### Distuct?

1625 N French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Biazos 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

# Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application

Type of action:	$\overline{\mathbf{X}}$ 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 hability 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 applical	ble governmental authority's rules, regulations or ordinances
Operator: Burlington Resources Oil & Gas Company, LP	OGRID#: 14538
Address: PO Box 4289, Farmington, NM 87499	
Facility or well name: Aztec Federal 1	
API Number: 30-045-09319 OCD Permit Num	mber:
U/L or Qtr/Qtr. J(NWSE) Section: 24 Township: 30N Range:	11W County: Rio Arriba
Center of Proposed Design: Latitude: 36.793998'N Longitude:	<b>107.940000'W</b> NAD: X 1927 1983
Surface Owner X Federal State Private Tribal Trust or Ind	lian Allotment
Pit: Subsection F or G of 19.15.17.11 NMAC  Temporary: Drilling Workover Permanent Emergency Cavitation P&A Lined Unlined Liner type: Thickness mil LLDPE String-Reinforced	HDPE PVC Other
Liner Seams: Welded Factory Other Volume:	bbl Dimensions Lx Wx D
Subsection H of 19.15.17.11 NMAC   Type of Operation: P&A Drilling a new well   X Workover or Drilling (Applies notice of intent)	THE THE STATE OF T
Below-grade tank: Subsection I of 19.15.17.11 NMAC  Volume: bbl Type of fluid:  Tank Construction material:  Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and a Visible sidewalls and liner Visible sidewalls only Other  Liner Type: Thickness mil HDPE PVC Other	OIL CONS. DIV. DIST. 3
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Envi	

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)  Scieen 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.	ideration of app	noval.
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 - 1WATERS database search; Visual inspection (certification) of the proposed site.		
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended  - Written confirmation or verification from the municipality; Written approval obtained from the municipality	Yes	∐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	Yes	No
Society; Topographic map Within a 100-year floodplain - FEMA map	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			
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			
Situng 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			
M 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			
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: Drilling X Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank X Closed-loop System  Alternative			
Proposed Closure Method: Waste Excavation and Removal			
Waste Removal (Closed-loop systems only)			
On-site Closure Method (only for temporary pits and closed-loop systems)			
In-place BurialOn-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 10.15 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			
hard			

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16 Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel 7					
Instructions: Please identify the facility or facilities for the disposal of liquids, drilling flu are required	uds and drill cuttings. Use at	tachment if more than two fa	cilities -		
·	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 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 Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection Plan - based upon the appropriate Plan - based upon the a	on I of 19.15.17.13 NMAC		,		
Siting Criteria (Regarding on-site closure methods only: 19.15.17.10 NMAC Instructions Each string criteria requires a demonstration of compliance in the closure plan Receptum siting criteria may require administrative approval from the appropriate district office or for consideration of approval Justifications and/or demonstrations of equivalency are required	may be considered an exception	which must be submitted to the S		ce	
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 obtain	ed from nearby wells		Yes No		
Ground water is between 50 and 100 feet below the bottom of the buried waste			☐Yes ☐No		
- NM Office of the State Engineer - iWATERS database search; USGS; Data obtaine	ed from nearby wells		D <sub>N/A</sub>		
Ground water is more than 100 feet below the bottom of the burjed waste.			☐Yes ☐No	- {	
- NM Office of the State Engineer - iWATERS database search; USGS, Data obtaine	ed from nearby wells		N/A		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant (measured from the ordinary high-water mark).	nt watercourse or lakebed, sinl	khole, or playa lake	Yes No		
- Topographic map; Visual inspection (certification) of the proposed site					
Within 300 feet from a permanent residence, school, hospital, institution, or church in exit - Visual inspection (certification) of the proposed site, Aerial photo; satellite image	istence at the time of initial ap	plication	∐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  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 of verification from the municipality; Written approval obtain Within 500 feet of a wetland	ed from the municipality		Tyes TNo		
- US Fish and Wildlife Wetland Identification map; Topographic map, Visual inspec	tion (certification) of the prop	osed site		1	
Within the area overlying a subsurface mine.	10'		Yes No	Í	
- Written confirantion or verification or map from the NM EMNRD-Mining and Mir Within an unstable area	neral Division		□Yes □No		
- Engineering measures incorporated into the design; NM Bureau of Geology & Mine Topographic map	eral Resources, USGS; NM G	eological Society;			
Within a 100-year floodplain FEMA map			Yes No		
On-Site Closure Plan Checklist: (19 15.17.13 NMAC) Instructions: Each of by a check mark in the box, that the documents are attached.	the following items must t	bee attached to the closure	plan. Please indicate,		
Siting Criteria Compliance Demonstrations - based upon the appropriate i	equirements of 19.15.17.10	) NMAC		ŀ	
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				1	
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	-				
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 1 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 Cert	ification:		
	ation submitted with this application is true, acc	curate and complete to the l	best of my knowledge and behef.
Name (Print):	Kelly Jeffery	Title.	Regulatory Technician
Signature.	216/	Date	7-8-09
e-mail address	jeffekr@compophillips.com	Telephone	505-599-4025
20	is Application Controlling stress at a N	Charma Plan (anh)	OCD Conditions (oca attachment)
,	it Application (including closure plan)	='	OCD Conditions (see attachment)
OCD Representative Signa	iture: Brand See	<i>U.</i>	Approval Date: 8-1/3-09
Title: E	in Jiro 15 pec	OCD Perm	it Number:
Instructions: Operators are required to be submitted	•••	to implementing any closu tion of the closure activities completed.	re activities and submitting the closure report. The closure Please do not complete this section of the form until an Completion Date:
22			
Closure Method:  Waste Excavation and	<b>-</b>	Alternative Closure	Method Waste Removal (Closed-loop systems only)
If different from approv	ved plan, please explain.		
	aste <u>Removal Closure For Closed-loop Syste</u> te facility or facilities for where the liquids, dr		ound Steel Tanks or Haul-off Bins Only: ngs were disposed. Use attachment if more than two facilities
Disposal Facility Name:		Disposal Facility	Permit Number
Disposal Facility Name:		Disposal Facility	Permit Number
	n operations and associated activities performed		t be used for future service and opeartions?
Yes (If yes, please dem	onstrate complilane to the items below)	No	
	s which will not be used for future service and o	operations:	
Site Reclamation (Phot	, , , , , , , , , , , , , , , , , , ,		
	ion Rates and Seeding Technique		
24	8		
	nent Checklist: Instructions: Each of the fo	llowing items must be atta	ched to the closure report. Please indicate, by a check mark in
the box, that the document			
=	ice (surface owner and division)		
_ <del>_</del> _	(required for on-site closure) closures and temporary pits)		
	ng Analytical Results (if applicable)		
	olung Analytical Results (if applicable)		
	ne and Permit Number		
Soil Backfilling and			
	ation Rates and Seeding Technique		
Site Reclamation (Ph			•
On-site Closure Loca	tion: Latitude	Longitude	NAD 1927 1983
25			
Operator Closure Certifica			
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.	

## 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.