1625 N. French Dr , Hobbs, NM 88240

1301 W. Grand Ave , Artesia, NM 88210

District III 1000 Rio Brazos Rd, Aztec, NM 87410

District IV

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

Form C-144

For temporary pits, closed-loop sytems, 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

1220 S St Francis Dr , Santa Fe, NM 8750	appropriate NMOCD District Office
EGNT	Pit, Closed-Loop System, Below-Grade Tank, or
\bigcirc	posed Alternative Method Permit or Closure Plan Application
Type of action:	X Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method
	e application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request
	al of this request does not reheve the operator of hability should operations result in pollution of surface water, ground water or the reheve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances
Operator: Burlington Resources Address: PO Box 4289, Farming	
Facility or well name: Hagwood	30
API Number:	30-045-20979 OCD Permit Number
U/L or Qtr/Qtr: A(NE/NE) Se Center of Proposed Design: Latitu Surface Owner: X Federal	ction: 34 Township: 29N Range: 13W County: San Juan de: 36.4117052 °N Longitude: 108.1112264 °W NAD: 1927 X 1983 State Private Tribal Trust or Indian Allotment
Temporary Drilling V Permanent Emergency Lined Unlined String-Reinforced Liner Seams Welded	Vorkover Cavitation P&A Liner type Thickness mil LLDPE HDPE PVC Other Factory Other Volume bbl Dimensions L x W x D
Type of Operation X P&A Drying Pad X Above G	cection H of 19.15.17 11 NMAC Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) round Steel Tanks Haul-off Bins Other inter type Thickness mil LLDPE HDPE PVD Other Factory Other
4 Below-grade tank: Subsection Volume Tank Construction material Secondary containment with leak Visible sidewalls and liner Liner Type Thickness	on I of 19.15 17.11 NMAC bbî
Submittal of an exception request is	required Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval

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 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: Administrative approval(s) Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for consideration of approval (Fencing/BGT Liner) Exception(s) Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.			
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.	Yes No		
(Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site, Aerial photo; Satellite image	□NA		
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applied to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	Yes No		
Within 500 horizonal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	Yes No		
- NM Office of the State Engineer - iWATERS database search, Visual inspection (certification) of the proposed site.			
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended - Written confirmation or verification from the municipality; Written approval obtained from the municipality	YesNo		
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	Yes No		
Society; Topographic map 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				
Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC				
Design Plan - based upon the appropriate requirements of 19 15.17.11 NMAC				
Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC				
Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of				
19.15.17.9 NMAC and 19.15 17.13 NMAC				
Previously Approved Design (attach copy of design) API or Permit				
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15 17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19 15.17 9 Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC				
X Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC				
X Operating and Maintenance Plan - based upon the appropriate requirements of 19 15.17.12 NMAC				
X Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19 15.17.9 NMAC and 19.15.17.13 NMAC				
Previously Approved Design (attach copy of design) API				
Previously Approved Operating and Maintenance Plan API				
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 XP&A Permanent Pit Below-grade Tank XClosed-loop System Alternative Proposed Closure Method Waste Excavation and Removal XWaste 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. Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC				
Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC				
Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)				
☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19 15.17 13 NMAC				
Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC				

16					
Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Ta Instructions Please identify the facility or facilities for the disposal of liquids, drilling fluid facilities are required		,			
	posal Facility Permit # NM-01-0011 / NM-01-0	010B			
	posal Facility Permit # NM-01-005	0100			
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					
Yes (If yes, please provide the information No					
Required for impacted areas which will not be used for future service and operations Soil Backfill and Cover Design Specification - based upon the appropriate r	equirements of Subsection H of 19 15 17 13 NM.	AC.			
Re-vegetation Plan - based upon the appropriate requirements of Subsection	•				
Site Reclamation Plan - based upon the appropriate requirements of Subsection	tion G of 19 15.17 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 Rec certain siting criteria may require administrative approval from the appropriate district office or i					
office for consideration of approval. Justifications and/or demonstrations of equivalency are requ) me şama re Environmeniai burean			
Ground water is less than 50 feet below the bottom of the buried waste		Yes No			
- NM Office of the State Engineer - 1WATERS database search, USGS: Data obtained	I from nearby wells				
Contract Sharman 50 and 100 Shart Landa hadran a Salada Landa					
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 moorby walls	Yes No			
- MM Office of the State Engineer - 1WATERS database search, 0303, Data obtained	from hearby wens	∐N/A			
Ground water is more than 100 feet below the bottom of the buried waste		Yes No			
- NM Office of the State Engineer - 1WATERS 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 (measured from the ordinary high-water mark)	watercourse or lakebed, sinkhole, or playa lake	Yes No			
- Topographic map, Visual inspection (certification) of the proposed site					
Within 300 feet from a permanent residence, school, hospital, institution, or church in existe	ence at the time of initial application	□Yes □No			
- Visual inspection (certification) of the proposed site, Aerial photo, satellite image	application				
		Yes No			
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five					
purposes, or within 1000 horizontal fee of any other fresh water well or spring, in existence - NM Office of the State Engineer - iWATERS database, Visual inspection (certification					
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 Within 500 for of a worland.	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		☐Yes ☐No			
- Written confiramtion or verification or map from the NM EMNRD-Mining and Miner	al Division				
Within an unstable area	· ·	Yes No			
- Engineering measures incorporated into the design, NM Bureau of Geology & Minera	l Resources, USGS, NM Geological Society,				
Topographic лар Within a 100-year floodplain		Yes No			
- FEMA map	,				
18					
On-Site Closure Plan Checklist: (19 15 17 13 NMAC) Instructions: Each of to	he following items must bee attached to the closi	ure plan. Please indicate,			
by a check mark in the box, that the documents are attached.					
Siting Criteria Compliance Demonstrations - based upon the appropriate rec					
Proof of Surface Owner Notice - based upon the appropriate requirements of					
Construction/Design Plan of Burial Trench (if applicable) based upon the a					
Construction/Design Plan of Temporary Pit (for in place burial of a drying j		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 rec					
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 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		1			

19 Operator Application Certification:			
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief			
Name (Print) . Jame Goodwin . Title: Regulatory Technician			
Signature (Mul GOODWW Date: 45/10			
e-mail address / Jamie L Goodwin@conocophillips com Telephone 505-326-9784			
20 OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)			
OCD Representative Signature: Sed Fell Approval Date: 5/4/10			
Title: Envirolspec 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:			
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			
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.			
Disposal Facility Name Disposal Facility Permit Number			
Disposal Facility Name Disposal Facility Permit Number			
Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations?			
Yes (If yes, please demonstrate compliane to the items below)			
Required for impacted areas which will not be used for future service and operations Site Reclamation (Photo Documentation)			
Soil Backfilling and Cover Installation			
Re-vegetation Application Rates and Seeding Technique			
24			
Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in			
the box, that the documents are attached.			
Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure)			
Plot Plan (for on-site closures and temporary pits)			
Confirmation Sampling Analytical Results (if applicable)			
Waste Material Sampling Analytical Results (if applicable)			
Disposal Facility Name and Permit Number			
Soil Backfilling and Cover Installation			
Re-vegetation Application Rates and Seeding Technique			
Site Reclamation (Photo Documentation)			
On-site Closure Location Latitude Longitude NAD 1927 1983			
25			
Operator Closure Certification: 1 hereby certify that the information and attachments submitted with this closure report is ture, accurate and complete to the best of my knowledge and belief. I also certify that			
the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.			
Name (Print) Title.			
Signature Date			
e-mail address. Telephone.			

Burlington Resources Oil & Gas Company, LP Closed-loop Plans

Closed-loop Design Plan

BR's closed loop system will not entail a drying pad, temporary pit, below grade tank or sump. It will include an above ground tank suitable for holding the cuttings and fluids for rig operations. The tank will be sufficient volume to maintain a safe free board between disposal of the liquids and solids from rig operations.

- 1. Fencing is not required for an above ground closed-loop system
- 2. It will be signed in compliance with 19.15.3.103 NMAC
- 3. A frac tank will be on location to store fresh water

Closed-loop Operating and Maintenance Plan

BR's closed-loop tank will be operated and maintained to contain liquids and solids in order to prevent contamination of fresh water sources, in order to protect public health and the environment. To ensure the operation is maintained the following steps will be followed:

- 1. The liquids will be vacuumed out and disposed of at the Basin Disposal facility (Permit # NM-01-005) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B). Solids in the closed-loop tank will be vacuumed out and disposed of at Envirotech (Permit # NM-01-0011) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B) on a periodic basis to prevent over topping.
- 2. No hazardous waste, miscellaneous solid waste or debris will be discharged into or stored in the tank. Only fluids or cutting used or generated by rig operations will be placed or stored in the tank.
- 3. The division district office will be notified within 48 hours of the discovery of compromised integrity of the closed-loop tank. Upon the discovery of the compromised tank, repairs will be enacted immediately

Closed-loop Closure Plan

The closed-loop tank will be closed in accordance with 19.15.17.13. This will be done by transporting cuttings and all remaining sludges to Envirotech (Permit # NM-01-0011) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B) immediately following rig operations. All remaining liquids will be transported and disposed of in the Basin Disposal facility (Permit # NM-01-005) or JFJ Landfarm % Industrial Ecosystem Inc. (Permit # NM-01-0010B). The tanks will be removed from the location as part of the rig move. At time of well abandonment, the site will be reclaimed and re-vegetated to pre-existing conditions when possible.