District 1

1625 N French Dr., Hobbs, NM 88240

District II 1301 W. Grand Ave., Artesia, NM 88210

District III 1000 Rio Brazos Rd , Aztec, NM 87410

District IV

1220 S St Francis Dr ; Santa Fe, NM 87505

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

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

July 21, 2008 For temporary pits, closed-loop sytems, and below-grade 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

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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,

Instructions: Please submit one application (Form C-144) per individual pit closed-loop system, below-grade tank or alternative request

below-grade tank, or proposed alternative method

	OGRID#: 14538
Address: PO Box 4289, Farmington, NM 87499	
Facility or well name: Huerfano Unit 56	
API Number: 30-045-26129 OCD Per	rmit Number:
U/L or Qtr/Qtr: M(SW/SW) Section: 15 Township: 25N Ran	nge: 9W County: San Juan
Center of Proposed Design: Latitude: 36.39628 °N Longitude:	
Surface Owner: X Federal State Private Tribal Trus	st or Indian Allotment
2	
Pit: Subsection F or G of 19.15.17.11 NMAC	
Temporary Drilling Workover	
Permanent Emergency Cavitation P&A	
	LDPE HDPE PVC Other
String-Reinforced	
Liner Seams Welded Factory Other Volume	e·bbl Dimensions Lx Wx D
notice of intent) Drying Pad X Above Ground Steel Tanks Haul-off Bins Other	DPE HDPE PVD Other RECEN
	O FARE
4 Below-grade tank: Subsection 1 of 19.15.17.11 NMAC	200
Below-grade tank: Subsection 1 of 19.15.17.11 NMAC Volume: bbl Type of fluid:	OIL CONS DIV.
	21. Q OIL CONS. DIV. D
Volume: bbl Type of fluid: Tank Construction material:	
Volume: bbl Type of fluid: Tank Construction material:	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 wife at top (Required if located within 1000 feet of a permanent residence, school, hospital, insi	atution or chin	ch)		
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 Nctting Other				
Monthly inspections (If netting or screening is not physically feasible)				
8				
Signs: Subsection C of 19 15.17.11 NMAC				
12" X 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers		•		
X Signed in compliance with 19 15.3.103 NMAC				
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 cons (Fencing/BGT Liner)	ideration of ap	proval.		
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		Ì		
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		ŀ		
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.		i		
does not apply to drying pads or above grade-tains associated with a closed-toop 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	Yes	□No		
lake (measured from the ordinary high-water mark). - 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.	Lies			
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)	□NA			
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image				
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes	No		
(Applied to permanent pits)	□NA			
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image				
Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering 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	Yes	No		
 adopted pursuant to NMSA 1978, Section 3-27-3, as amended Written confirmation or verification from the municipality; Written approval obtained from the municipality 				
Within 500 feet of a wetland.	Yes	∏No		
- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site		_		
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.	□Yes	□No		
- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map				
Within a 100-year floodplain	Yes	□No		
- FEMA man	🗀 😘	ш.,,		

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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
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 head were the appropriate requirements of Subsection C of 10.15.17.0 NIMAC and 10.15.17.13 NIMAC
Closure Plan - based upon the appropriate requirements of Subsection C of 19 15.17.9 NMAC and 19.15.17.13 NMAC
Proposed Closure: 10.15.17.13.NMAC
<u>Proposed Closure:</u> 19.15.17 13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.
Type Drilling Workover Emergency Cavitation XP&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)
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 Ground St	teel Tanks or Haul-off Bins Onl	<u>v:</u> (19.15 17 13 D NMAC)		
Instructions: Please identify the facility or facilities for the disposal of liquids, drilli are required	ig fluids and drill cuttings Use a	ttachment if more than two fo	icilities .	
Disposal Facility Name Envirotech / JFJ Landfarm % IEI	_ Disposal Facility Permit #	NM-01-0011 / NM-01-00)10B	
Disposal Facility Name Basin Disposal Facility	Disposal Facility Permit #.	NM-01-005		
Will any of the proposed closed-loop system operations and associated activity Yes (If yes, please provide the information No	ties occur on or in areas that w	ill not be used for future so	ervice and opera	itions?
Required for impacted areas which will not be used for future service and operation Soil Backfill and Cover Design Specification - based upon the approp Re-vegetation Plan - based upon the appropriate requirements of Subs Site Reclamation Plan - based upon the appropriate requirements of S	riate requirements of Subsection I of 19.15.17.13 NMAC		2	
17 Siting Criteria (Regarding on-site closure methods only: 19.15.17.10 NMAC Instructions Each Steing criteria requires a demonstration of compliance in the closure plan Recommendations of acceptable source material are provided below. Requests regarding changes to certain string 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 vefer to 19 15 17.10 NMAC for guidance.				
Ground water is less than 50 feet below the bottom of the buried waste.			Yes	No
- NM Office of the State Engineer - iWATERS database search; USGS: Data of	otained from nearby wells		☐N/A	
Ground water is between 50 and 100 feet below the bottom of the buried was	ete		Yes	No
- NM Office of the State Engineer - iWATERS database search; USGS; Data ob	tained from nearby wells		N/A	
Ground water is more than 100 feet below the bottom of the buried waste.			Yes	No
- NM Office of the State Engineer - iWATERS database search; USGS; Data ob	tained from nearby wells		N/A	
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signitude (measured from the ordinary high-water mark).	ficant watercourse or lakebed, sin	khole, or playa lake	Yes	No
- Topographic map; Visual inspection (certification) of the proposed site			П.,	
Within 300 feet from a permanent residence, school, hospital, institution, or church in Visual inspection (certification) of the proposed site; Aerial photo, satellite ima		pplication.	Yes	∐No
radia inspection (estimated) or the proposed the, 122-22 proto, the insertion of	5		Yes	□No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less i purposes, or within 1000 horizontal fee of any other fresh water well or spring, in ex - NM Office of the State Engineer - iWATERS database; Visual inspection (certification)	istence at the time of the initial ap			
Within incorporated municipal boundaries or within a defined municipal fresh water pursuant to NMSA 1978, Section 3-27-3, as amended.		ipal ordinance adopted	Yes	No
Written confirmation or verification from the municipality; Written approval o Within 500 feet of a wetland	oranied from the municipality		Yes	\square_{No}
- US Fish and Wildlife Welland Identification map; Topographic map, Visual in	spection (certification) of the prop	posed site		
Within the area overlying a subsurface mine. - Written confiramtion or verification or map from the NM EMNRD-Mining and	IMID '-		Yes	□No
- written comframtion of verification of map from the NWI EMINED-Mining and Within an unstable area.	i Mineral Division		Yes	\square_{No}
- Engineering measures incorporated into the design, NM Bureau of Geology &	Mineral Resources; USGS; NM C	eological Society;		□ ''•
Topographic map Within a 100-year floodplain.			□v	
- FEMA map			∐Yes	∐No
On-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each by a check mark in the box, that the documents are attached.	h of the following items must	bee attached to the closur	e plan. Please	indicate,
Siting Criteria Compliance Demonstrations - based upon the appropris	ate requirements of 19 15 17 1	0 NMAC		
Proof of Surface Owner Notice - based upon the appropriate requirem	•			
Construction/Design Plan of Burial Trench (if applicable) based upon	the appropriate requirements of	of 19.15.17.11 NMAC		
Construction/Design Plan of Temporary Ptt (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	of 19.15.17.13 NMAC			
Confirmation Sampling Plan (if applicable) - based upon the appropria	•			
Waste Material Sampling Plan - based upon the appropriate requirement				
Disposal Facility Name and Permit Number (for liquids, drilling fluids			not be achieved	1)
Soil Cover Design - based upon the appropriate requirements of Subsoin Re-vegetation Plan - based upon the appropriate requirements of Subsoin Re-vegetation Plan - based upon the appropriate requirements of Subsoin Re-vegetation Plan - based upon the appropriate requirements of Subsoin Re-vegetation Plan - based upon the appropriate requirements of Subsoin Re-vegetation Plan - based upon the appropriate requirements of Subsoin Re-vegetation Plan - based upon the appropriate requirements of Subsoin Re-vegetation Plan - based upon the appropriate requirements of Subsoin Re-vegetation Plan - based upon the appropriate requirements of Subsoin Re-vegetation Plan - based upon the appropriate requirements of Subsoin Re-vegetation Plan - based upon the appropriate requirements of Subsoin Re-vegetation Plan - based upon the appropriate requirements of Subsoin Re-vegetation Plan - based upon the appropriate requirements of Subsoin Re-vegetation Plan - based upon the appropriate requirements of Subsoin Re-vegetation Plan - based upon the appropriate requirements of Subsoin Re-vegetation R				
Site Reclamation Plan - based upon the appropriate requirements of S				

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19 Operator Application Certification:
Thereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief
Name (Print): Rhonda Rogers Title: Staff Regulatory Technician
Signature. Dhords Date. 8/19/2009
e-mail address rogerrs@conocophylips com Telephone 505-599-4018
20 OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment) OCD Representative Signature: Square
OCD Representative Signature: Squarel Sell Approval Date: 9/1/69
OCD Representative Signature: Stand Sell Approval Date: 9/1/09 Title: Endino (Spec OCD Permit Number:
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 <u>Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:</u> 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 operations?
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
Consequence of the second seco
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
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:

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) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B). Solids in the closed-loop tank will be vacuumed out and disposed of at Envirotech (Permit # NM-01-0011) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B) 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) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B) immediately following rig operations. All remaining liquids will be transported and disposed of in the Basin Disposal facility (Permit # NM-01-005) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B). 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.