

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

<b>1.</b>	
Operator: BOPCO, L.P.	OGRID:
Address: P.O. Box 2760, Midland, Texas 79702	
Facility or well name Hudson "I" Federal #10H	
API Number 30-015-37309	OCD Permit Number 210091
U/L or Qtr/Qtr Section I Township 23 S Range 30 E County Eddy	
Center of Proposed Design Latitude N 32.333097	Longitude W 103.831386
NAD: <input type="checkbox"/> 1927 <input type="checkbox"/> 1983	
Surface Owner: <input checked="" type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Tribal Trust or Indian Allotment	
<b>2.</b>	
<input checked="" type="checkbox"/> <b>Closed-loop System:</b> Subsection H of 19.15.17.11 NMAC	
Operation <input checked="" type="checkbox"/> Drilling a new well <input type="checkbox"/> Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) <input type="checkbox"/> P&A	
<input type="checkbox"/> Above Ground Steel Tanks or <input checked="" type="checkbox"/> Haul-off Bins	
<b>3.</b>	
<b>Signs:</b> Subsection C of 19.15.17.11 NMAC	
<input checked="" type="checkbox"/> 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers	
<input checked="" type="checkbox"/> Signed in compliance with 19.15.3.103 NMAC	
<b>4.</b>	
<b>Closed-loop Systems Permit Application Attachment Checklist:</b> Subsection B of 19.15.17.9 NMAC	
<b>Instructions:</b> 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.	
<input checked="" type="checkbox"/> Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC	
<input checked="" type="checkbox"/> Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC	
<input checked="" type="checkbox"/> 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	
<input type="checkbox"/> Previously Approved Design (attach copy of design)	API Number _____
<input type="checkbox"/> Previously Approved Operating and Maintenance Plan	API Number _____
<b>5.</b>	
<b>Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:</b> (19.15.17.13 D NMAC)	
<b>Instructions:</b> 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: Controlled Recovery, Inc	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?	
<input type="checkbox"/> Yes (If yes, please provide the information below) <input checked="" type="checkbox"/> No	
Required for impacted areas which will not be used for future service and operations	
<input type="checkbox"/> Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC	
<input type="checkbox"/> Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC	
<input type="checkbox"/> Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC	
<b>6.</b>	
<b>Operator Application Certification:</b>	
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) Annette Childers	Title: Regulatory Clerk
Signature <i>Annette Childers</i>	Date 9-10-09
e-mail address machilders@basspet.com	Telephone (432) 683-2277

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

OCD Representative Signature: Deurs D. Dade

Approval Date: 03/15/2010

Title: DIST H SUPERVISOR

OCD Permit Number: 210091

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 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 \_\_\_\_\_ 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

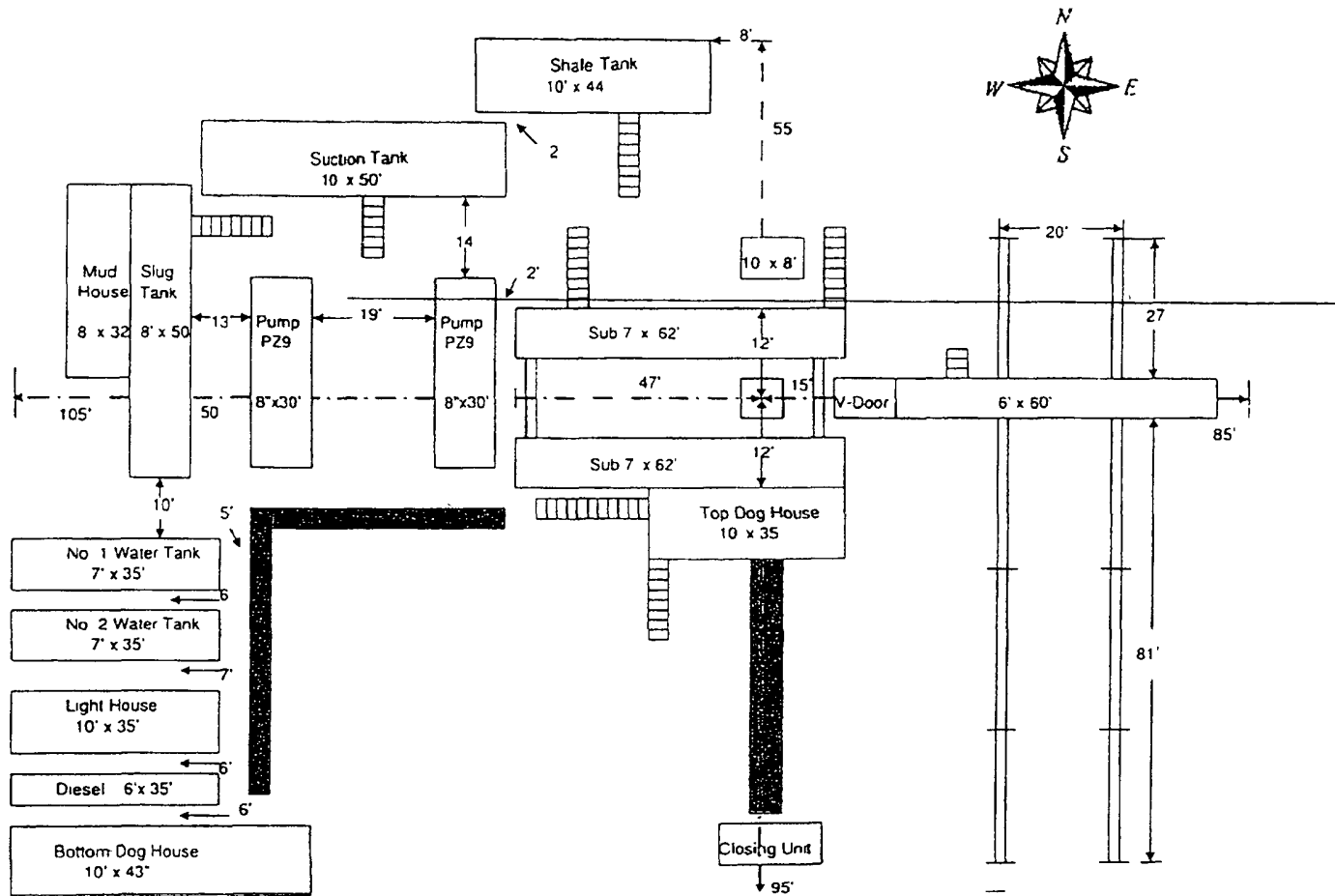
10  
**Operator Closure Certification:**

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: \_\_\_\_\_



**McVAY DRILLING RIG NO.5**  
**RIG LAYOUT SCHEMATIC**  
**INCLUSIVE OF CLOSED-LOOP DESIGN PLAN**

BOPCO , L.P.  
Hudson "1" Federal #10H  
Section 1, T-23-S, R-30-E  
Eddy County, NM

API#

#### OPERATING AND MAINTENANCE PLAN

Closed Loop equipment will be inspected and monitored closely on a daily basis by each tour and any necessary maintenance performed. Any leak in the system will be repaired and/or contained immediately. Within 48 hours should a spill, release or leak occur, the NMOCD District II office in Artesia (575-748-1283) will be notified. Please note that notifications may be made earlier to the district office should a greater release occur. This is in accordance with the reporting requirements specified in NMOCD's Rule 116.

#### CLOSURE PLAN

During and after drilling operations, liquids (which apply), all drill cuttings and drilling fluids will be hauled and disposed of at CRI (Controlled Recovery Incorporated - Permit R-9166)