<u>District 1</u> 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico **Energy Minerals and Natural Resources** Department Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office. For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office RECEIVED

Pit. Closed-Loop System, Below-Grade Tank, or EER 10 2000

Tit, Global Book System, Botow Glade Tank, of				
Proposed Alternative Method Permit or Closure Plan Application HOBBSOCD Type of action: x Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method				
Type of action: x Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method x 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.				
Operator: Burlington Resources/Conoco PhillipsOGRID #:				
Address: Conoco Phillips 3300 North A Street, Bldg 6, Midland, TX 79705				
Facility or well name: McNeill Dauron #3 Abandoned and Covered Legacy Evaporation pond (slush pit) OCD Case #PRP-419-0 API Number: Unknown/no dry hole marker present 30-025-06448 OCD Permit Number: Pl-00901				
U/L or Qtr/Qtr A Section 10 Township 21S Range 37E County: Lea				
Center of Proposed Design: Latitude Longitude NAD: \[\Begin{array}{c} 1927 \Begin{array}{c} 1983 \end{array} \]				
Surface Owner: Federal State x Private Tribal Trust or Indian Allotment				
x Pit: Subsection F or G of 19.15.17.11 NMAC				
Temporary: Drilling Workover				
Permanent Emergency Cavitations x P&A				
Lined x Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other				
☐ String-Reinforced				
Liner Seams: Welded Factory Other Volume: unknown bbl Dimensions: L 100'_x W 100'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				
Below-grade tank: Subsection I of 19.15.17.11 NMAC				
Volume:bbl Type of fluid:				
Tank Construction material:				
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off				
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other				
Liner type: Thickness mil				
5. Alternative Method:				

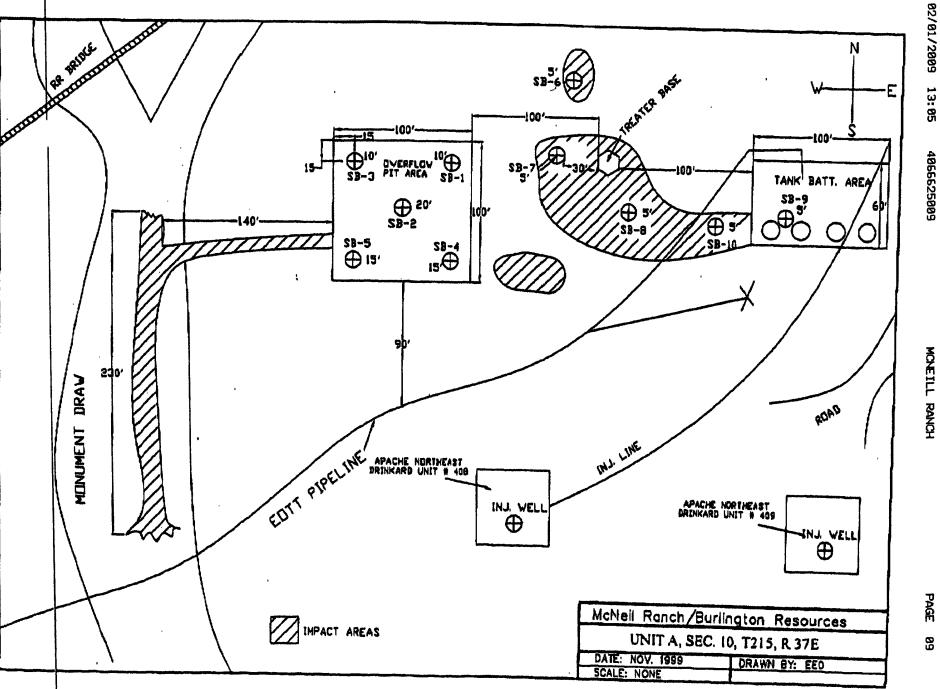
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

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, hospital, institution or church) Four foot height, four strands of barbed wire evenly spaced between one and four feet Alternate. Please specify				
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) Screen Netting Other Monthly inspections (If netting or screening is not physically feasible)				
Signs: Subsection C of 19.15.17.11 NMAC 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers 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 office for consideration of approval. Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.				
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.				
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No			
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other 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			

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.
Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
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 19.15.17.19 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Nuisance or Hazardous Odors, including H ₂ S, Prevention Plan Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan
Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
14. <u>Proposed Closure</u> : 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.
Type: Drilling Workover Emergency Cavitation x P&A Permanent Pit Below-grade Tank Closed-loop System
Alternative Proposed Closure Method: x 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 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. x Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC x Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC x Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings) x Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC x 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 Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC) Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two				
facilities are required.	Dismoral Essility Donnit Number			
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 o ☐ Yes (If yes, please provide the information below) ☐ No		rice 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				
17. Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.				
Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Database search;	a 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; Database search;	a 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; Database search; US	a obtained from nearby wells	☐ Yes ☐ No ☐ NA		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other signake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	gnificant watercourse or lakebed, sinkhole, or playa	☐ Yes ☐ No		
Within 300 feet from a permanent residence, school, hospital, institution, or church Visual inspection (certification) of the proposed site; Aerial photo; Satellit	**	☐ Yes ☐ No		
Within 500 horizontal feet of a private, domestic fresh water well or spring that les watering purposes, or within 1000 horizontal feet of any other fresh water well or - NM Office of the State Engineer - iWATERS database; Visual inspection	spring, in existence at the time of initial application.	☐ Yes ☐ No		
Within incorporated municipal boundaries or within a defined municipal fresh wat adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approx	·	☐ Yes ☐ No		
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visu	al 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	g and Mineral Division	☐ Yes ☐ No		
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geolog Society; Topographic map	y & 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 following items must be attached to the closure plan. Please indicate, 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 Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC				

19. Operator Application Certification:			
I hereby certify that the information submitted with this application is true, accur	rate and complete to the best	of my knowledge and belief.	
Name (Print): JAIGE NEW	Title:	RECEIVED	
Name (Print): PAIGE MENE; !! Signature: My Mill	Date: <u>5 F</u>	FEB 10 2009	
e-mail address:	Telephone:	LED 10 2009	
20.	lan (anla)	tions (see attachment)	
OCD Approval: Permit Application (including closure plan) Closure P			
OCD Representative Signature:		Approval Date: 210.09	
Title: ENVIRONMENTAL ENGINEER	OCD Permit Number:_	P1-D901	
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed. Closure Completion Date:			
22. Closure Method: x Waste Excavation and Removal On-Site Closure Method Alternat If different from approved plan, please explain.	ive Closure Method W	aste Removal (Closed-loop systems only)	
Closure Report Regarding Waste Removal Closure For Closed-loop Systems Instructions: Please indentify the facility or facilities for where the liquids, drift two facilities were utilized. Disposal Facility Name:	lling fluids and drill cutting		
Disposal Facility Name:	Disposal Facility Permit 1	Number:	
Were the closed-loop system operations and associated activities performed on or Yes (If yes, please demonstrate compliance to the items below) No	r in areas that will not be use	d for future service and operations?	
Required for impacted areas which will not be used for future service and operated Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	ions:		
24. Change Donout Attachment Charlists Instructions. Each of the following is			
Closure Report Attachment Checklist: Instructions: Each of the following it mark 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)	ems musi ve unacneu 10 ine	cusure report. Flease maicale, by a check	
	ude	NAD: □1927 □ 1983	
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan. Name (Print):			
Signature:			
e-mail address:	Telephone:		



13: 85

4866625889

MCNEILL RANCH

68

Table 1 Semestry of BTEX, TPH and Chloride Analyses of Soil Sameles Burlington Resources Off and Gas Company, Depren Fit Unit Letter A., Section 10, Township 21 South, Range 37 East

Lee County, New Mexico Page 1 of 1 Ethylomene (mateg) Xylene (myka) Depth (Feet BGS) Charles GRO DRO Better 1 Tellera TH Deb (120/lsa) (mg/kg) (mg/kg) (mg/kg) WEEK T, AU 4,840 3,010 BHT 0-1 TN 9/30/04 2790 a.eio 9,340 व्य.025 11.0481 0.173 0.759 1.2 332 0.3352 3-6 9/30/04 1,330 72 7,410 40.23 0.9778 7,930 1,328 6.7 WILL T.380 426 6,610 7,030 -** 7-1 9/30/04 -** WWW 1,830 ****** -8.9.5 210.0 10-11 对贝阿 1,790 10.7 107 77 - 72 WYOU 7,420 -~ ** ---12 - 13 9730004 _ -40 440 1.280 13 - 14 9730704 9730704 T.320 राष्ठ.0 13-16 ₹10.0 ₹20.0 40 -. -9/30/04 16-17 1.620 9/30/04 -1.380 ** 17-18 20 - 21 ENVER 2,000 **<10.0** राव.व <30.0 -21 - 22 9/30/04 3,650 -* 22 - 23 WOON 1201 -----1.000 23 - 24 9/30/3 _ 25 - 26 W30V04 973 210.0 **210.0 2200** *** --723 WINT 20-27 9030AM 1320 ₹10.0 राए.ए 200 30 - 31 -31 - 32.5 7/1W(1 MUCH 776 <10.0 <20.U 35 - 36 <10.0 ---36 - 37 WHITE *** --₹10.0 <20.0 3.220 **₹10.0** 40 - 41 **7730/14** 41 - 42 2,770 Ξ WYWY. . *** -• • 2940 22.5 22.6 43 - 46 9/30/04 410X0 •• ** 48:47 Z300 -= 9/30/04 20/05/04 • •• •• ---W30/04

Analysis persumes by Environmental leb of Texas, Inc., Octase, Texas

Clerch is feet below ground surface 1 BGS:

Milbarame per idlogram

No data avadeble

HUNGRY HORSE, LLC ENVIRONMENTAL SERVICES

Dirt Work * On-Site Remediation * Soil Testing * Excavation

2Feb09

To: Larry Johnson, NM OCD Dist 1

Reference: Waste Excavation and Removal Closure Plan Checklist for Abandoned Pit

Protocols and Procedures: The area to be remediated is an abandoned legacy evaporation pond that has abandoned for an unknown number of years. The pond was backfilled, without remediation, in the time frame of 1991-1992. There is no well information available at the location. It was originally in use by Burlington Resources Oil and Gas but is now in control of Conoco Phillips. The depth to groundwater is 53' and the ground water has been impacted.

The remediation plan is to conduct a waste excavation and removal. Initial soil analysis was conducted during the site assessment. Additional soil analysis will be conducted in accordance with 19.15.17.13 NMAC for pits with groundwater between 50' - 100'.

Confirmation Sampling: See attached soil analysis results (initial)

Disposal Facility Name and Permit: Sundance Services (NM-01-0003)

Soil Backfill and Cover Design Specifications: The bottom of the excavated area will lined with a three foot layer of red bed clay and with the remainder of the excavation being backfilled to within three feet of the surface with clean caliche from a local source. Topsoil will be used to complete the backfill.

Re-vegetation Plan: The excavated area will be seeded using a seed mixture of native plant species. The seeding will take place when soil moisture conditions are favorable.

Site Reclamation Plan: The impacted area will be restored to stable condition that blends with the surrounding topography and to a condition that existed prior to oil and gas operations.

Vernon K. Black

HSE

Hungry Horse Environmental Services