District I

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

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

Form C-144

July 21, 2008

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

2031

API Number:

Type of Operation

Pit, Closed-Loop System, Below-Grade Tank, or

203	Proposed Alternative Method Permit or	Closure Plan	Application
	Type of action: X Permit of a pit, closed-loop system, below-g Closure of a pit, closed-loop system, below-g Modification to an existing permit Closure plan only submitted for an existing below-grade tank, or proposed alternative m	grade tank, or prop	osed alternative method
Instru	ctions: Please submit one application (Form C-144) per individual pit, clos Please be advised that approval of this request does not relieve the operator of hability should ope environment. Not does approval relieve the operator of its responsibility to comply with any other ap	nations result in pollution	of surface water, ground water or the
1 Operator: Address:	ConocoPhillips Company PO Box 4289, Farmington, NM 87499	OGRID#:	217817
	well name: San Juan 29-6 Unit 217		

OCD Permit Number.

Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or

Center of Proposed Design: Latitude: 36.7552400°N Surface Owner: Federal State X Private	Longitude: 107.4795300°W NAD: 1927 X 1983 Tribal Trust or Indian Allotment
Surface Owner: Federal State X Private	Tribal Trust or Indian Allotment
	Thoat Hust of majan Anothicht
Pit: Subsection F or G of 19.15.17.11 NMAC Temporary: Drilling Workover Permanent Emergency Cavitation P&A Lined Unlined Liner type: Thickness mi String-Reinforced Liner Seams: Welded Factory Other	1 LLDPE HDPE PVC Other Volume: bbl Dimensions L x W x D

notice of intent)

30-039-24794

Liner Seams: Welded Factory Other	& CENED
X Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: 120 bbl Type of fluid: Produced Water	EST OIL COMS. DIN. DIST. 3
Tank Construction material: Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off Visible sidewalls and liner Visible sidewalls only Cher Liner Type: Thickness 45 mil HDPE PVC X Other LLDPE	
5	

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 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 X Alternate Please specify 4' hogwire fence with a single strand of barbed wire on top.				
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 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:		ļ		
	Administration of the Control of the	4	j		
	Administrative approval(s): Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for consideration of approval.	deration of ap	provai.		
	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 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	XNo		
	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	XNo		
	Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	Yes	XNo		
	(Applies to temporary, emergency, or cavitation pits and below-grade tanks)	NA	Ì		
	- 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 XNA	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	XNo		
	- 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	XNo		
	Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	Yes	XNo		
	Within the area overlying a subsurface mine.	Yes	XNo		
	 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	XNo		
	- Engineering measures incorporated into the design; NWI Bureau of Geology & Wilherai Resources; USGS; NWI Geological Society; Topographic map Within a 100-year floodplain	☐ Yes	X No		
	- FEMA man	اسا	_		

Form C-144 Oil Conservation Division Page 2 of 5

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. X 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					
X Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19 15.17 10 NMAC					
X Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC					
X Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC					
Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of					
19 15.17.9 NMAC and 19 15.17 13 NMAC					
Previously Approved Design (attach copy of design) API 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 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					
Previously Approved Operating and Maintenance Plan API					
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report - based upon the requirements of Paragraph (I) of Subsection B of 19 15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17 10 NMAC Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19 15.17.11 NMAC Dike Protection and Structural Integrity Design: based upon the appropriate requirements of 19.15.17.11 NMAC Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19 15.17.11 NMAC Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19 15.17.11 NMAC Nuisance or Hazardous Odors, including H2S, Prevention Plan Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC					
Proposed Closure: 19.15 17.13 NMAC					
Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan. Type. Drilling Workover Emergency Cavitation P&A Permanent Pit X Below-grade Tank Closed-loop System					
Alternative Proposed Closure Method: X Waste Excavation and Removal					
Waste Removal (Closed-loop systems only)					
On-site Closure Method (only for temporary pits and closed-loop systems)					
In-place Burial On-site Trench					
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)					
15					
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan.					
Please indicate, by a check mark in the box, that the documents are attached. V Protocole and Procedures based when the convenients requirements of 10.15.17.13 NIMAC.					
X Protocols and Procedures - based upon the appropriate requirements of 19.15 17.13 NMAC X Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC					
X Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC X Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)					
X Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC					
X Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15 17.13 NMAC					
X Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19 15 17.13 NMAC					

Form C-144 Oil Conservation Division Page 3 of 5

16 Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13 D Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more	NMAC)					
are required.	man two juctures					
Disposal Facility Name Disposal Facility Permit #.						
Disposal Facility Name: Disposal Facility Permit #.						
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 vervice and operations: Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Subsection H of 19.15.17 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	13 NMAC .					
17 Siting Criteria (Regarding on-site closure methods only: 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan Recommendations of acceptable source material are proceed on siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submard 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 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS: Data obtained 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 obtained from nearby wells						
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 obtained from nearby wells						
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lak (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 - Visual inspection (certification) of the proposed site; Aerial photo, satellite image	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 water 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 add						
pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality, Written approval obtained from the municipality	165					
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.	Yes No					
- Written confirantion or verification or map from the NM EMNRD-Mining and Mineral Division 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 FEMA map	Yes No					
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must bee attached to by a check mark in the box, that the documents are attached.	the closure plan. Please indicate,					
Siting 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						
Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 N						
Construction/Design Plan of Temporary Pit (for in place burial of a drying pad) - based upon the appropriate requires	ments 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	manda valido de avillo tou)					
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						

Form C-144 Oil Conservation Division Page 4 of 5

Operator Applica	tion Certification:				
		ith this application is true, accu	rate and complete to the	e best of my knowledge and belief.	
Name (Print):	Et	hel Tally	Title:	Staff Regulatory Technician	
Signature:	Thel.	Jallia	Date:	10-16-08	
e-mail address:	Ethel Tally@	ConocoPhillips.com	Telephone	505-599-4027	
20		.,		Close a way of the same	
OCD Approval:	Permit Application (i	ncluding closure plan)	Closure Plan (only)		
OCD Representat		Ba bull		Approval Date:	
Title:	Emire	spec	OCD Par	mit Number:	
Title.		76-160	осьта	mit rumbet.	
Instructions: Operate report is required to	ors are required to obtain a be submitted to the division		o implementing any clo. on of the closure activiti ompleted.	sure activities and submitting the closure report. The closure es Please do not complete this section of the form until an	:
			[Closur	e Completion Date:	
22					
Closure Method:	,			N. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.	
=	vation and Removal	On-site Closure Method	Alternative Closur	e Method Waste Removal (Closed-loop systems only)	
If different fr	rom approved plan, please e	kpiain.			
				round Steel Tanks or Haul-off Bins Only: tings were disposed. Use attachment if more than two facili	ities
Disposal Facility	Name:		Disposal Facilit	y Permit Number	
Disposal Facility	Name:		Dısposal Facili	y Permit Number	
_		_	_	not be used for future service and opeartions?	
Yes (If yes, p	please demonstrate complila	ne to the items below)	No		1
	acted areas which will not bation (Photo Documentation	e used for future service and of	perations:		
=	ling and Cover Installation	,			
=	on Application Rates and Sec	eding Technique			
24					
Closure Repor		Instructions: Each of the foll	owing items must be at	tached to the closure report. Please indicate, by a check ma	ırk in
	documents are attached.				
	osure Notice (surface owr eed Notice (required for or	*			
=	for on-site closures and ter				
	on Sampling Analytical R			,	
=	erial Sampling Analytical				
	acility Name and Permit N	* *			
= '	lling and Cover Installatio				
=	ion Application Rates and				
=	nation (Photo Documental				
On-site Clo	osure Location. Latitud	e	Longitude:	NAD	
			-		
25					
	the information and attachi	nents submitted with this closur requirements and conditions sp		e and complete to the best of my knowledge and belief. I also closure plan.	o certify that
Name (Print):			Title:		
Signature			Date.		
e-mail address:	<u> </u>		Telephone.		

New Mexico Office of the State Engineer POD Reports and Downloads

Township: 29N Range: 06W Sections: 4,5,6,7,8,9	- 1
NAD27 X: Y: Zone: Sear	rch Radius:
County: Basin: Number:	Suffix:
Owner Name: (First) (Last) Onn-	Domestic ODomestic OAll
POD / Surface Data Report Avg Depth to Water Report	Water Column Report
Clear Form WATERS Menu Help	
WATER COLUMN REPORT 10/15/2	008
(quarters are 1=NW 2=NE 3=SW 4=SE) (quarters are biggest to smallest)	Depth Depth Water (in
POD Number Tws Rng Sec q q q Zone X Y	Depth Depth Water (in Well Water Column
SJ 03406 29N 0.6W 05 3 3 4	900 (380) 520
SJ 00038 29N 06W 06 4 4 3	813

Record Count: 2

New Mexico Office of the State Engineer POD Reports and Downloads

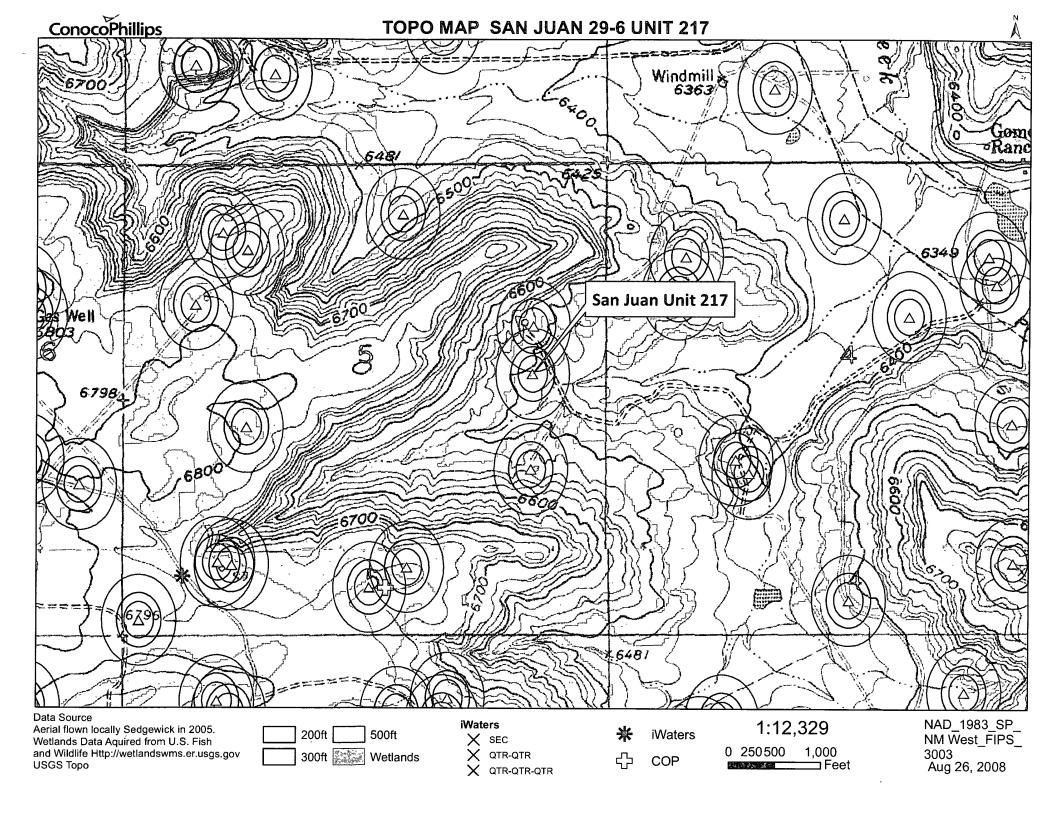
Township: 30N Range: 06W Sections: 31,32,33
NAD27 X: Zone: Search Radius:
County: Basin: Number: Suffix:
Owner Name: (First) (Last) Onn-Domestic Onestic Onesti
POD / Surface Data Report Avg Depth to Water Report Water Column Report
Clear Form iWATERS Menu Help
WATER COLUMN REPORT 10/15/2008

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are biggest to smallest)

POD Number Tws Rng Sec q q q Zone X

Depth Depth Water (in Y Well Water Column

No Records found, try again



REVISION 1 DATA SHEET FOR DEEP BED CATHODIC PROTECTION WELLS NORTHWESTERN NEW MEXICO (SUBMIT 2 COPIES TO OCD AZTEC OFFICE)

PPCO DESIGNATION: FM-221

OPERATOR: PHILLIPS PETROLEUM COMPANY LOCATION: H 5 29 6 FARMINGTON, N.M. 87401 LEASE NUMBER: 650112

NAME OF WELL/S OR PIPELINE SERVED: (1) SJ 29-6 UNIT #59 MV 30-039-07698

(2) 29-6#217 30-039-247-94

ELEVATION: NA

COMPLETION DATE: 11/01/63

TOTAL DEPTH: 700 FT.

LAND: FEE

CASING INFO.; SIZE: NA IN. TYPE: NA DEPTH: NA FT. CEMENT USED: NA

IF CEMENT OR BENTONITE PLUGS HAVE BEEN PLACED, SHOW DEPTHS & AMOUNTS:

PLUG DEPTH: NONE PLUG AMOUNT: NONE

WATER INFORMATION:

WATER DEPTH (FT): (1) 250 (2) -0-

WATER INFORMATION: NA

DEPTHS GAS ENCOUNTERED (FT): NA

TYPE AND AMOUNT OF COKE BREEZE USED:

COKE TYPE: METALLURGICAL COKE BREEZE

COKE AMOUNT: 9313 LBS.

DEPTHS ANODES PLACED (FT):

295,305,315,325,350,390,400,410,500,580,615,625

DEPTH VENT PIPE PLACED (FT): 700

VENT PIPE PERFORATIONS (FT): TOP 285 BOTTOM 700

REMARKS: REVISION 1---1/93

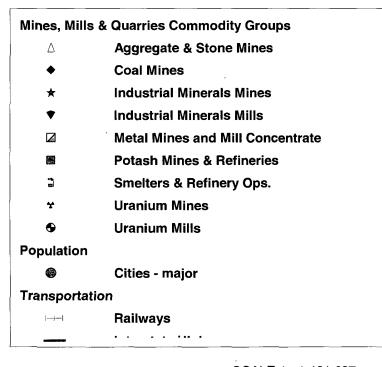
IF ANY OF THE ABOVE DATA IS UNAVAILABLE, PLEASE INDICATE SO. COPIES OF ALL LOGS, INCLUDING DRILLERS LOG, WATER ANALYSIS & WELL BORE SCHEMATICS SHOULD BE SUBMITTED WHEN AVAILABLE. UNPLUGGED ABANDONED WELLS ARE TO BE INCLUDED.

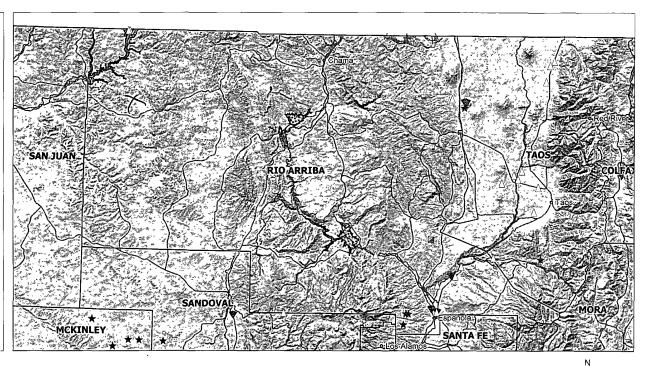
* - LAND TYPE MAY BE SHOWN: F-FEDERAL; I-INDIAN; S-STATE; P-FEE IF FEDERAL OR INDIAN, ADD LEASE NUMBER.

NA-INFORMATION NOT AVAILABLE

CC: CP FILE--FARMINGTON HOUSTON

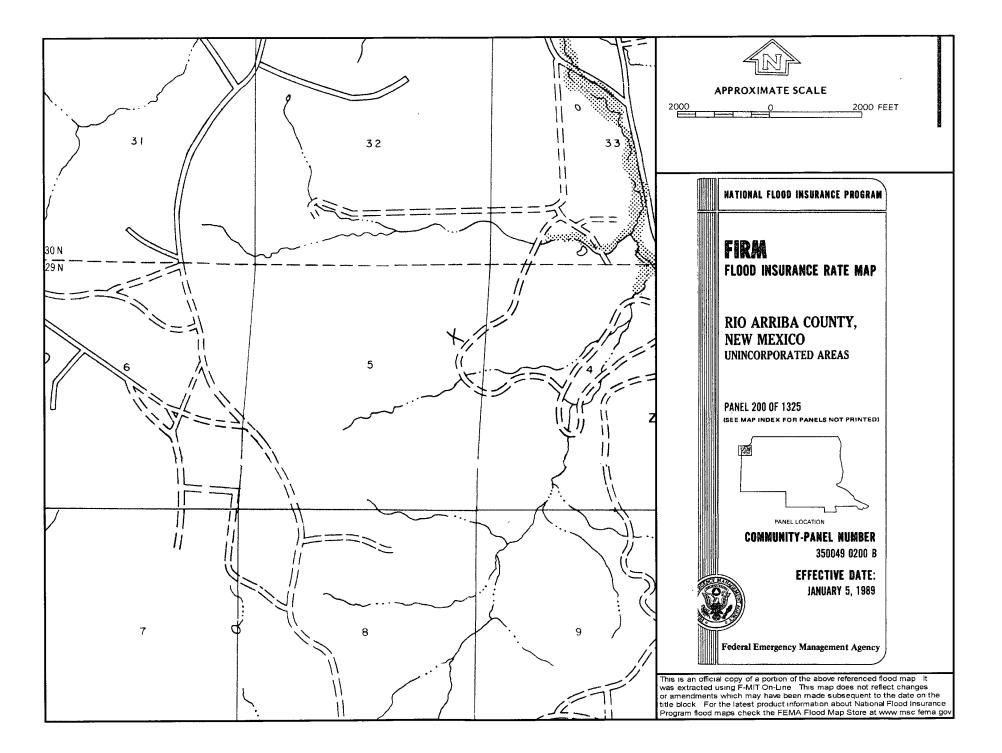
SJ 29-6 UNIT 217 / MINES, MILLS AND QUARRIES MAP











Siting Criteria Compliance Demonstration & Hydro Geologic Analysis

The San Juan 29-6 Unit 217 is not located in an unstable area. The location is not over a mine and is not on the side of a hill as indicated on the Mines, Mills and Quarries Map and Topographic Map. The location of the excavated pit material will not be located within 300' of any continuously flowing watercourse or 200' from any other watercourse as indicated on the Topographic Map. The location is not within a 100-year floodplain area as indicated on the FEMA Map. The groundwater depth is considered to be greater than 250' as determined by the topographic map and the Cathodic well data. The Subject well has an elevation of 6491' and groundwater depth of 250'. The iWATERS data point is located in section 5 and depths of 380'as indicated on the TOPO Map. Using this data point and the cathodic data provided the indication of groundwater depth is greater than 250'. The hydro geologic analysis indicates the groundwater depth and the San Jose formation will create a stable area for this new location.

Hydrogeological report for San Juan 29-6 Unit 217

Regional Hydrogeological context:

The San Jose Formation of Eocene age occurs in New Mexico and Colorado, and its outcrop forms the land surface over much of the eastern half of the central basin. It overlies the Nacimiento Formation in the area generally south of the Colorado-New Mexico State line and overlies the Animas Formation in the area generally north of the State line.

The San Jose Formation was deposited in various fluvial-type environments. In general, the unit consists of an interbedded sequence of sandstone, siltstone, and variegated shale. Thickness of the San Jose Formation generally increases from west to east (200 feet in the west and south to almost 2,700 feet in the center of the structural basin). Ground water is associated with alluvial and fluvial sandstone aquifers. Thus, the occurrence of ground water is mainly controlled by the distribution of sandstone in the formation. The distribution of such sandstone is the result of original depositional extent plus any post-depositional modifications, namely erosion and structural deformation. Transmissivity data for San Jose Formation are minimal. Values of 40 and 120 feet squared per day were determined from two aquifer tests (Stone et al, 1983, table 5). The reported or measured discharge from 46 water wells completed in San Jose Formation ranges from 0.15 to 61 gallons per minute and the median is 5 gallons per minute. Most of the wells provide water for livestock and domestic use.

The San Jose Formation is a very suitable unit for recharge from precipitation because soils that form on the unit are sandy and highly permeable and therefore readily adsorb precipitation. However, low annual precipitation, relatively high transpiration and evaporation rates, and deep dissection of the San Jose Formation by the San Juan River and its tributaries all tend to reduce the effective recharge to the unit.

Stone et al., 1983, Hydrogeology and Water Resources of the San Juan Basin, New Mexico: Socorro, New Mexico Bureau of Mines and Mineral Resources Hydrologic Report 6, 70 p.

ConocoPhillips Company San Juan Basin Below Grade Tank Design and Construction

In accordance with NMAC 19.15.17 the following information describes the design and construction of below grade tanks on ConocoPhillips Company (COPC) locations. This is COPC'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. COPC will design and construct a properly sized and approved BGT which will contain liquids and should prevent contamination of fresh water to protect the public health and environment.
- 2. COPC will sign the well location in compliance with 19.15.3.103 NMAC.
- 3. COPC shall construct fencing around the BGT using 4 foot hog wire fencing topped with two strands of barbed wire, or with a pipe top rail. A six foot chain link fence topped with three strands of barbed wire will be use if the well location is within 1000 feet of permanent residence, school, hospital, institution or church.
- 4. COPC will construct a screened, expanded metal covering, on the top of the BGT.
- 5. COPC shall ensure that a below-grade tank is constructed of materials resistant to the below-grade tank's particular contents and resistant to damage from sunlight.
- 6. The COPC below-grade tank system 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 liner or tank bottom.
- 7. COPC shall construct a below-grade tank to prevent overflow and the collection of surface water run-on.
- 8. COPC will construct and use a below-grade tank that does not have double walls. The below-grade tank's side walls will be open for visual inspection for leaks, the below-grade tank's bottom is elevated a minimum of six inches above the underlying ground surface and the below-grade tank is underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected.
- 9. COPC has equipped the below-grade tanks with the ability to detect high level in the tank and provide alarm notification and shutdown process streams into the tank. Once high level is detected RTU logic closes the inlet separator sales valve and does not permit vent valve to open. This shutdown of the sales valve and gagging of the vent valves prevents any hydrocarbon process streams from entering the pit tank once a high level is detected. Furthermore, an electronic page is sent to the COPC MSO for that well site and to the designated contract

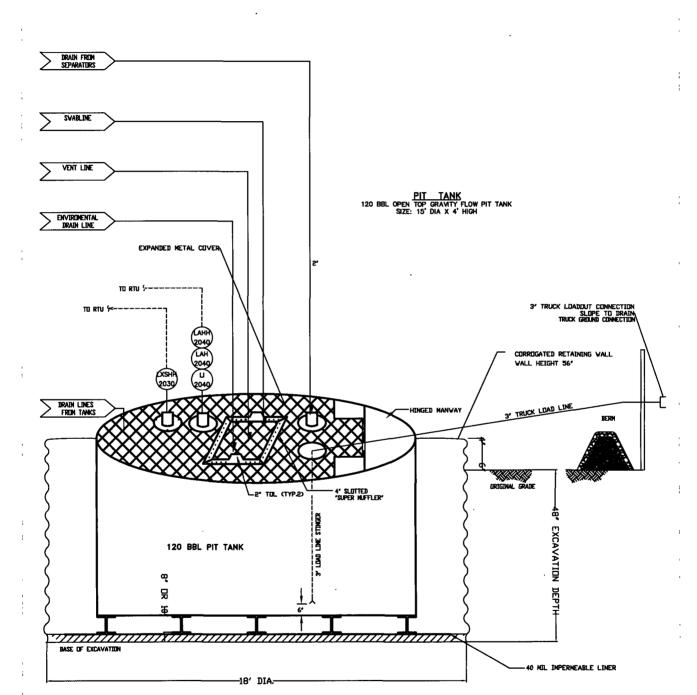
"Water-Hauling" Company indicating a high level and that action must be taken to address this alarm. The environmental drain line from COPC's compressor skid under normal operating conditions is in the open position. The environmental drain line is in place to capture any collected rain water or spilled lubricants from our compressor skids. The swab drain line is a manually operated drain and by normal operating procedures is in the closed position. The tank drain line is also a manually operated drain and during normal operations it is in the closed position.

- 10. The geomembrane liner consists of a 45-mil flexible LLDPE material manufactured by Raven Industries as RUFCO 4000B. This product provides a level of UV and harsh weather conditions protection. It is rated to a Low temperature impact failure of -94°F. It exceeds ASTMD3083 standard by 10%. It is typically used in Brine Pond, Oilfield Pit liner and other industrial applications. The manufacture specific sheet is attached.
- 11. The general specification for design and construction are attached in the COPC document.

MANUAL OPERATIONS PRODUCTION TANKS DRAINLINE SWABLINE DRAIN LINE ENVIROMENTAL DRAIN LINE

FROM COMPRESSOR SKID

AUTOMATED OPERATION VENT VALVE DRAIN LINE DUMP LINE FROM SEPARATORS



ConocoPhillips San Juan Business Unit

DURASKRIN®

BOJEGOJA

PROPERTIES	TEST METHOD	3 U = 108	0BB	J86	BB	J45	BB
		Min. Roll Averages	Typical Roll Averages	Min. Roll Averages	Typical Roll Averages	Mın. Roll Averages	Typical Roll Averages
Appearance		Black/Black		Black/Black		Black/Black	
Thickness	ASTM D 5199	27 mil	30 mil	32 mil	36 mil	40 mil	45 mil
Weight Lbs Per MSF (oz/yd²)	ASTM D 5261	126 lbs (18.14)	140 lbs (20.16)	151 lbs (21.74)	168 lbs (24.19)	189 lbs (27.21)	210 lbs (30.24)
Construction		**Extr	usion laminated	with encapsular	ted tri-direction	al scrim reinford	ement
Ply Adhesion	ASTM D 413	16 lbs	20 lbs	19 lbs	24 lbs	25 lbs	31 lbs
1". Tensile Strength	ASTM D 7003	88 lbf MD 63 lbf DD	110 lbf MD 79 lbf DD	90 lbf MD 70 lbf DD	113 lbf MD 87 lbf DD	110 lbf MD 84 lbf DD	138 lbf MD 105 lbf DD
1" Tensile Elongation @ Break % (Film Break)	ASTM D 7003	550 MD 550 DD	750 MD 750 DD	550 MD 550 DD	750 MD 750 DD	550 MD 550 DD	750 MD 750 DD
11 Tensile Elongation @ Reak % (Scrim Break)	ASTM D 7003	20 MD 20 DD	33 MD 33 DD	20 MD 20 DD	30 MD 31DD	20 MD 20 DD	36 MD 36 DD
Tongue Tear Strength	ASTM D 5884	75 lbf MD 75 lbf DD	97 lbf MD 90 lbf DD	75 lbf MD 75 lbf DD	104 lbf MD 92 lbf DD	100 lbf MD 100 lbf DD	117 lbf MD 118 lbf DD
Grab:Tensilé	ASTM D 7004	180 lbf MD 180 lbf DD	218 lbf MD 210 lbf DD	180 lbf MD 180 lbf DD	222 lbf MD 223 lbf DD	220 lbf MD 220 lbf DD	257 lbf MD 258 lbf DD
Trapezoid:Tear	ASTM D 4533	120 lbf MD 120 lbf DD	146 lbf MD 141 lbf DD	130 lbf MD 130 lbf DD	189 lbf MD 172 lbf DD	160 lbf MD 160 lbf DD	193 lbf MD 191 lbf DD
* Dimensional Stability	ASTM D 1204	<1	<0.5	<1	<0.5	<1	<0.5
Puncture Resistance	ASTM D 4833	50 lbf	64 lbf	65 lbf	83 lbf	80 lbf	99 lbf
Maximum Use Temperature		180° F					
Minimum Use Temperature		-70° F					

MD = Machine Direction





Note: Minimum Roll Averages are set to take into account product variability in addition to testing variability between laboratories.

*Dimensional Stability Maximum Value

**DURA-SKRIM J30BB, J36BB & J45BB are a four layer reinforced laminate containing no adhesives. The outer layers consist of a high strength polyethylene film manufactured using virgin grade resins and stabilizers for UV resistance in exposed applications. DURA-SKRIM J30BB, J36BB & J45BB are reinforced with a 1300 denier (minimum) tri-directional scrim reinforcement.

Note: RAVEN INDUSTRIES MAKES NO WARRANTIES AS TO THE FITNESS FOR A SPECIFIC USE OR MERCHANTABILITY OF PRODUCTS REFERRED TO, no guarantee of satisfactory results from reliance upon contained information or recommendations and disclaims all liability for resulting loss or damage

PLANT LOCATION

Sioux Falls, South Dakota

SALES OFFICE

P.O. Box 5107 Sioux Falls, SD 57117-5107 (605) 335-0174 (605) 331-0333 FAX

08/06

STRIES (605) 331-0333 FA



ConocoPhillips Company San Juan Basin Below Grade Tank Maintenance and Operating Plan

In accordance with Rule 19.15.17 the following information describes the operation and maintenance of Below Grade Tank (BGT) on ConocoPhillips Company (COPC) locations. This is COPC's standard procedure for all BGT. A separate plan will be submitted for any BGT which does not conform to this plan.

General Plan:

- 1. COPC will operate and maintain a BGT to contain liquids and solids and maintain the integrity of the liner, liner system and secondary containment system to prevent contamination of fresh water and protect public health and environment.
- 2. COPC will not discharge into or store any hazardous waste in the BGT.
- 3. COPC shall operate and install the below-grade tank to prevent the collection of surface water run-on. COPC shall not allow a below-grade tank to overflow or allow surface water run-on to enter the below-grade tank.
- COPC shall continuously remove any visible or measurable layer of oil from the fluid surface of a below-grade tank in an effort to prevent significant accumulation of oil overtime.
- 5. COPC shall inspect the below-grade tank at least monthly and maintain a written record of each inspection for five years.
- 6. COPC shall maintain adequate freeboard to prevent overtopping of the below-grade tank.
- 7. If a leak develops below the liquid's level, COPC shall remove all liquids within 48 hours and repair the damage or replace the below-grade tank. COPC shall notify the Aztec Division office by phone or email within 48 hours of the discovery for leaks less than 25 barrels. COPC shall notify the Aztec Division office as required pursuant to Subsection B of 19.15.3.116 NMAC shall be reported within twenty-four (24) hours of discovery of leaks greater than 25 barrels. In addition, immediate verbal notification pursuant to Subsection B, Paragraph (1), and Subparagraph (d) of 19.15.3.116 NMAC shall be reported to the division's Environmental Bureau Chief.

ConocoPhillips Company San Juan Basin Below Grade Tank Closure Plan

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure requirements of Below Grade Tanks (BGTs) on ConocoPhillips Company locations hereinafter known as COPC locations. This is COPC's standard procedure for all BGTs. A separate plan will be submitted for any BGT which does not conform to this plan.

General Requirements:

- COPC shall close a below-grade tank 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. COPC shall close a permitted below-grade tank within 60 days of cessation of the below-grade tank's operation. The closure report will be filed on C-144
- 3. COPC shall remove liquids and sludge from a below-grade tank prior to implementing a closure method and shall dispose of the liquids and sludge in a division-approved facility. The facilities to be used will be Basin Disposal (Permit #NM-01-005) and Envirotech Land Farm (Permit #NM-01-011). The liner will be disposed of at the San Juan County Landfill located on CR 3100.
- 4. COPC will receive prior approval to remove the below-grade tank 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. Documentation of how the below-grade tank was disposed of or recycled will be provided in the closure report.
- 5. If there is any on-site equipment associated with a below-grade tank, then BR shall remove the equipment, unless the equipment is required for some other purpose.
- 6. COPC shall test the soils beneath the below-grade tank to determine whether a release has occurred. COPC shall collect, at a minimum, a five point, composite sample; collect individual grab samples from any area that is wet, discolored or showing other evidence of a release; and analyze for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 0.2 mg/kg; total BTEX concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 50 mg/kg; the TPH concentration, as determined by EPA method 418.1 or other EPA method that the division approves, does not exceed 100 mg/kg; and the chloride concentration, as determined by EPA method 300.1 or other EPA method that the division approves, does not exceed 250 mg/kg, or the background concentration, whichever is greater. COPC shall notify the division of its results on form C-141.

- 7. If COPC or the division determines that a release has occurred, then COPC shall comply with 19.15.3.116 NMAC and 19.15.1.19 NMAC, as appropriate.
- 8. If the sampling program demonstrates that a release has not occurred or that any release does not exceed the concentrations specified in Paragraph (4) of Subsection E of 19.15.17.13 NMAC, then COPC shall backfill the excavation with compacted, non-waste containing, earthen material; construct a division-prescribed soil cover; recontour and re-vegetate the site.
- 9. Notice of Closure will be given prior to closure to the Aztec Division office between 72 hours and one week via email or verbally. The notification of closure will include the following:
 - i. Operator's name
 - ii. Location by Unit Letter, Section, Township, and Range. Well name and API number.
- 10. The surface owner shall be notified of COPC's closing of the below-grade tank prior to closure as per the approved closure plan via certified mail, return receipt requested.
- 11. Re-contouring of location will match fit, shape, line, form and texture of the surrounding. Re-shaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be place 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. COPC shall seed the disturbed areas the first growing season after the operator closes the pit. Seeding will be accomplished via drilling on the contour whenever practical or by other division-approved methods. BLM or Forest Service stipulated seed mixes will used on 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. 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 below-grade tank. Closure report will be filed on C-144 and incorporate the following:
 - Soil Backfilling and Cover Installation
 - Re-vegetation application rates and seeding techniques
 - Photo documentation of the site reclamation
 - Confirmation Sampling Results
 - · Proof of closure notice