District I 1625 N French Dt , Hobbs, NM 88240

State of New Mexico Energy Minerals and Natural Resources Form C-144 July 21, 2008

1301 W Grand Ave, Artesia, NM 88210 District III 1000 Rio Brazos Rd , Aztec, NM 87410

Department Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

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

Liner Type

District IV

1220 S St Francis Dr , Santa Fe, NM 87505	appropriate NMOCD District Office
]	Pit, Closed-Loop System, Below-Grade Tank, or
Propos	sed Alternative Method Permit or Closure Plan Application
Type of action	X 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
	Modification to an existing permit
	Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system,
	below-grade tank, or proposed alternative method
**	plication (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request
	his request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the rethe operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances
Operator Burlington Resources Oil	& Gas Company, LP OGRID# 14538
Address PO Box 4289, Farmington	, NM 87499
Facility or well name Cundiff 100	
API Number 30-	045-31794 OCD Permit Number
U/L or Qtr/Qtr. A(NE/NE) Section	
Center of Proposed Design Latitude	36.976135 °N Longitude 108.129287 °W NAD X 1927 1983
Surface Owner. X Federal	State Private Tribal Trust or Indian Allotment
2 Pr. 6.1 F. 6.510.15.17.1	
Pit. Subsection F or G of 19 15 17 1	Prin Aig 9 1 2
Temporary Drilling Works Permanent Emergency Ca	vitation P&A OIL CONS. DIV.
	er type Thickness mil LLDPE HDPE PVC Other DIST 3
String-Reinforced	
	tory Other Volume bbl Dimensions L x W x D
X Closed-loop System: Subsection	n H of 19 15 17 11 NMAC
Type of Operation X P&A	Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or
	notice of intent)
Drying Pad X Above Ground Lined Unlined Liner t	
Lined Unlined Liner t	·
Below-grade tank: Subsection I o	of 19 15 17 11 NMAC
Volume bbl	Type of fluid
Tank Construction material	

Alternative Method:

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

Other

PVC

Visible sidewalls only

mıl

HDPE

Secondary containment with leak detection

Thickness

Visible sidewalls and liner

Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off

Other

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, ms Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate Please specify	titution or chu	ı ch)
7		
Netting: Subsection E of 19 15 17 11 NMAC (Applies to permanent pits and permanent open top tunks) Screen Netting Other Monthly inspections (If netting or screening is not physically feasible)		
8		
Signs: Subsection C of 19 15 17 11 NMAC 12" X 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers		
X Signed in compliance with 19 15 3 103 NMAC		
9		
Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required Please refer to 19.15.17 NMAC for 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 cons (Fencing/BGT Liner)	ideration of ap	proval
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 - 1WATERS 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 - 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		□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 - FEMA map	Yes	□No

11		
Temporary Pits, Emergency Pits and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19 15 17 9 NMAC Instructions Leach 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		
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		
Daymon and Dita Daymid A and and an Charlington Calendary D of 10 15 17 0 NIMAC		
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		
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		

Form C-144 Oil Conservation Division Page 3 of 5

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 of facilities for the disposal of liquids, drilling fluids and drill cutting. Use attachment if more than two	,			
facilities are required				
Disposal Facility Name Envirotech / JFJ Landfarm / IEI Disposal Facility Permit # NM-01-0011 / NM-01-0	<u>010B</u>			
Disposal Facility Name Basin Disposal Facility Disposal Facility Permit # NM-01-005				
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future Yes (If yes, please provide the information No	service and			
Required for impacted areas which will not be used for future service and operations Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Subsection H of 19 15 17 13 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	AC			
17 Siting Criteria (Regarding on-site closure methods only: 19 15 17 10 NMAC Instructions hach siting criteria requires a demonstration of compliance in the closure plan-Recommendations of acceptable source material are provided certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19 15 17 10 NMAC for guidance.				
Ground water is less than 50 feet below the bottom of the buried waste - 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 - iWATERS 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 - (WATERS 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)	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 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	YesNo			
Within incorporated municipal boundaries or within a defined municipal fiesh 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	∏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	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 & Mineral Resources, USGS, NM Geological Society, Topographic map	Yes No			
Within a 100-year floodplain - FEMA map	Yes No			
18 On-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each of the following items must bee attached to the clos by a check mark in the box, that the documents are attached	ure plan Please indicate,			
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15 17 10 NMAC				
Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection Γ of 19 15 17 13 NMAC				
Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19 15 17 11 NMAC				
Construction/Design Plan of Temporary Pit (for in place burial of a drying pad) - based upon the appropriate requirements of 19 15 17 11 NMAC Protocols and Procedures - based upon the appropriate requirements of 19 15 17 13 NMAC				
Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19 15 17 13 NMAC				
Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19 15 17 13 NMAC				
Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards of	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				

Form C-144 Oil Conservation Division Page 4 of 5

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) Dollie L Busse Title Staff Regulatory Technician
Signature / Willie T. Quinze Date 8/9/12
e-mail address dollie I busse@conocophillips com Telephone 505-324-6104
20 OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)
OCD Representative Signature: Approval Date: S/10/2012
Title: OCD 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:
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 comphilane to the items below)
Regun ed for impacted areas which will not be used for future service and operations
Site Reclamation (Photo Documentation)
Soil Backfilling and Cover Installation
Re-vegetation Application Rates and Seeding Technique
24
Closure Report Attachment Checklist: Instructions Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached
Proof of Closure Notice (surface owner and division)
Proof of Deed Notice (required for on-site closure)
Plot Plan (for on-site closures and temporary pits)
Confirmation Sampling Analytical Results (if applicable)
Waste Material Sampling Analytical Results (if applicable)
Disposal Facility Name and Permit Number
Soil Backfilling and Cover Installation
Re-vegetation Application Rates and Seeding Technique
Site Reclamation (Photo Documentation) On-site Closure Location Latitude Longitude NAD 1927 1983
On-site Closure Location Latitude Longitude NAD 1927 1983
25
Operator Closure Certification:
1 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.
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.