

JUN 02 2014

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 NMOC 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.

<p>1. Operator: <u>LINN Operating, Inc.</u> OGRID #: <u>269324</u>          Address: <u>600 Travis Street, Suite 5100 Houston, Texas 77002</u>          Facility or well name: <u>Caprock Maljamar Unit #083</u>          API Number: <u>30-025-01493</u> OCD Permit Number: <u>P1-03850</u>          U/L or Qtr/Qtr: <u>Q</u> Section <u>20</u> Township <u>17S</u> Range <u>33E</u> County: <u>Lea</u>          Center of Proposed Design: Latitude <u>32.8146217983186</u> Longitude <u>-103.683244488825</u> NAD: <input type="checkbox"/> 1927 <input type="checkbox"/> 1983          Surface Owner: <input type="checkbox"/> Federal <input checked="" type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Tribal Trust or Indian Allotment</p>	
<p>2. <input type="checkbox"/> Closed-loop System: Subsection H of 19.15.17.11 NMAC          Operation: <input type="checkbox"/> Drilling a new well <input type="checkbox"/> Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) <input checked="" type="checkbox"/> P&amp;A  <input type="checkbox"/> Above Ground Steel Tanks or <input type="checkbox"/> Haul-off Bins</p>	
<p>3. Signs: Subsection C of 19.15.17.11 NMAC  <input checked="" type="checkbox"/> 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers  <input checked="" type="checkbox"/> Signed in compliance with 19.15.3.103 NMAC</p>	
<p>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 attached.  <input checked="" type="checkbox"/> Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC  <input checked="" type="checkbox"/> Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC  <input checked="" type="checkbox"/> 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  <input type="checkbox"/> Previously Approved Design (attach copy of design) API Number: _____  <input type="checkbox"/> Previously Approved Operating and Maintenance Plan API Number: _____</p>	
<p>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 identify 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: <u>CRI (Control Recovery Inc.)</u> Disposal Facility Permit Number: <u>NM01-001206</u>          Disposal Facility Name: <u>Gandy-Marley Disposal</u> Disposal Facility Permit Number: <u>NM01-0003 D19</u>          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?  <input type="checkbox"/> Yes (If yes, please provide the information below) <input checked="" type="checkbox"/> No          Required for impacted areas which will not be used for future service and operations:  <input type="checkbox"/> Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC  <input type="checkbox"/> Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC  <input type="checkbox"/> Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC</p>	
<p>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): <u>Terry B. Callahan</u> Title: <u>Regulatory Specialist III</u>          Signature: <u>Terry B. Callahan</u> Date: <u>10-27-2011</u>          e-mail address: <u>TCallahan@linnenergy.com</u> Telephone: <u>281-840-4272</u></p>	

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CMU #83

OCD Approval: ☐ Permit Application (including closure plan) ☒ Closure Plan (only)

OCD Representative Signature: [Signature]

Approval Date: 10-31-2011

Title: Staff

OCD Permit Number: PI-03850

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: 1/5/12

Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:

Instructions: Please identify 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: CRI (R-360)

Disposal Facility Permit Number: NM01-0006

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): Darren Sooter

Title: Production specialist

Signature: [Signature]

Date: 5/30/14

e-mail address: dsooter@lennenergy.com

Telephone: 575-369-9113

MS Brown  
6/3/2014

**LINN OPERATING, INC.**

**CAPROCK MALIAMAR UNIT #083**

**UNIT O, SEC 20, T-17-S, R-33-E**

**LEA COUNTY, NM**

**API#: 30-025-01493**

**Item #4 Form C-144 CLEZ Attachment**

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**Equipment & Design:**

D&L Meters and Instrument Service, Inc. will use a closed loop system in the plugging and abandonment of this well. The following equipment will be on location:

- (1) 500 bbl steel 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 District 1 office Hobbs (575-393-6161) will be notified, as required in the NMOCD's rule 19.15.29.8.

**Closure**

After plugging and abandonment operations, fluids and solids will be hauled and disposed at CRI's (Control Recovery Inc.) location, permit number NM 01-0019. Secondary site will be Gandy-Marley Disposal, permit number NM 01-0006.