<u>District 1</u> 1625 N. French Dr., Hobbs, NM 88240 State of New Mexico Energy Minerals and Natural Resources Form C-144 July 21, 2008

<u>District II</u> 1301 W. Grand Ave., Artesia, NM 88210

District III

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.

1000 Rio Brazos Rd., Aztec, NM 87410

<u>District IV</u>

1220 S. St. Francis Dr., Santa Fe, NM 87505

For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

	Pit, Closed-Loop System, Below-Grade Tank, or
10867	Proposed Alternative Method Permit or Closure Plan Application
	Type of action: X Permit of a pit, closed-loop system, below-grade tank, or proposed alternative and control of a pit, closed-loop system, below-grade tank, or proposed alternative and control of a pit, closed-loop system, below-grade tank, or proposed alternative and control of a pit, closed-loop system, below-grade tank, or proposed alternative and control of a pit, closed-loop system, below-grade tank, or proposed alternative and control of a pit, closed-loop system, below-grade tank, or proposed alternative and control of a pit, closed-loop system, below-grade tank, or proposed alternative and control of a pit, closed-loop system, below-grade tank, or proposed alternative and control of a pit, closed-loop system, below-grade tank, or proposed alternative and control of a pit, closed-loop system, below-grade tank, or proposed alternative and control of a pit, closed-loop system, below-grade tank, or proposed alternative and control of a pit, closed-loop system, below-grade tank, or proposed alternative and control of a pit, closed-loop system below-grade tank.

A 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

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 nyironment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances

1	capie governmental authority 3 fales, regulations of ordinances.				
Operator: Burlington Resources Oil & Gas Company, LP	OGRID#: <u>14538</u>				
Address: PO Box 4289, Farmington, NM 87499	·				
Facility or well name: Pierce Federal A 2F					
API Number: 30-045-33989 OCD Permit No.	umber:				
U/L or Qtr/Qtr: F(SE/NW) Section: 34 Township: 29N Range:	10W County: San Juan				
Center of Proposed Design: Latitude: 36.684545 °N Longitude:					
Surface Owner: X Federal State Private Tribal Trust or In	ndian Allotment				
String-Reinforced	RCVD JAN 23'13 OIL CONS. DIV. DIST. 3 HDPE PVC Other bbl Dimensions L x W x D				
3 X Closed-loop System: Subsection H of 19.15.17.11 NMAC					
Type of Operation: P&A Drilling a new well X Workover or Drilling (Applianting of Intent)	es to activities which require prior approval of a permit or				
Drying Pad X Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type: Thickness mil LLDPE Liner Seams: Welded Factory Other	HDPE PVD Other				
Below-grade tank: Subsection Lof 19.15.17.11 NMAC					
Volume:bbl Type of fluid: Tank Construction material:					
Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and Visible sidewalls and liner Visible sidewalls only Other					
Liner Type: Thicknessmil HDPE PVC Other					
5 Alternative Method:					
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.					

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 consi (Fencing/BGT Liner) Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	ideration 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 No		
Within 500 horizonal fect 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 - 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: 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				
l				
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				
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				
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 X Workover Emergency Cavitation 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 NV 4 For all Parts of the Pa				
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				
She recommunity is an above about the appropriate requirements of subsection of 01 17.13.17.13 149/76				

16 Waste Removal Closure For Closed-loop Systems That Utilize Above Ground S	teel Tanks or Haul-off Bins On	ly: (19.15.17.13.D NMAC)					
Instructions: Please identify the facility or facilities for the disposal of liquids, drilli facilities are required.	ng fluids and drill cuttings. Use	attachment if more than two					
Disposal Facility Name: Envirotech / JFJ Landfarm % IEI	Disposal Facility Permit #:	NM-01-0011 / NM-01-0	010B				
Disposal Facility Name: Basin Disposal Facility	Disposal Facility Permit #:						
Will any of the proposed closed-loop system operations and associated activity Yes (If yes, please provide the information No	Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future 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							
Siting Criteria (Regarding on-site closure methods only: 19.15.17.10 NM Instructions: Each siting criteria requires a demonstration of compliance in the closure placertain siting criteria may require administrative approval from the appropriate district of office for consideration of approval. Justifications and/or demonstrations of equivalency a	m. Recommendations of acceptable fice or may be considered an excep	tion which must be submitted to					
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				
• •	·						
Ground water is between 50 and 100 feet below the bottom of the buried was - NM Office of the State Engineer - iWATERS database search; USGS; Data of			∐Yes ∐No ∏N/A				
Ground water is more than 100 feet below the bottom of the buried waste.		·					
NM Office of the State Engineer - iWATERS database search; USGS; Data of	otained from nearby wells		∐Yes ∐No ∏n/A				
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signi	•	akhala annlaua laka					
(measured from the ordinary high-water mark).	ncan watercourse or takeoed, sit	iknoie, or playa lake	YesNo				
- Topographic map; Visual inspection (certification) of the proposed site			Dv., Dv.				
Within 300 feet from a permanent residence, school, hospital, institution, or church in - Visual inspection (certification) of the proposed site; Aerial photo; satellite ima	•	oplication.	YesNo				
			Yes No				
Within 500 horizontal feet of a private, domestic fresh water well or spring that less t purposes, or within 1000 horizontal fee of any other fresh water well or spring, in exi - NM Office of the State Engineer - iWATERS database; Visual inspection (certification)	stence at the time of the initial ap						
Within incorporated municipal boundaries or within a defined municipal fresh water pursuant to NMSA 1978, Section 3-27-3, as amended.		pal ordinance adopted	Yes No				
 Written confirmation or verification from the municipality; Written approval of Within 500 feet of a wetland 	tained from the municipality		□ves □No				
 US Fish and Wildlife Wetland Identification map; Topographic map; Visual in: 	spection (certification) of the prop	posed site	Tites Tino				
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.	dinanal Danasman, USCS, NIM (Carlorian Cariota	∐Yes ∐No				
 Engineering measures incorporated into the design; NM Bureau of Geology & I Topographic map 	villeral Resources, USGS, NIVI C	deological Society;					
Within a 100-year floodplain FEMA map		ı	Yes No				
18 On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each	ch of the following items mus	t bee attached to the closi	ure plan. Please indicate,				
by a check mark in the box, that the documents are attached.							
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC							
Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC							
Construction/Design Plan of 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							
Construction/Design Plan of Temporary Pit (for in place ourial of a di Protocols and Procedures - based upon the appropriate requirements of		propriate requirements of	12.13.17.11 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 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							

19			·
Operator Application Thereby certify that the inf	Certification: formation submitted with this application is true, accur	rate and complete to the bo	est of my knowledge and belief
Name (Print):	. DENISE JOURNEY	Title:	Regulatory Technolian
Signature:	Denise Journey	Date:	1/23/2013
e-mail address:	Denise.Journey@conocophilips.com	Telephone:	(505) 326-9556
20 OCD Approval: OCD Representative S	Permit Application (including closure plan)	Closure Plan (only)	OCD Conditions (see attachment) Approval Date: 1/24/2013
OCD Representative S	Signature:	rein	Approval Date: 1/27/2012
Title: On	Migned Off	OCD Perm	it Number:
		· · · · · · · · · · · · · · · · · · ·	
Instructions: Operators ar report is required to be su		o implementing any closu on of the closure activities. ompleted.	re activities and submitting the closure report. The closure Please do not complete this section of the form until an Completion Date:
22			
Closure Method:	_	:	
Waste Excavation	and Removal On-site Closure Method	Alternative Closure I	Method Waste Removal (Closed-loop systems only)
If different from ap	pproved plan, please explain.		
23			
	ng Waste Removal Closure For Closed-loop System ify the facility or facilities for where the liquids, drill		ound Steel Tanks or Haul-off Bins Only: gs were disposed. Use attachment if more than two facilities
were utilized.	g, me facility or facilities for the incline infants, with		so were maposem. Ose underwicht if whose man two jucumes
Disposal Facility Name		Disposal Facility	Permit Number:
Disposal Facility Name		Disposal Facility	<u> </u>
l — ''	ystem operations and associated activities performed c demonstrate complilane to the items below)	n or in areas that will not. No	be used for future service and operations?
	areas which will not be used for future service and op	_	
l — ' ' '	Photo Documentation)	·	
Soil Backfilling an	d Cover Installation		
Re-vegetation App	plication Rates and Seeding Technique		
24			
the box, that the docur		owing items must be attac	ched to the closure report. Please indicate, by a check mark in
l <u> </u>	Notice (surface owner and division)		·
Proof of Deed No	otice (required for on-site closure)		•
Plot Plan (for on-	-site closures and temporary pits)		
Confirmation Sai	mpling Analytical Results (if applicable)	•	
Waste Material S	Sampling Analytical Results (if applicable)		
	Name and Permit Number		
	and Cover Installation		
 	pplication Rates and Seeding Technique		
On-site Closure I	(Photo Documentation)	Longitudo:	NAD 1927 1983
On-site Ciosure i	Location: Latitude:	Longitude:	NAD 1727 1703
25			<u> </u>
Operator Closure Cer	tification:	u.	
	formation and attachments submitted with this closure all applicable closure requirements and conditions sp	•	and complete to the best of my knowledge and belief. I also certify that
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.