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

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

1920

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

1 Operator: Burling	ton Resources Oil & Gas Company, LP	OGRID#: 14538	
-	4289, Farmington, NM 87499		
Facility or well nam	ne: San Juan 28-6 Unit 204N		
API Number:	30-039-30508	OCD Permit Number.	
U/L or Qtr/Qtr:	I(NESE) Section: 8 Township: 27N	Range: 6W County: Rio Ai	rriba
Center of Proposed			NAD: 1927 X 1983
Surface Owner:	X Federal State Private Trib	al Trust or Indian Allotment	
		X LLDPE HDPE PVC Other Volume. 7000 bbl Dimensions L 120	
Type of Operation: Drying Pad Lined Liner Seams:	P&A Drilling a new well Workover or I	Orilling (Applies to activities which require prior t) Other LLDPE HDPE PVD Other	18910117273 PRIS
Volume: Tank Construction Secondary conta	annment with leak detection X Visible sidewalls, liner,		OCTIONS DIV. DIST 3
5 Alternative Submittal of an exc	Method: ception request is required Exceptions must be submitted to the	e Santa Fe Environmental Bureau office for cons	ideration of approval

Fencings Subsection D of 10.15.17.11 NMAC (Applies to personners but tourners but and below are do tanks)									
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.									
Trease specify Troughte tence with a single strain of burbed wife of top.									
7									
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)									
8									
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:									
Trease their a box if one of 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 an	proval							
Exception(s) Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	outlier of up	pro tu							
Exception(s) Requests must be submitted to the Sama Fe Environmental Buleau office for Consideration of approval.									
10									
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.									
Cround water is less than 50 feet below the bettem of the temperature it normanent pit or below grade tonk	. □vae '	XNo							
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	Lites	AINO							
		- Iv							
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).	∐Yes	X No							
- Topographic map; Visual inspection (certification) of the proposed site									
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial	Yes	X No							
application.									
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)	\Box^{NA}								
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	_	_							
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes	No							
(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.									
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	Yes	X No							
adopted pursuant to NMSA 1978, Section 3-27-3, as amended									
- Written confirmation or verification from the municipality; Written approval obtained from the municipality Within 500 feet of a wetland.	∏Yes	XNo							
- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	LIES	MINO							
- Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	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	XNo							
- 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		_							

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
Yellow-grade Tanks - based upon the requirements of Paragraph (4) of Subsection B of 19 15 17.9 NMAC
Yellow Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19 15 17 9
X Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17 10 NMAC
X Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
X Operating and Maintenance Plan - based upon the appropriate requirements of 19 15 17.12 NMAC
X Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of
19.15.17 9 NMAC and 19 15.17 13 NMAC
Previously Approved Design (attach copy of design) API or Permit
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15 17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.
Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17 9
Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17 10 NMAC
Design Plan - based upon the appropriate requirements of 19 15.17 11 NMAC
Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9
NMAC and 19.15.17.13 NMAC
Previously Approved Design (attach copy of design) API
Previously Approved Operating and Maintenance Plan API
13
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.
Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19.15 17.9 NMAC
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
Climatological Factors Assessment
Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC
Dike Protection and Structural Integrity Design. based upon the appropriate requirements of 19.15.17.11 NMAC
Leak Detection Design - based upon the appropriate requirements of 19 15.17.11 NMAC
Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC
Quality Control/Quality Assurance Construction and Installation Plan
Operating and Maintenance Plan - based upon the appropriate requirements of 19 15.17 12 NMAC
Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
Nuisance or Hazardous Odors, including H2S, Prevention Plan
Emergency Response Plan
Oil Field Waste Stream Characterization
Monitoring and Inspection Plan
Erosion Control Plan
Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17 9 NMAC and 19.15.17.13 NMAC
14
Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.
Alternative Proposed Closure Method: X Waste Excavation and Removal (Below-Grade Tank)
Proposed Closure Method: X Waste Excavation and Removal (Below-Grade Tank) 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)
Anternative 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.
Trease traceate, by a check mark in the box, that the accuments are attached. X Protocols and Procedures - based upon the appropriate requirements of 19.15 17.13 NMAC
X Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
X Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
X Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
X Re-vegetation Plan - based upon the appropriate requirements of Subsection 1 of 19 15.17.13 NMAC
X Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15 17.13 NMAC

Form C-144 Oil Conscivation Division Page 3 of 5

16 Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tank	ss or Haul-off Bins Only: (19.15.17.13 D NMAC)							
Instructions. Please identify the facility or facilities for the disposal of liquids, drilling fluids		ilities						
Disposal Facility Name Disp	osal Facility Permit #							
	osal Facility Permit #							
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations? Yes (If yes, please provide the information No								
Required for impacted areas which will not be used for future service and operations: Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19 15 17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC								
17								
Siting Criteria (Regarding on-site closure methods only: 19.15 17.10 NMAC Instructions Each siting criteria requires a demonstration of compliance in the closure plan Recommendations of acceptable source material are provided below. Requests regarding changes to certain 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. Justifications and/or demonstrations of equivalency are required. Please refer to 19 15 17 10 NMAC for guidance.								
Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - tWATERS database search; USGS: Data obtained for	rom nearby wells	Yes X No						
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 fr	om nearby wells	□N/A						
Ground water is more than 100 feet below the bottom of the buried waste		X Yes No						
- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained fr	om nearby wells	□ _{N/A} □						
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant water (measured from the ordinary high-water mark)	Yes XNo							
- Topographic map; Visual inspection (certification) of the proposed site								
Within 300 feet from a permanent residence, school, hospital, institution, or church in existen - Visual inspection (certification) of the proposed site; Aerial photo; satellite image	ace at the time of initial application	Yes X No						
		Yes X No						
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five purposes, or within 1000 horizontal fee of any other fresh water well or spring, in existence a - NM Office of the State Engineer - iWATERS database, Visual inspection (certification)	t the time of the initial application.							
Within incorporated municipal boundaries or within a defined municipal fresh water well fiel pursuant to NMSA 1978, Section 3-27-3, as amended - Written confirmation or verification from the municipality; Written approval obtained f		Yes XNo						
Within 500 feet of a wetland - US Fish and Wildlife Wetland Identification map; Topographic map, Visual inspection		Yes XNo						
Within the area overlying a subsurface mine.		Yes X No						
 Written confirantion or verification or map from the NM EMNRD-Mining and Mineral Within an unstable area 	Division	Yes X No						
Engineering measures incorporated into the design, NM Bureau of Geology & Mineral Topographic map	Resources; USGS; NM Geological Society;							
Within a 100-year floodplam FEMA map		Yes X No						
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the	following items must bee attached to the closure	plan. Please indicate,						
by a check mark in the box, that the documents are attached. X Siting Criteria Compliance Demonstrations - based upon the appropriate requ	irements of 10 15 17 10 NMAC							
X Proof of Surface Owner Notice - based upon the appropriate requirements of								
Construction/Design Plan of Burial Trench (if applicable) based upon the app								
Construction/Design Plan of Temporary Pit (for in place burial of a drying pa	•	.15 17.11 NMAC						
X Protocols and Procedures - based upon the appropriate requirements of 19.15								
Confirmation Sampling Plan (if applicable) - based upon the appropriate requ	irements of Subsection F of 19.15.17.13 NMAC							
X Waste Material Sampling Plan - based upon the appropriate requirements of S	Subsection F of 19.15.17.13 NMAC							
X Disposal Faculity Name and Permit Number (for Inquids, drilling fluids and dr		not be achieved)						
X Soil Cover Design - based upon the appropriate requirements of Subsection F								
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								

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	s true, accurate and complete to the best of my knowledge and belief
Name (Print): Crystal Tafoya	Title: Regulatory Technician
Signature: Cantal Tale	yn Date 10/31/68
e-mail address: crystal tafoya@conocophillips co	m Telephone 505-326-9837
20	to Character New Yorks Conditions (see the bound)
OCD Approval: Permit Application (including closure pl	
OCD Representative Signature:	Approval Date: 1-4-08
Title: <u>Enviro/Spec</u>	OCD Permit Number:
21	
Closure Report (required within 60 days of closure completed instructions. Operators are required to obtain an appropried closure in	tion): Subsection K of 19 15 17 13 NMAC olan prior to implementing any closure activities and submitting the closure report. The closure
•	e completion of the closure activities Please do not complete this section of the form until an
approved closure plan has been obtained and the closure activities h	
	Closure Completion Date:
22	
Closure Method:	
Waste Excavation and Removal On-site Closure	Method Alternative Closure Method Waste Removal (Closed-loop systems only)
If different from approved plan, please explain.	
23	
	oop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: iquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities
were utilized.	quius, artuing juutas and artit cuttings were tusposed. Ose attachment ij more than two juctuites
Disposal Facility Name.	Disposal Facility Permit Number.
Disposal Facility Name	Disposal Facility Permit Number
	performed on or in areas that will not be used for future service and opeartions?
Yes (If yes, please demonstrate compliane to the items below	
Required for impacted areas which will not be used for future ser Site Reclamation (Photo Documentation)	vice and operations:
Soil Backfilling and Cover Installation	
Re-vegetation Application Rates and Seeding Technique	
24	
	of the following items must be attached to the closure report. Please indicate, by a check mark in
the box, that the documents are attached. Proof of Closure Notice (surface owner and division)	
Proof of Deed Notice (required for on-site closure)	
Plot Plan (for on-site closures and temporary pits)	
Confirmation Sampling Analytical Results (if applicable	2)
Waste Material Sampling Analytical Results (if applicat	
Disposal Facility Name and Permit Number	
Soil Backfilling and Cover Installation	
Re-vegetation Application Rates and Seeding Technique	e ,
Site Reclamation (Photo Documentation)	
On-site Closure Location: Latitude:	Longitude:NAD [_] 1927 [_] 1983
25 Occupation Classifications	
Operator Closure Certification: I hereby certify that the information and attachments submitted with	this closure report is ture, accurate and complete to the best of my knowledge and belief. I also certify that
the closure complies with all applicable closure requirements and co	mditions specified in the approved closure plan.
Name (Print).	Title:
Signature	Date:
e-mail address:	Telephone:

New Mexico Office of the State Engineer POD Reports and Downloads

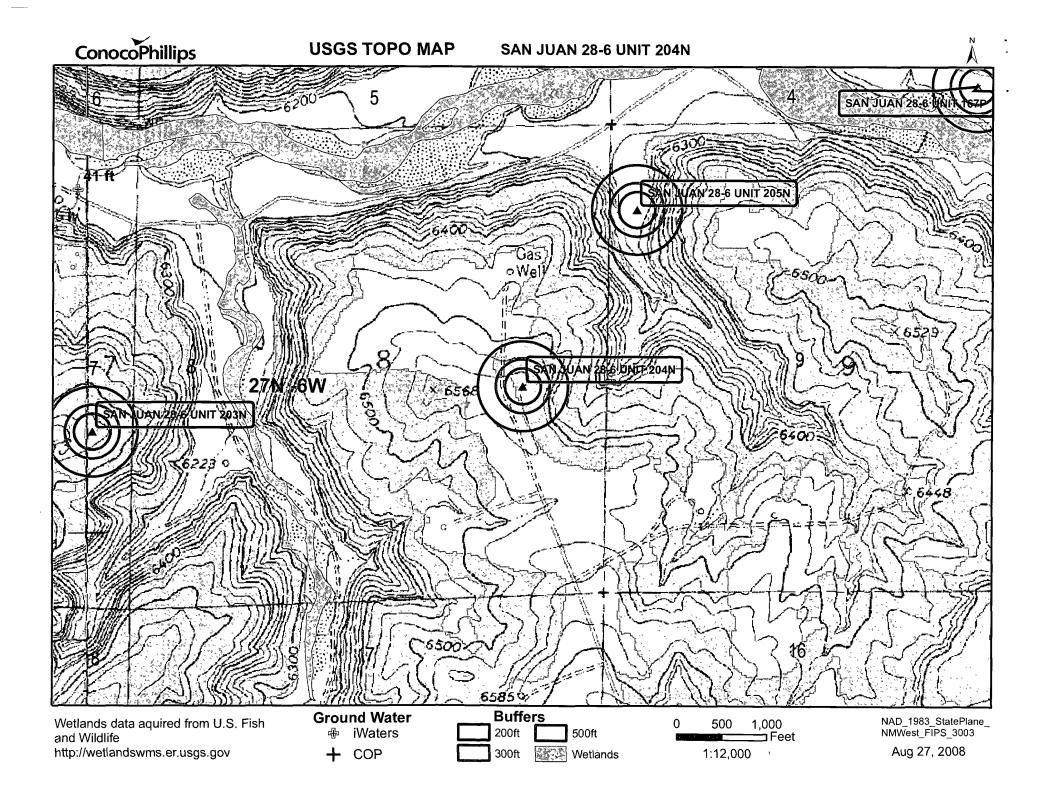
Town	ship: 27N	Range: 06W	V Sections:						
NAD27	X: }	Y:	Zone:		Search Radius:	J			
County:		Basin:			Number:	Suffix:			
Owner Name: (I	First)		(Last) ② All	•	○ Non-Domestic	ODomestic			
POD / Surface Data Report Avg Depth to Water Report Water Column Report									
Clear Form iWATERS Menu Help									

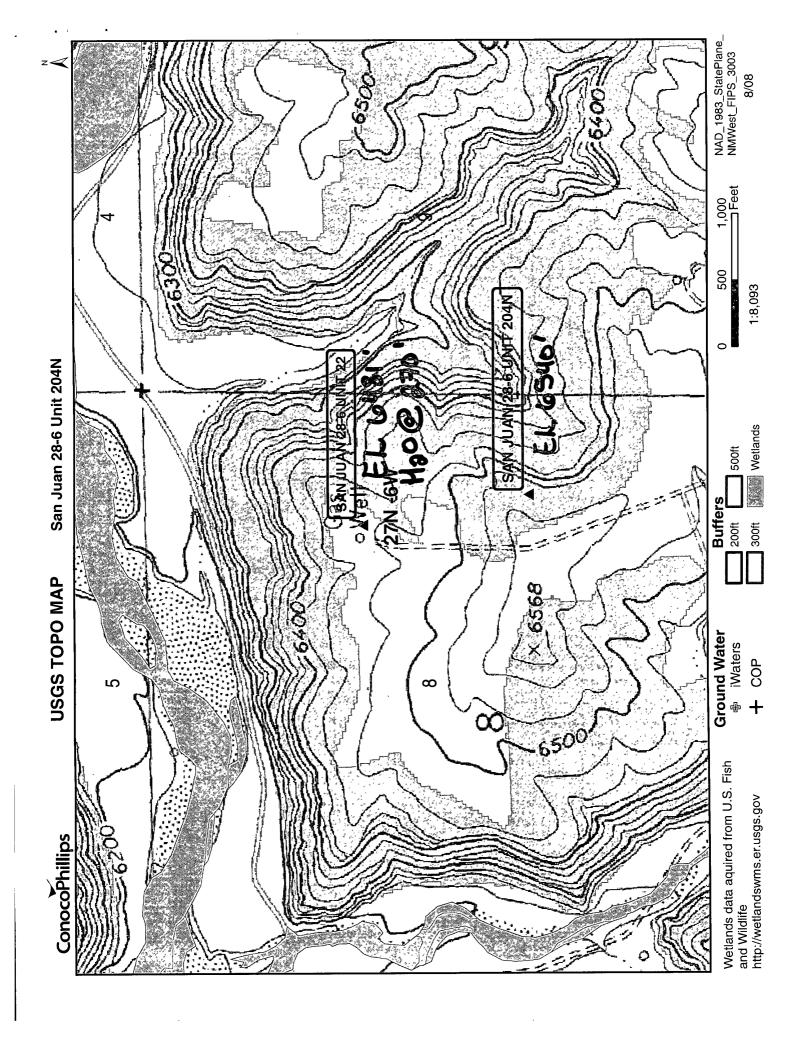
WATER COLUMN REPORT 10/08/2008

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are biggest to smallest)							Depth	Depth	Wat∈			
POD Number	Tw	s Rng	Sec	đ	đ	q	Zone	x	Y	Well	Water	Colum
SJ 03001	27	N 06W	07	2	2	1				141	41	1(
SJ 02403	27	N 06W	30	3	1	3				505	300	2(
SJ 00213	27	N 06W	32	1	4	4				1308	485	82
SJ 00062	27	N 06W	32	3	3	3				452	301	15
SJ 00061	27	N 06W	32	3	3	3				445	301	14

Record Count: 5





#204 30-039-20846

DATA SHEET FOR DEEP GROUND BED CATHODIC PROTECTION WELLS NORTHWESTERN NEW MEXICO (Submit 3 copies to OCD Aztec Office)

Operator MERIDIAN OIL	Location: Unit NE Sec. 8 Twp 27 Rng 6
Name of Well/Wells or Pipeline S	erviced SAN JUAN 28-6 UNIT #22, #204
	cps 1288w
Elevation 6481 Completion Date 8/2	28/78 Total Depth 500' Land Type* N/A
Casing, Sizes, Types & Depths	N/A
If Casing is cemented, show amou	nts & types usedN/A
If Cement or Bentonite Plugs hav	e been placed, show depths & amounts used
N/A	
Depths & thickness of water zone	s with description of water when possible:
Fresh, Clear, Salty, Sulphur, Et	C. DAMP AT 110' WATER AT 270'
•	
Depths gas encountered: N/	۸
Type & amount of coke breeze use	
	501 0/01 0001 0001 0001 0001 1551
Depths vent pipes placed: 38	O' BEEL ON
Vent pipe perforations: 26 Remarks: gb #1 HOLE BRIDGED AB	O' MAY 31 1991 OVE #10 ANODE. INSTALLED #11 ON. DIV.
Remarks: gb #1 HOLE BRIDGED AB	OVE #10 ANODE. INSTALLED #11
	O. Dia.

If any of the above data is unavailable, please indicate so. Copies of all logs, including Drillers Log, Water Analyses & Well Bore Schematics should be submitted when available. Unplugged abandoned wells are to be included.

^{*}Land Type may be shown: F-Federal; I-Indian; S-State; P-Fee. If Federal or Indian, add Lease Number.

CATHODIC PROTECTION CONSTRUCTION REPORT

Drilling Log (Attach Herews).	1200	The second secon	And the second second	Còmp	letion Date	8-28	28
Well Name S. J. 28-6 #22	Locat	1E8-27-	6	स्ताम् अस्त्रीत्राष्ट्राद	CPS No. 128	8w	
Type & Size Bit Used 3/4					Work Order No		
inođe Hole Depth Loss Cd Total:	Drilling Rig Time Tot	ai Lbs. Coke Used	Lost Circulation	Matil Used	No. Sacks Mu	d Used	
node Depth 370 # 2 360 #3	3.50 # 4 3 40	* 5 330 F	320 7	710	300	290	296
Anode Output (Amps)		# 5 3.6 # 6	3 3 m 3 de	建 器 3.	(1) (1) (1)	THE RESERVE OF THE PARTY OF THE	
inode Depth	海南 市公司	# 15 # 1	المراضو أدفأ فيجع بيدمه	思述(8 4 4	# 19	#120
Inode Output (Amps)	3 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	#150 (2) ***	6 27 10 # 1.7		8	1197	a 20°5 ft
Total Circuit Resistance	THE TALL OF STATE	2.84	8 C.P. Cable Use			No. 2 C.P. Cot	le Used at 15
emarks: StAtic 600	SE 0.81.	Driller	SAID	AMP @	110	+ARto	1
MAKING WATER @	A same		化硫矿 机邻甲 称第二十卷	被告 15	The state of the state of		THE RESERVE OF THE SECOND
180' of 1" Puc Ven	FPipe, Slurk	yed 645	ACKS OF	coke	BREEZE	0-110	
Hole Bridged Abo	eve #10 Anode.	Install	led #11 A	vode			
HOV 16 A. Rectifie	R		1/2"X	60 4	Durit	on	
stub Pole	frija 1.4			1348 1301 	9 <u>1</u>		
Hole Depth = - 40' tch & I cable = 389'				and A	ll Construct	ion Complete	
ctra cable = 264'		•	n On	12	fout		
•	Gi	ROUND BED LAYO	OUT SKETCH	-	(Sign	ature)	
			t				3. 2. 2. 2. 2. 2. 2. 2. 2. 2. 2. 2. 2. 2.

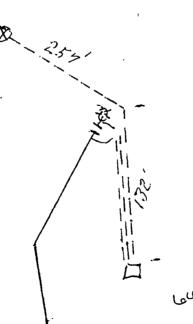
NE 9-28-6 NE 9-28-6 #204 DK

DISTRIBUTION:

WHITE - Division Corrosion Office

YELLOW - Area Corrosion Office

PINK - Originator File



GUST.

NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico

REQUEST FOR (OIL) - (GAS) ALLOWABLE

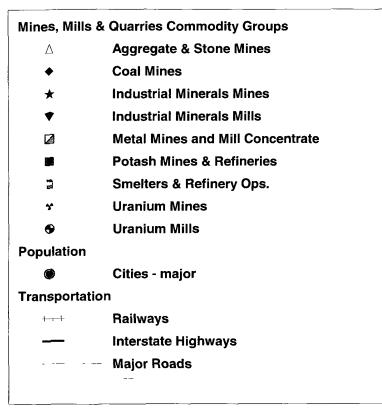
New Well

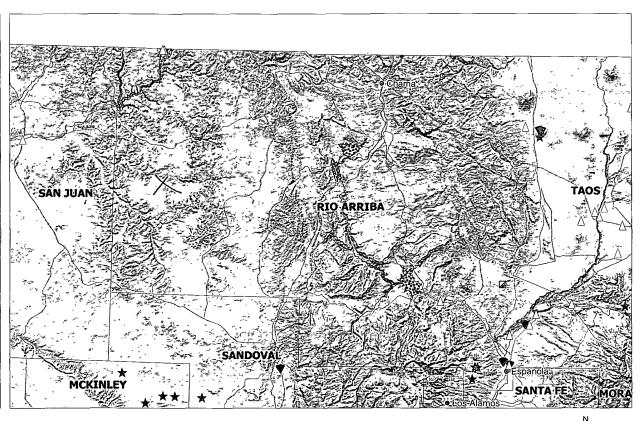
This form shall be submitted by the operator before an initial allowable will be assigned to any completed Oil or Gas well. Form C-104 is to be submitted in QUADRUPLICATE to the same District Office to which Form C-101 was sent. The allowable will be assigned effective 7:00 A.M. on date of completion or recompletion, provided this form is filed during calendar month of completion or recompletion. The completion date shall be that date in the case of an oil well when oil is delivered into the stock tanks. Gas must be reported on 15.025 psia at 60° Fahrenheit.

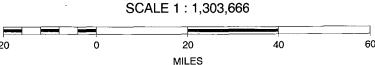
Tarrangton, **Terrangton**, **Terran

EAREH	IEREBY RE	QUESTIN	G AN ALLC	OWABLE FOR	R A WELL K	NOWN AS:		-
(Co	mpany or Oper	RS CO.	har trai	1 20-0 tealt (Lease)	Well No	. 22	, in	
I	, Sec	8	T. 278	R G	, NMPM., .	Blanco	····	Po
(Unit)						, Date Com		
	e indicate lo		·	•		,	•	
			Elevatio	on6481.*	G Total I	Depth5500'	, P.B	•
		x	Top oil	/gas pay	4788	Top of Proc	l. Form.	a Verde
		-	Casing	Perforations:	Hone			
			Depth t	to Casing shoe	of Prod. String	4750'		
			Natural	Prod. Test		at	FIVE	ВОР
			based o	n	bbls. Oi	in	Hrs	Mir
1650	'H, 990'E		Test aft	ter acid or shot		OIF CO	3 1955	ВОР
Casing Size	and Cementin	g Record Sax		on			er a	/ Mir
5/8"	162'	125	Gas We	ell Potential	2,416 MIF		- Friends	•••••
7 "	4740'	500	Size cho	oke in inches				
			Date fir	rst oil run to ta	nks or gas to T	ransmission syste	m: v/ o	Pipeline
R"	54891	•	Transpo	orter taking Oil	or Gas:	El Paso Est	eral Gas C	:empany
marks:								
							1	
I hereb	y certify tha				and complete t	o the best of my	knowledge.	
proved	· · · · · · · · · · · · · · · · · · ·	JUN	1 4 1955	, 19	-	Tr Lend Wer	eter Gra c	oupany
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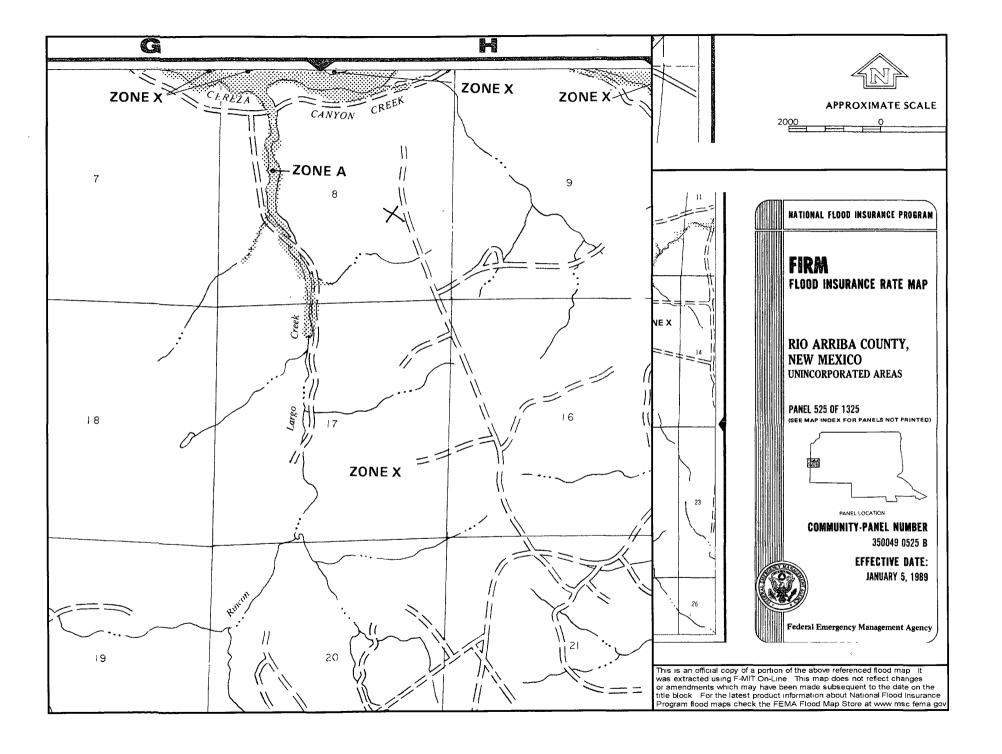
San Juan 28-6 Unit 204N Mines, Mills and Quarries Web Map











Hydrogeological report for San Juan 28-6 Unit 204N

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 San Juan 28-6 Unit 204N 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 Cathodic well data from the San Juan 28-6 Unit 22 has an elevation of 6481' and groundwater depth of 270'. The subject well has an elevation of 6540' which is greater than the San Juan 28-6 Unit 22, therefore the groundwater depth is greater than 100'. There are no iWATERS data points located in the area as indicated on the TOPO Map. The Cathodic data provided the indication of 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:

Wednesday, October 08, 2008 3:44 PM

To:

'mark_kelly@nm.blm.gov'

Subject:

Surface Notification

The temporary pits for the locations listed will be closed on-site. Please let me know if you have any questions.

San Juan 28-6 Unit 98P San Juan 28-6 Unit 204N 9 San Juan 28-6 Unit 164P Riddle B 11N San Juan 28-7 Unit 188N San Juan 28-6 Unit 179N JC Davidson D 1S

Thanks,

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

Email: Crystal.Tafoya@conocophillips.com

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

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

District IV

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102 Revised October 12, 2005 Submit to Appropriate District Office State Lease - 7 Copies Fee Lease - 3 Copies

☐ AMMENDED REPORT

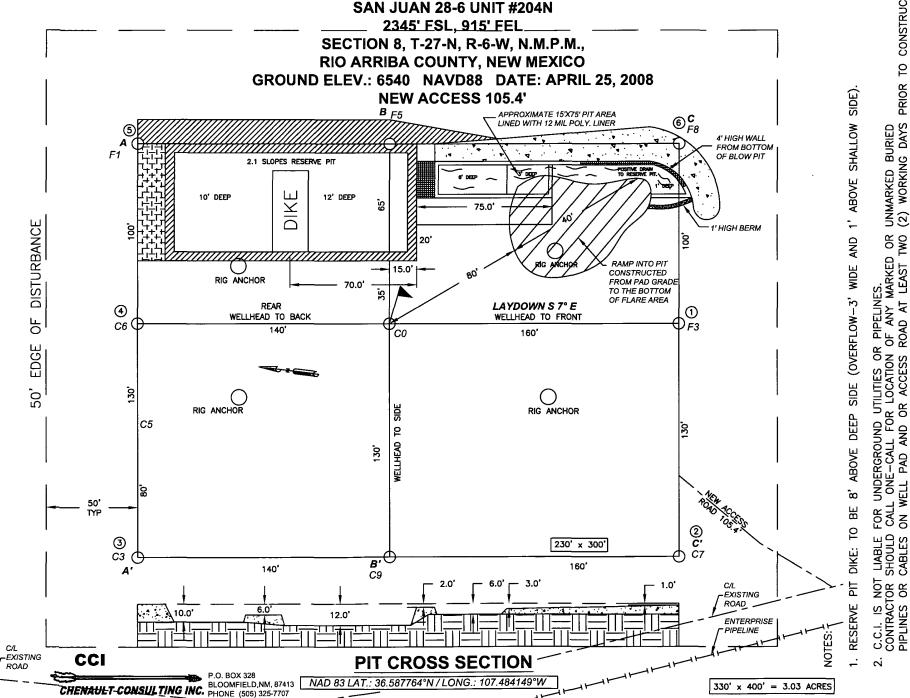
WELL LOCATION AND ACREAGE DEDICATION PLAT

1 A	PI Number		2	Pool Code		3 Pool Name BASIN DAKOTA / BLANCO MESAVERDE				
4 Property Code 5 Property Name SAN JUAN 28-6 U							· ·			
·								⁹ Elevation 6540		
					10 SURFACE	LOCATION				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
	8	27-N	6-W		2345	SOUTH	915	EAST	RIO ARRIBA	
			11 E	ottom H	ole Location	If Different Fro	m Surface			
							County			
Dedicated Acres 320.0	13 Joint	or Infill	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	E/2 DEDICATED ACREAGE USA NM - 03583 SECTION 8 T-27-N, R-6-W	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased initeral 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 with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
BLM 1955	WELL FLAG NAD 83 LAT: 36.587764° N LONG: 107.484149° W NAD 27 LAT: 36°35.265324' N LONG: 107°29.012697' W 9	Signature Printed Name Title and E-mail Address Date 18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from felid notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief Oate of Survey: 3/10/08 Signature and Seal of Professional Surveyor: PROADYUAS
BLM S 88'28' W 1955 S 88'21'06" W	5244.4' (R) 5243.4' (M)	U U U U U U U U U U U U U U U U U U U





C/L

CONSTRUCTION. ဥ PRIOR UNMARKED BURIED (2) WORKING DAYS OR PIPELINES.

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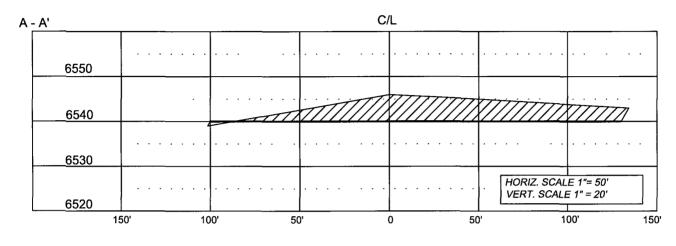
ROAD AT LEAST TWO (UNDERGROUND UTILITIES OR . ONE—CALL FOR LOCATION O WELL PAD AND OR ACCESS R E-CALL FO

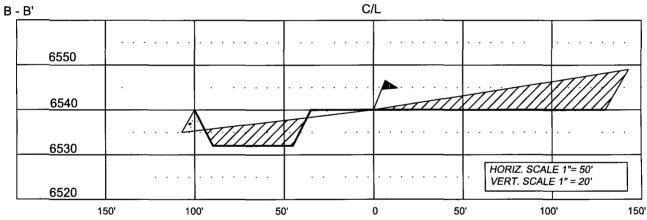
BURLINGTON RESOURCES OIL & GAS COMPANY LP

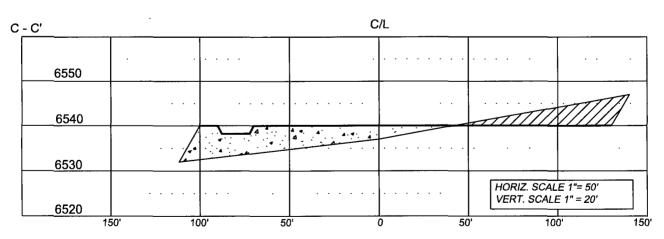
SAN JUAN 28-6 UNIT #204N 2345' FSL, 915' FEL

SECTION 8, T-27-N, R-6-W, N.M.P.M., RIO ARRIBA COUNTY, NEW MEXICO

ELEV.: 6540 NAVD88







NOTE: CCI IS NOT LIABLE FOR UNDERGROUND UTILITIES

OR PIPELINES.

CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD PRIOR TO CONSTRUCTION.

REVISIONS					
NO	DESCRIPTION	REVISED BY	DATE		
1	ISSUED FOR REVIEW	RENTZ	3/10/08		
		1	1		



Burlington Resources Oil & Gas Company, LP 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 Burlington Resources Oil & Gas Company, LP (BR) locations. This is BR's standard procedure for all temporary pits. A separate plan will be submitted for any temporary pit which does not conform to this plan.

- 1. BR will design and construct a properly sized and approved temporary pit which will contain liquids and solids and should prevent contamination of fresh water and protect public health and environment.
- 2. Prior to constructing the pit, topsoil will be stockpiled in the construction zone for later use in restoration.
- 3. BR will sign the well location in compliance with 19.15.3.103 NMAC.
- 4. BR shall construct all new fences around the temporary pit 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. BR 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.
- 6. BR shall construct the pit so that the slopes are no steeper than two horizontal feet to one 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. BR will minimize liner seams and orient them up and down, not across a slope. Factory seams will be used whenever possible. BR 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. BR 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 a 20-mil, string reinforced, LLDPE liner. The upper half of the blow pit will remain unlined as allowed in Rule 19.15.17.11 F.11.
- 17. BR will not allow freestanding liquids to remain on the unlined portion of a temporary blow pit.

Burlington Resources Oil & Gas Company, LP 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 Burlington Resources Oil & Gas Company, LP (BR) locations. This is BR's standard procedure for all temporary pits. A separate plan will be submitted for any temporary pit which does not conform to this plan.

- 1. BR will operate and maintain a temporary pit to contain liquids and solids and maintain the integrity of the liner and liner system to prevent contamination of fresh water and protect public health and environment.
- 2. BR 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. BR 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 BR 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, BR shall remove all liquids above the damaged liner within 48 hours and repair the damage or replace the liner. BR shall notify the Aztec Division office by phone or email within 48 hours of the discovery for leaks less than 25 barrels. BR shall notify the Aztec Division office as required pursuant to Subsection B of 19.15.3.116 NMAC shall be reported within twenty-four (24) hours of discovery of leaks greater than 25 barrels. In addition, immediate verbal notification pursuant to Subsection B, Paragraph (1), and Subparagraph (d) of 19.15.3.116 NMAC shall be reported to the division's Environmental Bureau Chief.
- 6. The liner shall be protected from any fluid force or mechanical damage through the use of mud pit slides, or a manifold system.
- 7. The pit shall be protected from run-off by constructing and maintaining diversion ditches around the location or around the perimeter of the pit in some cases.
- 8. BR 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 drilling or workover process may be discharged into a temporary pit.
- 10. BR will maintain the temporary pit free of miscellaneous solid waste or debris.
- 11. During drilling operations, BR will inspect the temporary pit at least once daily to ensure compliance with this plan. Inspections will be logged in the IADC reports. BR will file this log with the Aztec Division office upon closure of the pit.
- 12. After drilling operations, BR will inspect the temporary pit weekly so long as liquids remain in the temporary pit. A log of the inspections will be stored at BR's office electronically and will be filed with the Aztec Division office upon closure of the pit.
- 13. BR shall maintain at least two feet of freeboard for a temporary pit.
- 14. BR shall remove all free liquids from a temporary pit within 30 days from the date the operator releases the drilling rig.
- 15. BR shall remove all free liquids from a cavitation pit within 48 hours after completing cavitation. BR may request additional time to remove liquids from the Aztec Division office if it is not feasible to remove liquids within 48 hours.

Burlington Resources Oil & Gas Company, LP 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 Burlington Resources Oil & Gas Company, LP (BR) locations. This is BR'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

- 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 BR'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 BR 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
 - 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)500

- 9. Upon completion of solidification and testing standards being passed, the pit area will be backfilled with compacted, non-waste containing, earthen material. A minimum of four feet of cover shall be achieved and the cover shall include one foot of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater. If standard testing fails BR 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. BR 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 stipulated seed mixes will used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) 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.

Burlington Resources Oil & Gas Company, LP San Juan Basin Below Grade Tank Design and Construction

In accordance with NMAC 19.15.17 the following information describes the design and construction of below grade tanks on Burlington Resources Oil & Gas Company, LP (BR) locations. This is BR's standard procedure for all below grade tanks (BGT). A separate plan will be submitted for any BGT which does not conform to this plan.

- 1. BR will design and construct a properly sized and approved BGT which will contain liquids and should prevent contamination of fresh water to protect the public health and environment.
- 2. BR will sign the well location in compliance with 19.15.3.103 NMAC.
- 3. BR shall construct fencing around the BGT using 4 foot hog wire fencing topped with two strands of barbed wire, or with a pipe top rail. A six foot chain link fence topped with three strands of barbed wire will be use if the well location is within 1000 feet of permanent residence, school, hospital, institution or church.
- 4. BR will construct a screened, expanded metal covering, on the top of the BGT.
- 5. BR shall ensure that a below-grade tank is constructed of materials resistant to the below-grade tank's particular contents and resistant to damage from sunlight.
- 6. The BR below-grade tank system shall have a properly constructed foundation consisting of a level base free of rocks, debris, sharp edges or irregularities to prevent punctures, cracks or indentations of the liner or tank bottom.
- 7. BR shall construct a below-grade tank to prevent overflow and the collection of surface water run-on.
- 8. BR will construct and use a below-grade tank that does not have double walls. The below-grade tank's side walls will be open for visual inspection for leaks, the below-grade tank's bottom is elevated a minimum of six inches above the underlying ground surface and the below-grade tank is underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected.
- 9. BR has equipped the below-grade tanks with the ability to detect high level in the tank and provide alarm notification and shutdown process streams into the tank. Once high level is detected RTU logic closes the inlet separator sales valve and does not permit vent valve to open. This shutdown of the sales valve and gagging of the vent valves prevents any hydrocarbon process streams from entering the pit tank once a high level is detected. Furthermore, an electronic page is sent to the BR MSO for that well site and to the designated contract "Water-Hauling" Company indicating a high level and that action must be taken to address this alarm. The environmental drain line from BR's compressor skid under normal operating conditions is in the open position. The environmental

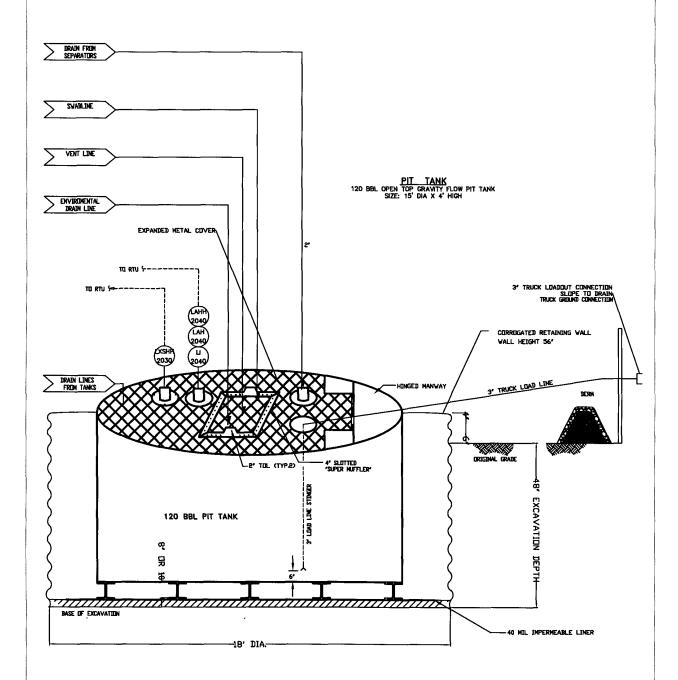
drain line is in place to capture any collected rain water or spilled lubricants from our compressor skids. The swab drain line is a manually operated drain and by normal operating procedures is in the closed position. The tank drain line is also a manually operated drain and during normal operations it is in the closed position.

- 10. The geomembrane liner consists of a 45-mil flexible LLDPE material manufactured by Raven Industries as RUFCO 4000B. This product provides a level of UV and harsh weather conditions protection. It is rated to a Low temperature impact failure of -94°F. It exceeds ASTMD3083 standard by 10%. It is typically used in Brine Pond, Oilfield Pit liner and other industrial applications. The manufacture specific sheet is attached.
- 11. The general specification for design and construction are attached in the BR document.

MANUAL OPERATIONS PRODUCTION TANKS DRAINLINE SWABLINE DRAIN LINE

ENVIROMENTAL DRAIN LINE FROM COMPRESSOR SKID

AUTOMATED OPERATION VENT VALVE DRAIN LINE DUMP LINE FROM SEPARATORS



ConocoPhillips San Juan Business Unit

Burlington Resources Oil & Gas Company, LP San Juan Basin Below Grade Tank Maintenance and Operating Plan

In accordance with Rule 19.15.17 the following information describes the operation and maintenance of Below Grade Tank (BGT) on Burlington Resources Oil & Gas Company, LP (BR) locations. This is BR's standard procedure for all BGT. A separate plan will be submitted for any BGT which does not conform to this plan.

- 1. BR will operate and maintain a BGT to contain liquids and solids and maintain the integrity of the liner, liner system and secondary containment system to prevent contamination of fresh water and protect public health and environment.
- 2. BR will not discharge into or store any hazardous waste in the BGT.
- 3. BR shall operate and install the below-grade tank to prevent the collection of surface water run-on. BR shall not allow a below-grade tank to overflow or allow surface water run-on to enter the below-grade tank.
- 4. BR shall continuously remove any visible or measurable layer of oil from the fluid surface of a below-grade tank in an effort to prevent significant accumulation of oil overtime.
- 5. BR shall inspect the below-grade tank at least monthly and maintain a written record of each inspection for five years.
- 6. BR shall maintain adequate freeboard to prevent overtopping of the below-grade tank.
- 7. If a leak develops below the liquid's level, BR shall remove all liquids within 48 hours and repair the damage or replace the below-grade tank. BR shall notify the Aztec Division office by phone or email within 48 hours of the discovery for leaks less than 25 barrels. BR 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.

Burlington Resources Oil & Gas Company, LP San Juan Basin Below Grade Tank Closure Plan

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure requirements of Below Grade Tanks (BGTs) on Burlington Resources Oil & Gas Company, LP locations hereinafter known as BR locations. This is BR's standard procedure for all BGTs. A separate plan will be submitted for any BGT which does not conform to this plan.

General Requirements:

- 1. BR shall close a below-grade tank within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the division requires because of imminent danger to fresh water, public health or the environment.
- 2. BR shall close a permitted below-grade tank within 60 days of cessation of the below-grade tank's operation. The closure report will be filed on C-144
- 3. BR shall remove liquids and sludge from a below-grade tank prior to implementing a closure method and shall dispose of the liquids and sludge in a division-approved facility. The facilities to be used will be Basin Disposal (Permit #NM-01-005) and Envirotech Land Farm (Permit #NM-01-011). The liner will be disposed of at the San Juan County Landfill located on CR 3100.
- 4. BR will receive prior approval to remove the below-grade tank and dispose of it in a division-approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves. Documentation of how the below-grade tank was disposed of or recycled will be provided in the closure report.
- 5. If there is any on-site equipment associated with a below-grade tank, then BR shall remove the equipment, unless the equipment is required for some other purpose.
- 6. BR shall test the soils beneath the below-grade tank to determine whether a release has occurred. BR shall collect, at a minimum, a five point, composite sample; collect individual grab samples from any area that is wet, discolored or showing other evidence of a release; and analyze for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 0.2 mg/kg; total BTEX concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 50 mg/kg; the TPH concentration, as determined by EPA method 418.1 or other EPA method that the division approves, does not exceed 100 mg/kg; and the chloride concentration, as determined by EPA method 300.1 or other EPA method that the division approves, does not exceed 250 mg/kg, or the background concentration, whichever is greater. BR shall notify the division of its results on form C-141.
- 7. If BR or the division determines that a release has occurred, then BR shall comply with 19.15.3.116 NMAC and 19.15.1.19 NMAC, as appropriate.

- 8. If the sampling program demonstrates that a release has not occurred or that any release does not exceed the concentrations specified in Paragraph (4) of Subsection E of 19.15.17.13 NMAC, then BR shall backfill the excavation with compacted, non-waste containing, earthen material; construct a division-prescribed soil cover; recontour and re-vegetate the site.
- 9. 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.
- 10. The surface owner shall be notified of BR's closing of the below-grade tank prior to closure as per the approved closure plan via certified mail, return receipt requested.
- 11. Re-contouring of location will match fit, shape, line, form and texture of the surrounding. Re-shaping 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.
- 12. BR 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 (un-impacted) 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.
- 13. 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.
- 14. 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 the below-grade tank. Closure report will be filed on C-144 and incorporate the following:
 - Soil Backfilling and Cover Installation
 - Re-vegetation application rates and seeding techniques
 - Photo documentation of the site reclamation
 - Confirmation Sampling Results
 - · Proof of closure notice