

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

9256

(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 Williams Production Co, LLC OGRID # 120782
Address PO Box 640 / 721 S Main Aztec, NM 87410
Facility or well name Rosa Unit 332
API Number 3003924929 OCD Permit Number _____
U/L or Qtr/Qtr K Section 22 Township 31N Range 6W County Rio Arriba
Center of Proposed Design Latitude 36 88213 Longitude -107 45462 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
☐ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
☒ Signed in compliance with 19 15 3 103 NMAC

RCVD DEC 2 '11

OIL CONS. DIV.

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.
☒ 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 _____

DIST. 3

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 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 See attached CLP Disposal Facility Permit Number _____
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) _____ Title _____

Signature _____ Date _____

e-mail address _____ Telephone _____

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

OCD Representative Signature: Jonathan D. Kelly

Approval Date: 12/02/2011

Title: Compliance Officer

OCD Permit Number: _____

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: 11/22/2011

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 Envirotech Disposal Facility Permit Number NM-01-0011

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

6
Operator Closure 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) Ben Mitchell Title Regulatory Specialist

Signature B Mitchell Date 12/1/2011

e-mail address ben.mitchell@williams.com Telephone 505-333-1806

Williams Production Co., LLC
San Juan Basin: New Mexico Assets
Closed-Loop System Plan: Drilling/Completion/P&A

In accordance with Rule 19 15 17 NMAC, the following plan describes the general Design & Construction, Operation & Maintenance, and Closure of Closed-Loop systems on Williams Production Co, LLC (WPX) locations in the San Juan Basin of New Mexico.

Closed-Loop Design Plan:

The Closed-Loops System will consist of one or more temporary above-ground tank(s) suitable for holding the cuttings and fluids for rig operations and the planned workover activities. The tank(s) will be of sufficient volume to maintain a safe free-board between disposal of the liquids and solids from rig operations. Additional design considerations include:

- 1 The Closed-loop System used by WPX will not entail a drying pad, temporary pit, below-grade tank or sump
- 2 Fencing is not required for an above-ground closed-loop system
- 3 It will be signed in compliance with 19 15 3 103 NMAC
- 4 A frac tank will be on location to store water
- 5 Tanks will be placed on the active and disturbed areas of the well location and within the existing ROW footprint

Closed-Loop Operations/Maintenance Plan:

The Closed-Loops System will be operated and maintained, to contain liquids and solids, to aid in the prevention of contamination of fresh water sources, in order to protect public health and the environment. The following steps will be followed to attain this goal:

- 1 The liquids will be vacuumed out and disposed of at one of the following facilities depending on the proximity of the well and available disposal volumes Rosa Unit SWD #1 (Order: SWD-916, API 30-039-27055), Jillson Fed. SWD #001 (Order: R10168/R10168A, API 30-039-25465), Middle Mesa SWD #001 (Order: SWD-350-0, API 30-045-27004) and/or Basin Disposal (Permit NM-01-0005)
- 2 Solids in the Closed-Loop tank will be vacuumed out and disposed of at Envirotech (Permit Number NM-01-0011) on a periodic basis to prevent over topping
- 3 No hazardous waste, miscellaneous solid waste or debris will be discharged into or stored in the tank(s). Only fluids or cutting intrinsic to, used or generated by rig operations will be placed or stored in the tank(s).
4. The Division District office will be notified within 48 hours of the discovery of compromised integrity of the Closed-Loop System. Upon discovery of the compromised tank, repairs will be enacted immediately
- 5 All of the above operations will be inspected and a log will be signed and dated. During rig operations the inspection will be daily

Closed-Loop Closure Plan:

The Closed-Loops System will be closed in accordance with 19 15 17 13. This will be done by:

- 1 Transporting cuttings and all remaining sludge to Envirotech (Permit Number NM-01-0011) following rig operations.
- 2 Transport for disposal All remaining liquids will be of in one of the following facilities depending on the proximity of the well and available disposal volumes Rosa Unit SWD #1 (Order: SWD-916, API 30-039-27055), Jillson Fed. SWD #001 (Order: R10168/R10168A, API 30-039-25465), Middle Mesa SWD #001 (Order: SWD-350-0, API 30-045-27004) and/or Basin Disposal (Permit: NM-01-0005)
3. Removal of the tank(s) from the well location as part of the rig move
4. At time of well abandonment, the site will be reclaimed and re-vegetated to pre-existing conditions when possible, or as stipulated by the landowner in a surface use agreement.