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

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

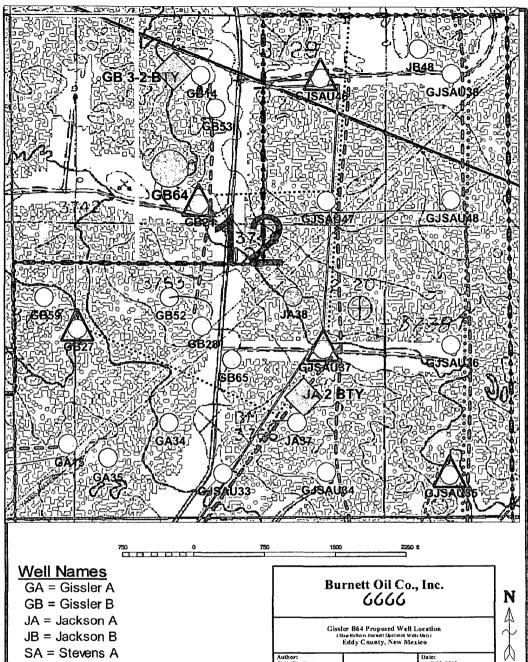
Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, please submit a Form C-144.

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 avironment. Nor does approved relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

environment. Not does approval reneve the operator of its responsionity to comply in	an any color approved go		
Operator: Burnett Oil Co Inc.	OGRID#: 003080	RECE	
Address: 801 Charry St. Unit 9	Fort Worth Tx 76102	CED-0	
Facility or well name: Gissley B 64		SEP U 8	
API Number: 30. 01 5 - 38278 OCD	Permit Number: 210941	NMOCD A	
U/L or Qtr/Qtr F Section 12 Township 17	Range 30 County: Eddy		
Center of Proposed Design: Latitude 31. 851684 Longitude 103. 920 892 NAD: 1927 1983			
Surface Owner: 🖼 Federal 🗌 State 🔲 Private 🔲 Tribal Trust or Indian Allotment			
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			
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers			
Signed in compliance with 19.15.3.103 NMAC			
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: CRL	Disposal Facility Permit Number: NM - 0 (	006	
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:			
e-mail address: Seay 04 @ leaks. net Telephone: 575. 390. 2236			
Form C-144 CLEZ Oil Consurvation			

OCD Approval; Permit Application (including closure plan) Closure Plan (only)		
OCD Representative Signature:	Approval Date: 11/23/2010	
Title: DIS H Sufferusor	OCD Permit Number: 210941	
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.	That Iltilize Above Cround Steel Tanks or Haul off Rins Only	
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) \( \sumsymbol{\substack} \) 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:	

Form C-144 CLEZ



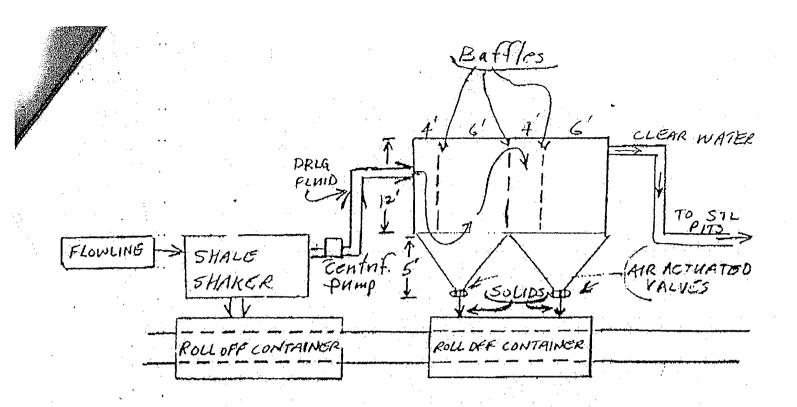
SA = Stevens A

SB = Stevens B

GJSA = Grayburg Jackson San Andres

### Gissler 864

T17S, R30E, Sect 12, Unit F, NMNM2748 1650'FNL, 1650' FWL, GB3-2 Battery Lat/Long: 32.851684, -103.920892



## 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 velocity to allow solids to fall down through 6 air actuated valves into roll-off critainers. Clear water goes out back to drilling fluid stocipits. Solids are hauled to disposal. Leftover lighted 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

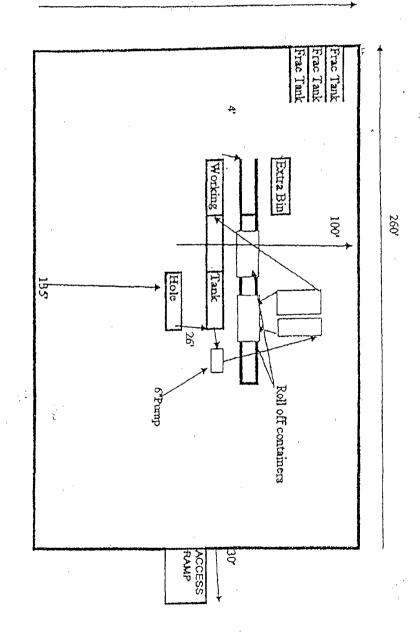
Remediation process started

#### Closure Plan

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

RIG PLAT

50' Of Excess Around Back Of Rig For Water Trucks.



BURNETT OIL CO., INC. PROPOSED DRILL SITE LAYOUT