District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 1000 Rio Brazos Road, 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 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.

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

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.
Operator: XTO Energy, Inc. OGRID #: 5380
Address: #382 County Road 3100, Aztec, NM 87410
Facility or well name: Burns Federal #1 API Number: 30-039-06756 OCD Permit Number:
U/L or Qtr/Qtr A Section 5 Township 26N Range 7W County: Rio Arriba
Center of Proposed Design: Latitude 36.520170 Longitude 107.592280 NAD: 1927 1983
Surface Owner: State Private Tribal Trust or Indian Allotment
Surface Owner. Ex rederal State 111vate 111vat
Temporary: Drilling Workover Permanent Emergency Cavitation P&A Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other String-Reinforced
Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x D
3.
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 Liner Unlined Liner type: Thickness mil LLDPE HDPE PVC Other RECEIVED
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 RECEIVED RECEIVED RECEIVED RECEIVED Control of the control
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Closed-loop System: Subsection H of 19.15.17.11 NMAC 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 Drying Pad Unlined Liner type: Thickness mil LLDPE HDPE PVC Other RECEIVED Color Co
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Closed-loop System: Subsection H of 19.15.17.11 NMAC 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 Contact PECEIVED Liner Seams: Welded Factory Other Contact Produced Water Prod

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, institution or church) Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate. Please specify	hospital,
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	
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 or the Santa Fe Environmental Bureau consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	office for
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 appropriate or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying above-grade tanks associated with a closed-loop system.	priate district pproval.
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	☐ Yes ⊠ No
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:
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: 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 Waste Removal (Closed-loop systems only) On-site Closure Method (Only for temporary pits and closed-loop systems)
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 G of 19.15.17.13 NMAC

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground State Instructions: Please indentify the facility or facilities for the disposal of liquids, dracilities are required.		
•	Disposal Facility Permit Number:	
	Disposal Facility Permit Number:	
Will any of the proposed closed-loop system operations and associated activities occ ☐ Yes (If yes, please provide the information below) ☐ No		
Required for impacted areas which will not be used for future service and operations Soil Backfill and Cover Design Specifications based upon the appropriate requirements of Subsection I Site Reclamation Plan - based upon the appropriate requirements of Subsection	equirements of Subsection H of 19.15.17.13 NMAC of 19.15.17.13 NMAC	
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closured below. Requests regarding changes to certain siting criteria may require considered an exception which must be submitted to the Santa Fe Environmental I demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for	administrative approval from the appropriate district Bureau office for consideration of approval. Justifica	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 of the State Engineer - iWATERS database	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	obtained from nearby wells	Yes No
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	obtained from nearby wells	☐ Yes ☐ No ☐ NA
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signilake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	ficant watercourse or lakebed, sinkhole, or playa	☐ Yes ☐ No
Within 300 feet from a permanent residence, school, hospital, institution, or church i - Visual inspection (certification) of the proposed site; Aerial photo; Satellite i		☐ 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 spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of a private, domestic fresh water well or spring that less watering purposes, or within 1000 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 spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or spring that less water well or spring that water wat	ring, 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 approval] Yes □ No
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visual		☐ Yes ☐ No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining a		☐ Yes ☐ No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology Society; Topographic map	& 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 Signature Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Signature Construction/Design Plan of Temporary Pit (for in-place burial of a drying para Protocols and Procedures - based upon the appropriate requirements of 19.15. Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Signature Soil Cover Design - based upon the appropriate requirements of Signature Soil Cover Design - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection In Site Reclamation Plan - based upon the appropriate requirements of Subsection	irements of 19.15.17.10 NMAC Subsection F of 19.15.17.13 NMAC oropriate requirements of 19.15.17.11 NMAC d) - based upon the appropriate requirements of 19.15. 17.13 NMAC irements of Subsection F of 19.15.17.13 NMAC subsection F of 19.15.17.13 NMAC ill cuttings or in case on-site closure standards cannot of 19.15.17.13 NMAC of 19.15.17.13 NMAC	.17.11 NMAC

Operator Application Certification: Legaly certify that the information submitted with this application is true accurately that the information submitted with this application is true accurately than the information submitted with this application is true accurately than the information submitted with this application is true accurately than the information submitted with this application is true accurately than the information submitted with this application is true accurately than the information and the information submitted with the information submitted with the information accurately than the information submitted with the application is true accurately than the information submitted with the information accurately the information ac	rate and complete to the L	ant of my knowledge and belief
I hereby certify that the information submitted with this application is true, accu Name (Print): Kim Champlin	·	
		Environmental Representative
Signature: him (hampler		9-15-08
e-mail address: kim_champlin@xtoenergy.com	Telephone:	(505) 333-3100
20. OCD Approval: Permit Application (including closure plan) ☐ Closure I	Plan (only) OCD Cor	nditions (see attachment)
	· · · ·	Approval Date: 10-29-09
Title: Enviso/spec		Approvar Date. 10 1270
The Day of Special Spe	OCD TETMIT Number.	
Closure Report (required within 60 days of closure completion): Subsection Instructions: Operators are required to obtain an approved closure plan prior The closure report is required to be submitted to the division within 60 days of section of the form until an approved closure plan has been obtained and the complete the complete that the complete the complete that the complete that the complete the complete that the complete thas the complete that the complete that the complete that the comp	to implementing any clos the completion of the clos	ure activities and submitting the closure report. sure activities. Please do not complete this n completed.
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Closure Method: ☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Altern ☐ If different from approved plan, please explain.	ative Closure Method	Waste Removal (Closed-loop systems only)
23. <u>Closure Report Regarding Waste Removal Closure For Closed-loop System</u> <i>Instructions: Please indentify the facility or facilities for where the liquids, dr. two facilities were utilized.</i>	s That Utilize Above Gro Illing fluids and drill cutti	ound Steel Tanks or Haul-off Bins Only: ings were disposed. Use attachment if more than
Disposal Facility Name:		it Number:
Disposal Facility Name:		it Number:
Were the closed-loop system operations and associated activities performed on c Yes (If yes, please demonstrate compliance to the items below) No	or in areas that will not be u	used for future service and operations?
Required for impacted areas which will not be used for future service and opera Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	tions [.]	
Re-vegetation Application Rates and Seeding Technique		
Closure Report Attachment Checklist: Instructions: Each of the following a 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 (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)		
	itude	NAD: 🔲 1927 🔲 1983
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure belief. I also certify that the closure complies with all applicable closure require Name (Print):	ments and conditions spec	d complete to the best of my knowledge and cified in the approved closure plan.
Signature:	Date:	
e-mail address:	Telephone:	

- 1

NEW MEXICO OIL CONSERVATION CO-MISSION

Well Location and Acreage Dedication Plat

Operator II TERNATIONAL OIL CORP. II ATI	011	ease				
Well No. Unit Letter A Section Located 730 Feet From the LOCAT	Line, _ 790	2	Feet From the	ELET,		
County SAN JUAN G. L. Elevacion Name of Producing Formation						
. Is the Operator the only owner in the dedicate	ed acreage outli	ned on the plat b	elow?			
Yes No						
2. If the answer to question one is "no", have agreement or otherwise? YesNo						nitiz
?. If the answer to question two is "no" list:	all the owners			low.	_	
Owner		La	nd Description	ELF	VEN	
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E. Shryack, Engineering Manager (Address)			'	- }	·	
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Furnington, New Mexico

Registered Picfessional Engineer and or Land Surveyor James P. Leese, N. Mex. Reg. No. 1463

Client: **XTO Energy Pit Permit** Lodestar Services, Inc. Project: tank permitting **Siting Criteria** Revised: 13-Sep-08 PO Box 4465, Durango, CO 81302 Information Sheet Prepared by: **Trevor Ycas** 26N 07W 5 A API#: USPLSS: 30-039-06756 Name: BURNS FEDERAL No. 001 Lat/Long: 36.520170°, -107.592280° Geologic depth>100' San Jose Formation (Tsj) formation: Depth to groundwater: Distance to closest 18.6 miles NNW to 'San Juan Site Elevation: continuously flowing River' 2025m/6644' watercourse: Distance to closest significant watercourse, 3332' SSW to 'Largo Canyon' lakebed, playa lake, or sinkhole: Soil Type: Rockland/ Aridisols Permanent residence. school, hospital, NO institution or church within 300 **Annual** Navajo Dam: 12.95", Governador: 11.98", Precipitation: Capulin Rgr Stn.: 14.98", Otis: 10.41" Domestic fresh water Historical daily max. precip.: 4.19" Precipitation well or spring within NO (Bloomfield) Notes: 500 Any other fresh water NO well or spring within 1000 25N06W iWaters.pdf, 25N07W iWaters pdf, **Attached** 25N08W_iWaters.pdf, 26N07W_iWaters.pdf, **Documents:** 26N08W_iwaters.pdf, 26N09W_iwaters.pdf, NO Within incorporated 27N07W_iWaters.pdf, 27N08W_iWaters.pdf, municipal boundaries 27N09W_iWaters.pdf Within defined FM3500640750B-30 30-039-06756_gEarth-PLS jpg, 30-039-06756_topomunicipal fresh water NO 039-06756.jpg PLS.jpg, 30-039-06756_gEarth-iWaters.jpg well field NO Mining Activity: None Near Wetland within 500' NM_NRD-MMD_MinesMillQuarries_30-039-06756.jpg NO Within unstable area Within 100 year flood No -FEMA Zone 'X' plain

drains to Largo Canyon located atop a mesa, ontop of and near extent of alluvial deposits

Additional Notes:

Burns Federal #1 Below Grade Tank Hydrogeologic Report for Siting Criteria

General Geology and Hydrology

The San Juan Basin is a typical Rocky Mountain basin with a gently dipping southern flank and a steeply dipping northern flank. Asymmetrically layered Tertiary sandstones and shales, along with Quaternary alluvial deposits, dominate surficial geology (Dane and Bachman, 1965). The proposed pit location will be located in the southern-central Largo Canyon region of the San Juan Basin, atop an (unnamed) mesa across Canon Largo from Heifer & Big Rincon Canyons. The predominant geologic formation is the San Jose Formation of Tertiary age, which underlies surface soils and is often exposed (Dane and Bachman, 1965). Deposits of Quaternary alluvial and aeolian sands occur prominently near the surface of the area, especially near streams and washes.

Cretaceous and Tertiary sandstones, as well as Quaternary alluvial deposits serve as the primary aquifers in the San Juan basin (Stone et al., 1983). In most of the proposed area, the San Jose Formation lies at the surface and overlies the Nacimiento Formation. Thickness of the San Jose ranges from 200 to 2700 feet, thickening from west to east across the region of interest (Stone et al., 1983). Aquifers within the coarser and continuous sandstone bodies of the San Jose Formation are between 0 and 2700' deep in this section of the basin (Stone et al., 1983). Groundwater within these aquifers flows north, toward the San Juan River. Little specific hydrogeologic data is available for the San Jose Formation system, but "numerous wells and springs used for stock and domestic supplies" draw their water from the San Jose Formation (Stone et al, 1983).

The prominent soil type at the proposed site are rocklands and aridisols, which are defined as soils exhibiting little to no profile development (www.emnrd.state.nm.us). Soils are basically unaltered from their parent rock. Miles of arroyos, washes and intermittent streams exist as part of the drainage network towards the San Juan River. These features often cut into soil and other unconsolidated materials, contributing to sedimentation downstream. The sudden influx of water from storm events easily erodes the soils that cover the area and prohibits effective recharge to the underlying aquifers.

Regional weather further prohibit active recharge. The climate is arid, averaging just over 12 inches of rainfall annually. As is typical of the southwestern United States monsoonal weather patterns, most precipitation falls from August through October. The heaviest rainfall occurs in the summer in isolated, intense cloudbursts. November through June is relatively dry. Snow generally falls from December to mid-February and averages less than one-half inch in depth. However, most recharge occurs during the winter months during snowmelt periods from the upper elevations (Western Regional Climate Center www.wrcc.dri.edu).

The predominant vegetation is sagebrush and grasses with a more restricted pinon-juniper association (Dick-Peddie, 1993).

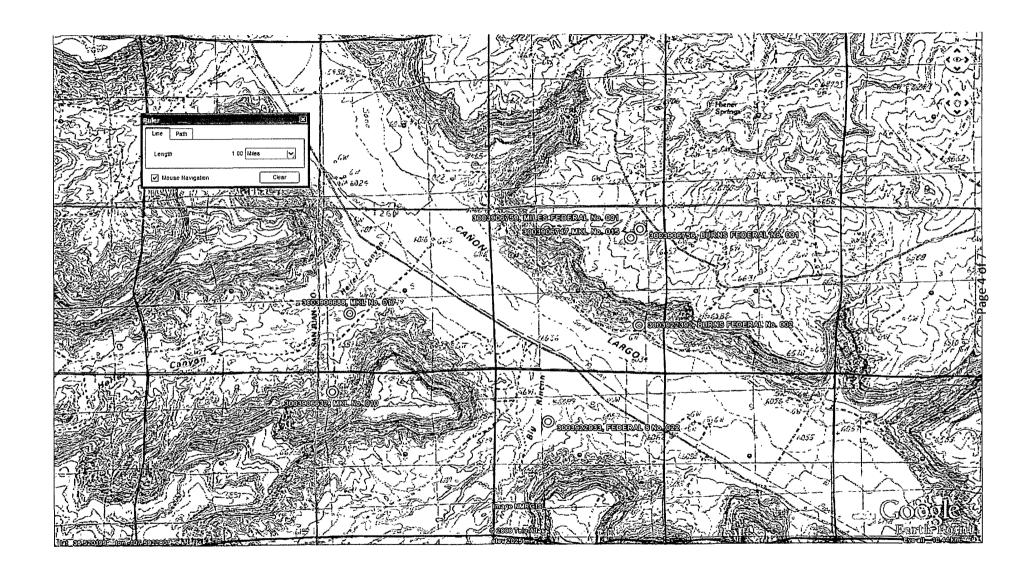
Site Specific Hydrogeology

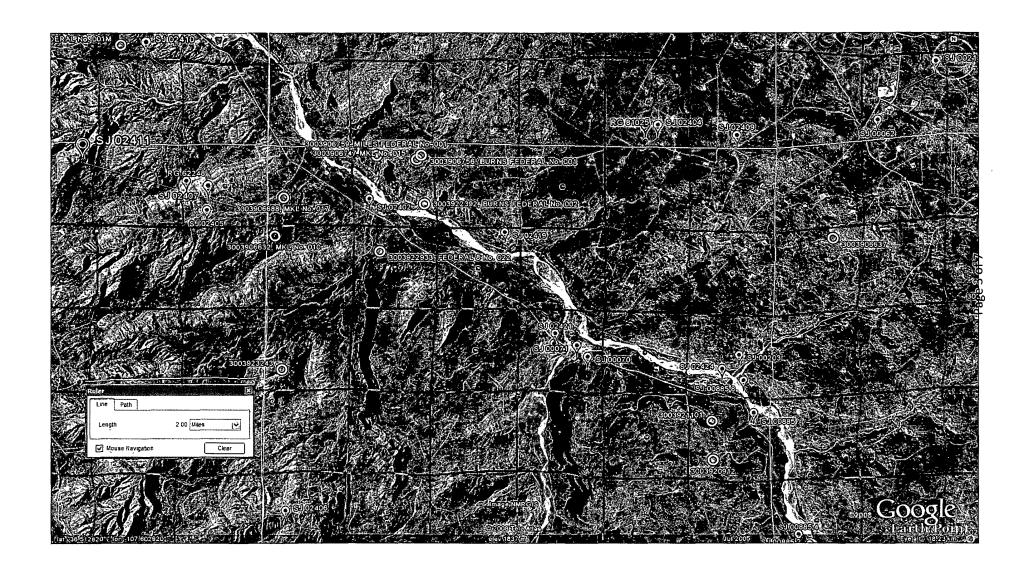
Depth to groundwater is estimated to be greater than 100 feet. This estimation is based on data from Stone and others (1983), the USGS Groundwater Atlas of the United States and depth to groundwater data published on the New Mexico State Engineer's iWaters Database website. Local topography and proximity to adjacent channel features are also taken into consideration.

Beds of water-yielding sandstone are present in the San Jose Formation, which are fluvial in origin and are interbedded with mudstone, siltstone & shale. "Extensive intertonguing" of different members of this formation is reported. (Stone et al., 1983). Porous sandstones form the principal aquifers, while relatively impermeable shales and mudstones form confining units between the aquifers (Stone et al., 1983). Local aquifers exist within the San Jose Formation at depths greater than 100 feet and thicknesses of the aquifer can be up to several hundred feet (USGS, Groundwater Atlas of the US) (Stone et al., 1983).

The site in question is located east above Largo Canyon near the edge of a relatively flat mesa-top, at an elevation of approximately 6650 feet and approximately 3330 feet east-northeast of Largo Canyon. This site drains to Largo Canyon, the nearest significant watercourse. This region is deeply incised by canyons, washes, gullies and arroyos, with large, flat-topped mesas the predominant topographic feature. The mesas are composed of cliff-forming sandstone, and systems of dry washes and their tributaries composed of alluvium are evident on the attached aerial image. Groundwater is expected to be shallow within Largo and Blanco Canyons and within major tributary systems. However, an elevation difference of over 400 feet between the site and Largo Wash suggests groundwater is deeper.

Groundwater data available from the NM State Engineer's iWaters Database for wells near the proposed site are attached. Groundwater data is extremely limited in this region; the nearest iWaters data point lies 0.9 miles south-southwest (SJ02402). Other 'nearby' iWaters wells are located 2.9 miles east (SJ03274) and 2.5 miles west (RG62248). Wells located at similar elevations along Largo Canyon contain groundwater at depths of 180 feet and deeper. The exact topography and elevation relative to the nearest tributary (over four hundred feet higher) suggests that groundwater is deeper than 100 feet. A map showing the location of wells in reference to the proposed pit location is attached.





New Mexico Office of the State Engineer POD Reports and Downloads

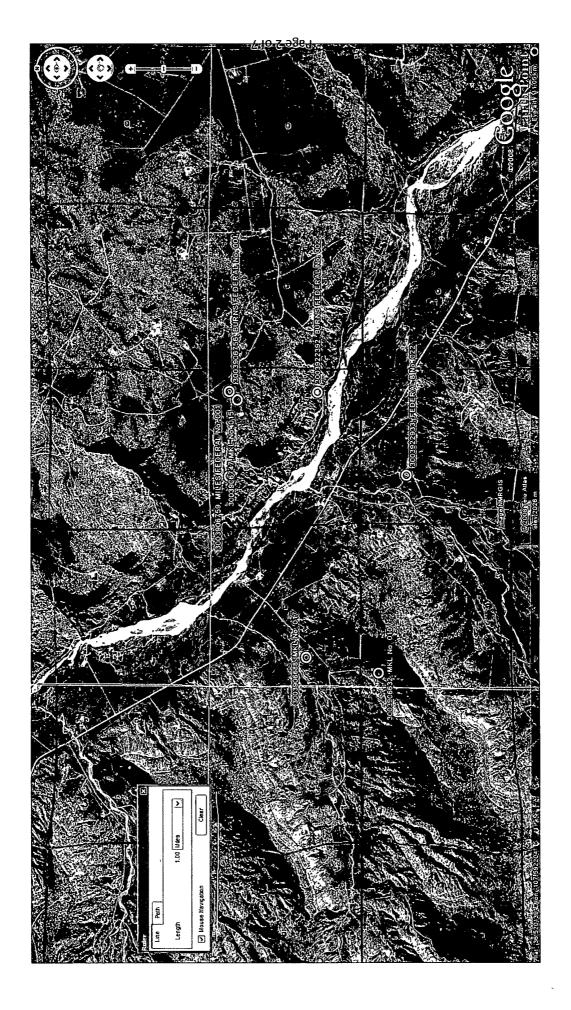
Т	ownship: 26N	Range: 07W	Sections:		
NAD	27 X:	Y:	Zone:	Search R	adius:
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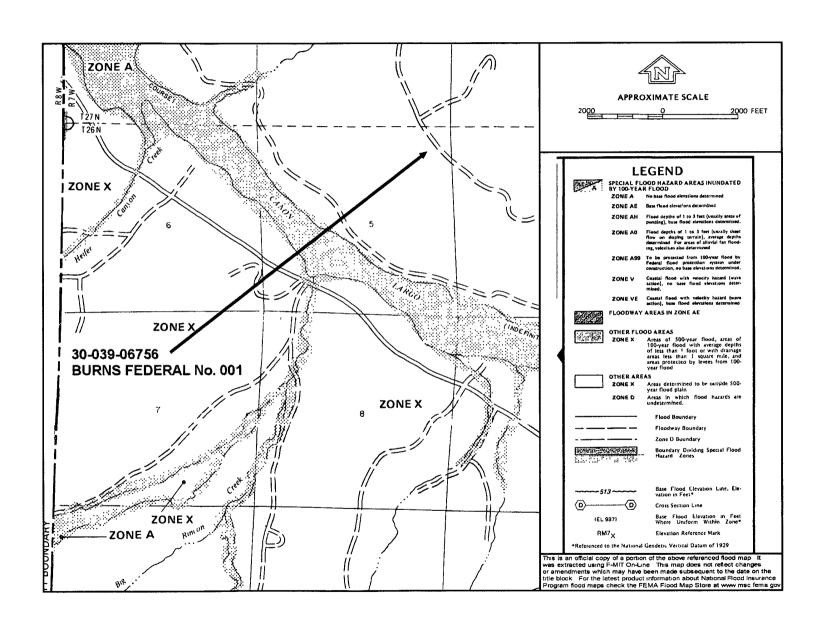
WATER COLUMN REPORT 08/06/2008

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

	(quarter	s are	e bi	gges	t to	smallest)			Depth	Depth	Water	(in feet)
POD Number	Tws	Rng	Sec	qq	q	Zone	X	Y	Well	Water	Column	
SJ_02409	26N	07W	01	1 2	2				700	400	300	
SJ 02402	26N	07W	05	3 3	2				36	18	18	
SJ 00071	26N	07W	15	4 1	2				365	26	339	
SJ 00070	26N	07W	15	4 2	3				335	22	313	
SJ 02406	26N	07W	30	3 2	1				280	180	100	

Record Count: 5





XTO Energy Inc. San Juan Basin Below Grade Tank Design and Construction Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the design and construction of below grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below grade tanks. A separate plan will be submitted for any below grade tank (BGT) which does not conform to this plan.

General Plan

- 1. XTO will design and construct a BGT to contain liquids and solids and prevent contamination of fresh water and protect public heath and environment.
- 2. Prior to constructing the pit, topsoil will be stockpiled in the construction zone for later use in restoration.
- 3. XTO will post a well sign, in compliance with 19.15.3.103 NMAC, on the well site prior to construction of the BGT. The sign will list the Operator on record as the operator, the location of the well site by unit letter, section, township, range, and emergency telephone numbers.
- 4. XTO shall construct all new fences utilizing 48" steel mesh field-fence (hogwire) on the bottom with two strands of barbed wire on top, or with a pipe top rail. A 6' chain link fence topped with three stands of barbed wire will be used if the well location is within 1000' of a permanent residence, school, hospital, institution or church.
- 5. XTO shall construct an expanded metal covering on top of the BGT.
- 6. XTO will ensure that a BGT is constructed of materials resistant to the BGT's particular contents and resistant to damage from sunlight.
- The BGT system will 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.
- 8. XTO will construct a berm and/or diversion ditch in a manner that prevents the collection of surface water run-on.
- 9. XTO will construct and use BGT that does not have double walls. The BGT sidewalls will be open for visual inspection for leaks, the BGT bottom will be elevated a minimum of 6" above the underlying ground surface and the BGT will be underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected.
- 10. XTO will equip BGT's designed in this manner with a properly functioning automatic high-level shut-off control device and manual controls to prevent overflows.
- 11. The geomembrane liner shall consist of 30-mil flexible PVC or 60-mil HDPE liner, or an equivalent liner material that the appropriate division district office approves. The geomembrane liner shall have a hydraulic conductivity greater that 1 x 10-9 cm/sec. The geomembrane liner shall be composed of an impervious, synthetic material that is resistant to petroleum hydrocarbons, salts and acidic and alkaline solutions. The liner material shall be resistant to ultraviolet light. Liner compatibility shall comply with EPA SW-846 method 9090A.
- 12. The general specifications for design and construction are attached.

XTO Energy Inc. San Juan Basin Below Grade Tank Maintenance and Operating Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the operation and maintenance of below grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below grade tanks. A separate plan will be submitted for any below grade tank (BGT) which does not conform to this plan.

General Plan

- 1. XTO will operate and maintain a BGT to contain liquids and solids and prevent contamination of fresh water and protect public health and the environment.
- 2. XTO will not allow a BGT to overflow and will use berms and/or diversion ditch to prevent surface run on to enter the BGT.
- 3. XTO will continuously remove any visible or measurable layer of oil from the fluid surface of a BGT in order to prevent significant accumulation of oil.
- 4. XTO will inspect the BGT monthly and maintain written records for five years.
- 5. XTO will maintain adequate freeboard to prevent over topping of the BGT.

XTO Energy Inc. San Juan Basin Below Grade Tank Closure Plan

In accordance with Rule 19.15.17.11 NMAC the following information describes the closure requirements of below grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below grade tanks. A separate plan will be submitted for any below grade tank (BGT) which does not conform to this plan.

General Plan

- XTO will 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. XTO will close an existing BGT that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or is not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC within five years after June 16, 2008, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC.
- 3. XTO will close a permitted BGT within 60 days of cessation of the BGT's 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 form C-144.
- 4. XTO will remove liquids and sludge from a BGT prior to implementing a closure method and will dispose of the liquids and sludge in a division-approved facility.
- 5. XTO will 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.
- 6. XTO will remove any on-site equipment associated with a BGT unless the equipment is required for some other purpose.
- 7. XTO will test the solids beneath the BGT to determine whether a release has occurred. At a minimum 5 point composite sample will be collected along with individual grab samples from any area that is wet, discolored or showing other evidence of a release. Samples will be analyzed for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 8021B or 8260B or 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 100mg/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. XTO will notify the division of its results on form C-141.
- 8. If XTO or the division determines that a release has occurred, XTO will comply with 19.15.3.116 NMAC and 19.15.1.19NMAC as appropriate.
- 9. 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, XTO will backfill the excavation with compacted, non-waste containing, earthen material; construct a division prescribed soil cover; recontour and re-vegetate the site.
- 10. Notice of Closure will be given to the Aztec Division District III office between 72 hours and one week of closure via email or verbally. The notification will include the following:
 - i. Operator's name
 - ii. Location by Unit Letter, Section, Township, and Range. Well name and API number.

- 11. 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 form C-144 and incorporate the following:
 - i. Details on capping and covering, where applicable
 - ii. Inspection reports
 - iii. Sampling results
- 12. Re-contouring of location will match fit, shape, line, form and texture of the surrounding area. 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 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.
- 13. XTO will 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 be 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.
- 14. A minimum of 4' of cover shall be achieved and the cover shall include 1' of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater.
- 15. The surface owner shall be notified of XTO's proposal to close the BGT as per the approved closure plan using certified mail, return receipt requested.