• 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

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

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.
Pit, Closed-Loop System, Belo	
Proposed Alternative Method Permit	or Closure Plan Application
Type of action: Permit of a pit, closed-loop system, below	ow-grade tank, or proposed alternative method
Closure of a pit, closed-loop system, be	low-grade tank, or proposed alternative method
X Modification to an existing permit	
Closure plan only submitted for an exis below-grade tank, or proposed alternati	ting permitted or non-permitted pit, closed-loop system,
Instructions: Please submit one application (Form C-144) per individual pit,	
Please be advised that approval of this request does not relieve the operator of liability should	d 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	er applicable governmental authority's rules, regulations or ordinances.
Operator: ConocoPhillips Company	OGRID#: <u>217817</u>
Address: PO Box 4289, Farmington, NM 87499	
Facility or well name: SAN JUAN 28-7 UNIT 98P	
API Number: 30-039-30773 OCD Pe	rmit Number:
	nge: 7W County: Rio Arriba
Center of Proposed Design: Latitude: 36.545686 °N Longi	
Surface Owner: X Federal State Private Tribal Tru	st or Indian Allotment
X Pit: Subsection F or G of 19.15.17.11 NMAC	,
Temporary: Drilling Workover Permanent Emergency X Cavitation P&A (Pre-set)	
	LDPE HDPE PVC Other
String-Reinforced	
Liner Seams: Welded Factory Other Volum	ne: 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 notice of intent)	(Applies to activities which require prior approval of a permit or
Drying Pad Above Ground Steel Tanks Haul-off Bins Other	
Lined Unlined Liner type: Thicknessmil LI	LDPE HDPE PVD Other
Liner Seams: Welded Factory Other	LDPE HDPE PVD Other RECEIVED OIL CONS. DIV. DIST. 3
Below-grade tank: Subsection I of 19.15.17.11 NMAC	& RECEIVER &
Volume: bbl Type of fluid:	S Millians
Tank Construction material:	lift and automatic overflow shut-off
	lift and automatic overflow shut-off Other
Visible sidewalls and liner Visible sidewalls only Other	
Liner Type: Thickness mil HDPE PVC	Other 96681 71 90

Liner Type:

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

mil

Figure 6 Land D Closed Balance (4 / 5)		
Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent ptt, temporary ptts, 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		
Archate. Flease specify		
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:		
X Administrative approval(s): Requests must be submitted to the appropriate division district of the Santa Fe Environmental Bureau office for consi	deration of app	roval.
(Cavitation pit for Pre-set)	••	
Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.		
	T	
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.		
11 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	l	
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.	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 watercourse, lakebed, sinkhole, or playa lake	Yes	No
(measured from the ordinary high-water mark). Topographic many Visual inspection (contification) of the proposed site.		
- 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	Yes	No
application.		
(Applies to temporary, emergency, or cavitation pits and below-grade tanks)	∐NA	
- 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.	Yes	No
(Applied to permanent pits)	□NA	
- 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	☐ Yes	□No
purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.	L	U.,,
NIM Office of the State Engineer (WATERS database good to Visual investigation (1995)		
- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site.	<u> </u>	_
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	Yes	No
 adopted 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	L 163	□,,,
		Пио
- Written confirmation 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	Yes	No
- FEMA man	1	I

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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 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
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 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
14 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
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

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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.	o	
Disposal Facility Name Envirotech / JFJ Landfarm % IEI Disposal Facility Permit #: NM-01-0011 / NM-01-	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	e 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	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 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 soffice 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.	Yes No	
- NM Office of the State Engineer - iWATERS database search; USGS: Data obtained from nearby wells	∐N/A	
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	
	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 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	☐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;	1 103 110	
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 be attached to the cloby a check mark in the box, that the documents are attached.	osure 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		
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		
Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC		
Site Peolamotion Plan - based upon the appropriate requirements of Subsection C of 10.15.17.13 NMAC		

Operator Application Certification:		
I hereby certify that the information submitted with this application is tryle, accurate and complete to the best of my knowledge and belief		
Name (Print): Staff Regulatory, Technician		
Signature: Date: E7/0		
e-mail address:		
C-mail addices.		
20		
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)		
OCD Representative Signature: Summer Sell Approval Date: 6/2/10		
Title: Enviro/Spec 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:		
22		
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 Faculity Name: Disposal Faculity 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:		
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:		
Signatura. Data		
Signature: Date		
e-mail address: Telephone:		

ConocoPhillips Company Cavitation Pit for Closed-Loop Locations

Design:

ConocoPhillips Company 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	Tests Method	Limit (mg/Kg)
Benzene	EPA SW-846 8021B or 8260B	0.2
BTEX	EPA SW-846 8021B or 8260B	50
TPH	EPA SW-846 418.1	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	
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	

Closure Plan:

- 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.

ConocoPhillips is aware that approval of this plan does not relieve ConocoPhillips 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.