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 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 X 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

| environment. Nor does approval reneve the operator of its responsibility to comply with a  | iny other applicable governi                        | nemai aumorny | s rules, regulations of orumances. |  |
|--|---|---------------|------------------------------------|--|
| Operator: Mesquite SWD, Inc.   | OGRID #:  | 161968        |                                    |  |
| Address: P.O. Box 1469, Carlsbad, NM 88221   |   |               |                                    |  |
| Facility or well name:   |   |               |                                    |  |
| API Number: 30-015-24784 OCD F   | Permit Number. 2                                    | 297/          |                                    |  |
| U/L or Qtr/Qtr         E         Section         11         Township         26S   |   |               |                                    |  |
| Center of Proposed Design. Latitude Long   | gitude  |               | 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   |   |               | JUN <b>1 1</b> 2012                |  |
| □ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers  |   |               |                                    |  |
| X Signed in compliance with 19.15.16.8 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 Instructions: Please indentify the facility or facilities for the disposal of liquids facilities are required.  Disposal Facility Name:  | s, drilling fluids and drill                        | cuttings. Use |                                    |  |
| Disposal Facility Name:  |   |               |                                    |  |
| 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) $\square$ No  |   |               | •                                  |  |
| Required for impacted areas which will not be used for future service and operated Soil Backfill and Cover Design Specifications based upon the appropriate Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection   | te requirements of Subsection 1 of 19.15.17.13 NMAC | •             | 5.17.13 NMAC                       |  |

| Operator Application Certification:  |  |  |  |
|--|--|--|--|
| I hereby certify that the information submitted with this application is true, accur   | rate and complete to the best of my knowledge and belief.  |  |  |
| Name (Print).  | Title:   |  |  |
| Signature:   | Date.  |  |  |
| e-mail address:  | Telephone:   |  |  |
| 7. OCD Approval:  Permit Application (including closure plan) Closure Plan   | an (only)  |  |  |
| OCD Representative Signature:  | Approval Date: 07/05/2012  |  |  |
| Title: Dist IP Separ   | OCD Permit Number: 212971  |  |  |
| Closure Report (required within 60 days of closure completion): Subsection Instructions: Operators are required to obtain an approved closure plan prior The closure report is required to be submitted to the division within 60 days of section of the form until an approved closure plan has been obtained and the complete the comple | to implementing any closure activities and submitting the closure report.  The completion of the closure activities. Please do not complete this |  |  |
| 9. Closure Report Regarding Waste Removal Closure For Closed-loop Systems  | That I tilling About Steel Tanks on Houle off Ping Only  |  |  |
| Instructions: Please indentify the facility or facilities for where the liquids, dri<br>two facilities were utilized.  | illing fluids and drill cuttings were disposed. Use attachment if more than  |  |  |
| Disposal Facility Name: Controlled Recovery, Inc.  | Disposal Facility Permit Number: R-9166  |  |  |
| Disposal Facility Name:  | -  |  |  |
| Were the closed-loop system operations and associated activities performed on o  Yes (If yes, please demonstrate compliance to the items below) X No   |  |  |  |
| Required for impacted areas which will not be used for future service and operated Site Reclamation (Photo Documentation)  □ Soil Backfilling and Cover Installation □ Re-vegetation Application Rates and Seeding Technique   | tions:   |  |  |
| 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 requires  |  |  |  |
| Name (Print): Kay Havenor  | Title: Agent   |  |  |
| Signature: Kay Havenor   | Date: 5/16/2012  |  |  |
|  |  |  |  |