District 1
1625 N. French Dr., Hobbs, NM 882 PECE V Finergy Minerals and Natural Resources
District II
Department

1301 W. Grand Avenue, Artesia, NM 88210

District III 1000 Rio Brazos Road, Aztec, NM 87410JAN 0 8 2009

District IV
1220 S. St. Francis Dr., Santa I'e, NM 87505
HOBBSOCD

State of New Mexico
rgy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.

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.

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

Santa Fe, NM 87505

Type of action: X 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 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: ConocoPhillips Company OGRID #: 217817
Address: 3300 N. "A" S
Facility or well name: MCA Unit Well #486
API Number: 30-025- 37355 OCD Permit Number: 27817 1-00948 U/L or Qtr/Qtr I Section 28 Township 17S Range 32E County: Lea
U/L or Otr/Otr I Section 28 Township 17S Range 32E County: Lea
Center of Proposed Design: Latitude Longitude NAD: X1927 1983
Surface Owner: X 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: Thicknessmil LLDPE HDPE PVC Other String-Reinforced Liner Scams: Welded Factory Other Volume: bbl Dimensions: L x W x D
1
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: 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, 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 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 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	
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	
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:
above ground steel tunks 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 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
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 I of 19.15.17.13 NMAC

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground S Instructions: Please indentify the facility or facilities for the disposal of liquids, defacilities are required.	teel Tanks or Haul-off Bins Only: (19.15.17.13.E rilling fluids and drill cuttings. Use attachment if n	NMAC) nore than two
	Disposal Facility Permit Number: R-9166	
Disposal Facility Name:	Disposal Facility Permit Number:	
Will any of the proposed closed-loop system operations and associated activities occ Yes (If yes, please provide the information below) No	eur on or in areas that will not be used for future serv	vice and operations?
Required for impacted areas which will not be used for future service and operation Soil Backfill and Cover Design Specifications based upon the appropriate Re-vegetation Plan - based upon the appropriate requirements of Subsection I Site Reclamation Plan - based upon the appropriate requirements of Subsection	requirements of Subsection II of 19.15.17.13 NMAC of 19.15.17.13 NMAC	2
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the c provided below. Requests regarding changes to certain siting criteria may require considered an exception which must be submitted to the Santa Fe Environmental demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for	administrative approval from the appropriate disti Bureau 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	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 sign lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	ificant 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; Satellite		☐ Yes ☐ No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less watering purposes, or within 1000 horizontal feet of any other fresh water well or sp. NM Office of the State Engineer - iWATERS database; Visual inspection (or	oring, in existence at the time of initial application.	☐ Yes ☐ No
Within incorporated municipal boundaries or within a defined municipal fresh water adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approva		☐ Yes ☐ No
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visua	l 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 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 by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Protocols and Procedures - based upon the appropriate requirements of 19.15 Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of 19.15 Waste Material Sampling Plan - based upon the appropriate requirements of Sipposal Facility Name and Permit Number (for liquids, drilling fluids and disposite Cover Design - based upon the appropriate requirements of Subsection Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection	cirements of 19.15.17.10 NMAC Subsection F of 19.15.17.13 NMAC propriate requirements of 19.15.17.11 NMAC and) - based upon the appropriate requirements of 19. All 17.13 NMAC cirements of Subsection F of 19.15.17.13 NMAC Subsection F of 19.15.17.13 NMAC rill cuttings or in case on-site closure standards cann and of 19.15.17.13 NMAC Tof 19.15.17.13 NMAC	15.17.11 NMAC

Operator Application Certification: I hereby certify that the information submitted with this application is	s true, accurate and complete to t	he best of my knowledge and belief.	
Name (Print): Celeste G. Dale	Title: Regulatory Specialist		
Signature: William Hala	Date:12	2/30/2008	
e-mail address: celeste.g.dale@conocophillips.com	Telephone: _(432)688-6884	
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)			
OCD Representative Signature:		Approval Date:	
Title: Geologist	OCD Permit Num	iber: 11-00948	
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 Com	pletion Date:	
22. Closure Method: Waste Excavation and Removal On-Site Closure Method If different from approved plan, please explain.	☐ Alternative Closure Method	□ Waste Removal (Closed-loop systems only)	
Closure Report Regarding Waste Removal Closure For Closed-loc Instructions: Please indentify the facility or facilities for where the two facilities were utilized.	liquids, drilling fluids and drill	cuttings were disposed. Use attachment if more than	
Disposal Facility Name:		Permit Number:	
Disposal Facility Name:	Disposal Facility F	Permit Number:	
Were the closed-loop system operations and associated activities perform Yes (If yes, please demonstrate compliance to the items below)		t be used for future service and operations?	
Required for impacted areas which will not be used for future service and operations: Site Reclamation (Photo Documentation)			
☐ Soil Backfilling and Cover Installation ☐ Re-vegetation Application Rates and Seeding Technique			
24. Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check 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)	Q.		
Confirmation Sampling Analytical Results (if applicable)			
Waste Material Sampling Analytical Results (required for on-si	ite 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	Longitude	NAD: □1927 □ 1983	
25.			
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): Celeste G. Dale	-	tory Specialist	
Signature:			
e-mail address: celeste.g.dale@conocophillips.com	i eiepnone: _(432)688-6884	

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

Well: MCA 486

Date: 31-Dec-2008

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, nor will we use a drying pad, nor will we build an earth pit above ground level, nor will we 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 hauloff bins or in 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 frac tanks.
- 2. Cuttings and solids will be removed from 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:

Controlled Recovery Inc, 4507 West Carlsbad Hwy, Hobbs, NM 88240, P.O. Box 388 Hobbs, New Mexico 88241 Toll Free Phone: 877.505.4274, Local Phone Number: 432-638-4076

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 CRI is R9166

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

- Mud will be transported by vacuum truck and disposed of at Controlled Recovery 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, PO 5208 Hobbs, NM, 88241, Permit SWD 092. (Well Location: Section 3, T19S R37E)
 - Basic Energy Services, PO Box 1869 Eunice, NM 88231 Phone Number 575 394 2545, Facility located at Hwy 18, Mile Marker 19, Eunice, NM.

Jason D. Tilley
Sr. Drilling Engineer
ConocoPhillips Company
600 North Dairy Ashford, Room # 3WL-13016
Houston, TX 77079-1175
Office Phone 832 486 2919
Cell Phone 281 684 4720

SPECIFICATIONS

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 UIP: Standard cable with 2" x 6" x 1/4"

rails, quisset 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

retainer's
WELDS: All welds continuous except substructurie crossmembers

FINISH: Coated inside and out with direct to metal, rust inhibiting acrylic enamel color coat HYDROTESTING: Full capacity static test DIMEN SIONS: 22'-11" long (21'-8" inside), 99" wide (88" inside), see drawing for height OPTIONS: Steel grit blast and special paint, Ampliroll, 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

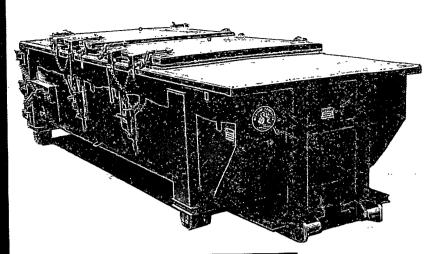
with 8" divider centered on

contain er

LATCH:(2) independent ratchet binders with chains per lid

GASKETS: Extruded rubber seal with metal retainers

Heavy Duty Split Metal Rolling Lid



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

