District I 1625 N. French Dr., Hobbs, NM 88240 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

July 21, 2008

Form C-144 CLEZ

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

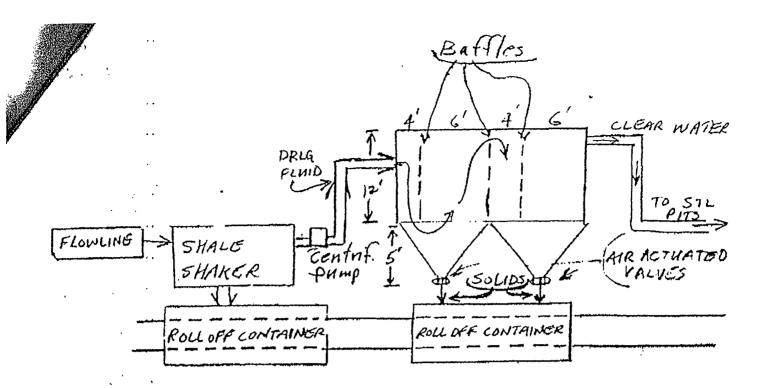
Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority	water, ground water or the y's rules, regulations or ordinances.	
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	6102	
0: 10	610	
Facility or well name:		
70		
	NAD: □1927 □ 1983	
Center of Proposed Design: Latitude Longitude Longitude	NAD; [_]1927 [_] 1983	
Surface Owner: Tederal 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.	OLIVED	
Signs: Subsection C of 19.15.17.11 NMAC 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers	APR 23 2012	
Signed in compliance with 19.15.3.103 NMAC	NMACOD 4	
4	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 bo		
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 NMA Previously Approved Design (attach copy of design) API Number: Previously Approved Operating and Maintenance Plan API Number:	.C and 19.15.17.13 NMAC	
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: CRI Disposal Facility Permit Number: NP	1.01-00b	
Disposal Facility Name: Disposal Facility Permit Number:		
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		
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): Eddie W Seay Title: Agent		
Signature: 511 W Date: 4/19/2012		
e-mail address: Soar 04 @ leach net Telephone: 575. 392.	2236	

OCD Approval: A Permit Application (including closure plan) Closure Plan (only)		
OCD Representative Signature:	Approval Date: 8/3/12	
Title: DIST # Supervisa	OCD Permit Number: 213283	
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 Remoyal 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:	Disposal Facility Permit Number:	
Disposal Facility Name:		
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) \(\sigma\) 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):	Title:	
Signature:	Date:	
e-mail address:	Telephone:	

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OPERATIONAL & MAINTENANCE:

Drilling fluid coming out of Wellborc will go
through flowline across shale shaker. Solids will
drop into roll-off bins. Drilling fluid will be
pumped into containers with baffles as drown
above. Baffles slow fluid relocity to allow
solids to fall down through 6 air actuated
velves into roll-off containers. Clear water
goes out back to drilling fluid steeppits
Solids are hauled to disposal. Leftover
liquid will be hauled to disposal.

BURNETT OIL CO. INC

Operation and Maintenance

Closed Loop equipment will be inspected daily by each tour and any necessary maintenance performed Any leak in system will be repaired and/or contained immediately

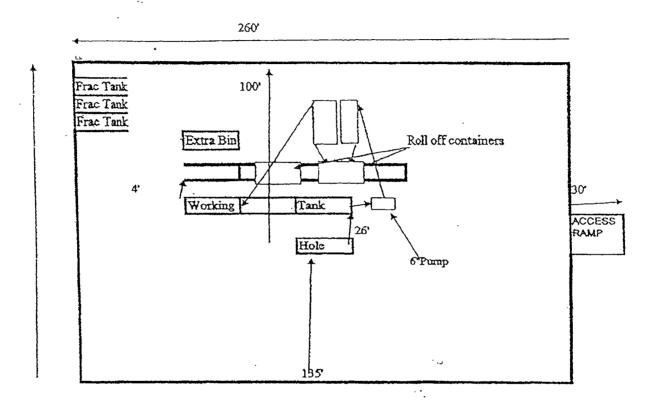
OCD notified within 48 hours

Remediation process started

Closure Plan

During drilling operations all liquids, drilling fluids and cuttings will be hauled off via CRI (Controlled Recovery Incorporated Permit R-9166).

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BURNETT OIL CO., INC. PROPOSED DRILL SITE LAYOUT