<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 1301 W. Grand Ave , Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u>	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.				
1220 S. St. Francis Di , Santa Fe, NM 87505	Pit, Closed-Loop System, Below-Grad					
SXIO Prop	bosed Alternative Method Permit or Closed					
Type of action:	e 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					
		tank, or proposed anemative method				
	Modification to an existing permit	ttad or non normittad nit alacad loon quatam				
	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 c	application (Form C-144) per individual pit, closed-loo	p system, below-grade tank or alternative request				
	of this request does not relieve the operator of liability should operations in lieve the operator of its responsibility to comply with any other applicable					
1 Operator: Burlington Resources O	il & Gas Company, LP	OGRID#: 14538				
Address: PO Box 4289, Farmingto		1000				
Facility or well name: Ute 4						
	30-045-11479 OCD Permit Numb					
U/L or Qtr/Qtr: N (SESW) Secti		14W County: San Juan				
Center of Proposed Design: Latitude		108.297730'W NAD: X 1927 1983				
Surface Owner: Federal	State Private X Tribal Trust or India					
Permanent Emergency C Lined Unlined L String-Reinforced	7.11 NMAC rkover Cavitation P&A iner type: Thickness mil LLDPE Factory Other Volume:	HDPE PVC Other				
3 X Closed-loop System: Subsec Type of Operation: P&A P	tion H of 19.15.17.11 NMAC Drilling a new well X Workover or Drilling (Applies to notice of intent)	activities which require prior approval of a permit or				
Lined Unlined Line	und Steel Tanks Haul-off Bins Other er type: Thickness mil LLDPE					
4 Below-grade tank: Subsection Volume: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Image: Construction material: Imag	bbl Type of fluid:					
5 <u>Alternative Method:</u> Submittal of an exception request is re	equired. Exceptions must be submitted to the Santa Fe Enviro	onmental Bureau office for consideration of approval.				

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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				
7 Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Othei				
8 Signs: Subsection C of 19 15.17.11 NMAC 12" X 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers X Signed in compliance with 19 15.3 103 NMAC				
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.				
10 <u>Siting Criteria (regarding permitting)</u> : 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)	Yes No			
 Visual inspection (certification) of the proposed site; Aerial photo; Satellite image Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applied to permanent pits) 	Yes No			
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering 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 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 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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11 <u>Temporary Pits, Emergency Pits and Below-grade Tanks Permit Application Attachment Checklist</u> : 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				
Hydrogcologic 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				
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 Sities Contain Compliance Demonstrations (only for on-site closure) - based upon the appropriate arguirements of 10 15 17 10 NMAC				
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				
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. 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				
Proposed Closure Method: Waste Excavation and Removal				
Image: State				
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 <u>Waste Excavation and Removal Closure Plan Checklist:</u> (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 <u>Waste Removal Closure For C</u> Instructions Please identify the	losed-loop Systems That Utilize Above Ground Stee facility or facilities for the disposal of liquids, drilling	a Tanks or Haul-off Bins Only fluds and drill cutings Use a	<u>y:</u> (19.15 17 13.D NMAC) trachment if more than two fac	cilities		
are required						
Disposal Facility Name 1	Envirotech	Disposal Facility Permit #:	NM-01-0011			
Disposal Facility Name: 1		Disposal Facility Permit #:				
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that <i>will not</i> be used for future service and operations? Yes (If yes, please provide the information No						
Required for impacted areas which will not be used for future service and operations: Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC						
17 <u>Siting Criteria (Regarding on-site closure methods only:</u> 19.15.17.10 NMAC Instructiony 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 t	feet below the bottom of the buried waste.			Yes No		
- NM Office of the State Er	ngineer - iWATERS database search; USGS. Data obta	uned from nearby wells		N/A		
Ground water is between 50 a	and 100 feet below the bottom of the buried waste			Yes No		
- NM Office of the State En	gineer - 1WATERS database search; USGS; Data obta	ined from nearby wells		N/A		
Ground water is more than 10	Fround water is more than 100 feet below the bottom of the buried waste.			Yes No		
- NM Office of the State En	gineer - iWATERS database search; USGS, Data obta	ned from nearby wells		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).		Yes No				
- Topographic map, Visual	- Topographic map, Visual inspection (certification) of the proposed site					
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo, satellite image		pplication.	Yes No			
purposes, or within 1000 horizon - NM Office of the State Eng	private, domestic fresh water well or spring that less that ntal fee of any other fresh water well or spring, in exist gineer - iWATERS database; Visual inspection (certific boundaries or within a defined municipal fresh water w n 3-27-3, as amended	ence at the time of the initial ap cation) of the proposed site	plication	Yes No		
- Written confirmation or verification from the municipality; Written approval obtained from the municipality						
	Within 500 feet of a wetland - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site		posed site	Yes No		
Within the area overlying a si				Yes No		
	rification or map from the NM EMNRD-Mining and M	Ameral Division				
Within an unstable area. - Engineering measures inco	Vithin an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society;		Geological Society;	Yes No		
Topographic map Within a 100-year floodplain. - FEMA map				Yes No		
18 <u>On-Site Closure Plan Checklist:</u> (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.						
Sting 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						
<u> </u>	Plan of Burial Trench (if applicable) based upon the					
Construction/Design Plan of Temporary Pit (for in place burnal 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 						
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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). Jamie Goodwin Title Regulatory Technician					
Signature: Dime Grander Date 7/29/09					
e-mail address: Jamie.L.Goodwin@conocophillips.com Telephone: 505-326-9784					
20 OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)					
OCD Representative Signature: Smarph J-ML Approval Date: 8-17-09					
Title: <u>Empro /spec</u> 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)					
L 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 <i>will not</i> be used for future service and opeartions?					
Yes (If yes, please demonstrate compliane to the items below)					
Required for impacted areas which will not be used for future 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):					
Signature: Date:					
e-mail address: Telephone:					

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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.