

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
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

Form C-144
Revised June 6, 2013

For temporary pits, below-grade tanks, and multi-well fluid management pits, submit to the appropriate NMOCD District Office.
For permanent pits submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Pit, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application

- Type of action: Below grade tank registration
 Permit of a pit or proposed alternative method
 Closure of a pit, below-grade tank, or proposed alternative method
 Modification to an existing permit/or registration
 Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, 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: ConocoPhillips Company OGRID #: 21787
Address: PO Box 4289, Farmington, NM 87499
Facility or Well Name San Juan 32-7 Unit 37F
API Number 30-045-34071 OCD Permit Number: _____
U/L or Qtr/Qtr O(SW/SE) Section 8 Township 32N Range 7W County: San Juan
Center of Proposed Design: Latitude 36.99126 Longitude 107.58781 NAD: X 1927 1983
Surface Owner: X Federal State Private Tribal Trust or Indian Allotment

**RCVD AUG 19 '13
OIL CONS. DIV.
DIST. 3**

2.
X **Pit:** Subsection F, G or J of 19.15.17.11 NMAC
Temporary: X Drilling Workover
 Permanent Emergency Cavitation P&A Multi-Well Fluid Management Low Chloride Drilling Fluid yes no
X Lined Unlined Liner type: Thickness 20 mil X LLDPE HDPE PVC Other _____
X String-Reinforced
Liner Seams: X Welded X Factory Other _____ Volume: 7700 bbl Dimensions: L 120' x W 55' x D 12'

3.
 Below-grade tank: Subsection I of 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 automatic overflow shut-off
 Visible sidewalls and liner Visible sidewalls only Other _____
Liner type: Thickness _____ mil HDPE PVC Other _____

4.
 Alternative Method:
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

5.
Fencing: Subsection D of 19.15.17.11 NMAC (*Applies to permanent pits, 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 _____

6. **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)

7. **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 19.15.16.8 NMAC

8. **Variations 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:

- Variance(s): Requests must be submitted to the appropriate division district for consideration of approval.
 Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

9. **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. Siting criteria does not apply to drying pads or above-grade tanks.*

General siting

Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank.

- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

Yes No
 NA

Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit.

NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

Yes No
 NA

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. **(Does not apply to below grade tanks)**

- Written confirmation or verification from the municipality; Written approval obtained from the municipality

Yes No

Within the area overlying a subsurface mine. **(Does not apply to below grade tanks)**

- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division

Yes No

Within an unstable area. **(Does not apply to below grade tanks)**

- 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. **(Does not apply to below grade tanks)**

- FEMA map

Yes No

Below Grade Tanks

Within 100 feet of a continuously flowing watercourse, significant watercourse, lake bed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

Yes No

Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption;

- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

Yes No

Temporary Pit using Low Chloride Drilling Fluid (maximum chloride content 15,000 mg/liter)

Within 100 feet of a continuously flowing watercourse, or any other significant watercourse or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.)

- Topographic map; Visual inspection (certification) of the proposed site

Yes No

Within 300 feet from a occupied permanent residence, school, hospital, institution, or church in existence at the time of initial application.

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

Yes No

Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 300feet 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 search; Visual inspection (certification) of the proposed site

Yes No

Within 100 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

Yes No

Temporary Pit Non-low chloride drilling fluid

Within 300 feet of a continuously flowing watercourse, or any other significant watercourse, or within 200 feet of any 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.

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

Yes No

Within 500 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 1000 feet of any other fresh water well or spring, in the existence at the time of the initial application;

- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

Yes No

Within 300 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

Yes No

Permanent Pit or Multi-Well Fluid Management Pit

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).

- Topographic map; Visual inspection (certification) of the proposed site

Yes No

Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

Yes No

Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of initial application.

- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

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

10.
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 NMAC
- 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 Number: _____ or Permit Number: _____

11.
Multi-Well Fluid Management Pit 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.

- 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
- A List of wells with approved application for permit to drill associated with the pit.
- 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
- Hydrogeologic Data - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
- Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC

Previously Approved Design (attach copy of design) API Number: _____ or Permit Number: _____

12.

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 (1) 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

13.

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 Multi-well Fluid Management Pit
 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 Burial
 Alternative Closure Method

14.

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 C 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 H of 19.15.17.13 NMAC
- Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

15.

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. Requests regarding changes to certain siting criteria require justifications and/or demonstrations of equivalency. Please refer to 19.15.17.10 NMAC for guidance.

| | |
|---|---|
| Ground water is less than 25 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA |
| Ground water is between 25-50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA |
| 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 obtained from nearby wells | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA |
| Within 100 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within 300 horizontal feet of a private, domestic fresh water well or spring used for domestic or stock watering purposes, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Written confirmation or verification from the municipality; Written approval obtained from the municipality | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance | <input type="checkbox"/> Yes <input type="checkbox"/> 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

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

16. **On-Site 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.*

- 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 E of 19.15.17.13 NMAC
- Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Subsection K 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 19.15.17.13 NMAC
- Waste Material Sampling Plan - based upon the appropriate requirements 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 H of 19.15.17.13 NMAC
- Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

17. **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: Regulatory Technician

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

18. **OCD Approval:** Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)

OCD Representative Signature: Grant D. Kelly Approval Date: 8/21/2013

Title: Compliance Officer OCD Permit Number: _____

19. **Closure Report (required within 60 days of closure completion):** 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: 5/1/2009

20. **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.

21. **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 for private land only)
- Plot Plan (for on-site closures and temporary pits)
- Confirmation Sampling Analytical Results (if applicable)
- Waste Material Sampling Analytical Results (required for on-site closure)
- Disposal Facility Name and Permit Number
- Soil Backfilling and Cover Installation
- Re-vegetation Application Rates and Seeding Technique
- Site Reclamation (Photo Documentation)

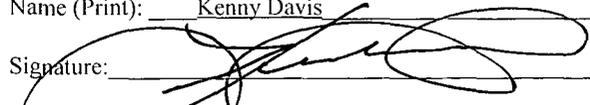
On-site Closure Location: Latitude 36.9911667 Longitude 107.5880833 NAD: 1927 1983

22.

Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is true, 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): Kenny Davis Title: Staff Regulatory Technician

Signature:  Date: 8/16/13

e-mail address: Kenny.r.davis@conocophillips.com Telephone: 505-599-4045

ConocoPhillips Company
San Juan Basin
Closure Report

Lease Name: San Juan 32-7 Unit 37F
API No.: 30-045-34071

RCVD AUG 21 '13
OIL CONS. DIV.
DIST. 3

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure of the temporary pit referenced above. All proper documentation regarding closure activities is being included with the C-144. The temporary pit for this location was constructed and location drilled before June 16, 2008 (effective date for Rule 19.15.17). While closure of the temporary pit did fall within the rule some dates for submittals are after the rig release date.

- Details on Capping and Covering, where applicable. (See report)
- Plot Plan (Pit Diagram) (Included as an attachment)
- Inspection Reports (Included as an attachment)
- Sampling Results (Included as an attachment)
- C-105 (Included as an attachment)
- Copy of Deed Notice will be filed with County Clerk (Not required on Federal, State, or Tribal land as stated by FAQ dated October 30, 2008)

General Plan:

1. All free standing liquids will be removed at the start of the pit closure process from the pit and disposed of in a division-approved facility or recycle, reuse or reclaim the liquids in a manner that the appropriate division district office approves.

All recovered liquids were disposed of at Basin Disposal (Permit #NM-01-005) and any sludge or soil required to be removed to facilitate closure was hauled to Envirotech Land Farm (Permit #NM-01-011) and JFJ Landfarm % IEI (Permit #NM-01-0010B).

2. The preferred method of closure for all temporary pits will be on-site burial, assuming that all the criteria listed in sub-section (B) of 19.15.17.13 are met.

The pit was closed using onsite burial.

3. The surface owner shall be notified of COPC's closing of the temporary pit as per the approved closure plan using certified mail, return receipt requested.

The closure process notification to the landowner was sent via email. (See Attached)(Well located on Federal Land, certified mail is not required for Federal Land per BLM/OCD MOU.)

4. Within 6 months of the Rig Off status occurring COPC will ensure that temporary pits are closed, re-contoured, and reseeded.

The closure plan requirements were met due to rig move off date as noted on C-105.

5. Notice of Closure should have been given to the Aztec Division office between 72 hours and one week of closure via email, or verbally. The notification of closure should have include the following:
 - i. Operator's name
 - ii. Location by Unit Letter, Section, Township, and Range. Well name and API number.

Somehow back in 2009 this notification was overlooked. Procedures have been put into place to ensure This does not happen in the future.

6. Liner of temporary pit shall be removed above "mud level" after stabilization. Removal of liner will consist of manually or mechanically cutting liner at mud level and removing all remaining liner. Care will be taken to remove "All" of the liner i.e., edges of liner entrenched or buried. All excessive liner will be disposed of at a licensed disposal facility.

Liner of temporary pit was removed above "mud level" after stabilization. Removal of the liner consisted of manually cutting liner at mud level and removing all remaining liner. Care was taken to remove "ALL" of the liner i.e., edges of liner entrenched or buried. All excessive liner was disposed of at a licensed disposal facility, (San Juan County Landfill).

7. Pit contents shall be mixed with non-waste containing, earthen material in order to achieve the solidification process. The solidification process will be accomplished using a combination of natural drying and mechanically mixing. Pit contents will be mixed with non-waste, earthen material to a consistency that is deemed a safe and stable. The mixing ratio shall not exceed 3 parts clean soil to 1 part pit contents.

ConocoPhillips mixed the Pit contents with non-waste containing, earthen material in order to achieve the solidification process. The solidification process was accomplished by using a combination of natural drying and mechanically mixing. Pit contents were mixed with non-waste, earthen material to a consistency that is deemed as safe and stable. The mixing ratio consisted of approximately 3 parts clean soil to 1 part pit contents.

8. A five point composite sample will be taken of the pit using sampling tools and all samples tested per Subsection B of 19.15.17.13(B)(1)(b). In the event that the criteria are not met, all contents will be handled per Subparagraph (a) of Paragraph (1) of Subsection B of 19.15.17.13 i.e., Dig and haul.

A five point composite sample was taken of the pit using sampling tools and all samples tested per Subsection B of 19.15.17.13(B)(1)(b). (Sample results attached).

| Components | Tests Method | Limit (mg/Kg) | Results |
|------------|---------------------------|---------------|------------|
| Benzene | EPA SW-846 8021B or 8260B | 0.2 | 13.8 ug/kg |
| BTEX | EPA SW-846 8021B or 8260B | 50 | 187 ug/kG |
| TPH | EPA SW-846 418.1 | 2500 | 457mg/kg |
| GRO/DRO | EPA SW-846 8015M | 500 | 13.4 mg/Kg |
| Chlorides | EPA 300.1 | 1000/500 | 235 mg/L |

9. Upon completion of solidification and testing standards being passed, the pit area will be backfilled with compacted, non-waste containing, earthen material. A minimum of four feet of cover shall be achieved and the cover shall include one foot of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater. If standard testing fails BR will dig and haul all contents pursuant to 19.15.17.13.i.a. After doing such, confirmation sampling will be conducted to ensure a release has not occurred.

The pit material passed solidification and testing standards. The pit area was then backfilled with compacted, non-waste containing, earthen material. More than four feet of cover was achieved and the cover included one foot of suitable material to establish vegetation at the site.

10. During the stabilization process if the liner is ripped by equipment the Aztec OCD office will be notified within 48 hours and the liner will be repaired if possible. If the liner can not be repaired then all contents will be excavated and removed.

The integrity of the liner was not damaged in the pit closure process.

11. Dig and Haul Material will be transported to the Envirotech Land Farm located 16 miles south of Bloomfield on Angel Peak Road, CR 7175. Permit # NM010011

Dig and Haul was not required.

12. *Re-contouring of location will match fit, shape, line, form and texture of the surrounding. Re-shaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be placed in areas where needed to prevent erosion on a large scale. Final re-contour shall have a uniform appearance with smooth surface, fitting the natural landscape.*

The pit area was re-contoured to match fit, shape, line, form and texture of the surrounding area. Re-shaping included drainage control, to prevent ponding and erosion. Natural drainages were unimpeded and water bars and/or silt traps were placed in areas where needed to prevent erosion on a large scale. Final re-contour has a uniform appearance with smooth surface, fitting the natural landscape.

13. Notification will be sent to OCD when the reclaimed area is seeded.

Provision 13 was accomplished through complying with BLM seeding requirements as allowed by the BLM/OCD MOU.

14. COPC shall seed the disturbed areas the first growing season after the operator closes the pit. Seeding will be accomplished via drilling on the contour whenever practical or by other division-approved methods. BLM or Forest Service stipulated seed mixes will be used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs.

Provision 14 was accomplished through complying with BLM seeding requirements as allowed by the BLM/OCD MOU.

15. *The temporary pit will be located with a steel marker, no less than four inches in diameter, cemented in a hole three feet deep in the center of the onsite burial upon the abandonment of all the wells on the pad. The marker will be flush with the ground to allow access of the active well pad and for safety concerns. The marker will include a threaded collar to be used for future abandonment. The top of the marker will contain a welded steel 12" square plate that indicates the onsite burial of the temporary pit. The plate will be easily removable and a four foot tall riser will be threaded into the top of the collar marker and welded around the base with the operator's information at the time of all wells on the pad are abandoned. The operator's information will include the following: Operator Name, Lease Name, Well Name and number, Unit Number, Section, Township, Range and an indicator that the marker is an onsite burial location.*

Provision 15 was accomplished by installing a steel marker in the temporary pit, no less than four inches in diameter, cemented in a hole three feet deep in the center of the onsite burial. The marker is flush with the ground to allow access of the active well pad and for safety concerns. The top of the marker contains a welded steel 12" square plate that indicates the onsite burial of the temporary pit. The plate contains the following: Operator Name, Lease Name, Well Name and number, Unit Number, Section, Township, Range and an indicator that the marker is an onsite burial location.

The plate will be easily removable and a four foot tall riser will be threaded into the top of the collar marker and welded around the base with the following operator's information at the time of all wells on the pad are abandoned. The riser will be labeled: COP, BLM, SAN JUAN 32-7 UNIT 37F, UL-O, Sec. 8, T 32N, R 7W, API # 30-045-34071

Sessions, Tamra D

From: Sessions, Tamra D
Sent: Friday, January 23, 2009 3:27 PM
To: 'mark_kelly@nm.blm.gov'
Subject: OCD Pit Closure Notification

The temporary pits at the subject wells will be closed on-site. The new OCD Pit Rule 17 requires the surface owner to be notified. Please let me know if you have any questions.

Lambe 1C
San Juan 32-7 Unit 37F

Tamra Sessions

Staff Regulatory Technician
CONOCOPHILLIPS SJBU
505-326-9834 Fax 599-4062
Tamra.D.Sessions@conocophillips.com

1/23/2009

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer 00, Artesia, NM 88211-0719

District III
Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | |
|----------------|------------------------|---------------|---------------------------------|
| *API Number | | *Pool Code | *Pool Name |
| | | 72319 / 71599 | BLANCO MESAVERDE / BASIN DAKOTA |
| *Property Code | *Property Name | | *Well Number |
| 31329 | SAN JUAN 32-7 UNIT | | 37F |
| *GRID No | *Operator Name | | *Elevation |
| 217817 | CONOCOPHILLIPS COMPANY | | 6495' |

¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| 0 | 8 | 32N | 7W | | 660 | SOUTH | 1785 | EAST | SAN JUAN |

¹¹ Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | | |
|-----------------------------------|--------------|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres | 303.66 Acres | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
| E/2 Section 8 & W/2 W/2 Section 9 | | | | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Signature _____

Printed Name _____

Title _____

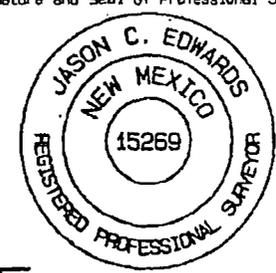
Date _____

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief

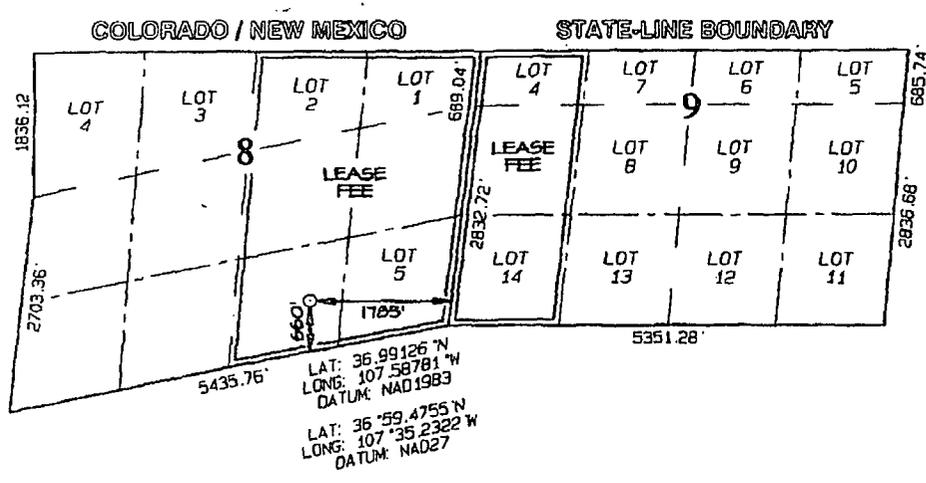
Date of Survey: JUNE 30, 2005

Signature and Seal of Professional Surveyor



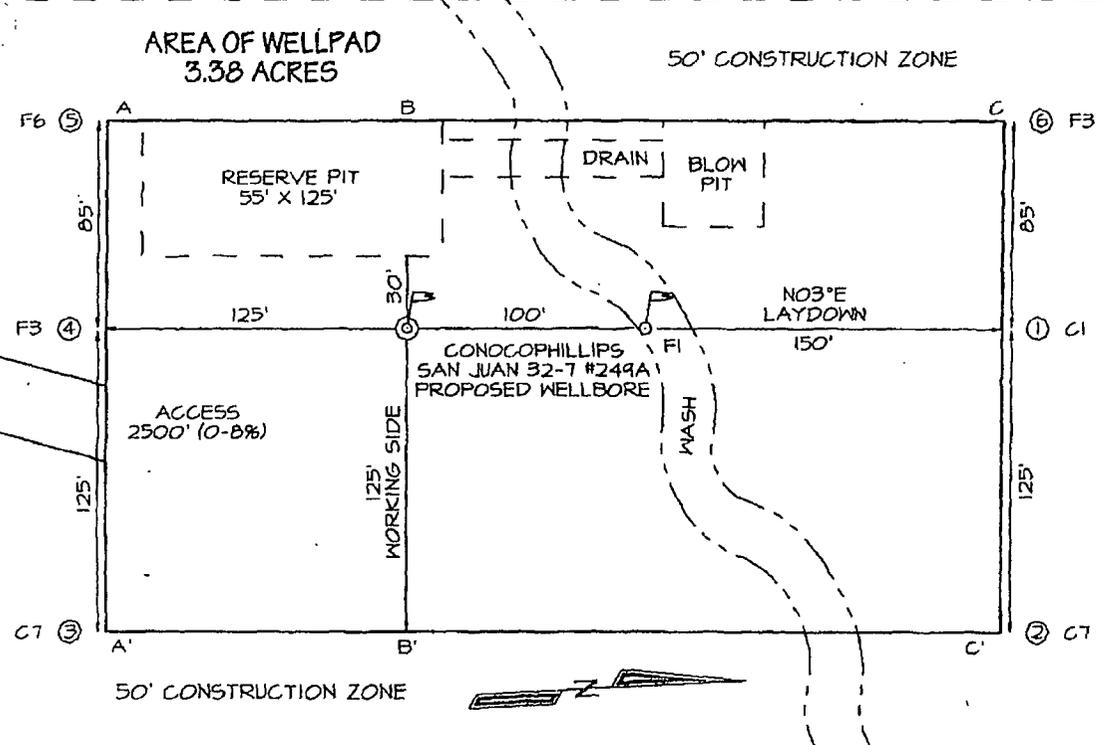
JASON C. EDWARDS
NEW MEXICO
REGISTERED PROFESSIONAL SURVEYOR
15269

JASON C. EDWARDS
Certificate Number 15269

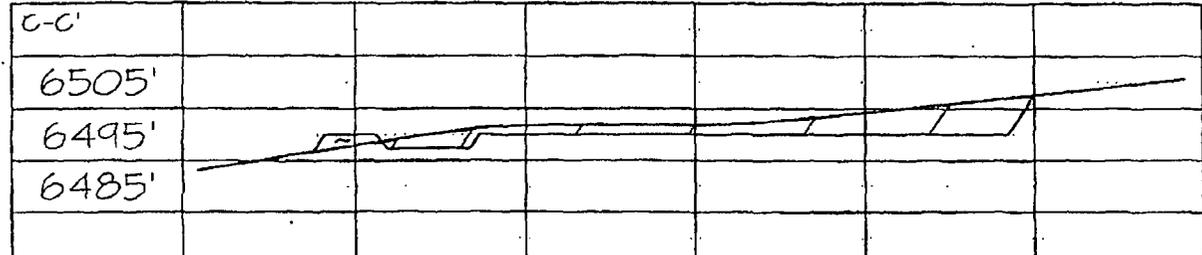
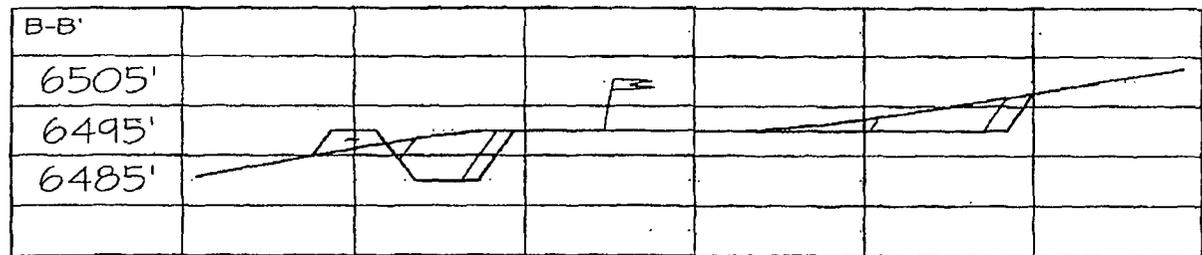
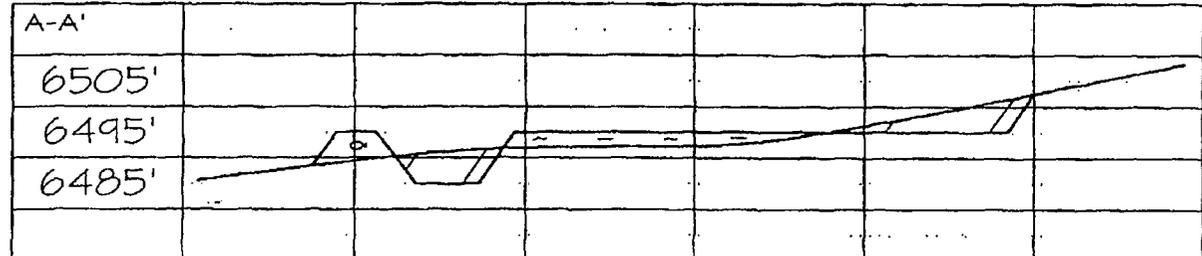


CONOCOPHILLIPS COMPANY SAN JUAN 32-7 UNIT #37F
660' FSL & 1785' FBL, SECTION 8, T32N, R7W, NMPM
SAN JUAN COUNTY, NEW MEXICO ELEVATION: 6495'

LATITUDE: 36.99126° N
LONGITUDE: 107.58781° W
 DATUM: NAD1983



SURFACE OWNER
 Bureau of Land
 Management



ENVIROTECH LABS

Practical Solutions for a Better Tomorrow

EPA METHOD 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

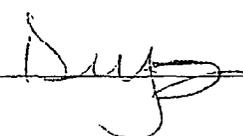
| | | | |
|----------------------|--------------------------|---------------------|------------|
| Client: | ConocoPhillips | Project #: | 96052-0026 |
| Sample ID: | SJ:3257 #37F <i>249A</i> | Date Reported: | 08-18-08 |
| Laboratory Number: | 46723 | Date Sampled: | 08-12-08 |
| Chain of Custody No: | 4978 | Date Received: | 08-12-08 |
| Sample Matrix: | Soil | Date Extracted: | 08-14-08 |
| Preservative: | Cool | Date Analyzed: | 08-15-08 |
| Condition: | Intact | Analysis Requested: | 8015 TPH |

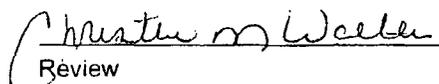
| Parameter | Concentration (mg/Kg) | Det. Limit (mg/Kg) |
|------------------------------|-----------------------|--------------------|
| Gasoline Range (C5 - C10) | ND | 0.2 |
| Diesel Range (C10 - C28) | 13.4 | 0.1 |
| Total Petroleum Hydrocarbons | 13.4 ✓ | 0.2 |

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: **Drilling Pit Sample**

Analyst 

Review 

ENVIROTECH LABS

PRactical SOLUTIONS FOR A BEtTER TOMORROW

EPA METHOD 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

| | | | |
|----------------------|-------------------------|---------------------|------------|
| Client: | ConocoPhillips | Project #: | 96052-0026 |
| Sample ID: | SJ 32-7 #37F Background | Date Reported: | 08-18-08 |
| Laboratory Number: | 46724 | Date Sampled: | 08-12-08 |
| Chain of Custody No: | 4978 | Date Received: | 08-12-08 |
| Sample Matrix: | Soil | Date Extracted: | 08-14-08 |
| Preservative: | Cool | Date Analyzed: | 08-15-08 |
| Condition: | Intact | Analysis Requested: | 8015 TPH |

| Parameter | Concentration (mg/Kg) | Det. Limit (mg/Kg) |
|------------------------------|--------------------------|--------------------------|
| Gasoline Range (C5 - C10) | ND | 0.2 |
| Diesel Range (C10 - C28) | ND | 0.1 |
| Total Petroleum Hydrocarbons | ND | 0.2 |

ND - Parameter not detected at the stated detection limit.

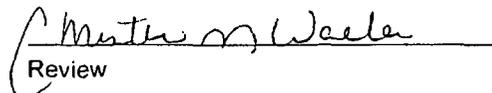
References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: **Drilling Pit Sample**

Analyst



Review



ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA Method 8015 Modified Nonhalogenated Volatile Organics Total Petroleum Hydrocarbons

Quality Assurance Report

| | | | |
|--------------------|--------------------|---------------------|----------|
| Client: | QA/QC | Project #: | N/A |
| Sample ID: | 08-15-08 QA/QC | Date Reported: | 08-18-08 |
| Laboratory Number: | 46715 | Date Sampled: | N/A |
| Sample Matrix: | Methylene Chloride | Date Received: | N/A |
| Preservative: | N/A | Date Analyzed: | 08-15-08 |
| Condition: | N/A | Analysis Requested: | TPH |

| | Cal Date | L-Cal RF | C-Cal RF | % Difference | Accept Range |
|-------------------------|----------|-------------|-------------|--------------|--------------|
| Gasoline Range C5 - C10 | 05-07-07 | 1.0029E+003 | 1.0033E+003 | 0.04% | 0 - 15% |
| Diesel Range C10 - C28 | 05-07-07 | 1.0026E+003 | 1.0030E+003 | 0.04% | 0 - 15% |

| Blank Conc (mg/L - mg/Kg) | Concentration | Detection Limit |
|------------------------------|---------------|-----------------|
| Gasoline Range C5 - C10 | ND | 0.2 |
| Diesel Range C10 - C28 | ND | 0.1 |
| Total Petroleum Hydrocarbons | ND | 0.2 |

| Duplicate Conc (mg/Kg) | Sample | Duplicate | % Difference | Accept Range |
|-------------------------|--------|-----------|--------------|--------------|
| Gasoline Range C5 - C10 | ND | ND | 0.0% | 0 - 30% |
| Diesel Range C10 - C28 | ND | ND | 0.0% | 0 - 30% |

| Spike Conc (mg/Kg) | Sample | Spike Added | Spike Result | % Recovery | Accept Range |
|-------------------------|--------|-------------|--------------|------------|--------------|
| Gasoline Range C5 - C10 | ND | 250 | 252 | 101% | 75 - 125% |
| Diesel Range C10 - C28 | ND | 250 | 257 | 103% | 75 - 125% |

ND - Parameter not detected at the stated detection limit.

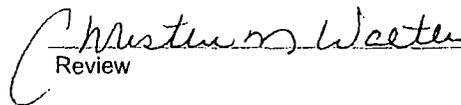
References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: QA/QC for Samples 46715 - 46724.

Analyst



Review



ENVIRONMENTAL CONSULTANTS, ABS

Practical Solutions for a Better Tomorrow

EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

| | | | |
|--------------------|----------------|---------------------|------------|
| Client: | ConocoPhillips | Project #: | 96052-0026 |
| Sample ID: | SJ 32-7 #37F | Date Reported: | 08-19-08 |
| Laboratory Number: | 46723 | Date Sampled: | 08-12-08 |
| Chain of Custody: | 4978 | Date Received: | 08-12-08 |
| Sample Matrix: | Soil | Date Analyzed: | 08-15-08 |
| Preservative: | Cool | Date Extracted: | 08-14-08 |
| Condition: | Intact | Analysis Requested: | BTEX |

| Parameter | Concentration (ug/Kg) | Det. Limit (ug/Kg) |
|-------------------|--------------------------|--------------------------|
| Benzene | 13.8 ✓ | 0.9 |
| Toluene | 55.6 | 1.0 |
| Ethylbenzene | 6.3 | 1.0 |
| p,m-Xylene | 92.5 | 1.2 |
| o-Xylene | 18.9 | 0.9 |
| Total BTEX | 187 ✓ | |

ND - Parameter not detected at the stated detection limit.

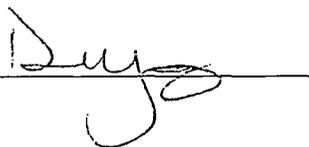
| Surrogate Recoveries: | Parameter | Percent Recovery |
|-----------------------|---------------------|------------------|
| | Fluorobenzene | 96.0 % |
| | 1,4-difluorobenzene | 96.0 % |
| | Bromochlorobenzene | 96.0 % |

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

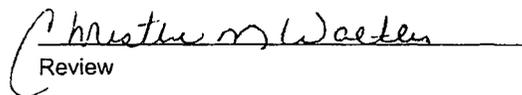
Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: Drilling Pit Sample

Analyst



Review



ENVIRONMENTAL LABS

PRAGMATICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

| | | | |
|--------------------|-------------------------|---------------------|------------|
| Client: | ConocoPhillips | Project #: | 96052-0026 |
| Sample ID: | SJ 32-7 #37F Background | Date Reported: | 08-19-08 |
| Laboratory Number: | 46724 | Date Sampled: | 08-12-08 |
| Chain of Custody: | 4978 | Date Received: | 08-12-08 |
| Sample Matrix: | Soil | Date Analyzed: | 08-15-08 |
| Preservative: | Cool | Date Extracted: | 08-14-08 |
| Condition: | Intact | Analysis Requested: | BTEX |

| Parameter | Concentration (ug/Kg) | Det. Limit (ug/Kg) |
|-------------------|--------------------------|--------------------------|
| Benzene | ND | 0.9 |
| Toluene | 3.0 | 1.0 |
| Ethylbenzene | 2.0 | 1.0 |
| p,m-Xylene | 3.2 | 1.2 |
| o-Xylene | 1.6 | 0.9 |
| Total BTEX | 9.8 | |

ND - Parameter not detected at the stated detection limit.

| Surrogate Recoveries: | Parameter | Percent Recovery |
|-----------------------|---------------------|------------------|
| | Fluorobenzene | 99.0 % |
| | 1,4-difluorobenzene | 99.0 % |
| | Bromochlorobenzene | 99.0 % |

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

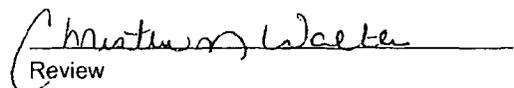
Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: **Drilling Pit Sample**

Analyst



Review



ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8021 AROMATIC VOLATILE ORGANICS

| | | | |
|--------------------|----------------|----------------|----------|
| Client: | N/A | Project #: | N/A |
| Sample ID: | 08-15-BT QA/QC | Date Reported: | 08-19-08 |
| Laboratory Number: | 46715 | Date Sampled: | N/A |
| Sample Matrix: | Soil | Date Received: | N/A |
| Preservative: | N/A | Date Analyzed: | 08-15-08 |
| Condition: | N/A | Analysis: | BTEX |

| Calibration and Detection Limits (ug/L) | I-Cal:RF | C-Cal:RF | %Diff | Blank Conc. | Detect Limit |
|--|-------------|-----------------------|-------|----------------|-----------------|
| | | Accept Range: 0 - 15% | | | |
| Benzene | 9.7961E+007 | 9.8157E+007 | 0.2% | ND | 0.1 |
| Toluene | 7.4272E+007 | 7.4421E+007 | 0.2% | ND | 0.1 |
| Ethylbenzene | 5.8905E+007 | 5.9023E+007 | 0.2% | ND | 0.1 |
| p,m-Xylene | 1.2296E+008 | 1.2320E+008 | 0.2% | ND | 0.1 |
| o-Xylene | 5.6985E+007 | 5.7099E+007 | 0.2% | ND | 0.1 |

| Duplicate Conc.: (ug/Kg) | Sample | Duplicate | %Diff | Accept Range | Detect Limit |
|--------------------------|--------|-----------|-------|--------------|--------------|
| Benzene | ND | ND | 0.0% | 0 - 30% | 0.9 |
| Toluene | 3.0 | 2.7 | 10.0% | 0 - 30% | 1.0 |
| Ethylbenzene | 1.2 | 1.0 | 16.7% | 0 - 30% | 1.0 |
| p,m-Xylene | 3.1 | 2.7 | 12.9% | 0 - 30% | 1.2 |
| o-Xylene | 1.8 | 1.4 | 22.2% | 0 - 30% | 0.9 |

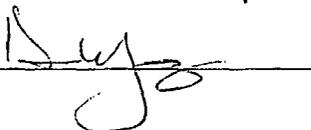
| Spike Conc. (ug/Kg) | Sample | Amount Spiked | Spiked Sample | % Recovery | Accept Range |
|---------------------|--------|---------------|---------------|------------|--------------|
| Benzene | ND | 50.0 | 49.6 | 99.2% | 39 - 150 |
| Toluene | 3.0 | 50.0 | 51.0 | 96.2% | 46 - 148 |
| Ethylbenzene | 1.2 | 50.0 | 48.2 | 94.1% | 32 - 160 |
| p,m-Xylene | 3.1 | 100 | 101 | 98.1% | 46 - 148 |
| o-Xylene | 1.8 | 50.0 | 49.8 | 96.1% | 46 - 148 |

ND - Parameter not detected at the stated detection limit.

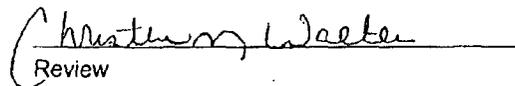
References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.
Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996.

Comments: QA/QC for Samples 46715 - 46724.

Analyst



Review



ENVIROTECH LABS

Practical Solutions for a Better Tomorrow

TRACE METAL ANALYSIS

| | | | |
|--------------------|----------------|------------------|--------------|
| Client: | ConocoPhillips | Project #: | 96052-0026 |
| Sample ID: | SJ 32-7 #37F | Date Reported: | 08-18-08 |
| Laboratory Number: | 46723 | Date Sampled: | 08-12-08 |
| Chain of Custody: | 4978 | Date Received: | 08-12-08 |
| Sample Matrix: | Soil | Date Analyzed: | 08-15-08 |
| Preservative: | Cool | Date Digested: | 08-15-08 |
| Condition: | Intact | Analysis Needed: | Total Metals |

| Parameter | Concentration (mg/Kg) | Det. Limit (mg/Kg) | TCLP Regulatory Level (mg/Kg) |
|-----------|--------------------------|--------------------------|-------------------------------------|
| Arsenic | 0.041 | 0.001 | 5.0 |
| Barium | 18.4 | 0.001 | 100 |
| Cadmium | 0.006 | 0.001 | 1.0 |
| Chromium | 0.171 | 0.001 | 5.0 |
| Lead | 0.256 | 0.001 | 5.0 |
| Mercury | ND | 0.001 | 0.2 |
| Selenium | ND | 0.001 | 1.0 |
| Silver | ND | 0.001 | 5.0 |

ND - Parameter not detected at the stated detection limit.

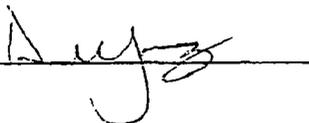
References: Method 3050B, Acid Digestion of Sediments, Sludges and Soils.
SW-846, USEPA, December 1996.

Method 6010B, Analysis of Metals by Inductively Coupled Plasma Atomic Emission Spectroscopy, SW-846, USEPA, December 1996.

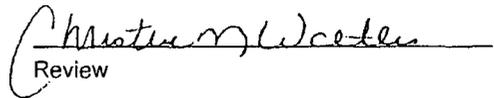
Note: Regulatory Limits based on 40 CFR part 261 subpart C section 261.24, August 24, 1998.

Comments: **Drilling Pit Sample.**

Analyst



Review



ENVIROTECH LABS

PRactical SOLUTIONS FOR A BETTER TOMORROW

TRACE METAL ANALYSIS

| | | | |
|--------------------|-------------------------|------------------|--------------|
| Client: | ConocoPhillips | Project #: | 96052-0026 |
| Sample ID: | SJ 32-7 #37F Background | Date Reported: | 08-18-08 |
| Laboratory Number: | 46724 | Date Sampled: | 08-12-08 |
| Chain of Custody: | 4978 | Date Received: | 08-12-08 |
| Sample Matrix: | Soil | Date Analyzed: | 08-15-08 |
| Preservative: | Cool | Date Digested: | 08-15-08 |
| Condition: | Intact | Analysis Needed: | Total Metals |

| Parameter | Concentration (mg/Kg) | Det. Limit (mg/Kg) | TCLP Regulatory Level (mg/Kg) |
|-----------|--------------------------|--------------------------|-------------------------------------|
| Arsenic | 0.050 | 0.001 | 5.0 |
| Barium | 4.35 | 0.001 | 100 |
| Cadmium | 0.005 | 0.001 | 1.0 |
| Chromium | 0.090 | 0.001 | 5.0 |
| Lead | 0.457 | 0.001 | 5.0 |
| Mercury | ND | 0.001 | 0.2 |
| Selenium | 0.016 | 0.001 | 1.0 |
| Silver | ND | 0.001 | 5.0 |

ND - Parameter not detected at the stated detection limit.

References: Method 3050B, Acid Digestion of Sediments, Sludges and Soils.
SW-846, USEPA, December 1996.

Method 6010B, Analysis of Metals by Inductively Coupled Plasma Atomic Emission Spectroscopy, SW-846, USEPA, December 1996.

Note: Regulatory Limits based on 40 CFR part 261 subpart C
section 261.24, August 24, 1998.

Comments: **Drilling Pit Sample.**

Analyst

Review

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

TRACE METAL ANALYSIS Quality Control / Quality Assurance Report

| | | | |
|---------------------|-------------------|----------------|----------|
| Client: | QA/QC | Project #: | QA/QC |
| Sample ID: | 08-15 TM QA/AC | Date Reported: | 08-18-08 |
| Laboratory Number: | 46723 | Date Sampled: | N/A |
| Sample Matrix: | Soil | Date Received: | N/A |
| Analysis Requested: | Total RCRA Metals | Date Analyzed: | 08-15-08 |
| Condition: | N/A | Date Digested: | 08-15-08 |

| Blank & Duplicate Conc. (mg/Kg) | Instrument Blank (mg/Kg) | Method Blank | Detection Limit | Sample | Duplicate | % Diff | Acceptance Range |
|------------------------------------|-----------------------------|-----------------|--------------------|--------|-----------|-----------|---------------------|
| Arsenic | ND | ND | 0.001 | 0.041 | 0.041 | 0.0% | 0% - 30% |
| Barium | ND | ND | 0.001 | 18.4 | 18.0 | 2.2% | 0% - 30% |
| Cadmium | ND | ND | 0.001 | 0.006 | 0.006 | 0.0% | 0% - 30% |
| Chromium | ND | ND | 0.001 | 0.171 | 0.215 | 26.1% | 0% - 30% |
| Lead | ND | ND | 0.001 | 0.256 | 0.246 | 3.9% | 0% - 30% |
| Mercury | ND | ND | 0.001 | ND | ND | 0.0% | 0% - 30% |
| Selenium | ND | ND | 0.001 | ND | ND | 0.0% | 0% - 30% |
| Silver | ND | ND | 0.001 | ND | ND | 0.0% | 0% - 30% |

| Spike Conc. (mg/Kg) | Spike Added | Sample | Spiked Sample | Percent Recovery | Acceptance Range |
|------------------------|----------------|--------|------------------|---------------------|---------------------|
| Arsenic | 0.250 | 0.041 | 0.318 | 109% | 80% - 120% |
| Barium | 0.500 | 18.4 | 18.2 | 95.9% | 80% - 120% |
| Cadmium | 0.250 | 0.006 | 0.280 | 109% | 80% - 120% |
| Chromium | 0.500 | 0.171 | 0.602 | 89.8% | 80% - 120% |
| Lead | 0.500 | 0.256 | 0.770 | 102% | 80% - 120% |
| Mercury | 0.100 | ND | 0.091 | 90.7% | 80% - 120% |
| Selenium | 0.100 | ND | 0.106 | 106% | 80% - 120% |
| Silver | 0.100 | ND | 0.095 | 95.0% | 80% - 120% |

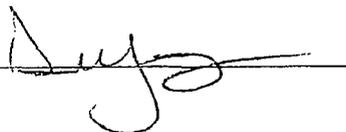
ND - Parameter not detected at the stated detection limit.

References: Method 3050B, Acid Digestion of Sediments, Sludges and Soils.
SW-846, USEPA, December 1996.

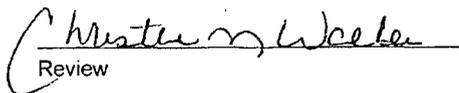
Method 6010B, Analysis of Metals by Inductively Coupled Plasma Atomic Emission
Spectroscopy, SW-846, USEPA, December 1996.

Comments: QA/QC for Samples 46723 - 46726 and 46749.

Analyst



Review



ENVIROTECH LABS

Practical Solutions for a Better Tomorrow

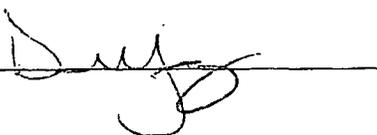
CATION / ANION ANALYSIS

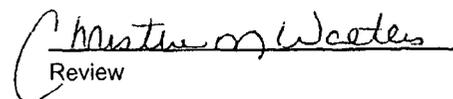
| | | | |
|--------------------|----------------|-----------------|------------|
| Client: | ConocoPhillips | Project #: | 96052-0026 |
| Sample ID: | SJ 32-7 #37F | Date Reported: | 08-20-08 |
| Laboratory Number: | 46723 | Date Sampled: | 08-12-08 |
| Chain of Custody: | 4978 | Date Received: | 08-12-08 |
| Sample Matrix: | Soil Extract | Date Extracted: | 08-17-08 |
| Preservative: | Cool | Date Analyzed: | 08-18-08 |
| Condition: | Intact | | |

| Parameter | Analytical Result | Units | | |
|-------------------------------|-------------------|----------|-------|-------|
| pH | 7.25 | s.u. | | |
| Conductivity @ 25° C | 923 | umhos/cm | | |
| Total Dissolved Solids @ 180C | 532 | mg/L | | |
| Total Dissolved Solids (Calc) | 592 | mg/L | | |
| SAR | 4.9 | ratio | | |
| Total Alkalinity as CaCO3 | 74.0 | mg/L | | |
| Total Hardness as CaCO3 | 163 | mg/L | | |
| Bicarbonate as HCO3 | 74.0 | mg/L | 1.21 | meq/L |
| Carbonate as CO3 | <0.1 | mg/L | 0.00 | meq/L |
| Hydroxide as OH | <0.1 | mg/L | 0.00 | meq/L |
| Nitrate Nitrogen | 0.622 | mg/L | 0.01 | meq/L |
| Nitrite Nitrogen | <0.01 | mg/L | 0.00 | meq/L |
| Chloride | 235 | mg/L ✓ | 6.63 | meq/L |
| Fluoride | 1.10 | mg/L | 0.06 | meq/L |
| Phosphate | 0.148 | mg/L | 0.00 | meq/L |
| Sulfate | 93.2 | mg/L | 1.94 | meq/L |
| Iron | 0.110 | mg/L | 0.00 | meq/L |
| Calcium | 49.4 | mg/L | 2.47 | meq/L |
| Magnesium | 9.54 | mg/L | 0.79 | meq/L |
| Potassium | 13.9 | mg/L | 0.36 | meq/L |
| Sodium | 144 | mg/L | 6.26 | meq/L |
| Cations | | | 9.87 | meq/L |
| Anions | | | 9.86 | meq/L |
| Cation/Anion Difference | | | 0.19% | |

Reference: U.S.E.P.A., 600/4-79-020, "Methods for Chemical Analysis of Water and Wastes", 1983.
Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments: **Drilling Pit Sample.**

Analyst 

Review 

ENVIROTECH LABS

Practical Solutions for a Better Tomorrow

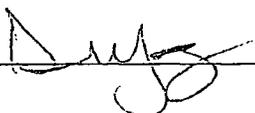
CATION / ANION ANALYSIS

| | | | |
|--------------------|-------------------------|-----------------|-------------|
| Client: | ConocoPhillips | Project #: | 96052-0026. |
| Sample ID: | SJ 32-7 #37F Background | Date Reported: | 08-20-08 |
| Laboratory Number: | 46724 | Date Sampled: | 08-12-08 |
| Chain of Custody: | 4978 | Date Received: | 08-12-08 |
| Sample Matrix: | Soil Extract | Date Extracted: | 08-17-08 |
| Preservative: | Cool | Date Analyzed: | 08-18-08 |
| Condition: | Intact | | |

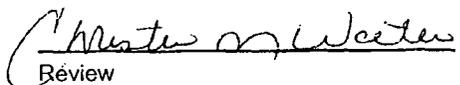
| Parameter | Analytical Result | Units | | |
|-------------------------------|-------------------|----------|-------|-------|
| pH | 8.02 | s.u. | | |
| Conductivity @ 25° C | 136 | umhos/cm | | |
| Total Dissolved Solids @ 180C | 74.0 | mg/L | | |
| Total Dissolved Solids (Calc) | 76.6 | mg/L | | |
| SAR | 1.5 | ratio | | |
| Total Alkalinity as CaCO3 | 38.0 | mg/L | | |
| Total Hardness as CaCO3 | 24.0 | mg/L | | |
| Bicarbonate as HCO3 | 38.0 | mg/L | 0.62 | meq/L |
| Carbonate as CO3 | <0.1 | mg/L | 0.00 | meq/L |
| Hydroxide as OH | <0.1 | mg/L | 0.00 | meq/L |
| Nitrate Nitrogen | 10.3 | mg/L | 0.17 | meq/L |
| Nitrite Nitrogen | <0.01 | mg/L | 0.00 | meq/L |
| Chloride | 5.97 | mg/L | 0.17 | meq/L |
| Fluoride | 2.63 | mg/L | 0.14 | meq/L |
| Phosphate | 5.03 | mg/L | 0.16 | meq/L |
| Sulfate | 3.02 | mg/L | 0.06 | meq/L |
| Iron | 5.34 | mg/L | 0.19 | meq/L |
| Calcium | 7.06 | mg/L | 0.35 | meq/L |
| Magnesium | 1.55 | mg/L | 0.13 | meq/L |
| Potassium | 1.18 | mg/L | 0.03 | meq/L |
| Sodium | 16.8 | mg/L | 0.73 | meq/L |
| Cations | | | 1.43 | meq/L |
| Anions | | | 1.32 | meq/L |
| Cation/Anion Difference | | | 8.66% | |

Reference: U.S.E.P.A., 600/4-79-020, "Methods for Chemical Analysis of Water and Wastes", 1983.
Standard Methods For The Examination of Water And Waste Water", 18th ed., 1992.

Comments: **Drilling Pit Sample.**



Analyst



Review

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS

| | | | |
|----------------------|----------------|------------------|------------|
| Client: | ConocoPhillips | Project #: | 96052-0026 |
| Sample ID: | SJ 32-7 #37F | Date Reported: | 08-18-08 |
| Laboratory Number: | 46723 | Date Sampled: | 08-12-08 |
| Chain of Custody No: | 4978 | Date Received: | 08-12-08 |
| Sample Matrix: | Soil | Date Extracted: | 08-15-08 |
| Preservative: | Cool | Date Analyzed: | 08-15-08 |
| Condition: | Intact | Analysis Needed: | TPH-418.1 |

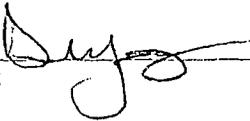
| Parameter | Concentration (mg/kg) | Det. Limit (mg/kg) |
|------------------------------|--------------------------|--------------------------|
| Total Petroleum Hydrocarbons | 457 ✓ | 5.0 |

ND = Parameter not detected at the stated detection limit.

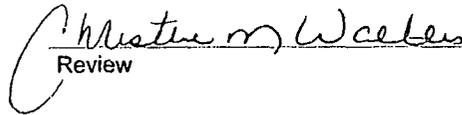
References: Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water and Waste, USEPA Storet No. 4551, 1978.

Comments: **Drilling Pit Sample.**

Analyst



Review



ENVIROTECH LABS

PRactical SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS

| | | | |
|----------------------|-------------------------|------------------|------------|
| Client: | ConocoPhillips | Project #: | 96052-0026 |
| Sample ID: | SJ 32-7 #37F Background | Date Reported: | 08-18-08 |
| Laboratory Number: | 46724 | Date Sampled: | 08-12-08 |
| Chain of Custody No: | 4978 | Date Received: | 08-12-08 |
| Sample Matrix: | Soil | Date Extracted: | 08-15-08 |
| Preservative: | Cool | Date Analyzed: | 08-15-08 |
| Condition: | Intact | Analysis Needed: | TPH-418.1 |

| Parameter | Concentration (mg/kg) | Det. Limit (mg/kg) |
|------------------------------|--------------------------|--------------------------|
| Total Petroleum Hydrocarbons | 27.1 | 5.0 |

ND = Parameter not detected at the stated detection limit.

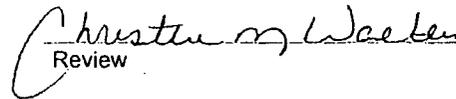
References: Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water and Waste, USEPA Storet No. 4551, 1978.

Comments: Drilling Pit Sample.

Analyst



Review



ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS QUALITY ASSURANCE REPORT

| | | | |
|--------------------|-----------------------|------------------|----------|
| Client: | QA/QC | Project #: | N/A |
| Sample ID: | QA/QC | Date Reported: | 08-15-08 |
| Laboratory Number: | 08-14-TPH.QA/QC 46715 | Date Sampled: | N/A |
| Sample Matrix: | Freon-113 | Date Analyzed: | 08-14-08 |
| Preservative: | N/A | Date Extracted: | 08-13-08 |
| Condition: | N/A | Analysis Needed: | TPH |

| Calibration: | I-Cal Date: | C-Cal Date: | I-Cal RF: | C-Cal RF: | % Difference: | Accept Range: |
|--------------|-------------|-------------|-----------|-----------|---------------|---------------|
| | 08-01-08 | 08-14-08 | 1,790 | 1,700 | 5.0% | +/- 10% |

| Blank Conc. (mg/Kg) | Concentration: | Detection Limit: |
|---------------------|----------------|------------------|
| TPH | ND | 21.4 |

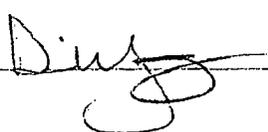
| Duplicate Conc. (mg/Kg) | Sample: | Duplicate: | % Difference: | Accept Range: |
|-------------------------|---------|------------|---------------|---------------|
| TPH | 87.2 | 85.0 | 2.5% | +/- 30% |

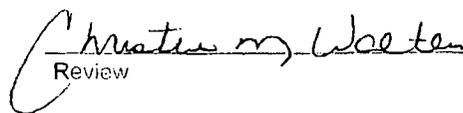
| Spike Conc. (mg/Kg) | Sample: | Spike Added: | Spike Result: | % Recovery: | Accept Range: |
|---------------------|---------|--------------|---------------|-------------|---------------|
| TPH | 87.2 | 2,000 | 1,750 | 84% | 80 - 120% |

ND = Parameter not detected at the stated detection limit.

References: Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water and Waste, USEPA Storet No. 4551, 1978.

Comments: QA/QC for Samples 46715 - 46724.


Analyst


Review

| | | |
|--|---|--|
| Submit To Appropriate District Office Two Copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 | State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 | Form C-105 July 17, 2008 1. WELL API NO. 30-045-34701 2. Type of Lease <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN 3. State Oil & Gas Lease No. FEE |
|--|---|--|

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

| 4. Reason for filing: <input type="checkbox"/> COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) <input checked="" type="checkbox"/> C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC) | 5. Lease Name or Unit Agreement Name SAN JUAN 32-7 UNIT 6. Well Number: 37F | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|--|----------|---------------------------------------|----------|---------------|---|---------------|----------|---------------|----------|--------|----------|--|--|--|--|--|--|--|--|--|--|-----|--|--|--|--|--|--|--|--|--|--|
| 7. Type of Completion: <input checked="" type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input type="checkbox"/> OTHER | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8. Name of Operator ConocoPhillips Company | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9. OGRID 217817 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10. Address of Operator PO Box 4298, Farmington, NM 87499 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11. Pool name or Wildcat | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>12. Location</th> <th>Unit Ltr</th> <th>Section</th> <th>Township</th> <th>Range</th> <th>Lot</th> <th>Feet from the</th> <th>N/S Line</th> <th>Feet from the</th> <th>E/W Line</th> <th>County</th> </tr> <tr> <td>Surface:</td> <td></td> </tr> <tr> <td>BH:</td> <td></td> </tr> </table> | | 12. Location | Unit Ltr | Section | Township | Range | Lot | Feet from the | N/S Line | Feet from the | E/W Line | County | Surface: | | | | | | | | | | | BH: | | | | | | | | | | |
| 12. Location | Unit Ltr | Section | Township | Range | Lot | Feet from the | N/S Line | Feet from the | E/W Line | County | | | | | | | | | | | | | | | | | | | | | | | | |
| Surface: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| BH: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 13. Date Spudded | 14. Date T.D. Reached | 15. Date Rig Released 10/26/07 | | 16. Date Completed (Ready to Produce) | | | 17. Elevations (DF and RKB, RT, GR, etc.) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 18. Total Measured Depth of Well | | 19. Plug Back Measured Depth | | 20. Was Directional Survey Made? | | | 21. Type Electric and Other Logs Run | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 22. Producing Interval(s), of this completion - Top, Bottom, Name | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

23. CASING RECORD (Report all strings set in well)

| CASING SIZE | WEIGHT LB./FT. | DEPTH SET | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|-------------|----------------|-----------|-----------|------------------|---------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

| 24. LINER RECORD | | | | 25. TUBING RECORD | | | |
|------------------|-----|--------|--------------|-------------------|------|-----------|------------|
| SIZE | TOP | BOTTOM | SACKS CEMENT | SCREEN | SIZE | DEPTH SET | PACKER SET |
| | | | | | | | |
| | | | | | | | |

| | | |
|---|---|-------------------------------|
| 26. Perforation record (interval, size, and number) | 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. | |
| | DEPTH INTERVAL | AMOUNT AND KIND MATERIAL USED |
| | | |

28. PRODUCTION

| | | | | | | | |
|-----------------------|-----------------|--|------------------------|-----------|--------------|---|-----------------|
| Date First Production | | Production Method (<i>Flowing, gas lift, pumping - Size and type pump</i>) | | | | Well Status (<i>Prod. or Shut-in</i>) | |
| Date of Test | Hours Tested | Choke Size | Prod'n For Test Period | Oil - Bbl | Gas - MCF | Water - Bbl. | Gas - Oil Ratio |
| Flow Tubing Press. | Casing Pressure | Calculated 24-Hour Rate | Oil - Bbl. | Gas - MCF | Water - Bbl. | Oil Gravity - API - (<i>Corr.</i>) | |

| | |
|---|-----------------------|
| 29. Disposition of Gas (<i>Sold, used for fuel, vented, etc.</i>) | 30. Test Witnessed By |
|---|-----------------------|

31. List Attachments

32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.

33. If an on-site burial was used at the well, report the exact location of the on-site burial:

Latitude **36.991166°N** Longitude **107.5880833°W** NAD 1927 1983

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Printed Name Marie E. Jaramillo Title: Staff Regulatory Tech Date: 9/23/2010

E-mail Address marie.e.jaramillo@conocophillips.com

ConocoPhillips

Pit Closure Form:

Date: 5-1-2009

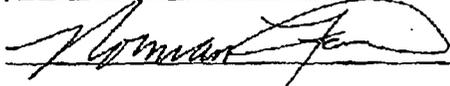
Well Name: SJ 32-7 unit 249A

Footages: 755 FSL 1780 FEL Unit Letter: 0

Section: 8, T-32 -N, R-7 -W, County: SJ State: NM

Contractor Closing Pit: Ace Services

Construction Inspector: Norman Faver Date: 5-1-2009

Inspector Signature: 

Jaramillo, Marie E

From: Silverman, Jason M <Jason.M.Silverman@conocophillips.com>
Sent: Monday, April 27, 2009 12:23 PM
To: 'acedragline@yahoo.com' <acedragline@yahoo.com>
Cc: 'Faver Norm (faverconsulting@yahoo.com)' <faverconsulting@yahoo.com>
Subject: San Juan 32-7 Unit 37F / 249A : SOA & APD
Importance: High
Attachments: 1.32-7 37F.pdf; 1.Release to Construct - SJ 32-7 Unit 37F - Washburn.doc; 1.SJ 32-7 #37F C-102 pkg.pdf

Jason Silverman -----
Construction Technician
ConocoPhillips Company - SJBU
Construction Department
P.O. Box 4289
Farmington, NM 87499-4289
505-326-9821
Jason.M.Silverman@ConocoPhillips.com

ConocoPhillips

Reclamation Form:

Date: 11/5/2009

Well Name: S3 32-7 249A / 37F

Footages: _____ Unit Letter: _____

Section: _____, T-____-N, R-____-W, County: SJ State: NM

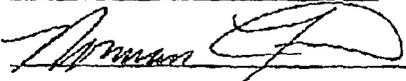
Reclamation Contractor: 5/ /2009 Ace

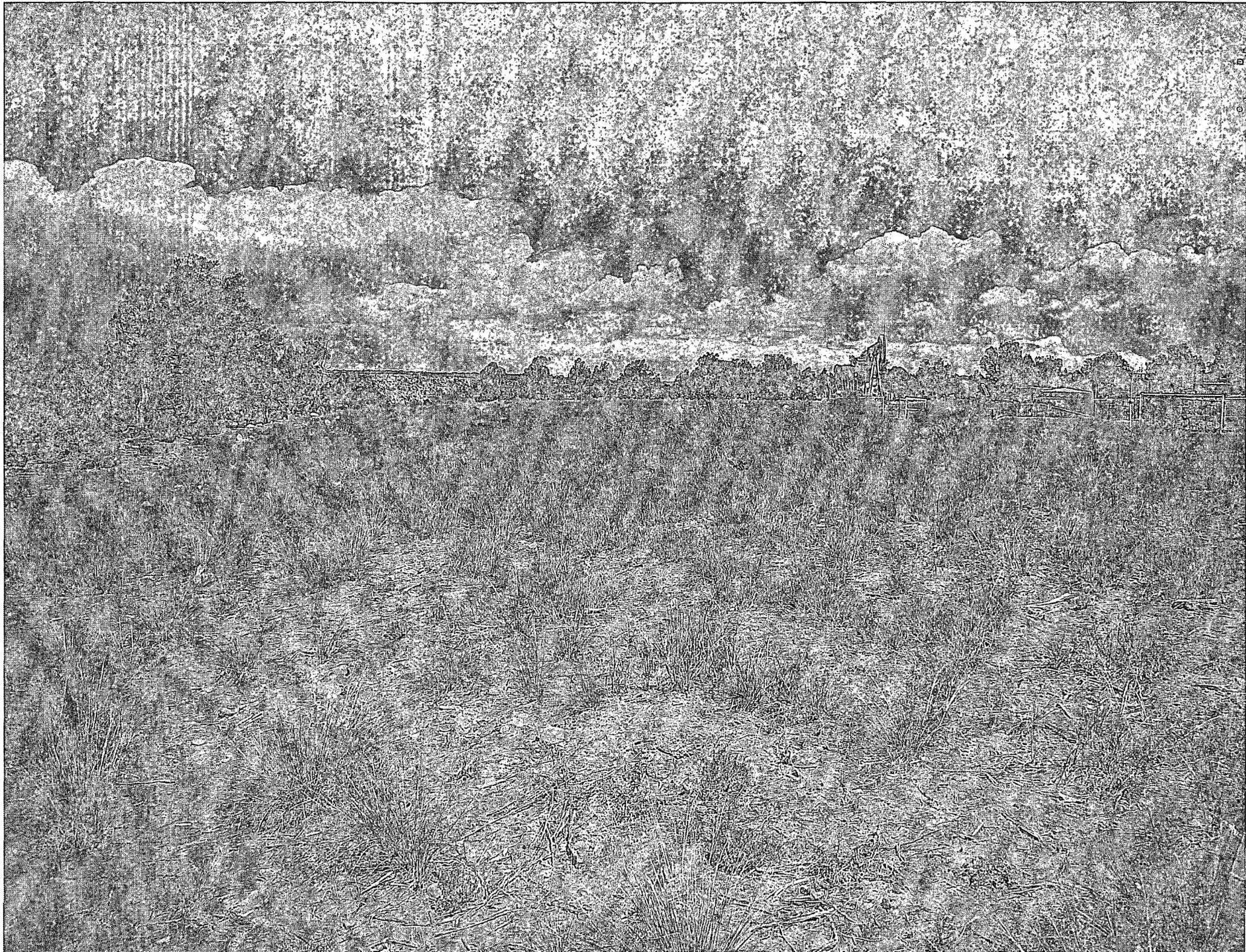
Reclamation Date: 5/2009

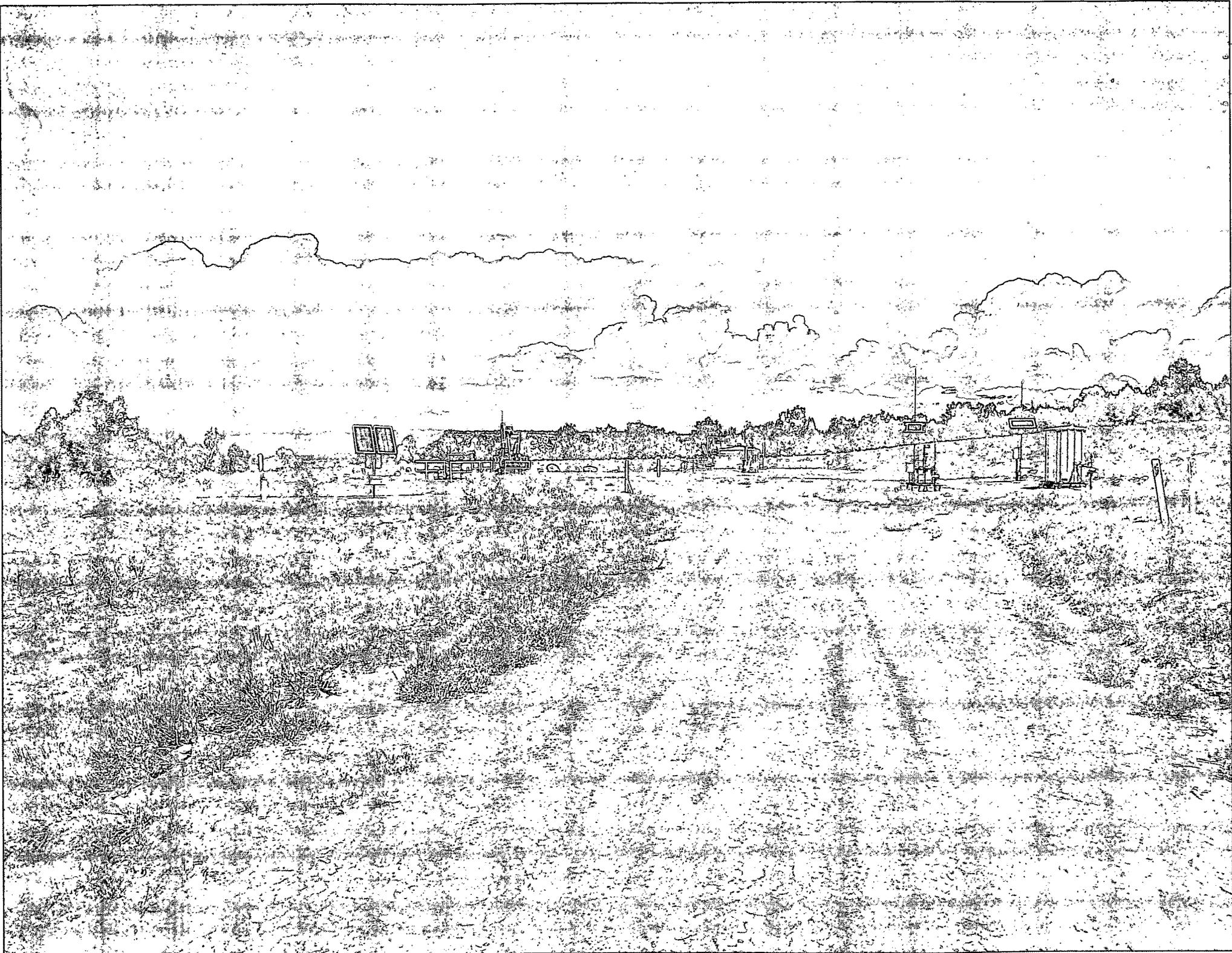
Road Completion Date: 5/2009

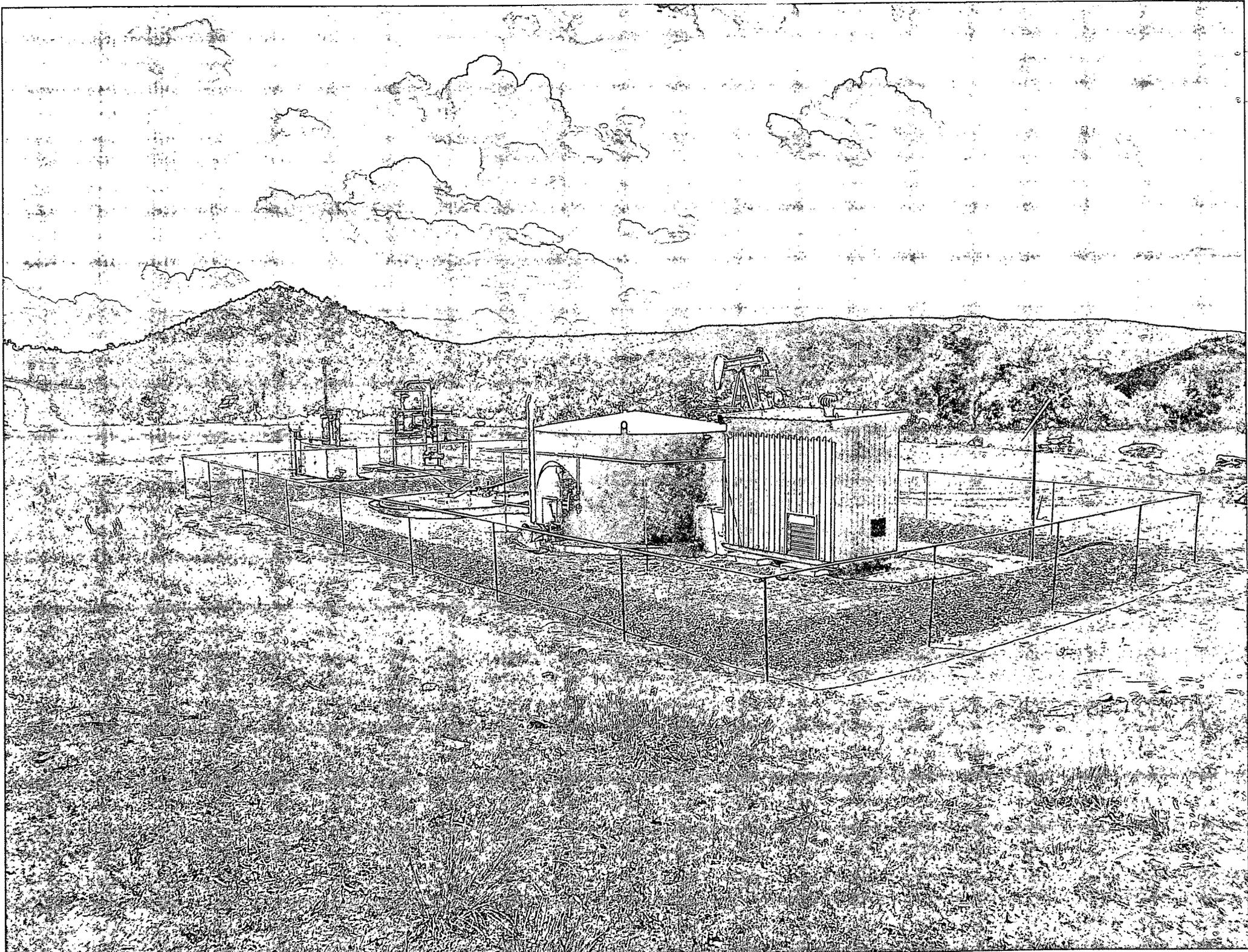
Seeding Date: 6/2009

Construction Inspector: Norman Faver Date: 11/5/2009

Inspector Signature: 







TELEPHONE NUMBER (505) 32-70

CONOCOPHILLIPS COMPANY

SAN JUAN 32-7 UNIT #37F

LATITUDE $36^{\circ} 59.5' N$ (NAD83)

LONGITUDE $107^{\circ} 35.3' W$

UNIT 0 SEC 8 T32N R7W

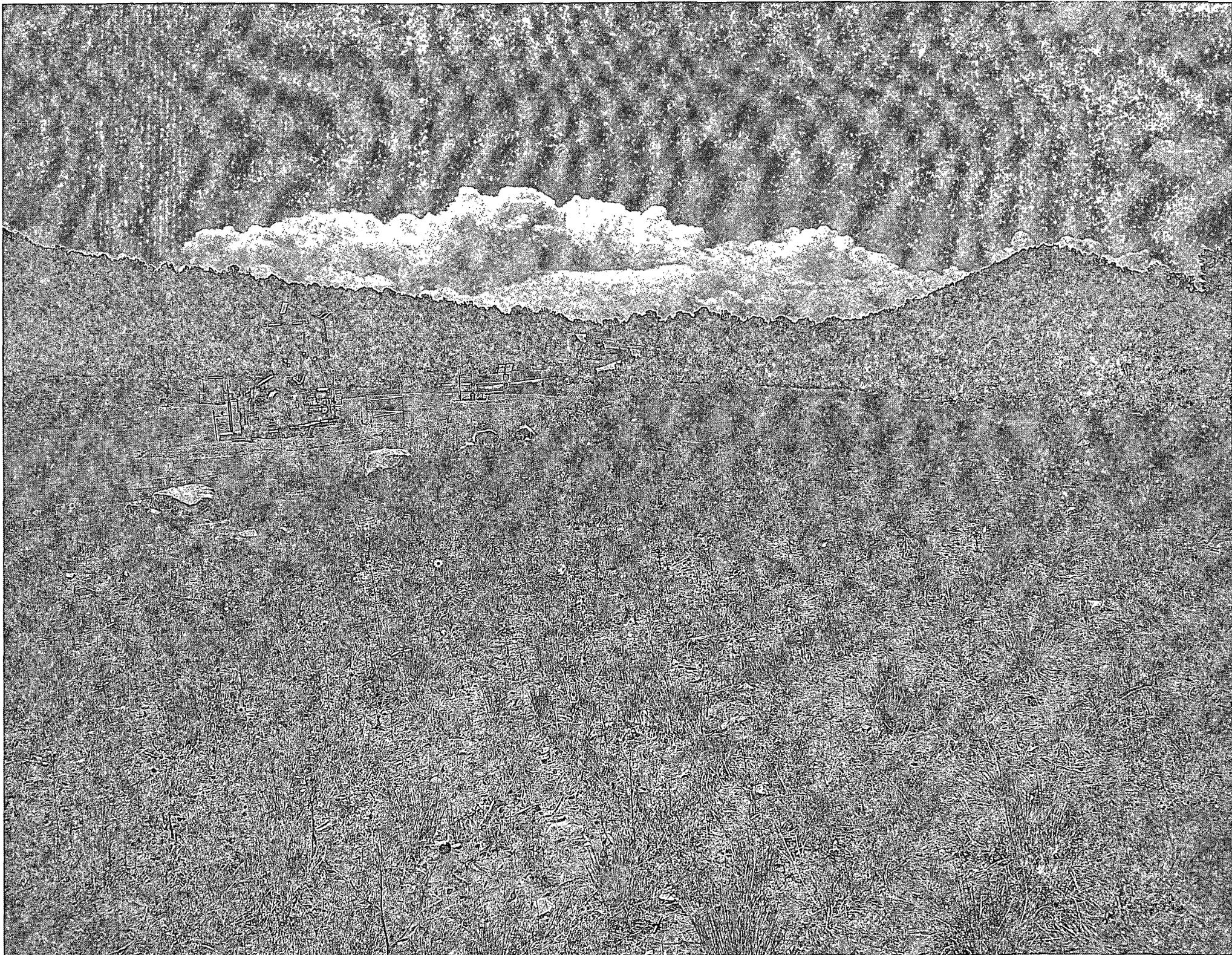
660' FSL 1785' FEL

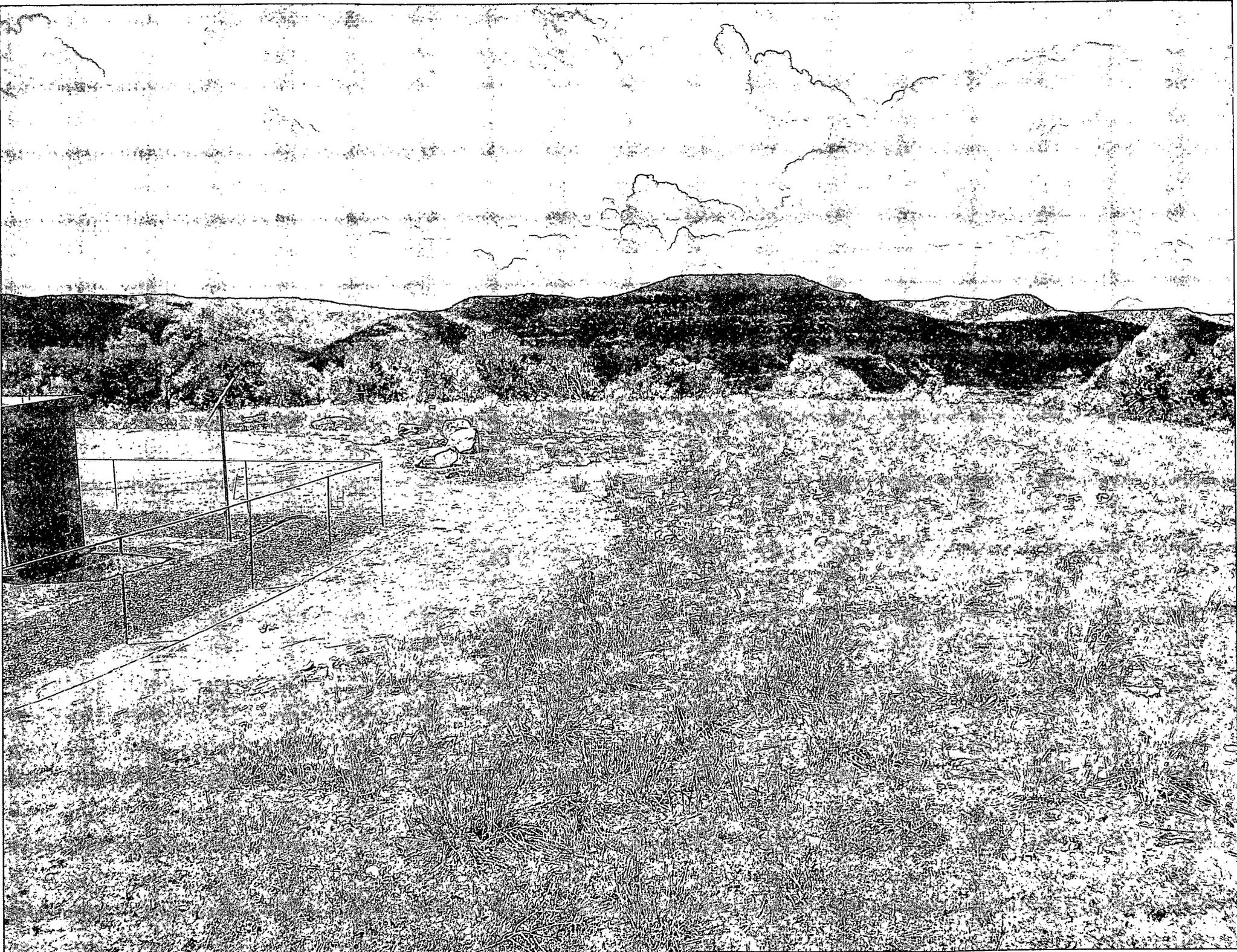
API # 30-045-34071

LEASE # FEE ELEV. 6495' GL

SAN JUAN COUNTY, NEW MEXICO

EMERGENCY CONTACT: 1-505-599-3400





SANTUJUAN 52-7#

57F 4 249A

COP. S8. T32R

OFFICE, OBL



WELL PAD SAFETY AND ENVIRONMENTAL CHECK LIST

WELL NAME: SAN JUAN 32-7 UNIT 37F

API#: 30-045-34071

| DATE | INSPECTOR | LOCATION CHECK | ENVIROMENTAL COMPLIANCE | PICTURES TAKEN | COMMENTS |
|----------|--------------|----------------|-------------------------|----------------|---|
| 06/10/08 | JARED CHAVEZ | X | X | X | PIT AND LOCATION IN GOOD CONDITION |
| 06/17/08 | JARED CHAVEZ | | | | DRAKE RID #29 IS ON LOCATION |
| 02/20/08 | ERIC SMITH | X | X | X | |
| 05/27/08 | JARED CHAVEZ | X | X | X | LOTS OF HOLES, BLOW PIT NEEDS KEYED IN. BARBED WIRE TIGHTEN FENCE CALLED MVCI CALLED BRANDON W/OCD |
| 12/28/07 | ERIC SMITH | X | X | | |
| 12/17/07 | ERIC SMITH | X | X | | FENCE WAS PUSHED OVER & LINER HAD SEVERAL SMALL TEARS CALLED MVCI NOTIFIED OCD |
| 11/07/07 | ERIC SMITH | X | X | | SENT MVCI TO REPAIR HOLES, TIGHTEN FENCE & PICK UP TRASH |
| 10/22/07 | ERIC SMITH | | | | RIG ON LOCATION |
| 07/15/08 | JARED CHAVEZ | X | X | | FENCE NEEDS TIGHTENED HOLES IN LINER & BLOW PIT WATER NEEDS PULLED. CONTACTED NOBLES CROSSFIRE & BRANDON W/ OCD |
| 05/06/08 | JARED CHAVEZ | X | X | | PIT AND LOCATION IN GOOD CONDITION |

| | | | | | |
|----------|-----------------------|---|---|--|--|
| 04/21/08 | JOHNNY R. MCDONALD | X | X | | CALLED MVCI TO FIX FENCE AND PATCH LINER CALLED OCD |
| 04/07/08 | T. JONES | X | X | | |
| 03/11/08 | ERIC SMITH | X | X | | |
| 02/05/08 | ERIC SMITH | | | | UNABLE TO ACCESS DUE TO WEATHER |
| 01/21/08 | ERIC SMITH | X | X | | SAME PIT AS SJ 32-7 UNIT 249A |
| 01/11/08 | ERIC SMITH | X | X | | |
| 07/23/10 | JARED CHAVEZ | X | X | | PIT AND LOCATION IN GOOD CONDITION |
| 10/10/07 | ERIC SMITH | X | X | | |