District I

1625 N French Dr , Hobbs, NM 88240

District II

1301 W Grand Ave , Artesia, NM 88210

1000 Rio Brazos Rd, Aztec. NM 87410

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 sytems, and below-grade tanks, submit to the appropriate NMOCD District Office

Form C-144

July 21, 2008

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 Proposed 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
	X 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

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.
1 Operator: Burlington Resources Oil & Gas Company, LP OGRID#: 14538 Address: PO Box 4289, Farmington, NM 87499
Facility or well name: KESSLER COM 3P
API Number: 30-045-35382 OCD Permit Number
U/L or Qtr/Qtr: P(SE/SE) Section: 25 Township: 30N Range: 11W County: SAN JUAN
Center of Proposed Design: Latitude: 36.7792131 °N Longitude: 107.938085 °W NAD: 1927 X 1983
Surface Owner: X Federal State Private Tribal Trust or Indian Allotment
Note Permanent Emergency Cavitation P&A Pre-set String-Reinforced Liner Seams Welded Factory Other Volume Volu
Closed-loop System: Subsection H of 19 15 17 11 NMAC Type of Operation: 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 Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type Thickness mil LLDPE HDPE PVD Other Liner Seams. Welded Factory Other
Below-grade tank: Subsection I of 19.15 17 11 NMAC Volume
Submittal of an exception request is required Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval

Form C-144 Page 1 of 5 Oil Conservation Division

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, inst Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate Please specify	utution or church)
7 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, 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 con	sideration of approval.
(Cavitation pit for Pre-set)	naciation of approva.
Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	
Siting Criteria (regarding permitting) 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above grade-tanks associated with a closed-loop system.	
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	Yes No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes No
(Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	□NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes No
(Applied to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	□ NA
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	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	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			
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			
Class I loan Systems Powerit Application Attachment Charliffets Application Attachment			
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 Design (addencept of design) All All All			
Treviously Approved Operating and Mannestance Flan AFI			
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 Clasura Plan has a durant the appropriate requirements of Subsection C of 10.15.17.0 NMAC and 10.15.17.12 NMAC			
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 X Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System			
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			
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			

Form C-144 Oil Conservation Division Page 3 of 5

Wester Demonstration For Closed Ion Systems That Halling About County Steel Touler on Hand off Pine Only (10.15.17.12 DANAC)				
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 facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two				
facilities are required	v010D			
Disposal Facility Name: Envirotech / JFJ Landfarm % IEI Disposal Facility Permit #: NM-01-0011 / NM-01-0	0108			
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 nbe 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 N	MAC			
Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19 15 17 13 NMAC	MAC			
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 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 Si office for consideration of approval Justifications and/or demonstrations of equivalency are required. Please refer to 1915 17 10 NMAC for guidance	uaa 1 e Environmeniai Bureau			
Ground water is less than 50 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				
Ground water is between 50 and 100 feet below the bottom of the buried waste	☐Yes ☐No			
- NM Office of the State Engineer - tWATERS 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	Yes No			
- 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 Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted	Yes No			
pursuant to NMSA 1978. Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality				
Within 500 feet of a wetland	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,	Yes No			
Topographic map				
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 cloby a check mark in the box, that the documents are attached.	sure 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 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 Ptt (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				
Confirmation 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				
X 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				
Rc-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

Operator Application Contitions
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): Jamie Goodwin Title. Regulatory Technician
Signature. (Date: 8/24/12
e-mail address jamie.l.goodwin@conocophillips.com Telephone 505-326-9784
C-man address Emerage Conscionary Telephone 300-220-7704
20 OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)
OCD Representative Signature: Approval Date: 8/28/2012
The state of the s
Title: 6m Tance Coch 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 complilane to the items below)
Required for impacted areas which will not be used for future service and operations.
Site Reclamation (Photo Documentation)
Soit Backfilling and Cover Installation Revertetion Application Petres and Seeding Technique
Re-vegetation Application Rates and Seeding Technique
24 <u>Closure Report Attachment 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
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 precified in the approved closure plan.
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

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.
- 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.