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

Form C-144
July 21, 2008

For temporary pits, closed-loop sytems, and below-grade tanks, submit to the appropriate NMOCD District Office

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

1964

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: **Burlington Resources Oil & Gas Company, LP** OGRID#: **14538**

Address: **PO Box 4289, Farmington, NM 87499**

Facility or well name: **Decker 2M**

API Number: **30-045- 34819** OCD Permit Number

U/L or Qtr/Qtr: **P(SESE)** Section: **26** Township: **32N** Range: **12W** County: **San Juan**

Center of Proposed Design: Latitude: **36.951448' N** Longitude: **108.058466' W** NAD: [ ] 1927 [X] 1983

Surface Owner: [ ] Federal [ ] State [X] Private [ ] Tribal Trust or Indian Allotment

2

[X] **Pit:** Subsection F or G of 19.15.17.11 NMAC

Temporary: [X] Drilling [ ] Workover

[ ] Permanent [ ] Emergency [X] Cavitation [ ] P&A

[X] Lined [ ] Unlined Liner type Thickness **20** mil [X] LLDPE [ ] HDPE [ ] PVC [ ] Other

[X] String-Reinforced

Liner Seams [X] Welded [X] Factory [ ] Other Volume: **4400** bbl Dimensions L **65'** x W **45'** x D **10'**

3

[ ] **Closed-loop System:** Subsection H of 19.15.17.11 NMAC

Type of Operation: [ ] P&A [ ] Drilling a new well [ ] Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)

[ ] Drying Pad [ ] Above Ground Steel Tanks [ ] Haul-off Bins [ ] Other

[ ] Lined [ ] Unlined Liner type. Thickness mil [ ] LLDPE [ ] HDPE [ ] PVD [ ] Other

Liner Seams: [ ] Welded [ ] Factory [ ] Other

4

[X] **Below-grade tank:** Subsection I of 19.15.17.11 NMAC

Volume. **120** bbl Type of fluid: **Produced Water**

Tank Construction material: **Metal**

[ ] Secondary containment with leak detection [X] Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off

[ ] Visible sidewalls and liner [ ] Visible sidewalls only [ ] Other

Liner Type: Thickness **45** mil [ ] HDPE [ ] PVC [X] Other **LLPDE**

RECEIVED
OCT 2008
OIL CONS. DIV. DIST. 3

5

[ ] **Alternative Method:**

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

6

Fencing: Subsection D of 19 15.17.11 NMAC *(Applies to permanent pit, temporary pits, and below-grade tanks)*

☐ Chain link, six feet in height, two strands of barbed wire at top *(Required if located within 1000 feet of a permanent residence, school, hospital, institution or church)*

☐ Four foot height, four strands of barbed wire evenly spaced between one and four feet

☒ Alternate Please specify **4' hogwire fence with a single strand of barbed wire on 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

☒ Signed in compliance with 19.15.3.103 NMAC

9

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.

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.**

Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☒ No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☒ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. *(Applies to temporary, emergency, or cavitation pits and below-grade tanks)* - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☒ No ☐ NA
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 ☐ No ☒ NA
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. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site.	☐ Yes ☒ No
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 ☒ No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☒ No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division	☐ Yes ☒ No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ☒ No
Within a 100-year floodplain - FEMA map	☐ Yes ☒ No

11

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.

- [X] Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15 17.9 NMAC
- [X] Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15 17.9
- [X] Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17 10 NMAC
- [X] Design Plan - based upon the appropriate requirements of 19.15 17.11 NMAC
- [X] Operating and Maintenance Plan - based upon the appropriate requirements of 19 15.17.12 NMAC
- [X] Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19 15 17.9 NMAC and 19.15.17.13 NMAC

[ ] Previously Approved Design (attach copy of design) API _____ or Permit _____

12

Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- [ ] Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9
- [ ] Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15 17.10 NMAC
- [ ] Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- [ ] Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17 12 NMAC
- [ ] Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19 15.17.9 NMAC and 19.15.17.13 NMAC

[ ] Previously Approved Design (attach copy of design) API _____

[ ] Previously Approved Operating and Maintenance Plan API _____

13

Permanent Pits Permit Application Checklist: Subsection B of 19 15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

- [ ] Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19 15 17 9 NMAC
- [ ] Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15.17.10 NMAC
- [ ] Climatological Factors Assessment
- [ ] Certified Engineering Design Plans - based upon the appropriate requirements of 19 15.17.11 NMAC
- [ ] Dike Protection and Structural Integrity Design: based upon the appropriate requirements of 19.15.17 11 NMAC
- [ ] Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC
- [ ] Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC
- [ ] Quality Control/Quality Assurance Construction and Installation Plan
- [ ] Operating and Maintenance Plan - based upon the appropriate requirements of 19 15 17.12 NMAC
- [ ] Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
- [ ] Nuisance or Hazardous Odors, including H2S, Prevention Plan
- [ ] Emergency Response Plan
- [ ] Oil Field Waste Stream Characterization
- [ ] Monitoring and Inspection Plan
- [ ] Erosion Control Plan
- [ ] Closure Plan - based upon the appropriate requirements of Subsection C of 19.15 17.9 NMAC and 19.15.17 13 NMAC

14

Proposed Closure: 19 15.17.13 NMAC

Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.

Type: [X] Drilling [ ] Workover [ ] Emergency [X] Cavitation [ ] P&A [ ] Permanent Pit [X] Below-grade Tank [ ] Closed-loop System [ ] Alternative

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)

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.***

- [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 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

16

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19 15 17.13.D NMAC)
Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.

Disposal Facility Name: _____ Disposal Facility Permit #: _____

Disposal Facility Name: _____ Disposal Facility Permit #: _____

Will any of the proposed closed-loop system operations and associated activities occur on or in areas that *will not* be used for future 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 appropraite 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 - iWATERS database search, USGS Data obtained from nearby wells	☐ Yes ☒ No ☐ N/A
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☒ Yes ☐ No ☐ N/A
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS, Data obtained from nearby wells	☐ Yes ☒ No ☐ N/A
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map, Visual inspection (certification) of the proposed site	☐ Yes ☒ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site, Aerial photo; satellite image	☐ Yes ☒ No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal fee of any other fresh water well or spring, in existence at the time of the initial application. - NM Office of the State Engineer - iWATERS database, Visual inspection (certification) of the proposed site	☐ Yes ☒ No
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 ☒ No
Within 500 feet of a wetland - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☒ No
Within the area overlying a subsurface mine. - Written confiramtion or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☒ No
Within an unstable area - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society, Topographic map	☐ Yes ☒ No
Within a 100-year floodplain - FEMA map	☐ Yes ☒ No

18

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.***

☒ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15 17.10 NMAC
☒ Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☐ Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15 17 11 NMAC
☐ Construction/Design Plan of Temporary Pit (for in place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC
☒ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☒ Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☒ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)
☒ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17 13 NMAC
☒ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17 13 NMAC
☒ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

19

Operator Application Certification:

I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): Crystal Tafoya Title: Regulatory Technician

Signature: Crystal Tafoya Date: 10/14/08

e-mail address: crystal.tafoya@conocophillips.com Telephone 505-326-9837

20

OCD Approval: ☒ Permit Application (including closure plan) ☐ Closure Plan (only) ☐ OCD Conditions (see attachment)

OCD Representative Signature: Brandon Powell **Approval Date:** 11-5-08

Title: Envir Spec **OCD Permit Number:**

21

Closure Report (required within 60 days of closure completion): Subsection K of 19 15 17 13 NMAC

Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☐ **Closure Completion Date:**

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

Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:

Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: Disposal Facility Permit Number:

Disposal Facility Name: Disposal Facility Permit Number

Were the closed-loop system operations and associated activities performed on or in areas that *will not* be used for future service and opeartions?

☐ Yes (If yes, please demonstrate complilane to the items below) ☐ No

Required for impacted areas which will not be used for future service and operations:

☐ Site Reclamation (Photo Documentation)

☐ Soil Backfilling and Cover Installation

☐ Re-vegetation Application Rates and Seeding Technique

24

Closure Report Attachment Checklist: ***Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.***

☐ Proof of Closure Notice (surface owner and division)

☐ Proof of Deed Notice (required for on-site closure)

☐ Plot Plan (for on-site closures and temporary pits)

☐ Confirmation Sampling Analytical Results (if applicable)

☐ Waste Material Sampling Analytical Results (if applicable)

☐ Disposal Facility Name and Permit Number

☐ Soil Backfilling and Cover Installation

☐ Re-vegetation Application Rates and Seeding Technique

☐ Site Reclamation (Photo Documentation)

On-site Closure Location: Latitude: Longitude: NAD ☐ 1927 ☐ 1983

25

Operator Closure Certification:

I hereby certify that the information and attachments submitted with this closure report is ture, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print). Title:

Signature: Date

e-mail address: Telephone:

New Mexico Office of the State Engineer
POD Reports and Downloads

Township: 32N Range: 12W Sections: 24,23,22,25,26,27,34,35,36

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) ○ Non-Domestic ○ Domestic
◉ All

POD / Surface Data Report | Avg Depth to Water Report | Water Column Report

Clear Form | iWATERS Menu | Help

WATER COLUMN REPORT 10/10/2008

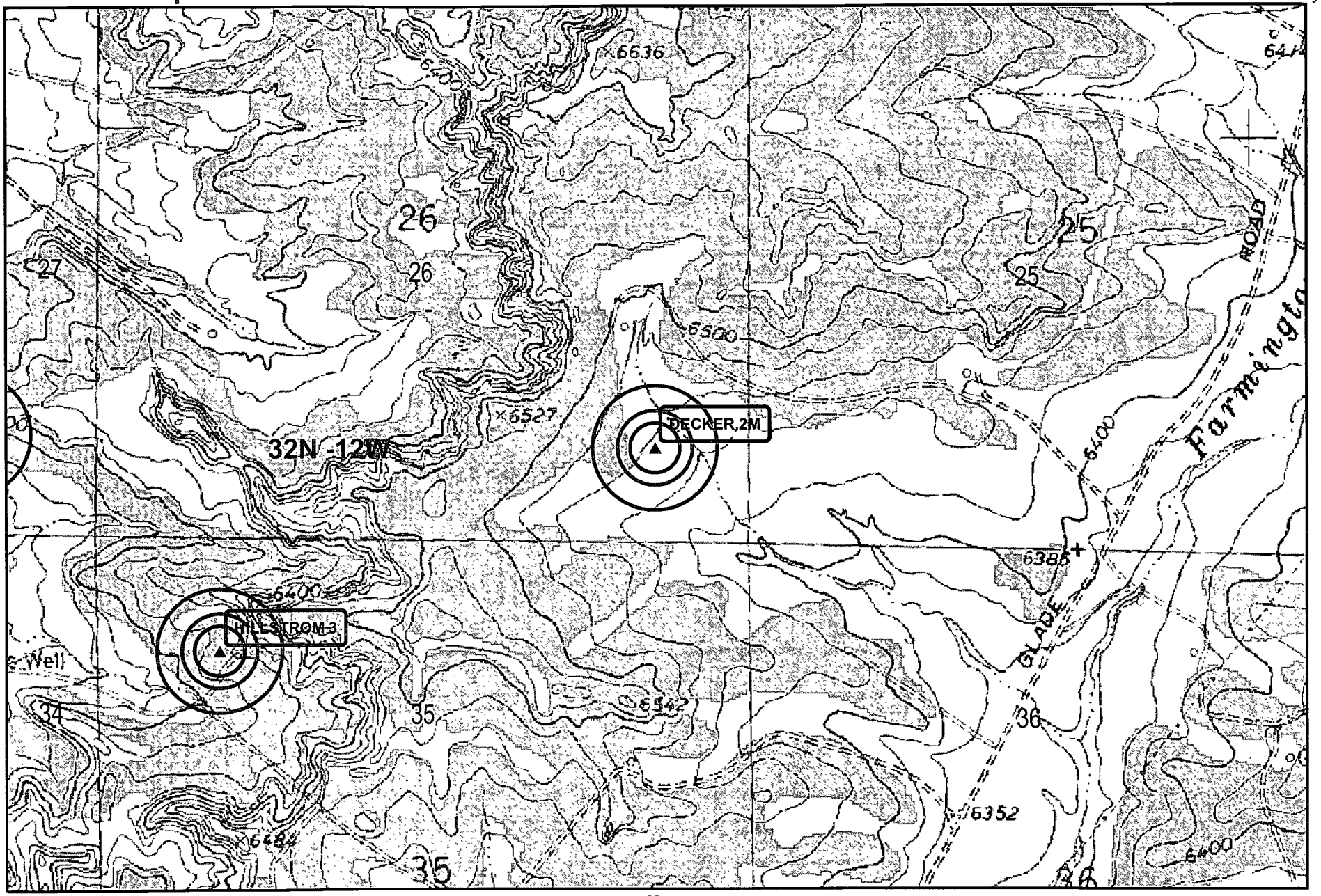
(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are biggest to smallest)

POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y	Depth Well	Depth Water	Wate Colun
SJ 03583	32N	12W	23	1	1	1				167	60	1(
SJ 00055	32N	12W	25	2						504		
SJ 01106	32N	12W	35	3	4					180	115	(

Record Count: 3

ConocoPhillips

USGS TOPO MAP DECKER 2M



Wetlands data aquired from U.S. Fish and Wildlife
http://wetlandswms.er.usgs.gov

Ground Water
iWaters
COP

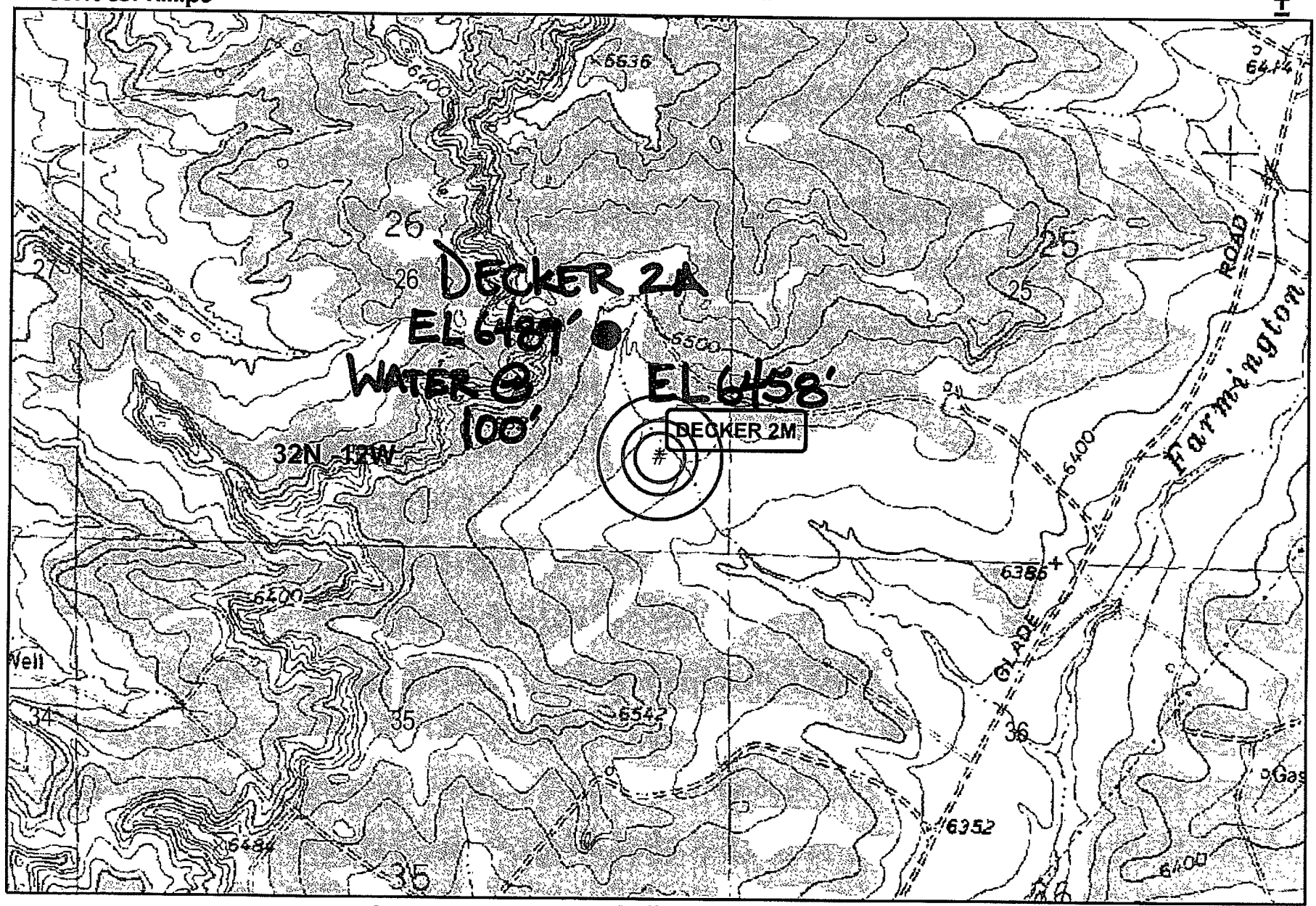
Buffers
200ft
300ft
500ft
Wetlands

0 500 1,000 Feet
1:12,000

NAD_1983_StatePlane_NMWest_FIPS_3003

Aug 27, 2008

ConocoPhillips DECKER 2M USGS TOPO MAP



Wetlands data aquired from U.S. Fish and Wildlife
http://wetlandswms.er.usgs.gov

Ground Water
F iWaters
E COP

Buffers
200ft 500ft
300ft Wetlands

0 800 1,600 Feet
1:12,000

NAD_1983_StatePlane_NMWest_FIPS_3003
7/08

Replacement Ground Bed Drilling Log

Company: **Burlington Resource** | Well: **Decker # 2 A** | Date: 11-18-2004
Location: Sec. 26-32n-12w | Dual Well: | State: N.M.
Ground Bed Depth: 300 ft | Diameter: 6 3/4"
Indicate Water Zone Depth: 100'
Isolation Plugs Set: NO | If So Where:
Coke: 2220 lbs. | Type: Loresco SWS | Total Weight: 2250 lbs
Anodes: 10 | Type: Silicon Iron Type D | Weight: 45 lbs.
Perforate Pipe:180'-300' | Coke Depth: 180'-300'
Power Source: Battery | Volts: 13.7 | Amps: 24.3 | Resistance: 0.56
CASNG: None

Depth Ft	Drilling Log	Logged	Anodes Log Coked	Depth	Remarks
00'-60'	Blow Sand				
60'-100'	Sand Stone				
100'-180'	Shale				
180'-220'	Sand w/ Shale				
220'-260'	Shale				
260'-300'	Sand Stone				
190'		6	9	# 10	
195'		5.9			
200'		3.9	8	# 9	
205'		4.2			
210'		3.5	7.4	# 8	
215'		2.9			
220'		3.3	6.7	# 7	
225'		3.6			
230'		3.6	6.8	# 6	
235'		2.9			
240'		2.4	5.3	# 5	
245'		2.2			
250'		2.2			
255'		2.2			
260'		2.9	5.3	# 4	
265'		2.4			
270'		1.9	5	# 3	
275'		1.8			
280'		1.7	5.1	# 2	
285'		3.8			
290'		3.7	6.3	# 1	
295'		3.6			
300'		3.6			

Form 9-330
(Rev. 5-63)

SUBMIT IN DUPLI* (See instructions on reverse side)

Form approved.
Budget Bureau No. 42-R355.5.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

5. LEASE DESIGNATION AND SERIAL NO.: SF-078147

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME: Decker

9. WELL NO.: 2-A

10. FIELD AND POOL, OR WILDCAT: Blanco Pictured Cliffs ✓ Blanco Mesa Verde

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: Sec. 26 - 32N - 12W

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ Other

b. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ Other

2. NAME OF OPERATOR: Southland Royalty Company

3. ADDRESS OF OPERATOR: P. O. Drawer 570, Farmington, New Mexico

4. LOCATION OF WELL (*Report location clearly and in accordance with any State requirements*)*
At surface: 1700' FSL and 1075' FEL
At top prod. interval reported below
At total depth

14. PERMIT NO. | DATE ISSUED

12. COUNTY OR PARISH: San Juan | 13. STATE: New Mexico

15. DATE SPUDDED	16. DATE T.D. REACHED	17. DATE COMPL. (*Ready to prod.*)	18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*	19. ELEV. CASINGHEAD
2-20-78	2-28-78	6-4-78	6489' GR	

20. TOTAL DEPTH, MD & TVD	21. PLUG, BACK T.D., MD & TVD	22. IF MULTIPLE COMPL., HOW MANY*	23. INTERVALS DRILLED BY	ROTARY TOOLS	CABLE TOOLS
5650'	5613'		→	0-5650'	

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*: 5172' - 5570' Mesa Verde

25. WAS DIRECTIONAL SURVEY MADE: Deviation

26. TYPE ELECTRIC AND OTHER LOGS RUN: GR-Density, GR-Induction, GR-Neutron

27. WAS WELL CORED: No

28. CASING RECORD (*Report all strings set in well*)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9-5/8"	36#	220'	12-1/4"	110 sacks	
7"	20#	3328'	8-3/4"	315 sacks	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)
4-1/2"	3174'	5638'	315	

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	5556'	-

31. PERFORATION RECORD (*Interval, size and number*)
5172', 5181', 5306', 5316', 5326', 5336', 5346', 5356', 5366', 5376', 5386', 5394', 5402', 5412', 5422', 5454', 5486', 5503', 5547', 5570'

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5172' - 5570'	190,700 gals wtr
	91,000# 20/40 sand

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (*Flowing, gas lift, pumping—size and type of pump*)	WELL STATUS (*Producing or shut-in*)
	Flowing	Shut in

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD →	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
6-25-78	3 hrs.	3/4"					

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE →	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
328	--			4,420		

34. DISPOSITION OF GAS (*Sold, used for fuel, vented, etc.*): Sold

TEST WITNESSED BY: Jim Bacon

35. LIST OF ATTACHMENTS

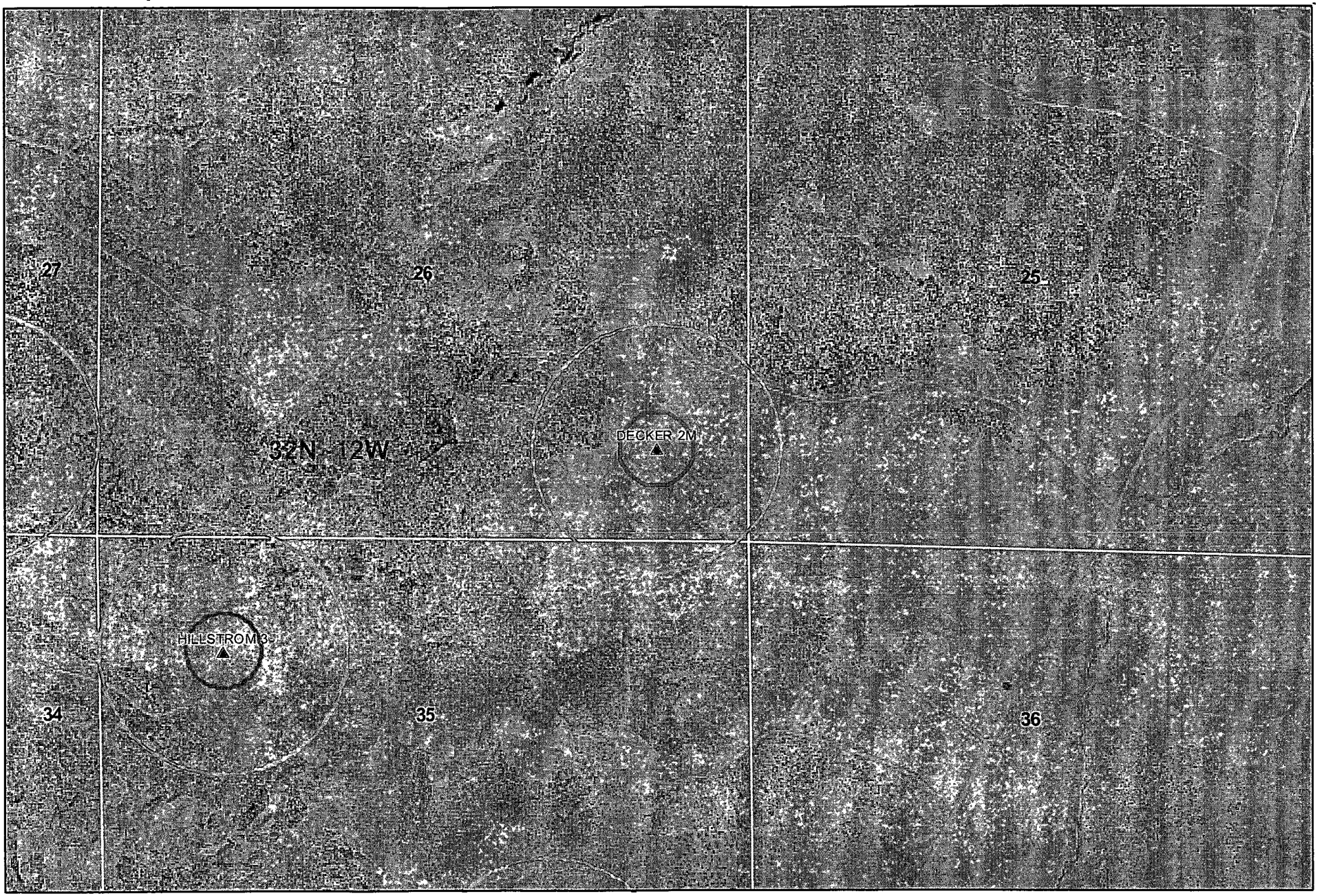
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Sam Ryan TITLE District Production Mgr. DATE 7-11-78

*(See Instructions and Spaces for Additional Data on Reverse Side)

ConocoPhillips

AERIAL MAP DECKER 2M



Data Source
Aerial flown locally Sedgewick in 2005.

1000ft 300ft

0 500 1,000 Feet

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NAD_1983_SP_
NM West_FIPS_3003

Aug 27, 2008

Decker 2M Mines, Mills and Quarries Web Map

Mines, Mills & Quarries Commodity Groups

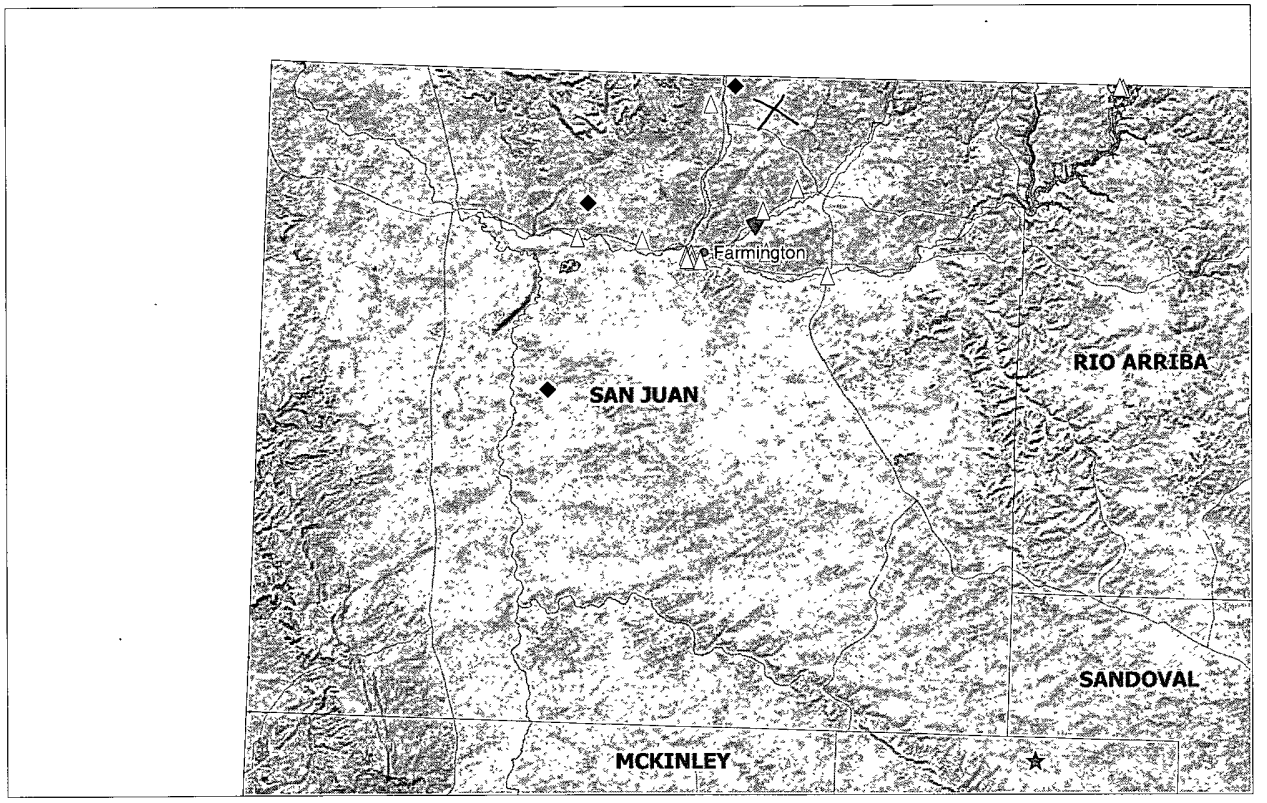
- Aggregate & Stone Mines
- Coal Mines
- Industrial Minerals Mines
- Industrial Minerals Mills
- Metal Mines and Mill Concentrate
- Potash Mines & Refineries
- Smelters & Refinery Ops.
- Uranium Mines
- Uranium Mills

Population

- Cities - major

Transportation

- Railways
- Interstate Highways
- Major Roads



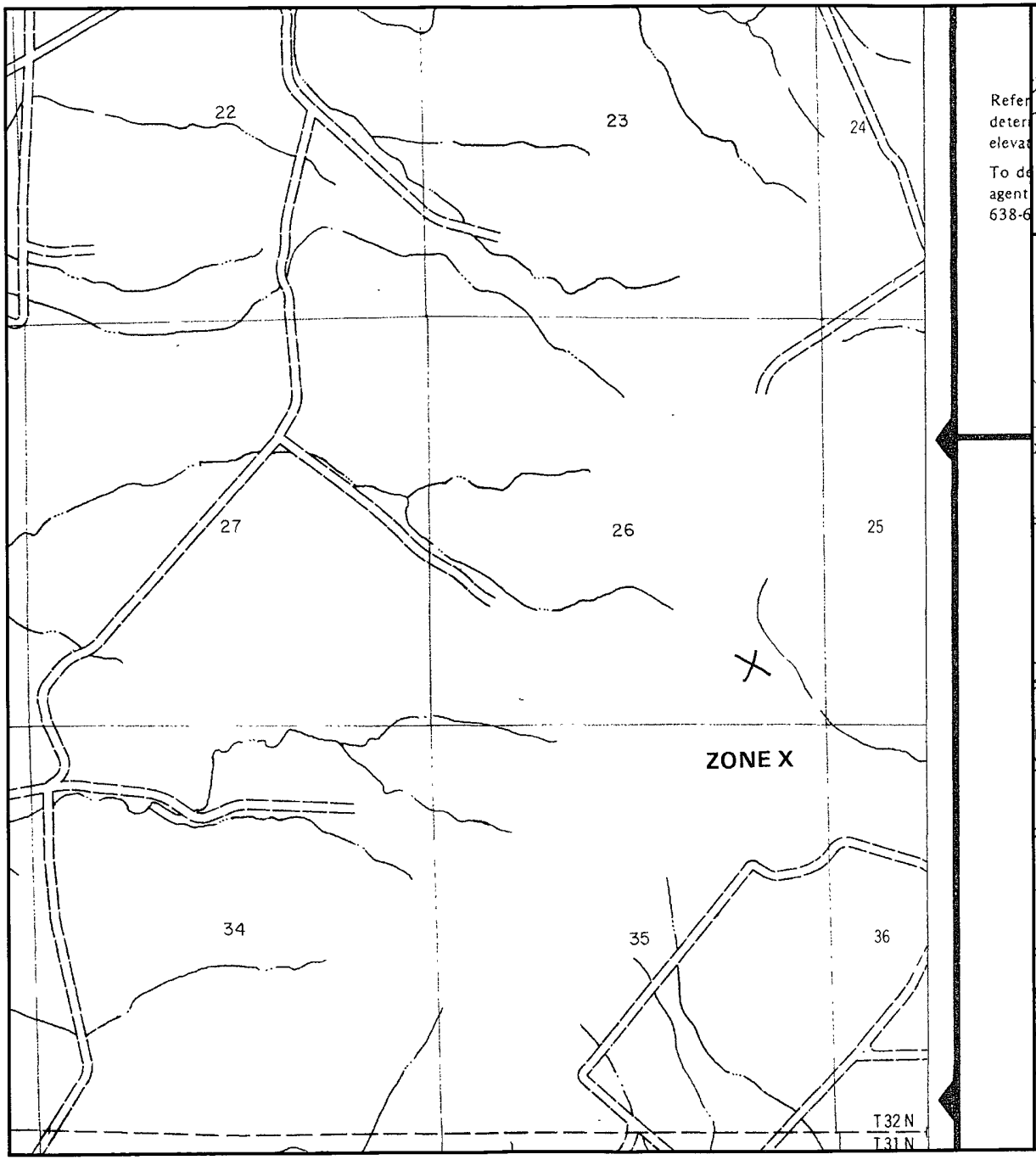
SCALE 1 : 1,252,036

20 0 20 40 60

MILES

http://www.emnrd.state.nm.us/MMD/MMQonline/MMQonline-PUBLIC-PROD.mwf

Friday, October 10, 2008 1:51 PM



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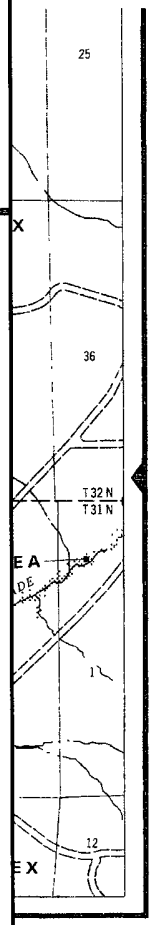


APPROXIMATE SCALE

2000 0

NATIONAL FLOOD INSURANCE PROGRAM

FIRM

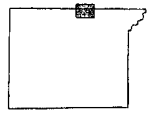
FLOOD INSURANCE RATE MAP

SAN JUAN COUNTY, NEW MEXICO

UNINCORPORATED AREAS

PANEL 125 OF 1450

(SEE MAP INDEX FOR PANELS NOT PRINTED)



PANEL LOCATION

COMMUNITY-PANEL NUMBER
350064 0125 B

EFFECTIVE DATE:
AUGUST 4, 1988

Federal Emergency Management Agency

Hydrogeological Report for Decker 2M

Regional Geological context:

The Nacimiento Formation is of Paleocene age (Baltz, 1967, p. 35). It crops out in a broad band inside the southern and western margins of the central basin and in a narrow band along the west face of the Nacimiento Uplift. The Nacimiento is a nonresistant unit and typically erodes to low, rounded hills or forms badland topography.
The Nacimiento Formation occurs in approximately only the southern two-thirds of the San Juan Basin where it comnformably overlies and intertongues with the Ojo Alamo Sandstone (Fassett, 1974, p. 229). The Nacimiento Formation grades laterally into the main part of the Animas Formation (Fassett and Hinds, 1971, p. 34); thus, in this area, the two formations occupy the same stratigraphic interval.
Strata of the Nacimiento Formation were deposited in lakebeds in the central basin area with lesser deposition in stream channels (Brimhall, 1973, p. 201). In general, the Nacimiento consists of drab, interbedded black and gray shale with discontinuous, white, medium- to very coarse grained arkosic sandstone (Stone e al., 1983, p.30). Stone et al. indicated that the formation may contain more sandstone than commonly reported because some investigators assume the slope-forming strata in the unit area shales, whereas in many places the strata actually are poorly consolidated sandstones. Total thickness of the Nacimiento Formation ranges from about 500 to 1,300 feet. The unit generally thickens from the basin margins toward the basin center (Steven et al., 1974). The sandstone deposits within the Nacimiento Formation are much thinner than the total thickness of the formation because their environment of deposition was localized stream channels (Brimhall, 1973, p. 201). The thickness of the combined San Jose, Animas, and Nacimiento Formations ranges from 500 to more than 3.500 feet.

Hydraulic Properties:

Reported well yields for 53 wells completed in either the Animas or Nacimiento Formations range from 2 to 90 gallons per minute and the median yield is *7.5* gallons per minute. The primary use of water from Nacimiento and Animas Formations is domestic and livestock supplies. There are no known aquifer tests for the Animas or Nacimiento Formations, but specific capacities reported for six wells range from 0.24 to 2.30 gallons per minute per foot of drawdown (Levings et al., 1990).
The Animas and Nacimiento Formations are in many ways hydrologically similar to the San Jose Formation because sands in both units produce approximately the same quantities of water. However, the greater percentage of fine materials in the Animas and Nacimiento Formations may restrict downward vertical leakage to the Ojo Alamo Sandstone or Kirtland Shale. The poorly cemented fine material is highly erodible, forms a badland terrain, and supports only spotty vegetation. These conditions are more conductive to runoff than retention of precipitation.

References:

Baltz, E.H., 1967, Stratigraphy and regional tectonic implications of part of Upper Cretaceous rocks, east-central San Juan Basin, New Mexico: USGS Professional Paper

552, 101 p.
Brimhall, R.M., 1973, Ground-water hydrology of Tertiary rocks of the San Juan Basin, New Mexico, in Fassett, J.E., ed., Cretaceous and Tertiary rocks of the Southern Colorado Plateau: Four Corners Geological Society Memoir, p. 197-207.
Fassett, J.E., 1974, Cretaceous and Tertiary rocks of the eastern San Juan Basin, New Mexico and Colorado, in Guidebook of Ghost Ranch, central-northern New Mexico: New Mexico Geological Society, 25th Field Conference, p. 225-230.
Fassett, J.E., and Hinds, J.S., 1971, Geology and fuel resources of the Fruitland Formation and Kirtland Shale of the San Juan Basin, New Mexico and Colorado: USGS Professional Paper 676, 76 p.
Levings, G.W., Craigg, S.d., Dam, W.L., Kernodle, J.M., and Thorn, C.R., 1990, Hydrogeology of the San Jose, Nacimiento, and Animas Formations in the San Juan structural basin, New Mexico, Colorado, Arizona, and Utah: USGS Hydrologic Investigations Atlas HA-720-A, 2 sheets.
Stone, W.J., Lyford, F.P., Frenzel, P.F., Mizell, N.H., and Padgett, E.T., 1983, Hydrogeology and water resources of San Juan Basin, New Mexico: New Mexico Bureau of Mines and Mineral Resources, Hydrologic Report 6.

Siting Criteria Compliance Demonstration & Hydro Geologic Analysis

The Decker 2M 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 Decker 2A has an elevation of 6489' and groundwater depth of 100'. The subject well has an elevation of 6458' which is 30' less than the Decker 2A, therefore the groundwater depth is greater than 70'. 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 70'. The hydro geologic analysis indicates the groundwater depth and the Nacimiento formation will create a stable area for this new location.

ConocoPhillips

Mary Kay Cornwall
Staff Associate
Property Tax, Real Estate, ROW & Claims

ConocoPhillips Company
PO Box 4289
Farmington, NM 87499-1429
(505) 324-6106
(505) 324-6136

October 13, 2008

VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED
7192-3496-0010-0027-4142

Jerald T. Marcotte
3510 Carmel Drive
Casper, WY 82604-4985

Re: Decker 2M
SE Section 26, T32N, R12W
San Juan County, New Mexico

Dear Landowner:

Pursuant to Paragraph 1 (b) of Subsection F of 19.15.17.13 NMAC, an operator shall provide the surface owner notification of the operator's proposal to close a temporary pit on-site in compliance with the on-site closure methods specified in the same Subsection of the NMAC. In compliance of this requirement, please consider this notification of ConocoPhillips' intent to close the temporary pit on the above referenced location.

If you have any questions, please contact Joni Clark @ (505)326-9701.

Sincerely,

Mary Kay Cornwall

Mary Kay Cornwall
Staff Associate, PTRRC

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 West Grand Avenue, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

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

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 – 4 Copies
Fee Lease – 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
		BASIN DAKOTA/BLANCO MESAVERDE

[4] Property Code	[5] Property Name	[6] Well Number
	DECKER	2M

[7] OGRID No.	[8] Operator Name	[9] Elevation
	BURLINGTON RESOURCES OIL & GAS COMPANY LP	6458'

[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
P	26	32–N	12–W		730'	SOUTH	755'	EAST	SAN JUAN

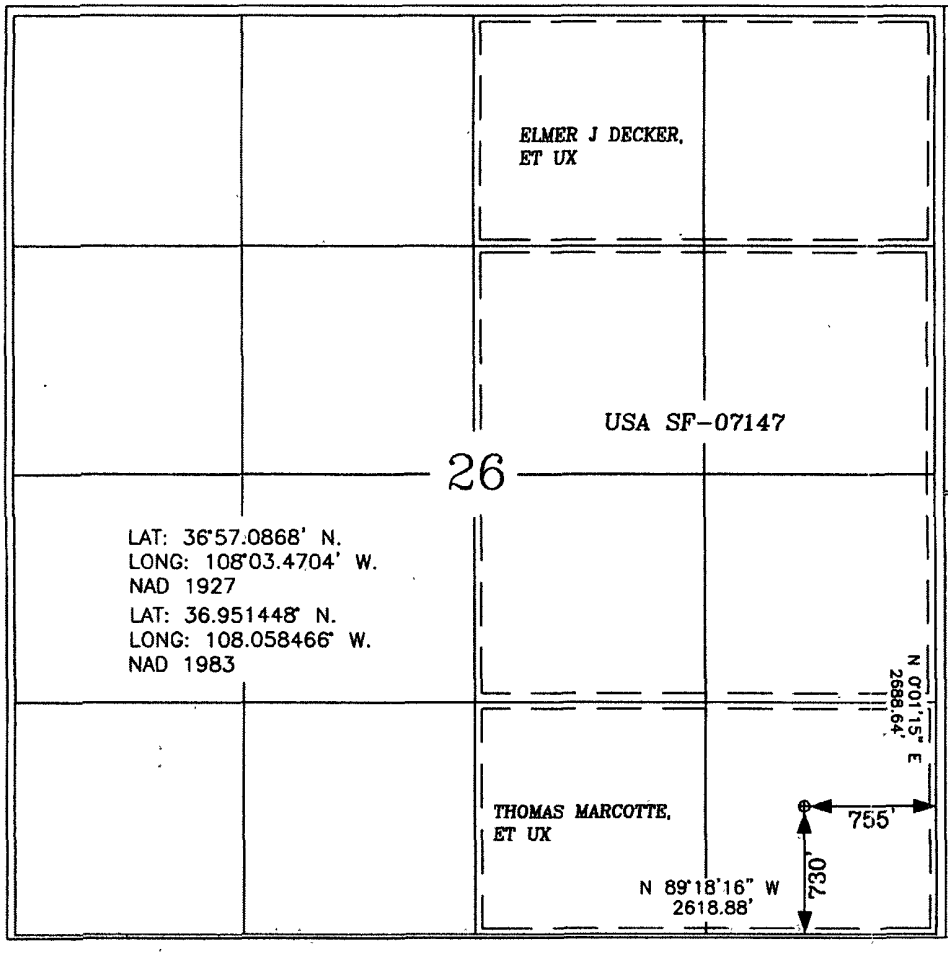
[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
DK 320.00 ACRE E 1/2 MV 320.00 ACRE E 1/2			

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



[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 mineral 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 a working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature

Printed Name

[18] SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field 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.

Date of Survey

Signature and Seal of Professional Surveyor:

GLEN W. RUSSELL
NEW MEXICO
15703
LICENSED PROFESSIONAL SURVEYOR

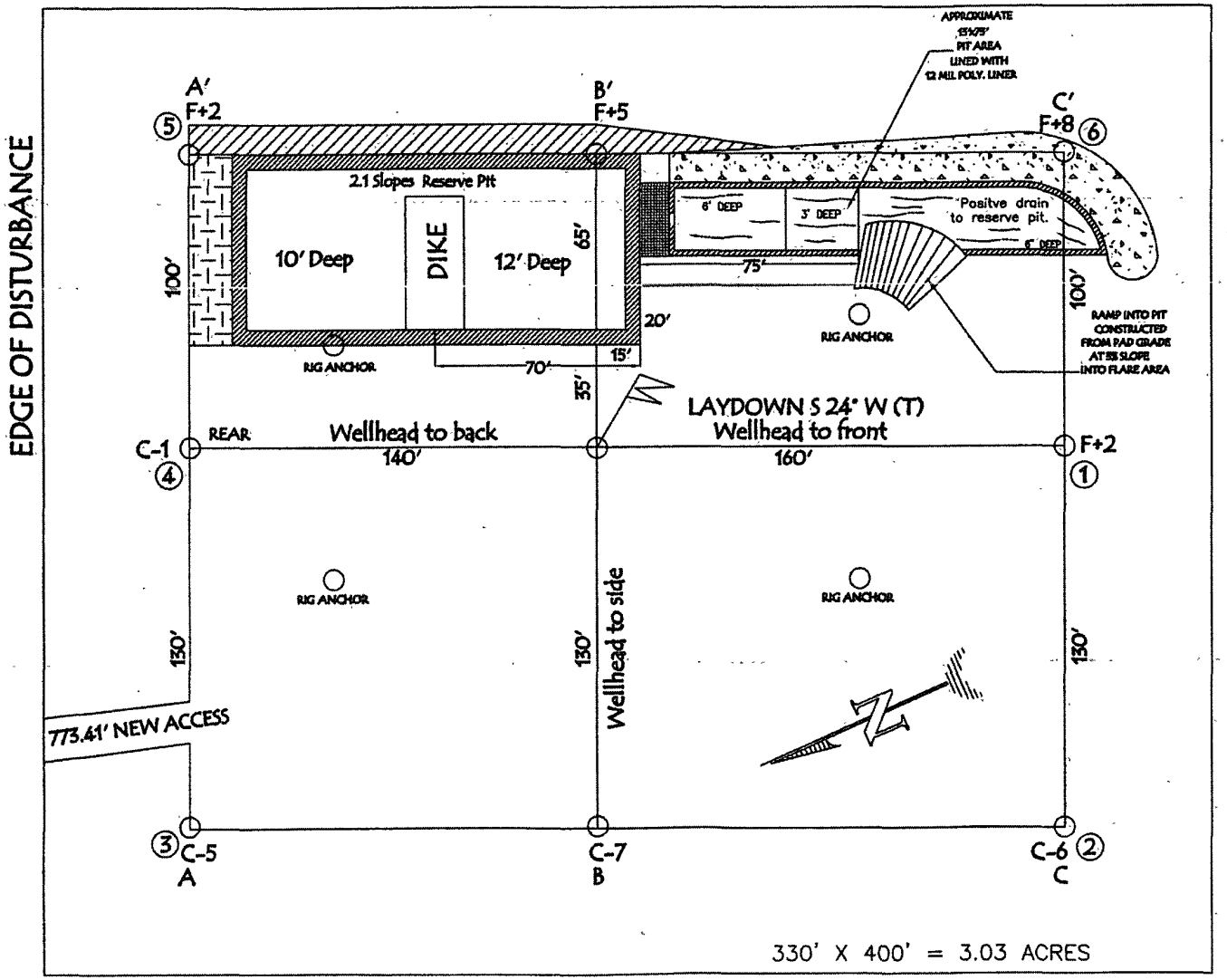
Certificate Number 15703

BURLINGTON RESOURCES OIL & GAS COMPANY LP

DECKER 2M, 730' FSL & 755' FEL

SECTION 26, T-32- N, R-12-W, NMPM, SAN JUAN COUNTY, NM

GROUND ELEVATION: 6458', DATE: MARCH 13, 2008



NOTE: VECTOR SURVEYS IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.
CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPLINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.
RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).

LATITUDE: 36° 57.0868' N
LONGITUDE: 108° 03.4704' W
NAD27

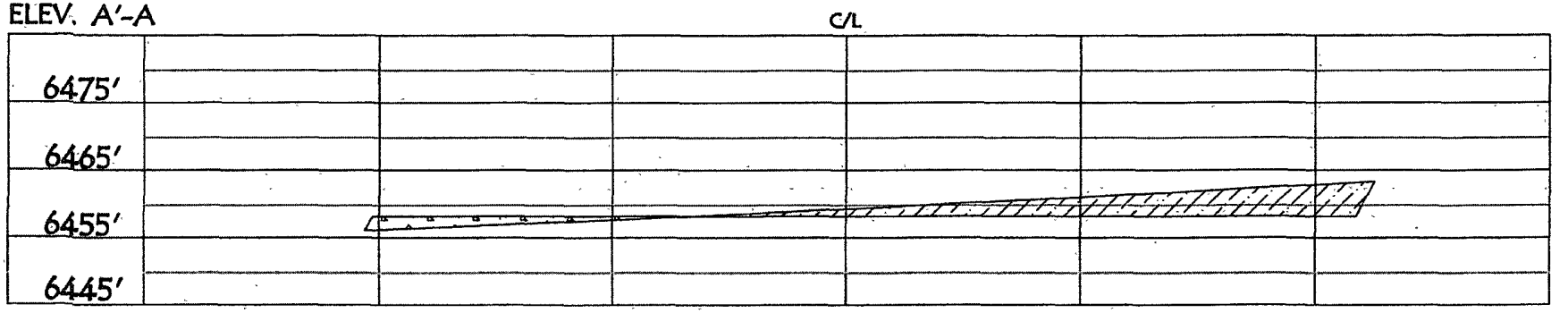
BURLINGTON RESOURCES OIL & GAS COMPANY LP

DECKER 2M, 730' FSL & 755' FEL

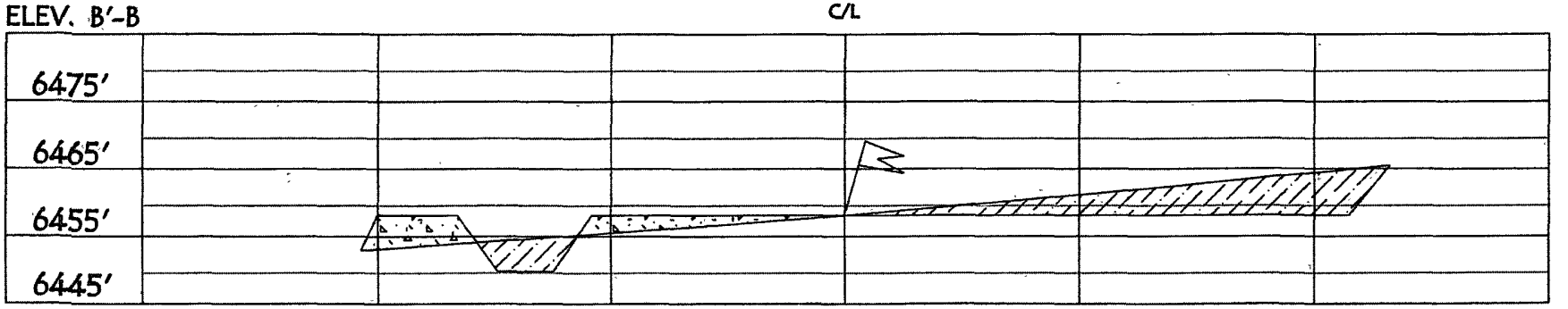
SECTION 26, T-32- N, R-12-W, NMPM, SAN JUAN COUNTY, NM

GROUND ELEVATION: 6458', DATE: MARCH 13, 2008

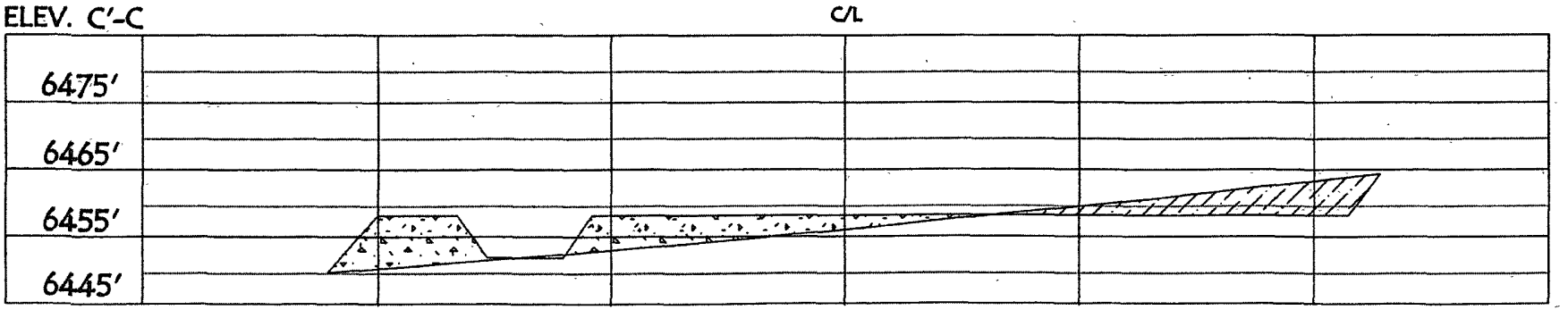
ELEV. A'-A



ELEV. B'-B



ELEV. C'-C



NOTE: VECTOR SURVEYS IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.
CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPLINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

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.

General 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.
9. Geotextile will be installed beneath the liner when rocks, debris, sharp edges or irregularities cannot be avoided.
10. All liners will be anchored in the bottom of a compacted earth-filled trench at least 18 inches deep.
11. 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.

General 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

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 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 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	1000/500

9. A five point composite sample will be taken from the cavitation pit pursuant to 19.15.17.13(B)(1)(b)(i) in order to assure there has not been any type of release.

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	500

10. 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.
11. 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.
12. 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
13. 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.
14. Notification will be sent to OCD when the reclaimed area is seeded.
15. 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.

Type	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)		Source No. two (better quality)	
Purity	50 percent	Purity	80 percent
Germination	40 percent	Germination	63 percent
Percent PLS	20 percent	Percent PLS	50 percent
5 lb. bulk seed required to make 1 lb. PLS		**2 lb. bulk seed required to make 1 lb. PLS**	

16. 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.

General 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

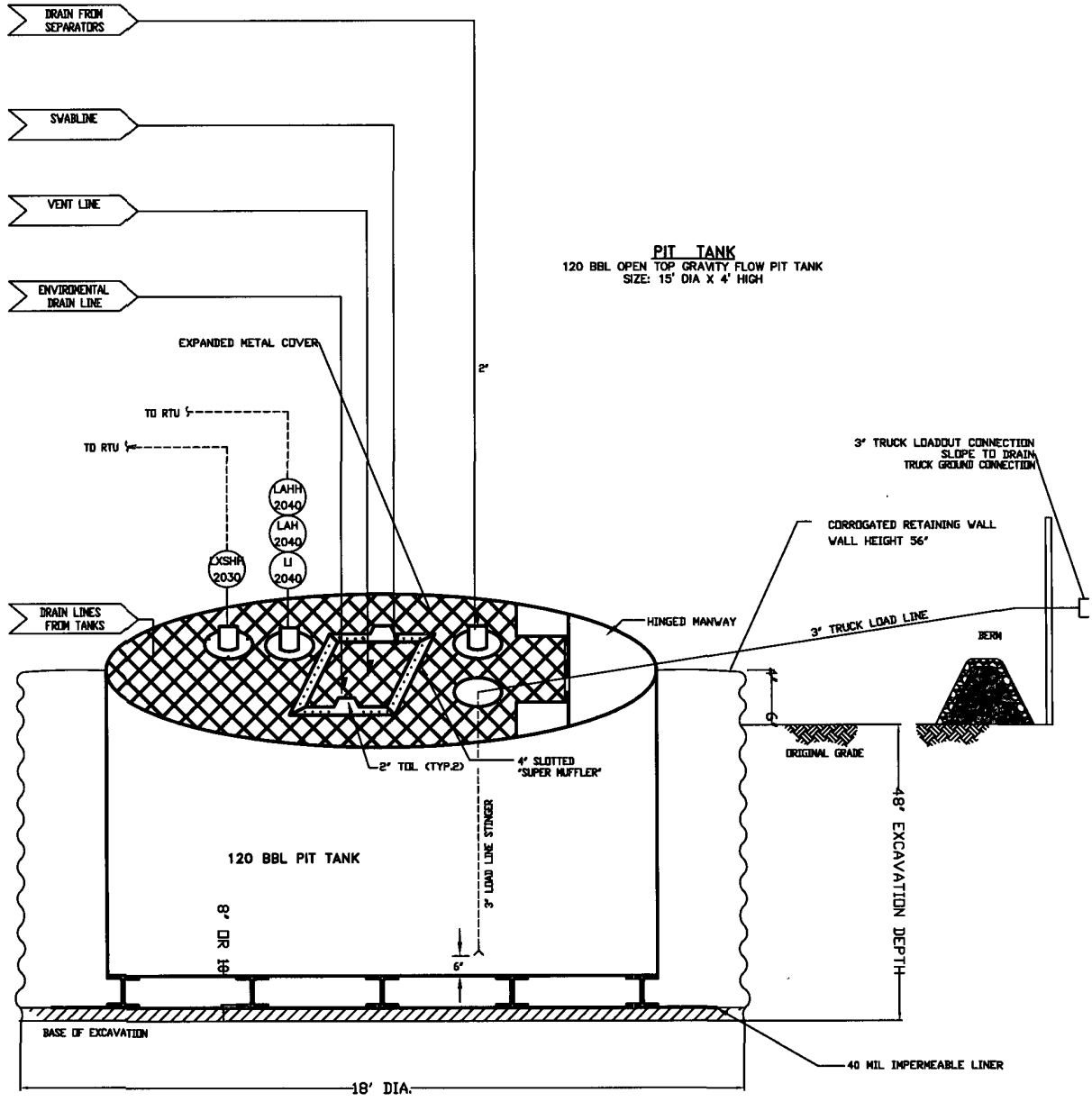
SWABLINE DRAIN LINE

ENVIROMENTAL DRAIN LINE
FROM COMPRESSOR SKID

AUTOMATED OPERATION

VENT VALVE DRAIN LINE

DUMP LINE FROM SEPARATORS



PIT TANK

120 BBL OPEN TOP GRAVITY FLOW PIT TANK
SIZE: 15' DIA X 4' HIGH

ConocoPhillips

San Juan Business Unit

FORM: DSIZEPID

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.

General 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