amended		pal ordinance adopted	Yes No		
 Written confirmation or verification from the municipality, Written approval obt. Within 500 feet of a wetland 	ained from the municipality		Yes No		
- US Fish and Wildlife Wetland Identification map, Topographic map, Visual insp	pection (certification) of the prop	posed site	Lies Livo		
Within the area overlying a subsurface mine			Yes No		
 Written confirantion or verification or map from the NM EMNRD-Mining and M Within an unstable area 	Ameral Division		∏Yes ∏No		
- Engineering measures incorporated into the design, NM Bureau of Geology & M Topographic map	Imeral Resources, USGS, NM (Geological Society,			
Within a 100-year floodplain - FEMA map			Yes No		
18					
On-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each by a check mark in the box, that the documents are attached.	of the following items mus	t bee attached to the closu	re plan. Please indicate,		
·	te requirements of 10.15.17	IO NIMAC			
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				

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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						
SignatureDateDateDate						
e-mail address crystal tafoya@conocohillips com Telephone (505) 326-9837						
20 OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)						
OCD Representative Signature:						
Title: OCD Permit Number:						
Closure Report (required within 60 days of closure completion): 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 Telenhone						

Form C-144

Burlington Resources Oil & Gas Company, LP Closed-loop Plans

Closed-loop Design Plan

BR'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

BR'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.