. District I 1625 French Dr., Hobbs, NM 88240

<u>District II</u> 1301 W Grand Ave , Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 State of New Mexico Energy Minerals and Natural Resources

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

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

Form C-144

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.

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505		ар	propriate NMOCD Distr	
	Pit, Closed-Loop System,	Below-Grade 7	Sank, or	
9511 Propos	sed Alternative Method P	ermit or Closure	e Plan Applica	<u>ition</u>
Type of action:	Permit of a pit, closed-loop syste	em, below-grade tank,	, or proposed alterna	ative method
[	Closure of a pit, closed-loop sys			
]	Modification to an existing pern	nit		
[	Closure plan only submitted for below-grade tank, or proposed a		or non-permitted pi	t, closed-loop system,
Instructions: Please submit one app	lication (Form C-144) per individ	ual pit, closed-loop sy	stem, below-grade i	ank or alternative request
	is request does not relieve the operator of liabilithe operator of its responsibility to comply with			
Operator: Burlington Resources Oil &	& Gas Company, LP		GRID#: <u>14538</u>	
Address: PO Box 4289, Farmington	NM 87499			
Facility or well name: SAN JUAN 30	-6 UNIT 147M			
API Number: 30-	039-30788	OCD Permit Number:		
U/L or Qtr/Qtr: C(NE/NW) Section	: <u>25</u> Township: <u>30N</u>	Range: <b>7W</b>	County: Rio	Arriba
Center of Proposed Design: Latitude:	36.7886 °N	Longitude: 10	07.52614 °W	/_ NAD:1927 <b>X</b> _1983
Surface Owner: Federal	State X Private Tri	bal Trust or Indian Al	lotment	
Temporary: Drilling Works Permanent Emergency X Cav Lined Unlined Line String-Reinforced Liner Seams: Welded Fact	rtype: Thickness mil	LLDPE HD	PE PVC Of	herx Wx D
	n H of 19.15.17.11 NMAC  Drilling a new well  Workover or notice of inte		vities which require p	rior approval of a permit or
	Steel Tanks Haul-off Bins	Other		2345678
Lined Unlined Liner t	——————————————————————————————————————	LLLDPE HDP	E PVD Othe	7 34567
Liner Seams: Welded Fact	ory Other			
Below-grade tank: Subsection I o	f 19 15 17 11 NMAC	,		SEC 2009  OFC 2009  OFC 2009  OFC 2009
Volume: bbl				80 01 DEC 2000
Tank Construction material:	-V.			CONS. DIV DIS
Secondary containment with leak dete	ction Visible sidewalls, lines	, 6-inch lift and automat	ic overflow shut-off	157 NOST.
Visible sidewalls and liner	Visible sidewalls only Oth	ner		6707.55
Liner Type: Thickness	milHDPEPVC	Other		
5 Alternative Method:				
Submittal of an exception request is requi	red. Exceptions must be submitted to f	he Santa Fe Environmer	ital Bureau office for o	consideration of approval.

Fercing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pit, temporary pits, and below-grade tanks)  Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital, institution or church)  Four foot height, four strands of barbed wire evenly spaced between one and four feet  Alternate. Please specify			
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)			
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			
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:  X Administrative approval(s): Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for consideration pit for Pre-set)  Exception(s) Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	deration of appi	oval.	
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	No	
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other watercourse, lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).  - Topographic map; Visual inspection (certification) of the proposed site	Yes	No	
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.  (Applies to temporary, emergency, or cavitation pits and below-grade tanks)	Yes NA	No	
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image  Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.  (Applied to permanent pits)	Yes	No	
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image  Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	Yes	No	
<ul> <li>NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site.</li> <li>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</li> <li>Written confirmation or verification from the municipality; Written approval obtained from the municipality</li> </ul>	Yes	□No	
<ul> <li>Within 500 feet of a wetland.</li> <li>US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</li> <li>Within the area overlying a subsurface mine.</li> <li>Written confirmation or verification or map from the NM EMNRD - Mining and Mineral Division</li> <li>Within an unstable area.</li> </ul>	Yes Yes	□No □No □No	
<ul> <li>Engineering measures incorporated into the design; NM Bureau of Geology &amp; Mineral Resources; USGS; NM Geological Society; Topographic map</li> <li>Within a 100-year floodplain</li> <li>FEMA map</li> </ul>	Yes	□No	

Form C-144 Oil Conservation Division Page 2 of 5

Temporary Pits, Emergency Pits and Below-grade Tanks Permit Application Attachment ChecklistSubsection 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 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 X 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)				
In-place Burial On-site Trench				
Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)				
Waste Excavation and Removal Closure Plan Checklist (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan.				
Please indicate, by a check mark in the box, that the documents are attached.  Destroyle and Procedures has a manufactor requirements of 10.15.17.12 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  Disposal Faculity Name and Permit Number (for liquids, drilling fluids and drill cuttings)				
Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC				
Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC				
Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC				

Form C-144 Oil Conservation Division

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:(19.15 17 13.D NMAC)				
Instructions Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.				
Disposal Facility Name: Envirotech / JFJ Landfarm % IEI Disposal Facility Permit #: NM-01-0011 / NM-01-0	0010B			
Disposal Facility Name: Basin Disposal Facility  Disposal Facility Permit #: NM-01-005				
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will nbe used for future  Yes (If yes, please provide the information No	service and -			
Required for impacted areas which will not be used for future service and operations:  Soil Backfill and Cover Design Specification - based upon the appropriate requirements of Subsection H of 19.15.17.13 N 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	MAC			
17				
Siting Criteria (Regarding on-site closure methods only: 19.15 17.10 NMAC Instructions Each string criteria requires a demonstration of compliance in the closure plan Recommendations of acceptable source material are provided below certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Stoffice 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	□N/A			
Ground water is more than 100 feet below the bottom of the buried waste.	Yes No			
- NM Office of the State Engineer - IWATERS database search, USGS; Data obtained from nearby wells	N/A			
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Yes No			
- Topographic map; Visual 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 watering 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 adopted	Yes No			
pursuant to NMSA 1978. Section 3-27-3, as amended  - Written confirmation or verification from the municipality, Written approval obtained from the municipality  Within 500 feet of a wetland	∏Yes ∏No			
- US Fish and Wildlife Wetland Identification map; Topographic map, Visual inspection (certification) of the proposed site				
Within the area overlying a subsurface mine.	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 the cloby a check mark in the box, that the documents are attached.	sure 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 NMAC				
Construction/Design Plan of Temporary Pit (for in place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC  [X] Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC				
X   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				
Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.13.17.13 NMAC				
X   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				
Re-vegetation Plan - based upon the appropriate requirements of Subsection 1 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 Application Contification
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 beltef
Name (Print): \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \
Signature. Date: 12.71 (P)
e-mail address: marie e.jaramillo@conocophillips.com Telephone: 505-326-9865
o man address
20
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)
OCD Representative Signature: Approval Date: 1-5-10
Title: Earling Spec OCD Permit Number:
Title: Eavin 15pec OCD Permit Number:
Closure Report (required within 60 days of closure completion): Subsection K of 19 15.17 13 NMAC Instructions Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.  Closure Completion Date:
Ciosure Completion Date.
Closure Methods
Closure Method:  Waste Excavation and Removal On-site Closure Method Alternative Closure Method Waste Removal (Closed-loop systems only)
If different from approved plan, please explain.
23 <u>Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:</u> Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities
were utilized.  Disposal Facility Name:  Disposal Facility Permit Number:
Disposal Facility Name.  Disposal Facility Permit Number
Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations?
Yes (If yes, please demonstrate complilane to the items below)
Required for impacted areas which will not be used for future service and operations:
Site Reclamation (Photo Documentation)
Soil Backfilling and Cover Installation  Re-vegetation Application Rates and Seeding Technique
Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.
Proof of Closure Notice (surface owner and division)
Proof of Deed Notice (required for on-site closure)
Plot Plan (for on-site closures and temporary pits)
Confirmation Sampling Analytical Results (if applicable)
Waste Material Sampling Analytical Results (if applicable)
Disposal Facility Name and Permit Number
Soil Backfilling and Cover Installation
Re-vegetation Application Rates and Seeding Technique
Site Reclamation (Photo Documentation)  On site Clasure Leasting Latitude:  Langitude:  NAD
On-site Closure Location: Latitude: Longitude: NAD 1927 1983
Operator Closure Certification:
I hereby certify that the information and attachments submitted with this closure report is ture, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.
Name (Print): Title:
Signature: Date:
e-mail address: Telephone:

## Burlington Resources Oil & Gas Company, LP Cavitation Pit for Closed-Loop Locations

## Design:

Burlington Resources Oil & Gas Company, LP will use a cavitation pit plan when the surface casing will be pre-set on closed-loop locations. The drill cuttings will be stockpiled on the surface.

## **Operations and Maintenance:**

The cavitation pit will be operated and maintained as follows:

- 1. Only Fresh water and air will be used in the drilling of the surface casing.
- 2. The Cement used will be: Neat Cement with no additives.
- 3. All of the fluids will be removed within 48hrs after drilling.
- 4. A representative five point composite sample will be taken of the drill cuttings, after the setting of the surface casing is complete, using sampling tools and all samples will be tested per Subsection B of 19.15.17.13(B)(1)(b). In the event that the testing criteria is not met, all contents will be dug and hauled per Subparagraph (a) of Paragraph (1) of Subsection B of 19.15.17.13 i.e.

Components	omponents Tests Method	
Benzene	EPA SW-846 8021B or 8260B	0.2
BTEX	EPA SW-846 8021B or 8260B	50
TPH	EPA SW-846 418.1	2500
GRO/DRO	EPA SW-846 8015M	500
Chlorides	EPA 300.1	500

5. The NMOCD will be notified via email of the test results of the cavitation surface as follows:

Components	Tests Method	Limit (mg/Kg)	Results
Benzene	EPA SW-846 8021B or 8260B	0.2	N/D
BTEX	EPA SW-846 8021B or 8260B	50	10.7
TPH	EPA SW-846 418.1	2500	178
GRO/DRO	EPA SW-846 8015M	500	N/D
Chlorides	EPA 300.1	500	20

## Closure Plan:

- 1. The NMOCD will be notified of the sample results and the intent to start the closure process 3-7 days prior to the drill cuttings being transported, moved, or distributed on location.
- 2. In the event the criteria are not met, all solids and liquids will be removed and disposed of at Envirotech (Permit #NM-01-0011) and/or Basin Disposal Facility (Permit #NM-01-005) and/or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B).
- 3. Testing results will be submitted with the Closure Report of the well locations Closed-Loop Permit on Form C-144.

Burlington Resources is aware that approval of this plan does not relieve Burlington Resources of liability should operations result in pollution of surface water, ground water, or the environment. Nor does approval relieve ConocoPhillips of its responsibility to comply with any other applicable governmental authority's rules and regulations.