State of New Mexico

Form C-144 CLEZ July 21, 2008

District I 1625 N. French Dr., Hobbs, NM 88240 District II
1301 W Grand Avenue, Artesia, NM 882JUL 06

Energy Minerals and Natural Resources Department

District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 8750 RECEIVED

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 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 tank, 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 hability 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 McDonold Operating Inc. OGRID#: 14372		
Address 505 N. Big Spring Suit? 204 Midland Tx 79701 Facility or well name Langlie Jack # 4		
Facility or well name Langlie Jack # 4		
API Number: 30-025-11174 OCD Permit Number: 41-03438		
API Number. 30-015-11174 OCD Permit Number: 41-03438 U/L or Qtr/Qtr B Section 20 Township 245 Range 37E County Lea		
Center of Proposed Design LatitudeLongitudeNAD19271983		
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		
Signs: Subsection C of 19.15 17 11 NMAC		
12"x 24", 2" lettering, providing Operator's name, si.e 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		
atta ched.		
St. 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 indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required. Avapaboe SwD		
Disposal Facility Name Basic Stod		
Disposal Facility Name Basic SUD Disposal Facility Permit Number Disposal Facility Permit Number Or COO3		
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, V. 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 Lof 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) Craig M. McDonold Title President		
Signature C. M. Me. Date 76-11		
c-mail address 1'elephone 437-682-3459		

OCD Approval: Permit Application (including de sure plan) Closere	Plan (only)	
OCD Representative Signature:	Approval Date: 1-6-201/	
Title: SAM MA	OCD Permit Number: P -03438	
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 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 than two facilities were utilized.		
Disposal Facility Name	Disposal Facility Permit Number,	
Disposal Facility Name	Disposal Facility Permit Number:	
Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations? Yes (If yes, please demonstrate compliance to the items below) No		
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		
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.	

505 N. Big Spring, Suite 204 · Midland, Texas 79701 Phone (432) 682-3499 · Fax (432) 682-4823

Langlie Jack #4 B-20-24S-37E-Lea Co. API #30-025-11174

Equipment & Design:

McDonnold Operating, Inc. will use a closed loop system in the P&A of this well. The following equipment will be on location:

250 bbl steel reverse tank

Operations & Maintenance:

During each day of operation, the rig's crew will inspect and closely monitor the fluids contained within the steel tank and visually monitor any release that may occur. Should a release, spill or leak occur, the NMOCD Hobbs office (575-393-6161) will be notified, as required by NMOCD rule 19.15.29.8.

Closure:

After plugging operations, fluids and solids will be hauled and disposed at Arapahoe SWD, Basic SWD, or Sundance Disposal (permit NM-01-0003).