District 1

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

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 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

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 liability should operations result in pollution of surface water, ground water or the

environment. Not does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.				
Operator: Nurlington Resources Oil & Gas Company, LP OGRID#: 14538				
Address: PO Box 4289, Farmington, NM 87499				
Facility or well name: Lodewick 10				
API Number: 30-045-06280 OCD Permit Number:				
U/L or Qtr/Qtr: D(NWNW) Section: 30 Township: 27N Range: 9W County: San Juan				
Center of Proposed Design: Latitude: 36.55000' N Longitude: 107.8345305' W NAD: X 1927 1983				
Surface Owner: X Federal State Private Tribal Trust or Indian Allotment				
Pit: Subsection For G of 19.15.17.11 NMAC Temporary: Drilling Workover Permanent Emergency Cavitation P&A Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other String-Reinforced Liner Seams: Welded Factory Other Volume: bbl Dimensions L x W x D				
X Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation: X P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) Drying Pad X Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type: Thickness mil LLDPE HDPB PVD Other Liner Seams: Welded Factory Other				
Below-grade tank: Subsection Lof 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				
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.				

Kencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pit, temporary pits, and below-grade tunks) Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or clurch) Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate. Please specify			
Notting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other Mouthly inspections (If nething 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			
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 consideration of approval.	ideration of ap	proval.	
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siding 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 affice 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, lakehed, 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. (Applies to temporary, emergency, or cavitation pits and below-grade tanks)	□Yes □NA	∏No	
- 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. (Applied to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	Yes NA	∐No	
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 - Written confurnation or verification from the municipality; Written approval obtained from the municipality	Yes	□No	
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	∐Yc₃	— N⁄o	
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	

II	······································
Temporary Pits, Emergency Pits and Below-grade Tunks Permit Application Attachment Check Instructions: Each of the following items must be attached to the application. Please indicate by a check mark it	dist: Subsection B of 19.15.17.9 NMAC in the hox, that the documents are attached.
Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of S	Subsection B of 19.15 17.9 NMAC
Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragra	ph (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 Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NM	AC
Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate 19.15.17.9 NMAC and 19.15.17.13 NMAC	requirements of Subsection C of
Previously Approved Design (attach copy of design) API	or Permit
12	
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 Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Par	
Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriat	te 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 NM/	AC
X Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate NMAC and 19.15.17.13 NMAC	requirements of Subsection C of 19.15.17.9
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 muri	k in the box, that the documents are attached.
Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19.15.	
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.	
Climatological Factors Assessment	
Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17 11 N	MAC
Dike Protection and Structural Integrity Design: based upon the appropriate requirements of 19.1	15.17.11 NMAC
Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC	
Line: Specifications and Compatibility Assessment - based upon the appropriate requirements of	Г 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 NM/	
Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15. Nuisance or Hazardous Odors, including H2S, Prevention Plan	.I7.II NWAC
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 at	nd 19.15.17 13 NMAC
Proposed Closures 19.15,17.13 NMAC	
Instructions: Please complete the applicable boxes. Boxes 14 through 18, in regards to the proposed closure pl	
Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Be	elow-grade Tank X Closed-loop System
Alternative	
Proposed Closure Method: Waste Excavation and Removal	
Waste Removal (Closed-loop systems only)	
On-site Closure Method (only for temporary pits and closed-loop systems))
In-place Burial On-site Trench	2. 17
Alternative Closure Method (Exceptions must be submitted to the Santa F	e environmental Bureau for consideration)
15 Waste Excavation and Removal Closure Plan Checklist: (19,15.17.13 NMAC) Instructions: Each of the	e 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	
Conformation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsec	tion I of 19,15,17,13 NMAC
Disposal Facility Name and Permit Number (for liquids, drilling fluids and dull cuttings) Soul Back fill and Cover Design Specifications - based upon the appropriate requirements of Sub-	section H of 19 15 17 12 NMAC
Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Sub-	·
Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19,15,17,13 NM	
Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13	DINNAC

16 Waste Removal Closure For Instructions: Please identify th	Chised-hoop Systems That Utilize Above Ground St. to facility or facilities for the disposal of liquids, drillin	eel Tanks or Haul-off Bins Only g fluids and drill canings. Use a	: (19.15.17.13.D NMAC) tackment if more than two fa	ncilities	
are required.					
Disposal Facility Name:		Disposal Facility Permit #:	· · · · · · · · · · · · · · · · · · ·		
	Basin Disposal Facility	Disposal Facility Permit #.			
Yes (If yes, please p	osed-loop system operations and associated activity ovide the information No		if not be used for luture se	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					
Instructions: Each siding criteria certain situag criteria may require	on-site classing methods only: 19 15.17.10 NMA readires a demonstration of compliance in the closure pian, a diministrative approval from the appropriate district office afficiations and/or demonstrations of equivalency are regain	Recommendations of acceptable so tor may be considered on exception	which must be submitted to the		
	D feet below the bottom of the buried waste.			Yes No	
 NM Office of the State I 	Engineer - (WATERS database search; USGS: Data ob	mined from nearby wells		N/A	
	and 100 feet below the bottom of the buried was Engineer - IWATERS database search; USGS; Data obt			☐Yes ☐No ☐N/A	
		,			
	100 feet helow the bottom of the buried waste Engineer - iWATERS database search: USGS: Data obt	ained from nearby wells		YesNo N/A	
(measured from the ordinary h		icant watercourse or lakebed, sin	khole, or playa lake	Yes No	
	l inspection (certification) of the proposed site				
=	uent residence, school, hospitel, institution, or church is cation) of the proposed site; Aerial photo: satellite imag	•	plication.	YesNo	
	☐Yes ☐No				
purposes, or within 1000 horiz	private, domestic fresh water well or spring that less the outal fee of any other fresh water well ar spring, in exingincer - iWATERS database; Visual inspection (certif	stence at the time of the initial app			
Within incorporated ununcipal 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	• • •		ased sita	Yes No	
Within the area overlying a		Accion (cerumentor) or me brob	osca mo	TYes No	
· •	erification or map from the NM EMNRD-Mining and	Mineral Division		Land 1 to hand 1 to	
Within an unstable area. - Engineering measures me	corporated into the design. NM Burcau of Geology & N	Aineral Resources: USGS: NM G	eological Society;	Yes No	
Topographic map					
Within a 100-year floodplain - FEMA map	n.			YesNo	
18 On-Site Closure Plan Chee	eklist: (19.15.17.13 NMAC) Instructions: Each	of the following items must	bee attached to the closur	e plan. Please indicate,	
	, that the documents are attached.				
 7	liance Demonstrations - based upon the appropria				
Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19 15 17.13 NMAC Construction/Decima Plan of Rurial Transh (if unplicable) based upon the propopriate requirements of 10 15 17 11 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					
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 achieved)					
Soit 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				

19 Operator Application Certific	ation:			
	submitted with this application is true, accura	ate and complete to the bes	t of my knowledge and belief.	
Name (Print):	Rhonda Rogers	Title:	Regulatory Technician	
Signature	not book	Date:	9/11/2008	
e-mail address:	rogerrs@conocophillips.com	Telephone:	505-599-4018	
20 OCD Approval: Permit A	application (including closure plan)	Closure Plan (only)	OCD Conditions (see attachn	nent)
OCD Representative Signatur	e: Bal Rell		Approval Date:	9-22-08
Title:	win spec	OCD Perm		
Instructions Operators are require report is required to be submitted to	nin 60 days of closure completion): Subset to obtain an approved closure plan prior to the division within 60 days of the completion ained and the closure activities have been contained.	implementing any closure n of the closure activities. impleted	<u> </u>	•
22				
Closure Method: Waste Excavation and Rem If different from approved p		Alternative Closure N	Method Waste Removal (Close	d-loop systems only)
23				6 144
	Removal Closure For Closed-loop Systems cility or facilities for where the liquids, drilli			
Disposal Facility Name:		Disposal Facility l	Permit Number.	
Disposal Facility Name.		Disposal Facility l		
	erations and associated activities performed o			ns?
Yes (If yes, please demonst	rate complilane to the items below)	No		
Required for impacted areas wh	ich will not be used for future service and ope	erations:		
Site Reclamation (Photo Do	•			
Soil Backfilling and Cover				
Re-vegetation Application I	Rates and Seeding Technique			
24 Closure Report Attachmen the box, that the documents are	t Checklist: Instructions: Each of the follo	owing items must be attack	ned to the closure report. Please indic	cate, by a check mark in
	(surface owner and division)			
! =	equired for on-site closure)			
`	sures and temporary pits)			
	Analytical Results (if applicable)			
=	g Analytical Results (if applicable)			
Disposal Facility Name				
Soil Backfilling and Cov				v m,
 	on Rates and Seeding Technique			
Site Reclamation (Photo On-site Closure Location	*	Longitude:	NAD ☐ 19.	27 🗍 1983
On-sale Closure Location	n. Lanuat.	Longitude.	NAD [] 19.	1703
25				······································
Operator Closure Certification 1 hereby certify that the information	on: and attachments submitted with this closure able closure requirements and conditions spe	•		e and belief. I also certify that
Name (Print):		Tıtle:		
Signature:		Date:		
e-mail address		Telephone:		

Burlington Resources Oil & Gas Company, LP Closed-loop Plans

Closed-loop Design Plan

BR'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

BR'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.