

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 Closure

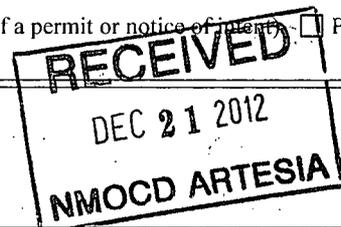
Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, please submit a Form C-144.

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: CLAYTON WILLIAMS ENERGY, INC. OGRID #: 25706
Address: 6 DESTA DRIVE, STE 2100, MIDLAND, TX 79705
Facility or well name: STATE 20B #15
API Number: 30-015-33097 OCD Permit Number: 213731
U/L or Qtr/Qtr H Section 20 Township 17S Range 29E County: EDDY
Center of Proposed Design: Latitude 32° 49' 21.53" N Longitude 104° 05' 21.98" NAD: X 1927 1983
Surface Owner: Federal X State Private Tribal Trust or Indian Allotment

2. X **Closed-loop System:** Subsection H of 19.15.17.11 NMAC
Operation: Drilling a new well X 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

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
X Signed in compliance with 19.15.16.8 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.
X Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
X Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
X 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: R360 Environmental Solutions Disposal Facility Permit Number: R-9166
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) X 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): Debbie McKelvey Title: AGENT
Signature: Debbie McKelvey Date: 12/17/12
e-mail address: debmckelvey@earthlink.net Telephone: 575-392-3575

C-144 ATTACHMENT

Facility: State "20B" #15, 30-015-33097

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.