<u>Ďistrict I</u> 1625 N French Dr., Hobbs, NM 88240

District II

1301 W Grand Ave , Artesia NM 88210

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-144
July 21, 2008
For temporary pits, closed-loop systems, and below-grade

tanks, submit to the appropriate NMOCD District Office

District III 1000 Rio Brazos Rd , Aztec, NM 87410 For permanent pits and exceptions submit to the Santa Fe Santa Fe, NM 87505 Environmental Bureau office and provide a copy to the District IV appropriate NMOCD District Office 1220 S St Francis Dr., Santa Fe, NM 87505 Pit, Closed-Loop System, Below-Grade Tank, or 10426 Proposed Alternative Method Permit or Closure Plan Application Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Type of action X 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 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 Operator Burlington Resources Oil & Gas Company, LP OGRID# 14538 Address. PO Box 4289, Farmington, NM 87499 Facility or well name. Cundiff A 2R OCD Permit Number 30-045-31790 API Number U/L or Otr/Qtr A(NE/NE) Section: 17 32N 12W Township: Range. County: San Juan °W NAD: X 1927 1983 Center of Proposed Design. Latitude 36.991013 °N Longitude: 108.1109 Surface Owner Private Tribal Trust or Indian Allotment Federal Pit: Subsection F or G of 19 15 17 11 NMAC RCVID SEP 26 '12 Drilling Workover Temporary DIL CONS. DIV. Permanent Emergency Cavitation P&A DIST. 3 Thickness _____ mil LLDPE HDPE PVC Lined Unlined Liner type String-Reinforced Welded Volume bbl Dimensions L Closed-loop System: Subsection H of 19 15 17 11 NMAC X P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or Type of Operation notice of intent) X Above Ground Steel Tanks Haul-off Bins LLDPE HDPE PVD Other Lined Unlined Liner type Thickness mıl Liner Seams Welded Factory Other Below-grade tank: Subsection I of 19 15 17 11 NMAC Volume bbl Type of fluid

Liner Type

Tank Construction material

Secondary containment with leak detection

Thickness

Visible sidewalls and liner

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

PVC

Other

Visible sidewalls only

mıl

HDPE

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, institution or church) Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate Please specify | | | | |
|---|--------|-----|--|--|
| Netting: Subsection E of 19 15 17 11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other Monthly inspections (If netting or screening is not physically feasible) | | | | |
| Signs: Subsection C of 19 15 17 11 NMAC 12" X 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers 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 consideration of approval (Fencing/BGT Liner) 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. (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 - 1WATERS 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 Checklist Subsection B of 19 15 17 9 NMAC | | | |
|---|--|--|--|
| Instructions Each of the following items must be attached to the application Please indicate, by a check mark in the box, that the documents are attached | | | |
| Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19 15 17 9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 | | | |
| | | | |
| 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 | | | |
| 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 | | | |
| 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 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) | | | |
| | | | |
| 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 | | | |

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| 16 Waste Removal Closure For Closed-loop Systems That Utilize Above Ground St | teel 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 facilities are required. | | | | |
| Disposal Facility Name | Disposal Facility Permit # | | | |
| Disposal Facility Name | | | | |
| Will any of the proposed closed-loop system operations and associated active Yes (If yes, please provide the information No | vities occur on or in areas that will nbe used for future | service and | | |
| Required for impacted areas which will not be used for future service and operation: Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Subsection Plan - based upon the appropriate requirements of Subsection Plan - based upon the appropriate requirements of States. | priate requirements of Subsection H of 19 15 17 13 NI ection I of 19 15 17 13 NMAC | MAC | | |
| Siting Criteria (Regarding on-site closure methods only: 19 15 17 10 NMAC Instructions Each sting criteria requires a demonstration of compliance 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 Fe 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 of | btained from nearby wells | ∏Yes ∏No ∏N/A | | |
| Ground water is between 50 and 100 feet below the bottom of the buried water | acte | ☐ ☐Yes ☐No | | |
| - NM Office of the State Engineer - tWATERS database search, USGS, Data ob | | □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 ob | otained from nearby wells | □N/A | | |
| Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signi (measured from the ordinary high-water mark) | ificant watercourse or lakebed, sinkhole, or playa lake | Yes No | | |
| - Topographic map, Visual inspection (certification) of the proposed site | | | | |
| Within 300 feet from a permanent residence, school, hospital, institution, or church in 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 the purposes, or within 1000 horizontal fee of any other fresh water well or spring, in ex - NM Office of the State Engineer - iWATERS database, Visual inspection (certification) | istence at the time of the initial application | ∐Yes ∐No | | |
| Within incorporated municipal boundaries or within a defined municipal fresh water vipursuant to NMSA 1978, Section 3-27-3, as amended | · | Yes No | | |
| Written confirmation or verification from the municipality, Written approval of Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map, Topographic map, Visual in | | Yes No | | |
| Within the area overlying a subsurface mine | ispection (certification) of the proposed site | Yes No | | |
| - Written confiramtion 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 & Topographic map | Mineral Resources, USGS, NM Geological Society, | YesNo | | |
| 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 appropri | riate requirements of 19 15 17 10 NMAC | | | |
| Proof of Surface Owner Notice - based upon the appropriate require | | | | |
| 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 requiren | • | | | |
| 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 I of 19.15.17.13 NMAC | | | | |
| Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15 17 13 NMAC | | | | |

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| 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) Title Signature Date | | | |
| c-mail address Telephone | | | |
| - Individuos | | | |
| OCD Approval: Permit Application (including closure plan) N. Closure Plan.(only) OCD Conditions (see attachment) OCD Representative Signature: Approval Date: 126/2012 Title: OCD 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. X Closure Completion Date: 9/4/2012 | | | |
| 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 <u>Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:</u> 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 Envirotech / JFJ Landfarm % IEI Disposal Facility Permit Number MM-01-0011 / NM-01-0010B | | | |
| Disposal Facility Name Basin Disposal Facility Disposal Facility Permit Number MM-01-005 | | | |
| 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 complitane to the items below) X No | | | |
| Required for impacted areas which will not be used for future service and operations | | | |
| Ste Reclamation (Photo Documentation) | | | |
| Soil Backfilling and Cover Installation | | | |
| Re-vegetation Application Rates and Seeding Technique | | | |
| 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 | | | |
| | | | |
| 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) Dollie Busse Title Staff Regulatory Technician | | | |
| Signature Date 9/24/12 | | | |
| e-mail address dollie I busse@conocophillips com Telephone (505) 324-6104 | | | |