

Closed Loop System Design, Operating and Maintenance, and Closure Plan

ConocoPhillips Company
Well: EAST VACUUM GBSA UNIT 514
Location: Section 33, T17S, R35E
Date: 3/27/2017

ConocoPhillips proposes the following plan for design, operating and maintenance, and closure of our proposed closed loop system for the above named well:

1. We propose to use a closed loop system with steel pits, haul-off bins, and frac tanks for containing all cuttings, solids, mud, water, brine, and liquids. We will not dig a pit, use a drying pad, build an earthen pit above ground level, nor dispose of or bury any waste on location.

All drilling waste and all drilling fluids (fresh water, brine, mud, cuttings, drill solids, cement returns, and any other liquid or solid that may be involved) will be contained on location in the rig's steel pits or in haul-off bins or frac tanks as needed. The intent is as follows:

- We propose to use the rig's steel pits for containing and maintaining the drilling fluids.
- **We propose to remove cuttings and drilled solids from the mud by using solids control equipment and to contain such cuttings and drilled solids on location in haul-off bins.**
- We propose that any excess water that may need to be stored on location will be stored in tanks.

The closed loop system components will be inspected daily during each tour and any necessary repairs will be made immediately. Any leak in the system will be repaired immediately, any spilled liquids and/or solids will be cleaned immediately, and the area where any such spill occurred will be remediated immediately.

2. Cuttings and solids will be removed from the location in haul-off bins by an authorized contractor and disposed of at an authorized facility. For this well, we propose the following disposal facility:

R-360 Inc.
4507 West Carlsbad Hwy, Hobbs, NM 88240,
P.O. Box 388; Hobbs, New Mexico 88241
Phone Number: 575.393.1079

The physical address for the plant where the disposal facility is located is Highway 62/180 at mile marker 66 (33 miles East of Hobbs, NM and 32 miles West of Carlsbad, NM).

The Permit Number for R-360 is NM1-006.

A photograph showing the type of haul-off bins that will be used is attached.

3. Mud will be transported by vacuum truck and disposed of at R-360 Inc. at the facility described above.
4. Fresh Water and Brine will be hauled off by vacuum truck and disposed of at an authorized salt water disposal well. We propose the following for disposal of fresh water and brine as needed:
 - Nabors Well Services Company, 3221 NW County Rd, Hobbs, NM 88240; P.O. Box 5208 Hobbs, NM, 88241, Phone Number: 575.392.2577; Permit SWD 092.
 - Basic Energy Services, 2404 W Texas Ave, Eunice, NM 88231; P.O. Box 1869, Eunice, NM 88231 Phone Number: 575.394.2545, Facility located at Hwy 18, Mile Marker 19; Eunice, NM.
 - C & C Transport, LLC, P.O. Box 1352, Hobbs, NM 88241 Phone Number: 575.393.0422
 - Sundance Services, Inc., P.O. Box 1737 Eunice, NM 88231 Phone Number: 575.394.2511

James Chen
Sr. Drilling Engineer, ConocoPhillips Company
Phone: (281) 206-5244
Cell: (832) 768-1647



2904 SCR 1250
MIDLAND, TX
79706

T E S T C E R T I F I C A T E

Customer Information

Customer:	TRINIDAD DRILLING
P.O. #:	PO22132
Rig #	RIG# 435
Cust Tracking #	

Material Information

Hose Type	3.1/2" FIREGUARD H
Hose ID	3.1/2"
Assembly Length	8' 6"
Fireguard Yes/No	YES

Test Information

Cert No.:	105-013482/001	H-01
Date: (YYYY-MM-DD)	#2016-11-11#	
Working Pressure :	5000 PSI	
Test Pressure:	10000 PSI	
Duration (mins):	20	

Material Tracking - Coupling #1

Coupling #1:	R35 FIXD FLANGE
MTR# - Stem	
MTR# - Shell	
NACE#	

Traceability

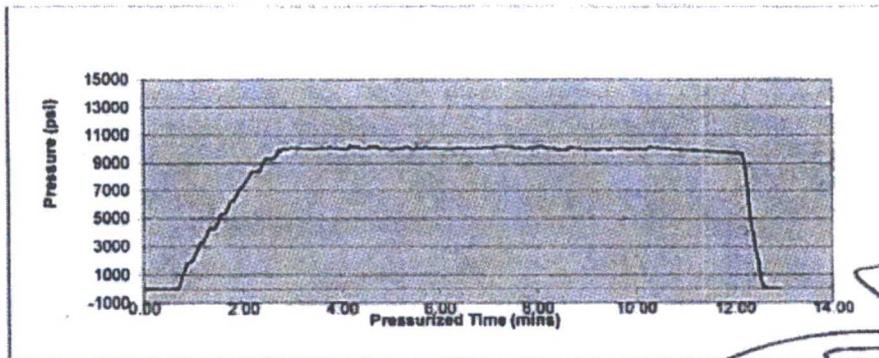
NEW
 RECERT 13482 H-01
Previous Reference #

Material Tracking - Coupling #2

Coupling #2:	R35 FLOATING FLAN
MTR# - Stem	
MTR# - Shell	
NACE#	

Comments

TESTED AND CERTIFIED @ 10000 PSI FOR 10 MINUTES CERT TAG SN# 13482-H01



- Acceptable
 Not Acceptable

RIP-HAFM 006
VER II

ISIDRO SANCHEZ

Test Technician (Print Name)

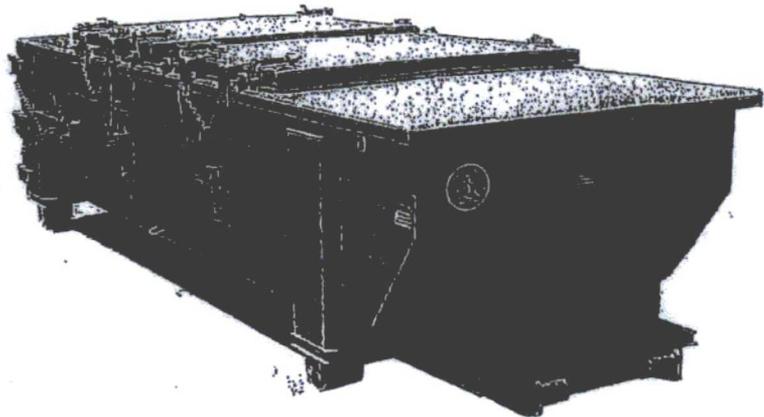
Supervisor Signature

Test Technician Signature

SPECIFICATIONS

Heavy Duty Split Metal Rolling Lid

FLOOR: 3/16" PL one piece
 CROSS MEMBER: 3 x 4.1 channel 16" on center
 WALLS: 3/16" PL solid welded with tubing top, inside liner hooks
 DOOR: 3/16" PL with tubing frame
 FRONT: 3/16" PL slant formed
 PICK UP: Standard cable with 2" x 6" x 1/4" rails, gusset at each crossmember
 WHEELS: 10 DIA x 9 long with rease fittings
 DOOR LATCH: 3 Independent ratchet binders with chains, vertical second latch
 GASKETS: Extruded rubber seal with metal retainers
 WELDS: All welds continuous except sub-structure crossmembers
 FINISH: Coated inside and out with direct to metal, rust inhibiting acrylic enamel color coat
 HYDROTESTING: Full capacity static test
 DIMENSIONS: 22'-11" long (21'-8" inside), 99" wide (88" inside), see drawing for height
 OPTIONS: Steel grit blast and special paint, Ampliroil, Heil and Dino pickup
 ROOF: 3/16" PL roof panels with tubing and channel support frame
 LIDS: (2) 68" x 90" metal rolling lids spring loaded, self raising
 ROLLERS: 4" V-groove rollers with delrin bearings and grease fittings
 OPENING: (2) 60" x 82" openings with 8" divider centered on container
 LATCH: (2) independent ratchet binders with chains per lid
 GASKETS: Extruded rubber seal with metal retainers



CONT.	A	B
20 YD	41	53
25 YD	53	65
30 YD	65	77

