Jones, Brad A., EMNRD

From: Kim_Champlin@xtoenergy.com

Sent: Thursday, February 17, 2011 9:46 AM

To: Jones, Brad A., EMNRD

Cc: James_McDaniel@xtoenergy.com; Martin_Nee@xtoenergy.com

Subject: Fw: BGT Closure Plans

I need approvals on the closure plan only for the below listed wells. These wells are scheduled for P&A. Any questions just let me know. Thanks Brad.

The first 3 don't have a submittal date. They would have been in the first boxes- I didn't think to keep track of dates until after the first set went out. I have checked with our local office and they don't have them.

Kim Champlin
XTO Energy
EHS Admin Supervisor
San Juan Division
(505) 333-3100 office
(505) 213-0140 fax
(505) 330-8357 cell
kim_thamplin@xtuenergy.com

EH Pipken #26:30-045-26151

EH Pipken #4R 30-045-30873 -

Jack Frost B #1E 30-045-24356>

EE Martin B #1R 30-045-34268 Submitted 11/25/08

Form C-144 July 21, 2008

District I 1625 N French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 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 District Office: \(\frac{1}{2}\) For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office 25 PM 1 1 10

Pit, Closed-Loop System, Below-Grade Tank, or

Proposed Alternative Method Permit or Closure Plan Application
Type of action: Existing BGT 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 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 applicable governmental authority's rules, regulations or ordinances.
1. Operator:XTO Energy, Inc OGRID #: 5380
Operator: XTO Energy, Inc. OGRID #: 5380 Address: #382 County Road 3100, Aztec, NM 87410
Facility or well name:MARTIN EE B # 1R
API Number: <u>\(\sigma 30-045-34268</u> \) OCD Permit Number:
U/L or Qtr/QtrM Section10 Township27N Range11W County:San Juan
Center of Proposed Design: Latitude36.58598 Longitude107.99864 NAD: □1927 ☒ 1983
Surface Owner: Federal State Private Tribal Trust or Indian 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 HDPE PVC Other String-Reinforced Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x D String-Reinforced x W x D String-Reinforced Volume: bbl Dimensions: L x W x D String-Reinforced yelded Factory Other Volume: bbl Dimensions: L x W x D String-Reinforced yelded Factory Other yelded yelded
☑ Below-grade tank: Subsection I of 19.15.17.11 NMAC
Volume: 120 bbl Type of fluid: Produced Water
Tank Construction material: Steel
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☒ Other _ <u>Visible sidewalls, vaulted, automatic high-level shut off, no liner</u>
Liner type: Thicknessmil
5. Alternative Method:

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

Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent 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 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 approoffice 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 dry above-grade tanks associated with a closed-loop system.	priate district pproval.
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 ⊠ No

Form C-144

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 ☐ 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
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 (1) 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 H ₂ S, Prevention Plan Cilosure Plan - based upon the appropriate requirements of 19.15.17.19 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 G of 19.15.17.13 NMAC

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Ste Instructions: Please indentify the facility or facilities for the disposal of liquids, dril facilities are required.		
	sposal Facility Permit Number:	
	sposal Facility Permit Number:	
Will any of the proposed closed-loop system operations and associated activities occur Yes (If yes, please provide the information below) No	1	
Required for impacted areas which will not be used for future service and operations: Soil Backfill and Cover Design Specifications based upon the appropriate requirements of Subsection I of Site Reclamation Plan - based upon the appropriate requirements of Subsection	f 19.15.17.13 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 provided below. Requests regarding changes to certain siting criteria may require acconsidered an exception which must be submitted to the Santa Fe Environmental Budemonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for	dministrative approval from the appropriate disti ureau office for consideration of approval. Justi	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; Data of	otained 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; Data ob	otained 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; Data of	otained from nearby wells	☐ Yes ☐ No☐ NA
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significance (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	cant watercourse or lakebed, sinkhole, or playa	☐ Yes ☐ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in Visual inspection (certification) of the proposed site; Aerial photo; Satellite im		☐ Yes ☐ No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less the watering purposes, or within 1000 horizontal feet of any other fresh water well or spring - NM Office of the State Engineer - iWATERS database; Visual inspection (cer	ng, in existence at the time of initial application.	☐ Yes ☐ No
Within incorporated municipal boundaries or within a defined municipal fresh water wadopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval or	_	☐ Yes ☐ No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual in	nspection (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	d Mineral Division	Yes No
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & Society; Topographic map 	Mineral Resources; USGS; NM Geological	☐ Yes ☐ No
Within a 100-year floodplain FEMA map		Yes No
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the form by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of Su Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) Protocols and Procedures - based upon the appropriate requirements of 19.15.17 Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Sub Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill Soil Cover Design - based upon the appropriate requirements of Subsection H o Re-vegetation Plan - based upon the appropriate requirements of Subsection I of Site Reclamation Plan - based upon the appropriate requirements of Subsection	ements of 19.15.17.10 NMAC bsection F of 19.15.17.13 NMAC opriate requirements of 19.15.17.11 NMAC - based upon the appropriate requirements of 19. 7.13 NMAC ements of Subsection F of 19.15.17.13 NMAC osection F of 19.15.17.13 NMAC cuttings or in case on-site closure standards cannot 19.15.17.13 NMAC f 19.15.17.13 NMAC	15.17.11 NMAC

Operator Application Certification: I hereby certify that the information submitted with this application is true, accurate	ate and complete to th	ne best of my knowledge and belief.
Name (Print): Kim Champlin	Title:	Environmental Representative
Signature: Kim Champlin	Date:	11/21/08
e-mail address: <u>kim_champlin@xtoenergy.com</u>	Telephone:	(505) 333-3100
20.		
OCD Approval: Permit Application (including closure plan) Closure Pl		
OCD Representative Signature:		Approval Date:
Title: Environmental Engineer	OCD Permit Numl	ber:
Closure Report (required within 60 days of closure completion): Subsection Instructions: Operators are required to obtain an approved closure plan prior to The closure report is required to be submitted to the division within 60 days of the section of the form until an approved closure plan has been obtained and the closure plan prior to the division within 60 days of the closure plan prior to the division within 60 days of the closure plan prior to the division within 60 days of the closure plan prior to the division within 60 days of the closure plan prior to the division within 60 days of the closure plan prior to the division within 60 days of the closure plan prior to the division within 60 days of the closure plan prior to the division within 60 days of the closure plan prior to the division within 60 days of the closure plan prior to the division within 60 days of the closure plan plan prior to the division within 60 days of the closure plan plan plan plan plan plan plan plan	o implementing any o he completion of the osure activities have	closure activities and submitting the closure report. closure activities. Please do not complete this been completed.
	Closure Comp	oletion Date:
22. Closure Method: Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alterna ☐ If different from approved plan, please explain.	tive Closure Method	Waste Removal (Closed-loop systems only)
23. Closure Report Regarding Waste Removal Closure For Closed-loop Systems Instructions: Please indentify the facility or facilities for where the liquids, drill two facilities were utilized.		
Disposal Facility Name:	Disposal Facility Pe	ermit Number:
Disposal Facility Name:	Disposal Facility Pe	ermit Number:
Were the closed-loop system operations and associated activities performed on or Yes (If yes, please demonstrate compliance to the items below) \(\sigma\) No	in areas that will not	be used for future service and operations?
Required for impacted areas which will not be used for future service and operati Site Reclamation (Photo Documentation)	ons:	N.
☐ Soil Backfilling and Cover Installation ☐ Re-vegetation Application Rates and Seeding Technique		
Closure Report Attachment Checklist: Instructions: Each of the following itemark 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 (required for on-site closure) 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	ems must be attached	
25. Operator Closure Certification:		
I hereby certify that the information and attachments submitted with this closure r belief. I also certify that the closure complies with all applicable closure requirem		
Name (Print):	Title:	***************************************
Signature:	Date:	
e-mail address	Telephone:	

Form C-144

DISTRICT I 1825 N. French Dr., Hobbs, N.M. 88240

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised October 12, 2005

DISTRICT H
1301 W Grand Ave., Artesia, N.M. 88210

OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Submit to Appropriate District Office

State Lease - 4 Copies 2017 100 12 PM 12: 25ee Lease - 3 Copies

DISTRICT IN
1000 Rio Brozos Rd , Aztec, N.M. 87410

Santa Fe, NM 87505

AMENDED REPORT

DISTRICT IV
1220 South St. Francis Dr., Santa Fe. NM 87505

RECEIVED WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	77300	Fulcher Mutz Pict	ured CLIFFS				
⁴ Property Code	3	Property Name	⁶ Well Number				
	EE	EE MARTIN B					
OGRID No.		Operator Name	Elevation				
5380	OTX	ENERGY INC	6289				
	10 St	urface Location	,				

East/West Inc Feet from the County UL or let no Section Township Feet from the North/South line WEST SAN JUAN SOUTH 675 1280 27-N 10-W М 10 "Bottom Hole Location If Different From Surface

Feet from the North/South line East/West Ime County Lot kdn UL or lot no Section ² Dedicated Acres 13 Joint or Intel 14 Consolidation Code 15 Order No

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED

OR A NON-STANDARD UNIT HAS BE	EN APPROVED BY	THE DIVISION
		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is time and complete to the best of my knowledge and belief, and that this organization either owns a marking interest or enterest mineral interest in the land including the proposed bottom hate location or has a right to drift his well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a subunitary pooling agreement or a computatory pooling order heretolare entered by the division.
		Signally Small 1/17/67 Printed Name
10. LAT: 36.58598* N. (NAD 83) LONG. 107.88964* W. (NAD 83) LAT: 36'35'99.5" N. (NAD 27) LONG: 107'53'20.5" W. (NAD 27)		18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plot was plotted from field notes of actual surveys made by me or under my supervision, and that the same is bue and correct to the best of my belief. OCTOBER 5. 2006
1/2" BC. 3.L.0 89-46-48 E		Dote of Survey Constitution of Season Constit
	10. DAJ: 36.58598* N. (NAD 83) LONG. 107.88964* W. (NAD 83) LAT. 36'35'99.5" N. (NAD 27) LONG: 107'53'90.5" W. (NAD 27)	LAI: 36.58598" N. (NAD 83) LONG. 107.88964" W. (NAD 83) LAI. 36'35'09.5" N. (NAD 27) LONG: 107'55'20.5" W. (NAD 27)

Lodestar Services, Inc. P0 Box 4465, Durango, CO 81302

Pit Permit Siting Criteria Information Sheet

Client:	XTO Energy
Project:	Pit Permits
Revised:	17-Oct-08
Prepared by:	Devin Hencmann

Information Sheet	t Prepared by:	Devin Hencmann
3004534268	IISPISS:	271 4424 4224
	031 233.	27N, 11W, 10M
MARTIN EE B #1R	Lat/Long:	36.58598/-107.99864
>100'	Geologic formation:	Naciemento _.
7.73 miles N to the 'San Juan River'	:	
2.9 miles E to Kutz Canyon wash		
	Soil Type:	Entisols
No		
	Annual Precipitation:	Bloomfield: 8.71" , Farmington: 8.21", Otis: 10.41"
No	Precipitation Notes:	Historical daily max: Bloomfield (4.19")
No		,
No	Attached Documents:	27N 11W i-Waters pdf,27N 12W i-Waters pdf
No		Topo map pdf, Aerial pdf, Mines and Quarries Map pdf,i-Waters Ground Water Data Map pdf, FEMA flood zone map pdf
<u> </u>	(-	
No	Mining Activity:	None
No		
No-FEMA Zone 'X'		
	>100' 7.73 miles N to the 'San Juan River' 2.9 miles E to Kutz Canyon wash No No No No No No No No	>100' 7.73 miles N to the 'San Juan River' 2.9 miles E to Kutz Canyon wash No Annual Precipitation: Precipitation Notes: No No Mining Activity:

MARTIN EE B #1R Below Ground Tank Hydrogeologic Report for Siting Criteria

General Geology and Hydrology

The San Juan Basin is a typical Rocky Mountain basin with a gently dipping southern flank and a steeply dipping northern flank. Asymmetrically layered Tertiary sandstones and shales, along with Quaternary alluvial deposits, dominate surficial geology (Dane and Bachman, 1965). The proposed pit location will be located in the southernmost Kutz Canyon region of the San Juan Basin. The predominant geologic formation is the Nacimiento Formation of Tertiary age, which underlies surface soils and is often exposed (Dane and Bachman, 1965). Deposits of Quaternary alluvial and aeolian sands occur prominently near the surface of the area, especially near streams and washes.

Cretaceous and Tertiary sandstones, as well as Quaternary alluvial deposits serve as the primary aquifers in the San Juan basin (Stone et al., 1983). In most of the proposed area, the Nacimiento Formation lies at the surface and grades into the Animas Formation to the west. Thickness of the Nacimiento ranges from 418 to 2232 feet (Stone et al., 1983). Aquifers within the coarser and continuous sandstone bodies of the Nacimiento Formation are between 0 and 1000' deep in this section of the basin (Stone et al., 1983). Groundwater within these aquifers flows toward the San Juan River.

The prominent soil type at the proposed site are entisols and aridisols, which are defined as soils that exhibit little to no any profile development (www.emnrd.state.nm.us). Soils are basically unaltered from their parent rock. Miles of arroyos, washes and intermittent streams exist as part of the drainage network towards the San Juan River. These features often cut into soil and other unconsolidated materials, contributing to sedimentation downstream. The sudden influx of water from storm events easily erodes the soils that cover the area. The sudden influx of water from storm events easily erodes the soils that cover the area and prohibits effective recharge to the underlying aquifers.

Dry and arid weather further prohibit active recharge. The climate of the region is arid, averaging 8 to 12 inches of rainfall annually. As is typical of the southwestern United States monsoonal weather patterns, most precipitation falls from August through October. The heaviest rainfall occurs in the summer in isolated, intense cloudbursts. November through June is relatively dry. Snow generally falls from December to mid-February and averages less than one-half inch in depth. However, most recharge occurs during the winter months during snowmelt periods from the upper elevations (Western Regional Climate Center www.wrcc.dri.edu).

The predominant vegetation is sagebrush and grasses with a more restricted pinon-juniper association (Dick-Peddie, 1993). However, vegetation is very sparse and discontinuous.

Site Specific Hydrogeology

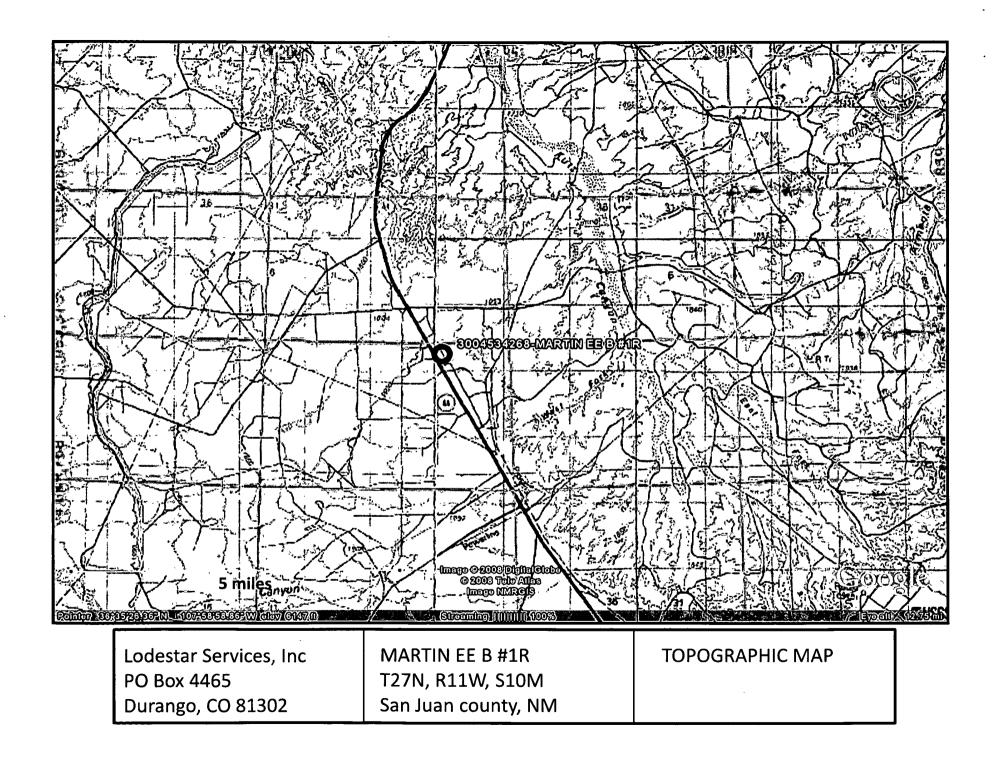
Depth to groundwater is estimated to be greater than 100'. This estimation is based on data from Stone and others (1983), the USGS Groundwater Atlas of the United States and depth to groundwater data published on the New Mexico State Engineer's iWaters Database website. Local topography and proximity to surface hydrologic features are also taken into consideration.

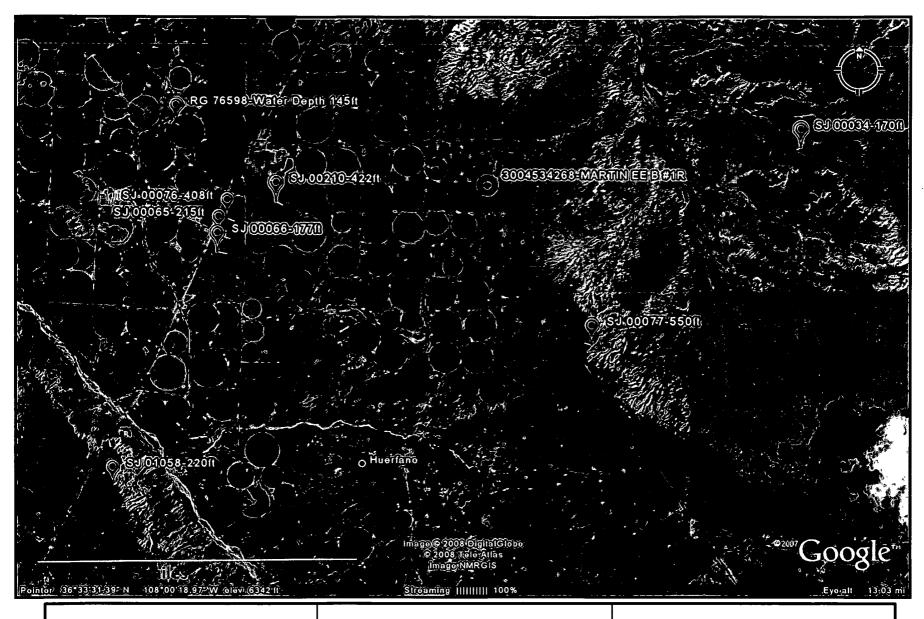
Beds of water-yielding sandstone are present in the Nacimiento Formation, which are fluvial in origin and are interbedded with siltstone, shale and coal. Porous sandstones form the principal aquifers, while relatively impermeable shales form confining units between the aquifers (Stone et al., 1983). Local aquifers exist within the Nacimiento Formation at depth s greater than 100 feet and thicknesses of the aquifer can be up to 3500 feet (USGS, Groundwater Atlas of the US).

The site in question is located near the edge of Kutz Canyon, where deeply eroded sandstone-capped mesas and slope-forming mudstones occur in a sparsely vegetated and arid badlands-type setting. Broad shalely hills are interspersed with occasional sandstone outcrops, and systems of dry washes and their tributaries are evident on the attached aerial image.

The pit will be located on a relatively flat mesa top at an elevation of approximately 6274 feet near the head of Kutz Wash. It will be approximately 1,575 feet from the Kutz Canyon tributary system and 2.9 miles west of Kutz Wash. Groundwater is expected to be shallow within Kutz Wash. But the significant distance between the Canyon and the site, as well as an elevation difference of over 400 feet suggest groundwater is greater than 100 feet at the proposed site.

State iWaters data points are sparsely distributed in this region, but there is an iWaters data point approximately 2.7 miles to the south of the site. Depth to groundwater at the site is 550 feet. A map showing the location of wells in reference to the proposed pit location is attached (SJ00077).





Lodestar Services, Inc PO Box 4465 Durango, CO 81302 MARTIN EE B #1R T27N, R11W, S10M San Juan county, NM i-Waters Ground Water Data Map

New Mexico Office of the State Engineer POD Reports and Downloads

POD / Surface Data ReportAvg Depth to Water ReportWater Column Report

WATER COLUMN REPORT 03/22/2008

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are biggest to				smallest)			Depth	Depth	Water	(in feet	
POD Number	Tws	Rng Sec	q q	4	Zone	X	Ā	Well	Water	Column	
SJ 01787	27n	11W 07	2 2					€50			
SJ 00077	27N	11W 26	2 1	3				1102	550	552	

Record Count: 2

WATER COLUMN REPORT 09/23/2008

quarters	are	1=NW	2=NB	3=SW	4=SE)
				1	

	(quarter	s are bi	igges	t to	smalles	t)		Depth	Depth	Water	(in fe	eet)
POD Number	Tws	Rng Sec	ं वा वा	q	Zone	x	Y	Well	Water	Column		
SJ 00034	27%	30 WOE	2 2	3				235	170	€5		

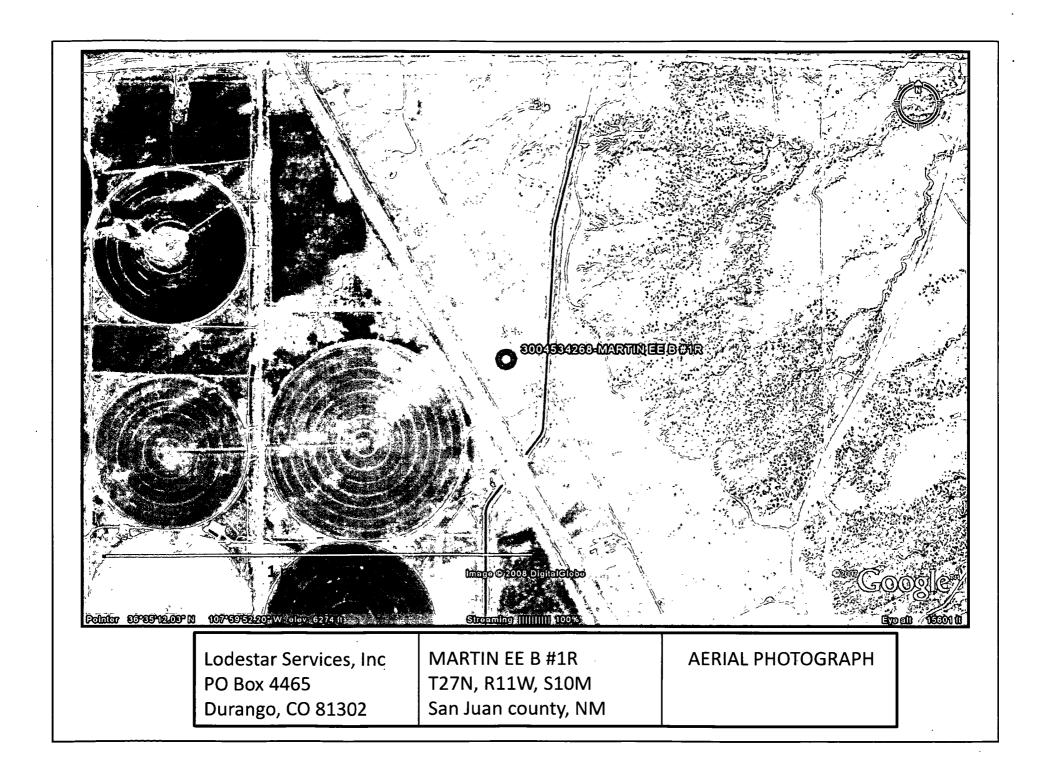
New Mexico Office of the State Engineer POD Reports and Downloads

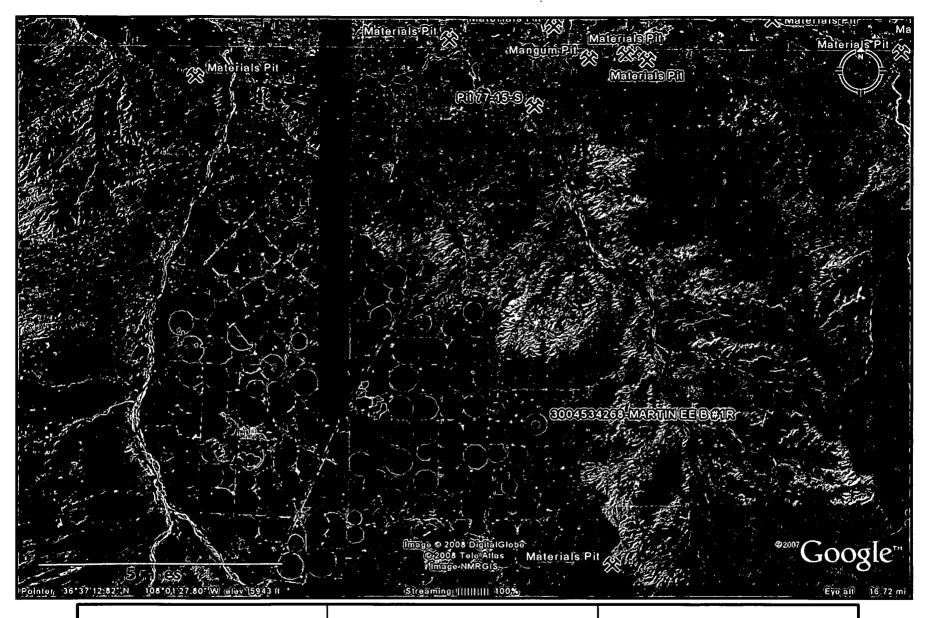
WATER COLUMN REPORT 08/22/2008

(quarters are 1=NW 2=NE 3=SW 4=SE)

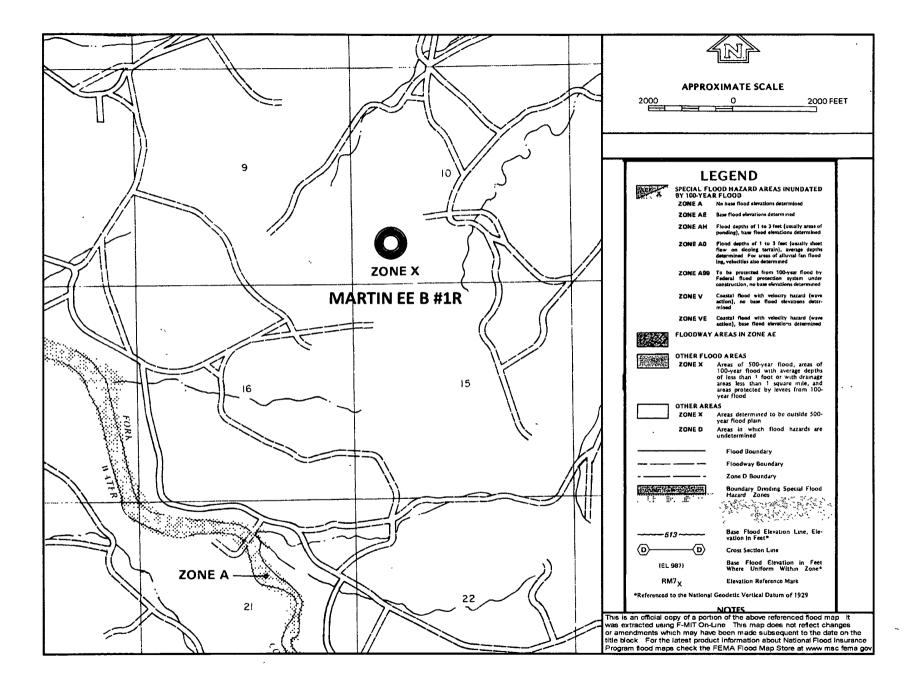
	(quarters are biggest to smallest)						Depth	Depth	Water	(in feet)
POD Number	Tws	Rng Sec	qqq	Zone	X	Y	Well	Water	Column	
RG 76598	27N	12W 02	3 4 1				225	145	80	
SJ 00076	27N	12W 13	1 3 2				641	408	233	
SJ 00210	27N	12W 13	222				717	422	295	
SJ 00065	27N	12W 13	3 1 I				671	215	456	
SJ 00066	27N	12W 13	3 3 1				750	177	573	

Record Count: 5





Lodestar Services, Inc PO Box 4465 Durango, CO 81302 MARTIN EE B #1R T27N, R11W, S10M San Juan county, NM Mines and Quarries Map



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XTO Energy Inc. San Juan Basin (Northwest New Mexico) General Closure Plan For Below-Grade Tanks

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.
- 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
- 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
- 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

- 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 has approved prior to removal. Any associated liners will be removed, properly cleaned and disposed of per 19.15.9.712 NMAC at San Juan County Landfill. Documentation of the final disposition will be included in the closure report.
- 6. XTO will remove any on-site equipment associated with a below-grade tank unless the equipment is required for some other purpose.
- 7. XTO will test the soils beneath the below-grade tank to determine whether a release has occurred 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

XTO Energy Inc San Juan Basin (Northwest New Mexico) General Closure Plan For Below-Grade Tanks Page 2

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

- 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
- 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
- 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:
 - 1 Operator's name
 - 11 Well Name and API Number
 - 111 Location by Unit Letter, Section, Township, and Range

The surface owner shall also be notified prior to the implementation of any closure operations of below-grade tanks as per the approved closure plan using certified mail, return receipt requested

- 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.
- 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. Soil cover will be constructed to the site's existing grade and ponding of water and erosion of the cover material will be prevented with drainage control, natural drainages and silt traps where needed.
- 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.

XTO Energy Inc San Juan Basin (Northwest New Mexico) General Closure Plan For Below-Grade Tanks Page 3

- 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
 - Proof of closure notice to division and surface owner,
 - Details on capping and covering, where applicable,
 - iii Inspection reports,
 - iv Confirmation sampling analytical results,
 - v Disposal facility name(s) and permit number(s),
 - vi Soil backfilling and cover installation,
 - Re-vegetation application rates and seeding techniques, (or approved alternative to re-vegetation requirements if applicable),
 - viii Photo documentation of the site reclamation

XTO Energy Inc. San Juan Basin (Northwest New Mexico) General Design and Construction Plan For Below-Grade Tanks

In accordance with Rule 19 15 17 11 NMAC the following information describes the design and construction 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.

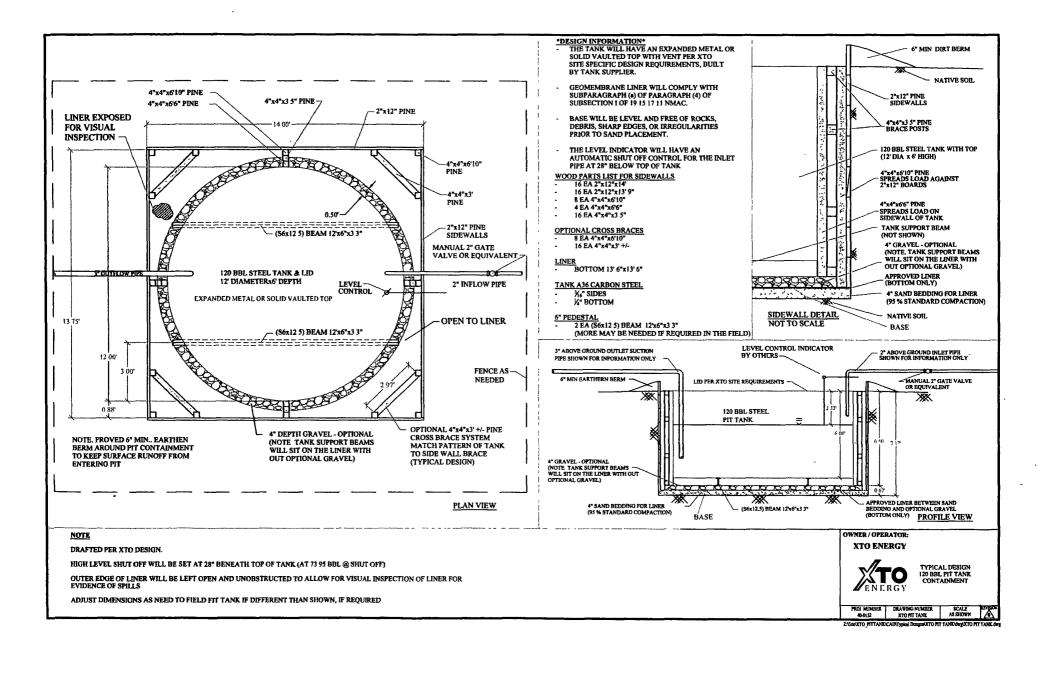
General Plan

- 1 XTO will design and construct below-grade tanks to contain liquids and solids and prevent contamination of fresh water and protect public health and environment
- 2 XTO will post a well sign, in compliance with 19 15 3 103 NMAC, on the existing well site operated by XTO where the existing below-grade tank is located. The sign will list the Operator on record as the operator, the location of the well site by unit letter, section, township, range, and emergency telephone numbers
- XTO is requesting approval of an alternative fencing to be used on below-grade tank locations Below-grade tank locations will be fenced utilizing 48" steel mesh field-fence (hogwire) with pipe railing along the top A 6' chain link fence will be utilized around the well pad if the well site is within a city limits or ¼ mile of a permanent residence, school, hospital, institution or church Below-grade tanks located within 1000' of a permanent residence, school, hospital, institution or church will be fenced by 6' chain link fence with at least two strands of barbed wire at the top. All gates associated with below-grade tanks will remain closed and locked when responsible individuals are not on site
- 4 XTO shall construct below-grade tanks with an expanded metal covering or solid vaulted top on the top of the below-grade tank.
- 5 XTO will ensure that below-grade tanks are constructed of materials resistant to the below-grade tank's particular contents and resistant to damage from sunlight. Tanks will be constructed of A36 carbon steel with 3/16" sides and ¼" bottom (See attached drawing)
- The below-grade tank system will have a properly constructed foundation consisting of a level base free of rocks, debris, sharp edges or irregularities to prevent punctures, cracks or indentations of the liner or tank bottom. Sand bedding (4") will be placed on top of a level foundation to ensure prevention of punctures, cracks or indentations of the liner or tank bottom.
- 7. XTO will construct a berm and/or diversion ditch in a manner that prevents the collection of surface water run-on. Below-grade tanks will be equipped with automatic high level shut-off devices as well as manually operated shut-off valves. (See attached drawing).
- 8. XTO will construct and use below-grade tanks that do not have double walls. The below-grade tank sidewalls will be open for visual inspection for leaks. The sidewalls of the cellar will be constructed with 2" X 12" pine sidewalls and 4" X 4" pine brace posts. The below-grade tank

XTO Energy Inc San Juan Basin (Northwest New Mexico) General Design and Construction Plan For Below-Grade Tanks Page 2

> bottom will be elevated a minimum of 6" above the underlying ground surface and the belowgrade tank will be underlain with a geomembrane liner to divert leaked liquid to a location that can be visually inspected (See attached drawing)

- YTO will equip below-grade tanks designed in this manner with a properly functioning automatic high-level shut-off control device and manual controls to prevent overflows (See attached drawing)
- XTO will demonstrate to the OCD that the geomembrane liner complies with the specifications of Subparagraph (a) of Paragraph (4) of Subsection I of 19 15 17 11 NMAC and obtain approval from OCD prior to the installation of the design. The geomembrane liner shall have a hydraulic conductivity no greater than 1 x 10-9 cm/sec. The geomembrane liner shall be composed of an impervious, synthetic material that is resistant to petroleum hydrocarbons, salts and acidics and alkaline solutions. The liner material shall be resistant to ultraviolet light. Liner compatibility shall comply with EPA SW-846 method 9090A. (See attached drawing)
- The general specifications for design and construction are attached



XTO Energy Inc. San Juan Basin (Northwest New Mexico) General Maintenance and Operating Plan For Below-Grade Tanks

In accordance with Rule 19 15 17 12 NMAC the following information describes the operation and maintenance 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

- XTO will operate and maintain below-grade tanks to contain liquids and solids, maintain the integrity of the liner and secondary containment system, prevent contamination of fresh water and protect public health and the environment. Fluid levels will be monitored weekly and high levels will be removed as necessary. Monthly inspections will be conducted to monitor integrity of below-grade tank systems and below-grade tanks will be equipped with automatic high-level shut-off devices.
- 2 XTO will not allow below-grade tanks to overflow and will use berms and/or diversion ditch to prevent surface run on to enter the below-grade tank. Below-grade tanks will be equipped with automatic high-level shut-off control devices as well as manually operated shut-off valves. See attached drawing for vault design and placement of diversion berms and shut-off devices
- 3 XTO will continuously remove any visible or measurable layer of oil from the fluid surface of below-grade tanks in order to prevent significant accumulation of oil
 - 4 XTO will inspect the below-grade tank monthly and maintain written records for five years Monthly inspections will consist of documenting the following (see attached template),

Well Name

API#

Sec, Twn., Rng

XTO Inspector's name.

Inspection date and time

Visible tears in liner

Visible signs of tank overflow

Collection of surface run on

Visible layer of oil

Visible signs of tank leak

Estimated freeboard

- 5 XTO will maintain adequate freeboard to prevent over topping of the below-grade tank. High level shut-off devices control the freeboard at an average of 28" beneath the top of the tank.
- 6 XTO will not discharge into or store any hazardous waste in any below-grade tank
- 7. If a below-grade tank develops a leak, or if any penetration of a below-grade tank occurs below the liquids surface, XTO will remove all liquids above the damage or leak line within 48 hours.

XTO Energy Inc San Juan Basin (Northwest New Mexico) General Maintenance and Operating Plan For Below-Grade Tanks Page 2

notify the appropriate division district office within 48 hours of the discovery and repair the damage or replace the below-grade tank. If an existing below-grade tank does not meet current requirements of Paragraphs 1-4 of Subsection I of 19 15 17 11 NMAC the tank will be modified or retrofitted to comply. If compliance can not be achieved XTO will implement the approved closure plan.

Well Nan	ne:			API No.:						
Legals XTO Inspector's Name	Sec:		Township:	Range:						
	Inspection Date	Inspection Time		Any visible signs of tank overflows (Y/N)	Collection of surface	Visible layer of oil (Y/N)	Any visible signs of a tank leak (Y/N)	Freeboar Est (ft)		
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N - 4		<u> </u>			<u> </u>					
Notes:	Provide De	etailed Descr	iption		 					
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