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

District II 1301 W Grand Ave , Artesia, NM 88210 District III
1000 Rio Biazos Rd Aztec NM 87410

State of New Mexico Energy Minerals and Natural Resources

Department Oil Conservation Division 1220 South St. Francis Dr. Form C-144 July 21, 2008

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

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	Santa Fe, NM 87505	Environmental Bureau office and provide a copy to the appropriate NMOCD District Office
Pit, C	losed-Loop System, Below-Grad Iternative Method Permit or Clos	
Clos	nit of a pit, closed-loop system, below-grade to sure of a pit, closed-loop system, below-grade diffication to an existing permit sure plan only submitted for an existing permit w-grade tank, or proposed alternative method	tank, or proposed alternative method . tted or non-permitted pit, closed-loop system,
Please be advised that approval of this reques	in (Form C-144) per individual pit, closed-loc it does not relieve the operator of hability should operations to ator of its responsibility to comply with any other applicable	
Operator: Burlington Resources Oil & Gas	Company, LP	OGRID#: 14538
Address: PO Box 4289, Farmington, NM 8		
Facility or well name: San Juan 28-5 Unit 5		
API Number: 30-039-07.		
U/L or Qtr/Qtr: M(SW/SW) Section: 2 Center of Proposed Design: Latitude: Surface Owner: X Federal S	0 Township: 28N Range: 36.64227 °N Longitude: State Private Tribal Trust or India	5W County: Rio Arriba 107.38825 °W NAD: 1927 X 1983 an Allotment "W NAD: 1927 X 1983
	Thickness mil LLDPE Other Volume:	HDPE PVC Other
X Drying Pad X Above Ground Steel T X Lined Unlined Liner type Liner Seams X Welded X Factory	anks Haul-off Bms Other	HDPE PVD Other
Tank Construction material Secondary containment with leak detection	17 11 NMAC Type of fluid Visible sidewalls, liner, 6-inch lift and autority sidewalls only Other HDPE PVC Other	RCVD HUG 26 10 DIL CONS. DIV. DIST. 3
Submittal of an exception request is required. Ex	ceptions must be submitted to the Santa Fe Enviror	nmental 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-tunks 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)	□NA			
- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image		_		
Within 1000 fect from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applied to permanent pits)	Yes NA	No		
- Visual inspection (certification) of the proposed site; Aertal photo; Satellite image	ļ _{r—1}			
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	Yes	No		
- Written confirmation or verification from the municipality; Written approval obtained from the municipality 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			
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-Inon Systems Permit Application Attachment Checklist: Subsection B of 19 15.17 9 NMAC Instructions: Each of the following items must be uttached 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			
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: 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 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 Eroston 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 X Workover Emergency Cavitation P&A Permanent Prt Below-grade Tank Closed-loop System Alternative Proposed Closure Method Waste Excavation and Removal X Waste Removal (Closed-loop systems only) On-site Closure Method (only for temporary pits and closed-loop systems)			
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. □ 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			
Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC			

Form C-144 Oil Conservation Division

sell of the time to the self of the	_	
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-01-0010B		
Disposal Facility Name. Basin Disposal Facility Disposal Facility Pennit # NM-01-005		
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be 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 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	AC .	
17 Siting Criteria (Regarding on-site closure methods only: 19.15,17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to office 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 Engureer - 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 - (WATERS 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 mitial 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 mitual application. - NM Office of the State Engineer - iWATERS database; 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.	Yes No	
- Written confirmation or verification from the municipality, Written approval obtained from the municipality 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 confirmation or verification or map from the NM EMNRD-Mining and Mineral Division Within an unstable area. 	□ _{Var} □ _{Na}	
- 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	
18 On-Site Closure Plan Cheeldist: (19.15.17.13 NMAC) Instructions: Each of the following items must bee attached to the close by a check mark in the box, that the documents are attached.	ure 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 Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC		

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 1 10 mile (2000 Ca) Date (000 Date		
c-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: Black Self Approval Date: 8/26/10		
Title: 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 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 complianc 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		
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 complex 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.