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.

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

Santa Fe, NM 87505

(that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

Type of action: Permit XX 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 ordinance

environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.		
Operator: LYNX PETROLEUM CONSULTANTS, INC. OGRID #: _013645		
Address: P.O. BOX 1708, HOBBS, NM 88241		
Facility or well name: EDDY 'BD' STATE #3		
ΔPI Number: 30-015-38144 OCD Permit Number: 212894		
U/L or Qtr/Qtr G SWNE Section 32 Township 20S Range 30E County: EDDY		
Center of Proposed Design: Latitude Longitude, NAD: ☐ 1927 ☐ 1983		
Surface Owner: Federal xx State Private Tribal Trust or Indian Allotment		
Closed-loop System: Subsection H of 19.15.17.11 NMAC		
Operation: Drilling a new well XX Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) P&A		
X Above Ground Steel Tanks or Haul-off Bins		
RECEIVED		
Signs: Subsection C of 19.15.17.11 NMAC 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers JUL 0.3 2012		
XX Signed in compliance with 19.15.3.103 NMAC NMOCD ARTESIA		
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:		
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: Sundance Services Inc. Disposal Facility Permit Number: NM-01-0003		
Disposal Facility Name: Anderson #1 Disposal Facility Permit Number: R-12375		
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? \square Yes (If yes, please provide the information below) \boxed{XX} 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 G 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 tr	rue, accurate and complete to the best of my knowledge and belief.
Name (Print): _Debbie McKelvey '	Title: Agent
Signature: .	Date: 4/27/12
e-mail address: debmckelvey@earthlink.net	Telephone: <u>575-392-3575</u>
OCD Approval: Permit Application (including closure plan)	Closure Plan (only) Approval Date: 7/5/12
Title: DIST A Spewish	OCD Permit Number: 212894
8 Closure Report (required within 60 days of closure completion): St. Instructions: Operators are required to obtain an approved closure plate the closure report is required to be submitted to the division within 60 section of the form until an approved closure plan has been obtained a	an prior to implementing any closure activities and submitting the closure report. days of the completion of the closure activities. Please do not complete this
	Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: uids, drilling fluids and drill cuttings were disposed. Use attachment if more than Disposal Facility Permit Number: NM-01-0003
Disposal Facility Name: <u>Anderson #1</u> Disposal F	acility Permit Number: R-12375
Were the closed-loop system operations and associated activities perform Yes (If yes, please demonstrate compliance to the items below)	med on or in areas that will not be used for future service and operations? \overline{XX} No
Required for impacted areas which will not be used for future service an Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	nd operations:
Operator Closure Certification: I hereby certify that the information and attachments submitted with this belief. I also certify that the closure complies with all applicable closure	s closure report is true, accurate and complete to the best of my knowledge and e requirements and conditions specified in the approved closure plan.
Name (Print): _Debbie McKelvey Title: _Agent	<u> </u>
Signature: Dellrie MKely	Date: 7/2/12
c-mail address: <u>debmckelvey@earthlink.net</u>	Telephone: 575-392-3575

C-144 ATTACHMENT

Facility: Eddy BD #3

Item #4

Design Plan

1 - 500 bbl. frac tank will be used

OPERATING AND MAINTENANCE PLAN:

Perform daily walk around, and if leak is detected, the OCD will be notified immediately and the leak will be contained immediately.

CLOSURE PLAN:

Upon completion, tank will be removed, and liquids will be hauled to disposal facility indicated.