District I

1625 N French Dr , Hobbs, NM 88240

District II 1301 W. Grand Ave, Artesia, NM 88210 District III

1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico **Energy Minerals and Natural Resources**

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

July 21, 2008 For temporary pits, closed-loop sytems, and below-grade

Form C-144

tanks, submit to the appropriate NMOCD District Office.

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

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application Type of action: X Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request Please be advised that approval of this request does not relieve the operator of hability 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: ConocoPhillips Company OGRID#: 217817 Address: PO Box 4289, Farmington, NM 87499 Facility or well name: San Juan 30-5 Unit #264 30-039-26049 DIST. 3 API Number: OCD Permit Number Range: U/L or Qtr/Qtr: G(SWNE) Section: Township: 30N County: Rio Arriba Center of Proposed Design: Latitude: 36.828180' N Longitude: 107.359520' W NAD: 1927 **X** 1983 Surface Owner: Tribal Trust or Indian Allotment State Federal Private X Pit: Subsection F or G of 19.15.17.11 NMAC Drilling X Workover Temporary: Permanent Emergency Cavitation X LLDPE HDPE PVC Other X Lined **20** mil Liner type: Thickness X String-Reinforced Liner Seams: X Welded X Factory Other **7000** bbl Dimensions L 120' Volume: Subsection H of 19.15.17.11 NMAC **Closed-loop System:** Type of Operation: Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type: Thickness mil LLDPE HDPE PVD Other Liner Seams: Welded Factory Other Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: Type of fluid: bbl 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 HDPE Liner Type: Other Thickness mil **Alternative Method:** Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

6					
Fencing: Subsection D of 19.15.17 11 NMAC (Applies to permanent pit, temporary pits, and below-grade tanks)					
Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, inst	nation or char	cn)			
Four foot height, four strands of barbed wire evenly spaced between one and four feet					
X Alternate. Please specify Please See Design Plan					
7					
Netting: Subsection E of 19 15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)		1			
Screen Netting Other					
Monthly inspections (If netting or screening is not physically feasible)		}			
Signs: Subsection C of 19 15.17.11 NMAC					
12" X 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers					
X Signed in compliance with 19.15.3.103 NMAC		Ì			
A select in compliance with 17/13/8/10/17/10					
Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.					
]			
Please check a box if one or more of the following is requested, if not leave blank:					
Administrative approval(s): Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for cons	ideration of an	proval.			
Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval					
Exception(s). Requests must be subtituted to the banka Le Environmental bareau office for consideration of approval					
10					
Siting Criteria (regarding permitting): 19.15.17.10 NMAC		ŀ			
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		ļ			
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.	□Yes	XNo			
- NM Office of the State Engineer - IWATERS database search; USGS; Data obtained from nearby wells					
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).		2.10			
- 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	X No			
application.		A NO			
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)	□NA				
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	L L	1			
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes	∐No			
(Applied to permanent pits)	XNA				
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image		_]			
Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering	Yes	X No			
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 search; Visual inspection (certification) of the proposed site.	Į				
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	Yes	X No			
adopted pursuant to NMSA 1978, Section 3-27-3, as amended	□ 1 es	ANO			
- Written confirmation or verification from the municipality; Written approval obtained from the municipality					
Within 500 feet of a wetland.	Yes	XNo			
- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site					
Within the area overlying a subsurface mine.					
- Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	_	_			
Within an unstable area.	Yes	X No			
- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological					
Society; Topographic map	l Γ	V.			
Within a 100-year floodplain - FEMA map	Yes	X No			

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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				
X Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15 17.9				
X Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17 10 NMAC				
X Design Plan - based upon the appropriate requirements of 19 15.17.11 NMAC				
X Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC				
X Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15 17.9 NMAC and 19.15.17 13 NMAC				
Previously Approved Design (attach copy of design) API 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 documents are attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9				
Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC				
Design Plan - based upon the appropriate requirements of 19.15 17.11 NMAC				
Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC				
Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17 13 NMAC				
Previously Approved Design (attach copy of design) API				
Previously Approved Operating and Maintenance Plan API				
13				
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC				
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.				
Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19 15.17.9 NMAC				
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC				
Climatological Factors Assessment				
Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC				
Dike Protection and Structural Integrity Design: based upon the appropriate requirements of 19.15.17.11 NMAC				
Leak Detection Design - based upon the appropriate requirements of 19.15 17.11 NMAC				
Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC				
Quality Control/Quality Assurance Construction and Installation Plan				
Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC				
Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19 15.17.11 NMAC				
Nuisance or Hazardous Odors, including H2S, Prevention Plan Emergency Response Plan				
Oil Field Waste Stream Characterization				
Monitoring and Inspection Plan				
Erosion Control Plan				
Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC				
14				
Proposed Closure: 19.15.17.13 NMAC				
Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.				
Type Drilling X Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System				
Alternative				
Proposed Closure Method: Waste Excavation and Removal				
Waste Removal (Closed-loop systems only)				
X On-site Closure Method (only for temporary pits and closed-loop systems)				
X In-place Burnal On-site Trench				
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)				
15				
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.				
Protocols and Procedures - based upon the appropriate requirements of 19.15.17 13 NMAC				
Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC				
Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)				
Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC				
Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17 13 NMAC				
Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC				

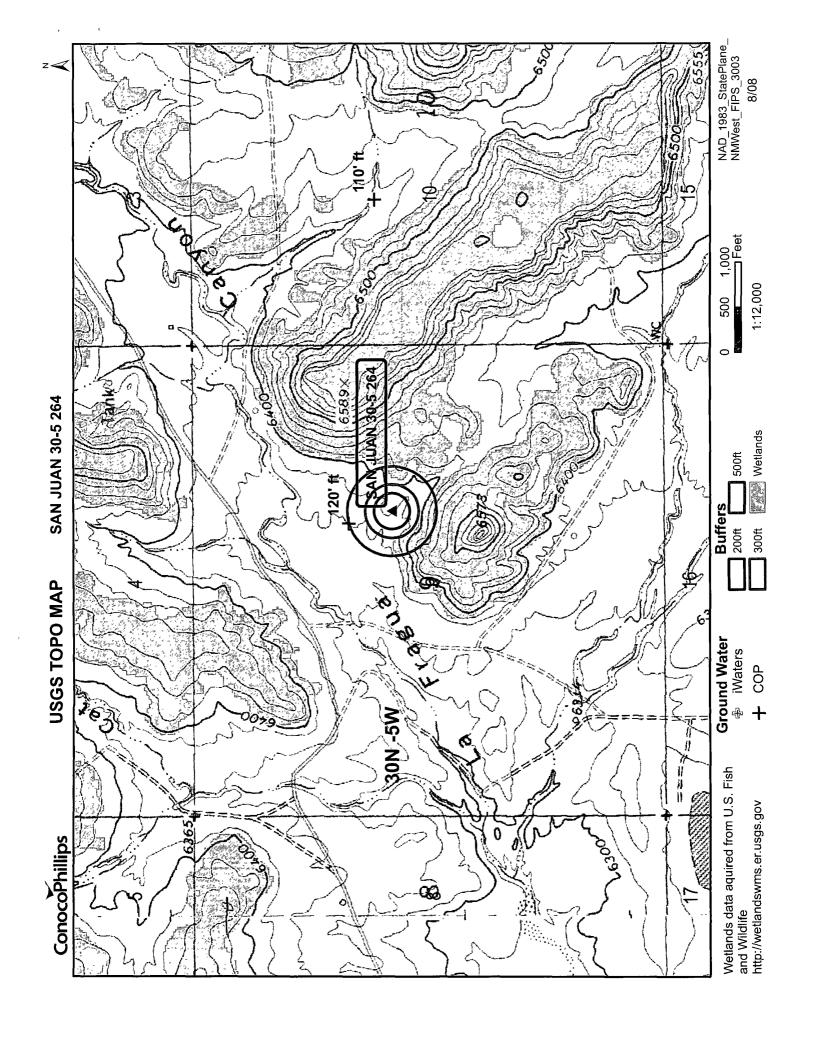
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16 Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19 15 17.13.D NMAC)				
Instructions Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.				
Disposal Facility Name Disposal Facility Permit #:				
Disposal Facility Name: Disposal Facility Permit #.				
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future s Yes (If yes, please provide the information No	ervice and operations?			
Required for impacted areas which will not be used for future service and operations Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15.17.13 NMAC				
17				
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 string criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval Justifications and/or demonstrations of equivalency are required. Please refer to 19.15 17.10 NMAC for guidance				
Ground water is less than 50 feet below the bottom of the buried waste.	Yes X No			
- NM Office of the State Engineer - iWATERS database search; USGS: Data obtained from nearby wells	N/A			
Ground water is between 50 and 100 feet below the bottom of the buried waste	Yes No			
- NM Office of the State Engineer - tWATERS database search, USGS; Data obtained from nearby wells				
Ground water is more than 100 feet below the bottom of the buried waste.	X Yes No			
- NM Office of the State Engineer - 1WATERS database search; USGS; Data obtained from nearby wells	∐N/A			
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).	Yes XNo			
- 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 application. - Visual inspection (certification) of the proposed site; Aerial photo; satellite image	Yes X No			
Within 500 horizontal foot of a private domestic fresh water well or a pring that less than five households use for domestic or stock watering	Yes X No			
Within 500 horizontal 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 fee 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; Visual inspection (certification) of the proposed site				
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.				
- Written confirmation or verification from the municipality; Written approval obtained from the municipality Within 500 feet of a wetland	Yes XNo			
- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site Within the area overlying a subsurface mine.	Yes X No			
- Written confirantion or verification or map from the NM EMNRD-Mining and Mineral Division				
Within an unstable area.	Yes X No			
- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map				
Within a 100-year floodplain - FEMA map	Yes XNo			
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must bee attached to the closure	re plan. Please indicate.			
by a check mark in the box, that the documents are attached.	•			
X Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC				
X Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC				
Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC				
Construction/Design Plan of Temporary Pit (for in place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC X Protocols and Procedures - based upon the appropriate requirements of 19.15 17 13 NMAC				
X 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 Waste Material Sampling Plan - 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 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				
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				

19 Operator Application Certification:				
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.				
Name (Print): Crystal Tafoya Title: Regulatory Technician				
Signature: Constal Talons Date: 8/1/08				
e-mail address crystal.tafoya@conocophillips.com Telephone: 505-326-9837				
20 OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)				
OCD Representative Signature: Brandon Jonell Approval Date: 8/73/08				
Title: Ewirolspec OCD Permit Number:				
Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17 13 NMAC Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed. 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.				
23 Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.				
Disposal Facility Name: Disposal Facility Permit Number:				
Disposal Facility Name. Disposal Facility Permit Number:				
Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations? Yes (If yes, please demonstrate compliant to the items below) No				
Required for impacted areas which will not be used for future service and operations: Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique				
24 <u>Closure Report Attachment Checklist:</u> Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.				
Proof of Closure Notice (surface owner and division)				
Proof of Deed Notice (required for on-site closure)				
Plot Plan (for on-site closures and temporary pits)				
Confirmation Sampling Analytical Results (if applicable)				
Waste Material Sampling Analytical Results (if applicable)				
Disposal Faculity Name and Permit Number Soil Backfilling and Cover Installation				
Re-vegetation Application Rates and Seeding Technique				
Site Reclamation (Photo Documentation)				
On-site Closure Location: Latitude: Longitude: NAD 1927 1983				
25 Operator Closure Certification:				
I hereby certify that the information and attachments submitted with this closure report is ture, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.				
Name (Print): Title				
Signature: Date:				
e-mail addressTelephone:				

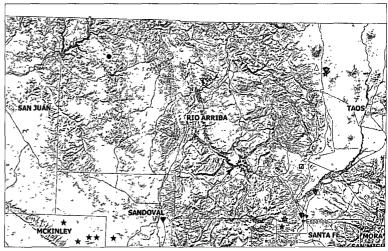
New Mexico Office of the State Engineer POD Reports and Downloads

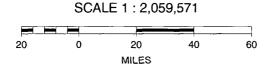
Town	nship: 30N	Range: 05W	Sections: 3,4	1,5,8,9,10	0,15,16,17		
NAD27	•	Y:	Zone:		Search Radius:	**	
County:		Basin:			Number:	Suffix	:
Owner Name: ((First)	(L	ast) ② All		○Non-Domestic	○ Dome	stic
POD / Surface Data Report Avg Depth to Water Report Water Column Report							
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POD Number SJ 02771	· -			-	Depth Y Well 325	Depth Water 137	Wate Colum



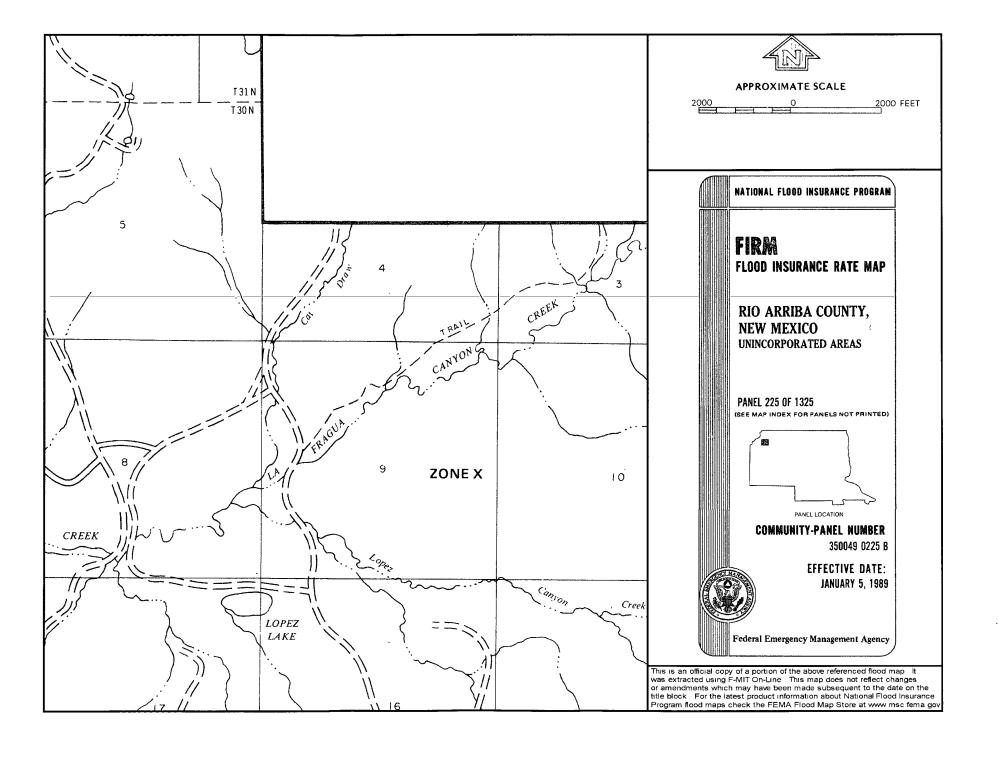
San Juan 30-5 Unit #264 Mines, Mills and Quarries Web Map











Siting Criteria Compliance Demonstrations

The San Juan 30-5 Unit #264 is not located in an unstable area. The location is not over a mine and is not on the side of a hill. The location of the excavated pit material will not be located within 300' of any continuously flowing watercourse or 200' from any other watercourse.

Hydrogeological report for San Juan 30-5 Unit #264

Regional Hydrogeological context:

The San Jose Formation of Eocene age occurs in New Mexico and Colorado, and its outcrop forms the land surface over much of the eastern half of the central basin. It overlies the Nacimiento Formation in the area generally south of the Colorado-New Mexico State line and overlies the Animas Formation in the area generally north of the State line.

The San Jose Formation was deposited in various fluvial-type environments. In general, the unit consists of an interbedded sequence of sandstone, siltstone, and variegated shale. Thickness of the San Jose Formation generally increases from west to east (200 feet in the west and south to almost 2,700 feet in the center of the structural basin). Ground water is associated with alluvial and fluvial sandstone aquifers. Thus, the occurrence of ground water is mainly controlled by the distribution of sandstone in the formation. The distribution of such sandstone is the result of original depositional extent plus any post-depositional modifications, namely erosion and structural deformation. Transmissivity data for San Jose Formation are minimal. Values of 40 and 120 feet squared per day were determined from two aquifer tests (Stone et al, 1983, table 5). The reported or measured discharge from 46 water wells completed in San Jose Formation ranges from 0.15 to 61 gallons per minute and the median is 5 gallons per minute. Most of the wells provide water for livestock and domestic use.

The San Jose Formation is a very suitable unit for recharge from precipitation because soils that form on the unit are sandy and highly permeable and therefore readily adsorb precipitation. However, low annual precipitation, relatively high transpiration and evaporation rates, and deep dissection of the San Jose Formation by the San Juan River and its tributaries all tend to reduce the effective recharge to the unit.

Stone et al., 1983, Hydrogeology and Water Resources of the San Juan Basin, New Mexico: Socorro, New Mexico Bureau of Mines and Mineral Resources Hydrologic Report 6, 70 p.

Tafoya, Crystal

From:

Tafoya, Crystal

Sent:

Friday, August 01, 2008 2:00 PM

To: Subject: 'mark_kelly@nm.blm.gov' Surface Owner Notification

The following locations will have the temporary pit closed on-site. Please let me know if you have any questions.

San Juan 30-6 Unit #441S San Juan 30-5 Unit #264 Feuille A #5E

Thank you,

Crystal L. Tafoya Regulatory Technician ConocoPhillips Company San Juan Business Unit

Phone: (505) 326-9837

Email: Crystal. Tafoya@conocophillips.com

811 South First, Artesia, NM 88210

2040 South Pacheco, Santa Fe, NM 87505

District II

District III

District IV

State of New Mexico Energy, Minerals & Natural Remurees the

Form C-102 Revised October 18, 1994

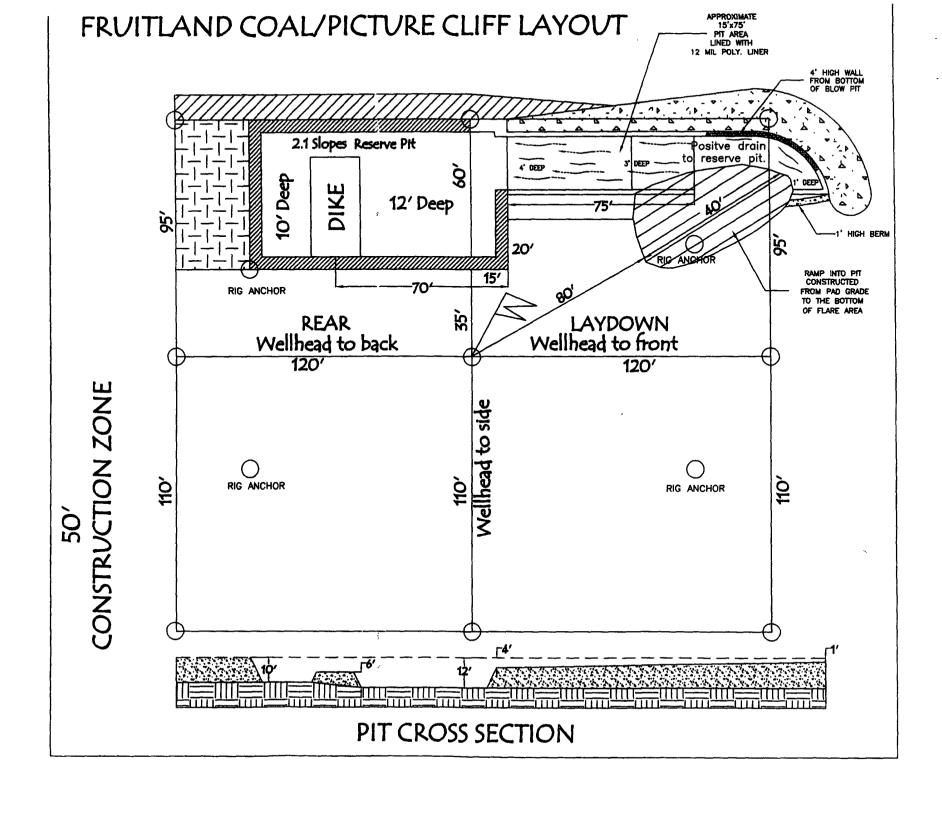
Instructions on back

OIL CONSERVATION DIVISION PURE Withinit to Appropriate District Office

2040 South Pacheco 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 State Lease - 4 Copies Fee Lease - 3 Copies

98 DEC 16 PM 3: 2 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT NW ² Pool Code Basin Fruitland Coal 71629 ⁵ Property Name Well Number ⁴ Property Code SAN JUAN 30-5 264 009258 PHILLIPS PETROLEUM COMPANY 'Elevation OGRID No. 017654 10 Surface Location Lot Ida Feet from the North/South line Feet from the UL or lot no. Section Township Kange East/West line County 2190' 9 30N 5W NORTH 1850' **EAST** RIO ARRIBA G 11 Bottom Hole Location If Different From Surface Lot Idn Feet from the UL or lot no. Section Township North/South line Feet from the East/West line County G " Joint or Infill 4 Consolidation Code 12 Dedicated Acres 320.00 E/ 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 N89°42'E 5261.52 l hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Patsy Cluqston Printed Name Regulatory Assistant 1850**"** 12-14-98 Section 9 ¹⁸SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat SF-078997 was plotted from field notes of actual surveys made by me 2560 acres or under my supervision, and that the same is true and correct to the best of my belief. 12/03/98 al Surveyer. N89°44'E 5260 20'



ConocoPhillips Company San Juan Basin Pit Design and Construction Plan

In accordance with Rule 19.15.17 the following information describes the design and construction of temporary pits on ConocoPhillips Company (COPC) locations. This is COPC's standard procedure for all temporary pits. A separate plan will be submitted for any temporary pit which does not conform to this plan.

General Plan:

- 1. COPC will design and construct a temporary pit to contain liquids and solids and prevent contamination of fresh water and protect public health and environment.
- 2. Prior to constructing the pit, topsoil will be stockpiled in the construction zone for later use in restoration.
- 3. COPC will post a well sign, not less than 12" by 24", on the well site prior to construction of the temporary pit. The sign will list the operator on record as the operator; the location of the well site by unit letter, section, township range; and emergency telephone numbers.
- 4. COPC shall construct all new fences utilizing 48" steel mesh field-fence (hogwire) on the bottom with a single strand of barbed wire on top. T-posts shall be installed every 12 feet and corners shall be anchored utilizing a secondary T-post. Temporary pits will be fenced at all times excluding drilling or workover operations, when the front side of the fence will be temporarily removed for operational purposes.
- 5. COPC shall construct the temporary pit so that the foundation and interior slopes are firm and free of rocks, debris, sharp edges or irregularities to prevent liner failure.
- COPC shall construct the pit so that the slopes are no steeper than two horizontal feet to 1 vertical foot.
- 7. Pit walls will be walked down by a crawler type tractor following construction
- 8. All temporary pits will be lined with a 20-mil, string reinforced, LLDPE liner, complying with EPA SW-846 method 9090A requirements.
- 9. Geotextile will be installed beneath the liner when rocks, debris, sharp edges or irregularities cannot be avoided.
- 10. All liners will be anchored in the bottom of a compacted earth-filled trench at least 18 inches deep.
- 11. COPC will minimize liner seams and orient them up and down, not across a slope. Factory seams will be used whenever possible. COPC will ensure all field seams are welded by qualified personnel. Field seams will be overlapped four to six inches and will be oriented parallel to the line of maximum slope. COPC will minimize the number of field seams in corners and irregularly shaped areas.
- 12. The liner shall be protected from any fluid force or mechanical damage through the use of mud pit slides, or a manifold system.
- 13. The pit shall be protected from run-off by constructing and maintaining diversion ditches around the location or around the perimeter of the pit in some cases.
- 14. The volume of the pit shall not exceed 10 acre-feet, including freeboard.
- 15. Temporary blow pits will be constructed to allow gravity flow to discharge into lined drill pit.
- 16. The lower half of the blow pit (nearest lined pit) will be lined with the same 20 mil liner. The upper half of the blow pit will remain unlined as allowed in Rule 19.15.17.11 F.11.
- 17. COPC will not allow freestanding liquids to remain on the unlined portion of a temporary blow pit.

ConocoPhillips Company San Juan Basin Maintenance and Operating Plan

In accordance with Rule 19.15.17 the following information describes the operation and maintenance of temporary pits on ConocoPhillips Company (COPC) locations. This is COPC's standard procedure for all temporary pits. A separate plan will be submitted for any temporary pit which does not conform to this plan.

General Plan:

- 1. COPC will operate and maintain a temporary pit to contain liquids and solids and prevent contamination of fresh water and protect public health and environment.
- 2. COPC will conserve drilling fluids by transferring liquids to pits ahead of the rigs whenever possible. All other drilling fluids will be disposed at Basin Disposal Inc., permit # NM-01-005.
- 3. COPC will not discharge or store any hazardous waste in any temporary pit.
- 4. If any pit liner's integrity is compromised, or if any penetration of the liner occurs above the liquid's surface, then COPC shall notify the Aztec Division office by phone or email within 48 hours of the discovery and repair the damage or replace the liner.
- 5. If a leak develops below the liquid's level, COPC shall remove all liquids above the damaged liner within 48 hours and repair the damage or replace the liner. COPC shall notify the Aztec Division office by phone or email within 48 hours of the discovery for leaks less than 25 barrels COPC shall notify the Aztec Division office as required pursuant to Subsection B of 19.15.3.116 NMAC shall be reported within twenty-four (24) hours of discovery of leaks greater than 25 barrels. In addition, immediate verbal notification pursuant to Subsection B, Paragraph (1), and Subparagraph (d) of 19.15.3.116 NMAC shall be reported to the division's Environmental Bureau Chief.
- 6. The liner shall be protected from any fluid force or mechanical damage through the use of mud pit slides, or a manifold system.
- 7. The pit shall be protected from run-off by constructing and maintaining diversion ditches around the location or around the perimeter of the pit in some cases.
- 8. COPC shall immediately remove any visible layer of oil from the surface of the temporary pit after cessation of a drilling or workover operation. Oil absorbent booms will be utilized to contain and remove oil from the pit's surface. An oil absorbent boom will stored on-site until closure of pit.
- 9. Only fluids generated during the workover process may be discharged into a temporary pit.
- 10. COPC will maintain the temporary pit free of miscellaneous solid waste or debris.
- 11. During workover operations, COPC will inspect the temporary pit at least once daily to ensure compliance with this plan. Inspections will be logged in the IADC reports. COPC will file this log with the Aztec Division office upon closure of the pit.
- 12. After workover operations, COPC will inspect the temporary pit weekly so long as liquids remain in the temporary pit. A log of the inspections will be stored at COPC's office electronically and will be filed with the Aztec Division office upon closure of the pit.
- 13. COPC shall maintain at least two feet of freeboard for a temporary pit.
- 14. COPC shall remove all free liquids from a temporary pit within 30 days from the date the operator releases the drilling rig.
- 15. COPC shall remove all free liquids from a cavitation pit within 48 hours after completing cavitation. COPC may request additional time to remove liquids from the Aztec Division office if it is not feasible to remove liquids within 48 hours.

ConocoPhillips Company San Juan Basin Closure Plan

In accordance with Rule 19.15.17.12 NMAC the following information describes the closure requirements of temporary pits on ConocoPhillips Company (COPC) locations. This is COPC's standard procedure for all temporary pits. A separate plan will be submitted for any temporary pit which does not conform to this plan.

All closure activities will include proper documentation and be available for review upon request and will be submitted to OCD within 60 days of closure of pit closure. Closure report will be filed on C-144 and incorporate the following:

- Details on Capping and Covering, where applicable.
- Plot Plan (Pit Diagram)
- Inspection Reports
- Sampling Results
- C-105
- Copy of Deed Notice will be filed with County Clerk

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.
- 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.
- 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.
- 4. Within 6 months of the Rig Off status occurring COPC will ensure that temporary pits are closed, re-contoured, and reseeded.
- 5. Notice of Closure will be given to the Aztec Division office between 72 hours and one week of closure via email, or verbally. The notification of closure will include the following:
 - i. Operator's name
 - Location by Unit Letter, Section, Township, and Range. Well name and API number.
- 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.
- 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.
- 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.

Components	Tests Method	Limit (mg/Kg)
Benzene	EPA SW-846 8021B or 8260B	0.2
BTEX	EPA SW-846 8021B or 8260B	50
TPH	EPA SW-846 418.1	2500
GRO/DRO	EPA SW-846 8015M	500
Chlorides	EPA 300.1	/1000/500

- 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 COPC 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.
- 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.
- 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
- 12. Re-contouring of location will match fit, shape, line, form and texture of the surrounding. Reshaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be place 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.
- 13. Notification will be sent to OCD when the reclaimed area is seeded.
- 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 used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (unimpacted) 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.

Туре	Variety or Cultivator	PLS/A
Western wheatgrass	Arriba	3.0
Indian ricegrass	Paloma or Rimrock	3.0
Slender wheatgrass	San Luis	2.0
Crested wheatgrass	Hy-crest	3.0
Bottlebrush Squirreltail	Unknown	2.0
Four-wing Saltbrush	Delar	.25

Species shall be planted in pounds of pure live seed per acre: Present Pure Live Seed (PLS) = Purity X Germination/100 Two lots of seed can be compared on the basis of PLS as follows:

Source No. One (poor quality)

Purity

50 percent

Germination

40 percent

Percent PLS

20 percent

Source No. two (better quality)

Purity

80 percent

Germination

63 percent

Percent PLS

50 percent

5 lb. bulk seed required to make 2 lb. bulk seed required to make

1 lb. PLS 1 lb. PLS

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.