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

Form C-144 July 21, 2008

For temporary pits, closed-loop sytems, and below-grade 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

1220 S St Francis Dr , Santa Fe, NM 87505			appropriate NMOCD	District Office
	Pit, Closed-Loop Sy	ystem, Below-G	rade Tank, or	
Propo	osed Alternative Met	thod Permit or C	losure Plan App	lication
Type of action:	X Permit of a pit, closed-k	oop system, below-grad	de tank, or proposed alt	ternative method
	Closure of a pit, closed-	loop system, below-gra	ade tank, or proposed a	Iternative method
	Modification to an exist	ting permit		
	Closure plan only subm	utted for an existing pe	rmitted or non-permitte	ed pit, closed-loop system,
	below-grade tank, or pro	·		
Instructions: Please submit one ap	- '	<del>-</del>		-
	f this request does not relieve the oper eve the operator of its responsibility to			
			0.60.00 // 1.150	
Operator Burlington Resources Oil			OGRID#: <u>1453</u>	8
Address: PO Box 4289, Farmingto	<del></del>			
Facility or well name: San Juan 28-		OCD P AN		
<del>-</del>	0-039-25364	OCD Permit Nu		Die Amilie
U/L or Qtr/Qtr: B(NW/NE) Section  Center of Proposed Design. Latitude	·	28N Range oN Longitude:	5W County 107.3077	Rio Arriba           °W NAD: X 1927 1983
Surface Owner: X Federal	State Private			W NAD. A 1927 1909
Pit: Subsection F or G of 19 15 17	11 NMAC			
Temporary Drilling World	kover			RCVD MAR 28 '12
	avitation P&A			OIL CONS. DIV.
Lined Unlined Li	ner type Thickness	mıl LLDPE	HDPE PVC	OtherDIST. 3
String-Reinforced				
Liner Seams Welded Fa	octory Other	Volume	bbl Dimensions	Lx Wx D
3				
· —	ion H of 19 15 17 11 NMAC			
Type of Operation X P&A			es to activities which requ	ire prior approval of a permit or
Drying Pad X Above Groun	noti nd Steel Tanks Haul-off	Bins Other		
	r type Thickness	mil   LLDPE	HDPE PVD	Other
Liner Seams Welded Fa	···			
Below-grade tank: Subsection I	of 19 15 17 11 NMAC			
Volumeb	bl Type of fluid		<u></u>	
Tank Construction material				
Secondary containment with leak de	tection Visible sidew	valls, liner, 6-inch lift and	automatic overflow shut-	off

Alternative Method:

Liner Type

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

Other

Other

PVC

Visible sidewalls only

mil

HDPE

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Visible sidewalls and liner

Thickness

Oil Conservation Division

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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  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	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)  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 time of initial application.  (Applied to permanent pits)	Yes NA	No			
<ul> <li>Visual inspection (certification) of the proposed site, Aerial photo, Satellite image</li> <li>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.</li> </ul>	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			
<ul> <li>Within an unstable area.</li> <li>Engineering measures incorporated into the design, NM Bureau of Geology &amp; Mineral Resources, USGS, NM Geological Society, Topographic map</li> </ul>	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 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				
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				
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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Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Instructions Please identify the facility or facilities for the disposal of liquids, dr.					
facilities are required		indomient y more man in	,		
Disposal Facility Name Envirotech / JFJ Landfarm % IEI	Disposal Facility Permit #		010B		
Disposal Facility Name Basin Disposal Facility	Disposal Facility Permit #				
Will any of the proposed closed-loop system operations and associated act		vill not be used for future	service and		
Required for impacted areas which will not be used for future service and operation.  Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Summary Site Reclamation Plan - based upon the appropriate requirements of Summary Site Reclamation Plan - based upon the appropriate requirements of	opriate requirements of Subsect obsection I of 19 15 17 13 NMA	С	AC		
17  Siting Criteria (Regarding on-site closure methods only: 19 15 17 10 N  Instructions Lach siting criteria requires a demonstration of compliance in the closure certain siting criteria may require administrative approval from the appropriate district office for consideration of approval. Justifications and/or demonstrations of equivalence.	olan Recommendations of acceptable office or may be considered an excep	tion which must be submitted to			
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	obtained from nearby walls		Yes No		
·	•				
	Ground water is between 50 and 100 feet below the bottom of the buried waste  - NM Office of the State Engineer - iWATERS database search, USGS, Data obtained from nearby wells				
Ground water is more than 100 feet below the bottom of the buried waste			☐Yes ☐No		
- NM Office of the State Engineer - 1WATERS database search, USGS, Data	obtained from nearby wells		N/A		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other sig (measured from the ordinary high-water mark)	nificant watercourse or lakebed, sii	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 - Visual inspection (certification) of the proposed site, Aerial photo, satellite in	•	pplication	∐Yes ∐No		
Within 500 horizontal feet of a private, domestic fresh water well or spring that les purposes, or within 1000 horizontal fee of any other fresh water well or spring, in c - NM Office of the State Engineer - iWATERS database, Visual inspection (ce Within incorporated municipal boundaries or within a defined municipal fresh water	existence at the time of the initial apartification) of the proposed site	plication	∐Yes ∐No		
pursuant to NMSA 1978, Section 3-27-3, as amended - 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 confirantion or verification or map from the NM EMNRD-Mining and Mineral Division					
Within an unstable area - Engineering measures incorporated into the design, NM Bureau of Geology &	k Mineral Resources, USGS, NM C	Geological Society,	YesNo		
Topographic map Within a 100-year floodplain - FEMA map			Yes No		
On-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: E by a check mark in the box, that the documents are attached.	ach of the following items mus	t bee attached to the closi	ure plan. Please indicate,		
Siting Criteria Compliance Demonstrations - based upon the approp	•				
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					
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 Su					
Site Reclamation Plan - based upon the appropriate requirements of	Subsection G of 19 15 17 13 N	MAC			

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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
Signature
e-mail address <u>crystal tafoya@conocophilips chm</u> Telephone (505) 326-9837
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)  OCD Representative Signature: Approval Date: 3/2/2012  Title: OCD Permit Number:
Closure Report (required within 60 days of closure completion): Subsection K of 1915 1713 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.  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 compliane to the items below)  Required for impacted areas which will not be used for future vervice 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
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 helief. 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 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.