District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave , Artesia, NM 88210

District III

State of New Mexico Energy Minerals and Natural Resources

> Department Oil Conservation Division 1220 South St. Francis Dr.

Form C-144 July 21, 2008

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

104	78
	C

1000 Rio Brazos Rd , Aztec, NM 87410 For permanent pits and exceptions submit to the Santa Fe Santa Fe, NM 87505 Environmental Bureau office and provide a copy to the District IV appropriate NMOCD District Office. 1220 S. St. Francis Dr., Santa Fe, NM 87505 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 Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method X 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 27-4 UNIT 35C API Number: 30-039-30413 OCD Permit Number: U/L or Qtr/Qtr: D(NW/NW) Section: 26 Township: 27N Range: County: Rio Arriba °N Center of Proposed Design: Latitude: 36.548581 Longitude: 107.22617 °W NAD: 1927 X 1983 Surface Owner: State X Federal Private Tribal Trust or Indian Allotment X Pit: Subsection F or G of 19.15 17.11 NMAC X Drilling Workover Temporary: Permanent Emergency Cavitation X LLDPE HDPE PVC Other X Lined Unlined Thickness 20 mil Liner type: X String-Reinforced Liner Seams X Welded X Factory Volume[.] 7000 bbl Dimensions L 120' x W 55' Closed-loop System: Subsection H of 19.15 17.11 NMAC P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or Type of Operation: notice of intent) Above Ground Steel Tanks Haul-off Bins 13141516 Unlined Lincd Liner type: LLDPE HDPE Welded Liner Seams. Factory RECEIVED Below-grade tank: Subsection I of 19.15 17.11 NMAC JUN 2010 Volume. bbl Type of fluid OIL CONS. DIV. DIST Tank Construction material: Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off Secondary containment with leak detection 128293037 Visible sidewalls only Visible sidewalls and liner Other HDPE Liner Type: Thickness mil 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

Form C-144

Oil Conservation Division

Page 1 of 5

Fencing: Subsection D of 19.15 17 11 NMAC (Applies to permanent pit, temporary pits, and below-grade tanks)		
Subsection B of 17.15 17 11 that to (applies to permanent pill, temporar) pills, talk below grade talkey		
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, inst	itution or church)	
Four foot height, four strands of barbed wire evenly spaced between one and four feet X Alternate. Please specify 4' hogwire fence with a single strand of barbed wire on top.		
Trease specify 4 hogyme which a single strain of barbed wheels to be		
Netting: Subsection E of 19 15 17.11 NMAC (Applies to permanent pits and permanent open top tanks)		
Screen Notting 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 con (Fencing/BGT Liner)	sideration of approval	
Exception(s). Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.		
0		
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		
consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above grade-tanks associated with a closed-loop system.		
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes No	
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	Yes No	
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes No	
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)	□ NA	
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image		
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes No	
(Applied to permanent pits)	NA	
- Visual inspection (certification) of the proposed site; Acrial 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	
- NM Office of the State Engineer - 1WATERS database search; Visual inspection (certification) of the proposed site.		
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended - 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.	Yes No	
- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological 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
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
Previously Approved Operating and Maintenance Plan API
13
Permanent Pits Permit Application Checklist: Subsection B of 19 15 17 9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.
Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19 15 17 9 NMAC
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15 17 10 NMAC
Climatological Factors 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 Excavation and Removal Waste Excavation and Removal Waste Excavation and Removal Waste Excavation and Removal
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)
Weste Execution and Removal Clasure Plan Chealifet(10.15.17.12.NMAC) Instructions Fact of the City in the superhadicate alcoholds the clasure law
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 Pennit Number (for liquids, drilling fluids and drill cuttings)
Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19 15 17.13 NMAC
Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19 15 17 13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15 17 13 NMAC

Form C-144 Oil Conservation Division Page 3 of 5

16 Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Instructions Please identify the facility or facilities for the disposal of liquids, drilling fi	Tanks or Haul-off Bins Only:(19 15 17 13 D NMAC) uids and drill cutting. Use attachment if more than two			
facilities are required				
Disposal Facility Name Disposal Facility Name E				
Will any of the proposed closed-loop system operations and associated activiti				
Yes (If yes, please provide the information No Required for impacted areas which will not be used for future service and operations Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Subsection H of 19 15 17 13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19 15 17 13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15 17 13 NMAC				
17 Siting Criteria (Regarding on-site closure methods only: 19 15 17 10 NMAC Instructions Each string 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 obtain	ned from nearby wells	Yes No		
Ground water is between 50 and 100 feet below the bottom of the buried waste	i l	Yes No		
- NM Office of the State Engineer - tWATERS database search, USGS, Data obtain	ned from nearby wells	∐N/A		
Ground water is more than 100 feet below the bottom of the buried waste - NM Office of the State Engineer - (WATERS database search; USGS, Data obtail	ned from nearby wells	∐Yes ∐No ∏N/A		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signific (measured from the ordinary high-water mark)		Yes No		
- Topographic map, Visual inspection (certification) of the proposed site				
Within 300 feet from a permanent residence, school, hospital, institution, or church in e - Visual inspection (certification) of the proposed site, Aerial photo, satellite image	xistence at the time of initial application	Yes No		
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than purposes, or within 1000 horizontal fee of any other fresh water well or spring, in existe - NM Office of the State Engineer - IWATERS database, Visual inspection (certific	ence at the time of the initial application ation) of the proposed site	YesNo		
Within incorporated municipal boundaries or within a defined municipal fresh water well pursuant to NMSA 1978 Section 3-27-3, as amended - Written confirmation or verification from the municipality, Written approval obta		Yes No		
Within 500 feet of a wetland - US Fish and Wildlife Wetland Identification map, Topographic map, Visual inspe	,	Yes No		
Within the area overlying a subsurface mine - Written confirantion or ventication or map from the NM EMNRD-Mining and M	ineral Division	Yes No		
Within an unstable area - Engineering measures incorporated into the design, NM Bureau of Geology & Mi		Yes No		
Topographic map Within a 100-year floodplain FEMA map		Yes No		
On-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each of the following items must bee attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.				
Siting Criteria Compliance Demonstrations - based upon the appropria	•			
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 requirement				
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				

Form C-144

Oil Conservation Division

Page 4 of 5

19
Operator Application Certification:
I hereby certify that the information submitted with this application is true accurrate and complete to the best of my knowledge and belief
Name (Print) Mafie E Jaragulle 7, 11 Title Staff Regulafory Technician
Signature Date Date
c-mail address mane eparamillo@conocophilips com Telephone 505-926-9865
20 OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)
OCD Representative Signature. Approval Date: 2/25///
Title: En Iro Ispec 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 complifanc 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
The regulation rates and seeding Testingle
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.

Burlington Resources San Juan Basin

Modification for a temporary pit Drilling/Completion and Workover

Extension for three months to meet closure/cover requirements in Rule 19.15.17.13.A(6)

- As required by the Surface Owner and/or Surface Managing Agency (e.g. BLM, USFS, Tribal), BR can not conduct construction or similar activities during Seasonal Closures and therefore can not meet the closure requirements specified in the referenced rule. Completion of the well and Closure will be scheduled and initiated as soon as the Seasonal Closure is lifted.
- <u>(2ND Revised Closure Date Of 08/13/10)</u> needed due to Surface Owner restriction and limitation.
- Other than the revised closure date there will be no modifications to the design, operation and maintenance, or closure plans for this location.

BR realizes this does not relieve any of the requirements of Part 17.