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

Form C-144 CLEZ Revised August 1, 2011

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 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: 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. Address: 908 N.W. 71<sup>ST</sup> ST., OKLAHOMA CITY, OK 73116\_\_\_\_\_ Facility or well name: UTE MOUNTAIN UTE #79 API Number: 30-045-34480\_\_\_\_\_ OCD Permit Number: U/L or Qtr/Qtr \_SESE\_\_\_\_\_ Section \_\_17\_\_\_ Township \_\_32N\_\_\_\_ Range \_\_14W\_\_\_ County: \_\_\_ San Juan\_\_\_\_ Center of Proposed Design: Latitude \_\_36.98426 N\_\_\_\_\_ Longitude \_\_-108.32801 W\_\_\_\_\_ NAD: ☐1927 ☑ 1983 Surface Owner: Federal State Private Tribal Trust or Indian Allotment ☐ 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 RCVD JAN 22 13 Signs: Subsection C of 19.15.17.11 NMAC OIL CONS. DIV. 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers DIST. 3 Signed in compliance with 19.15.16.8 NMAC 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 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: 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: \_\_\_\_IEI\_\_\_\_\_\_\_ Disposal Facility Permit Number: \_\_\_010010B\_\_\_\_\_\_ Disposal Facility Permit Number: \_\_\_\_\_ Disposal Facility Name: 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

#### **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): Catherine Smith Title: Regulatory

Date: \_\_\_1/16/2013\_\_\_\_\_

Telephone: 405-840-9876 e-mail address: csmith@huntingtonenergy.com Form C-144 CLEZ

OCD Approval: Permit Application (including closure plan) Closure Pl	an (only)				
OCD Representative Signature:	Approval Date: 1/23/201 Z				
Title: Compliance Office	OCD Permit Number:				
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:					
9. Closure Report Regarding Waste Removal Closure For Closed-loop Systems Instructions: Please indentify the facility or facilities for where the liquids, drilt two facilities were utilized.					
Disposal Facility Name:	Disposal Facility Permit Number:				
Disposal Facility Name:					
Were the closed-loop system operations and associated activities performed on or Yes (If yes, please demonstrate compliance to the items below) No	in areas that will not be used for future service and operations?				
Required for impacted areas which will not be used for future service and operation  Site Reclamation (Photo Documentation)  Soil Backfilling and Cover Installation  Re-vegetation Application Rates and Seeding Technique	ons:				
Operator Closure Certification:  I hereby certify that the information and attachments submitted with this closure rebelief. I also certify that the closure complies with all applicable closure requirements.					
Name (Print):	Title:				
Signature:	Date:				
e-mail address:	Telephone:				

# UTE MOUNTAIN UTE CLOSED PIT C-144 CLEZ ATTACHMENT

#### **Closed Loop Design Plan**

Huntington Energy's closed loop system will include an above ground tank suitable for holding the cuttings and fluids for rig operations. The tank will be able to maintain a safe free board while allowing for sufficient volume between disposal of the liquids and solids from rig operations. It will be in compliance with 19.15.3.103 NMAC. Fencing is not required. A frac tank will be on location to store fresh water.

#### Closed-Loop Operating and Maintenance Plan

- 1. Only fluids or cutting used or generated by rig operations will be placed or stored in the tank.
- 2. Liquids will be vacuumed out and disposed of at IEI (#NM-010010B) Solids in the closed-loop tank will be vacuumed out and disposed of at IEI (Permit # 010010B) on a scheduled basis to prevent over topping.
- 3. Closed Loop equipment will be inspected daily, by each tour and any necessary maintenance performed. The Division District Office will be notified within 48 hrs of any leak at the closed loop tank. Repairs will occur immediately.
- 4. Once drilling rig is released, all fluids will be disposed in IEI. After completion rig is released, all fluids will be sent to the disposal as well.

#### Closed-Loop Closure Plan

The closed loop tank will be moved as part of the rig move and removed from location. The tanks will be closed in accordance with 19.15.17.13. All cuttings and remaining sludge will be transported to IEI - Industrial Eco Systems, Inc. (Permit # 010010B) or Envirotech (Permit # NM-01-0011). All remaining fluids will be hauled and disposed to IEI. At time of well abandonment, the site will be reclaimed and re-vegetated to pre-existing conditions as provided by 19.15.17.B NMAC.

### UTE MOUNTAIN UTE CLOSED PIT C-144 CLEZ ATTACHMENT

#### Soil Backfill and Cover Design

- 1) The soil cover shall consist of the background thickness of topsoil or one foot of suitable material to establish growth at the site, whichever is greater.
- 2) Huntington will build the soil cover to the site's existing grade and prevent ponding of water and erosion.

#### Re-Vegetation Plan

The first growing season after the closed loop pit closure, Huntington will seed the disturbed area. The vegetative cover will be the approved mixture meeting the Bureau of Land Management and/or New Mexico Oil Conservation requirements (70% of native perennial vegetative cover –three native plant species and at least one grass). The cover will be maintained through two successive growing seasons. Until the required vegetative cover is established, Huntington will repeat the seeding. The division will be notified when seeding takes place and when re-vegetation occurs.

#### Site Reclamation Plan

Huntington Energy will reclaim the location and all areas associated with the closed-loop system to a safe and stable condition that blends with the surrounding undisturbed area. The area will be restored to the condition that existed prior to any construction by placement of the soil cover as provided in Subsection H of 19.15.17.13 NMAC, re-contour the location and associated areas to a contour that approximates the original contour and blends with the surrounding topography and re-vegetate according to Subsection I of 19.15.17.13 NMAC.

<u>District.1</u>
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
<u>District.11</u>
811 S. First St., Artesia, NM 88210

Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u>
1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

## State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

1 /	API Numbe	r		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name				
3	0-045-34488			97232		BASIN MANCOS				
4 Property (	Code		<sup>5</sup> Property Name						<sup>6</sup> Well Number	
32660				UTE MOUNTAIN UTE 79					79	
OGRID!	No.		8 Operator Name						, Elevation	
208706				1	HUNTINGTON ENE	TON ENERGY, L.L.C. 6237'				
<sup>10</sup> Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West li	ne County	
Р	17	32-N	14-W	•	1300	SOUTH	1300	EAST	SAN JUAN	
			<sup>п</sup> Bot	tom Hole	Location If	Different From	n Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West li	ne County	
12 Dedicated Acres	<sup>13</sup> Joint o	r Infill 14 C	onsolidation	Code 15 Or	der No.					
SE-160						1				

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

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Lat: 36.98426N Long: -108.32801W NAD 83  Lat: 30098426N Long: -108.32801W NAD 83  1300'  Lat: 300 Sequence of Survey Signature and Scal of Professional Surveyor:					bottom hole location or has a right to drill this well at this location pursuant to
Lat: 36.98426N Long: -108.32801W NAD 83  Lat: 300'  Lat: 300'  Lat: 300'  Lat: 36.98426N Long: -108.32801W NAD 83  Lat: 36.98426N Long: -108.32801W NAD 83					a contract with an owner of such a mineral or working interest, or to a
Lat: 36.98426N Long: -108.32801W NAD 83  Lating: 1300'  Lating: 13					voluntary pooling agreement or a compulsory pooling order heretofore entered
Signature Date  Catherine Smith Printed Name  semilide/Audress  "SURVEYOR CERTIFICATION  I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  Date of Survey  Signature and Seal of Professional Surveyor:					by the division.
Lat: 36.98426N Long: -108.32801W NAD 83  Lat: 36.98426N Long: -108 32801W NAD 83  Lat: 36.98426N Long: -108 32801W NAD 83					Cathorine Smith 12/11/2012
Printed Name  smith@huntinetonenergy.com E-mail Address  "SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  Date of Survey  Signature and Seal of Professional Surveyor:					Signature Date
Printed Name  csmith@huntinetonenergy.com E-mail Address  "SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  Date of Survey  Signature and Seal of Professional Surveyor:					Catherine Smith
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