District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources Department Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

For temporary pits, closed-loop systems, 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 appropriate NMOCD District Office.

	Pit, Closed-Loop System, Below-Grade Tank, or
953 Propo	sed 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
Existing DCT	Modification to an existing permit
Existing BGT	Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system,
below-grade tar	k, or proposed alternative method

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

Operator: OGRID #: 5380 Address: 382 Road 3100 Aztec, NM 87410								
Address: XTO Energy, Inc.	5380							
382 Road 3100 Aztec, NM 8	7410							
API Number: 2004524620	XL #14							
// on Otr/Otr Society 22	OCD Permit Number: Township27N Range11W_County:							
Center of Dromond Design, Letitude	Township	San-Juan						
26.5657	76 Longitude 107.98450 Tribal Trust or Indian Allotment	NAD: [1927 [1983						
urface Owner: Federal State Private	Tribal Trust or Indian Allotment							
		RECEIVED SEP 2008 OIL CONN. DIV. DIST 3						
Pit: Subsection F or G of 19.15.17.11 NMAC		618910112						
Cemporary: Drilling Workover		A56.						
Permanent Emergency Cavitation Po		DEOL S						
	mil	TECEIVED S						
String-Reinforced	্র	SEP 2008						
iner Seams: Welded Factory Other _	Volume:bbl Dimensions	DIL CONS. DIV. DIST. 3 00/						
	/6	oproval of a permit or notice of						
Closed-loop System: Subsection H of 19.15.1	17.11 NMAC	CO2024757						
Type of Operation: P&A Drilling a new we ntent)	ell Workover or Drilling (Applies to activities which require prior ap	oproval of a permit or notice of						
Drying Pad Above Ground Steel Tanks	Haul-off Bins Other							
Lined Unlined Liner type: Thickness	mil LLDPE HDPE PVC Other							
iner Seams:								
XBelow-grade tank: Subsection I of 19.15.17.1								
	id: Produced Water							
ank Construction material: Steel								
-	Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off							
☐ Visible sidewalls and liner ☐ Visible sidewal	Ils only X Other Visible sidewalls, vaulted, automatic hi	i gh le vel shut off						
iner type: Thicknessmil	HDPE PVC Other							

Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, 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) Sour 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 or the Santa Fe Environmental Bureau of consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	office for				
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 soun material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate dist 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 of 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 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). - 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. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site, Aerial photo; Satellite image	☐ Yes ☒ No ☐ NA				
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No ☑ NA				
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 feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No				
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					
 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 NMAC ☐ 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 Number: or Permit Number:
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 Number:
Previously Approved Operating and Maintenance Plan API Number:(Applies only to closed-loop system that use
above ground steel tanks or haul-off bins and propose to implement waste removal for closure)
Name
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 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 Burial 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

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 indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.						
isposal Facility Name: Disposal Facility Permit Number:						
Disposal Facility Name: Disposal Facility Permit Number:						
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 operations? Yes (If yes, please provide the information below) No						
Required for impacted areas which will not be used for future service and operations: 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						
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 sour provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate distructions of acceptable sour considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifice demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.	rict office or may be					
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 ☐ NA					
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	☐ Yes ☐ No ☐ NA					
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						
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). - 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. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image						
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 feet of any other fresh water well or spring, in existence at the time of 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						
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					
On-Site 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. 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 19.15.17.13 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 I of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC						

Operator Application Certification: I hereby certify that the information submitted with this application is true,	accurate and complete to th	e best of my knowledge and belief.
Name (Print): Kim Champlin	Title:	Environmental Representative
Signature: Kim Cham Hir	Date:	9-8-08
e-mail address: kim_champlin@xtoenergy.com		(505) 333-3100
20. OCD Approval: Permit Application (including closure plan) [Clos	Discount of OCD	Condition (consultation)
OCD Representative Signature: District #3		Approval Date: 4/25/2012
21.		
Closure Report (required within 60 days of closure completion): Subseinstructions: Operators are required to obtain an approved closure plan parties to closure report is required to be submitted to the division within 60 day section of the form until an approved closure plan has been obtained and	orior to implementing any c es of the completion of the c	closure activities and submitting the closure report.
	☐ Closure Comp	letion Date:
22. Closure Method: Waste Excavation and Removal On-Site Closure Method A If different from approved plan, please explain.	Iternative Closure Method	☐ Waste Removal (Closed-loop systems only)
23. Closure Report Regarding Waste Removal Closure For Closed-loop Sy Instructions: Please indentify the facility or facilities for where the liquid two facilities were utilized.		
Disposal Facility Name:	Disposal Facility Pe	ermit Number:
Disposal Facility Name:		ermit Number:
Were the closed-loop system operations and associated activities performed Yes (If yes, please demonstrate compliance to the items below)	on or in areas that <i>will not</i> b No	be used for future service and operations?
Required for impacted areas which will not be used for future service and o Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	perations [,]	
24. Closure Report Attachment Checklist: Instructions: Each of the follow 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)	ing items must be attached	to the closure report. Please indicate, by a check
□ Confirmation Sampling Analytical Results (if applicable) □ Waste Material Sampling Analytical Results (required for on-site clo □ Disposal Faculity 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	_ongitude	NAD: [1927 [1983
Operator Closure Certification: I hereby certify that the information and attachments submitted with this clobelief. I also certify that the closure complies with all applicable closure results.	quirements and conditions s	pecified in the approved closure plan.
Name (Print):		
Signature:	Date:	
e-mail address:	Telephone:	

Form C-144

¥. 6.

All distances must be from it router boundaries of the Section Operator Well No. SCOTT "EN FEDERAL Comm GULF OIL CORPORATION 14 Unit Letter Section A 11 WEST SAN JUAN 22 27 NORTH Actual Fastage Location of Well; 825 NORTH EAST feet from the fret from the line Producing Formation Ground Level Elev. Dedicated Acreage: West Kutz Pictured Cliffs 160 6351 West Kutz 1. Outline the accenge dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 3. If more than one lense of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc? Communitization X) Yes [] % If answer is "yes," type of consolidation ____ If nowwer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if neer sary.) __ No allowable vill be assigned to the well until all interests have been consolicated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been appreced by the Commis-CERTIFICATION **-** 50% I county certify that the information com-Husky 0i1 | - 25% taired herein Is tive and complete to the Depco, Inc! - 25% -825 best of my knowledge and belief. Nume R. D. Pitre Pestiden BLM RECEIVED Area Engineer Gulf Oil Corporation $\mu_{\mathcal{U}}$ 7-10-81 Date Surveyed July 28, 1980 Registered Profussional Engineer James P Leese Cortilionie No. 1463

NINOCCI

Lodestar Services, Inc. PO Box 4465, Durango, CO 81302

Pit Permit Siting Criteria

Client:	XTO Energy	
Project:	Pit Permits	
Revised:	27-Aug-08	
repared by:	Devin Hencmann	

V 10 DOX 1100, Database,	Information Sheet		Prepared by:	Devin Hencmann					
API#:	,	3004524630	USPLSS:	27N, 11W, 22A					
Name:	SCOTT E FEDERAL #14		Lat/Long:	36.56576, -107.98451					
Depth to groundwater:		>100'	Geologic formation:	Naciemento					
Distance to closest continuously flowing watercourse:		s to the 'San Juan River'							
Distance to closest significant watercourse, lakebed, playa lake, or sinkhole:		iles E to Kutz Canyon							
Permanent residence, school, hospital, institution or church within 300'		No	Soil Type:	Entisols					
			Annuai Precipitation:	Bloomfield: 8.71", Farmington: 8.21", Otis: 10.41"					
Domestic fresh water well or spring within 500'	No		ring within No Precipitat			T Historical dally max: Bloomfield (4 191)			
Any other fresh water well or spring within 1000'		No							
Within incorporated municipal boundaries		No	Attached Documents:	27N 11W i-Waters pdf,27N 12W i-Waters pdf					
Within defined municipal fresh water well field		No		Topo map pdf, Aerial pdf, Mines and Quarries Map pdf,i-Waters Ground Water Data Map pdf, FEMA flood zone map pdf					
Wetland within 500'		No	Mining Activity:	None					
Within unstable area		No							
Within 100 year flood plain		lo-FEMA Zone 'X'							
Additional Notes:									

Scott E Federal #14 Below Ground Tank Hydrogeologic Report for Siting Criteria

General Geology and Hydrology

The San Juan Basin is a typical Rocky Mountain basin with a gently dipping southern flank and a steeply dipping northern flank. Asymmetrically layered Tertiary sandstones and shales, along with Quaternary alluvial deposits, dominate surficial geology (Dane and Bachman, 1965). The proposed pit location will be located in the southernmost Kutz Canyon region of the San Juan Basin. The predominant geologic formation is the Nacimiento Formation of Tertiary age, which underlies surface soils and is often exposed (Dane and Bachman, 1965). Deposits of Quaternary alluvial and aeolian sands occur prominently near the surface of the area, especially near streams and washes.

Cretaceous and Tertiary sandstones, as well as Quaternary alluvial deposits serve as the primary aquifers in the San Juan basin (Stone et al., 1983). In most of the proposed area, the Nacimiento Formation lies at the surface and grades into the Animas Formation to the west. Thickness of the Nacimiento ranges from 418 to 2232 feet (Stone et al., 1983). Aquifers within the coarser and continuous sandstone bodies of the Nacimiento Formation are between 0 and 1000' deep in this section of the basin (Stone et al., 1983). Groundwater within these aquifers flows toward the San Juan River.

The prominent soil type at the proposed site are entisols and aridisols, which are defined as soils that exhibit little to no any profile development (www.emnrd.state.nm.us). Soils are basically unaltered from their parent rock. Miles of arroyos, washes and intermittent streams exist as part of the drainage network towards the San Juan River. These features often cut into soil and other unconsolidated materials, contributing to sedimentation downstream. The sudden influx of water from storm events easily erodes the soils that cover the area. The sudden influx of water from storm events easily erodes the soils that cover the area and prohibits effective recharge to the underlying aquifers.

Dry and arid weather further prohibit active recharge. The climate of the region is arid, averaging 8 to 12 inches of rainfall annually. As is typical of the southwestern United States monsoonal weather patterns, most precipitation falls from August through October. The heaviest rainfall occurs in the summer in isolated, intense cloudbursts. November through June is relatively dry. Snow generally falls from December to mid-February and averages less than one-half inch in depth. However, most recharge occurs during the winter months during snowmelt periods from the upper elevations (Western Regional Climate Center www.wrcc.dri.edu).

The predominant vegetation is sagebrush and grasses with a more restricted pinon-juniper association (Dick-Peddie, 1993). However, vegetation is very sparse and discontinuous.

Site Specific Hydrogeology

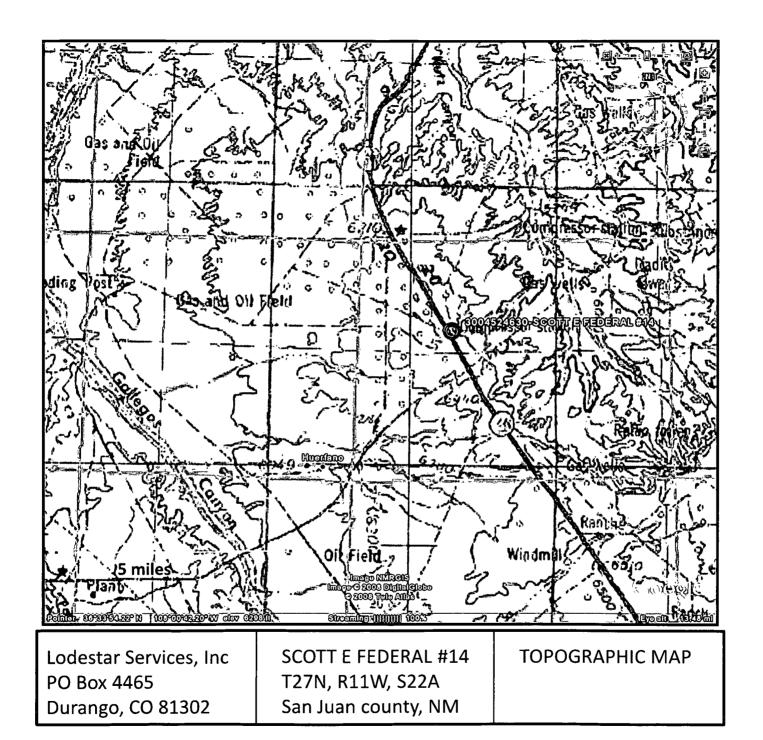
Depth to groundwater is estimated to be between 50 and 100°. This estimation is based on data from Stone and others (1983), the USGS Groundwater Atlas of the United States and depth to groundwater data published on the New Mexico State Engineer's iWaters Database website. Local topography and proximity to surface hydrologic features are also taken into consideration.

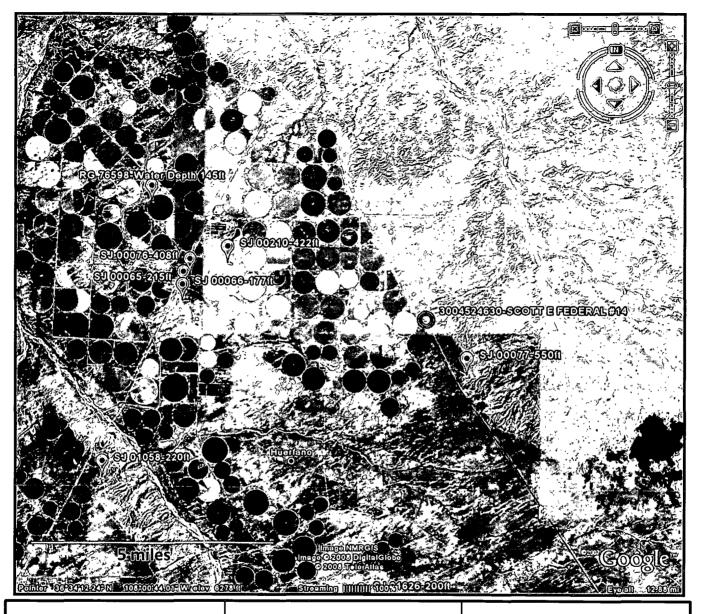
Beds of water-yielding sandstone are present in the Nacimiento Formation, which are fluvial in origin and are interbedded with siltstone, shale and coal. Porous sandstones form the principal aquifers, while relatively impermeable shales form confining units between the aquifers (Stone et al., 1983). Local aquifers exist within the Nacimiento Formation at depth s greater than 100 feet and thicknesses of the aquifer can be up to 3500 feet (USGS, Groundwater Atlas of the US).

The site in question is located near the edge of Kutz Canyon, where deeply eroded sandstone-capped mesas and slope-forming mudstones occur in a sparsely vegetated and arid badlands-type setting. Broad shalely hills are interspersed with occasional sandstone outcrops, and systems of dry washes and their tributaries are evident on the attached aerial image.

The pit will be located on a relatively flat mesa top at an elevation of approximately 6365 feet near the head of Kutz Wash. It will be within the Kutz Canyon tributary system and 2.4 miles west of Kutz Wash. Groundwater is expected to be shallow within Kutz Wash. But the significant distance between the Canyon and the site, as well as an elevation difference of over 400 feet suggest groundwater is greater than 100 feet at the proposed site.

State iWaters data points are sparsely distributed in this region, so representative sites with respect to topography and geology were chosen for analysis. The nearest iWaters data point is located 1.3 miles southeast. However, a truly representative site is not available. Wells located at lower elevations along Kutz Canyon contain groundwater anywhere from 60 feet to 170 feet deep. A map showing the location of wells in reference to the proposed pit location is attached (SJ00032 depth 60°, SJ00034 depth 170). These data can be used to argue that groundwater at the proposed site is greater than 60 feet. The lack of data points prohibits an estimation of depth to groundwater greater than 100°.





Lodestar Services, Inc PO Box 4465 Durango, CO 81302 SCOTT E FEDERAL #14 T27N, R11W, S22A San Juan county, NM i-Waters Ground Water Data Map

New Mexico Office of the State Engineer POD Reports and Downloads

POD / Surface Data ReportAvg Depth to Water ReportWater Column Report

WATER COLUMN REPORT 03/22/2008

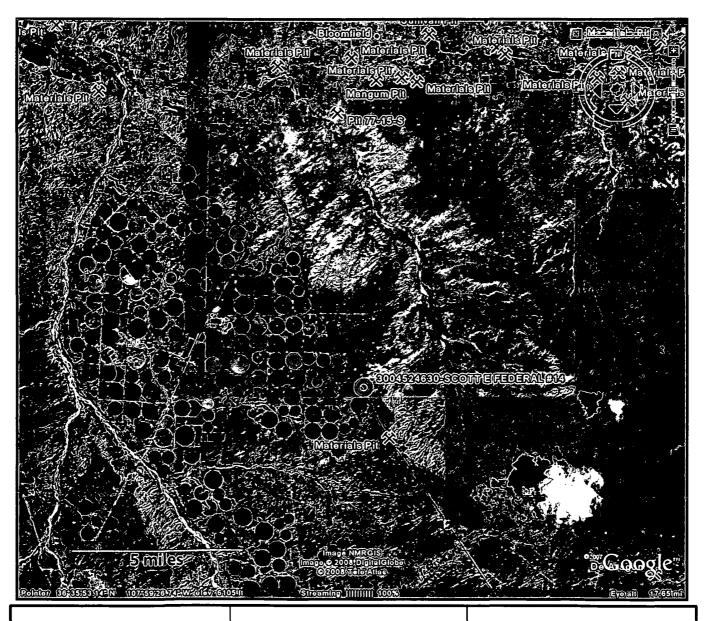
	• •			smalles	•		Depth	Depth	Water	(in feet)
POD Number	Tws	Rng Sec	વવવ	Zone	X	Ā	Well	Water	Column	
SJ 01787	27n	11W 07	2 2				€50			
SJ 0007?	27N	11W 26	2 1 3				1102	550	552	

Record Count: 2

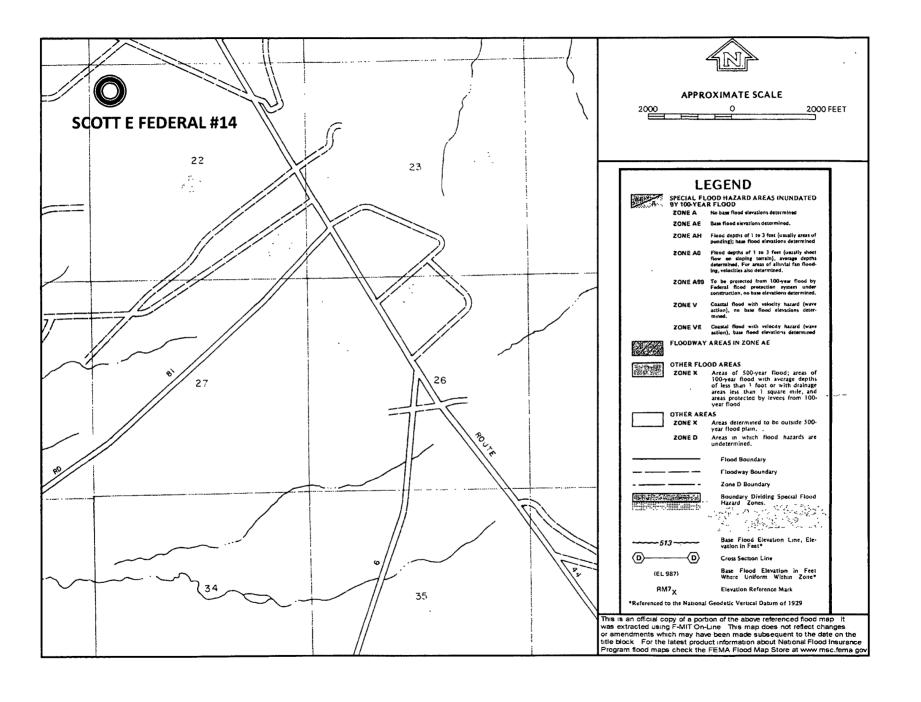


Lodestar Services, Inc PO Box 4465 Durango, CO 81302 SCOTT E FEDERAL #14 T27N, R11W, S22A San Juan county, NM

AERIAL PHOTOGRAPH



Lodestar Services, Inc PO Box 4465 Durango, CO 81302 SCOTT E FEDERAL #14 T27N, R11W, S22A San Juan county, NM Mines and Quarries Map



XTO Energy Inc. San Juan Basin Below Grade Tank Design and Construction Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the design and construction of below grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below grade tanks. A separate plan will be submitted for any below grade tank (BGT) which does not conform to this plan.

General Plan

- 1. XTO will design and construct a BGT to contain liquids and solids and prevent contamination of fresh water and protect public heath and environment.
- Prior to constructing the pit, topsoil will be stockpiled in the construction zone for later use in restoration.
- 3. XTO will post a well sign, in compliance with 19.15.3.103 NMAC, on the well site prior to construction of the BGT. The sign will list the Operator on record as the operator, the location of the well site by unit letter, section, township, range, and emergency telephone numbers.
- 4. XTO shall construct all new fences utilizing 48" steel mesh field-fence (hogwire) on the bottom with two strands of barbed wire on top, or with a pipe top rail. A 6' chain link fence topped with three stands of barbed wire will be used if the well location is within 1000' of a permanent residence, school, hospital, institution or church.
- 5. XTO shall construct an expanded metal covering on top of the BGT.
- 6. XTO will ensure that a BGT is constructed of materials resistant to the BGT's particular contents and resistant to damage from sunlight.
- The BGT system will have a properly constructed foundation consisting of a level base free of
 rocks, debris, sharp edges or irregularities to prevent punctures, cracks or indentations of the liner
 or tank bottom.
- XTO will construct a berm and/or diversion ditch in a manner that prevents the collection of surface water run-on.
- 9. XTO will construct and use BGT that does not have double walls. The BGT sidewalls will be open for visual inspection for leaks, the BGT bottom will be elevated a minimum of 6" above the underlying ground surface and the BGT will be underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected.
- 10. XTO will equip BGT's designed in this manner with a properly functioning automatic high-level shut-off control device and manual controls to prevent overflows.
- 11. The geomembrane liner shall consist of 30-mil flexible PVC or 60-mil HDPE liner, or an equivalent liner material that the appropriate division district office approves. The geomembrane liner shall have a hydraulic conductivity greater that 1 x 10-9 cm/sec. The geomembrane liner shall be composed of an impervious, synthetic material that is resistant to petroleum hydrocarbons, salts and acidic and alkaline solutions. The liner material shall be resistant to ultraviolet light. Liner compatibility shall comply with EPA SW-846 method 9090A.
- 12. The general specifications for design and construction are attached.

XTO Energy Inc. San Juan Basin Below Grade Tank Maintenance and Operating Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the operation and maintenance of below grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below grade tanks. A separate plan will be submitted for any below grade tank (BGT) which does not conform to this plan.

General Plan

- 1. XTO will operate and maintain a BGT to contain liquids and solids and prevent contamination of fresh water and protect public health and the environment.
- 2. XTO will not allow a BGT to overflow and will use berms and/or diversion ditch to prevent surface run on to enter the BGT.
- 3. XTO will continuously remove any visible or measurable layer of oil from the fluid surface of a BGT in order to prevent significant accumulation of oil.
- 4. XTO will inspect the BGT monthly and maintain written records for five years.
- 5. XTO will maintain adequate freeboard to prevent over topping of the BGT.

XTO Energy Inc. San Juan Basin Below Grade Tank Closure Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the closure requirements of below grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below grade tanks. A separate plan will be submitted for any below grade tank (BGT) which does not conform to this plan.

General Plan

- XTO will close a BGT within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the division requires because of imminent danger to fresh water, public health or the environment.
- 2. XTO will close an existing BGT that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or is not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC within five years after June 16, 2008, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC.
- 3. XTO will close a permitted BGT within 60 days of cessation of the BGT's operation or as required by the transitional provisions of Subsection B of 19.15.17.17 NMAC in accordance with a closure plan that the appropriate division district office approves. The closure report will be filed on form C-144.
- 4. XTO will remove liquids and sludge from a BGT prior to implementing a closure method and will dispose of the liquids and sludge in a division-approved facility.
- 5. XTO will remove the BGT and dispose of it in a division approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves.
- 6. XTO will remove any on-site equipment associated with a BGT unless the equipment is required for some other purpose.
- 7. XTO will test the solids beneath the BGT to determine whether a release has occurred. At a minimum 5 point composite sample will be collected along with individual grab samples from any area that is wet, discolored or showing other evidence of a release. Samples will be analyzed for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 8021B or 8260B or EPA method that the division approves, does not exceed 0.2 mg/kg; total BTEX concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 50 mg/kg; the TPH concentration, as determined by EPA method 418.1 or other EPA method that the division approves, does not exceed 100mg/kg; and the chloride concentration, as determined by EPA method 300.1 or other EPA method that the division approves, does not exceed 250 mg/kg, or the background concentration, whichever is greater. XTO will notify the division of its results on form C-141.
- 8. If XTO or the division determines that a release has occurred, XTO will comply with 19.15.3.116 NMAC and 19.15.1.19NMAC as appropriate.
- 9. If the sampling program demonstrates that a release has not occurred or that any release does not exceed the concentrations specified in Paragraph (4) of Subsection E of 19.15.17.13 NMAC, XTO will backfill the excavation with compacted, non-waste containing, earthen material; construct a division prescribed soil cover; recontour and re-vegetate the site.
- 10. Notice of Closure will be given to the Aztec Division District III office between 72 hours and one week of closure via email or verbally. The notification will include the following:
 - i. Operator's name
 - Location by Unit Letter, Section, Township, and Range. Well name and API number.

- 11. All closure activities will include proper documentation and be available for review upon request and will be submitted to OCD within 60 days of closure of the BGT. Closure report will be filed on form C-144 and incorporate the following:
 - i. Details on capping and covering, where applicable
 - ii. Inspection reports
 - iii. Sampling results
- 12. Re-contouring of location will match fit, shape, line, form and texture of the surrounding area. Re-shaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be placed in areas where needed to prevent erosion on a large scale. Final re-contour shall have a uniform appearance with smooth surface, fitting the natural landscape.
- 13. XTO will seed the disturbed areas the first growing season after the operator closes the pit.

 Seeding will be accomplished via drilling on the contour whenever practical or by other division-approved methods. BLM or Forest Service stipulated seed mixes will be used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs.
- 14. A minimum of 4' of cover shall be achieved and the cover shall include 1' of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater.
- 15. The surface owner shall be notified of XTO's proposal to close the BGT as per the approved closure plan using certified mail, return receipt requested.