1625 N French Dr., Hobbs, NM 88240

1301 W Grand Ave , Artesia, NM 88210

District III

1000 Rio Brazos Rd, Aztec, NM 87410

District IV

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

State of New Mexico **Energy Minerals and Natural Resources**

Department Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

July 21, 2008 For temporary pits, closed-loop sytems, and below-grade tanks, submit to the appropriate NMOCD District Office.

Form C-144

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

3024	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

Operator: Burlington Resources Oil & Gas Company, LP			OGRID#: <u>14538</u>		
	9, Farmington, NM 87499				
acility or well name:	San Juan 29-7 Unit 106				
API Number:	30-039-20645	OCD Permit Nu	mber:		
` ` 	Section: 36 Township:	29N Range:	7W County: Rio A		
Senter of Proposed Des			107.524280'W	NAD: X 1927 1983	
urface Owner:	Federal X State Priv	ate Tribal Trust or In-	dian Allotment		
	r G of 19.15.17 11 NMAC				
	ling Workover				
	ergency Cavitation P&A		¬		
	ined Liner type: Thickness	mil LLDPE_	HDPE PVC Othe	er	
String-Reinforced	<u></u>				
Liner Seams: W	elded Factory Other	Volume:	bbl Dimensions L	x Wx D	
X Closed-loop System Type of Operation: Drying Pad X Lined Unli	P&A Drilling a new well X Above Ground Steel Tanks Haul- ned Liner type: Thickness	Workover or Drilling (Applie notice of intent) off Bins Other	s to activities which require pri	0101112732	
Liner Seams: We	ded Factory Other			A RECEIVE	
Below-grade tank Volume: Tank Construction mate	Subsection I of 19.15.17.11 NMAC bbl Type of fluid:			2 JUNE2009	
	ent with leak detection Visible sidend liner Visible sidewalls only	dewalls, liner, 6-inch lift and y Other PVC Other	automatic overflow shut-off	SIL CONS. DIV. DIST.	
Alternative Met	nod: n request is required. Exceptions must be	submitted to the Santa Fe En	vironmental Bureau office for c	consideration of approval.	

Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pit, temporary pits, and below-grade tanks) Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church) Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate. Please specify			
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other Monthly inspections (If netting or screening is not physically feasible)			
Signs: Subsection C of 19.15 17.11 NMAC 12" X 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers X Signed in compliance with 19.15.3.103 NMAC			
Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required Please refer to 19.15.17 NMAC for guidance Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s). Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for consideration of approval.	leration of app	roval.	
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.	Yes	No	
(Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	□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 NA	No	
Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	Yes	No	
- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site.			
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended - Written 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 man	Yes	□No	

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Temporary Pits, Emergency Pits and Below-grade Tanks Permit Application Attachment Checklist Subsection B of 19.15.17.9 NMAC Instructions. Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.			
Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC			
Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9			
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC			
Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC			
Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 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 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			
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			
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			
Proposed Closure: 19.15.17.13 NMAC			
Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.			
Type: Drilling X Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank X Closed-loop System Alternative			
Proposed Closure Method: Waste Excavation and Removal			
X Waste Removal (Closed-loop systems only)			
On-site Closure Method (only for temporary pits and closed-loop systems)			
In-place Burial On-site Trench			
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)			
15			
Waste Excavation and Removal Closure Plan Checklist (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.			
Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC			
Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC			
Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)			
Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC			
Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC			
Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC			

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16 Waste Removal Closure For Closed-loop Systems That Utilize Above Grou Instructions Please identify the facility or facilities for the disposal of liquids,	and Steel Tanks or Haul-off Bins Only:(19 15 17.13.D NMAC)		
facilities are required	ining faces and arm earings. Ose addenment if innie man two		
Disposal Facility Name: Envirotech	Disposal Facility Permit #: NM-01-0011		
Disposal Facility Name: Basin Disposal Facility	Disposal Facility Permit #: NM-01-005	·	
Will any of the proposed closed-loop system operations and associated Yes (If yes, please provide the information No		service and	
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			
Siting Criteria (Regarding on-site closure methods only: 19 15 17.10 Instructions Each stung criteria requires a demonstration of compliance in the closure p certain siting criteria may require adminish aftive approval from the appropriate district office for consideration of approval Justifications and/or demonstrations of equivalency	lan Recommendations of acceptable source material are provided below ffice or may be considered an exception which must be submitted to the S		
Ground water is less than 50 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search, USGS: D	·	Yes No	
Ground water is between 50 and 100 feet below the bottom of the burie	ed waste	Yes No	
- NM Office of the State Engineer - tWATERS database search, USGS; Da	ata obtained from nearby wells	□N/A	
Ground water is more than 100 feet below the bottom of the buried wa	ste.	Yes No	
- NM Office of the State Engineer - iWATERS database search; USGS; USG	N/A		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other (measured from the ordinary high-water mark).	Yes No		
- Topographic map, Visual inspection (certification) of the proposed site	and an apparatus of the top of the land and a second		
Within 300 feet from a permanent residence, school, hospital, institution, or chi - Visual inspection (certification) of the proposed site, Aerial photo; satellit	••	Yes No	
Within 500 horizontal feet of a private, domestic fresh water well or spring that purposes, or within 1000 horizontal fee of any other fresh water well or spring, - NM Office of the State Engineer - iWATERS database. Visual inspection Within incorporated municipal boundaries or within a defined municipal fresh w	∏Yes ∏No		
pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approximately approx	oval obtained from the municipality		
Within 500 feet of a wetland - US Fish and Wildlife Wetland Identification map: Topographic map, Vis	ual inspection (certification) of the proposed site	Yes No	
Within the area overlying a subsurface mine.		Yes No	
 Written confirantion or verification or map from the NM EMNRD-Minin Within an unstable area. 	g and Mineral Division	Yes No	
Engineering measures incorporated into the design; NM Bureau of Geolog Topographic map	gy & Mineral Resources; USGS, NM Geological Society;		
Within a 100-year floodplam. - FEMA map		Yes No	
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: by a check mark in the box, that the documents are attached.	Each of the following items must bee attached to the clo	osure plan. Please indicate,	
Siting Criteria Compliance Demonstrations - based upon the ap	propriate 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			

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19 Operator Applicat					
I hereby certify that the	e information submitted wi	th this application is true, accu	rate and complete to the bes	st of my knowledge and belief.	
Name (Print):	Ke	lly Jeffery	Title:	Regulatory Technician	·
Signature			Date:	6-9-09	
e-mail address:	jeffekr@co	nocophillips.com	Telephone:	505-599-4025	
20 OCD Americals	₩ Amaliantian (including closure <u>pl</u> an)	Closure Plan (only)		h
'			Closure Flan (only)	OCD Conditions (see attac	
OCD Representati		ed oull		Approval Date:	10-18-09
Title:	Ensiro/spe	<u></u>	OCD Perm	it Number:	
Instructions: Operator report is required to b	s are required to obtain an e submitted to the division		to implementing any closure on of the closure activities. ompleted.	activities and submitting the closur Please do not complete this section Completion Date:	-
22					
I 🔀	tion and Removal m approved plan, please ex	On-site Closure Method	Alternative Closure	Method Waste Removal (Cl	osed-loop systems only)
				und Steel Tanks or Haul-off Bins s were disposed. Use attachment ij	
Disposal Facility N	lame		Disposal Facility	Permit Number:	
Disposal Facility N			Disposal Facility		
Were the closed-lo	op system operations and a	ssociated activities performed	on or in areas that will not	be used for future service and opea	rtions?
Yes (If yes, pl	ease demonstrate complilar	ne to the items below)	□No		
l — · · · ·		e used for future service and o	perations:		
=	on (Photo Documentation)				
1 =	g and Cover Installation Application Rates and See	dina Technique			
	Application Rates and See	ang recinique			
the box, that the do	Attachment Checklist: comments are attached. sure Notice (surface own d Notice (required for o	ner and division)	llowing items must be attack	hed to the closure report. Please in	idicate, by a check mark in
1 ===	r on-site closures and te	•			
=	n Sampling Analytical R				:
	ial Sampling Analytical	` 11			
ı ≔	ility Name and Permit N	* * * * * * * * * * * * * * * * * * * *			
Soil Backfill	ing and Cover Installation	on			
l <u>=</u>	n Application Rates and				
	ition (Photo Documenta	,		_	
On-site Clos	ure Location: Latitud	e:	Longitude:	NAD [1927 1983
	e information and attachm	ents submitted with this closur equirements and conditions sp	-	d complete to the best of my knowle cure plan	dge and belief. I also certify that
Name (Print):			Title:	-	
Signature:			Date:		
e-mail address:			Telephone:		

Form C-144 Oil Conservation Division Page 5 of 5

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

Closed-loop Design Plan

BR's closed loop system will not entail a drying pad, temporary pit, below grade tank or sump. It will include an above ground tank suitable for holding the cuttings and fluids for rig operations. The tank will be sufficient volume to maintain a safe free board between disposal of the liquids and solids from rig operations.

- 1. Fencing is not required for an above ground closed-loop system
- 2. It will be signed in compliance with 19.15.3.103 NMAC
- 3. A frac tank will be on location to store fresh water

Closed-loop Operating and Maintenance Plan

BR's closed-loop tank will be operated and maintained to contain liquids and solids in order to prevent contamination of fresh water sources, in order to protect public health and the environment. To ensure the operation is maintained the following steps will be followed:

- 1. The liquids will be vacuumed out and disposed of at the Basin Disposal facility (Permit # NM-01-005). Solids in the closed-loop tank will be vacuumed out and disposed of at Envirotech (Permit # NM-01-0011) on a periodic basis to prevent over topping.
- 2. No hazardous waste, miscellaneous solid waste or debris will be discharged into or stored in the tank. Only fluids or cutting used or generated by rig operations will be placed or stored in the tank.
- 3. The division district office will be notified within 48 hours of the discovery of compromised integrity of the closed-loop tank. Upon the discovery of the compromised tank, repairs will be enacted immediately

Closed-loop Closure Plan

The closed-loop tank will be closed in accordance with 19.15.17.13. This will be done by transporting cuttings and all remaining sludges to Envirotech (Permit # NM-01-0011) immediately following rig operations. All remaining liquids will be transported and disposed of in the Basin Disposal facility (Permit # NM-01-005). The tanks will be removed from the location as part of the rig move. At time of well abandonment, the site will be reclaimed and re-vegetated to pre-existing conditions when possible.