

RECEIVED

JUN 10 2013

NMOC D ARTESIA

Form C-144 CLEZ  
Revised August 1, 2011

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., 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 closed-loop systems that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, submit to the appropriate NMOC District Office.

## Closed-Loop System Permit or Closure Plan Application

(that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

Type of action: ☐ Permit ☒ Closure

Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, please submit a Form C-144.

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.

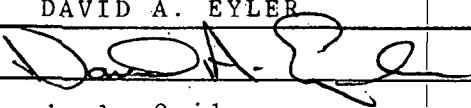
Operator: COG OPERATING, LLC		OGRID #: 299137	
Address: 600 W. ILLINOIS AVE., MIDLAND, TEXAS 79701			
Facility or well name: OCHO CINCO FED. COM #001H			
API Number: 30-015-37614		OCD Permit Number: 21426	
U/L or Qtr/Qtr	NENE	Section	08
Township	26S	Range	29E
County:	EDDY		
Center of Proposed Design: Latitude		Longitude	
		NAD: <input type="checkbox"/> 1927 <input type="checkbox"/> 1983	
Surface Owner: <input checked="" type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Tribal Trust or Indian Allotment			

<input checked="" type="checkbox"/> Closed-loop System: Subsection H of 19.15.17.11 NMAC Operation: <input type="checkbox"/> Drilling a new well <input type="checkbox"/> Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) <input checked="" type="checkbox"/> P&A <input checked="" type="checkbox"/> Above Ground Steel Tanks or <input type="checkbox"/> Haul-off Bins	
--	--

3. Signs: Subsection C of 19.15.17.11 NMAC <input checked="" type="checkbox"/> 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers <input checked="" type="checkbox"/> Signed in compliance with 19.15.16.8 NMAC	RECEIVED  MAR 20 2013  NMOC D ARTESIA
--	---

4. 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.	
<input checked="" type="checkbox"/> Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC <input type="checkbox"/> Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC <input type="checkbox"/> Closure Plan (Please complete Box 5) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC <input type="checkbox"/> Previously Approved Design (attach copy of design) API Number: _____ <input type="checkbox"/> Previously Approved Operating and Maintenance Plan API Number: _____	

5. 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 identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.	
Disposal Facility Name: GANDY MARLEY Disposal Facility Name: R360 Disposal Facility Name: SUNDANCE	
Disposal Facility Permit Number: NM 01-0006 Disposal Facility Permit Number: NM 01-0003 Disposal Facility Permit Number: NM 01-0003	
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations? <input type="checkbox"/> Yes (If yes, please provide the information below) <input checked="" type="checkbox"/> No	
Required for impacted areas which will not be used for future service and operations: <input type="checkbox"/> Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC <input type="checkbox"/> Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC <input type="checkbox"/> Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC	

6. Operator Application Certification: I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.	
Name (Print): DAVID A. EYLER	Title: AGENT
Signature: 	Date: 03/18/13
e-mail address: deyler@milagro-res.com	Telephone: 432.687.3033

<b>7. OCD Approval:</b> <input checked="" type="checkbox"/> Permit Application (including closure plan) <input type="checkbox"/> Closure Plan (only)	
<b>OCD Representative Signature:</b> <u><i>[Signature]</i></u>	<b>Approval Date:</b> <u>3/21/13</u>
<b>Title:</b> <u>Dis-H Supervisor</u>	<b>OCD Permit Number:</b> <u>214126</u>

<b>8. Closure Report (required within 60 days of closure completion):</b> Subsection K of 19.15.17.13 NMAC <i>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.</i>	
<input checked="" type="checkbox"/> Closure Completion Date: <u>06/07/13</u>	

<b>9. Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:</b> <i>Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.</i>	
Disposal Facility Name: <u>GANDY MARLEY</u>	NM <u>01-0019</u>
Disposal Facility Name: <u>R360</u>	Disposal Facility Permit Number: <u>NM 01-0006</u>
Disposal Facility Name: <u>SUNDANCE</u>	Disposal Facility Permit Number: <u>NM 01-0003</u>
Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations? <input type="checkbox"/> Yes (If yes, please demonstrate compliance to the items below) <input checked="" type="checkbox"/> No	
Required for impacted areas which will not be used for future service and operations: <input type="checkbox"/> Site Reclamation (Photo Documentation) <input type="checkbox"/> Soil Backfilling and Cover Installation <input type="checkbox"/> Re-vegetation Application Rates and Seeding Technique	

<b>10. Operator Closure Certification:</b> 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.	
<b>Name (Print):</b> <u>DAVID A. EYLER</u>	<b>Title:</b> <u>AGENT</u>
<b>Signature:</b> <u><i>[Signature]</i></u>	<b>Date:</b> <u>06/08/13</u>
<b>e-mail address:</b> <u>deyler@milagro-res.com</u>	<b>Telephone:</b> <u>432.687.3033</u>