Form C-144 July 21, 2008

District I 1625 N. French Dr., Hobbs, NM 88240 District II
1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 **District IV** 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources Department Oil Conservation Division 1220 South St. Francis Dr.

Santa Fe, NM 87505

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD Distriction of the sand exceptions submit to the Santa Pe Environmental Bureau office and provide a copy to the appropriate NMOCD Disnic Office 24 AM 11 28

Pit, Closed-Loop System, Below-Grade Tank, or Proposed Alternative Method Permit or Closure Plan Application

Type of action: Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method **Existing BGT** Modification to an existing permit

Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system,

below-grade tank, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request

Operator: XTO Energy, Inc.	· .	OGRID#:	5380		
Address: #382 County Road 3100, Aztec, NM	The state of the s				
Facility or well name:GALLEGOS FEDERAL 20	5 13 1 #2S				
API Number: 30-045-31907	OCD Permit Number:		·		<u>.</u>
U/L or Qtr/QtrD_ Section01_ Towns					
Center of Proposed Design: Latitude 36.52178	Longitude108:17549 N	AD: □1927 🛭	1983		
Surface Owner: 🛛 Federal 🗌 State 🔲 Private 🔲 🖯	ribal Trust or Indian Allotment				
L.			,*		
Pit: Subsection F or G of 19.15.17.11 NMAC					EC 5'10
Temporary: Drilling Workover				,	MS.DIV.
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&	Ã.			Di.	ST. 3
Lined Unlined Liner type: Thickness	mil	PVC Other			
String-Reinforced					,
Liner Seams: Welded Factory Other	Volume:	bbl _r	imensions: L	x\W	x D
Closed-loop System: Subsection H of 19.15.17					
Type of Operation: P&A Drilling a new well intent)		10 10 10 10	require prior app	roval of a pen	mit or notice of
Drying Pad Above Ground Steel Tanks					
Lined Unlined Liner type: Thickness					
Liner Seams: Welded Factory Other					
			<u> </u>		
Below-grade tank: Subsection I of 19.15.17.1					
Volume: 120 bbl Type of flui	d: Produced Water	,		,	
Tank Construction material: Steel					
☐ Secondary containment with leak detection ☐					
☐ Visible sidewalls and liner ☐ Visible sidewall	s only Other Visible sidewalls, v	aulted, automati	c high-level shut	off, no liner	· ·
Liner type: Thickness mil	HDPE PVC Other				
X.					
Alternative Method:					
Submittal of an exception request is required. Exce	ptions must be submitted to the Santa F	e Environmenta	l Bureau office fo	or consideration	on of approval.
					-
Form C-144	Oil Conservation Division			Page 1 of 5	

Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks) Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, institution or church) Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate. Please specify Four foot height, steel mesh field fence (hogwire) with pipe top railing	hospital,
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other Expanded metal or solid vaulted top 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 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 or the Santa Fe Environmental Bureau of consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	office for
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of a Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying above-grade tanks associated with a closed-loop system.	priate district oproval.
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ⊠ No
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☑ No.
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☑ No ☐ NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application: (Applies to permanent pits) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No ☑ NA
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site.	☐ Yes ☑ No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ⊠ No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☑ No.
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☑ No
Within an unstable area: - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ☑ No
Within a 100-year floodplain FEMA map	☐ Yes ☑ Nő

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	11. Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate; by a check mark in the box, that the documents are attached. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
	Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
	Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
L	Previously Approved Design (attach copy of design) API Number: or Permit Number:
	Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9
	Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
	Previously Approved Design (attach copy of design) API Number:
	Previously Approved Operating and Maintenance Plan API Number: (Applies only to closed-loop system that use
Ĺ	above ground steel tanks or haul-off bins and propose to implement waste removal for closure)
	Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report - based upon the requirements of Paragraph (!) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Nuisance or Hazardous Odors, including H ₂ S, Prevention Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Erosion Control Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
	Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan. Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System Alternative Proposed Closure Method: Waste Excavation and Removal Waste Removal (Closed-loop systems only) On-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial On-site Trench Burial 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

Waste Removal Closure For Closed-loop Systems That Utilize Above Groun Instructions: Please indentify the facility or facilities for the disposal of liquid facilities are required.	d Steel Tanks or Haul-off Bins Only: (19.15.17.13.) s, drilling fluids and drill cuttings. Use attachment if	O NMAC) more than two
Disposal Facility Name:	Disposal Facility Permit Number:	
Disposal Facility Name:		
Will any of the proposed closed-loop system operations and associated activities Yes (If yes, please provide the information below) No	•	
Required for impacted areas which will not be used for future service and operated Soil Backfill and Cover Design Specifications based upon the appropriate Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection	ate requirements of Subsection H of 19.15.17.13 NMA on Lof 19.15.17.13 NMAC	c
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 provided below. Requests regarding changes to certain siting criteria may requesting considered an exception which must be submitted to the Santa Fe Environment demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC.	e closure plan. Recommendations of acceptable sou tire administrative approval from the appropriate dist tal Bureau office for consideration of approval. Just	rict office or may be
Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; D	ata obtained from nearby wells	☐ Yes ☐ No ☐ NA
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; D	ata obtained from nearby wells	☐ Yes ☐ No ☐ NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; D	ata obtained from nearby wells	☐ Yes ☐ No ☐ NA
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other s lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	ignificant watercourse or lakebed, sinkhole, or playa	☐ Yes ☐ No
Within 300 feet from a permanent residence, school, hospital, institution, or chur - Visual inspection (certification) of the proposed site; Aerial photo; Satell		☐ Yes ☐ No
Within 500 horizontal feet of a private, domestic fresh water well or spring that I watering purposes, or within 1000 horizontal feet of any other fresh water well or NM Office of the State Engineer - iWATERS database; Visual inspection	spring, in existence at the time of initial application.	☐ Yes ☐ No
Within incorporated municipal boundaries or within a defined municipal fresh was adopted pursuant to NMSA 1978, Section 3-27-3, as amended. Written confirmation or verification from the municipality; Written appre	- -	☐ Yes ☐ No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Vis	sual 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-Mini	ng and Mineral Division	Yes No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geold Society; Topographic map	gy & Mineral Resources; USGS; NM Geological	☐ Yes ☐ No
Within a 100-year floodplain. - FEMA map		☐ Yes ☐ No
18. On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements Construction/Design Plan of Burial Trench (if applicable) based upon the Construction/Design Plan of Temporary Pit (for in-place burial of a drying Protocols and Procedures - based upon the appropriate requirements of 19. Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Disposal Facility Name and Permit Number (for liquids, drilling fluids and Soil Cover Design - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsections.	equirements of 19.15.17.10 NMAC of Subsection F of 19.15.17.13 NMAC appropriate requirements of 19.15.17.11 NMAC pad) - based upon the appropriate requirements of 19. 15.17.13 NMAC equirements of Subsection F of 19.15.17.13 NMAC of Subsection F of 19.15.17.13 NMAC I drill cuttings or in case on-site closure standards cann on H of 19.15.17.13 NMAC on I of 19.15.17.13 NMAC	15.17.11 NMAC

Operator Application Certification: I hereby certify that the information submitted with this application is true; acc	curate and complete to the	ne best of my knowledge and belief.
Name (Print): Kim Champlin		Environmental Representative
the American		
e-mail address: kim champlin@xtoenergy.com		11/18/04
c-man address: kim champlin@xtoenergy.com	relephone:	(303) 333-3100
OCD Approval: Permit Application (including closure plan) Closure	Plan (only) OCD	Conditions (see affachment)
OCD Representative Signature:	() . w	Approval Date: 11/2/10
Title: _ Frimment Edice	OCD Permit Num	ber:
21. Closure Report (required within 60 days of closure completion): Subsectionstructions: Operators are required to obtain an approved closure plan prior The closure report is required to be submitted to the division within 60 days of section of the form until an approved closure plan has been obtained and the	or to implementing any of the completion of the	closure activities and submitting the closure report. closure activities. Please do not complete this been completed.
72.		
Closure Method: Waste Excavation and Removal On-Site Closure Method Alte If different from approved plan, please explain.	mative Closure Method	Waste Removal (Closed-loop systems only)
23. Closure Report Regarding Waste Removal Closure For Closed-loop System	ms That Utilize Above	Ground Steel Tanks or Haul-off Bins Only:
Instructions: Please indentify the facility or facilities for where the liquids, a two facilities were utilized.	rilling fluids and drill c	uttings were disposed. Use attachment if more tha
Disposal Facility Name:	 ,	ermit Number:
Disposal Facility Name:	Disposal Facility Pe	
Were the closed-loop system operations and associated activities performed on Yes (If yes, please demonstrate compliance to the items below) \(\Bar{\text{No}} \) No		be used for future service and operations?
Required for impacted areas which will not be used for future service and oper Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	ations:-	·
14.		
Closure Report Attachment Checklist: Instructions: Each of the following mark in the box, that the documents are attached. Proof of Closure Notice (surface owner and division) A hacked Proof of Deed Notice (required for on-site closure) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if applicable) A hacked Waste Material Sampling Analytical Results (required for on-site closure		to the closure report. Please indicate, by a check
Disposal Facility Name and Permit Number attacked		
Soil Backfilling and Cover Installation Der OCD Specification Re-vegetation Application Rates and Seeding Technique per BLM	MCU	
Site Reclamation (Photo Documentation) A れんけん (On-site Closure Location: Latitude Location: Latitude Location: Location Location: Location Locatio	gitude	NAD: □1927 □ 1983
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure belief. I also certify that the closure complies with all applicable closure requi	re report is true, accurate	e and complete to the best of my knowledge and
Name (Print): Sames McDanie		Specialist
Signature:	Date: 1/3/	/3/10
e-mail address: James - M. Daniel Oxtoeneray. cor	✓ Telephone:	50S-333-3701

District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

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

Submit 2 Copies to appropriate

Form C-141

Revised October 10, 2003

District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action **OPERATOR** Final Report Initial Report Name of Company: XTO Energy, Inc. Contact: James McDaniel Address: 382 Road 3100, Aztec, New Mexico 87410 Telephone No.: (505) 333-3701 Facility Name: Gallegos Federal 26-13-1 #2S (30-045-31907) Facility Type: Gas Well (Fruitland) Surface Owner: Federal Mineral Owner: Lease No .: LOCATION OF RELEASE North/South Line County Unit Letter Section Township Range Feet from the Feet from the East/West Line 26N 13W 990 **FNL** 1190 **FWL** D San Juan Latitude: 36.52178 Longitude: -108.17549 NATURE OF RELEASE Type of Release: None Volume of Release: NA Volume Recovered: NA Source of Release: NA Date and Hour of Occurrence: NA Date and Hour of Discovery: NA Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☐ No ☒ Not Required By Whom? Date and Hour Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ⊠ No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* No release has occurred at this location. Describe Area Affected and Cleanup Action Taken.* No release has occurred at this location. Applicable analytical results are attached for your reference. I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations. OIL CONSERVATION DIVISION Signature: Approved by District Supervisor: Printed Name: James McDaniel Approval Date: **Expiration Date:** Title: EH&S Specialist E-mail Address: James McDaniel@xtoenergy.com Conditions of Approval: Attached

Phone: 505-333-3701

Date: 12/3/2010

^{*} Attach Additional Sheets If Necessary

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

Lease Name: Gallegos Federal 26-13-1 #2S

API No.: 30-045-31907

Description: Unit D, Section 1, Township 26N, Range 13W, San Juan County

In accordance with Rule 19.15.17.13 NMAC the following information describes the closure requirements of below-grade tanks on XTO Energy Inc. (XTO) locations. This is XTO's standard procedure for all below-grade tanks. A separate plan will be submitted for any below-grade tank which does not conform to this plan.

General Plan

1. XTO will close below-grade tanks within the time periods provided in 19.15.17.13 NMAC, or by an earlier date that the division requires because of imminent danger to fresh water, public health or the environment.

Closure Date is November 8, 2010

2. XTO will close a below-grade tank that does not meet the requirements of Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC or is not included in Paragraph (5) of Subsection I of 19.15.17.11 NMAC within five years after June 16, 2008, if not retrofitted to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC.

Closure Date is November 8, 2010

3. XTO will close a permitted below-grade tank within 60 days of cessation of the below-grade tank's operation or as required by the transitional provisions of Subsection B of 19.15.17.17 NMAC in accordance with a closure plan that the appropriate division district office approves. The closure report will be filed on form C-144.

Required C-144 Form is attached to this document.

4. XTO will remove liquids and sludge from below-grade tanks prior to implementing a closure method and will dispose of the liquids and sludge in a division-approved facility. Approved facilities and waste streams include:

Envirotech Permit No. NM01-0011 and IEI Permit No. NM 01-0010B Soil contaminated by exempt petroleum hydrocarbons

Produced sand, pit sludge and contaminated bottoms from storage of exempt wastes

Basin Disposal Permit No. NM01-005

Produced water

All liquids and sludge were removed from the tank prior to closure activities.

5. XTO will remove the below-grade tank and dispose of it in a division approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves.

XTO has removed the below grade tank, and will dispose of it at a division approved facility, or recycle, reclaim or reuse it in a manner that is approved by the division.

6. XTO will remove any on-site equipment associated with a below-grade tank unless the equipment is required for some other purpose.

All equipment has been removed due to the plugging and abandoning of the Gallegos Federal 26-13-1 #2S well site.

At a minimum 5 point composite sample will be collected along with individual grab samples from any area that is wet, discolored or showing other evidence of a release. Samples will be analyzed for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 8021B or 8260B or EPA method that the division approves, does not exceed 0.2 mg/kg; total BTEX concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 50 mg/kg; the TPH concentration, as determined by EPA method 418.1 or other EPA method that the division approves, does not exceed 100mg/kg; and the chloride concentration, as determined by EPA method 300.1 or other EPA method that the division approves, does not exceed 250 mg/kg, or the background concentration, whichever is greater. XTO will notify the division of its results on form C-141.

A five point composite sample was taken of the pit using sampling tools and all samples tested per Subsection B of 19.15.17.1 3(B)(1)(b). (Sample results attached).

Components	Test Method	Limit (mg/Kg)	Results
Benzene	EPA SW-846 8021B or 8260B	0.2	BDL mg/kg
BTEX	EPA SW-846 8021B or 8260B	50	BDL mg/kg
TPH	EPA SW-846 418.1	100	42.6 mg/kg
Chlorides	EPA 300.1	250 or background	18 mg/kg

8. If XTO or the division determines that a release has occurred, XTO will comply with 19.15.3.116 NMAC and 19.15.1.19NMAC as appropriate.

No release was confirmed for this location. The samples results are attached for your reference.

9. If the sampling program demonstrates that a release has not occurred or that any release does not exceed the concentrations specified in Paragraph (4) of Subsection E of 19.15.17.13 NMAC, XTO will backfill the excavation with compacted, non-waste containing, earthen material; construct a division prescribed soil cover; recontour and re-vegetate the site.

The pit cellar was backfilled using compacted, non-waste containing earthen material, with a division prescribed soil cover.

- 10. Notice of Closure operations will be given to the Aztec Division District III office between 72 hours and one week prior to the start of closure activities via email or verbally.

 The notification will include the following:
 - i. Operator's name
 - ii. Well Name and API Number
 - ii. Location by Unit Letter, Section, Township, and Range

Notification was provided to Mr. Brandon Powell with the Aztec office of the OCD via email on November 3, 2010; see attached email printout.

The surface owner shall be notified of XTO's proposal to close the BGT as per the approved closure plan using certified mail, return receipt requested.

The surface owner was notified on November 3, 2010; see attached letter and return receipt.

11. Re-contouring of location will match fit, shape, line, form and texture of the surrounding area. Re-shaping will include drainage control, prevent ponding, and prevent erosion. Natural drainages will be unimpeded and water bars and/or silt traps will be placed in areas where needed to prevent erosion on a large scale. Final re-contour shall have a uniform appearance with smooth surface, fitting the natural landscape.

The site has been recontoured to match the above mentioned specifications.

12. A minimum of 4 feet of cover shall be achieved and the cover shall include 1 foot of suitable material to establish vegetation at the site, or the background thickness of topsoil, whichever is greater.

The site has been backfilled to match these specifications.

13. XTO will seed the disturbed areas the first growing season after the operator closes the pit. Seeding will be accomplished via drilling on the contour whenever practical or by other division-approved methods. BLM or Forest Service stipulated seed mixes will be used on federal lands. Vegetative cover will equal 70% of the native perennial vegetative cover (un-impacted) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. Repeat seeding or planting will be continued until successful vegetative growth occurs.

The location will be reclaimed pursuant to the BLM MOU.

- 14. All closure activities will include proper documentation and be available for review upon request and will be submitted in closure report form to OCD within 60 days of closure of the below-grade tank. Closure report will be filed on form C-144 and incorporate the following:
 - i. Proof of closure notice to division and surface owner; attached
 - ii. Details on capping and covering, where applicable; per OCD Specifications
 - iii. Inspection reports; None Found
 - iv. Confirmation sampling analytical results; attached
 - v. Disposal facility name(s) and permit number(s); see above
 - vi. Soil backfilling and cover installation; per OCD Specifications
 - vii. Re-vegetation application rates and seeding techniques, (or approved alternative to re-vegetation requirements if applicable); **Per BLM MOU**
 - viii. Photo documentation of the site reclamation. attached

EPA METHOD 418.1 TOTAL PETROLEUM HYDROCARBONS

Client:	XTO Energy	Project #:	98031-0528
Sample ID:	BGT Closure Composite	Date Reported:	11-03-10
Laboratory Number:	56372	Date Sampled:	11-02-10
Chain of Custody No:	10647	Date Received:	11-02-10
Sample Matrix:	Soil	Date Extracted:	11-03-10
Preservative:	Cool	Date Analyzed:	11-03-10
Condition:	Intact	Analysis Needed:	TPH-418.1

		Det.
	Concentration	Limit
Parameter	(mg/kg)	(mg/kg)

Total Petroleum Hydrocarbons

42.6

11.0

ND = Parameter not detected at the stated detection limit.

References:

Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water

and Waste, USEPA Storet No. 4551, 1978.

Comments:

Gallegos Federal 26-13-1 #2S

Analyst

RAVIAN



EPA METHOD 418.1 TOTAL PETROLEUM HYROCARBONS QUALITY ASSURANCE REPORT

Client: Sample ID:

QA/QC QA/QC Project #: Date Reported: N/A 11-03-10

Laboratory Number: Sample Matrix:

11-03-TPH.QA/QC 56362

Date Sampled:

N/A

Preservative:

Freon-113

Date Analyzed: Date Extracted: 11-03-10 11-03-10

Condition:

N/A N/A

Analysis Needed:

TPH

Calibration I-Cal Date

10-28-10

C-Cal Date I-Cal RF: C-Cal RF:

% Difference

Accept. Range

11-03-10

1,610

1,610

0.0% +/- 10%

Blank Conc. (mg/Kg)

Concentration

TPH

ND

11.0

Detection Limit

Duplicate Conc. (mg/Kg)

TPH

Sample 113

Duplicate 123

8.6%

% Difference Accept. Range +/- 30%

Spike Conc. (mg/Kg)

Sample

Spike Added

Spike Result % Recovery

TPH

113

2,000

1,840

87.1%

Accept Range 80 - 120%

ND = Parameter not detected at the stated detection limit.

References:

Method 418.1, Petroleum Hydrocarbons, Total Recoverable, Chemical Analysis of Water

and Waste, USEPA Storet No. 4551, 1978.

Comments:

QA/QC for Samples 56362, 56372-56376

Analyst

lab@envirotech-inc.com envirotech-inc.com

CHAIN OF CUSTODY RECORD



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James McDaniel XTO Energy - San Juan Division 382 Road 3100 Aztec, NM 87410

Report Summary

Wednesday November 17, 2010

Report Number: L487231 Samples Received: 11/04/10 Client Project:

Description: Gallegos Federal 26-13-1 25

The analytical results in this report are based upon information supplied by you, the client, and are for your exclusive use. If you have any questions regarding this data package, please do not hesitate to call.

Entire Report Reviewed By:

Daphne Richards , ESC Representative

Laboratory Certification Numbers

A2LA - 1461-01, AIHA - 100789, AL - 40660, CA - I-2327, CT - PH-0197, FL - E87487 GA - 923, IN - C-TN-01, KY - 90010, KYUST - 0016, NC - ENV375/DW21704, ND - R-140 NJ - TN002,NJ NELAP - TN002, SC - 84004, TN - 2006, VA - 00109, WV - 233 AZ - 0612, MN - 047-999-395, NY - 11742, WI - 998093910, NV - TN000032008A, TX - T104704245, OK-9915

Accreditation is only applicable to the test methods specified on each scope of accreditation held by ESC Lab Sciences.

Note: The use of the preparatory EPA Method 3511 is not approved or endorsed by the CA ELAP.

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REPORT OF ANALYSIS

November 17,2010

Project # :

James McDaniel XTO Energy - San Juan Division 382 Road 3100 Aztec, NM 87410

ESC Sample # : L487231-01

Date Received : November 04, 2010
Description : Gallegos Federal 26-13-1 25

Site ID : GALLEGOS FEDERAL 26-13

Sample ID : BGT CLOSURE COMPOSITE

Collected By : James McDaniel Collection Date : 11/02/10 14:00

Parameter	Dry Result	Det. Limit	Units	Method	Date	Dil.
Chloride	18.	14.	mg/kg	9056	11/10/10	1
Total Solids	72.4		8	2540G	11/10/10	1
Benzene Toluene Ethylbenzene Total Xylene TPH (GC/FID) Low Fraction Surrogate Recovery-% a,a,a-Trifluorotoluene(FID)	BDL BDL BDL BDL BDL	0.0034 0.034 0.0034 0.010 0.69	mg/kg mg/kg mg/kg mg/kg mg/kg	8021/8015 8021/8015 8021/8015 8021/8015 GRO	,,	5 5 5 5 5
<pre>a,a,a-Trifluorotoluene(PID) TPH (GC/FID) High Fraction Surrogate recovery(%) o-Terphenyl</pre>	98.5 BDL 73.6	5.5	% Rec. mg/kg % Rec.	8021/8015 3546/DRO 3546/DRO		5 1 1

Results listed are dry weight basis.
BDL - Below Detection Limit
Det. Limit - Practical Quantitation Limit(PQL)

This report shall not be reproduced, except in full, without the written approval from ESC. The reported analytical results relate only to the sample submitted Reported: 11/11/10 13:57 Revised: 11/17/10 14:27



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Quality Assurance Report Level II

Aztec, NM 87410	M 87410 L487231						November 17, 2010		
Analyte	Result		ratory B	lank _f % Rec		Limit	Ba	tch D	ate Analyzed
Benzene Ethylbenzene Toluene TPH (GC/FID) Low Fraction Total Xylene a,a,a-Trifluorotoluene(FID) a,a,a-Trifluorotoluene(PID)	< .000 < .000 < .005 < .1 < .001	5 mg/ mg/ mg/	kg kg kg kg ec.	97.00		59-128 5 <u>4</u> -144	WG WG WG WG	506981 1 506981 1 506981 1 506981 1 506981 1	1/05/10 12:0 1/05/10 12:0 1/05/10 12:0 1/05/10 12:0 1/05/10 12:0 1/05/10 12:0 1/05/10 12:0 1/05/10 12:0
TPH (GC/FID) High Fraction o-Terphenyl	< 4		ec.	76.90) .	50-150			1/06/10 09:3 1/06/10 09:3
Total Solids Chloride	< .1	% mg/	kg .						1/10/10 13:2 1/10/10 19:2
Analyte	Units	Result	Duplicate Duplic		RPD	Limit	R	tef_Samp	Batch
Total Solids	. %	64.0	,65.3		1.50	5	İ	487248-0	5 wG50755
Chloride Chloride	mg/kg mg/kg	12.0 1700 .	13.0 1900		8.00 9.37	20 20		487231-0 487947-2	
Analyte	Units	Laborato Known V	ry Contro	ol Sampl Resu		% Rec	Li	mit	Batch
Benzene Ethylbenzene Toluene Total Xylene a,a,a-Triffluorotoluene(FID) a,a,a-Triffluorotoluene(PID) TPH (GC/FID) Low Fraction a,a,a-Triffluorotoluene(FID) a,a,a-Triffluorotoluene(PID)	mg/kg mg/kg mg/kg mg/kg	.05 .05 .05 .15		0.0543 0.0518 0.0536 0.154	3	109. 104. 107. 103. 96.03 100.2 112. 103.7 98.07	78 76 81 59 54 67	5-113 1-115 1-114 1-118 1-128 1-144 1-135 1-128 1-144	WG50698 WG50698 WG50698 WG50698 WG50698 WG50698 WG50698 WG50698
TPH (GC/FID) High Fraction o-Terphenyl	ppm	60	-	57.2		95.3 86.34)-150)-150	WG50710 WG50710
Total Solids	8	50		49.8	*	99.6	85	5-115	° wG50755
Chloride	mg/kg	200		20.0	-	10.0*	. 85	<u>5-115</u>	<u>WG50</u> 768
Analyte		Laboratory Co Result F	ontrol Sau Ref	mple Dür %Rec	olicate	Limit	RPD	Limi	t Batch
Benzene Ethylbenzene Toluene Total Xylene a,a,a-Trifluorotoluene(FID) a,a,a-Trifluorotoluene(PID) ** Performance of this Analyte is	mg/kg mg/kg mg/kg mg/kg	0.0512 0 0.0535 0 0.152 0	0.0543 0.0518 0.0536 0.154	109. 102. 107. 101. 96.92	 	76-113 78-115 76-114 81-118 59-128 54-144	0.290 1.22 0.170 1.37	20 20 20 20 20	WG50698 WG50698 WG50698 WG50698 WG50698



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Quality Assurance Report Level II

L487231

November 17, 2010

				Sample Dup	licate				
Analyte	Units	Result	Ref	%Rec_		Limit	RPD	Limit	<u>Batch</u>
TPH (GC/FID) Low Fraction a,a,a-Trifluorotoluene(FID) a,a,a-Trifluorotoluene(PID)	mg/kg	6.18	6.17	112. 103.4 98.22		67-135 59-128 54-144	0.140	20	พัฐ50698 พัฐ50698 พัฐ50698
TPH (GC/FID) High Fraction o-Terphenyl	ppm/	52.5	57.2	87.0 78.20		50-150 50-150	8.63	25	WG50710 WG50710
Chloride	mg/kg	20.0	20.0	10*		85-115	oʻ	20	<u>WG50</u> 768
Analyte	Units	MS Res	. Matrix Ref F		% Rec	Limit		Ref Samp	Batch
Benzene Ethylbenzene Toluene Total Xylene a,a,a-Trifluorotoluene(FID) a,a,a-Trifluorotoluene(PID) TEH (GC/FID) Low Fraction a,a,a-Trifluorotoluene(FID) a,a,a-Trifluorotoluene(FID)	mg/kg mg/kg mg/kg mg/kg	0.266 0.238 0.253 0.701	0 0.002 0 0.014	.05	106. 94.3 101. 91.6 96.37 99.77 96.2 103.0 98.28	32-13 10-15 20-14 16-14 59-12 54-14 55-10 59-12	0 2 1 8 4 9	L487211-02 L487211-02 L487211-02 L487211-02 L487211-02	WG50698 WG50698 WG50698 WG50698 WG50698 WG50698 WG50698 WG50698
TPH (GC/FID) High Fraction o-Terphenyl	ppm		7.00	60	107. 103.9	50-15 50-15		L487384-01	WG50710 WG50710
				Duplicate					
Analyte	Units	MSD Mat	rix Spike Ref	%Rec	Limit	RPD	Limit	Ref Samp	Batch
Benzene Ethylbenzene Toluene Total Xylene a,a,a-Trifluorotoluene(FID) a,a,a-Trifluorotoluene(PID) TPH (GC/FID) Low Fraction a,a,a-Trifluorotoluene(FID) a,a,a-Trifluorotoluene(PID)	mg/kg mg/kg mg/kg mg/kg mg/kg	0.268 0.242 0.260 0.718	0.266 0.238 0.253 0.701	107. 95.8 104. 93.8 96.41 99.53 90.6 102.1 98.12	32-137 10-150 20-142 16-141 59-128 54-144 55-109 59-128 54-144	0.770 1.55 2.83 2.36	39 44 42 46	L487211-02 L487211-02 L487211-02 L487211-02	WG50698 WG50698 WG50698 WG50698 WG50698 WG50698 WG50698 WG50698
TPH (GC/FID) High Fraction o-Terphenyl	ppm	64.8	71.3	96.3 89.52	50-150 50-150	9.55	25	L487384-01	WG50710

Batch number /Run number / Sample number cross reference

WG506981: R1460009: L487231-01 WG507106: R1462030: L487231-01 WG507554: R1466871: L487231-01 WG507689: R1468529: L487231-01

 ^{*} Calculations are performed prior to rounding of reported values
 * Performance of this Analyte is outside of established criteria.
 For additional information, please see Attachment A 'List of Analytes with QC Qualifiers.'



XTO Energy - San Juan Division James McDaniel 382 Road 3100

Aztec, NM 87410

Quality Assurance Report Level II

L487231

The data package includes a summary of the analytic results of the quality control samples required by the SW-846 or CWA methods. The quality control samples include a method blank, a laboratory control sample, and the matrix spike/matrix spike duplicate analysis. If a target parameter is outside the method limits, every sample that is effected is flagged with the appropriate qualifier in Appendix B of the analytic report.

Method Blank - an aliquot of reagent water carried through the entire analytic process. The method blank results indicate if any possible contamination exposure during the sample handling, digestion or extraction process, and analysis. Concentrations of target analytes above the reporting limit in the method blank are qualified with the "B" qualifier.

Laboratory Control Sample - is a sample of known concentration that is carried through the digestion/extraction and analysis process. The percent recovery, expressed as a percentage of the theoretical concentration, has statistical control limits indicating that the analytic process is "in control". If a target analyte is outside the control limits for the laboratory control sample or any other control sample, the parameter is flagged with a "J4" qualifier for all effected samples.

Matrix Spike and Matrix Spike Duplicate - is two aliquots of an environmental sample that is spiked with known concentrations of target analytes. The percent recovery of the target analytes also has statistical control limits. If any recoveries that are outside the method control limits, the sample that was selected for matrix spike/matrix spike duplicate analysis is flagged with either a "J5" or a "J6". The relative percent difference (%RPD) between the matrix spike and the matrix spike duplicate recoveries is all calculated. If the RPD is above the method limit, the effected samples are flagged with a "J3" qualifier.

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November 17, 2010

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Time Yes ended X BTEX (DOM) /- 4ez (coc) X DRO/GRO(8015) /1-4ez / (coc) X (Lov) des /1-4ez / (coc)	Other	Flow	·)									Remarks:
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Report to: James McDaniel E-mail to: James_McDaniel@xtoenergy.com Client Project No. Lab Project #	Cottode (lab use only)		ی ک				**************************************	26-13-1	Federa	Site/Facility ID	9	Collected by James McDaniel Collected by James McDaniel
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Alternate Billing Analysis/Container/Preservative Chain of Custody Page of Page of	Chain of Custody	r/Preservative	nalysis/Containe	A			lling	Alternate Bi			SS	Company Name/Address



James McDaniel /FAR/CTOC 11/03/2010 07:45 AM To brandon.powell@state.nm.us

CC .

bcc

Subject Gallegos Federal 26-13-1 #2S BGT Closure

Brandon,

Please accept this email as the required notice for BGT closure activities taking place at the Gallegos Federal 26-13-1 #2S well site (api #30-045-31907) located in Unit D, Section 1, Township 26N, Range 13W, San Juan County, New Mexico. Thank you very much for your time in regards to this matter.





November 3, 2010

Mark Kelly,
Bureau of Land Management – Farmington Field Office:
1235 La Plata Highway
Farmington, New Mexico, 87401

Re:

Gallegos Federal 26-13-1 #2S

Unit D, Section 1, Township 26N, Range 13W, San Juan County, New Mexico

Dear Mr. Kelly,

This submittal is pursuant to Rule 19.15.17.13 requiring operators to notify surface owners of the closure of a below grade tank pit. XTO Energy, Inc. (XTO) is hereby providing written documentation of our proposal to close the below grade tank pit associated with the above mentioned well site by waste excavation and removal.

Should you have questions or require additional information, please feel free to contact me at your convenience at (505) 333-3100. Thank you for your time in regards to this matter.

Respectfully Submitted,

James McDaniel EH&S Specialist XTO Energy, Inc.

San Juan Division

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature X
1. Article Addressed to: BLM-FFD Mark Kelly 1235 La Plata Hwy Farnington NM 87401	If YES, enter delivery address below:
Farmington NM 87401	3. Service Type ☑ Certified Mail ☐ Express Mail ☐ Registered ☑ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D. 4. Restricted Delivery? (Extra Fee) ☐ Yes
2. Article Number 7009 2250 (Transfer from service label)	0001 1303 5040
PS Form 3811, February 2004 Domestic Retu	urn Receipt 102595-02-M-1540

3 5040	U.S. Postal Service
130	Postage \$
]]	Certifled Fee Postmark
1000	Return Receipt Fee (Endorsement Required)
20	Restricted Delivery Fee (Endorsement Required)
낁	Total Postage & Fees \$
60	SON BLM FFD, Mark Kelly
700	or PO BOX NO. 1235 La Plata HWY
	City, State, ZIP+4Farm. Naton NM 87401
	FS Form 2000, August 2000 See Reverse for Instructions

XTO Energy, Inc. Gallegos Federal 26-13-1 #2S Section 1, Township 26N, Range 13W Closure Date 11/8/2010

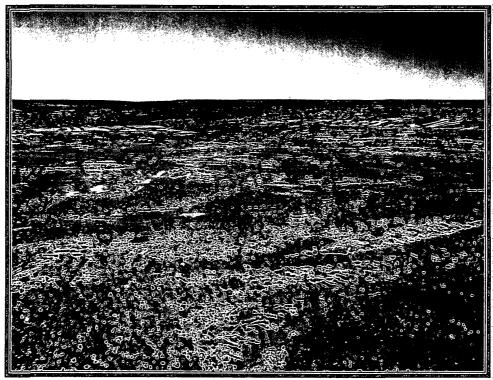


Photo 1: Gallegos Federal 26-13-1 #2S after backfill and Recontour (view 1)



Photo 2: Gallegos Federal 26-13-1 #2S after Backfill and Recontour (view 2)