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

Center of Proposed Design: Latitude:

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

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.

107.359520' W

Pit, Closed-Loop System, Below-Grade Tank, or

<u>Pro</u> j	posed Alternative Me	ethod Permit or C	losure Plan Ap	plication
Type of action:	X Permit of a pit, closed-	-loop system, below-grad	e tank, or proposed	alternative method
	Closure of a pit, closed	l-loop system, below-gra	de tank, or proposed	alternative method
	Modification to an exi	sting permit		
		mitted for an existing per proposed alternative meth	-	tted pit, closed-loop system,
Instructions: Please submit one	application (Form C-144) p	er individual pit, closed-	loop system, below-	grade tank or alternative request
	of this request does not relieve the operator of its responsibility		•	-
Operator: ConocoPhillips Compar	ıy		OGRID#: <u>21</u>	7817
Address: PO Box 4289, Farmingt	on, NM 87499		_	RCVD AUG 4 '08
Facility or well name: San Juan 3	0-5 Unit #264			OIL CONS. DIV.
API Number:	30-039- <u>2604</u> 9	OCD Permit Nu	mber:	Pressel Presse
U/L or Qtr/Qtr: G(SWNE) Sec	tion: 9 Township:	30N Range:	5W County	: Rio Arriba

Longitude:

Surface Owner: X Federal State Trivate Tribal Trust or Indian Allotment
Pit: Subsection F or G of 19.15.17.11 NMAC Temporary:
Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)

36.828180' N

notice of intent)
Drying Pad 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:bbl Type of fluid:
Tank Construction material:
Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off Visible sidewalls and liner Visible sidewalls only Other Liner Type: Thickness mil HDPE PVC Other

Alternative Method:

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

] 1927**|X**] 1983

6		ĺ						
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, insti-	tution or churc	ch)						
Four foot height, four strands of barbed wire evenly spaced between one and four feet								
X Alternate. Please specify Please See Design Plan		l						
Netting: Subsection E of 19 15.17 11 NMAC (Applies to permanent pits and permanent open top tanks)								
Screen Netting Other		į						
Monthly inspections (If netting or screening is not physically feasible)		ŀ						
Thomas aspections (if nearing is not physically jeasure)								
Signs: Subsection C of 19.15.17.11 NMAC								
Signs: Subsection C of 19.15.17.11 NMAC 12" X 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers		ĺ						
X Signed in compliance with 19.15.3.103 NMAC								
a Jorginea in comprisance with 17.13.5.105 (WIAC)								
9 Administrative Approvals and Eventions								
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	deration of ap	proval.						
Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.								
10		1						
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	1	}						
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	X No						
- NM Office of the State Engineer - 1WATERS database search; USGS; Data obtained from nearby wells	<u></u> □'.c3	ZINO						
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa	∏Yes	X No						
lake (measured from the ordinary high-water mark).		ا						
- Topographic map; Visual inspection (certification) of the proposed site	į							
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial	Yes	X No						
application.								
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)	□NA	Ì						
- 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						
(Applied to permanent pits)	X NA	_						
- 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.								
	<u></u>							
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	XNo						
- Written confirmation or verification from the municipality; Written approval obtained from the municipality		1						
Within 500 feet of a wetland.	Yes	X No						
- 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 confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	l —							
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	Yes	XNo						
- FEMA map		ا ```لت						

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, 1f applicable) - based upon the appropriate requirements of Subsection C of 19 15.17 9 NMAC and 19.15 17 13 NMAC
Previously Approved Design (attach copy of design) API
Previously Approved Operating and Maintenance Plan API
Permanent Pits Permit Application Checklist: Subsection B of 19.15 17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.
Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19.15.17 9 NMAC
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17 10 NMAC
Climatological Factors Assessment
Certified Engineering Design Plans - based upon the appropriate requirements of 19 15.17.11 NMAC
Dike Protection and Structural Integrity Design: based upon the appropriate requirements of 19.15.17.11 NMAC
Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC
Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC
Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15 17.11 NMAC
Nuisance or Hazardous Odors, including H2S, Prevention Plan
Emergency Response Plan
Oil Field Waste Stream Characterization
Monitoring and Inspection Plan
Erosion Control Plan
Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17 9 NMAC and 19.15.17.13 NMAC
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 Burial 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

Form C-144 Oil Conservation Division Page 3 of 5

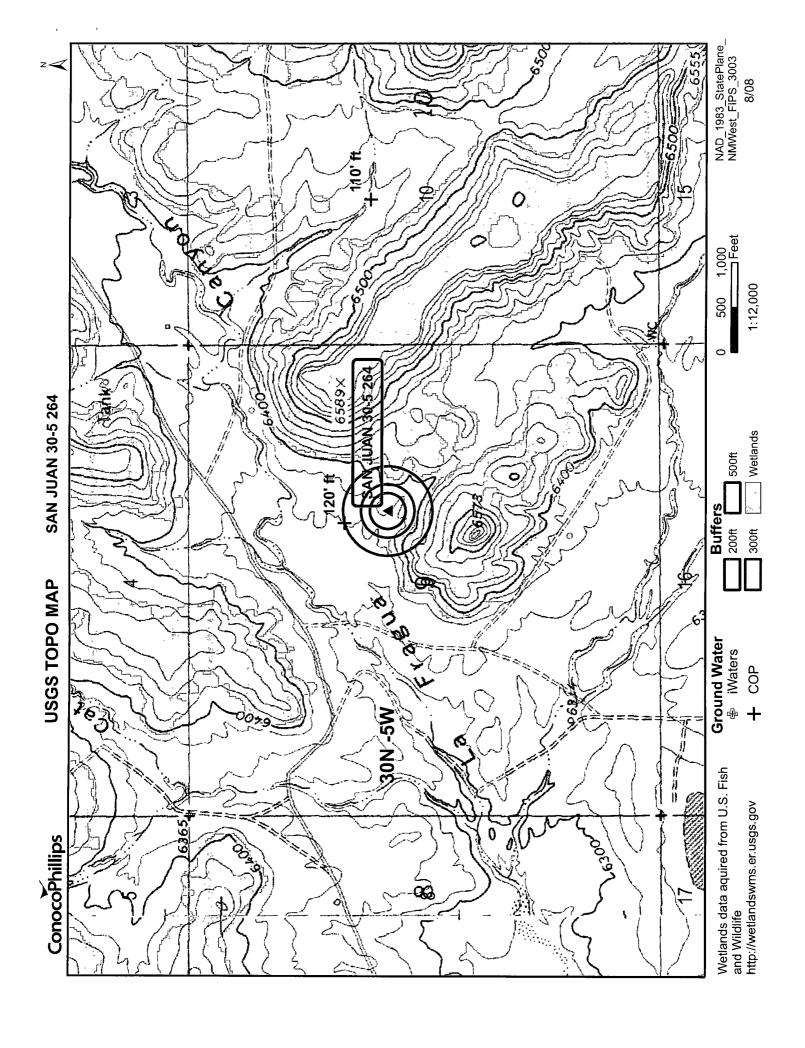
Instructions: Please identify the facility or facilities for the dis	lize Above Ground Steel Tanks or Haul-off Bins Only: (19 15 17.13.D NMAC) posal of liquids, drilling fluids and drill cuttings. Use attachment if more than two j	facilities
are required. Disposal Facility Name:	Disposal Facility Permit #-	
Disposal Facility Name: Disposal Facility Name:	Disposal Facility Permit #:	
· · · · · —	ind associated activities occur on or in areas that will not be used for future s No	service and operations?
Re-vegetation Plan - based upon the appropriate r	service and operations: seed upon the appropriate requirements of Subsection H of 19.15.17.13 NMAe equirements of Subsection I of 19.15.17.13 NMAC te requirements of Subsection G of 19.15.17.13 NMAC	AC .
certain siting criteria may require administrative approval from the	nly: 19.15.17.10 NMAC ance in the closure plan Recommendations of acceptable source material are provided beliappropriate district office or may be considered an exception which must be submitted to the 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 - NM Office of the State Engineer - 1WATERS database:		Yes X No
Ground water is between 50 and 100 feet below the botto - NM Office of the State Engineer - iWATERS database s		Yes No
Ground water is more than 100 feet below the bottom of - NM Office of the State Engineer - iWATERS database s		X Yes No
Within 300 feet of a continuously flowing watercourse, or 200 (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the	feet of any other significant watercourse or lakebed, sinkhole, or playa lake	Yes X No
	institution, or church in existence at the time of initial application.	Yes XNo
	vell or spring that less than five households use for domestic or stock watering er well or spring, in existence at the time of the initial application Visual inspection (certification) of the proposed site	Yes XNo
pursuant to NMSA 1978, Section 3-27-3, as amended.	municipal fresh water well field covered under a municipal ordinance adopted	Yes X No
 Written confirmation or verification from the municipali Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topog 	graphic map; Visual inspection (certification) of the proposed site	Yes X No
Within the area overlying a subsurface mine Written confirantion or verification or map from the NM	I EMNRD-Mining and Mineral Division	Yes X No
Within an unstable area. - Engineering measures incorporated into the design; NM Topographic map	Bureau of Geology & Mineral Resources; USGS, NM Geological Society;	Yes X No
Within a 100-year floodplain FEMA map		Yes X No
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) by a check mark in the box, that the documents are atta	Instructions: Each of the following items must bee attached to the closusched.	re plan. Please indicate,
X Stting Criteria Compliance Demonstrations - base X Proof of Surface Owner Notice - based upon the a	ed upon the appropriate requirements of 19.15.17.10 NMAC appropriate requirements of Subsection F of 19.15.17 13 NMAC	
	plicable) based upon the appropriate requirements of 19.15.17.11 NMAC in place burial of a drying pad) - based upon the appropriate requirements of prince requirements of 19.15.17.13 NMAC	19.15.17.11 NMAC
X Waste Material Sampling Plan - based upon the a	ed upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC ppropriate requirements of Subsection F of 19.15.17.13 NMAC	
 Soil Cover Design - based upon the appropriate re Re-vegetation Plan - based upon the appropriate re 	iquids, drilling fluids and drill cuttings or in case on-site closure standards ca equirements of Subsection H of 19 15.17.13 NMAC equirements of Subsection I of 19.15.17.13 NMAC te requirements of Subsection G of 19.15.17.13 NMAC	annot be achieved)

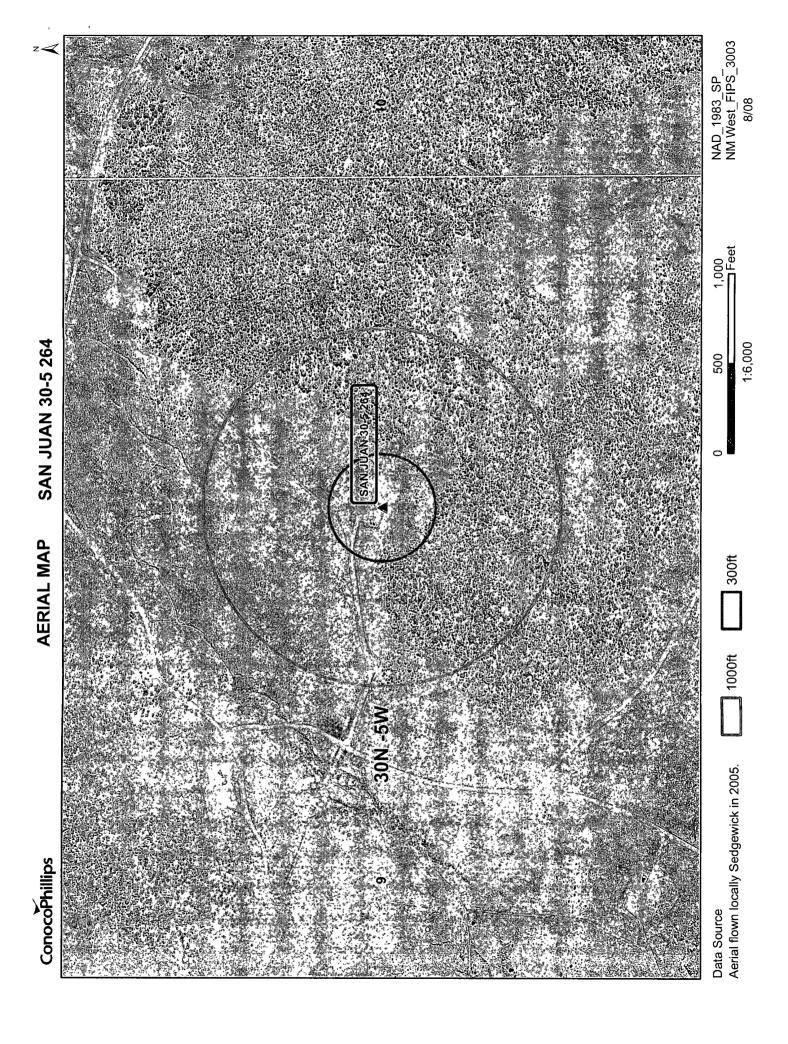
Form C-144 Oil Conservation Division Page 4 of 5

19		
Operator Application Certification: I hereby certify that the information submitted with this application is true,	accurate and complete to the	hest of my knowledge and belief
Name (Print): Crystal Tafoya	Title:	Regulatory Technician
Signature: Constal Talons	Date:	8/1/08
e-mail address. crystal tafoya@conocophillipscom	Telephone:	505-326-9837
e-man address.	Текрионе.	303-320-7031
20		
OCD Approval: Permit Application (including closure plan)	Closure Plan (only)	OCD Conditions (see attachment)
OCD Representative Signature: Franches Fo	7 11	Approval Date: 8/13/08
Volandon Po	well	Approval Date. 8/15/07
Title: Emiro/spec	OCD Pern	nit Number:
Closure Report (required within 60 days of closure completion) Instructions: Operators are required to obtain an approved closure plan p report is required to be submitted to the division within 60 days of the com approved closure plan has been obtained and the closure activities have be	rior to implementing any closi pletion of the closure activitie een completed	ire activities and submitting the closure report. The closure
22		
Closure Method: Waste Excavation and Removal On-site Closure Method If different from approved plan, please explain	od Alternative Closure	Method Waste Removal (Closed-loop systems only)
I different from approved plan, please explain		
Closure Report Regarding Waste Removal Closure For Closed-loop Sy Instructions: Please identify the facility or facilities for where the liquids were utilized. Disposal Facility Name: Disposal Facility Name: Were the closed-loop system operations and associated activities performs.	p, drilling fluids and drill cutti Disposal Facility Disposal Facility Disposal Facility	ngs were disposed. Use attachment if more than two facilities Permit Number: Permit Number.
Yes (If yes, please demonstrate compliane to the items below)	∐No	
Required for impacted areas which will not be used for future service a Site Reclamation (Photo Documentation)	ind operations:	
Soil Backfilling and Cover Installation		
Re-vegetation Application Rates and Seeding Technique		
24		
Closure Report Attachment Checklist: Instructions: Each of 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 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:	e following items must be atto	nched to the closure report. Please indicate, by a check mark in
Operator Closure Certification: I hereby certify that the information and attachments submitted with this continuous the closure complies with all applicable closure requirements and conditions.	-	
Name (Print):	Title:	
Signature:	Date:	
e-mail address	Telephone.	

New Mexico Office of the State Engineer POD Reports and Downloads

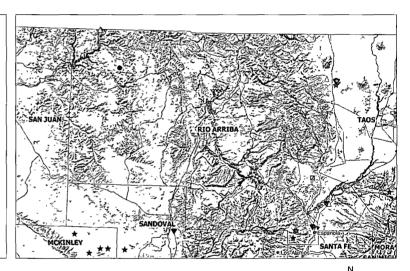
Towr	ship: 30N	Range: 05W	Sections: 3,	4,5,8,9,10,1	5,16,17	~	
NAD27	X:	Y: `	Zone:	II s	earch Radius:		
County:		Basin:			Number:	Suffix	κ:
Owner Name: (First)	(L	.ast) ⊂ ⊚ All	C	Non-Domestic	○ Dome	estic
	POD / Şur	face Data Repo	rt Ay ter Column Repo		Water Report		
	[Clear Form	iWATERS M	enu H	elp		
	electric management of the second		ATER COLUMN I		/01/2008		The second se
POD Number SJ 02771	• =			•	Depth Y Well 325	Depth Water 137	Wate Colun

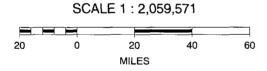




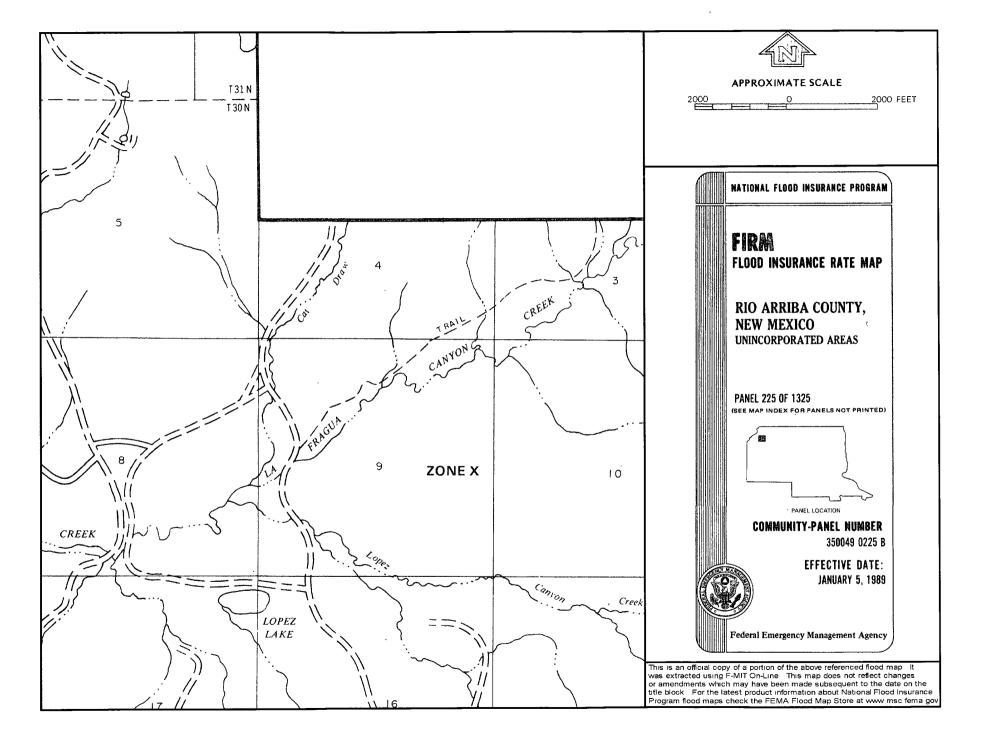
San Juan 30-5 Unit #264 Mines, Mills and Quarries Web Map

Mines, Mil	ls & Quarries Commodity Groups
Δ	Aggregate & Stone Mines
•	Coal Mines
*	Industrial Minerals Mines
•	Industrial Minerals Mills
	Metal Mines and Mill Concentrate
	Potash Mines & Refineries
2	Smelters & Refinery Ops.
¥	Uranium Mines
•	Uranium Mills









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: Sent:

Tafoya, Crystal

Friday, August 01, 2008 2:00 PM 'mark_kelly@nm.blm.gov'

To: Subject:

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

State of New Mexico

Form C-102 Revised October 18, 1994

Instructions on back

District II 811 South First, Artesia, NM 88210

2040 South Pacheco 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505

OIL CONSERVATION DIVISION PUBLICE VINITION DIVISION PUBLIC VINITION PUBLIC VINITI State Lease - 4 Copies Fee Lease - 3 Copies

District IV

017654

District III

2040 South Pacheco, Santa Fc, NM 87505

GR DEC 16 PM 3: 28 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT NIM 039-2 1 Poul Code Pool Name 71629 Basin Fruitland Coal Property Code ⁵ Property Name * Well Number SAN JUAN 30-5 264 009258 'OGRID No. PHILLIPS PETROLEUM COMPANY 'Elevation

10 Surface Location

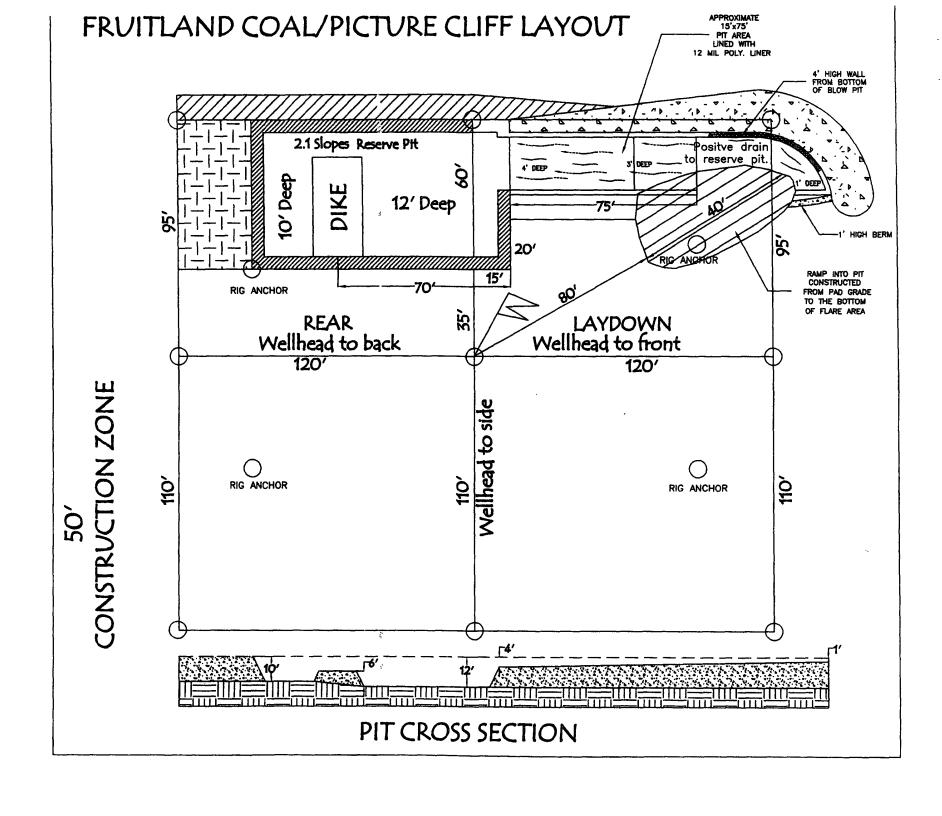
i	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	G	9	30N	5W		2190'	NORTH	1850'	EAST	RIO ARRIBA

11 Bottom Hole Location of Different From Surface

_	Bottom Hole Eccation II										
	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
	G		1					1	<u></u>		
1	13 Dedicated Acre	" Joint	or lafill	¹⁴ Consolidatio	a Code 16	Order No.					
	320.00 E/	/a N	1								

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 5261.521 I hereby certify that the information contained herein is rue and complete to the best of my knowledge and belief Patsy Clugston Printed Name Regulatory Assistant 1850 12-14-98 Section 9 18SURVEYOR CERTIFICATION l 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 Date of Survey tal Surveyer. N89°44'E 5260 20 TOFESSION



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.
- 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.
- Geotextile will be installed beneath the liner when rocks, debris, sharp edges or irregularities cannot be avoided.
- 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.
- 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\x500

- 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.