District I

1625 N French Dr , Hobbs, NM 88240

District II

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.

July 21, 2008 For temporary pits, closed-loop sytems, and below-grade

Form C-144

tanks, submit to the appropriate NMOCD District Office

District IV	d , Aztec, NM 87410 Dr , Santa Fe, NM 87505	Santa Fe	e, NM 87505	For permanent pits and except Environmental Bureau office and appropriate NMOCD District Of	provide a copy to the
1220 S St Francis	DI, Santa PC, INVI 67505	Pit, Closed-Loop Sy	stem. Below-Grad	de Tank, or	· · · · · · · · · · · · · · · · · · ·
- 6 60	Prop	osed Alternative Met			n
356				_ 	
<i>J</i>	Type of action		• •	tank, or proposed alternative	
			* -	tank, or proposed alternative	method
		Modification to an exist	- -		and 1
		· · ·	nted for an existing perm posed alternative method	itted or non-permitted pit, clo I	sed-100p system,
Instructions	: Please submit one a	application (Form C-144) per	-		or alternative reauest
		of this request does not relieve the opera			
enviioi	nment Nor does approval tel	ieve the operator of its responsibility to	comply with any other applicabl	e governmental authority's rules, regula	tions or ordinances
1 O		11 6 C C I D		OCDID# 14530	
		il & Gas Company, LP		OGRID# <u>14538</u>	
 -	Box 4289, Farmingto				
	name Blanco 30-1				
API Number _		0-045-34687	OCD Permit Numb		
U/L or Qtr/Qtr.		 ·	30N Range:	12W County San Jua	
·-	osed Design. Latitude		°N Longitude	108.089298 °W N	AD X 1927 1983
Surface Owner	X Federal	State Private	Tribal Trust or India	an Allotment	
Pit: Subs	section F or G of 19 15 1	7 11 NMAC			naur aua na 1-1 m
Temporary		rkover			RCVD AUG 29'12
Permanent		Cavitation P&A		•	OIL CONS. DIV.
Lined		iner type Thickness	mil LLDPE	HDPE PVC Other	DIST. 3
String-Rein					
Liner Seams		actory Other	Volume	bbl Dimensions L	y W y D
Biller Sealis		tactory	Volume	ON DIMENSIONS E	^W ^D
3	La Cartana Subarra	H - 610 15 17 11 NIMAC			
Type of Operat		tion H of 19 15 17 11 NMAC Drilling a new well Wor	Lover or Drilling (Annlies to	o activities which require prior a	onroval of a nermit or
Type of Opera			ce of intent)	o accornicio milicon regione prise a,	provide or a portinit of
Drying F	Pad X Above Grou	und Steel Tanks Haul-off I	Bins Other		
Lined [Unlined Line	er type Thickness	_mil LLDPE _	HDPE PVD Other	
Liner Seams	Welded F	actory Other	•		
4					
_	rade tank: Subsection	I of 19 15 17 11 NMAC			
Volume		bbl Type of fluid			
Tank Construc	etion material				
Secondary	containment with leak de	etection Visible sidew	alls, liner, 6-inch lift and aut	omatic overflow shut-off	
Visible si	idewalls and liner	Visible sidewalls only	Other		
Liner Type	Thickness	mil HDPE	PVC Other		
5					
Alternat	tive Method:		•		
Submittal of ar	n exception request is rec	quired Exceptions must be subm	itted to the Santa Fe Enviror	nmental Bureau office for consid-	eration of approval

Form C-144

Oil Conservation Division

Page 1 of 5

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, instance of barbed wire evenly spaced between one and four feet Alternate Please specify	titution or chu	rch)
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 X 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 of the Santa Fe Environmental Bureau office for cons (Fencing/BGT Liner) Exception(s) Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval	ideration of ap	oproval
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. (Applied to permanent pits) - Visual inspection (certification) of the proposed site, Aerial photo, Satellite image	Yes NA	No
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 - tWATERS 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	Yes	□No
 adopted 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. 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 - 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 Luch 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			
12			
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19 15 17 9 NMAC Instructions Each of the following items must be attached to the application Please indicate, by a check mark in the box, that the documents are attached Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19 15 17 9			
Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19 15 17 10 NMAC			
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			
(Notice Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19 15 17 9 NMAC and 19 15 17 13 NMAC			
Previously Approved Design (attach copy of design) API			
Previously Approved Operating and Maintenance Plan API			
13			
Permanent Pits Permit Application Checklist: Subsection B of 19 15 17 9 NMAC			
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.			
Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19 15 17 9 NMAC			
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15 17 10 NMAC			
Climatological Factors Assessment			
Certified Engineering Design Plans - based upon the appropriate requirements of 19 15 17 11 NMAC			
Dike Protection and Structural Integrity Design based upon the appropriate requirements of 19 15 17 11 NMAC			
Leak Detection Design - based upon the appropriate requirements of 19 15 17 11 NMAC			
Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19 15 17 11 NMAC			
Quality Control/Quality Assurance Construction and Installation Plan			
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19 15 17 12 NMAC ☐ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19 15 17 11 NMAC			
Nuisance or Hazardous Odors, including H2S, Prevention Plan			
Emergency Response Plan			
Oil Field Waste Stream Characterization			
Monitoring and Inspection Plan			
Erosion Control Plan			
Closure Plan - based upon the appropriate requirements of Subsection C of 19 15 17 9 NMAC and 19 15 17 13 NMAC			
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 Waste Excavation and Removal			
X Waste Removal (Closed-loop systems only)			
On-site Closure Method (only for temporary pits and closed-loop systems)			
In-place Burial On-site Trench			
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)			
15			
Waste Excavation and Removal Closure Plan Checklist: (19 15 17 13 NMAC) Instructions Each of the following items must be attached to the closure plan.			
Please indicate, by a check mark in the box, that the documents are attached. Protocols and Procedures - based upon the appropriate requirements of 19 15 17 13 NMAC			
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			
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			
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

16							
Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks of 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 cultings. Use attachment if more than two facilities are required.							
Disposal Facility Name Envirotech / JFJ Landfarm / IEI D	isposal Facility Permit #	NM-01-0011 / NM-01-00	10B				
Disposal Facility Name Basin Disposal Facility D	isposal Facility Permit #	NM-01-005					
Will any of the proposed closed-loop system operations and associated activities Yes (If yes, please provide the information No	occur on or in areas that i	will not be used for future s	service and				
Required for impacted areas which will not be used for future service and operations Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Subsection H of 19 15 17 13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19 15 17 13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15 17 13 NMAC							
17		·					
Siting Criteria (Regarding on-site closure methods only: 19 15 17 10 NMAC Instructions Each siting criteria requires a demonstrative of compilance in the closure plan—Recommendations of acceptable source material are provided below—Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Le Environmental Bureau office for consideration of approval—Justifications and/or demonstrations of equivalency are required—Please refer to 19 15 17 10 NMAC for guidance							
Ground water is less than 50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search, USGS Data obtain	ed from nearby wells		Yes N/A	∐No			
Ground water is between 50 and 100 feet below the bottom of the buried waste			— 	□No			
- NM Office of the State Engineer - tWATERS database search, USGS, Data obtained	ed 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	ed from nearby wells		□N/A				
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant (measured from the ordinary high-water mark)	t watercourse or lakebed, sir	nkhole, or playa lake	Yes	No			
- Topographic map, Visual inspection (certification) of the proposed site		, .	□vos				
Within 300 feet from a permanent residence, school, hospital, institution, or church in exist - Visual inspection (certification) of the proposed site, Aerial photo, satellite image	stence at the time of initial ap	pplication	∐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 - iWA FERS database, Visual inspection (certification) of the proposed site				INO			
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				No			
Written confirmation or verification from the municipality, Written approval obtained from the municipality Within 500 feet of a wetland				□No			
 US Fish and Wildlife Wetland Identification map, Topographic map, Visual inspect Within the area overlying a subsurface mine 	ion (cermication) of the prop	Josed site	□Ves				
Written confirantion or verification or map from the NM EMNRD-Mining and Min	eral Division						
Within an unstable area			Yes	□No			
 Engineering measures incorporated into the design, NM Bureau of Geology & Mine Topographic map 	ral Resources, USGS, NM C	Geological Society,		į			
Within a 100-year floodplain - FEMA map			Yes	□No			
On-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions Each of the following items must bee attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached							
Siting Criteria Compliance Demonstrations - based upon the appropriate r	requirements of 19 15 17	10 NMAC		ļ			
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 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 r	-						
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 H of 19 15 17 13 NMAC							
Re-vegetation Plan - based upon the appropriate requirements of Subsection							
Site Reclamation Plan - based upon the appropriate requirements of Subse							

Operator Application Cartification					
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) Dollie L/Busse, Title Staff Regulatory Technician					
Signature / 1/11/18 (Diese Date 8/28//2					
e-mail address dollie I busse@conocophillips com Telephone 505-324-6104					
Villati didiress					
20 OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment) OCD Representative Signature: Approval Date: OCD Permit Number:					
Closure Report (required within 60 days of closure completion): Subsection K of 1915 1713 NMAC Instructions Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed. Closure Completion Date:					
22					
Closure Method: Waste Excavation and Removal On-site Closure Method Alternative Closure Method Waste Removal (Closed-loop systems only) If different from approved plan, please explain					
23					
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only.					
Instructions Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed Use attachment if more than two facilities were utilized					
Disposal Facility Name Disposal Facility Permit Number					
Disposal Facility Name Disposal Facility Permit Number					
Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations?					
Yes (If yes, please demonstrate compliane to the items below) No					
Required 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 <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					
25					
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is ture, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.					
Name (Print) Title					
Signature Date					
e-mail address Telephone					

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.