District I 1625 N. French Dr., Hobbs, NM 88240 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 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

Form C-144 CLEZ

July 21, 2008

to implement waste removal for closure, submit to the appropriate NMOCD 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: X 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. OGRID #:\_255333\_\_\_\_\_ Operator: \_ Lime Rock Resources A, L.P.\_\_\_ Address: \_ Heritage Plaza, 1111 Bagby St., Suite 4600 Houston, TX 77002 Facility or well name: Resler State, Well No. 4 API Number: 30-015-38514 OCD Permit Number: 211228 Center of Proposed Design: Latitude N32.803809' Longitude W104.224902' NAD: X1927 1983 Surface Owner: Federal X State Private Tribal Trust or Indian Allotment 2. Closed-loop System: Subsection H of 19.15.17.11 NMAC Operation: X 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 X Haul-off Bins RECEIVED Signs: Subsection C of 19.15.17.11 NMAC X 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers FEB 1 4 2011 Signed in compliance with 19.15.3.103 NMAC NMOCD ARTESIA 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 X Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC X Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC X 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: 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. Disposal Facility Name: \_Controlled Recovery, Inc. \_\_\_\_\_ Disposal Facility Permit Number: \_\_\_NMI-6-(R-9166)\_\_\_\_ 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) X 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 **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. Title: POA Agent for Lime Rock Resources A. L.P.

e-mail address:\_\_\_gr.smith1@hotmail.com\_\_\_\_

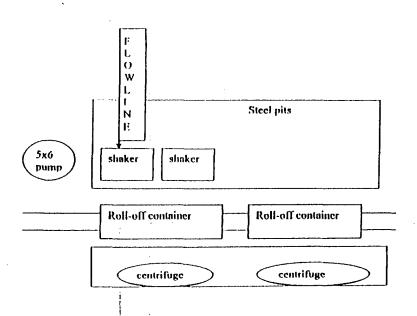
Signature:

George R. Smill

Date: 2/10/11\_\_\_\_

Telephone: \_\_575-623-4940\_\_\_\_

OCD Approval: Permit Application (including	Nosure plan) [ Closure Plan (only)
OCD Representative Signature:	Approval Date: 03/02/201
Title: 157 HSufer	Approval Date: 03/02/2011  OCD Permit Number: 211228
8. 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.	
الم	Closure Completion Date:
9. Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: Instructions: Please indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more the two facilities were utilized.	
Disposal Facility Name:	Disposal Facility Permit Number:
Disposal Facility Name:  Disposal Facility Name:	Disposal Facility Permit Number:
Were the closed-loop system operations and associate  Yes (If yes, please demonstrate compliance to	d activities performed on or in areas that will not be used for future service and operations?
Required for impacted areas which will not be used for Site Reclamation (Photo Documentation)  Soil Backfilling and Cover Installation  Re-vegetation Application Rates and Seeding	
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):	Title:
Signature:	Date:
e-mail address:	Telephone:



This will be maintained by 24 hour solids control personnel that stay on location.

TOMMY WILSON



SPECIALTY

Office: 575.746,1689

Cell: 575.748.6367

# LIME ROCK RESOURCES A, L.P., RESLER STATE, WELL NO. 4 API: 30-.

A- Sec. 25, T17S R27E: 2230' FSL & 550' FEL Eddy Co., NM

**DESIGN:** Closed Loop System with roll-off steel bins (pits)

**CRI/Hobbs** will supply (2) bins () volume, rails and transportation relating to the Close Loop system. Specifications of Close Loop System attached.

Contacts: Gary Wallace 432-638-4076 Office # 575-393-1079

Scomi Oil Tool: Supervisor: Armando Soto - 432-553-7978 Hobbs, NM

Monitoring 24 hour service

Equipment:

Centrifuges (brand): Derrick Rig Shakers (brand): Brandt

D-watering Unit

Air pumps on location for immediate remediation process

Layout of Close Loop System with bins, centrifuges and shakers attached.

Cuttings and associated liquids will be hauled to a State regulated third party disposal site: CRI (Controlled Recovery, Inc.) Disposal Facility Permit # R9166

- 2-250 bbl tanks to hold fluid
- 2- CRI Bins with track system?
- 2-500 bbl frac tanks for fresh water
- 2-500 bbl frac tanks for brine water

## **OPERATIONS:**

Closed Loop equipment will be inspected daily by each tour and any necessary maintenance performed.

Any leak in system will be repaired and or/contained immediately

OCD will be notified within 48 hours of the spill.

Remediation process started immediately

## **CLOSURE:**

During drilling operations all liquids, drilling fluids and cuttings will be hauled off via CRI (Controlled Recovery Incorporated) Disposal Facility Permit # R9166

#### POWER OF ATTORNEY

#### DESIGNATION OF AGENT

LIME ROCK RESOURCES A, L.P. hereby names the following person as its agent:

Name of Agent: George R. Smith d/b/a/ Energy Administrative Services Company

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Agent's Address: P.O. Box 458, Roswell, NM 88202

Agent's Telephone Number: (575) 623-4940

## **GRANT OF SPECIAL AUTHORITY**

LIME ROCK RESOURCES A, L.P. grants its agent the authority to act for it with respect to the following only:

- 1. Executing forms required to be filed with the Oll Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department.
- 2. Executive forms required to be filed with the Bureau of Land Management of the Department of Interior of the United States of America.

#### **EFFECTIVE DATE**

This power of attorney is effective immediately.

# RELIANCE ON THIS POWER OF ATTORNEY

Any person, including the agent, may rely upon the validity of this power of attorney or a copy of it unless that person knows it has terminated or is invalid.

# SIGNATURE AND ACKNOWLEDGMENT

LIME ROCK RESOURCES A, L.P.

By:

Name: Charles Adcock

Title: Managing Director = Lime Rock Resources, G.P.

Date: 10/27/2008

Address: 1111 Bagby Street, Suite 4600, Houston, TX 77002

Telephone Number: (713) 292-9512

State of TEXAS County of HARRIS

This instrument was acknowledged before me on WHYPY IT . DOB by WAYLES ALLEY WALLEY OF LIME ROCK RESOURCES A, L.P. acting on behalf of said limited

partnership.

Signature of notarial office My commission expires:

Winst 5, 2012

TERRIE POOL Notary Public, State of Texas My Commission Expires August 05, 2012