

District I
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

OCT 23 2008

Form C-144 CLEZ
July 21, 2008

OCD-ARTESIA

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.

1.
Operator: Trek Operating, LLC OGRID #: 255281
Address: 10159 E. 11th St., #401 Tulsa, OK 74128-3028
Facility or well name: Bushby Well #1
API Number: 30-015-36410 OCD Permit Number: 022508
U/L or Qtr/Qtr O Section 34 Township 23-S Range 28-E County: Eddy
Center of Proposed Design: Latitude N 32.25516° Longitude W 104.07196° NAD: ☐ 1927 ☒ 1983
Surface Owner: ☐ Federal ☐ State ☒ Private ☐ Tribal Trust or Indian Allotment

2.
☒ **Closed-loop System:** Subsection H of 19.15.17.11 NMAC
Operation: ☒ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) ☐ P&A
☐ Above Ground Steel Tanks or ☒ Haul-off Bins

3.
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

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.
☐ 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 Box 5) - 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: _____

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: _____ 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 service and operations?
☐ Yes (If yes, please provide the information below) ☐ No
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

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): _____ Title: _____
Signature: _____ Date: _____
e-mail address: _____ Telephone: _____

Submit To Appropriate District Office Two Copies District I 1625 N French Dr., Hobbs, NM 88240 District II 1301 W Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S St Francis Dr., Santa Fe, NM 87505		State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505		Form C-105 July 17, 2008											
1. WELL API NO. 30-015-36410		2. Type of Lease <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN		3. State Oil & Gas Lease No											
WELL COMPLETION OR RECOMPLETION REPORT AND LOG															
4. Reason for filing <input checked="" type="checkbox"/> COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) <input checked="" type="checkbox"/> C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33, attach this and the plat to the C-144 closure report in accordance with 19 15 17 13 K NMAC)			5. Lease Name or Unit Agreement Name Bushby												
6. Well Number 1			OCT 23 2008												
7. Type of Completion: <input checked="" type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input type="checkbox"/> OTHER															
8. Name of Operator Trek Operating, LLC			9. OGRID 255281												
10. Address of Operator 10159 E. 11th St., #401 Tulsa, OK 74128-3028			11. Pool name or Wildcat Loving Brushy Canyon East												
12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County					
Surface:	0	34	23-S	28-E		330	S	1650	E	Eddy					
BH:	0	34	23-S	28-E		330	S	1650	E	Eddy					
13. Date Spudded 8-23-2008	14. Date T D Reached 9-8-2008	15. Date Rig Released 9-10-2008		16. Date Completed (Ready to Produce) 10/14/2008		17. Elevations (DF and RKE, RT, GR, etc.) 3022' GR									
18. Total Measured Depth of Well 6600'		19. Plug Back Measured Depth 6538'		20. Was Directional Survey Made? No		21. Type Electric and Other Logs Run GR-CNL-CBL									
22. Producing Interval(s), of this completion - Top, Bottom, Name Brushy Canyon at 6010-6184'															
23. CASING RECORD (Report all strings set in well)															
CASING SIZE		WEIGHT LB /FT		DEPTH SET		HOLE SIZE		CEMENTING RECORD		AMOUNT PULLED					
14"		36.7		0-40'		18"		270 ft ³ concrete		None					
8.625"		24		0-454'		12.25"		435 sxs, cmt. cire.		None					
5.5"		15.5, 17.0		0-6590'		7.875"		850 sxs.		TOC @ 1950' by CBL					
24. LINER RECORD						25. TUBING RECORD									
SIZE		TOP		BOTTOM		SACKS CEMENT		SCREEN		SIZE		DEPTH SET		PACKER SET	
										2.875"		0-6004'		-	
26. Perforation record (interval, size, and number) 1 spf, 0.38" hole, 6010-6184'						27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL 6010-6184' AMOUNT AND KIND MATERIAL USED 1,000 gallons 15% HCl acid with ball scalers and additives, followed by 54,500 gallons 25 ppt gelled water and additives									
28. PRODUCTION															
Date First Production 10/14/2008		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping				Well Status (Prod or Shut-in) Producing									
Date of Test 10/20/2008	Hours Tested 24	Choke Size 2"	Prod'n For Test Period	Oil - Bbl 28	Gas - MCF 51	Water - Bbl 149	Gas - Oil Ratio 1821								
Flow Tubing Press P	Casing Pressure -	Calculated 24-Hour Rate	Oil - Bbl 28	Gas - MCF 51	Water - Bbl 149	Oil Gravity - API - (Corr) 40.8									
29. Disposition of Gas (Sold, used for fuel, vented, etc) Sold						30. Test Witnessed By Paul Sims									
31. List Attachments Log, deviation survey															
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit NA															
33. If an on-site burial was used at the well, report the exact location of the on-site burial NA															
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief															
Signature Brad D. Burks		Printed Name Brad D. Burks		Title General Manager		Date 10/20/08									
E-mail Address															