• 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

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

1220 S St Francis Dr , Santa Fe, NM 87505		appropriate NMOCD District Office	
	Pit, Closed-Loop System	n, Below-Grade Tank, or	
Propo	sed Alternative Method	Permit or Closure Plan Application	
Type of action:	Closure of a pit, closed-loop sy  Modification to an existing per  Closure plan only submitted for	or an existing permitted or non-permitted pit, closed-loop syste	em,
To a me to	below-grade tank, or proposed		
Please be advised that approval of	this request does not relieve the operator of lia	ridual pit, closed-loop system, below-grade tank or alternative tability should operations result in pollution of surface water, ground water or the with any other applicable governmental authority's rules, regulations or ordinance.	-
1 Operator: ConocoPhillips Company	<i>!</i>	OGRID#: <b>21781</b> 7	
Address: PO Box 4289, Farmingto	n, NM 87499		
Facility or well name: Lindrith B U	nit 7	-	
API Number: 30	0-039-22450	OCD Permit Number	
U/L or Qtr/Qtr: G(SW/NE) Section  Center of Proposed Design: Latitude:  Surface Owner: X Federal	36.283588 °N	Range: 3W County: Rio Arriba  Longitude: 107.15868 °W NAD: X 192  Tribal Trust or Indian Allotment	77 1983
Lined Unlined Lii String-Reinforced		OIL CO	PR 2'12 NS. DIV. ST. 3
Type of Operation P&A Drying Pad X Above Groun Lined Unlined Liner	on H of 19 15 17 11 NMAC  Drilling a new well X Workover of notice of in and Steel Tanks Haul-off Bins  type Thickness milectory Other	Other	rmit or
Below-grade tank: Subsection I Volume bt Tank Construction material Secondary containment with leak det Visible sidewalls and liner Liner Type Thickness	ection Visible sidewalls, line	ner, 6-inch lift and automatic overflow shut-off  Other  C Other	
5 Alternative Method: Submittal of an exception request is requ	nired Exceptions must be submitted to	o the Santa Fe Environmental Bureau office for consideration of appro	oval

6		1			
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, insi	titution or chu	rch)			
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)					
8					
Signs: Subsection C of 19 15.17 11 NMAC					
12" X 24", 2" lettering, providing Operator's name, sate 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 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		ı			
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		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 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, 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 - 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	Yes	No			
- Written confirmation or verification from the municipality; Written approval obtained from the municipality					
<ul> <li>Within 500 feet of a wetland.</li> <li>US Fish and Wildlife Wetland Identification map, Topographic map; Visual inspection (certification) of the proposed site</li> </ul>	Yes	∐No			
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division		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	Yes	No			
- FEMA map	<sub>1</sub> —				

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  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				
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				
X Design Plan - based upon the appropriate requirements of 19 15 17.11 NMAC				
Note				
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 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				
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)					
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-01-0010B				
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  Yes (If yes, please provide the information  No	for future 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 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 Cuitagia (Pagarding on site alacura methods only: 10.15.17.10 NMAC					
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 - NM Office of the State Engineer - iWATERS database search, USGS. Data obtained from nearby wells	Yes No				
Ground water is between 50 and 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				
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 la (measured from the ordinary high-water mark)	ake 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				
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock wat 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 - tWATERS 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 add 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	Yes No				
- US Fish and Wildlife Wetland Identification map, Topographic map, Visual inspection (certification) of the proposed site					
Within the area overlying a subsurface mine  - Written confirantion 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	y;				
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 Burnal 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	standards cannot be echieved				
☐ 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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Operator Application Certification:  Thereby 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 Date 3 30 2012
e-mail address crystal tafoya@conocophillips.com() Telephone (505) 326-9837
20
OCD Approval: Permit Application (including closure plan)   Gloture Plan (only)   OCD Conditions (see attachment)  OCD Representative Signature: Approval Date: 4/03/2012  Title: GCD 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 compliane to the items below)
Required for impacted areas which will not be used for future service and operations
Ste 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 Telephone

Form C-144 Oil Conservation Division

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# ConocoPhillips Company Closed-loop Plans

## Closed-loop Design Plan

COPC'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**

COPC'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.