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

<u>District IV</u> 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

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

Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application Type of action: 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

X 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. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinance.

environment Nor does approval relieve the operator of its responsibility to comply with any other applic	able governmental authority's rules, regulations or ordinances
Operator. ConocoPhillips Company	OGRID#: 217817
Address: PO Box 4289, Farmington, NM 87499	
Facility or well name: Hughes B 23	
API Number: 30-045-34087 OCD Permit Nu	ımber:
U/L or Qtr/Qtr: C(NENW) Section: 21 Township: 29N Range:	8W County: San Juan
Center of Proposed Design: Latitude: 36*42'48.35667'N Longitude:	107*41'1.18395' W NAD: X 1927 1983
Surface Owner: X Federal State Private Tribal Trust or In	ndian Allotment
X Pit: Subsection F or G of 19.15.17.11 NMAC Temporary: X Drilling Workover Permanent Emergency Cavitation P&A X Lined Unlined Liner type: Thickness 20 mil X LLDPE X String-Reinforced Liner Seams: X Welded X Factory Other Volume: 4	HDPE PVC Other 1400 bbl Dimensions L 65' x W 45' x D 10'
Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation. P&A Drilling a new well Workover or Drilling (Applied notice of intent) Drying Pad Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type Thickness mil LLDPE Liner Seams: Welded Factory Other	es to activities which require prior approval of a permit or HDPE PVD Other RECEIVED
Below-grade tank: Subsection I of 19 15 17.11 NMAC Volume:	OIL CONS. DIV. DIST. 3
5 Alternative Method: Submittal of an exception request is required Exceptions must be submitted to the Santa Fe Env	vironmental Bureau office for consideration of approval

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, institution or church) Four foot height, four strands of barbed wire evenly spaced between one and four feet X Alternate. Please specify 4' hogwire fence with a single strand of barbed wire on top.							
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) 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							
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 Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.							
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau Office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above grade-tanks associated with a closed-loop system.							
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes	XNo					
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	Yes	XNo					
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	XNo					
 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 XNA	□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	XNo					
 NM Office of the State Engineer - 1WATERS 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 confirmation or verification from the municipality; Written approval obtained from the municipality 	Yes	XNo					
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	Yes	X No					
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					
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	Yes	X No					
Within a 100-year floodplain - FEMA map	Yes	XNo					

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 String Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NIMAC							
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							
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 P. LGI LONGING							
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: X Drilling 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 Proceedures based upon the appropriate requirements of 19 15 17 13 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							
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

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or F Instructions Please identify the facility or facilities for the disposal of liquids, drilling fluids and dr	laul-off Bins Only: (19.15 17 13.D NMAC)						
are required	a cutoffs. Ost anachment y more man two factures						
Disposal Facility Name: Disposal F							
Disposal Facility Name: Disposal Facility Permit #:							
Will any of the proposed closed-loop system operations and associated activities occur on one of the proposed closed-loop system operations and associated activities occur on one of the proposed closed-loop system operations and associated activities occur on one of the proposed closed-loop system operations and associated activities occur on one of the proposed closed-loop system operations and associated activities occur on one of the proposed closed-loop system operations and associated activities occur on one of the proposed closed-loop system operations and associated activities occur on one of the proposed closed-loop system operations and associated activities occur on one of the proposed closed-loop system operations and associated activities occur on one of the proposed closed-loop system operations are one of the proposed closed-loop system operations.	r in areas that will not be used for future service 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 G 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 string criteria requires a demonstration of compliance in the closure plan Recommendative certain string criteria may require administrative approval from the appropriate district office or may be constored for consideration of approval Justifications and/or demonstrations of equivalency are required. Please references	adered an exception which must be submitted to the Santa Fe Environmental Bureau						
Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS: Data obtained from ne	$\begin{array}{c c} & & & & & & & & & & & & & & & & & & &$						
Ground water is between 50 and 100 feet below the bottom of the buried waste	Yes X No						
- NM Office of the State Engineer - IWATERS database search; USGS; Data obtained from near							
	X Yes No						
Ground water is more than 100 feet below the bottom of the buried waste - NM Office of the State Engineer - tWATERS database search; USGS: Data obtained from near		ļ					
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse (measured from the ordinary high-water mark).	rse or lakebed, sinkhole, or playa lake Yes X No						
- Topographic map; Visual inspection (certification) of the proposed site	ne time of initial application Yes X No						
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the Visual inspection (certification) of the proposed site; Aerial photo; satellite image							
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five housel	Yes XNo	1					
purposes, or within 1000 horizontal fee of any other fresh water well or spring, in existence at the tu- NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the	ne of the initial application						
Within incorporated municipal boundaries or within a defined municipal fresh water well field cover pursuant to NMSA 1978, Section 3-27-3, as amended.							
 Written confirmation or verification from the municipality; Written approval obtained from th Within 500 feet of a wetland 							
- US Fish and Wildlife Wetland Identification map, Topographic map; Visual inspection (certif							
Within the area overlying a subsurface mine.	Yes X No						
 Written confirantion or verification or map from the NM EMNRD-Mining and Mineral Divis. Within an unstable area. 	Yes XNo						
- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resour							
Topographic map Within a 100-year floodplain.	Yes X No						
- FEMA map							
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the follows:	wing items must bee attached to the closure plan. Please indicate,						
by a check mark in the box, that the documents are attached.	-to of 10 15 17 10 NIMAC						
X Siting Criteria Compliance Demonstrations - based upon the appropriate requirement X Proof of Surface Owner Notice - based upon the appropriate requirements of Subse							
Construction/Design Plan of Burial Trench (if applicable) based upon the appropria							
Construction/Design Plan of Temporary Ptt (for in place burial of a drying pad) - ba	•						
X Protocols and Procedures - based upon the appropriate requirements of 19.15.17.17 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	tion F of 19.15.17.13 NMAC						
X Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cut	ings or in case on-site closure standards cannot be achieved)						
X Soil Cover Design - based upon the appropriate requirements of Subsection H of 19							
 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	7				
	ation Certification:			hant of a language and half of	
				best of my knowledge and belief.	
Name (Print):		Crystal Tafoya	Title	Regulatory Technician	
Signature:	(sop	tal lajoya	Date:	9/26/08	
e-mail address.	crysta/tafc	va@conocopyillips.com	Telephone	/ 50/5-326-9837	
20	For the second of the secon			Dogo o isi	
OCD Approval:	Permit Application	on (including closure plan)	Closure Plan (only)	OCD Conditions (see attack	chment)
OCD Representa	itive Signature:	83d 8/1	U .	Approval Date:	10-10-08
		v v v			
Title:	Enviro /spe	<u></u>	OCD Pern	nit Number:	
21					
		in an approved closure plan pro		: ire activities and submitting the clo	sure report. The closure
				s. Please do not complete this secti	=
		d the closure activities have bee	•	•	· '
			Closure	Completion Date:	
			 -		
Clasura Mathada					
Closure Method:	-			Mathad Dwords 173	111
	vation and Removal	On-site Closure Method	Alternative Closure	Method waste Removal (C	losed-loop systems only)
If different	from approved plan, plea	se explain.			
23					
				ound Steel Tanks or Haul-off Bin	
	e identify the facility or j	facilities for where the liquids, o	drilling fluids and drill cutti	ngs were disposed. Use attachmen	t if more than two facilities
were utilized. Disposal Faculity	Nome		Disposal Facility	Dormit Number	
Disposal Facility			Disposal Facility		
		and associated activities perform	-	of be used for future service and ope	eartions?
_		olilane to the items below)	No	be used for factive service and op-	carrions.
	-		_		
	nation (Photo Documenta	ot be used for future service and tion)	i operations:		
=	ling and Cover Installation				
=	on Application Rates and				
Closure Renov	rt Attachment Check	ist: Instructions, Each of the	following items must be atte	sched to the closure report. Please	indicate by a check mark in
	documents are attached		onowing nems musi ve and	chea to the closure report. Flease	indicate, by a check mark in
_ `	losure Notice (surface				
Proof of D	eed Notice (required fo	r on-site closure)			
Plot Plan (for on-site closures and	temporary pits)			
Confirmati	on Sampling Analytica	l Results (if applicable)			ļ
		cal Results (if applicable)			
	acility Name and Perm				
	illing and Cover Install				
=	•	ation and Seeding Technique			
	nation (Photo Docume				
. 	,	tude:	Longitude:	NAD □	1927
On-site Cit			Longitude:	NAD [1741 1903
25 Onesetes Closur	o Coutifi +! -				
Operator Closur		rahmanta auhmati. Limita the ili	arms nonem to to	and a second start of the first	underdage and habitat (L.)
		chments submitted with this clo, ure requirements and condition.			wledge and belief I also certify that
crosure compute	un appricable citis	гедин отеть или сопишот	upproved t	puna	
Name (Print).			Title:		
Signature:			Date:		1
Jignature.			Date.		
e-mail address:			Telephone		

New Mexico Office of the State Engineer POD Reports and Downloads

Township: 29N	Range: 08W	Sections:						
NAD27 X:	Y:	Zone:	Search Radius:	or or or order				
County:	Basin:		Number: S	uffix:				
Owner Name: (First)	(La	ast) All	○ Non-Domestic ○ I	Oomestic				
POD / Surface Data Report Avg Depth to Water Report Water Column Report								
Clear Form iWATERS Menu Help								

WATER COLUMN REPORT 09/26/2008

	(qua	arters	s are) T=1	MN	2=	NE	3=SW 4=SE)					
	(qu	arters	are	e big	ge	st	: to	smallest)			Depth	Depth	Wat∈
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SJ	00196	29N	08W	09	3						1624	500	112
SJ	00003	29N	08W	18	1						525		
SJ	00004	29N	W80	18	1						591	70	52
SJ	03050	29N	08W	18	2	3	2				600		
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Record Count: 9

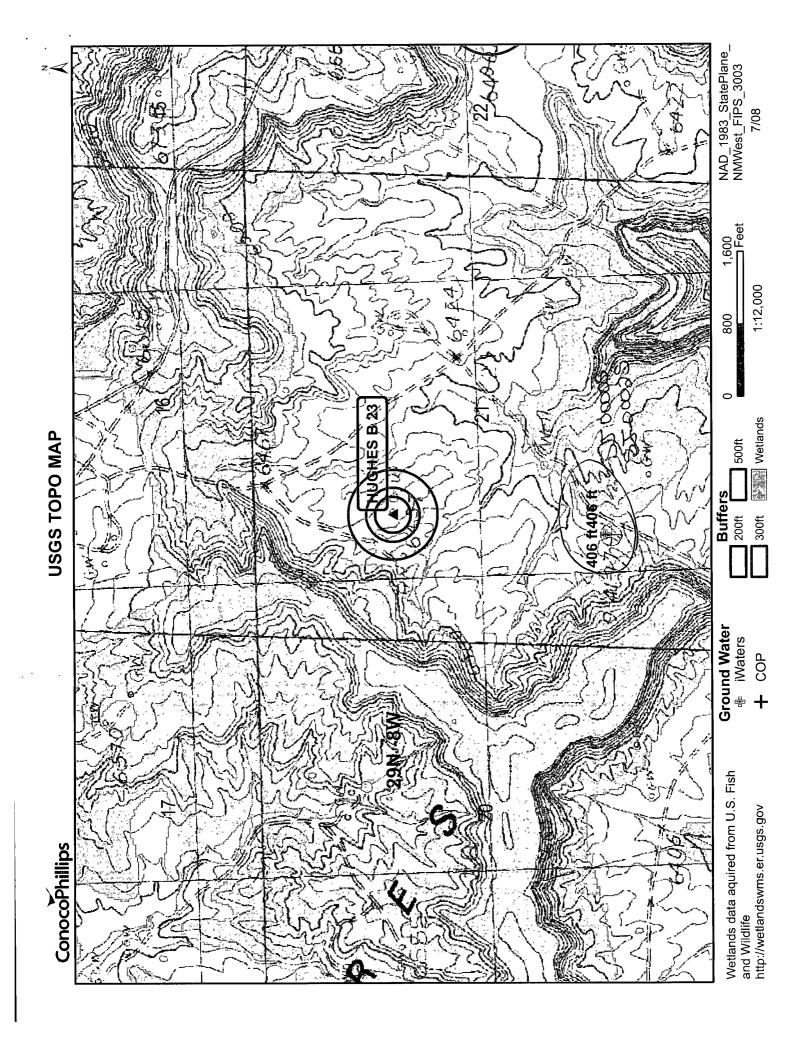
New Mexico Office of the State Engineer POD Reports and Downloads

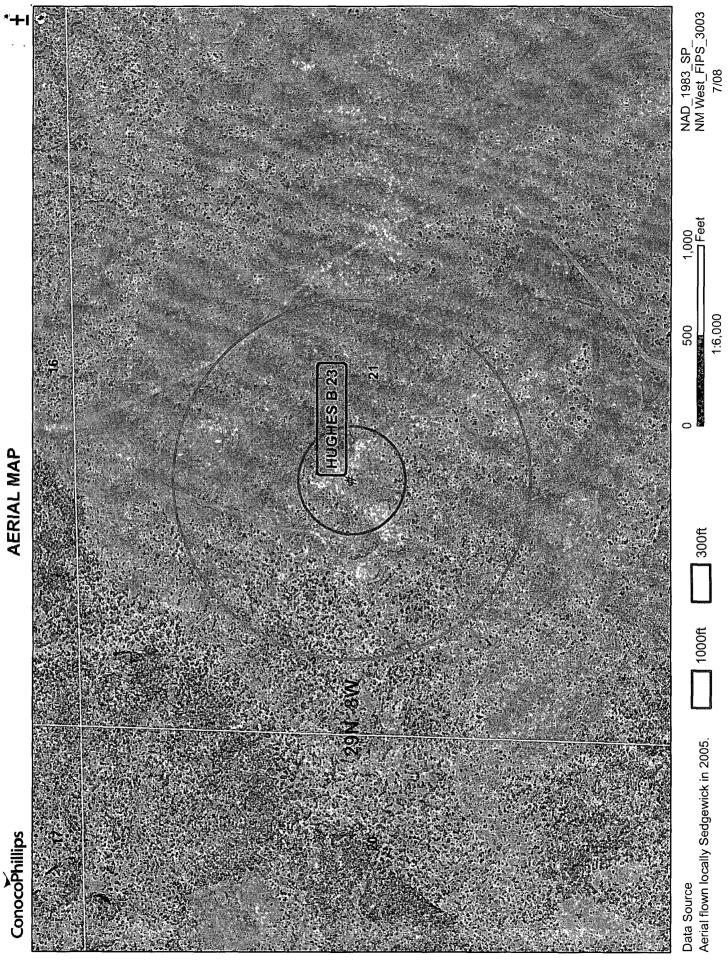
Township: 29N	Range: 08W	Sections:	· · · · · ·						
NAD27 X:	, Y:	Zone:		Search Radius:	. 1				
County:	Basin:			Number:	Suffix:				
Owner Name: (First)	(Las	st) All	* !	○ Non-Domestic	ODomestic				
POD / Surface Data Report Avg Depth to Water Report Water Column Report									
Clear Form iWATERS Menu Help									

WATER COLUMN REPORT 09/26/2008

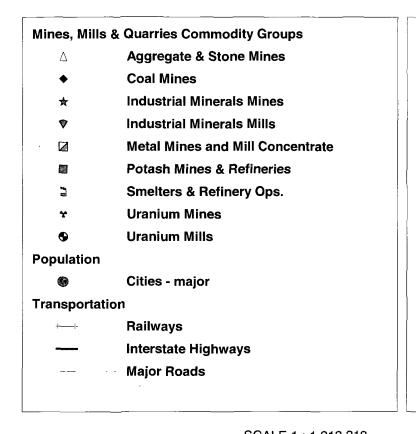
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	(quarter	s are	bigg	rest	t to	smallest))		Depth	Depth	Wat∈
POD Number	Tws	Rng S	ec q	Œ.	đ	Zone	x	Y	Well	Water	Colum
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SJ 00196	29N	0 W80	9 3						1624	500	112
SJ 00003	29N	08W 1	.8 1						525		
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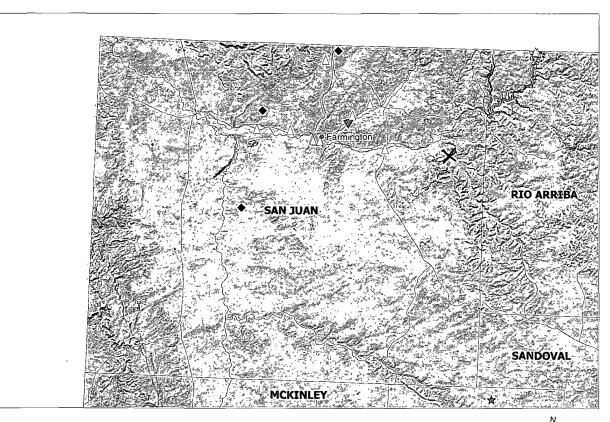
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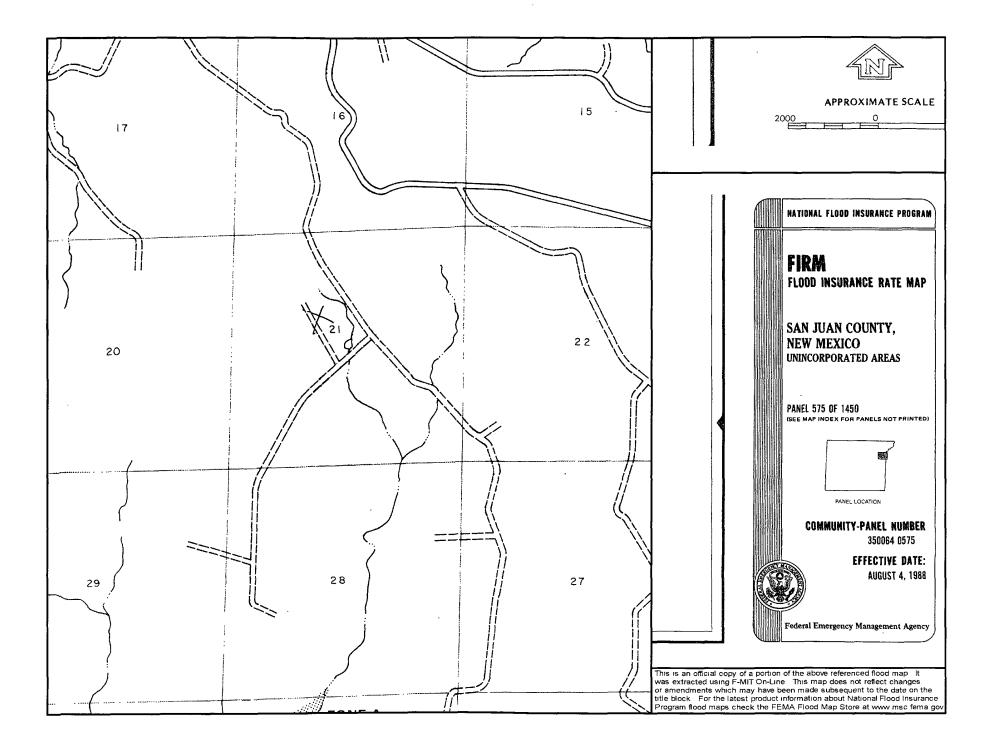
Hughes B 23 Mines, Mills and Quarries Web Map











Hydrogeological report for Hughes B 23

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.

Siting Criteria Compliance Demonstration & Hydro Geologic Analysis

The Hughes B 23 is not located in an unstable area. The location is not over a mine and is not on the side of a hill as indicated on the Mines, Mills and Quarries Map and Topographic Map. The location of the excavated pit material will not be located within 300' of any continuously flowing watercourse or 200' from any other watercourse as indicated on the Topographic Map. The location is not within a 100-year floodplain area as indicated on the FEMA Map. The groundwater depth is considered to be greater than 100' as determined by the topographic map and iWATERS data points. The subject well has an elevation of 6459'. The iWATERS data points are located in section 21 as indicated on the TOPO Map. The data points are SJ 00005 and SJ 00025 and the groundwater depth is 406'. The iWATERS data provides the indication that groundwater depth is greater than 100'. The hydro geologic analysis indicates the groundwater depth and the San Jose formation will create a stable area for this new location.

Tafoya, Crystal

From:

Tafoya, Crystal

Sent:

Friday, September 26, 2008 1:30 PM

To:

'mark_kelly@nm.blm.gov'

Subject:

Surface Owner Notification

The Hughes B 23 temporary pit will be closed on-site. Please let me know if you have any questions.

Thank you,

Crystal L. Tafoya Regulatory Technician *ConocoPhillips Company* San Juan Business Unit Phone: (505) 326-9837

Email: Crystal.Tafoya@conocophillips.com

OIL CONS. DIV.

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

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

320 W/2

State of New Mexico

Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

> 1220 South St. Francis Dr. Santa Fe. NM 87505

Fee Lease - 3 Copies 57. 3

State Lease - 7 Copies Submit to Appropriate District Office

Revised June 10, 2003

Form C-102

2006 NOV 29 PM 4 34

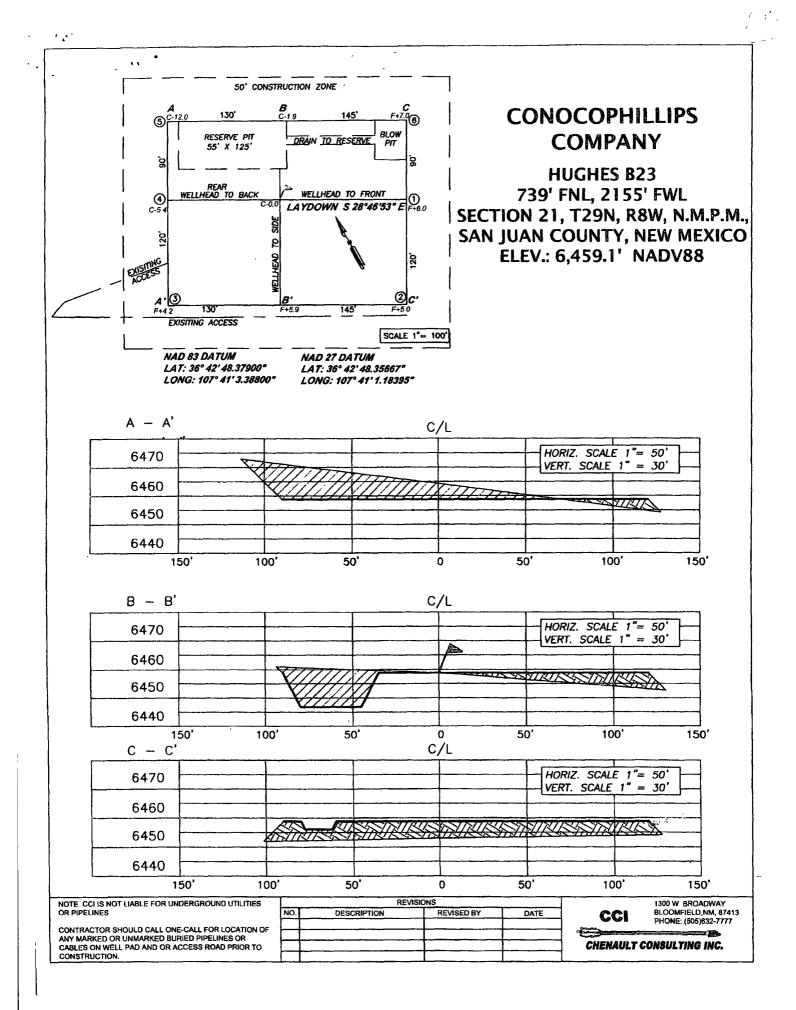
AMMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 2 Pool Code 71629						FRUITLAND COAL			
4 Property Co.						⁶ Well Number 23			
	7 OGRID No. 217817			C		⁹ Elevation 6459.1'			
	•				10 SURFACE	LOCATION			
JL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
С	21	29-N	8-W		739	NORTH	2155	WEST	SAN JUAN
	· · · · · · · · · · · · · · · · · · ·		11 E	ottom H	ole Location	If Different Fro	m Surface		<u> </u>
IL or lot no.	Section	Township	Rango	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C									
Dedicated Acres	13 Foint	or Infill 14	Consolidation	Code 15	Order No.				* · · · · · · · · · · · · · · · · · · ·

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

16 S 88'54'00" W 5,185.62' (R) **OPERATOR CERTIFICATION** N 88'54'00" E 2,592.81' (M) I hereby certify that the information contained herein is true and NORTH QTR. COR. complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral FD. 3-1/4" BRASS CAP RI M 1955 NORTHWEST COR interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract FD 3-1/4. BRASS CAP BLM 1955 with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered 2155 NAD 27 DATUM LAT: 36° 42' 48.35667' LONG: 107° 41' 1.18395 Patsy Clugston Printed Name W/2 DEDICATED ACREAGE SF-078046 Sr. Regulatory Specialist Title and E-mail Address SECTION 21 T29N, R8W Date 18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from felld notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my bellef. WEST OTR. COR. FD. 3-1/4" BRASS CAP BLM 1955 Date of Survey: 06/09/06 Signature and Seal of Profe PROFESSION Certificate Number: NM 11393



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. The facilities to be used will be Basin Disposal (Permit #NM-01-005) and Envirotech Land Farm (Permit #NM-01-011).
- 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 prior to closure as per the approved closure plan via 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 prior to closure to the Aztec Division office between 72 hours and one week via email, or verbally. The notification of closure will include the following:
 - i. Operator's name
 - ii. 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 the San Juan County Landfill located on CR 3100.
- 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	(1000/300

- 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.