District I 1625 N. French Dr., Hobbs, NM 88240 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, NAM 875019 PM 1 Distret Office.

	For temporary pits, closed-loop systems, and
ŀ	pelow-grade tanks, submit to the appropriate
<u></u> ]	MOCD District Office.
<u> - 1</u>	For permanent pits and exceptions submit to
<b>-</b> t	he Santa Fe Environmental Bureau office and
t	provide a copy to the appropriate NMOCD
af	Di-total Office

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

Type of action: Existing BGT	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  Modification to an existing permit  Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system,
below-grade tar	nk, 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: <u>XTO Energy, Inc.</u> OGRID #: <u>5380</u>
Address: #382 County Road 3100, Aztec, NM 87410
Facility or well name:PIPKIN EH #18
API Number: 30-045-25144 OCD Permit Number:
U/L or Qtr/Qtr M Section 12 Township 27N Range 11W County: San Juan
Center of Proposed Design: Latitude 36.58531 Longitude 107.961 NAD: ☐ 1927 ☐ 1983
Surface Owner: ☑ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment
2.
Pit: Subsection F or G of 19.15.17.11 NMAC
Temporary: Drilling Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A
☐ Lined ☐ Unlined Liner type: Thicknessmil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other
☐ String-Reinforced
Liner Seams: Welded Factory Other Volume: bbl Dimensions: L x W x D
3.  Closed-loop System: Subsection H of 19.15.17.11 NMAC
Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other
☐ Lined ☐ Unlined Liner type: Thicknessmil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other
Liner Seams:  Welded Factory Other
4. 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 _Visible sidewalls, vaulted, automatic high-level shut off, no liner
Liner type: Thickness mil
T 5.
Alternative Method:

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)	hospital,
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	
7.	
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)	
8.	
Signs: Subsection C of 19.15.17.11 NMAC	
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers	
⊠ 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 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 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

11.  Temporary Pits, Emergency Pits, and Below-grade Tanks Pelostructions: Each of the following items must be attached to attached.		
<ul> <li>         ☐ Hydrogeologic Report (Below-grade Tanks) - based upon</li> <li>         ☐ Hydrogeologic Data (Temporary and Emergency Pits) - based</li> <li>         ☐ Siting Criteria Compliance Demonstrations - based upon to</li> <li>         ☐ Design Plan - based upon the appropriate requirements of</li> <li>         ☐ Operating and Maintenance Plan - based upon the appropriate Closure Plan (Please complete Boxes 14 through 18, if appropriate requirements)</li> </ul>	ased upon the requirements of Paragraph (2) the appropriate requirements of 19.15.17.10 (19.15.17.11 NMAC) riate requirements of 19.15.17.12 NMAC	2) of Subsection B of 19.15.17.9 NMAC O NMAC
and 19.15.17.13 NMAC		
Previously Approved Design (attach copy of design) API	Number: or	Permit Number:
12. Closed-loop Systems Permit Application Attachment Checkl Instructions: Each of the following items must be attached to attached.		ck mark in the box, that the documents are
☐ Geologic and Hydrogeologic Data (only for on-site closur ☐ Siting Criteria Compliance Demonstrations (only for on-s ☐ Design Plan - based upon the appropriate requirements of ☐ Operating and Maintenance Plan - based upon the approp ☐ Closure Plan (Please complete Boxes 14 through 18, if ap and 19.15.17.13 NMAC	site closure) - based upon the appropriate ref 19.15.17.11 NMAC viriate requirements of 19.15.17.12 NMAC	equirements of 19.15.17.10 NMAC
Previously Approved Design (attach copy of design)	PI Number:	
Previously Approved Operating and Maintenance Plan A		(Applies only to closed-loop system that use
above ground steel tanks or haul-off bins and propose to implem	nent waste removal for closure)	
Permanent Pits Permit Application Checklist: Subsection B  Instructions: Each of the following items must be attached to attached.  Hydrogeologic Report - based upon the requirements of F Siting Criteria Compliance Demonstrations - based upon Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate Dike Protection and Structural Integrity Design - based upon Leak Detection Design - based upon the appropriate requipant Liner Specifications and Compatibility Assessment - based Quality Control/Quality Assurance Construction and Instaction Operating and Maintenance Plan - based upon the appropriate repropriate of Hazardous Odors, including H2S, Prevention Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requirements of the control Plan - based upon the appropriate requireme	Paragraph (1) of Subsection B of 19.15.17.1 the appropriate requirements of 19.15.17.1 ropriate requirements of 19.15.17.11 NMA pon the appropriate requirements of 19.15. irements of 19.15.17.11 NMAC ed upon the appropriate requirements of 19 allation Plan oriate requirements of 19.15.17.12 NMAC a the appropriate requirements of 19.15.17.	9 NMAC 0 NMAC C 17.11 NMAC 9.15.17.11 NMAC
☐ In-place Burial ☐	P&A Permanent Pit Below- Bystems only) for temporary pits and closed-loop systems On-site Trench Burial	-grade Tank  Closed-loop System
<ul> <li>15.</li> <li>Waste Excavation and Removal Closure Plan Checklist: (19 closure plan. Please indicate, by a check mark in the box, that</li></ul>	the documents are attached. quirements of 19.15.17.13 NMAC the appropriate requirements of Subsection drilling fluids and drill cuttings) on the appropriate requirements of Subsection ents of Subsection I of 19.15.17.13 NMAG	n F of 19.15.17.13 NMAC tion H of 19.15.17.13 NMAC C

16. Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.I	O NMAC)
Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if facilities are required.	
Disposal Facility Name: Disposal Facility Permit Number:	
Disposal Facility Name: Disposal Facility Permit Number:	
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future ser Yes (If yes, please provide the information below)  No	vice and operations?
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 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	С
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 sour provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate dist considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justi demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.	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 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; Data 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; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
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.  - 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 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; 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
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan by a check mark in the box, that the documents are attached.  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 19.15.17.13 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 cant 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 G of 19.15.17.13 NMAC  Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC	15.17.11 NMAC

	2.14.	
Operator Application Certification:  I hereby certify that the information submitted with this application is true.		ne best of my knowledge and belief.
Name (Print): Kim Champlin	<u>-</u>	Environmental Representative
	Title:	Environmental Representative
Signature: Kim Chempler	Date:	11/14/08
e-mail address: kim_champlin@xtoenergy.com	Telephone:	(505) 333-3100
OCD Approval: Permit Application (including closure plan)	osure Plan (only) 🔲 OCD	Conditions (see attachment)
OCD Representative Signature: Rules A MM	m00	Approval Date: 3-24-246
Title: <u>Metroleum Enginese</u>	OCD Permit Num	ber:
Closure Report (required within 60 days of closure completion): Sub- Instructions: Operators are required to obtain an approved closure plan. The closure report is required to be submitted to the division within 60 desection of the form until an approved closure plan has been obtained an	n prior to implementing any lays of the completion of the	closure activities and submitting the closure report. closure activities. Please do not complete this been completed.
If different from approved plan, please explain.	Alternative Closure Method	☐ Waste Removal (Closed-loop systems only)
23.  Closure Report Regarding Waste Removal Closure For Closed-loop S  Instructions: Please indentify the facility or facilities for where the liqu  two facilities were utilized.		
Disposal Facility Name:	Disposal Facility P	ermit Number:
Disposal Facility Name:		ermit Number:
Were the closed-loop system operations and associated activities perform  Yes (If yes, please demonstrate compliance to the items below)	ed on or in areas that will not	
Required for impacted areas which will not be used for future service and  Site Reclamation (Photo Documentation)  Soil Backfilling and Cover Installation  Re-vegetation Application Rates and Seeding Technique	l operations:	
24.  Closure Report Attachment Checklist: Instructions: Each of the followark 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 composed 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		NAD: 1927 1983
Operator Closure Certification:		



### CONSERVATION DIVISION

TATE OF NEW MEXICO CHERGY AND MINERALS LEGARIMENT

### P.O. HOX 2088 SANTA FE, HEW MEXICO 87501



Form C-107

must be from the outer boundaries of the Beetlem Well No. Chergior BHP Petroleum (Americas) Inc. Section Township County Unit Letter 27N 114 San Juan Actual Footage Location of Weil: 1020 South West feet from the line Producing Formation Ground Lever Elev: Dedicated Acreage: 320 Basin Dakota Fruitland Coal 6001

- 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "ves." type of consolidation

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

# PEGEIVED -JUN-7 1990 OIL CON. DIV.) DIST. 3 SEC. 12

### CERTIFICATION

I hereby certify that the information comtained herein is true and complete to the best of my knowledge and belief.

Position
Field Services administrator

Energy Reserves Group, Inc.

7-14-31

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 true and correct to the best of my knowledge and belief.

June 1 1981 (And June 1 1988)

Registered Professional Segment and Land Service in 1988

Fine 2 1 1888

Fine 2 1888

Fine

Centile MAR, JR.

### Client: **XTO Energy Pit Permit** Lodestar Services, Inc. Project: **Pit Permits Siting Criteria** Revised: 23-Sep-08 PO Box 4465, Durango, CO 81302 **Information Sheet** Prepared by: **Devin Hencmann** API#: **USPLSS:** 3004525144 27N, 11W, 12M Name: PIPKIN EH #18 Lat/Long: 36.58531/-107.961 Geologic >100' **Naciemento** Depth to groundwater: formation: Distance to closest 8.13 miles N to the 'San Juan continuously flowing River' watercourse: Distance to closest significant watercourse, 4,165 ' NE to Kutz Canyon wash lakebed, playa lake, or sinkhole: Soil Type: **Entisols** Permanent residence, school, hospital, No institution or church within 300 **Annual** Bloomfield: 8.71", Farmington: 8.21", Otis: **Precipitation:** 10.41" **Domestic fresh water** Precipitation well or spring within No Historical daily max: Bloomfield (4.19") Notes: 500 Any other fresh water well or spring within No 1000 Within incorporated **Attached** No 27N 11W i-Waters pdf,27N 12W i-Waters pdf municipal boundaries **Documents:** Within defined Topo map pdf, Aerial pdf, Mines and Quarries No municipal fresh water Map pdf,i-Waters Ground Water Data Map pdf, FEMA flood zone map pdf well field **Mining Activity:** No None Wetland within 500'

Additional Notes:		

No

No-FEMA Zone 'X'

Within unstable area

Within 100 year flood

plain

### PIPKIN EH #18 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

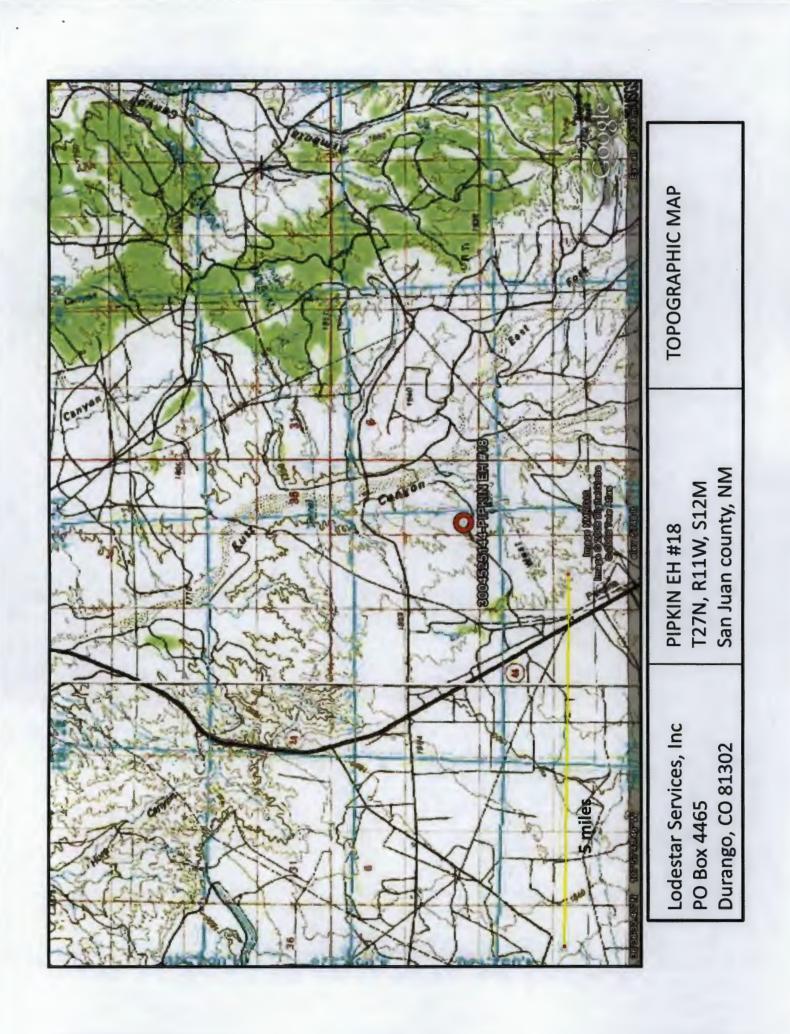
Depth to groundwater is estimated to be greater than 100'. This estimation is based on data from Stone and others (1983), the USGS Groundwater Atlas of the United States and depth to groundwater data published on the New Mexico State Engineer's iWaters Database website. Local topography and proximity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

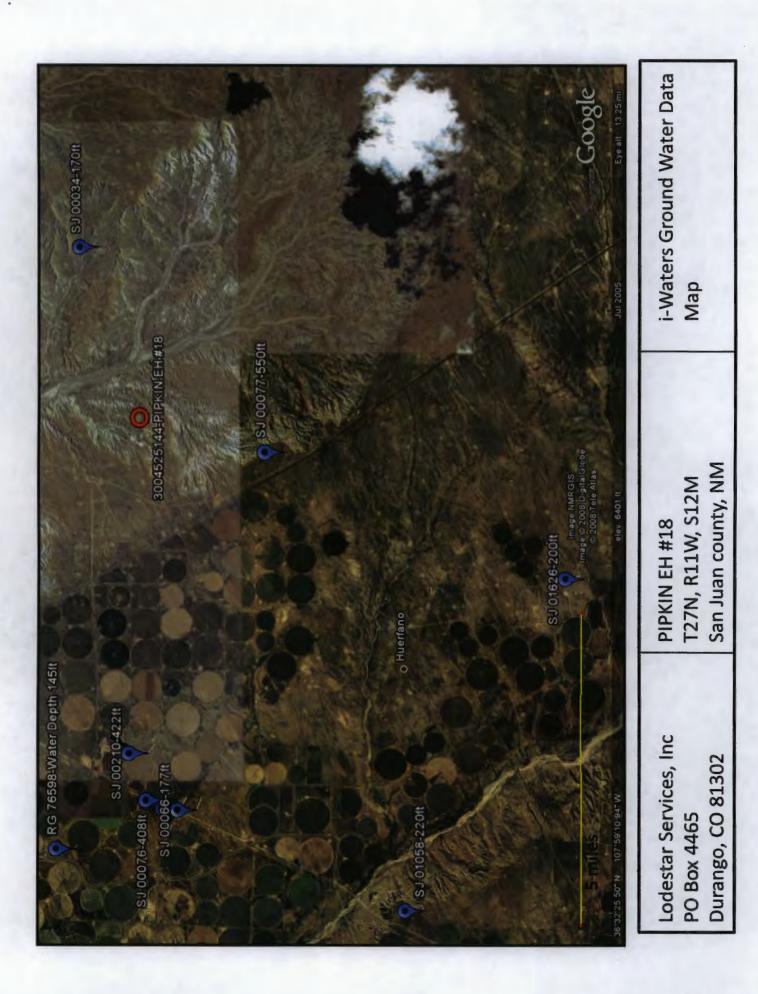
Beds of water-yielding sandstone are present in the Nacimiento Formation, which are fluvial in origin and are interbedded with siltstone, shale and coal. Porous sandstones form the principal aquifers, while relatively impermeable shales form confining units between the aquifers (Stone et al., 1983). 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 6005 feet near the head of Kutz Wash. It is located within the Kutz Canyon tributary system 4,165 feet southwest of Kutz Wash. Groundwater is expected to be shallow within Kutz Wash. But the distance between the Canyon and the site, as well as an elevation difference of over 200 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 2.4 miles to the southwest 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).





## New Mexico Office of the State Engineer POD Reports and Downloads

# POD / Surface Data Report Avg Depth to Water Report Water Column Report

## WATER COLUMN REPORT 08/22/2008

	(quarters	are		3	2=1	N	quarters are 1=NW 2=NE 3=SW 4=SE)							
POD Number	TVS	Rng	Sec	5	2 6	3	Zone	×	H	Well	Water	Column	al l	reer)
SJ 01787	271	11W	07	N	12					650				
SJ 00077	271	11W	26	2	1	-00				1102	250	552		

Record Count:

### WATER COLUMN REPORT 09/23/2008

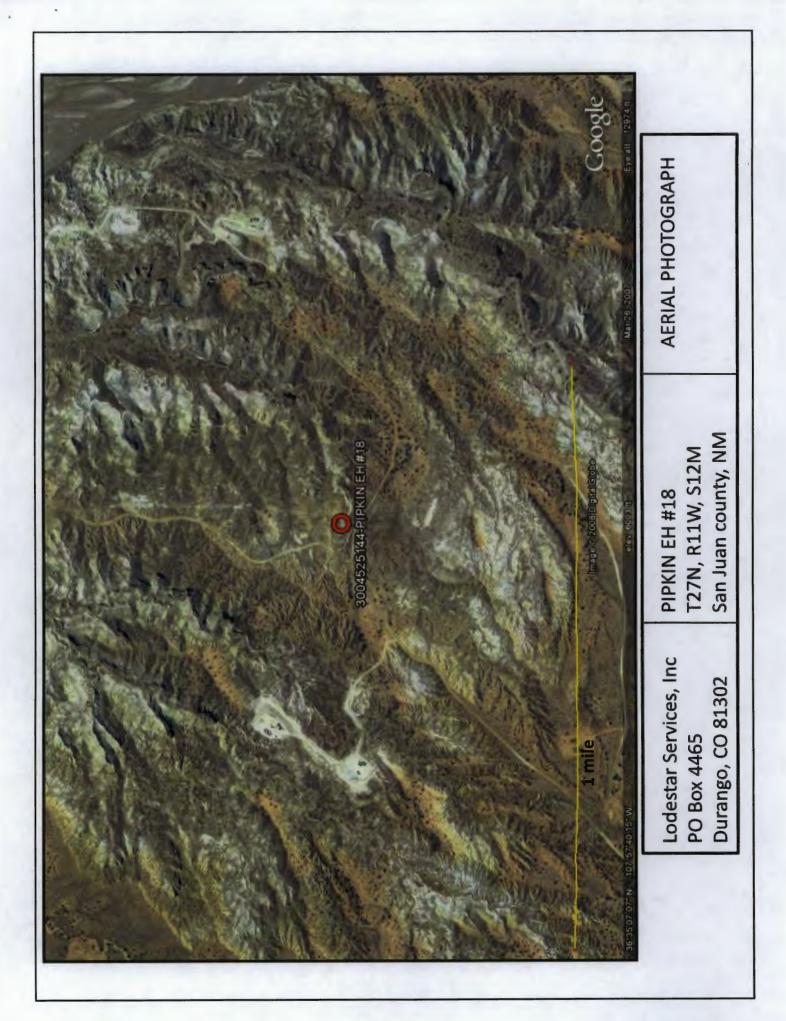
Water (in feet)	
Water	Column 65
	Water 170
Depth	<b>Well</b> 235
	*
ms 4=SE)	Zone X
quarters are 1=NN 2=NB 3=SW 4=SB) quarters are biggest to smallest)	Sec 4 4 4
(quarters ar	Tws Rang 27N 10W
	PCD Number SJ 00034

# New Mexico Office of the State Engineer POD Reports and Downloads

## WATER COLUMN REPORT 08/22/2008

	(quarters a	s are b	-KW 2-	rs are 1=KW 2=NE 3=SW 4=SE)	(=SE)		Depth	Depth	Water	(in feet)
POD Number	Tws	Rng Se	D D 3	q Zone	×	Y	Well	Water	Column	
RG 76598	27N	12W 02	34	1			225	145	80	
SJ 00076	27N	12W 13	1 3	2			641	408	233	
SJ 00210	27N	12W 13	2 2	2			717	422	295	
SJ 00065	27N	12W 13	3 1	1			671	215	456	
SJ 00066	27N	12W 13	33	1			750	177	573	

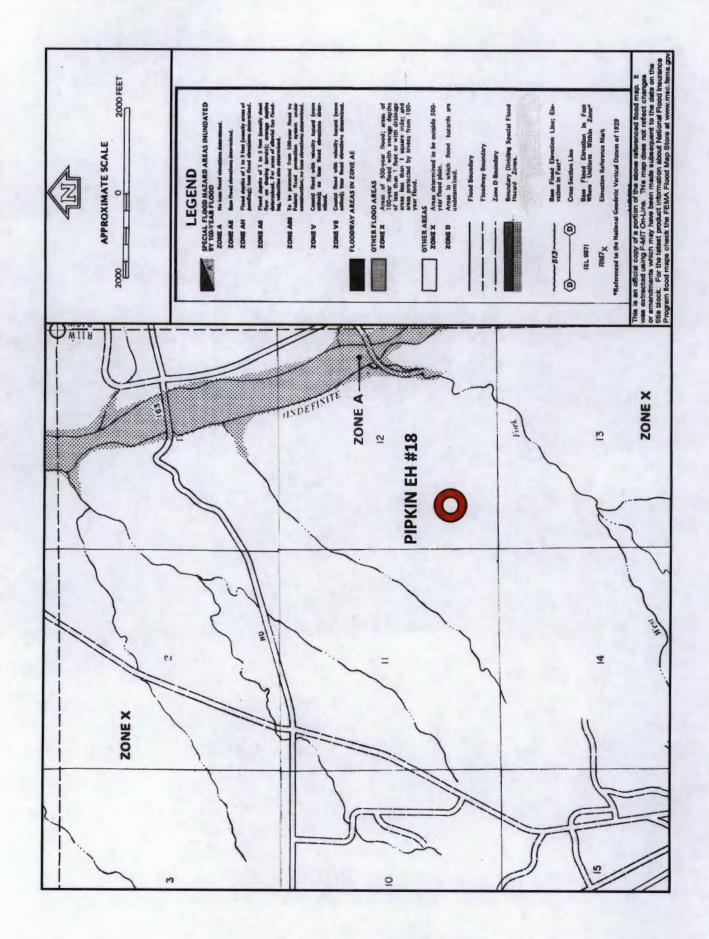
Record Count: 5





Durango, CO 81302 PO Box 4465

San Juan county, NM T27N, R11W, S12M



### 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.

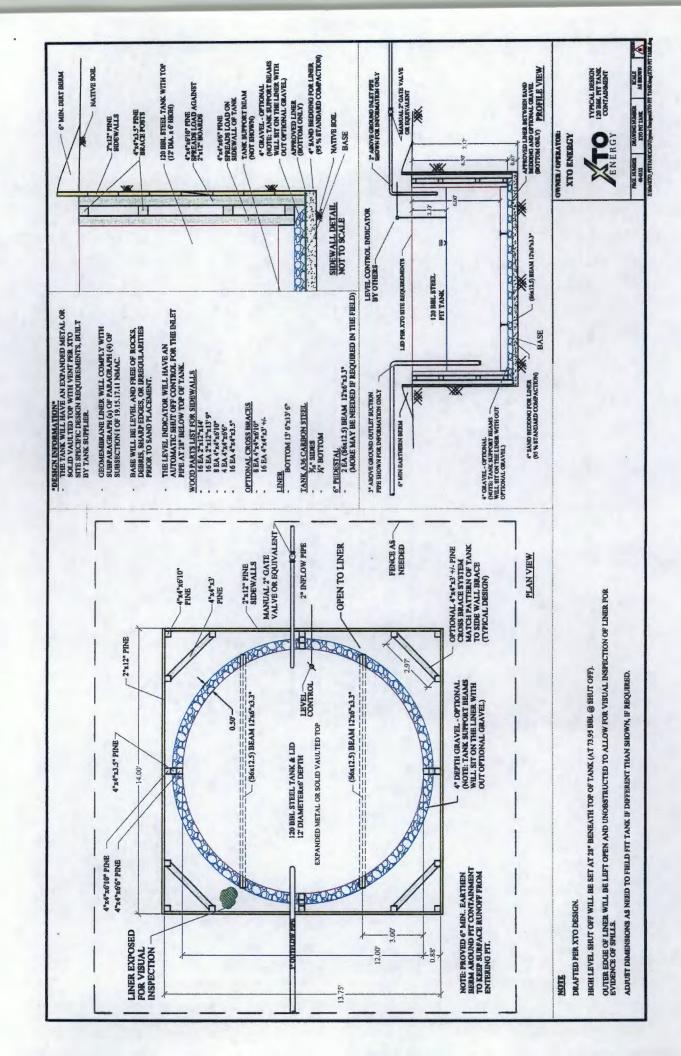
### General Plan

- 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.
- 3. 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 ½ 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.
- 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 \( \frac{1}{2} \) bottom. (See attached drawing).
- 6. 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

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General Design and Construction Plan
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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).

- XTO 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).
- 10. 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).
- 11. 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

- 1. 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.

		MONTH	ILY BELO	MONTHLY BELOW GRADE TANK INSPECTION FORM	NSPECTIC	N FORM		
Well Name:					API No.:			
	(	_	:		ſ			
Legals	Sec:		] cownship:		Range:			
XTO Inspector's	Inspection	Inspection	Any visible liner	Any visible signs of	Collection of surface	Visible layer	Any visible signs	Freeboard
Name	Date	Time	tears (Y/N)	tank overflows (Y/N)	run on (Y/N)	of oil (Y/N)	of a tank leak (Y/N)	Est. (ft)
						:		
Notes:	Provide Del	Provide Detailed Description:	otion:					
Misc:								

### 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

- 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.
- 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.
- 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.

- 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.
- 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.
- 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
  - iii. 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.
- 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.

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

- 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;
  - ii. 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;
  - vii. Re-vegetation application rates and seeding techniques, (or approved alternative to re-vegetation requirements if applicable);
  - viii. Photo documentation of the site reclamation.