July 21, 2008

District II. HOBBS OCEnergy Minerals and Natural Resources
1301 W. Grand Avenue, Artesia, NM 88210
District III

1000 Rio Brazos Road, Aztec, NM 87410 N 2 2 2013 District IV

Form C-144 CLEZ

1220 S. St. Francis Dr., Santa Fe, NM 87505

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.

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Closed Ecop System Permit or Closure Plan Application

(that only use above	ground steel tanks or	haul-off bins an	d propose to im	plement waste remova	l for closure)
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X Permit Closure Type of action:

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: MTO Energy Inc. OGRID#: 005380						
Address: 200 N. Loraine, Ste. 800						
Facility or well name: North Vacuum ABO Bast Unit #169						
API Number: 30-025-23979 OCD Permit Num	ber: P1-05660					
U/L or Qtr/Qtr H Section 13 Township 175 Range	34E County: Lea					
Center of Proposed Design: Latitude Longitude NAD: \[\sqrt{1927} \sqrt{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						
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						
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:	i					
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:						
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): STEPHANIE RABADUE Title:	Regulatory Analalyst					
Signature: Atomana tabaduo Date:	01/10/2013					
e-mail address: stephanie rabadue@xtoenergy.com Telep	phone: 432.620.6714					

Oil Conservation Division

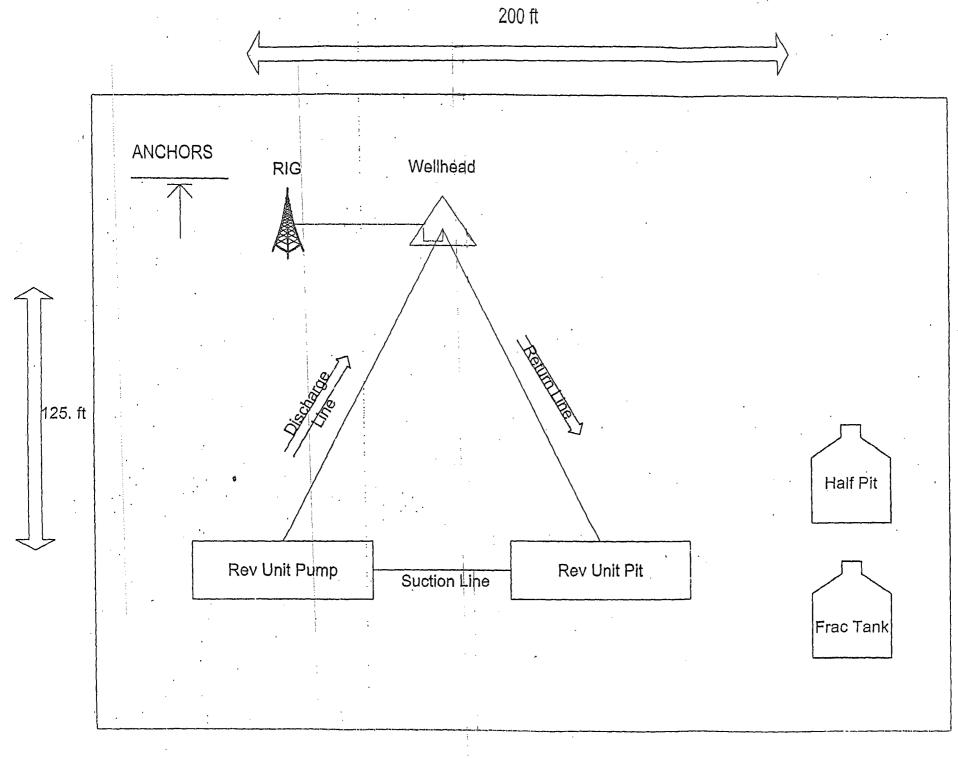
OCD Approval: Permit Application (including closure plan)					
OCD Representative Signature:	Approval Date: 1-31-2013 OCD Permit Number: P1-05660				
Title: Dist. March	OCD Permit Number: P1-05660.				
Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Instructions: 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:					
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:	osal 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) Boil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique					
10.					
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:				

Operating and Maintenance Procedure:

- Will submit C-144 (short form) to OCD to get permit to set steel tank at well location to be used to collect fluid during workover.
- When permit received from OCD, steel tank will be set at well location prior to work performed (without any type of liner).
- Operator will do daily visual tank inspection to locate any leak that might cause soil or ground water contamination.
- If leak is detected the OCD will be notified immediately.

Closure Plan - based upon the appropriate requirements of Subsection C:

Solids and Fluids will be removed from steel tanks and hauled off by trucking companies. They will then be taken to the closest approved public disposal: See C-144 Form - (Sundance Services, Inc. – Disposal Facility Permit No. NM-01-0003)



WORKOVER