| <u>District I</u> 1625 N. French Dr., Hob | HOBBS OCD bs, NM 88240 End | State of New Mexico ergy Minerals and Natural Resources | Form C-144 CLEZ July 21, 2008 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| District H 1301 W. Grand Avenue, | Artesia, NMF88230 1 5 2013 | Department | For closed-loop systems that only use <i>above</i> |
| District III 1 000 Rio Brazos Road, A | Aztec, NM 8741 0 | Oil Conservation Division | ground steel tanks or <i>haul-off bins</i> and propose to <i>implement waste</i> removal:/or-closure, submit |
| District IV 1220 S. St. Francis Dr., S | | 1220 South St. Francis Dr. Santa Fe, NM 87505 | to <i>implement waste</i> removal. for closure, submit to the appropriate NMOCD District Office. |
| | | system Permit or Closure Plan | Application |
| | | hks or haul-off bips and propose to implement | |
| • | Т | vne of action: Remit Closure | |
| closed-loop system that ease be advised that app | it only <i>use above ground</i> steel tanks on the steel tanks of the steel steel tanks of the steel stee | the operator of liability should operations result in | removal for closure, please submit a rorm, C-144. |
| | | | |
| Operator: <u>Mack Er</u> | nergy Corporation | OGRID #: | 013837 |
| | 960 Artesia, NM 88210-096 | | |
| Facility or well name: | Ohio State #1 | | P1-D5776 |
| API Number: | 0-019-1000 | Township 18S Range 35E | <u>F(-US / 10</u> |
| U/L or Qtr/Qtr | Section / | Township 105 Range 552 | NAD: 1927 1983 |
| | esign: Latitude ederal 🛛 State 🔲 Private 🛄 Tribal | | NAD: []1927 []1983 |
| Above Ground Ste | el Tanks or Haul-off Bins | e location, and emergency telephone numbers | proval of a permit or notice of intent) 🔲 P&A |
| Above Ground Ste Sign: Subsection C o 12" x 24", 2" letter Signed in compliar Closed-loop Systems Instructions: Each of intached | of 19.15.17.11 NMAC ing, providing Operator's name, site nee with 19.15.3.103 NMAC Permit Application Attachmen the following items must be attach | e location, and emergency telephone numbers <u>nt Checklist:</u> Subsection B of 19.15.17.9 NMAC ned to the application. Please indicate, by a ch | · · · · · · · · · · · · · · · · · · · |
| Above Ground Ste <u>Sign:</u> Subsection C o 12" x 24", 2" letter Signed in compliar <u>Closed-loop Systems</u> <i>Instructions: Each of</i> <i>attached</i> Design Plan -b: Operating and N | the following items must be attachment the following items must be attachment the following items must be attachment Maintenance Plan - based upon the | e location, and emergency telephone numbers <u>nt Checklist:</u> Subsection B of 19.15.17.9 NMAC ned to the application. Please indicate, by a ch | eck mark in the box, that the documents are |
| Above Ground Ste <u>Sign:</u> Subsection C o 12" x 24", 2" letter Signed in compliar <u>A</u> <u>Closed-loop Systems</u> <i>Instructions: Each of</i> <i>attached</i> Design Plan -br Operating and N Closure Plan (P Previously Approv | the I Tanks or Haul-off Bins If 19.15.17.11 NMAC ing, providing Operator's name, site ince with 19.15.3.103 NMAC <u>Reprint Application Attachment</u> the following items must be attach ased upon the appropriate requiremed Maintenance Plan - based upon the Please complete Box 5) - based upon ved Design (attach copy of design) | e location, and emergency telephone numbers <u>at Checklist:</u> Subsection B of 19.15.17.9 NMAC <i>ied to the application. Please indicate, by a ch</i> ents of 19.15.17.11 NMAC appropriate requirements of 19.15.17.12 NMAC n the appropriate requirements of Subsection C | eck mark in the box, that the documents are c of 19.15.17.9 NMAC and 19.15.17.13 NMAC |
| Above Ground Ste Sign: Subsection C o 12" x 24", 2" letter Signed in compliar Closed-loop Systems Instructions: Each of attached Design Plan -b: Operating and N Closure Plan (P Previously Approve | the I Tanks or Haul-off Bins Af 19.15.17.11 NMAC ing, providing Operator's name, site ince with 19.15.3.103 NMAC Bermit Application Attachment the following items must be attach ased upon the appropriate requirement Maintenance Plan - based upon the Please complete Box 5) - based upon | e location, and emergency telephone numbers <u>at Checklist:</u> Subsection B of 19.15.17.9 NMAC <i>ied to the application. Please indicate, by a ch</i> ents of 19.15.17.11 NMAC appropriate requirements of 19.15.17.12 NMAC n the appropriate requirements of Subsection C | eck mark in the box, that the documents are c of 19.15.17.9 NMAC and 19.15.17.13 NMAC |
| Above Ground Ste Sign: Subsection C o 12" x 24", 2" letter Signed in compliar Closed-loop Systems Instructions: Each of Mached Design Plan -bi Operating and N Closure Plan (P Previously Approve Subsections: Please in Complete State St | the I Tanks or Haul-off Bins af 19.15.17.11 NMAC ing, providing Operator's name, site ince with 19.15.3.103 NMAC Permit Application Attachment the following items must be attach ased upon the appropriate requirement Maintenance Plan - based upon the Please complete Box 5) - based upon ved Design (attach copy of design) ad Operating and Maintenance Plan ure For Closed-loop Systems That identify the facility or facilities for | e location, and emergency telephone numbers <u>at Checklist:</u> Subsection B of 19.15.17.9 NMAC <u>and to the application. Please indicate, by a ch</u> ents of 19.15.17.11 NMAC appropriate requirements of 19.15.17.12 NMAC appropriate requirements of Subsection C <u>API Number:</u> <u>API Number:</u> <u>t Utilize Above Ground Steel Tanks or Haul</u> the disposal of liquids, drilling fluids and drive | eck mark in the box, that the documents are C of 19.15.17.9 NMAC and 19.15.17.13 NMAC |
| Above Ground Ste Sign: Subsection C o 12" x 24", 2" letter Signed in compliar Closed-loop Systems Instructions: Each of Design Plan -bi Operating and N Closure Plan (P Previously Approve Se Waste Removal Close Instructions: Please in facilities are required. | the I Tanks or Haul-off Bins af 19.15.17.11 NMAC ing, providing Operator's name, site ince with 19.15.3.103 NMAC <u>A Permit Application Attachment</u> the following items must be attach ased upon the appropriate requirement Maintenance Plan - based upon the Please complete Box 5) - based upon ved Design (attach copy of design) ad Operating and Maintenance Plan ure For Closed-loop Systems Tha addentify the facility or facilities for | e location, and emergency telephone numbers <u>at Checklist:</u> Subsection B of 19.15.17.9 NMAC <i>ind to the application. Please indicate, by a ch</i> ents of 19.15.17.11 NMAC appropriate requirements of 19.15.17.12 NMAC in the appropriate requirements of Subsection C API Number: <u>API Number:</u> <u>t Utilize Above Ground Steel Tanks or Haul</u> <i>the disposal of liquids, drilling fluids and dri</i> | eck mark in the box, that the documents are C of 19.15.17.9 NMAC and 19.15.17.13 NMAC |
| Above Ground Ste Sign: Subsection C o 12" x 24", 2" letter Signed in compliar Signed in compliar Closed-loop Systems Instructions: Each of Intached Design Plan -bi Operating and N Closure Plan (P Previously Approve Waste Removal Close Instructions: Please in Closed - Ioop Systems Disposal Facility Na Disposal Facility Na | el Tanks or Haul-off Bins of 19.15.17.11 NMAC ing, providing Operator's name, site nee with 19.15.3.103 NMAC Sequencial Application Attachmen <i>the following items must be attach</i> ased upon the appropriate requirement Maintenance Plan - based upon the Please complete Box 5) - based upon ved Design (attach copy of design) of Operating and Maintenance Plan ure For Closed-Ioop Systems Tha ure For Closed Systems Tha u | e location, and emergency telephone numbers <u>at Checklist:</u> Subsection B of 19.15.17.9 NMAC <u>appropriate requirements of 19.15.17.12 NMAC appropriate requirements of 19.15.17.12 NMAC appropriate requirements of Subsection C API Number: <u>API Number:</u> <u>API Number:</u> <u>t Utilize Above Ground Steel Tanks or Haul</u> the disposal of liquids, drilling fluids and dri Disposal Facility Peri</u> | eck mark in the box, that the documents are c of 19.15.17.9 NMAC and 19.15.17.13 NMAC |
| Above Ground Ste Sign: Subsection C o 12" x 24", 2" letter Signed in compliar Closed-loop Systems Instructions: Each of attached Design Plan -bi Operating and N Closure Plan (P Previously Approve Sector Structions: Please in facilities are required. Disposal Facility Na Will any of the proposed | el Tanks or Haul-off Bins of 19.15.17.11 NMAC ing, providing Operator's name, site nee with 19.15.3.103 NMAC Sequencial Application Attachmen <i>the following items must be attach</i> ased upon the appropriate requirement Maintenance Plan - based upon the Please complete Box 5) - based upon ved Design (attach copy of design) of Operating and Maintenance Plan ure For Closed-Ioop Systems Tha ure For Closed Systems Tha u | e location, and emergency telephone numbers <u>at Checklist:</u> Subsection B of 19.15.17.9 NMAC <u>appropriate requirements of 19.15.17.12 NMAC appropriate requirements of 19.15.17.12 NMAC appropriate requirements of Subsection C API Number: <u>API Number:</u> <u>API Number:</u> <u>t Utilize Above Ground Steel Tanks or Haul</u> the disposal of liquids, drilling fluids and dri Disposal Facility Per Disposal Facility Per Subsociated activities occur on or in areas that will t</u> | eck mark in the box, that the documents are c of 19.15.17.9 NMAC and 19.15.17.13 NMAC |
| Above Ground Ste Sign: Subsection C o 12" x 24", 2" letter Signed in compliar Closed-loop Systems Instructions: Each of Matched Design Plan -bi Operating and N Closure Plan (P Previously Approve Previously Approve State Removal Close Instructions: Please in acilities are required. Disposal Facility Na Disposal Facility Na Will any of the proposed Previously Aple Soil Backfill and Re-vegetation | the I Tanks or Haul-off Bins af 19.15.17.11 NMAC ing, providing Operator's name, site ace with 19.15.3.103 NMAC Permit Application Attachment the following items must be attach ased upon the appropriate requiremed Maintenance Plan - based upon the lease complete Box 5) - based upon ved Design (attach copy of design) ad Operating and Maintenance Plan ure For Closed-loop Systems Than adentify the facility or facilities for Inter-Controlled-Recovery Inc me: d closed-loop system operations and a ase provide the information below) and areas which will not he used for find Cover Design Specifications ba Plan - based upon the appropri | e location, and emergency telephone numbers <u>at Checklist:</u> Subsection B of 19.15.17.9 NMAC <u>appropriate requirements of 19.15.17.12 NMAC appropriate requirements of Subsection C API Number: <u>API Number:</u> <u>API Number:</u> <u>t Utilize Above Ground Steel Tanks or Haul</u> <u>the disposal of liquids, drilling fluids and dri</u> Disposal Facility Period Disposal Facility Period Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas that will for Machine Sociated activities occur on or in areas </u> | eck mark in the box, that the documents are C of 19.15.17.9 NMAC and 19.15.17.13 NMAC |
| Above Ground Ste Sign: Subsection C o 12" x 24", 2" letter Signed in compliar Closed-loop Systems Instructions: Each of Closure Plan (P Closure Plan (P Previously Approve reviously Approve State Removal Close Instructions: Please in acilities are required. Disposal Facility Na Disposal Facility Na Disposal Facility Na Signed for impacted Soil Backfill and Re-vegetation Site Reclamati | the I Tanks or Haul-off Bins af 19.15.17.11 NMAC ing, providing Operator's name, site ace with 19.15.3.103 NMAC Permit Application Attachment <i>the following items must be attach</i> ased upon the appropriate requiremed Maintenance Plan - based upon the lease complete Box 5) - based upon ved Design (attach copy of design) ad Operating and Maintenance Plan ure For Closed-loop Systems Tha <i>adentify the facility or facilities for</i> Inte:-Controlled-Recovery Inc me: d closed-loop system operations and a ase provide the information below) <i>ed areas which will not he used for fi</i> d Cover Design Specifications ba Plan - based upon the appropri | e location, and emergency telephone numbers <u>at Checklist:</u> Subsection B of 19.15.17.9 NMAC <u>appropriate requirements of 19.15.17.12 NMAC appropriate requirements of 19.15.17.12 NMAC appropriate requirements of Subsection C API Number: <u>API Number:</u> <u>t Utilize Above Ground Steel Tanks or Haul</u> the disposal of liquids, drilling fluids and dri <u>Composed Composed Facility Performents of Subsection C Disposal Facility Performents of No inture service and operations: ased upon the appropriate requirements of Subsection 1 of 19.15.</u></u> | eck mark in the box, that the documents are C of 19.15.17.9 NMAC and 19.15.17.13 NMAC |
| Above Ground Ste Sign: Subsection C o 12" x 24", 2" letter Signed in compliar Closed-loop Systems Instructions: Each of Closure Plan (P Closure Plan (P Previously Approve Waste Removal Close Instructions: Please in facilities are required. Disposal Facility Na Disposal Facility Na Will any of the proposed Required for impacte Soil Backfill and Re-vegetation Site Reclamation Operator Application | eel Tanks or Haul-off Bins of 19.15.17.11 NMAC ing, providing Operator's name, site nee with 19.15.3.103 NMAC a Permit Application Attachmen <i>the following items must be attach</i> ased upon the appropriate requiremed Maintenance Plan - based upon the Please complete Box 5) - based upor ved Design (attach copy of design) ed Operating and Maintenance Plan ure For Closed-loop Systems Tha <i>udentify the facility or facilities for</i> me: d closed-loop system operations and a ase provide the information below) <i>areas which will not he used for fi</i> d Cover Design Specifications ba Plan - based upon the appropri ion Plan - based upon the appropri | e location, and emergency telephone numbers <u>At Checklist:</u> Subsection B of 19.15.17.9 NMAC <u>appropriate requirements of 19.15.17.12 NMAC appropriate requirements of 19.15.17.12 NMAC appropriate requirements of Subsection C API Number: <u>API Number:</u> <u>API Number:</u> <u>It Utilize Above Ground Steel Tanks or Haul</u> <u>the disposal of liquids, drilling fluids and dri</u> <u>Disposal Facility Per</u> Disposal Facility Per Sociated activities occur on or in areas that will f No inture service and operations: Ised upon the appropriate requirements of Subsection I of 19.15 Disposate requirements of Subsection I of 19.15 Disposate requirements of Subsection I of 19.15 </u> | eck mark in the box, that the documents are c of 19.15.17.9 NMAC and 19.15.17.13 NMAC -off Bins Only: (19.15.17.13.D NMAC) Il cuttings. Use attachment if more than two nit Number: |
| Above Ground Ste | the I Tanks or Haul-off Bins of 19.15.17.11 NMAC ing, providing Operator's name, site nee with 19.15.3.103 NMAC Permit Application Attachment <i>the following items must be attach</i> ased upon the appropriate requiremed Maintenance Plan - based upon the Please complete Box 5) - based upon wed Design (attach copy of design) ad Operating and Maintenance Plan ure For Closed-loop Systems Than <i>ure For Closed-loop Systems Than</i> <i>ure For Closed-loop Systems Than</i> <i>ure Controlled Recovery Inc</i> me: d closed-loop system operations and a ase provide the information below) <i>ed areas which will not he used for fi</i> d Cover Design Specifications ba Plan - based upon the appropri- ion Plan - based upon the appropri Certification: he information submitted with this a | e location, and emergency telephone numbers at Checklist: Subsection B of 19.15.17.9 NMAC appropriate requirements of 19.15.17.12 NMAC appropriate requirements of 19.15.17.12 NMAC appropriate requirements of 19.15.17.12 NMAC appropriate requirements of Subsection C API Number: | eck mark in the box, that the documents are c of 19.15.17.9 NMAC and 19.15.17.13 NMAC |
| Above Ground Ste Sign: Subsection C o 12" x 24", 2" letter Signed in complian Closed-loop Systems Instructions: Each of Closure Plan (P Closure Plan (P Previously Approve Waste Removal Close Instructions: Please in facilities are required. Disposal Facility Na Disposal Facility Na Disposal Facility Na Will any of the proposed Soil Backfill and Re-vegetation Site Reclamati Operator Application I hereby certify that th Name (Print): Jerry V | el Tanks or Haul-off Bins of 19.15.17.11 NMAC ing, providing Operator's name, site nee with 19.15.3.103 NMAC <u>s Permit Application Attachment</u> <i>the following items must be attach</i> ased upon the appropriate requiremed Maintenance Plan - based upon the Please complete Box 5) - based upon ved Design (attach copy of design) ad Operating and Maintenance Plan <u>ure For Closed-loop Systems Tha</u> <i>attachtigy the facility or facilities for</i> <u>ure:-Controlled-Recovery Inc</u> me: d closed-loop system operations and a ase provide the information below) <i>et areas which will not he used for fi</i> d Cover Design Specifications ba Plan - based upon the appropri- <u>ion Plan - based upon the appropri- tion Plan - based upon the appropri- <u>a Certification:</u> ne information submitted with this a <i>N</i>. Sherrell</u> | e location, and emergency telephone numbers <u>At Checklist:</u> Subsection B of 19.15.17.9 NMAC <u>appropriate requirements of 19.15.17.12 NMAC appropriate requirements of 19.15.17.12 NMAC appropriate requirements of Subsection C API Number: <u>API Number:</u> <u>API Number:</u> <u>It Utilize Above Ground Steel Tanks or Haul</u> <u>the disposal of liquids, drilling fluids and dri</u> <u>Disposal Facility Per</u> Disposal Facility Per Sociated activities occur on or in areas that will f No inture service and operations: Ised upon the appropriate requirements of Subsection I of 19.15 Disposate requirements of Subsection I of 19.15 Disposate requirements of Subsection I of 19.15 </u> | eck mark in the box, that the documents are c of 19.15.17.9 NMAC and 19.15.17.13 NMAC |

| ⁷ OCD Approval: Permit Applies ar (including closure plan) Closure Plan (only) Closure Plan (only) OCD Representative Signature: Provide Date: Provide Date: Title: DET MACH OCD Permit Number: P1-05776 | | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|--|--|--|
| Title:BT_MER | OCD Permit Number: 1-05716 | | | |
| *. 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 Reports 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: Controlled Recovery Inc 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 | | | | |
| im 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: | | | |

٠

•

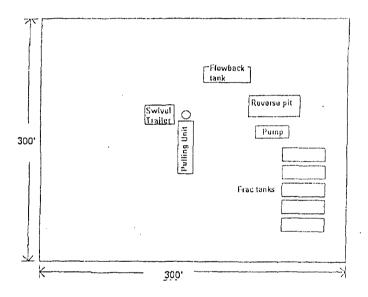
.

.

Standard setup for workover operations

Tanks and equipment are of adequate size to hold all fluids and cuttings during workover operations.

Daily inspections of all equipment will be performed. In the event of a leak: Fluids will be removed and remediation procedure started. OCD will be notified within 48 hours of any leak.



Note: Flowback tank is a frac tank, Reverse pit is a steel open top tank measuring 20' L x 7' W x 6' D.