

I
V. French Dr., Hobbs, NM 88240
II
First St., Artesia, NM 88210
III
Rio Brazos Road, Aztec, NM 87410
IV
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.

437

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

OIL CONS. DIV DIST. 3

JUL 28 2016

- 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

be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

Operator: XTO Energy, Inc. OGRID #: 5380
Address: #382 County Road 3100, Aztec, NM 87410
Well name: Federal Gas Com 1 # 1C
Well Number: 30-045-30144 OCD Permit Number: _____
Qtr/Qtr D Section 20 Township 32N Range 12W County: San Juan
Center of Proposed Design: Latitude 36.97571 Longitude -108.12412 NAD: 1927 1983
Surface Owner: Federal State Private Tribal Trust or Indian Allotment

Pit: Subsection F, G or J of 19.15.17.11 NMAC

Operator: Drilling Workover
Permanent Emergency Cavitation P&A Multi-Well Fluid Management Low Chloride Drilling Fluid yes no
Lined Unlined Liner type: Thickness _____ mil LLDPE HDPE PVC Other _____
String-Reinforced
Welded Seams: Welded Factory Other _____ Volume: _____ bbl Dimensions: L _____ x W _____ x D _____

Below-grade tank: Subsection I of 19.15.17.11 NMAC

Volume: 100 bbl Type of fluid: Produced Water
Tank Construction material: Steel
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 _____

Alternative Method:

Submission 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 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 4-Foot Hog-Wire Fencing

28

ng: Subsection E of 19.15.17.11 NMAC (*Applies to permanent pits and permanent open top tanks*)

creen Netting Other _____

onthly inspections (If netting or screening is not physically feasible)

g: Subsection C of 19.15.17.11 NMAC

2"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers

igned in compliance with 19.15.16.8 NMAC

ances and Exceptions:

ifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.

se 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.

g Criteria (regarding permitting): 19.15.17.10 NMAC

uctions: *The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source erial are provided below. Siting criteria does not apply to drying pads or above-grade tanks.*

eneral siting

und 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

und 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

thin incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance
pted 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

thin 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

thin 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

thin a 100-year floodplain. **(Does not apply to below grade tanks)**

- FEMA map

Yes No

elow Grade Tanks

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

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

Yes No

thin 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

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

thin 100 feet of a continuously flowing watercourse, or any other significant watercourse or within 200 feet of any lakebed, sinkhole,
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

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

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

Yes No

thin 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock
atering 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

in 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

in 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

in 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

in 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

in 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

in 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

in 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

in 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

in 500 feet of a wetland.

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

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 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

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

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
- 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: _____

Sanitary 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

Proposed Closure: 19.15.17.13 NMAC

Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.

- 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

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

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 (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.
S 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 |

ted pursuant to NMSA 1978, Section 3-27-3, as amended. Written confirmation or verification from the municipality; Written approval obtained from the municipality	<input type="checkbox"/> Yes <input type="checkbox"/> No
in the area overlying a subsurface mine. Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	<input type="checkbox"/> Yes <input type="checkbox"/> No
in an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	<input type="checkbox"/> Yes <input type="checkbox"/> No
in a 100-year floodplain. FEMA map	<input type="checkbox"/> Yes <input type="checkbox"/> No

Site Closure Plan Checklist: (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, 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

Operator Application Certification:

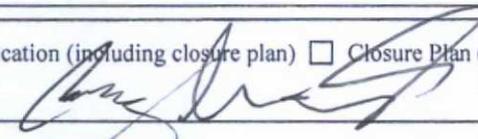
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): Kurt Hoekstra Title: EHS Coordinator

Signature:  Date: 7-25-2016

Email address: Kurt.Hoekstra@xtoenergy.com Telephone: (505) 333-3100

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

CD Representative Signature:  Approval Date: 9/12/16

Title: Environmental Spec OCD Permit Number: _____

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.

Closure Completion Date: _____

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.

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 _____ Longitude _____ NAD: 1927 1983

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): _____ Title: _____

Signature: _____ Date: _____

Home address: _____ Telephone: _____

XTO Energy Inc.
San Juan Basin
Below Grade Tank
Variance Page

In accordance with Rule 19.15.17.15 NMAC, the following outlines all variances that are being requested for below grade tanks at XTO facilities. All variances requested provide equal or better protection of fresh water, public health and the environment.

Fencing

XTO requests a variance on rule 19.15.17.11.D(3) NMAC which requires fencing around below grade tanks to have at least four (4) strands of barbed wire evenly spaced in the interval between one foot and four feet above ground level. XTO instead requests to utilize hogwire fencing at least four (4) feet high with a top rail for fencing around below grade tanks. This will provide equal protection for livestock from the below grade tank.

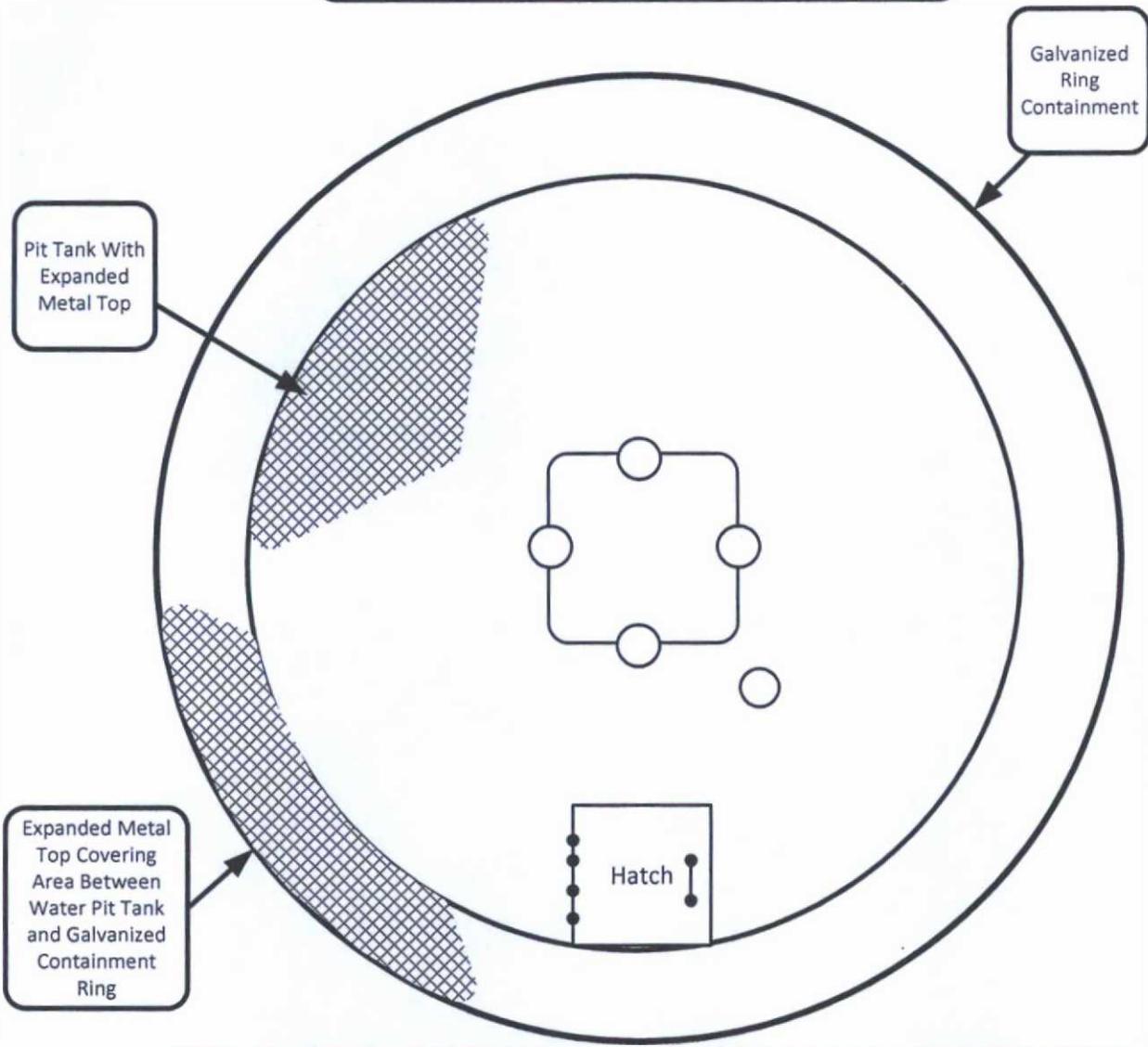
Closure Requirements

XTO requests a variance on rule 19.15.17.13.C(3)(a) NMAC which requires operators to analyze closure samples for the constituents listed in Table I of 19.15.17.13 NMAC. XTO instead requests to replace the USEPA analytical method 300.0 for total chloride to USEPA Method 9056. The SW846 9056 method Determination of Inorganic Anions By Ion Chromatography, from *Test Methods for Evaluating Solid Waste, Physical/Chemical Methods*, which also contains methods for the analysis of groundwater, is customarily used to comply with RCRA regulations. EPA Method 300.0 Determination of Inorganic Anions by Ion Chromatography is taken from *Methods for Chemical Analysis of Waters and Wastes*, and includes test procedures that are approved for monitoring under the Safe Drinking Water Act (SDWA) and the National Pollutant Discharge Elimination System (NPDES). The Scope of Application for each method is the same, and both methods utilize ion chromatograph instrumentation. Following either procedure, steps for instrument calibration and data calculation are equivalent. Sample preservation, holding time, handling and storage is identical between the two methods. It is expected that data produced from either method should be consistent.

XTO Energy is requesting this variance on the grounds that USEPA Method 418.1 is an outdated analytical method that reports a full range of hydrocarbons from C₈ through C₄₀. (*Reference: American Petroleum Institute*). This range of hydrocarbons is above the range that can reasonably be expected to be found in our field in both drilling pits and beneath below grade tanks. USEPA Method 8015M (GRO/DRO + extended analysis) will report hydrocarbons ranging from C₆-C₁₀ for GRO, C₁₀-C₂₈ for DRO, and C₂₈-C₃₆ for extended analysis. This information was provided by Environmental Science Corporation Laboratories. As the information demonstrates, the 8015M analytical method reports as low as C₆, reporting lower than USEPA Method 418.1. Utilizing analytical method 8015M, lighter range hydrocarbons will be reported instead of higher range, heavy hydrocarbons that may not be reasonably expected to be found in our field. Utilization of USEPA Method 8015M will better protect groundwater resources by identifying lighter, more mobile hydrocarbons that USEPA Method 418.1 cannot identify. The heavier range hydrocarbons, C₃₆-C₄₀, that are not identified by USEPA Method 8015M are not a mobile form of hydrocarbon, and are not a threat to human health and the environment.

XTO requests a variance on rule 19.15.17.13.E(2) requiring that operators notify the appropriate division office verbally AND in writing at least 72 hours prior to any closure operation. XTO instead requests that the verbal notification be waived, as suggested by the local division office. XTO will provide written notification to the division office in the form of an email at least 72 hours prior to beginning closure activities.

Top View



Typical Below Grade Tank Sizes
15' x 3' Tall
12' x 6' Tall
10' x 5' Tall
*Tank Size Will Vary Upon Need

Typical Below Grade Tank Containment Sizes-Vary Upon Need
17' x 4' Tall- For 15' x 3' Tall BGT
14' x 7' Tall- For 12' x 6' Tall BGT
14' x 7' Tall- For 10' x 5' Tall BGT
*Containment Size Will Vary Upon Need of BGT Size

Side View

Expanded Metal BGT Top

6" Channel Iron Supports

Liner Bracket
With Bonding
Material To
Adhere to
Containment and
Liner

Typical Below Grade Tank Sizes

15' x 3' Tall

12' x 6' Tall

10' x 5' Tall

*Tank Size Will Vary Upon Need

45 Mil Webbed
Plastic Liner

Typical Below Grade Tank Containment Sizes-Vary Upon Need

17' x 4' Tall- For 15' x 3' Tall BGT

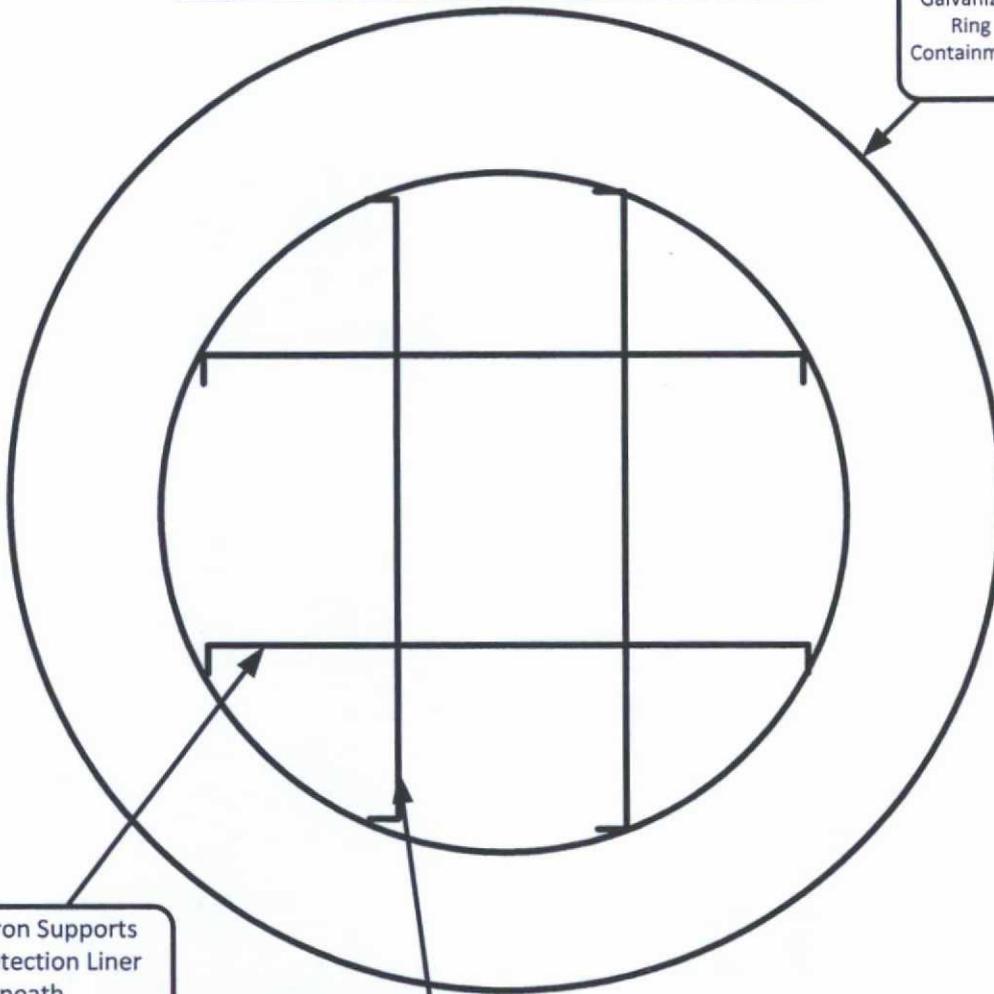
14' x 7' Tall- For 12' x 6' Tall BGT

14' x 7' Tall- For 10' x 5' Tall BGT

*Containment Size Will Vary Upon Need of BGT Size

Bottom View

Galvanized
Ring
Containment



6" Channel Iron Supports
With Leak Detection Liner
Underneath

6" Channel Iron Supports
With Leak Detection Liner
Underneath

Typical Below Grade Tank Sizes

15' x 3' Tall

12' x 6' Tall

10' x 5' Tall

***Tank Size Will Vary Upon Need**

Typical Below Grade Tank Containment Sizes-Vary Upon Need

17' x 4' Tall- For 15' x 3' Tall BGT

14' x 7' Tall- For 12' x 6' Tall BGT

14' x 7' Tall- For 10' x 5' Tall BGT

***Containment Size Will Vary Upon Need of BGT Size**

**XTO Energy Inc.
San Juan Basin
Below Grade Tank**

XTO Energy Inc.
San Juan Basin
Below Grade Tank
General Design and Construction Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the general design and construction requirements of below-grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard design and construction for all below-grade tanks.

General Plan

• **Criteria to be met for existing tank.**

1. XTO will design and construct below-grade tanks to contain liquids and solids and prevent contamination of fresh water, and protect human health and the environment.
2. XTO will post a well sign, pursuant to 19.15.16.8 NMAC, on the existing well site where the below grade tank is located. The sign will list the Operator, the location of the well site by Unit letter, section, township and range, county, and an emergency telephone number.
3. XTO is requesting approval of an alternative fencing to be used on below grade tank locations. XTO instead requests to utilize hog wire fencing at least four (4) feet high with a top rail for fencing around below grade tanks. This will provide equal protection for livestock from the below grade tank. A 6' chain link fence with two strands of barbed wire on top will be used on locations within city limits or within ¼ mile of a permanent residence, school, hospital, institution or church.
4. XTO shall construct below grade tanks with an expanded metal covering.
5. The below grade tank cellar will be constructed with a foundation consisting of a level base free of rocks, debris, sharp edges, or irregularities to prevent punctures, cracks or indentations of the tank bottom or liner.
6. Below grade tanks will be constructed inside a berm in order to prevent the collection of surface water and run on. Below grade tanks will be equipped with automatic high level shut off devices as well as manually operated shut off valves.

• **In addition to the plans above, if the below grade tank is upgraded or replaced the following will be utilized as well:**

7. XTO will use single walled below grade tanks. The tanks will be placed into a circular, galvanized steel cellar with the sidewalls opened for visual inspection, and the bottom will be elevated a minimum of 6" above the underlying ground surface to allow for leak detection. (see attached diagram)
8. XTO will equip below grade tanks with a properly functioning, automatic high level high-level shut off control device, as well as manual controls, to prevent overflows.
9. The geomembrane liner will be compliant with the specifications outlined in 19.15.17.11 NMAC. The liner will be composed of an impervious material that is resistant to hydrocarbons, salts and acids, and sunlight.

XTO Energy Inc.
San Juan Basin
Below Grade Tank
Operation and Maintenance Procedures

In accordance with Rule 19.15.17.12 NMAC the following information describes the operation and maintenance requirements of below-grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard operation procedure for all below-grade tanks.

Procedures

1. XTO will operate below grade tanks in such a way as to contain liquids, and maintain the integrity of the liner, liner system, and secondary containment, prevent contamination of fresh water, and protect public health and the environment.
2. XTO will not discharge into or store any hazardous waste into a below grade tank.
3. In the event of a leak in the below grade tank, XTO will:
 - a. Remove all liquids above the leak within 48 hours
 - b. Notify the Aztec Office of the NMOCD of the leak within 48 hours
 - c. Repair the leak, or replace the below grade tank as necessary
4. All below grade tanks will be installed and operated in such a way as to prevent surface water run on or collection.
5. XTO will remove any measurable layer of oil from the fluid surface of a below grade tank.
6. XTO will inspect the below grade tank for leaks and damage at least monthly, documenting the inspections, and maintaining a record of the inspections for five (5) years.
7. XTO will operate the below grade tank in such a way as to maintain adequate freeboard to prevent overtopping of the below grade tank.
8. In the event the below grade tank no longer demonstrates integrity, XTO will close the below grade tank in accordance with the requirements of 19.15.17.11.I (5) NMAC. If the below grade tank was modified or retrofitted then it will be closed per 19.15.17.13 NMAC.
9. In the event that the below grade tank requires modification, XTO will make any modifications to the existing below grade tank following the attached *Construction Design* and *Design And Construction Plans* meeting the requirements of 19.15.17.11 along with 19.15.17.12.D(6)

XTO Energy Inc. San Juan Basin Below Grade Tank Closure Plan

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure requirements of below-grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below-grade tanks. A separate plan will be submitted for any below-grade tank which does not conform to this plan.

General Plan

10. XTO will obtain approval of this closure plan prior to commencing closure of the below grade tank at this location pursuant to 19.15.17.13.C (1) NMAC
11. XTO will notify the surface owner by certified mail, return receipt requested, that the operator plans closure operations at least 72 hours, but no more than one week, prior to any closure operation. Notice will include:
 - a. Well Name
 - b. API #
 - c. Well Location
12. XTO will notify the NMOCD Aztec Office by email that the operator plans closure operations at least 72 hours, but no more than one week, prior to any closure operation. Notice will include:
 - a. Well Name
 - b. API #
 - c. Well Location
13. Within 60 days of cessation of operations, XTO will remove liquids and sludge from below-grade tanks prior to implementing a closure method and will dispose of the liquids and sludge in a division-approved facility. Approved facilities and waste streams include:
 - a. Soils, tank bottoms, produced sand, pit sludge and other exempt wastes impacted by petroleum hydrocarbons will be disposed of at:
Envirotech: Permit #NM01-0011 and IEI: Permit # NM01-0010B
 - b. Produced Water will be disposed of at:
Basin Disposal: Permit #NM01-005 and XTO owned salt water Disposal Facilities

14. Within six (6) months of cessation of operations, XTO will remove the below-grade tank and dispose of it in a division-approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves. If there is any equipment associated with a below-grade tank, then the operator shall remove the equipment, unless the equipment is required for some other purpose.
15. XTO will collect a closure sample of the soil beneath the location of the below grade tank or liner that is being closed. The closure sample will consist of a five-point composite sample to include any obvious stained or wet soils, or other evidence of contamination. The closure sample will be analyzed for all constituents listed in Table I below, including DRO+GRO, Chlorides, TPH (C6-C36), benzene and BTEX.

TABLE I

Depth Below bottom of pit to groundwater less than 10,000 mg/l TDS	Constituent	Method	Limit
≤ 50 Feet	Chloride	EPA 9056	600 mg/kg
	TPH (C6-C36)	Method 8015	100 mg/kg
	BTEX	Method 8021B	50 mg/kg
	Benzene	Method 8021B	10 mg/kg
51 feet - 100 feet	Chloride	EPA 9056	10,000 mg/kg
	TPH (C6-C36)	Method 8015	2,500 mg/kg
	GRO + DRO	Method 8015	1,000 mg/kg
	BTEX	Method 8021B	50 mg/kg
	Benzene	Method 8021B	10 mg/kg
> 100 feet	Chloride	EPA 9056	20,000 mg/kg
	TPH (C6-C36)	EPA 8015	2,500 mg/kg
	GRO + DRO	Method 8015	1,000 mg/kg
	BTEX	Method 8021B	50 mg/kg
	Benzene	Method 8021B	10 mg/kg

XTO will meet the limits for <50' to groundwater detailed in Table I.

- a. In accordance with Rule 19.15.17.13.C(3)(b) if contaminant concentrations exceed the proposed limit and groundwater is found to be deeper than 50', XTO may elect to submit additional groundwater information to the Division and request a higher closure limit. XTO will submit the additional groundwater data via email documenting the depth to groundwater at the location. XTO will wait for approval of the groundwater data by the NMOCD, prior to completing closure activities at the site.
- b. If a higher closure limit is submitted and approved by the Division, XTO will submit a copy of the request, the groundwater information and the received approval in their closure report

16. If any contaminant concentration is higher than the parameters listed in Table I of 19.15.17.13 NMAC, the division may require additional delineation upon review of the results and the operator must receive approval before proceeding with closure. If all contaminant concentrations are less than or equal to the parameters listed in Table I of 19.15.17.13 NMAC, then the operator can proceed to backfill the pit, pad, or excavation with non-waste containing, uncontaminated, earthen material.

17. After closure has occurred, XTO will reclaim the former BGT area, if it is no longer being used for extraction of oil and gas, by substantially restoring the surface area to the condition that existed prior to oil and gas operations. XTO will construct the soil cover to the site's existing grade and prevent ponding of water and erosion of the cover materials. The soil cover shall consist of the background thickness of topsoil, or one foot of suitable materials to establish vegetation at the site, whichever is greater. All areas will be reclaimed as early as practicable, and as close to their original condition or land use as possible. They shall be maintained in a way as to control dust and minimize erosion.
18. XTO will complete reclamation of all disturbed areas no longer in use when the ground disturbance activities at the site have been completed. The reseeded shall take place during the first favorable growing season after closure. Reclamation activities will be considered completed when a uniform vegetative cover has been established that reflects a life-form ratio of plus or minus fifty percent (50%) of pre-disturbance levels, and a total percent plant cover of at least seventy percent (70%) of pre-disturbance levels, excluding noxious weeds.

*Re-vegetation and reclamation obligations imposed by other applicable federal, state or tribal agencies on lands managed by those agencies shall supersede the above requirements, provided they provide equal or better protection of fresh water, human health and the environment.
19. XTO will notify the Aztec Office of the NMOCD by C-103 when reclamation and closure activities are completed, unless the site is managed by another regulatory agency whose reclamation requirements provide equal or greater cover than NMOCD requirements. In those instances, the requirements of the other regulatory agency will be followed.
20. Within 60 days of closure, XTO will submit a closure report to the Aztec office of the NMOCD, filed on Form C-144. The report will include the following:
 - a. Proof of closure notice to NMOCD and surface owner
 - b. Confirmation sampling analytical results
 - c. Soil backfill and cover installation information
 - d. Photo documentation of site reclamation
 - e. Alternative Table I groundwater criteria request, groundwater information and received approval. (If Needed)

Federal Gas Com 1 # 1C

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Go

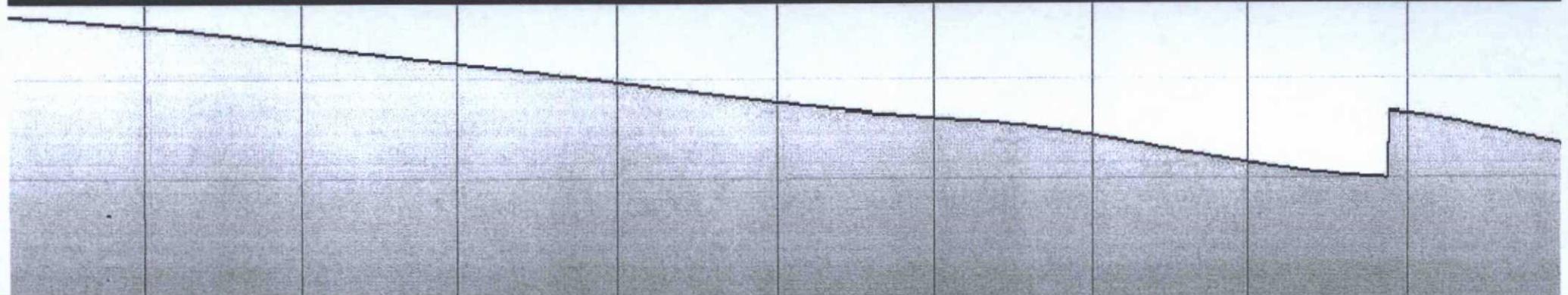
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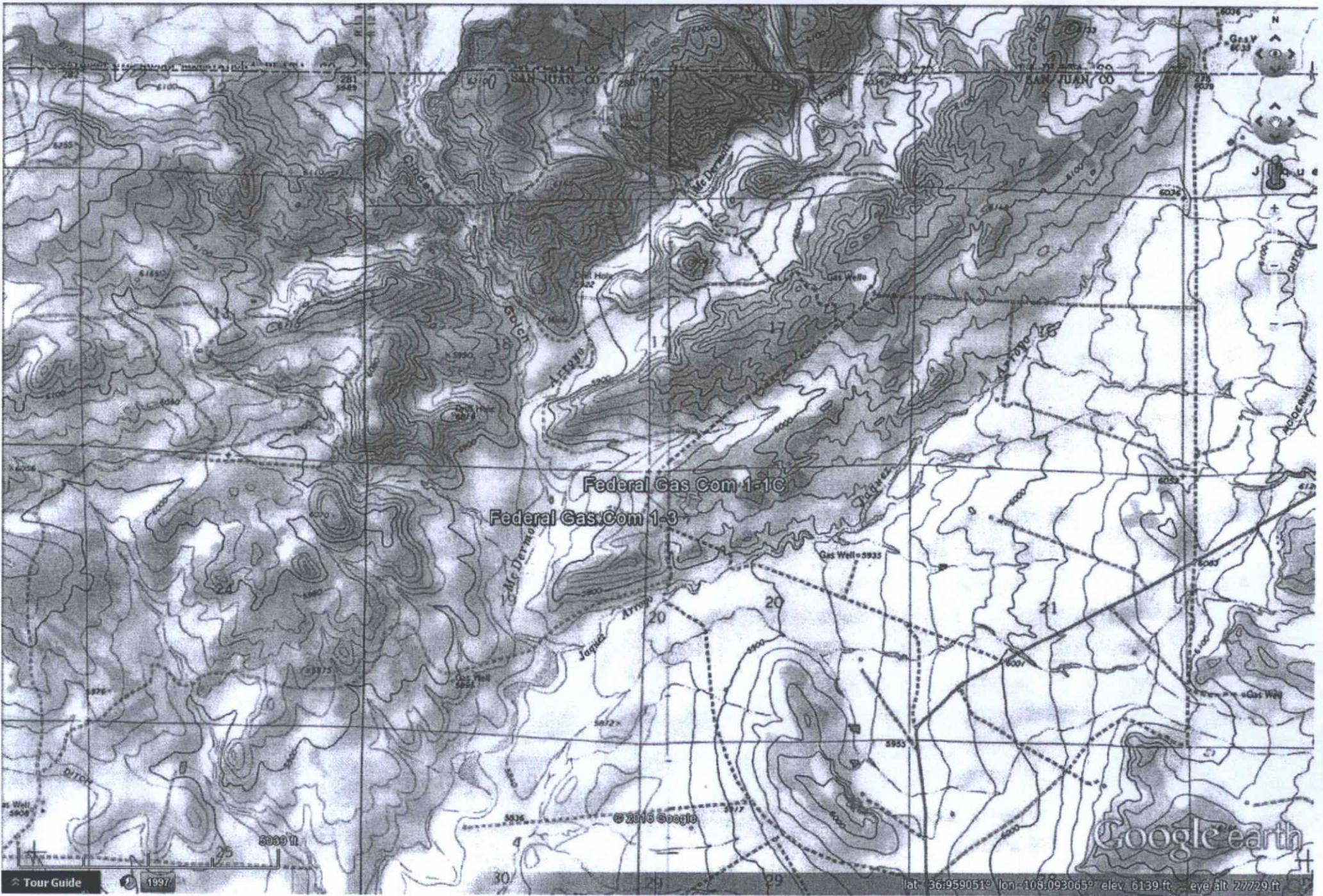
97

Imagery Date: 3/15/2015 36°58'32.28" N 108°07'34.39" W elev 594

Elevation: 5903, 5922, 5942 ft

Distance: 903 ft Elevation Gain/Loss: 14.7 ft, -52.7 ft Max Slope: 90.8%, -15.4% Avg Slope: 28.4%, -6.0%







**Pit Permit
Siting Criteria
Information Sheet**

Client:	XTO Energy
Project:	Pit Permits
Revised:	9-Oct-08
Prepared by:	Brooke Herb

API#: 3004530144

Name: FEDERAL GAS COM 1 #1C

Depth to groundwater: < 50'

Distance to closest continuously flowing watercourse: 3.54 miles E of the La Plata River

Distance to closest significant watercourse, lakebed, playa lake, or sinkhole: 1150' N of Jaquez Arroyo

Permanent residence, school, hospital, institution or church within 300': No

Domestic fresh water well or spring within 500': No

Any other fresh water well or spring within 1000': No

Within incorporated municipal boundaries: No

Within defined municipal fresh water well field: No

Wetland within 500': No

Within unstable area: No

Within 100 year flood plain: No - FEMA Flood Zone 'X'

USPLSS: T32N,R12W,S20D

Lat/Long: 36.97571, -108.12412

Geologic formation: Nacimiento Formation

Soil Type: Entisols

Annual Precipitation: 9.77 inches (Aztec)

Precipitation Notes: no significant precip events

Attached Documents: Groundwater report and Data; FEMA Flood Zone Map
Aerial Photo, Topo Map, Mines Mills and Quarries Map

Mining Activity: 2450' S of Coal Permit Boundary

Additional Notes:

FEDERAL GAS COM 1 #1C Below Ground Tank Siting Criteria and Closure Plan

Well Site Location

Legals: T32N, R12W, Section 20, Quarter Section D
Latitude/Longitude: approximately 36.97571, -108.12412
County: San Juan County, NM
General Description: near La Plata River

General Geology and Hydrology

The San Juan Basin is a typical Rocky Mountain basin with a gently dipping southern flank and a steeply dipping northern flank. Asymmetrically layered Tertiary sandstones and shales, along with Quaternary alluvial deposits dominate surficial geology (Dane and Bachman, 1965). The proposed below ground tank location will be located on the flanks of the Farmington Glade between Aztec and La Plata, New Mexico. Within the Farmington Glade, the Tertiary Nacimiento Formation is exposed, along with Quaternary alluvial and aeolian sands surrounding the center of the wash.

Cretaceous and Tertiary sandstones, as well as Quaternary alluvial deposits serve as the primary aquifers in the San Juan basin (Stone et al., 1983). In most of the proposed area, the Nacimiento Formation lies at the surface. Thickness of the Nacimiento ranges from 418 to 2232 feet (Stone et al., 1983). Aquifers within the coarser and continuous sandstone bodies of the Nacimiento Formation are between 0 and 1000' deep in this section of the basin (Stone et al., 1983). Groundwater within these aquifers flows toward the nearby San Juan River and its tributaries.

The prominent soil type at the proposed site is entisols, which are defined as soils that do not show any profile development. Soils are basically unaltered from their parent rock. Miles of arroyos, washes and intermittent streams exist as part of the drainage network towards the La Plata River (www.emnrd.state.nm.us). These features often cut into soil and other unconsolidated materials, contributing to sedimentation downstream. The sudden influx of water from storm events easily erodes soils that cover the area.

The climate of the region is arid, averaging just over 8 inches of rainfall annually. As is typical of the southwestern United States monsoonal weather patterns, most precipitation falls from August through October. The heaviest rainfall occurs in the summer in isolated, intense cloudbursts. November through June is relatively dry. Snow generally falls from December to mid-February and averages less than one-half inch in depth. However, most recharge occurs during the winter months during snowmelt periods from the upper elevations (Western Regional Climate Center www.wrcc.dri.edu).

The predominant vegetation is sagebrush and grasses with a more restricted pinon-juniper association (Dick-Peddie, 1993).

Site Specific Hydrogeology

Depth to groundwater is estimated to less than 50 feet. This estimation is based on data from Stone and others, 1983 and depth to groundwater data published on the New Mexico State Engineer's iWaters Database website. Local topography and proximity to surface hydrologic features are also taken into consideration.

Local aquifers include sandstones within the Nacimiento Formation, which ranges from 0 to 1000 feet deep in this area, as well as shallow aquifers within Quaternary alluvial deposits (Stone et al., 1983). The 1000-foot depth range for Nacimiento aquifers covers an area over 20 miles wide, and depth decreases towards the margin of the San Juan Basin. The site in question is more centrally located, and depth to the aquifer is expected to be closer to 1000 feet. It is well known that groundwater close to the La Plata River can be shallow, as the Quaternary deposits near the river itself form shallow aquifers. However, the proposed site is situated just under three miles to the east of the La Plata River (Google Earth).

Groundwater data available from the NM State Engineer's iWaters Database for wells near the proposed site are attached. A map showing the location of wells in reference to the proposed pit location is also included. Pinpoints show locations of wells and the labels for each pinpoint indicate depth to groundwater in feet. The closest well to the proposed site is located 4060 feet to the northwest, and is approximately 55 feet lower in topographic elevation (Google Earth). Depth to groundwater within the well is 5 feet below ground surface. A well a little further to the northwest has a similar topographic elevation as the proposed site. Depth to groundwater within this well is 20 feet below ground surface. A well to the east is approximately 145 feet higher in elevation and has a depth to groundwater of 15 feet.

References

Brister, B.S. and Hoffman, G.K., 2002, Fundamental Geology of San Juan Basin Energy Resources *in* New Mexico's Energy, Present and Future: New Mexico Bureau of Geology and Mineral Resources Decision-Makers Conference 2002, San Juan Basin, p. 20-25.

Dane, C.H. and Bachman, G. O., 1965, Geologic Map of New Mexico: U.S. Geological Survey, 1 sheet, scale 1:500,000.

Dick-Peddie, W.A., 1993, New Mexico Vegetation – Past, Present and Future: Albuquerque, New Mexico, University of New Mexico Press, 244 p.

Stone, W.J., Lyford, F. P., Frenzel, P.F., Mizell, N.H. and Padgett, E.T., 1983, Hydrogeology and water resources of the San Juan Basin, New Mexico: HR-6 New Mexico Bureau of Geology and Mineral Resources Hydrology Report 6.

Western Region Climate Center, 2008, New Mexico climate summaries: Desert Research Institute at <http://www.wrcc.dri.edu/summary/climsmnm.html>.

New Mexico Energy, Minerals and Natural Resources Department,
www.emnrd.state.nm.us

Attachments

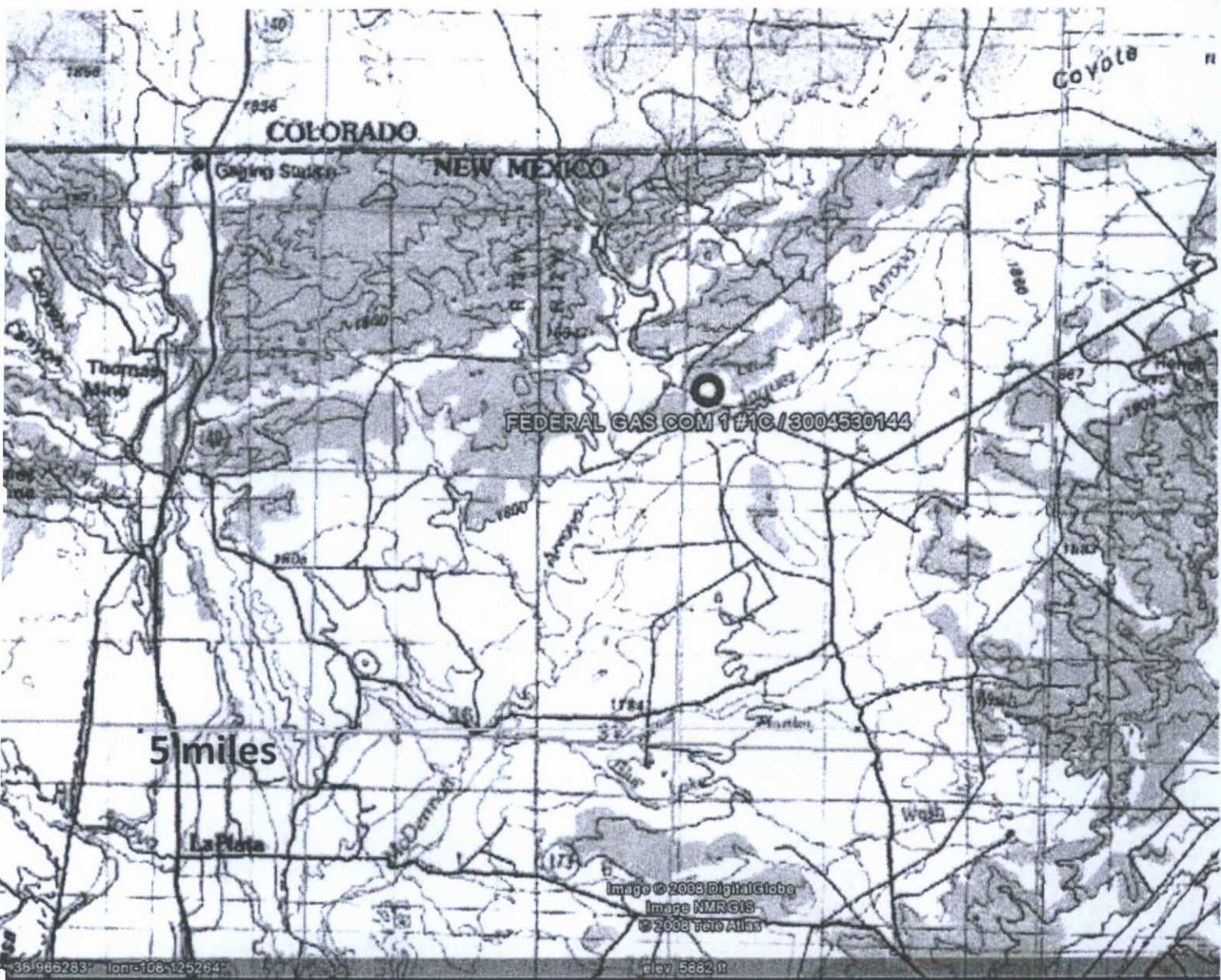
Location Map: Topographic Map and Aerial Photograph of Location

iWaters Database Groundwater Information

Aerial Photo showing location and depth information for nearby groundwater wells

Google Earth Map Showing Location of Mines, Mills and Quarries

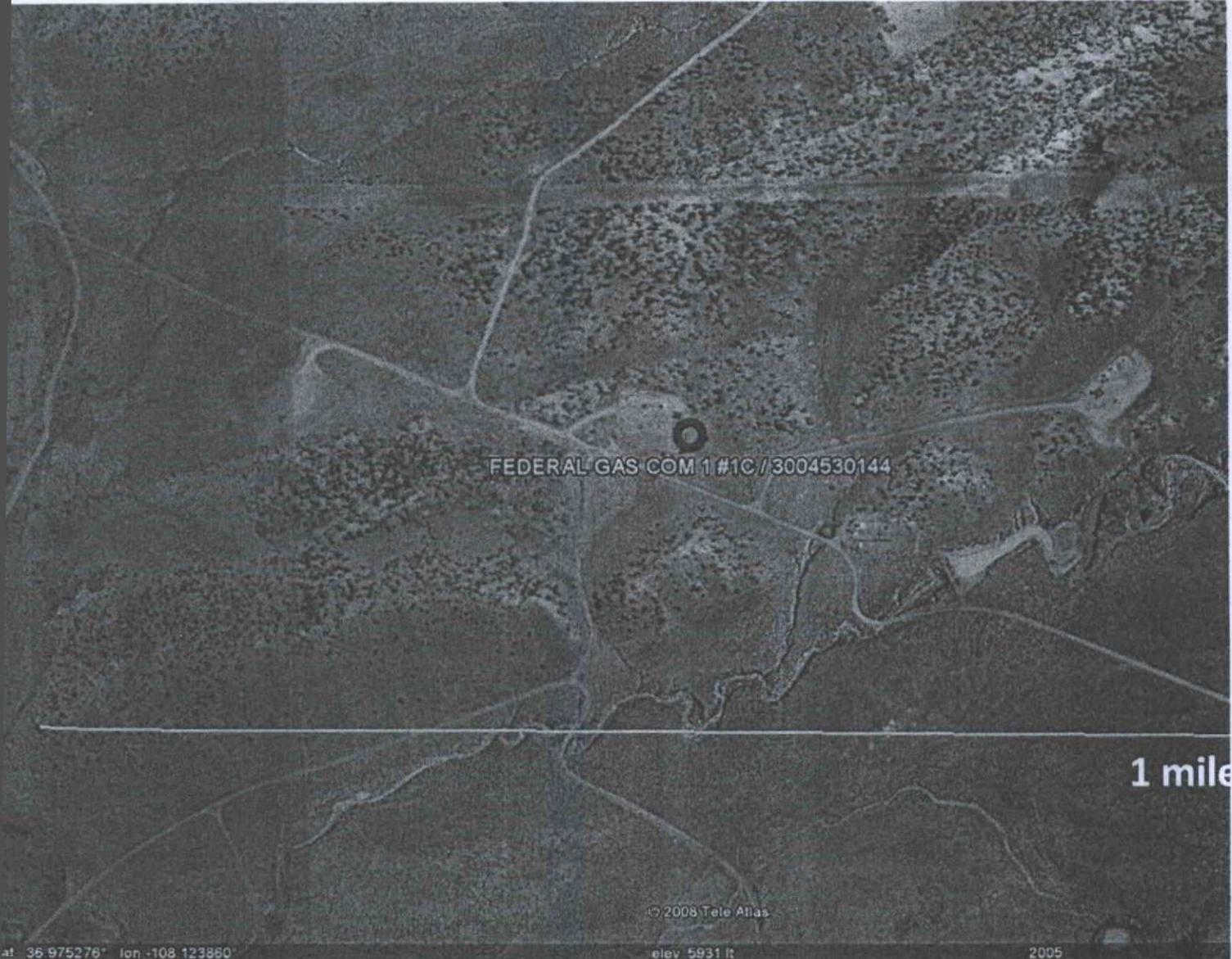
FEMA Floodmap



Lodestar Services, Inc
 PO Box 4465
 Durango, CO 81302

FEDERAL GAS COM 1 #1C
 T32N, R12W, S20D
 San Juan County, NM

Topographic Ma



FEDERAL GAS COM 1 #1C / 3004530144

1 mile

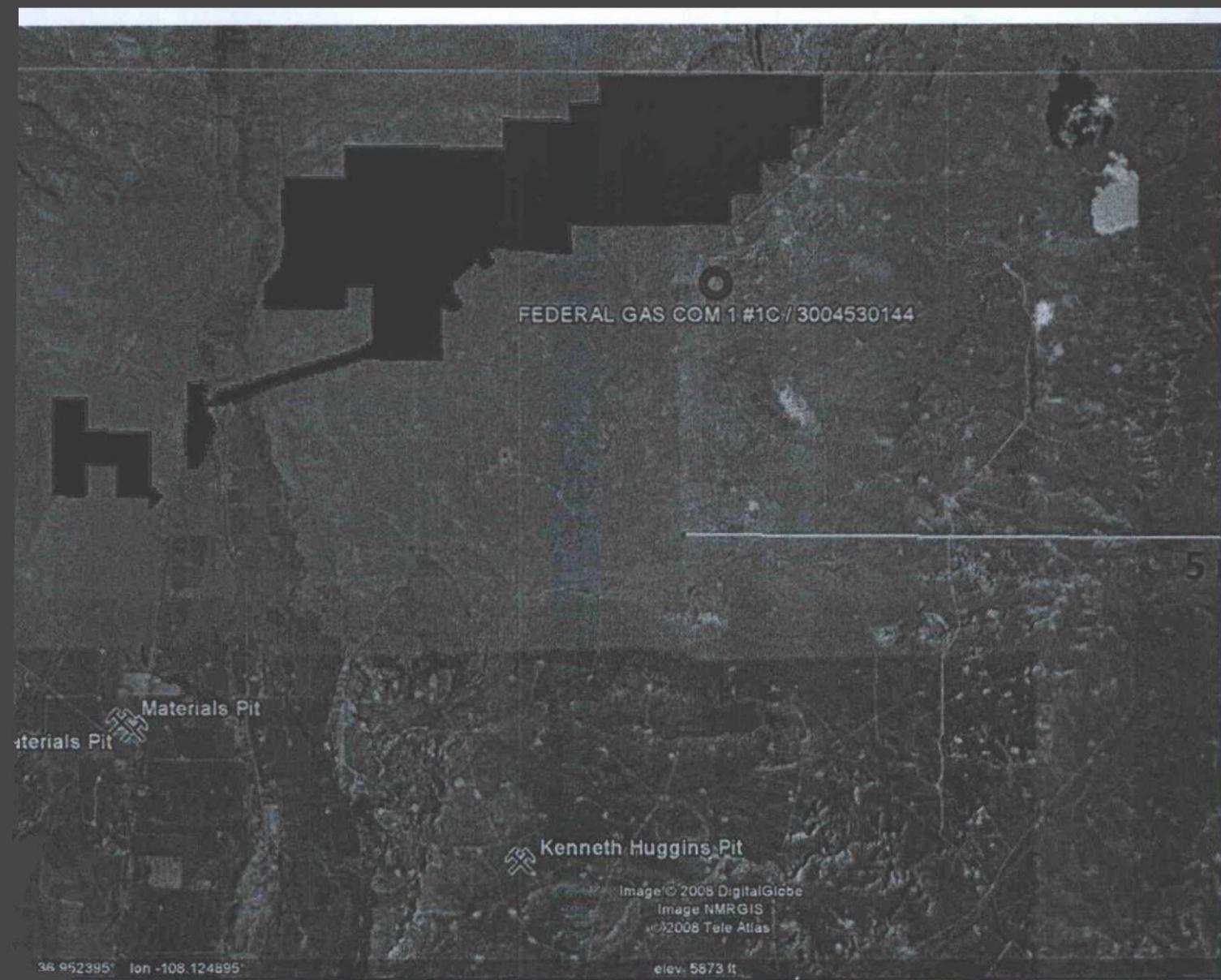
© 2008 Tele Atlas

lat: 36.975276° lon: -108.123860

elev: 5931 ft

2005

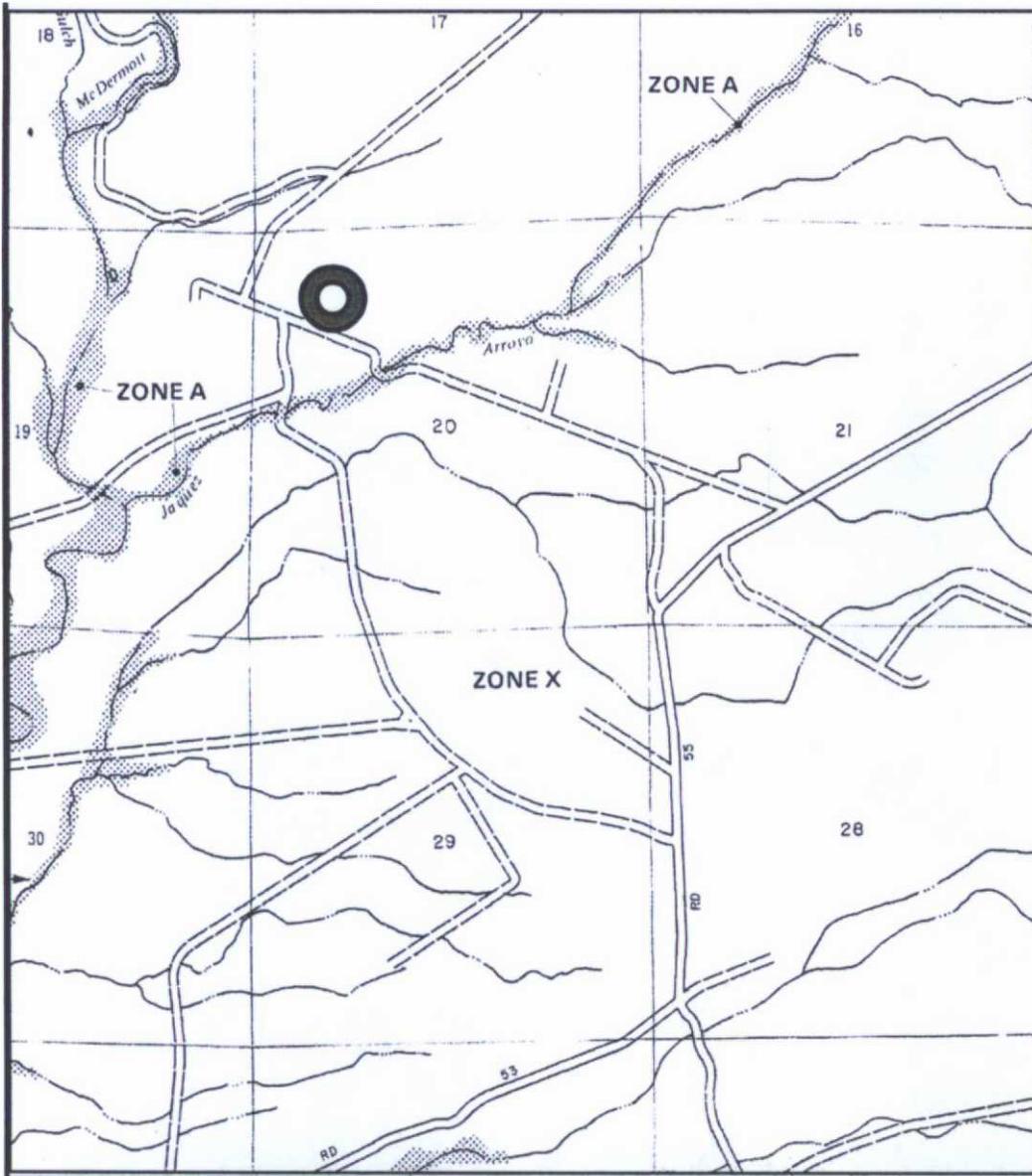
<p>Lodestar Services, Inc PO Box 4465 Durango, CO 81302</p>	<p>FEDERAL GAS COM 1 #1C T32N, R12W, S20D San Juan County, NM</p>	<p>Aerial Photograph</p>
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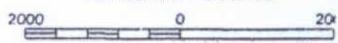
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T32N, R12W, S20D
San Juan County, NM

Mines, Mills, and
Quarries Map



APPROXIMATE SCALE



LEGEND

- SPECIAL FLOOD HAZARD AREAS INUNDA BY 100-YEAR FLOOD
- ZONE A** No base flood elevations determined.
- ZONE AE** Base flood elevations determined.
- ZONE AH** Flood depths of 1 to 3 feet (usually ar ponds); base flood elevations deterr
- ZONE AD** Flood depths of 1 to 3 feet (usually flow on sloping terrain); average r determined. For areas of elevated fun ing, velocities also determined.
- ZONE AV** To be protected from 100-year flo Federal flood protection system construction; no base elevations deterr
- ZONE VE** Coastal flood with velocity hazard action; base flood elevations deterr
- FLOODWAY AREAS IN ZONE AE
- OTHER FLOOD AREAS
- ZONE X** Areas of 500-year flood; are 100-year flood with average d of less than 1 foot or with dra areas less than 1 square mile areas protected by levee from year flood.
- OTHER AREAS
- ZONE X** Areas determined to be outside year flood plain.
- ZONE D** Areas in which flood hazard undetermined.
- Flood Boundary
- Floodway Boundary
- Zone D Boundary
- Boundary Dividing Special I Hazard Zones
- Base Flood Elevation Line; vation in Feet*
- Cross Section Line
- Base Flood Elevation in Where Uniform Within 2
- Elevation Reference Mark

*Referenced to the National Geodetic Vertical Datum of 1929

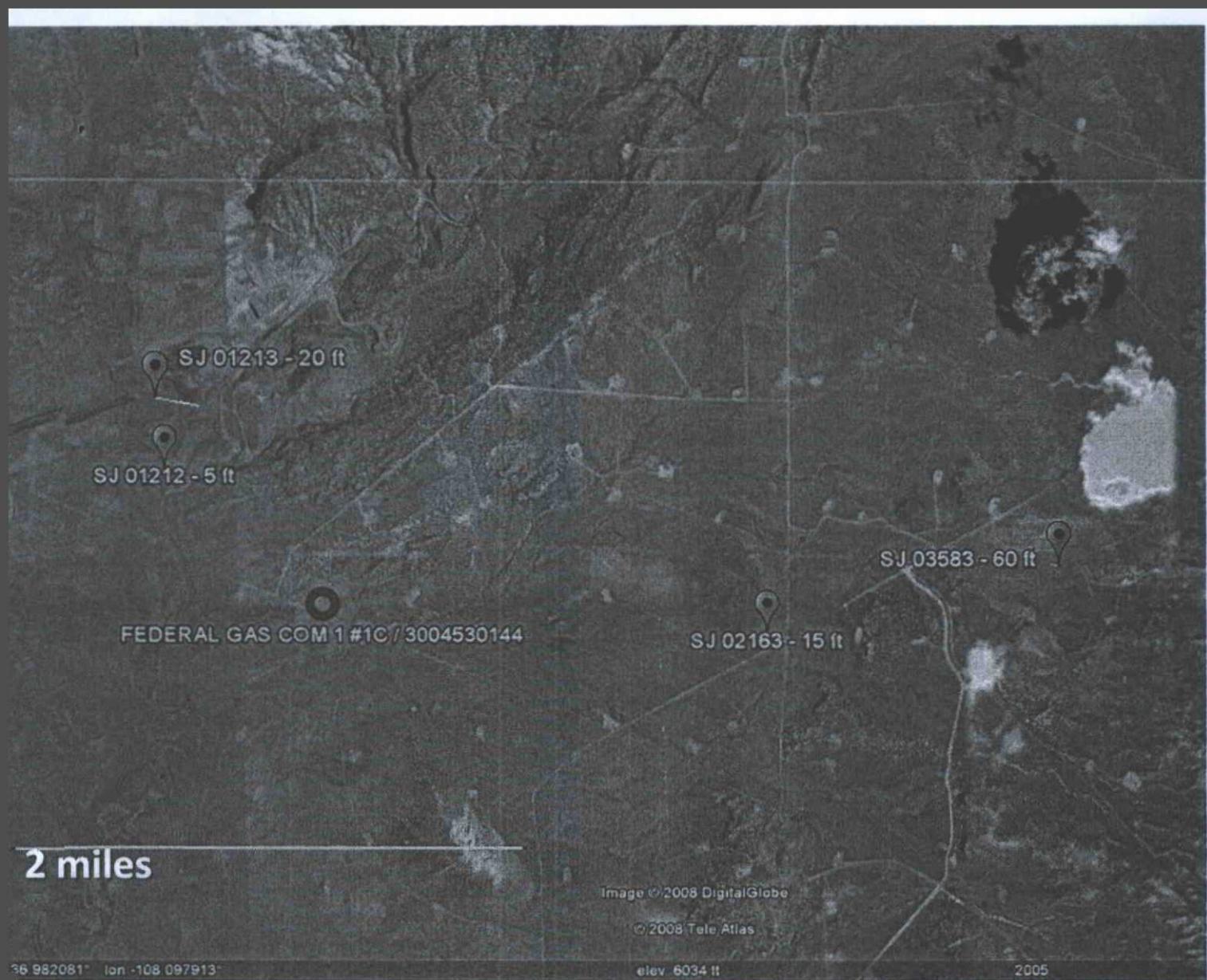
NOTES

This is an official copy of a portion of the above referenced was extracted using F-MIT On-Line. This map does not r or amendments which may have been made subsequent 1 title block. For the latest product information about Nation Program flood maps check the FEMA Flood Map Store at

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FEDERAL GAS COM 1 #1C
 T32N, R12W, S20D
 San Juan County, NM

FEMA Flood Zone Ma



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Durango, CO 81302

FEDERAL GAS COM 1 #1C
T32N, R12W, S20D
San Juan County, NM

iWaters Groundwa
Data Map

New Mexico Office of the State Engineer
 POD Reports and Downloads

Township: 32N Range: 12W Sections:

POD / Surface Data Report Avg Depth to Water Report Water Column Report

WATER COLUMN REPORT 10/09/2008

(quarters are 1=NW 2=NE 3=SW 4=SE)
 (quarters are biggest to smallest)

POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y	Depth Well	Depth Water	Water Column (in feet)
<u>SJ 01213</u>	32N	12W	18	2	3	4				640	20	620
<u>SJ 01212</u>	32N	12W	18	4	1	3				43	5	38
<u>SJ 03583</u>	32N	12W	23	1	1	1				167	60	107
<u>SJ 02110</u>	32N	12W	28	2	1	4	W	391500	2170000	171	90	81
<u>SJ 01106</u>	32N	12W	35	3	4					180	115	65

Record Count: 6

Township: 32N Range: 11W Sections:

WATER COLUMN REPORT 10/09/2008

(quarters are 1=NW 2=NE 3=SW 4=SE)
 (quarters are biggest to smallest)

POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y	Depth Well	Depth Water	Water Column (in feet)
<u>SJ 01360</u>	32N	11W	19	2	2					180	155	25
<u>SJ 01327</u>	32N	11W	23	2	2	3				90	50	40