

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, 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
July 21, 2008

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.

1. Operator: COG OPERATING LLC OGRID #: 229137
Address: 550 WEST TEXAS, SUITE 1300 MIDLAND, TX 79701
Facility or well name: CLYDESDALE "1" FEE #2H
API Number: 30-015- 39783 OCD Permit Number: 212309
U/L or Qtr/Qtr UL N Section 1 Township 19S Range 25E County: EDDY
Center of Proposed Design: Latitude N/A Longitude N/A NAD: ☐ 1927 ☐ 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

3. **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

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.
☒ 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 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: CRI Disposal Facility Permit Number: R1966
Disposal Facility Name: GM INC Disposal Facility Permit Number: 711-019-001
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): KELLY J. HOLLY Title: PERMITTING TECH
Signature: [Signature] Date: 10/06/2011
e-mail address: kholly@concho.com Telephone: 432-685-4384

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

OCD Representative Signature: _____

Approval Date: 12/21/2011

Title: DIST # Sepewiso

OCD Permit Number: 212309

8. **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 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: _____ 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

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: _____

Closed Loop Operation & Maintenance Procedure

All drilling fluid circulated over shaker(s) with cuttings discharged into roll off container.

Fluid and fines below shaker(s) are circulated with transfer pump through centrifuge(s) or solids separator with cuttings and fines discharged into roll off container.

Fluid is continuously re-circulated through equipment with polymer added to aid separation of cutting fines.

Roll off containers are lined and de-watered with fluids re-circulated into system.

Additional tank is used to capture unused drilling fluid or cement returns from casing jobs.

This equipment will be maintained 24 hrs./day by solids control personnel and or rig crews that stay on location.

Cuttings will be hauled to either:

CRI (permit number R9166)

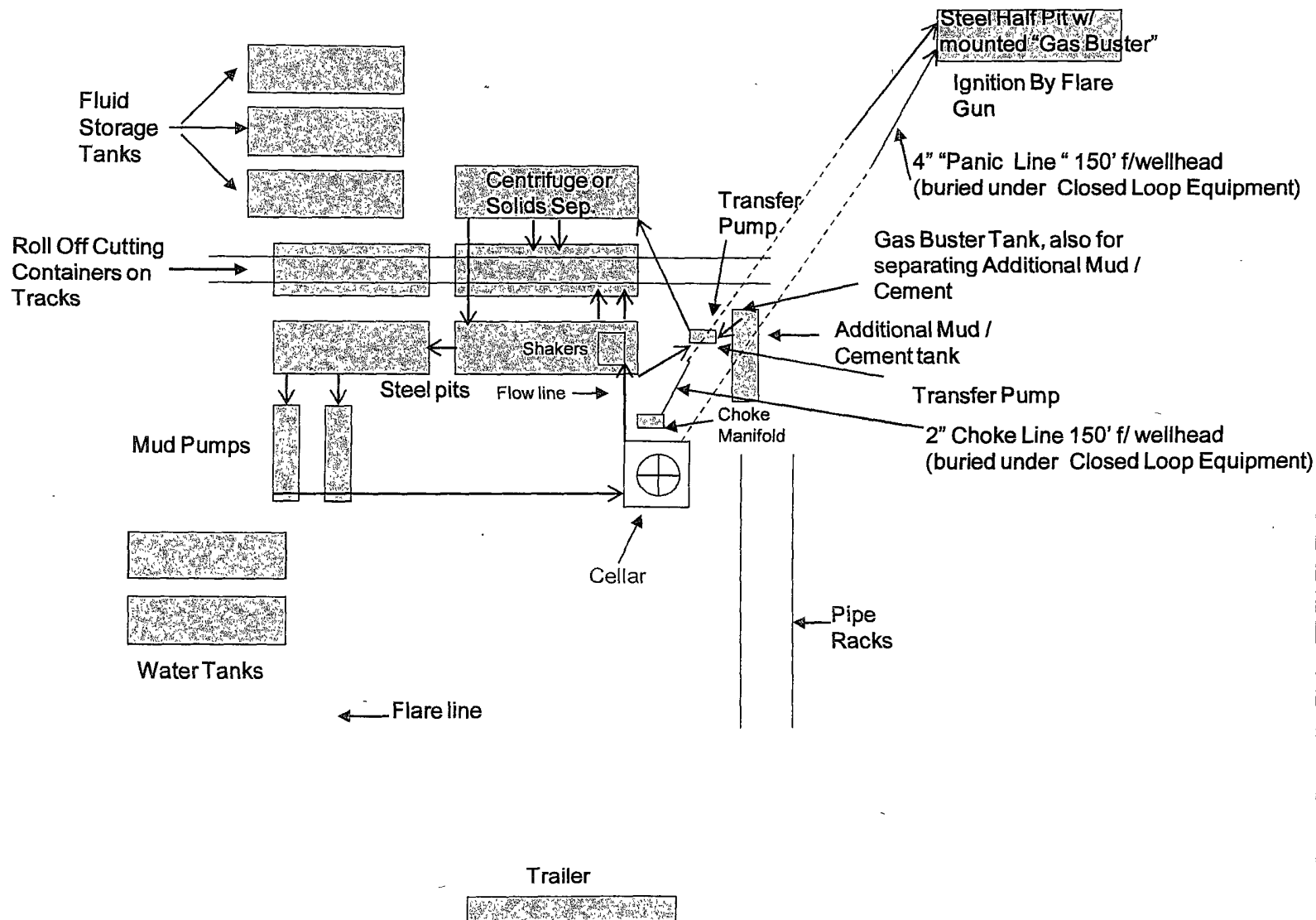
or

GMI (permit number 711-019-001)

dependent upon which rig is available to drill this well.

COG Operating LLC

Closed Loop Equipment Diagram





COG Operating LLC

Eddy County, NM (NAN27 NME)

Clydesdale 1 Fee #2H

Clydesdale 1 Fee #2H

OH

Plan: Plan #1 8-3/4" Hole

SHL = 150' FSL & 1700' FWL

PP = 330' FSL & 1700' FWL

BHL = 330' FNL & 1700' FWL

Standard Planning Report

12 December, 2011





SDI
Planning Report



Database:	EDM.5000.1 Single User Db	Local Co-ordinate Reference:	Site Clydesdale 1 Fee #2H
Company:	COG Operating LLC	TVD Reference:	GL Elev @ 3408 00usft
Project:	Eddy County, NM (NAN27 NME)	MD Reference:	GL Elev @ 3408 00usft
Site:	Clydesdale 1 Fee #2H	North Reference:	Grid
Well:	Clydesdale 1 Fee #2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1 8-3/4" Hole		

Project	Eddy County, NM (NAN27 NME)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	Clydesdale 1 Fee #2H		
Site Position:	Northings:	612,087.30 usft	Latitude: 32° 40' 57 652 N
From: Map	Easting:	466,861 00 usft	Longitude: 104° 26' 27 747 W
Position Uncertainty:	0 00 usft	Slot Radius: 13-3/16 "	Grid Convergence: -0.06 °

Well	Clydesdale 1 Fee #2H		
Well Position	+N/-S	0 00 usft	Northings: 612,087 30 usft
	+E/-W	0 00 usft	Easting: 466,861 00 usft
Position Uncertainty	0 00 usft	Wellhead Elevation:	Ground Level: 3,408 00 usft

Wellbore	OH		
Magnetics	Model Name	Sample Date	Declination (°)
	IGRF2010	2011/12/12	7.96
			Dip Angle (°)
			60 45
			Field Strength (nT)
			48,745

Design	Plan #1 8-3/4" Hole		
Audit Notes:			
Version:	Phase:	PLAN	Tie On Depth: 0 00
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W
	(usft)	(usft)	(usft)
	0 00	0 00	0 00
			Direction (°)
			0 28

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	
2,272 54	0 00	0 00	2,272 54	0 00	0 00	0 00	0 00	0 00	0 00	
3,022 54	90 00	0 28	2,750 00	477 46	2 36	12 00	12 00	0 00	0 28	
7,424 43	90 00	0 28	2,750 00	4,879 30	24 10	0 00	0 00	0 00	0 00	PBHL-Clydesdale 1 #



SDI
Planning Report



Database:	EDM 5000 1:Single User Db	Local Co-ordinate Reference:	Site Clydesdale 1 Fee #2H
Company:	COG Operating LLC	TVD Reference:	GL Elev @ 3408 00usft
Project:	Eddy County, NM (NAN27 NME)	MD Reference:	GL Elev @ 3408 00usft
Site:	Clydesdale 1 Fee #2H	North Reference:	Grid
Well:	Clydesdale 1 Fee #2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1 8-3/4" Hole		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
2,272 54	0 00	0 00	2,272 54	0 00	0 00	0 00	0 00	0 00	0 00
KOP Start Build 12.00°/100'									
2,300 00	3 30	0 28	2,299 98	0 79	0 00	0 79	12 00	12 00	0 00
2,400 00	15 30	0 28	2,398 49	16 91	0 08	16 91	12 00	12 00	0 00
2,500 00	27 30	0 28	2,491 49	53.16	0 26	53 17	12 00	12 00	0 00
2,600 00	39 30	0 28	2,574 93	107 96	0 53	107 96	12 00	12 00	0 00
2,700 00	51 30	0 28	2,645 14	178 90	0 88	178 91	12 00	12 00	0 00
2,701 40	51 46	0 28	2,646 01	179 99	0 89	180 00	12 00	12 00	0 00
PP=330° FSL Clydesdale 1 #2H									
2,800 00	63 30	0 28	2,699 07	262 90	1 30	262 90	12 00	12 00	0 00
2,900 00	75 30	0 28	2,734 36	356 27	1 76	356 27	12 00	12 00	0 00
3,000 00	87 30	0 28	2,749 47	454 93	2 25	454 94	12 00	12 00	0 00
3,022 54	90 00	0 28	2,750 00	477 46	2 36	477 47	12 00	12 00	0 00
EOC hold 90.00°									
3,100 00	90 00	0 28	2,750 00	554 92	2 74	554 93	0 00	0 00	0 00
3,200 00	90 00	0 28	2,750 00	654 92	3 23	654 93	0 00	0 00	0 00
3,300 00	90 00	0 28	2,750 00	754 92	3 73	754 93	0 00	0 00	0 00
3,400 00	90 00	0 28	2,750 00	854 92	4 22	854 93	0 00	0 00	0 00
3,500 00	90 00	0 28	2,750 00	954 92	4 72	954 93	0 00	0 00	0 00
3,600 00	90 00	0 28	2,750 00	1,054 92	5 21	1,054 93	0 00	0 00	0 00
3,700 00	90 00	0 28	2,750 00	1,154 92	5 70	1,154 93	0 00	0 00	0 00
3,800 00	90 00	0 28	2,750 00	1,254 91	6 20	1,254 93	0 00	0 00	0 00
3,900 00	90 00	0 28	2,750 00	1,354 91	6 69	1,354 93	0 00	0 00	0 00
4,000 00	90 00	0 28	2,750 00	1,454 91	7 19	1,454 93	0 00	0 00	0 00
4,100 00	90 00	0 28	2,750 00	1,554 91	7 68	1,554 93	0 00	0 00	0 00
4,200 00	90 00	0 28	2,750 00	1,654 91	8 17	1,654 93	0 00	0 00	0 00
4,300 00	90 00	0 28	2,750 00	1,754 91	8 67	1,754 93	0 00	0 00	0 00
4,400 00	90 00	0 28	2,750 00	1,854 91	9 16	1,854 93	0 00	0 00	0 00
4,500 00	90 00	0 28	2,750 00	1,954 91	9 66	1,954 93	0 00	0 00	0 00
4,600 00	90 00	0 28	2,750 00	2,054 90	10 15	2,054 93	0 00	0 00	0 00
4,700 00	90 00	0 28	2,750 00	2,154 90	10.64	2,154 93	0 00	0 00	0 00
4,800 00	90 00	0 28	2,750.00	2,254 90	11 14	2,254 93	0 00	0 00	0 00
4,900 00	90 00	0 28	2,750 00	2,354 90	11 63	2,354 93	0 00	0 00	0 00
5,000 00	90 00	0 28	2,750 00	2,454 90	12 13	2,454 93	0 00	0 00	0 00
5,100 00	90 00	0 28	2,750 00	2,554 90	12 62	2,554 93	0 00	0 00	0 00
5,200 00	90 00	0 28	2,750 00	2,654 90	13 11	2,654 93	0 00	0 00	0 00
5,300 00	90 00	0 28	2,750 00	2,754 90	13 61	2,754 93	0 00	0 00	0 00
5,400 00	90 00	0 28	2,750 00	2,854 89	14 10	2,854 93	0 00	0 00	0 00
5,500 00	90 00	0 28	2,750 00	2,954 89	14 59	2,954 93	0 00	0 00	0 00
5,600 00	90 00	0 28	2,750 00	3,054 89	15 09	3,054 93	0 00	0 00	0 00
5,700 00	90 00	0 28	2,750 00	3,154 89	15 58	3,154 93	0 00	0 00	0 00
5,800 00	90 00	0 28	2,750 00	3,254 89	16 08	3,254 93	0 00	0 00	0 00
5,900 00	90 00	0 28	2,750 00	3,354 89	16 57	3,354 93	0 00	0 00	0 00
6,000 00	90 00	0 28	2,750 00	3,454 89	17 06	3,454 93	0 00	0 00	0 00
6,100 00	90 00	0 28	2,750 00	3,554 89	17 56	3,554 93	0 00	0 00	0 00
6,200 00	90 00	0 28	2,750 00	3,654 89	18.05	3,654 93	0 00	0 00	0 00
6,300 00	90 00	0 28	2,750 00	3,754 88	18 55	3,754 93	0 00	0 00	0 00
6,400 00	90 00	0 28	2,750 00	3,854 88	19 04	3,854 93	0 00	0 00	0 00
6,500 00	90 00	0 28	2,750 00	3,954 88	19 53	3,954 93	0 00	0 00	0 00
6,600 00	90 00	0 28	2,750 00	4,054 88	20 03	4,054 93	0 00	0 00	0 00
6,700 00	90 00	0 28	2,750 00	4,154 88	20 52	4,154 93	0 00	0 00	0 00
6,800 00	90 00	0 28	2,750 00	4,254 88	21 02	4,254 93	0 00	0 00	0 00



Database:	EDM 5000 1 Single User Db	Local Co-ordinate Reference:	Site Clydesdale 1- Fee #2H
Company:	COG Operating LLC	TVD Reference:	GL Elev @ 3408 00usft
Project:	Eddy County, NM (NAN27 NME)	MD Reference:	GL Elev @ 3408 00usft
Site:	Clydesdale 1 Fee #2H	North Reference:	Grid
Well:	Clydesdale 1 Fee #2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1 8-3/4" Hole		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
6,900 00	90 00	0 28	2,750 00	4,354 88	21 51	4,354 93	0 00	0 00	0 00
7,000 00	90 00	0 28	2,750 00	4,454 88	22 00	4,454 93	0 00	0 00	0 00
7,100 00	90 00	0 28	2,750 00	4,554 87	22 50	4,554 93	0 00	0 00	0 00
7,200 00	90 00	0 28	2,750 00	4,654 87	22 99	4,654.93	0 00	0 00	0 00
7,300 00	90 00	0 28	2,750 00	4,754 87	23 49	4,754 93	0 00	0 00	0 00
7,400 00	90 00	0 28	2,750 00	4,854 87	23 98	4,854 93	0 00	0 00	0 00
7,424 43	90 00	0 28	2,750 00	4,879 30	24 10	4,879.36	0 00	0 00	0 00
PBHL-Clydesdale 1 #2H									

Design Targets										
Target Name	hit/miss target	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PP=330' FSL Clydesdale	- plan hits target center	0 00	0 00	2,646 02	180 00	0 89	612,267 30	466,861 89	32° 40' 59 433 N	104° 26' 27 739 W
	- Point									
PBHL-Clydesdale 1 #2H	- plan hits target center	0 00	0 00	2,750 00	4,879 30	24 10	616,966 60	466,885 10	32° 41' 45 936 N	104° 26' 27 523 W
	- Point									

Plan Annotations					
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment	
		+N/-S (usft)	+E/-W (usft)		
2,272 54	2,272 54	0 00	0 00	KOP Start Build 12 00°/100'	
3,022 54	2,750 00	477 46	2 36	EOC hold 90 00°	



Scientific Drilling for COG Operating LLC
Site: Eddy County, NM (NAN27 NME)
Well: Clydesdale 1 Fee #2H
Wellbore: OH
Design: Plan #1 8-3/4" Hole



SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	2272.54	0.00	0.00	2272.54	0.00	0.00	0.00	0.00	0.00	
3	3022.54	90.00	0.28	2750.00	477.46	2.36	12.00	0.28	477.46	
4	7424.43	90.00	0.28	2750.00	4879.30	24.10	0.00	0.00	4879.36	PBHL-Clydesdale 1 #2H

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
PP=330' FSL Clydesdale 1 #2H	2646.02	180.00	0.89	612267.30	466861.89	32°40' 59.433 N	104°26' 27.739 W	Point
PBHL-Clydesdale 1 #2H	2750.00	4879.30	24.10	616966.60	466885.10	32°41' 45.936 N	104°26' 27.523 W	Point

WELL DETAILS: Clydesdale 1 Fee #2H

	Ground Level	3408.00					
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot	
0.00	0.00	612087.30	466861.00	32°40' 57.652 N	104°26' 27.747 W		

Clydesdale 1 Fee #2H

Created By Julio Pina Date: 12-Dec-11

Checked _____ Date: _____

Reviewed _____ Date: _____

PROJECT DETAILS: Eddy County, NM (NAN27 NME)

Geodetic System US State Plane 1927 (Exact solution)
Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866
Zone: New Mexico East 3001
System Datum: Mean Sea Level

