. District 1'

1625 N French Dr. Hobbs, NM 88240

1301 W Grand Ave Artesia NM 88210

District III

State of New Mexico Energy Minerals and Natural Resources

Department Oil Conservation Division 1220 South St. Francis Dr. Form C-144 July 21, 2008

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

1000 Rio Brazos Rd , Aziec, NM 87410 <u>District IV</u> 1220 S. St. Francis Di Santa Fc. NM 87505	Santa Fe, 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.
	sed-Loop System, Below-Grad	le Tank or
\(\frac{1}{2} \) \(\fra	ernative Method Permit or Clos	
277		<u> </u>
	of a pit, closed-loop system, below-grade to	
	e of a pit, closed-loop system, below-grade	tank, or proposed alternative method
==	cation to an existing permit	
		tted or non-permitted pit, closed-loop system,
	grade tank, or proposed alternative method	
••	• • • • • • • • • • • • • • • • • • • •	p system, below-grade tank or alternative request
	es not relieve the operator of hability should operations re- of its responsibility to comply with any other applicable g	-
I		
Operator Burlington Resources Oil & Gas Co		OGRID#: 14538
Address: PO Box 4289, Farmington, NM 874		
Facility or well name: SAN JUAN 29-7 UNIT 1	102C	
API Number: 30-039-31095	OCD Permit Number	er:
U/L or Qtr/Qtr: H(SE/NE) Section: 16	Township. 29N Range:	7W County: RIO ARRIBA
	6.727244 °N Longitude:	107.569464 °W NAD: 1927 X 1983
Surface Owner: Federal X State	e Private Tribal Trust or India	n Allotment
String-Reinforced	Other Volume:	RCVD JUL 27'12 OIL CONS. DIV. DIST. 3 HDPE PVC Other bbl Dimensions L x W x D activities which require prior approval of a permit or
C)prosespermen [] con [] consigning	notice of intent)	vacornico winem require prior approvar or a permit or
		HDPE PVD Other
Tank Construction material Secondary contamment with leak detection Visible sidewalls and liner Visible	11 NMAC e of fluid. Visible sidewalls, liner, 6-inch lift and auto e sidewalls only HDPE PVC Other	omatic overflow shut-off
Liner Type: Thickness mil		
5 Alternative Method:		

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Oil Conservation Division

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Fencing: Subsection D of 19 15 17.11 NMAC (Applies to permanent pit, temporary pits, and below-grade tanks) Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church) Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate Please specify			
7			
Netting: Subsection E of 19.15-17-11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Notting Other Monthly inspections (If netting or screening is not physically feasible)			
Signs: Subsection C of 19.15 17 11 NMAC 12" X 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers X Signed in compliance with 19 15.3 103 NMAC			
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: X Administrative approval(s) Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for consideration of approval. (Cavitation pit for Pre-set)			
Lxception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration 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. 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 - (WATERS 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)	□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. (Applied to permanent pits)	Yes NA	No	
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image			
Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	Yes	No	
- NM Office of the State Engineer - (WATERS database search; Visual inspection (certification) of the proposed site.			
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended - Written confirmation or verification from the municipality. Written approval obtained from the municipality	Yes	No	
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	Yes	No	
Within the area overlying a subsurface mine Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	Yes	□No	
Within an unstable area. - Engineering measures incorporated into the design, NM Bureau of Geology & Mineral Resources; USGS; NM Geological	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 ChecklistSubsection 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 or Permit		
Character Section Bound April 20 and April 2		
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9		
Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19 15.17.10 NMAC		
Design Plan - based upon the appropriate requirements of 19 15.17 11 NMAC		
Operating and Maintenance Plan - based upon the appropriate requirements of 19 15.17.12 NMAC		
Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17 9		
NMAC and 19 15.17 13 NMAC		
Previously Approved Design (attach copy of design) API		
Previously Approved Operating and Maintenance Plan API		
Permanent Pits Permit Application Checklist: Subsection B of 19 15 17 9 NMAC		
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report - based upon the requirements of Paragraph (1) 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 fractors 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		
Line: 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 hmergency X Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System Alternative		
Proposed Closure Method.		
Waste Removal (Closed-loop systems only)		
On-site Closure Method (only for temporary pits and closed-loop systems)		
In-place Burial On-site Trench		
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)		
Waste Excavation and Removal Closure Plan Checklist(19 15 17 13 NMAC) Instructions: Each of the following items must be attached to the closure plan.		
Please indicate, by a check mark in the box, that the documents are attached.		
Protocols and Procedures - based upon the appropriate requirements of 19 15.17 13 NMAC		
Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19 15.17.13 NMAC Disposal Is will be Name and Pormy Number (For Inquire, dulling fluids and drill outlings)		
Disposal Facility Name and Permit Number (for Inquids, 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		
The state of the s		
Re-vegetation Plan - based upon the appropriate requirements of Subsection Lof 19.15.17.13 NMAC		

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16 Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:(19 15 17 13 D NMAC)			
Instructions Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two			
facilities are required Disposal Facility Name Envirotech / JEJ Landfarm % IEJ Disposal Facility Permit #. NM-01-0011 / NM-01-0	1010B		
Disposal Facility Name Basin Disposal Lacility Disposal Facility Permit #: NM-01-005	<u> </u>		
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will nbe used for future Yes (If yes, please provide the information Ne	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 N 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	IMAC		
17 Siting Criteria (Regarding on-site closure methods only: 19/15/17/10/NMAC Instructions Each string error in requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Staffice 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 - tWATERS 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 - tWA LERS 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 - iWATERS database search, USGS. Data obtained from nearby wells	N/A		
Within 300 feet of a continuously flowing watercourse or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Yes No		
- Topographic map, Visual inspection (certification) of the proposed site			
Within 300 feet from a permanent residence school, hospital, institution, or church in existence at the time of initial application - Visual inspection (certification) of the proposed site. Aerial photo-satellite image	☐Yes ☐No		
	Yes No		
Within 500 horizontal feet of a private domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal fee of any other fresh water well or spring, in existence at the time of the initial application. - NM Office of the State Engineer - iWATERS database, Visual inspection (certification) of the proposed site			
Within incorporated municipal boundaries or wahin 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 confirantion or verification or map from the NM EMNRD-Mining and Mineral Division			
Within an unstable area	Yes No		
- Engineering measures incorporated into the design, NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society, Topographic map			
Within a 100-year floodplain - FEMA map	Yes No		
Ou-Site Closure Plan Checklist: (1915 1713 NMAC) Instructions: Each of the following items must bee attached to the clo	sure 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			
X Protocols and Procedures - based upon the appropriate requirements of 19 15 17.13 NMAC			
Confurmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC			
X Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC			
Disposal Faculty 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 Lof 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC			

19 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)
Signature: 1 2000 (2000) Date 7/36/12
e-mail address. () <u>jamie i goodwin@conocophillips com</u> Telephone 505-326-9784
20 OCD Approval: Permit Application (including closury) plan) Closyld Plan (only) OCD Conditions (see attachment)
OCD Representative Signature:
Title: 6M Diance Officer OD Permit Number:
21 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:
Count competent part.
22 Closure Method:
Waste Excat ation 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 Permit Number: 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 (II yes, please demonstrate complitane to the items below)
Regun ed for impacted areas which will not be used for future service and operations
Site Reclaination (Photo Documentation) Soil Backfilling and Cover Installation
Re-vegetation Application Rates and Seeding Technique
24 <u>Closure Report Affachment Checklist:</u> 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:
Thereby certify that the information and attachments submitted with this closure report is time, accurate and complete to the best of my knowledge and belief. Talso 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 Cavitation Pit for Closed-Loop Locations

Design:

Burlington Resources Oil & Gas Company, LP will use a cavitation pit plan when the surface casing will be pre-set on closed-loop locations. The drill cuttings will be stockpiled on the surface.

Operations and Maintenance:

The cavitation pit will be operated and maintained as follows:

- 1. Only Fresh water and air will be used in the drilling of the surface casing.
- 2. The Cement used will be: Neat Cement with no additives.
- 3. All of the fluids will be removed within 48hrs after drilling.
- 4. A representative five point composite sample will be taken of the drill cuttings, after the setting of the surface casing is complete, using sampling tools and all samples will be tested per Subsection B of 19.15.17.13(B)(1)(b). In the event that the testing criteria is not met, all contents will be dug and hauled per Subparagraph (a) of Paragraph (1) of Subsection B of 19.15.17.13 i.e.

Components	Tests Method	Limit (mg/Kg)
Benzene	EPA SW-846 8021B or 8260B	0.2
BTEX	EPA SW-846 8021B or 8260B	50
TPH	EPA SW-846 418.1	2500
GRO/DRO	EPA SW-846 8015M	500
Chlorides	EPA 300.1	500

5. The NMOCD will be notified via email of the test results of the cavitation surface as follows:

Components	Tests Method	Limit (mg/Kg)	Results
Benzene	EPA SW-846 8021B or 8260B	0.2	
BTEX	EPA SW-846 8021B or 8260B	50	
TPH	EPA SW-846 418.1	2500	
GRO/DRO	EPA SW-846 8015M	500	
Chlorides	EPA 300.1	500	

Closure Plan:

- 1. The NMOCD will be notified of the sample results and the intent to start the closure process 3-7 days prior to the drill cuttings being transported, moved, or distributed on location.
- 2. In the event the criteria are not met, all solids and liquids will be removed and disposed of at Envirotech (Permit #NM-01-0011) and/or Basin Disposal Facility (Permit #NM-01-005) and/or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B).
- 3. Testing results will be submitted with the Closure Report of the well locations Closed-Loop Permit on Form C-144.

Burlington Resources is aware that approval of this plan does not relieve Burlington Resources of liability should operations result in pollution of surface water, ground water, or the environment. Nor does approval relieve ConocoPhillips of its responsibility to comply with any other applicable governmental authority's rules and regulations.