District I
1625 N French Dr., Hobbs, NM 88240

<u>District II</u> 1301 W Grand Ave , Artesia, NM 88210 <u>District III</u> 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
porary pits, closed-loop sytems, and below-grade

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

District III		1220 Sout	in St. Francis Dr.	
District IV	Rd , Aztec, NM 87410 s Dr , Santa Fe, NM 87505	Santa F	e, NM 87505	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 Sy	ystem, Below-G	rade Tank, or
20°	<u>Prop</u>	osed Alternative Met	thod Permit or C	Closure Plan Application
47	Type of action:	X Permit of a pit, closed-le	oop system, below-gra	de tank, or proposed alternative method
, -		=		ade tank, or proposed alternative method
		Modification to an exist	ting permit	
		Closure plan only subm below-grade tank, or pro		ermitted or non-permitted pit, closed-loop system, hod
Ple	ease be advised that approval	of this request does not relieve the oper	rator of liability should operate	I-loop system, below-grade tank or alternative request ions result in pollution of surface water, ground water or the cable governmental authority's rules, regulations or ordinances
ı Operator: <u>Buı</u>	rlington Resources O	il & Gas Company, LP		OGRID#: 14538
Address: PO	Box 4289, Farmingt	on, NM 87499		
Facility or well	l name: Huerfano U	nit 190		
API Number: .	3	0-045-20419	OCD Permit Ni	umber
U/L or Qtr/Qtr			25N Range:	10W County: San Juan
Center of Propo Surface Owner	osed Design: Latitud r: X Federal	e: <u>36.4346</u> State Private	N Longitude: Tribal Trust or In	
Temporary Permanent Lined String-Rein Liner Seams	Emergency Unlined L	7.11 NMAC rkover Cavitation P&A Iner type Thickness actory Other	mil LLDPE Volume	RCVD MAR 23 '1: OIL CONS. DIV. HDPE PVC Other DIST. 3 bbl Dimensions L x w x D
Type of Opera Drying I Lined [Liner Seams	Pad X Above Gro		ice of intent)	es to activities which require prior approval of a permit or HDPE PVD Other
Volume Tank Construct Secondary Visible s Liner Type		obl Type of fluid	valls, liner, 6-inch lift and Other PVC Other	automatic overflow shut-off
	tive Method:	quired Exceptions must be subm	nitted to the Santa Fe Env	rironmental Bureau office for consideration of approval

6 , Fencing: Subsection D of 19 15 17 11 NMAC (Applies to permanent pit, temporary pits, and below-gra-	ade tanks)		•
Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate Please specify	a permanent residence, school, hospital, insti-	tution or chui	rch)
7 Netting: Subsection E of 19.15 17.11 NMAC (Applies to permanent pits and permanent open top tanks)	s)		
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 guida	ance.		
Please check a box if one or more of the following is requested, if not leave blank:	anco		
Administrative approval(s) Requests must be submitted to the appropriate division district of the Sar (Fencing/BGT Liner)	nta Fe Environmental Bureau office for consid	deration of ap	proval
Exception(s) Requests must be submitted to the Santa Fe Environmental Bureau office for considera	ation of approval		
10			
Siting Criteria (regarding permitting) 19 15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application source material are provided below. Requests regarding changes to certain siting criteria may require an appropriate district office or may be considered an exception which must be submitted to the Santa Fe Econsideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 Nations does not apply to drying pads or above grade-tanks associated with a closed-loop system.	ndministrative approval from the Environmental Bureau Office for		
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or - NM Office of the State Engineer - iWATERS database search, USGS, Data obtained from	9	Yes	No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercours (measured from the ordinary high-water mark). - Topographic map, Visual inspection (certification) of the proposed site	se, lakebed, sinkhole, or playa lake	Yes	□No
Within 300 feet from a permanent residence, school, hospital, institution, or church in exis application.	tence at the time of initial	Yes	□No
(Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site, Aerial photo; Satellite image		NA	
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the	he 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 househo purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the tin	<u> </u>	Yes	No
- NM Office of the State Engineer - iWATERS database search, Visual inspection (certificat	ion) of the proposed site		
Within incorporated municipal boundaries or within a defined municipal fresh water well field cover adopted pursuant to NMSA 1978, Section 3-27-3, as amended	-	Yes	□No
 Written confirmation or verification from the municipality, Written approval obtained from Within 500 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (cer 		Yes	No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD - Mining and Mineral D	,	Yes	No
Within an unstable area Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Res		Yes	No
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					
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					
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 XP&A Permanent Pit Below-grade Tank X Closed-loop System Alternative Proposed Closure Method Waste Excavation and Removal XWaste 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					
,					
Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F 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)					
Disposal Facility Name and Permit Number (for liquids, drılling fluids and drıll cuttings)					
Disposal Facility Name and Permit Number (for liquids, drılling fluids and drıll cuttings) Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15 17.13 NMAC					
Disposal Facility Name and Permit Number (for liquids, drılling fluids and drıll cuttings)					

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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: Envirotech / JFJ Landfarm % IEI Disposal Facility Permit #. NM-01-0011 / NM-01-00	010B				
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 Yes (If yes, please provide the information No	service and				
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 NM/C 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	AC				
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 certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to 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 - tWATERS 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}				
Committee and the 100 foot halo the Late Call II at the					
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 □N/A				
	□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	Yes No				
- Written confirmation or verification from the municipality, Written approval obtained from the municipality					
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 confiramtion 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				
18					
On-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each of the following items must bee attached to the close by a check mark in the box, that the documents are attached.	ure plan. Please indicate,				
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					

Form C-144

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 A Title. STAFF REGULATORY TECHNICIAN
Signature Laloua Date 3/22/70/7
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
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) Title
Signature Date
a mail address

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.