

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.

1. Operator: Dugan Production Corp. OGRID # 6515
Address: P.O.Box 420, Farmington, NM 87499
Facility or well name: Mae Gale Com 001
API Number: 3004508042 OCD Permit Number: _____
U/L or Qtr/Qtr E Section 24 Township 29N Range 11W County: San Juan
Center of Proposed Design: Latitude 36.71289N Longitude 107.94929W 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 OCT 5 '12
OIL CONS. DIV.
DIST. 3

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: _____

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: _____ 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:** 10/10/2012
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:** 8/17/2012

9.
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:
Instructions: Please identify 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: Sponge Bob SWD # 001 Disposal Facility Permit Number: SWD-1046
Disposal Facility Name: Sanchez O' Brien SWD # 001 Disposal Facility Permit Number: SWD-694
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) Aliph T Reena **Title:** Production Engineer
Signature: [Signature] **Date:** 10/02/2012
e-mail address: aliph.reena@duganproduction.com **Telephone:** 505-325-1821

DETRICK SERVICES
P.O. Box 655 • Bloomfield, NM 87413
(505) 320-8169 • (505) 632-1453

36924

Customer Rep Tose
Service For Oxygen Production Lease/Well _____
Truck/Trailer 104 - 202 Driver Aldo M. Hu Date 8-15-12
From Mac Gule Com #1 To Spange Bk SWC
Produced Water ☒ Rig Water ☐ KCL ☐ Frac Water ☐ Tank Bottoms ☐ Pits ☐ Other ☐

	BBLS HAULED	START TIME	STOP TIME	STAND BY TIME	REMARKS:
RTO	XXX	AM PM	AM PM		
1	140	2:30 AM PM	6:30 AM PM		4
2		AM PM	AM PM		
3		AM PM	AM PM		
4		AM PM	AM PM		
5		AM PM	AM PM		
6		AM PM	AM PM		
7		AM PM	AM PM		
8		AM PM	AM PM		
9		AM PM	AM PM		
10		AM PM	AM PM		
RTI	XXX	AM PM	AM PM		
TOTAL	140				

ROAD CONDITIONS: ☒ CLEAR ☐ MUD ☐ SNOWPACK ☐ EXTRA ROUGH ☐ EXTRA STEEP ☐ CHAINS REQ

Total Fluid	Water
Top Gauge _____	_____
Bottom Gauge _____	_____
Seal Off _____	On _____

SIGNED: _____
THE SIGNED EMPLOYEE ACKNOWLEDGES THAT THEY WERE NOT INVOLVED IN AN ON THE JOB ACCIDENT/INJURY TODAY

DETRICK SERVICES
P.O. Box 655 • Bloomfield, NM 87413
(505) 320-8169 • (505) 632-1453

34370

Customer Rep Jose
Service For Dugan Production Corp Lease/Well _____
Truck/Trailer 1st Driver Brian Date 8/14/12
From Max Grate Comp # 1 To Springsboro

Produced Water <input type="checkbox"/>	Rig Water <input type="checkbox"/>	KCL <input type="checkbox"/>	Frac Water <input type="checkbox"/>	Tank Bottoms <input type="checkbox"/>	Pits <input type="checkbox"/>	Other <input type="checkbox"/>
BBLS HAULED	START TIME	STOP TIME	STAND BY TIME	REMARKS:		
RTO	XXX	AM PM	AM PM			
1	80	10:45 AM	AM			
2		PM	3:45 PM			Cement Water ; Flow back
3		AM	PM			
4		AM	PM			First ; last level
5		AM	PM			
6		AM	PM			
7		AM	PM			5 Hr
8		AM	PM			
9		AM	PM			
10		AM	PM			
RTI	XXX	AM PM	AM PM			
TOTAL						

ROAD CONDITIONS: ☒ CLEAR ☐ MUD ☐ SNOWPACK ☐ EXTRA ROUGH ☐ EXTRA STEEP ☐ CHAINS REQ.

Total Fluid		Water
Top Gauge _____		_____
Bottom Gauge _____		_____
Seal Off _____		On _____

SIGNED Brian Detrick
THE SIGNED EMPLOYEE ACKNOWLEDGES THAT THEY WERE NOT INVOLVED IN AN ON THE JOB ACCIDENT/INJURY TODAY

DETRICK SERVICES
P.O. Box 655 • Bloomfield, NM 87413
(505) 320-8169 • (505) 632-1453

36837

Customer Rep Jose
Service For Duban Lease/Well _____
Truck/Trailer 106 Driver Bethan Pacheco Date 8-14-12
From MAR GALE CON #1 To SPONGE BOB

Produced Water ☐ Rig Water ☐ KCL ☐ Frac Water ☐ Tank Bottoms ☐ Pits ☐ Other ☐

	BBLS HAULED	START TIME	STOP TIME	STAND BY TIME	REMARKS:
RTO	XXX	AM PM	AM PM		
1	80	11:00 PM	2:00 PM		3
2		AM PM	AM PM		
3		AM PM	AM PM		
4		AM PM	AM PM		
5		AM PM	AM PM		
6		AM PM	AM PM		
7		AM PM	AM PM		
8		AM PM	AM PM		
9		AM PM	AM PM		
10		AM PM	AM PM		
RTI	XXX	AM PM	AM PM		
TOTAL	80				3

ROAD CONDITIONS: ☐ CLEAR ☐ MUD ☐ SNOWPACK ☒ EXTRA ROUGH ☐ EXTRA STEEP ☐ CHAINS REQ.

Total Fluid	Water
Top Gauge _____	_____
Bottom Gauge _____	_____
Seal Off _____	On _____

SIGNED Bethan Pacheco
THE SIGNED EMPLOYEE ACKNOWLEDGES THAT THEY WERE NOT INVOLVED IN AN ON THE JOB ACCIDENT/INJURY TODAY

DETRICK SERVICES
P.O. Box 655 • Bloomfield, NM 87413
(505) 320-8169 • (505) 632-1453

36844

Customer Rep Jose
Service For DUBAN Lease/Well
Truck/Trailer 106 Driver Beltan Pacheco Date 8-15-12
From MAE GALE Adm # 1 To Sponge Bob SWD

	Produced Water <input type="checkbox"/>	Rig Water <input type="checkbox"/>	KCL <input type="checkbox"/>	Frac Water <input type="checkbox"/>	Tank Bottoms <input type="checkbox"/>	Pits <input type="checkbox"/>	Other <input checked="" type="checkbox"/>
	TIME	START TIME	STOP TIME	START TIME	STOP TIME	REMARKS:	
RTO	XXX						
1	35	5:00	6:00				1
2							HAD TO TAKE TO
3							YARD WOULD NOT BE
4							ABLE TO MAKE IT
5							TO THE SPONGE BOB
6							
7							
8							
9		6:00	8:30	7:5			Waited on 3/01-003
10							to open 8/16/12
RTI	XXX						
TOTAL	35						1 / 2.5

ROAD CONDITIONS. ☐ CLEAR ☒ MUD ☐ SNOWPACK ☐ EXTRA ROUGH ☐ EXTRA STEEP ☐ CHAINS REQ.

Total Fluid		Water
Top Gauge		
Bottom Gauge		
Seal Off		On

SIGNED Beltan Pacheco
THE SIGNED EMPLOYEE ACKNOWLEDGES THAT THEY WERE NOT INVOLVED IN AN ON THE JOB ACCIDENT/INJURY TODAY