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

District IV

7488

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 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 appropriate NMOCD District Office.

Form C-144

July 21, 2008

Pit, Closed-Loop System, Below-Grade Tank, or Proposed 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
Type of action.	
	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

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

Please be advised that approval of this request does not relieve the operator of liability should operation environment. Nor does approval relieve the operator of its responsibility to comply with any other applications.		
Operator: Burlington Resources Oil & Gas Company, LP	OGRID#: 14538	
Address: PO Box 4289, Farmington, NM 87499		
Facility or well name: SAN JUAN 27-5 UNIT 182		
API Number: 30-039-20815 OCD Permit Num	nber:	
U/L or Qtr/Qtr: G(SW/NE) Section: 23 Township: 27N Range:	5W County: Rio Arriba	
Center of Proposed Design: Latitude: 36.56158 °N Longitude:	-107.32312 °W NAD: X 1927 1983	
Surface Owner: X Federal State Private Tribal Trust or Inc	lian Allotment	
Pit: Subsection F or G of 19.15.17.11 NMAC Temporary: Drilling Workover Permanent Emergency Cavitation P&A Lined Unlined Liner type: Thickness mil LLDPE String-Reinforced Liner Seams: Welded Factory Other Volume:	HDPE PVC Other bbl Dimensions L x W x D	
X Closed-loop System: Subsection H of 19.15.17.11 NMAC Type of Operation: X P&A Drilling a new well Workover or Drilling (Applies notice of intent) Drying Pad X Above Ground Steel Tanks Haul-off Bins Other Lined Unlined Liner type: Thickness mil LLDPE Liner Seams: Welded Factory Other		
Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume: bbl Type of fluid: Tank Construction material: Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and a Visible sidewalls and liner Visible sidewalls only Other Liner Type: Thickness mil HDPE PVC Other	RECEIVED IDEC 2010 SOLICONS. DIV. DIST. 3	
5 Alternative Method: Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Envir		



Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pit, temporary pits, and helow-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 consite (Fencing/BGT Liner) Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	ideration 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. (Applies to temporary, emergency, or cavitation pits and below-grade tanks)	☐ Yes ☐ No ☐ 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. (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. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site.	YesNo				
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 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 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				
12				
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				
13				
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				
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 Cavitation X P&A Permanent Pit Below-grade Tank X 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)				
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 10.15.17.13 NIMAC				
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				

16 Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)						
Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.)					
Disposal Facility Name: Envirotech / JFJ Landfarm % IEI Disposal Facility Permit #: NM-01-0011 / NM-01-0	010B					
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 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 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 Site Reclamation Plan - based upon the appropriate requirements of Subsection 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. 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. - NM Office of the State Engineer - iWATERS database search; USGS: Data obtained from nearby wells	Yes No					
Ground water is between 50 and 100 feet below the bottom of the buried waste	Yes No					
- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	∏ _{N/A} □					
Ground water is more than 100 feet below the bottom of the buried waste.	☐ ☐Yes ☐No					
- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	N/A					
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).	Yes No					
- Topographic map; Visual inspection (certification) of the proposed site						
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; satellite image	Yes No					
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal fee of any other fresh water well or spring, in existence at the time of the initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted	Yes No					
pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality						
Within 500 feet of a wetland - 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 confirantion or verification or map from the NM EMNRD-Mining and Mineral Division Within an unstable area.	☐Yes ☐No					
- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map						
Within a 100-year floodplain FEMA map	Yes No					
18 On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must bee attached to the clos 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						

Operator Application Thereby certify that the interest of the	Certification: formation submitted with this application is true	e accurate and complete to the best	t of my knowledge and helief
Name (Print):	CRYSTAL TAFOYA		AFF REGULATORY TECHNICIAN
Signature:	40-10-	Date:	12/20/2010
e-mail address:	crystal.tafoya@conocophillips.com	Telephone:	(505) 326-9837
c-man address.	on John Control of the Control of th	Telephone.	(300) 320 3037
	Permit Application (including closure plan)	. 1	OCD Conditions (see attachment)
OCD Representative S	Signature:	nJh	Approval Date: ///4///
Title:	Compliance Office	OCD Permit	Number:
Instructions: Operators as report is required to be su		prior to implementing any closure impletion of the closure activities. been completed.	e activities and submitting the closure report. The closure Please do not complete this section of the form until an Completion Date:
22 Closure Method: Waste Excavation If different from a	and Removal On-site Closure Met	thod Alternative Closure M	ethod Waste Removal (Closed-loop systems only)
	ng Waste Removal Closure For Closed-loop tify the facility or facilities for where the liquid		und Steel Tanks or Haul-off Bins Only: s were disposed. Use attachment if more than two facilities
Disposal Facility Name	e:	Disposal Facility Pe	ermit Number:
Disposal Facility Name	e:	Disposal Facility Pe	ermit Number:
Were the closed-loop s	system operations and associated activities perfo	ormed on or in areas that will not b	be used for future service and opeartions?
Yes (If yes, please	e demonstrate complilane to the items below)	∐No	
l –	areas which will not be used for future service	and operations:	
	(Photo Documentation) nd Cover Installation		
	blication Rates and Seeding Technique		
	and the state of t		
Closure Report Att	achment Checklist: Instructions: Each of t	the following items must be attach	ted to the closure report. Please indicate, by a check mark in
the box, that the docu			
	Notice (surface owner and division)		• •
_	otice (required for on-site closure) -site closures and temporary pits)		
]	impling Analytical Results (if applicable)		
	mpling Analytical Results (if applicable) Sampling Analytical Results (if applicable)		
	Name and Permit Number		
	and Cover Installation		
	pplication Rates and Seeding Technique		
= -	(Photo Documentation)		
On-site Closure		Longitude:	NAD 1927 1983
L			
		<u>-</u>	d complete to the best of my knowledge and belief. I also certify that sure 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.