District I 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

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

1000 Rio Brazos Rd , Aztec, NM 87410

District IV
1220 S St Francis Dr , Santa Fe, NM 87505

Dit

		Pit, Closed-Loop System, Below-Grade Tank, or
,α	Proposed Alternative Method Permit or Closure Plan Application	
170	Type of action:	Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method
		X Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method

Modification to an existing permit

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request

below-grade tank, or proposed alternative method

Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system,

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 nyironment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinance:

environment. Nor does approval relieve the operator of its responsibility to comply with any other ap	plicable governmental authority's rules, regulations or ordinances
Operator: ConocoPhillips Company Address: PO Box 4289, Farmington, NM 87499	OGRID#: 21781 7
Facility or well name: Clay 1	
	Ni mik on
API Number: 30-045-22011 OCD Permit	
U/L or Qtr/Qtr: O(SW/SE) Section: 12 Township: 26N Range: Center of Proposed Design: Latitude: 36.497509 °N Longitude	
Surface Owner: Federal State Private X Tribal Trust or	
	Middle 2 Hothlette
Pit: Subsection F or G of 19 15 17 11 NMAC Temporary Drilling Workover	RCVD JAN 23'12
Permanent Emergency Cavitation P&A	OIL CONS. DIV.
	E HDPE PVC Other UIST. 3
String-Reinforced Liner Seams. Welded Factory Other Volume	hhi Dimanuana I. IV. D
Liner Seams. Welded Factory Other Volume	bbl Dimensions Lx Wx D
X Closed-loop System: Subsection H of 19 15.17.11 NMAC Type of Operation X P&A Drilling a new well Workover or Drilling (Approximately notice of intent)	olies to activities which require prior approval of a permit or
Drying Pad X Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type Thickness mil LLDPE Liner Seams Welded Factory Other	HDPE PVD Other
4 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 at Visible sidewalls and liner Visible sidewalls only Other 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 En	nvironmental 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 Within 200 for the formation with Engineer temporary and 200 for the formation with the significant product of the state of the search product of the state of the search product of the sea	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	res			
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks)	Yes No			
- 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. (Applied to permanent pits)	Yes No			
 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			
- 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			
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	Yes No			
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	Yes No			
 Within an unstable area. Engineering measures incorporated into the design, NM Bureau of Geology & Mineral Resources, USGS, NM Geological Society, Topographic map 	Yes No			
Within a 100-year floodplain - FEMA map	Yes No			

Temporary Pits, Emergency Pits and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19 15 17 9 NMAC Instructions: Each of the following items must be attached to the application Please indicate, by a check mark in the box, that the documents are attached			
Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17 9 NMAC			
Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15 17 9			
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			
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			
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			
Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NiMAC and 19.15.17.13 NiMAC			
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			
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 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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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 identify 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 #					
Disposal Facility Name Disposal Facility Permit #					
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 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	Yes No				
- NM Office of the State Engineer - IWATERS database search, USGS Data obtained from nearby wells	∐N/A				
Ground water is between 50 and 100 feet below the bottom of the buried waste	Yes No				
- NM Office of the State Engineer - IWATERS database search, USGS, Data obtained 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 obtained from nearby wells	□N/A				
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)	Yes 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 - Visual inspection (certification) of the proposed site, Aerial photo, satellite image	Yes No				
	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 fee of any other fresh water well or spring, in existence at the time of the initial application - NM Office of the State Engineer - iWATERS database, 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	Yes No				
- Written confirantion 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 Society, 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 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 o	f 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) Title				
Signature Date				
e-mail address Telephone				
20 OCD Approval: Permit Application (uncluding closur of plan) Closure Plan (only) OCD Conditions (see attachment)				
OCD Representative Signature:Approval Date:Approval Date:				
Title: OMDiance 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. X Closure Completion Date: 1/10/2012				
22				
Closure Method:				
Waste Excavation and Removal On-site Closure Method Alternative Closure Method X 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 Envirotech / JFJ Landfarm % IEI Disposal Facility Permit Number NM-01-0011 / NM-01-0010B				
Disposal Facility Name Basin Disposal Facility Disposal Facility Permit Number. NM-01-005				
Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations?				
Yes (If yes, please demonstrate compliane to the items below)				
Required for impacted areas which will not be used for future service and operations				
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 (if applicable)				
Disposal Facility Name and Permit Number				
Soil Backfilling and Cover Installation				
Re-vegetation Application Rates and Seeding Technique				
Site Reclamation (Photo Documentation)				
On-site Closure Location Latitude Longitude NAD 1927 1983				
Operator Closure Certification:				
I hereby certify that the information and attachments submitted with this closure report is ture, accurate and complete to the best of my knowledge and belief—I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan				
Name (Print) CRYSTAL TAFOYA Title STAFF REGULATORY TECHNICIAN				
Signature Jal Tapeja Date 1/20/12				
e-mail address <u>crystal tafoya@conocophillips com</u> Telephone (505) 326-9837				