Form C-144 July 21, 2008

District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Ĩ

State of New Mexico Energy Minerals and Natural Resources Department Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

For temporary pits, closed-loop systems, 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.

Proposed Alternative Method Permit or Closure Plan Application					
Proposed Alternative Method Permit or Closure Plan Application Type of action: Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system,					
below-grade tank, or proposed alternative method					
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.					
1. Operator: Devon Energy Production Company, L.P OGRID #: 6137					
Address: 20 N. Broadway, Oklahoma City, OK 73102					
Facility or well name: NEBU 77A					
API Number:30-045-30960OCD Permit Number:					
U/L or Qtr/Qtr SW/NW Section 15 Township 31N Range 7W County: San Juan					
Center of Proposed Design: Latitude36.903056Longitude107.563889NAD: ☐1927 ☑ 1983					
Surface Owner: Sederal State Private Tribal Trust or Indian Allotment					
2					
Pit: Subsection F or G of 19.15.17.11 NMAC					
Temporary: Drilling Workover					
Permanent Emergency Cavitation P&A					
☐ Lined ☐ Unlined Liner type: Thicknessmil ☐ LLDPE ☐ HDPE ☐ PVC ☐ OtherDIST. 3					
☐ String-Reinforced					
Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x D					
Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) Drying Pad Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type: Thickness mil LLDPE HDPE PVC Other Liner Seams: Welded Factory Other					
Selow-grade tank: Subsection I of 19.15.17.11 NMAC Volume: 45					
Alternative Method:					

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

6.				
Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, 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 Steel Mesh Fence with single strand barbed wire				
7.				
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)				
Screen Netting Other				
Monthly inspections (If netting or screening is not physically feasible)				
8.				
Signs: Subsection C of 19.15.17.11 NMAC				
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers				
⊠ Signed in compliance with 19.15.3.103 NMAC				
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 or the Santa Fe Environmental Bureau o consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	office for			
10.				
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the approp office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of ap Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to dryin above-grade tanks associated with a closed-loop system.	priate district proval.			
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 significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No			
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ⊠ No ☐ NA			
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No ☑ NA			
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 feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site				
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ⊠ No			
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No			
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ⊠ No			
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ⊠ No			
Within a 100-year floodplain FEMA map	☐ Yes ⊠ No			

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 NMAC 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 Number: or Permit Number:
12.
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Previously Approved Design (attach copy of design) API Number:
Previously Approved Operating and Maintenance Plan API Number:(Applies only to closed-loop system that use
above ground steel tanks or haul-off bins and propose to implement waste removal for closure)
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 (1) 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 H ₂ S, 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 Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System Alternative
Proposed Closure Method: Waste Excavation and Removal (Below Grade Tank) Waste Removal (Closed-loop systems only) On-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial On-site Trench Burial 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

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Instructions: Please indentify the facility or facilities for the disposal of liquids, a facilities are required.	Steel Tanks or Haul-off Bins Only: (19.15.17.13.1 drilling fluids and drill cuttings. Use attachment if n	NMAC) nore than two
•	Disposal Facility Permit Number:	
	Disposal Facility Permit Number:	
Will any of the proposed closed-loop system operations and associated activities of Yes (If yes, please provide the information below) No		
Required for impacted areas which will not be used for future service and operation Soil Backfill and Cover Design Specifications based upon the appropriate Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection	requirements of Subsection H of 19.15.17.13 NMAO I of 19.15.17.13 NMAC	C
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the provided below. Requests regarding changes to certain siting criteria may requir considered an exception which must be submitted to the Santa Fe Environmental demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC j	e administrative approval from the appropriate disti Bureau office for consideration of approval. Justi	rict office or may be
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	a obtained from nearby wells	☐ Yes ☑ No ☐ NA
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data	a obtained from nearby wells	☐ Yes ⊠ No ☐ NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data	a obtained from nearby wells	Yes □ No □ NA NA
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other sig lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	nificant watercourse or lakebed, sinkhole, or playa	☐ Yes ⊠ No
Within 300 feet from a permanent residence, school, hospital, institution, or church - Visual inspection (certification) of the proposed site; Aerial photo; Satellite		☐ Yes ⊠ No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or s - NM Office of the State Engineer - iWATERS database; Visual inspection (pring, in existence at the time of initial application.	☐ Yes ⊠ No
Within incorporated municipal boundaries or within a defined municipal fresh water adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approv	_	☐ Yes ⊠ No
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visua	al 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 Society; Topographic map 	y & Mineral Resources; USGS; NM Geological	☐ Yes ☑ No
Within a 100-year floodplain FEMA map		☐ Yes ⊠ No
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Protocols and Procedures - based upon the appropriate requirements of 19.15 Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Disposal Facility Name and Permit Number (for liquids, drilling fluids and documents of Subsection Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection	uirements of 19.15.17.10 NMAC Subsection F of 19.15.17.13 NMAC oppropriate requirements of 19.15.17.11 NMAC ad) - based upon the appropriate requirements of 19. 5.17.13 NMAC uirements of Subsection F of 19.15.17.13 NMAC Subsection F of 19.15.17.13 NMAC irill cuttings or in case on-site closure standards cann H of 19.15.17.13 NMAC I of 19.15.17.13 NMAC	15.17.11 NMAC

1	
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):Katie Lam	Title:Office Technician
Signature: Katil Jam	Date: <u>09-12-08</u>
e-mail address:katie.lam@dvn.com	Telephone:(505) 324-5600
OCD Approval: Permit Application (including closure plan) Closure Plan	
OCD Representative Signature:	
Title: Euxino/spec	OCD Permit Number:
Closure Report (required within 60 days of closure completion): Subsection K Instructions: Operators are required to obtain an approved closure plan prior to it. The closure report is required to be submitted to the division within 60 days of the section of the form until an approved closure plan has been obtained and the closure.	implementing any closure activities and submitting the closure report. completion of the closure activities. Please do not complete this ure activities have been completed.
	Closure Completion Date:
Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative If different from approved plan, please explain.	ve Closure Method
23. Closure Report Regarding Waste Removal Closure For Closed-loop Systems To Instructions: Please indentify the facility or facilities for where the liquids, drilling 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 Yes (If yes, please demonstrate compliance to the items below) \(\subseteq \text{No} \)	areas that will not be used for future service and operations?
Required for impacted areas which will not be used for future service and operation Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	S:
24. Closure Report Attachment Checklist: Instructions: Each of the following item	is must be attached to the closure report. Places indicate by a check
mark in the box, that the documents are attached.	is must be attached to the closure report. Freuse indicate, by a check
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 (required for on-site closure) 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 Longitud	e NAD: 🔲 1927 🗍 1983
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure repbelief. I also certify that the closure complies with all applicable closure requirement	
Name (Print):Katie Lam	Title:Office Technician
Signature: Hatil Ram	Date: 09-12-08
e-mail address: katie.lam@dvn.com	Telephone:(505) 324-5600

Hydrogeological Report for the NEBU 77A

)

Geology:

The stratigraphic sequence of Paleocene and Eocene rocks in the eastern part of the San Juan basin is the Nacimiento and Animas formation overlain by the San Jose Formation. The San Jose Formation of Eocene age was defined by Simpson (1948a, b). It occurs in New Mexico and Colorado and its outcrop forms the land surface over much of the central basin area. It over lies the Nacimiento Formation in the area generally south of the State line (Fassett, 1974. P229). The Basal contact of the San Jose varies with location in the basin. This contact is a disconformity along the basin margins, and it is an angular unconformity along the Nacimiento uplift; the contact is conformable in the central basin. The Nacimiento is a sequence of varicolored beds of sandstone and mudrock that attains a thickness of as much as 120 m thick (Baltz, 1967).

The Animas Formation occupies a stratigraghic position similar to that of the OJO Alamo and Nacimiento Formations. The Animas strata comprise a general fining upward sequence of volcaniclastic conglomerates and sandstones, with arkosic conglomerates and sandstones near the top. The upper member of the Animas has been shown to interfinger with the Nacimiento in its eastern (Dane, 1946) and western (Barnes et al., 1954) ourcrop belts. Subsurface correlation of these formations has not been carried out in any detail because of the difficulty of recognizing their contact on Electric logs (Fasset and Hinds, 1971:33).

The nature of the contact between the lower Eocene San Jose Formation and the Nacimiento formation north of latitude 36 degrees 45'N has been described as conformable (Barnes et al., 1954, Stone et al., 1983 25-26), Whereas at latitude 36 it has been shown to be unconformable (Baltz, 1967; Lucas et al., 1981) Contact relationships between the San Jose and Animas Formations in the northernmost San Juan Basin have been shown to be intertounguing (Smith, 1988). The San Jose formation was deposited in various fluvial type environments. In general the unit consists of an interbeded sequence of sandstone siltstone and variegated shale, the sandstones are buff to yellow and rusty-colored crossbedded very fine to coarse grained arkose, which are locally conglomeratic and contain abundant silicified wood. The thickness of the San Jose Nacimiento and Animas Formations is ranges from zero to more than 3,500 feet in the east central part of the structural basin. The bottom of the Nacimiento and Animas Formations decreases from a maximum altitude of more than 8 000 feet above sea level along the northeastern basin rim to less than 4,000 feet above sea level in the east central part of the basin.

Hydraulic Properties:

The San Jose, Nacimienito, and Animas Formations are a source of water for publicsupply, commercial, private-domestic, and livestock use in areas where drilling depths and pumping levels are economically feasible and where water quality is suitable. Water in the San Jose Nacimiento and Animas Formations occurs under both water table and artesian conditions. Recharge to the aquifer is from infiltration of precipitation and stream flow on outcrops and from vertical upward leakage of water from underlying units. Transmissivity data for the San Jose Nacimiento and Animas Formations are minimal-Values of 40 and 120 feet squared per day were determined from two aquifer tests (Stone and others 1983 table 5). The reported or measured discharge from 79 water wells completed in the San Jose, Nacimiento, and Animas Formations ranges from 1 to 61 gallons per minute and the median is 6 gallons per minute. The specific capacity of 12 of these wells ranges from 0.03 to 2.30 gallons per minute per foot of drawdown and the median is 0.23 gallon per minute per foot of drawdown. Water quality data described in this section are from the NWIS data base and were collected during 1938. 84 Well records were checked to assure to the extent possible that a particular sample represents water only from the San Jose Nacimiento and Animas Formations and not a mixture of water from other aquifers. Locally however these formations may have substantial differences in the concentration of some water quality constituents due in part to differences in rock characteristics as described in the Geology section.

Reference:

USGS Hydrologic investigations atlas HA-720-A plate 1,2 Lucas, Spencer G and Smith, Larry N. 1991, Stratigraphy, Sedimentology and Paleontology of the Lower Eocene San Jose Formation in the central portion of the San Juan basin, Northwestern New Mexico, New Mexico Bureau of Mines & Mineral Resources Bulletin 126. 6-7p.

Sitting Requirements for NEBU 77A

The NEBU 77A is not located in an unstable area per topographic map attached.

There is no continuously flowing watercourse near the proposed location.

The proposed well location is neither near any private and/or public buildings nor any private and/or public water sources.

The proposed well location is not located within any incorporated municipal boundaries or municipal fresh water well field.

There are no wetlands located near the proposed well location as per the wetlands map attached.

Per the NM Bureau of Geology and Mineral Resources map attached there are no locations of any mines, mills or quarries near the proposed well location.

The FEMA floodplain map attached indicates the proposed well location is defined as outside of the 500 Year Flood Plain.

There will be no excavated material placed within 300 feet of a flowing watercourse or within 200 feet of any other defined water course.

New Mexico Office of the State Engineer POD Reports and Downloads

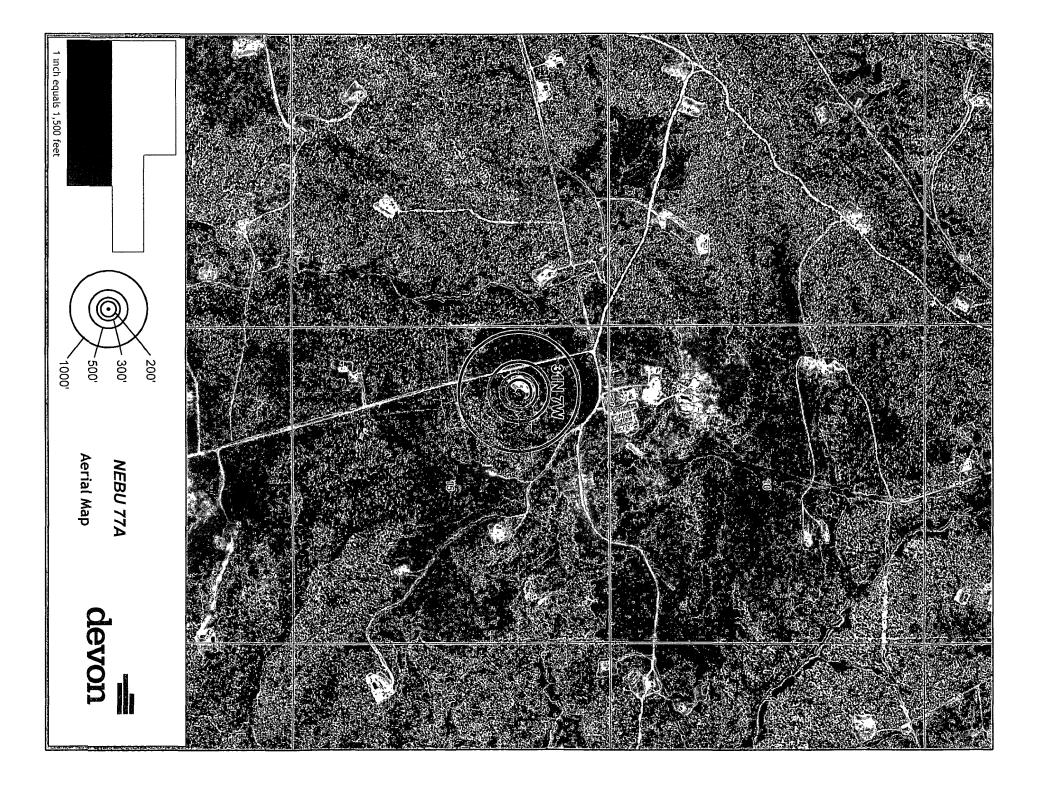
Township: 31N	Range: 07W	Sections:	15,14,11,1	0,9,16,21,22,23	,
NAD27 X:	Y:	Zone:	``\#\\$ 	Search Radius:	
County:	Basin:		¥7	Number:	Suffix:
Owner Name: (First)	(La	st) ∳A11		○ Non-Domestic	① Domestic
POD / Surface Data Report Avg Depth to Water Report Water Column Report					
Clear Form iWATERS Menu Help					

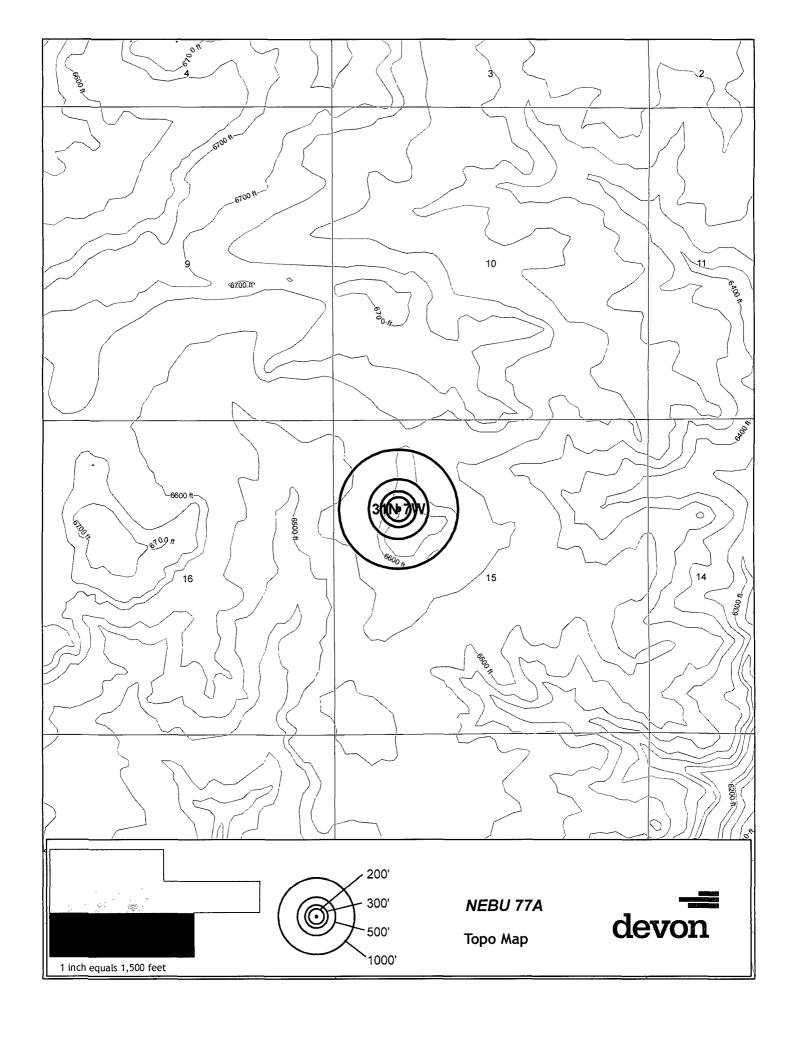
AVERAGE DEPTH OF WATER REPORT 09/03/2008

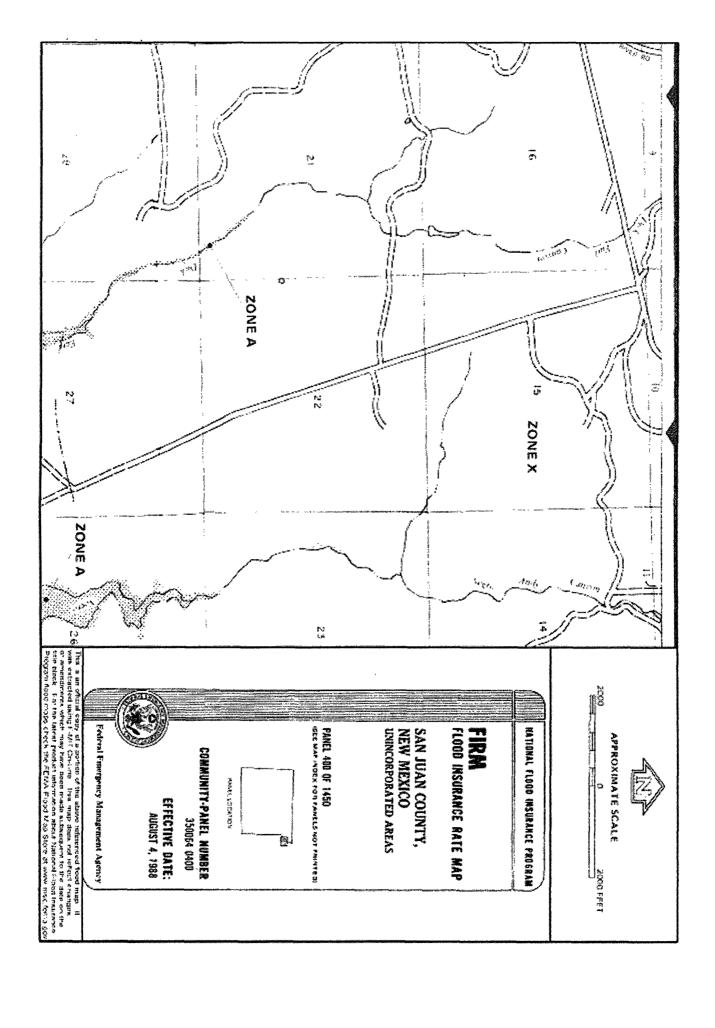
(Depth Water in Feet)

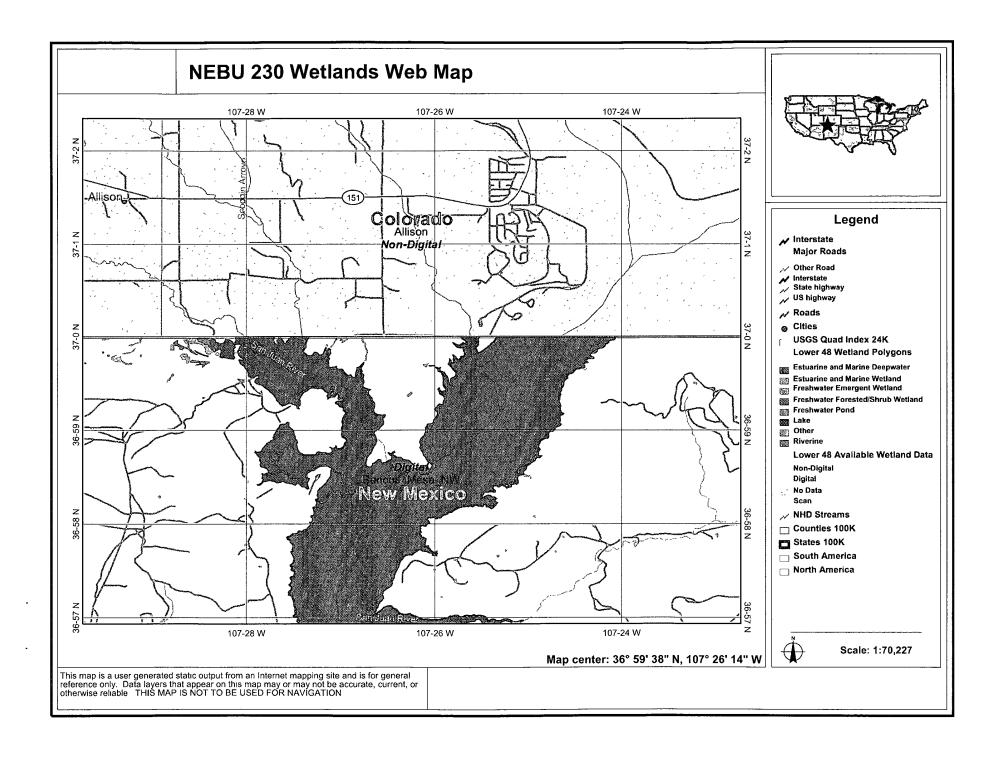
Bsn	Tws	Rng Se	ec Zone	x	Y	Wells	Min	Max	Avg
SJ	31N	07W 14	4			1	420	420	420

Record Count: 1



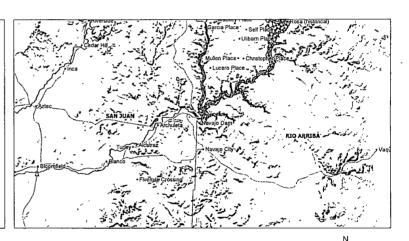






MMQonline Public Version

Mines, Mills & Quarries Commodity Groups					
Δ	Aggregate & Stone Mines				
•	Coal Mines				
*	Industrial Minerals Mines				
•	Industrial Minerals Mills				
	Metal Mines and Mill Concentrate				
	Potash Mines & Refineries				
2	Smelters & Refinery Ops.				
*	Uranium Mines				







Lam, Katie

From: Lam, Katie

Sent: Tuesday, September 09, 2008 3:57 PM

To: 'mark kelly@nm.blm.gov'

Subject: Fed Land Office Notice BGT.doc

Devon Energy Corporation 20 North Broadway Oklahoma City, OK 73102-8260 405 552 7917 Phone www.devonenergy.com

September 9, 2008

IN RE: NEBU 77A

API # 30-045-30960 1390' FNL & 1030' FWL Sec. 15, T31N, R7W

San Juan County, New Mexico

VIA EMAIL:

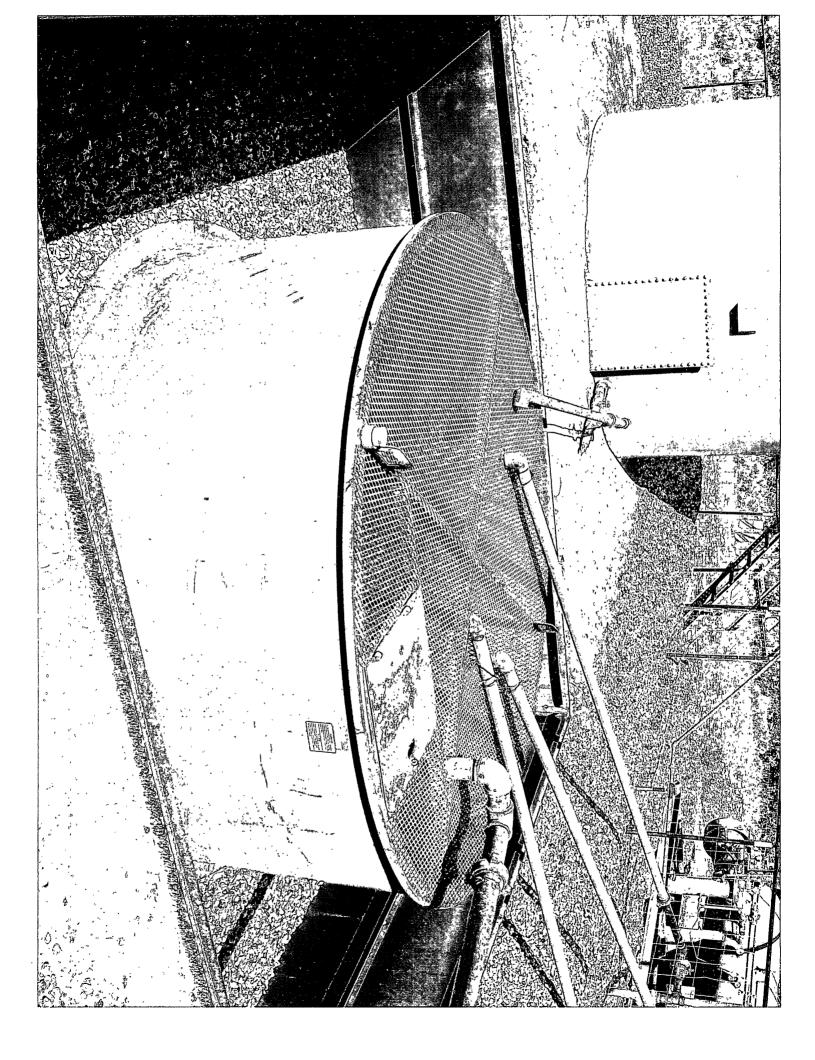
Dear Mr. Kelly,

This submittal is pursuant to Rule 19.15.17.13 requiring operators to notify the surface owners of closure pertaining to a below-grade tank. Devon Energy Production Company, L.P. is herby providing written documentation of our future intention to close the below-grade tank associated with the aforementioned location by means of waste excavation and removal.

Please feel free to contact me with any questions or require further information. My contact information is listed below.

Respectfully,

Melisa S. Castro
Devon Energy Production Company, L.P.
Senior Staff Operations Technician
405-323-3184 - Cell.
405-323-1357 - Fax
Melisa.Castro@dvn.com



Devon Energy Production Company, L.P. San Juan Basin Below Grade Tank Design and Construction Plan

In accordance with Rule 19.15.17 NMAC the following information describes the design and construction of below grade tanks on Devon Energy Production Company, L.P. locations. This is Devon Energy's standard procedure for all below grade tanks (BGT). A separate plan will be submitted for any BGT which does not conform to this plan.

General Plan

- 1) Devon will design and construct a BGT to contain liquids to prevent contamination of fresh water and protect public health and the environment.
- 2) Devon will use the general location sign posted on location. If no general sign is posted a separate sign at the location of the BGT will be provided.
- 3) Devon shall construct fencing around the BGT using 4 foot hog wire fencing topped with a pipe top rail. A six foot chain link fence topped with three strands of barbed wire will be used if the well location is within 1000 feet of a permanent residence, school, hospital, institution or church.
- 4) Devon will construct an expanded metal covering on the top of the BGT.
- 5) Devon shall ensure that a BGT is constructed of materials resistant to the BGT's particular contents and resistant to damage from sunlight.
- 6) Devon shall have a properly constructed foundation consisting of a level base free of rocks, debris, sharp edges or irregularities to prevent punctures, cracks or indentations of the tank bottom.
- 7) Devon shall construct a BGT to prevent overflow and the collection of surface water runon.
- 8) Devon will construct and use BGT's having double walls. The BGT side walls will be open with a plug for visual inspection for leaks. The bottom shall be elevated with the use of gravel to raise the BGT above the underlying ground surface to prevent damage to the bottom of the BGT.
- 9) The general specification for design and construction are attached in the Devon document.
- 10) Down sized from an 80bbl tank to a 45bbl tank.
- 11) Removed the 80bbl tank from the location.

Devon Energy Production Company, L.P. San Juan Basin Below Grade Tank Maintenance and Operating Plan

In accordance with Rule 19.15.17 NMAC the following information describes the maintenance and operation of below grade tanks on Devon Energy Production Company, L.P. locations. This is Devon Energy's standard procedure for all below grade tanks. A separate plan will be submitted for any BGT which does not conform to this plan.

General Plan

- 1) Devon will operate and maintain a BGT to contain liquids and solids as well as prevent contamination of fresh water to protect public health and the environment.
- 2) Devon shall not allow a BGT to overflow or allow surface water run-on to enter the BGT.
- 3) Devon shall continuously remove any visible or measurable layer of oil from the fluid surface of a BGT in an effort to prevent significant accumulation of oil overtime.
- 4) Devon shall inspect the BGT at least once a month and maintain a written record of each inspection for five years.
- 5) Devon shall maintain adequate freeboard to prevent overtopping of the BGT.

Devon Energy Production Company, L.P. San Juan Basin Below Grade Tank Closure Plan

In accordance with Rule 19.15.17.12 NMAC the following information describes the closure requirements of a below grade tank on Devon Energy Production Company, L.P. locations. This is Devon Energy's standard procedure for all below grade tanks (BGT). A separate plan will be submitted for any BGT which does not conform to this plan.

General Plan

- 1) Devon shall close a BGT within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the division requires because of imminent danger to fresh water, public health or the environment.
- 2) Devon shall close a permitted BGT within 60 days of cessation of the BGT operation or as required by the transitional provisions of Subsection B of 19.15.17.17 NMAC in accordance with a closure plan that the appropriate division district office approves. The closure report will be filed on C-144.
- 3) Devon shall remove liquids and sludge from a BGT prior to implementing a closure method and shall dispose of the liquids and sludge in a division-approved facility.
- 4) Devon shall remove the BGT and dispose of it in a division-approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves.
- 5) If there is any on-site equipment associated with a BGT, then Devon shall remove the equipment, unless the equipment is required for some other purpose.
- A five point composite sample will be taken of the pit from any area that is wet, discolored or showing other evidence of a release and tested for the following as well as notifying the Aztec District office of the results on form C-141. Should it be determined that a release has occurred Devon shall comply with 19.15.3.116 NMAC and 19.15.1.19 NMAC, as appropriate.

Components	Test Method	Limit (mg/Kg)
Benzene	EPA SW-846 8021B or 8260B	0.2
BTEX	EPA SW-846 8021B or 8260B	50
TPH	EPA SW-846 418.1	100
Chlorides	EPA 300.1	250 or Background

- Should contamination be confirmed by field sampling Devon will follow the "Guidelines For Remediation Of Leaks, Spills and Releases" NMOCD August 1993 when remediation contaminants identified.
- 8) If the sampling results demonstrate that there has been no release or that a release does not exceed the concentrations specified in Paragraph (4) of Subsection E of 19.15.17.13 NMAC, then Devon shall backfill the excavation with compacted, non-waste containing, earthen material; construct a division prescribed soil cover; re-contour and re-vegetate the site.
- 9) Notice of Closure will be given to the Aztec Division office between 72 hours and one week of closure via email, or verbally. The notification of closure will include the following:
 - > Operator's Name
 - Location by Unit Letter, Section, Township, and Range. Well name and API number
- 10) All closure activities will include proper documentation and be available for review upon request and will be submitted to OCD within 60 days of closure of the BGT. Closure report will be filed on C-144 and incorporate the following:

- > Details on Capping and Covering, where applicable
- > Inspection Reports
- > Sampling Results
- 11) Re-contouring of the location will match fit, shape, line, form and texture of the surrounding. Re-shaping will include drainage control to prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be placed in areas where needed to prevent erosion on a large scale. Final re-contour shall have a uniform appearance with smooth surface fitting the natural landscape.
- 12) Devon shall seed the disturbed areas the first growing season after the operator closes the pit. Seeding will be accomplished via broadcast or drilling when topography permits. BLM of Forest Service stipulated seed mixes will be used on all Federal Lands. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs.
- 13) A minimum of four feet of cover shall be achieved and the cover shall include one foot of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater.
- 14) The surface owner shall be notified of Devon's closing of the BGT as per the approved closure plan using certified mail with return receipt requested or via email.