District I

1625 N. French Dr., Hobbs, NM 88240

1301 W. Grand Ave, 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

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

June 16, 2008 For temporary pits, closed-loop sytems, and below-grade tanks, submit to the appropriate NMOCD District Office.

Form C-144

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

## Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application

	hty should operations result in pollution of surface water, ground water or the
Operator: ConocoPhillips Company	OGRID#: 217817
Address: PO Box 4289, Farmington, NM 87499	RCVD JUL 11 '08
Facility or well name: Jicarilla BR B #14	OIL CONS. DIV.
API Number: 30-039-82335 OC	CD Permit Number: DIST, 3
U/L or Qtr/Qtr: C(NENW) Section: 33 Township: 25N	Range: 4W County: Rio Arriba
	ongitude: 107.26068' W NAD: 1927 X 1983 al Trust or Indian Allotment
Pit: Subsection F or G of 19.15.17.11 NMAC  Temporary: Drilling Workover Permanent Emergency Cavitation Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other String-Reinforced  Seams: Welded Factory Other Volume: bbl Dimensions: L xW xD	X Closed-loop Systems: Subsection H of 19.15.17.11 NMAC     Drying Pad   X Tanks
Below-grade tank:  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	Fencing: Subsection D of 19.15.17.11 NMAC  Chain link, six feet in height, two strangs of barbed wire at top  Four foot height, four strands of barbed wire evenly spaced between one and four feet  Netting: Subsection E of 19.15.17.11  Screen Netting Other  Monthly inspections  Signs: Subsection C of 19.15.17.11 NMAC  12"x 24", 2" lettering, provided Operator's name, site location, and emergency telephone numbers  Signed in compliance with 19.15.3.103 NMAC
Alternative Method: Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	Administrative Approvals and Exceptions:  Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.  Please check a box if one or more of the following is requested, if not leave blank:  Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval. (Fencing in Design Plan)  Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

Siting Criteria (regarding permitting): 19.15.17.10 NMAC  Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above grade-tanks associated with a closed-loop system.		
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.  - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes	□No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).  - Topographic map; Visual inspection (certification) of the proposed site	Yes	□No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes	□No
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)	$\square_{NA}$	
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image		
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes	No
<ul> <li>(Applied to permanent pits)</li> <li>Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</li> </ul>	∐NA	
Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	Yes	□No
- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site.		
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended	Yes	□No
- Written confirmation or verification from the municipality; Written approval obtained from the municipality		
Within 500 feet of a wetland.  - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	Yes	□No
Within the area overlying a subsurface mine.  - Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	Yes	□No
Within an unstable area.  - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	Yes	No
Within a 100-year floodplain - FEMA map	Yes	□No
Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.	9 NMAC	
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the d	ocuments ar	e attached.
Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintence Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC	NMAC	
Previously Approved Design (attach copy of API Number: or Permit		
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC  Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the attached.  Geologic and Hydrogeologic Data (required for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.10 Ni.  Siting Criteria Compliance Demonstrations (required for on-site closure) - based upon the appropriate requirements of 19.15.17.10 Ni.  Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC	0.15.17.9	re
X Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC  X Closure Plan - 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 API Number:		

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 to the applications: 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 to the applications: 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 to the applications. Please indicate, by a check mark in the box, that the documents are attached to the application. Please indicate, by a check mark in the box, that the documents are attached to the application. Please indicate, by a check mark in the box, that the documents are attached to the application. Please indicate, by a check mark in the box, that the documents are attached to the application. Please indicate, by a check mark in the box, that the documents are attached to the application. Please indicate, by a check mark in the box, that the documents are attached to the application. Please dupon the appropriate requirements of 19.15.17.10 NMAC	ached.
Proposed Closure: 19.15.17.13 NMAC  Type: Drilling Workover Emergency Cavitation Permanent Pit Below-grade Tank X Closed-loop System Altern	native
Proposed Closure  X Waste Excavation and Removal  On-site Closure Method (only for temporary pits and closed-loop  In-place  Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for	or
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. Recommentations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justification and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.	
Ground water is less than 50 feet below the bottom of the buried waste.  - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	□Yes □No □NA
Ground water is between 50 and 100 feet below the bottom of the buried waste  - NM Office of the State Engineer - iWATERS database serach; USGS; Data obtained from nearby wells	∏Yes ∏No ∏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	∏Yes ∏No ∏NA
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lal (measured from the ordinary high-water mark).	☐Yes ☐No
- Topographic map; Visual inspection (certification) of the proposed site  Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial	∐Yes ∐No
<ul> <li>Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</li> <li>Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic</li> </ul>	Yes No
or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	
- NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site  Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal	☐Yes ☐No
ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended  - Written confirmation or verification from the municipality; Written approval obtained from the municipality	
Within 500 feet of a wetland. proposed site	Yes No
Within the area overlying a subsurface mine.  - Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	Yes No
Within an unstable area.  - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	∐Yes ∏No
Within a 100-year floodplain - FEMA map	☐Yes ☐No

to the closure plan. Please indicfate, by a check mark in the box, that the documents are attached.
Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC   Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15 17 13 NMAC
X 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
X Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
X Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15 17 13 NMAC
Waste Removal Closure for Closed-loop Systems That Utilize Haul-off Bins Only: (19 15 17 13 D NMAC) Instructions: Please identify the facilities for the disposal of liquids, drilling fluids and drill cuttings.
Disposal Facility Name. Envirotech, Basin Disposal Disposal Facility Permit Number NM-01-0011 & NM-01-005
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 F of 19.15.17.13 NMAC
Construction and Design of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC
Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17 13 NMAC
Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be
Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC
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): Crystal Tafoya  Title: Regulatory Technician
rame (Find). Clystal failuga Fine. Regulatory Technician
Signature: Cyotal /ajaya Date. 7/10/2008
e-mail address: crystal tafoya@conocoptellips.com Telephone: 505-326-9837
OCD Approval: Permit Application (including closure plan)  OCD Representative Signature: Standon Sell Approval Date: 7-11-08
Title: Ewling /Spec OCD Permit Number
Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17 13 NMAC
Closure Completion Date:
Closure Method:
Closure Method:  Waste Excavation and Removal On-Site Closure Alternative Closure
Closure Method:  Waste Excavation and Removal On-Site Closure Alternative Closure  If different from approved plan, please explain
Closure Method:  Waste Excavation and Removal On-Site Closure Alternative Closure  If different from approved plan, please explain  Closure Report Attactment Checklist: Instructions: Each of the following items must be attached to the closure report. Please undicate, by a check mark in the
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Closure Method:  Waste Excavation and Removal On-Site Closure Alternative Closure  If different from approved plan, please explain  Closure Report Attactment 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 Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results Waste Material Sampling Analytical Results
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Closure Method:  Waste Excavation and Removal On-Site Closure Alternative Closure  If different from approved plan, please explain  Closure Report Attactment 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 Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results Waste Material Sampling Analytical Results Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique
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Closure Method:  Waste Excavation and Removal On-Site Closure Alternative Closure  If different from approved plan, please explain  Closure Report Attactment 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 Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results Uses Material Sampling Analytical Results 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 Latitude: Longitude NAD: 1927 1983
Closure Method:  Waste Excavation and Removal On-Site Closure Alternative Closure  If different from approved plan, please explain  Closure Report Attactment 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 Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results Waste Material Sampling Analytical Results 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 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 behef 1 also certify that the
Closure Method:  Waste Excavation and Removal On-Site Closure Alternative Closure  If different from approved plan, please explain  Closure Report Attactment 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 Proof of Deed Notice (if applicable) Plot Plan Confirmation Sampling Analytical Results Waste Material Sampling Analytical Results 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 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 behef 1 also cerufy that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan

Form C-144 Oil Conscivation Division

Page 4 of 4

#### NEW MEXICO OIL 1 CASERVATION COMMISSION

Well Location and Aereage Dense die. Plat-

Da APRIL 14. 1959 Section 1. Operator EL PASO NATURAL GAS COMPANY JICARILLA JICARILLA APACHE NO. 66 33 1 800 1 25-N K L-W 1h-B Unit Letter C Section A1121 1 1650 NORTH Line, I on a c 1090 Feet From Located ! RIO ARRIBA G. L. Elevation 6835 Don Galden 160 Name of Producing Formation PICTURED CLIFF SOUTH BLANCO PICTURED CLIFF 1. If the Operator the only owner in the ledical data are we cuttined an one but he by 2. If the answer to question one is "no", have the interests of cotto (where we also see a profit, and a profit of agreement or otherwise. Also the November 1, It is not the start that the start of the 3. If the answer to question two is "ho" list all the owners and pour rester the more is Owner OIL CON. Sect 1 13. This is to certify that the extension in Section A above is true unit complete. to the best of my knowledge and elact. 1650' EL PASO HATURAL GAS COMPANY JICARILLA APACHE 66 Paraington, New Mexico sale to the sale

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Furninger, New Mission

# ConocoPhillips Company Closed-loop Plans

#### Closed-loop Design Plan

COPC's closed loop system will not entail a drying pad, temporary pit, below grade tank or sump. It will include an above ground tank suitable for holding the cuttings and fluids for rig operations. The tank will be sufficient volume to maintain a safe free board between disposal of the liquids and solids from rig operations.

- 1. Fencing is not required for an above ground closed-loop system
- 2. It will be signed in compliance with 19.15.3.103 NMAC
- 3. A frac tank will be on location to store fresh water

### **Closed-loop Operating and Maintenance Plan**

COPC's closed-loop tank will be operated and maintained to contain liquids and solids in order to prevent contamination of fresh water sources, in order to protect public health and the environment. To ensure the operation is maintained the following steps will be followed:

- 1. The liquids will be vacuumed out and disposed of at the Basin Disposal facility (Permit # NM-01-005). Solids in the closed-loop tank will be vacuumed out and disposed of at Envirotech (Permit # NM-01-0011) on a periodic basis to prevent over topping.
- 2. No hazardous waste, miscellaneous solid waste or debris will be discharged into or stored in the tank. Only fluids or cutting used or generated by rig operations will be placed or stored in the tank.
- 3. The division district office will be notified within 48 hours of the discovery of compromised integrity of the closed-loop tank. Upon the discovery of the compromised tank, repairs will be enacted immediately
- 4. All of the above operations will be inspected and a log will be signed and dated. During rig operations the inspection will be daily.

### **Closed-loop Closure Plan**

The closed-loop tank will be closed in accordance with 19.15.17.13. This will be done by transporting cuttings and all remaining sludges to Envirotech (Permit # NM-01-0011) immediately following rig operations. All remaining liquids will be transported and disposed of in the Basin Disposal facility (Permit # NM-01-005). The tanks will be removed from the location as part of the rig move. At time of well abandonment, the site will be reclaimed and re-vegetated to pre-existing conditions when possible.