

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

JUN 28 State of New Mexico
Energy Minerals and Natural Resources
Department
RECEIVED 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 NMOC District Office

Closed-Loop System Permit or Closure Plan Application

(they 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.

Operator: Resaca Operating Company OGRID # 263848
Address: 1331 Lammal St. Ste. 1450, Houston, TX 77010
Facility or well name: Copper 1st Unit #226
API Number: 30-025-09651 OCD Permit Number: Pending P1-04855
U/L or Q/L or Q/R A Section 25 Township 24S Range 36E County Lea
Center of Proposed Design: Latitude _____ Longitude _____ 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

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 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: Sundance Service Inc. Disposal Facility Permit Number: NM-01-0003

Disposal Facility Name: CR R360 Disposal Facility Permit Number: NM-01-0006

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

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): Melanie Reyes Title: Engineer Assistant

Signature: [Signature] Date: 6/27/2012

e-mail address: melanie.reyes@resacexploration.com Telephone: (432) 580-8500

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

OCD Representative Signature: 

Approval Date: 6-28-2012

Title: Staff

OCD Permit Number: P1-04855

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 closing plan.

Name (Print): _____

Title: _____

Signature: _____

Date: _____

e-mail address: _____

Telephone: _____

EXHIBIT No. 1

For Section 4 of FORM C-144 CLEZ

Closed-loop Systems Application Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC

I. Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC

Above-ground steel tanks will be used for the management of all workover fluids. At the completion of workover operations and removal of all equipment, the area will be secured and prepared for production/injection operations.

II. Operating and Maintenance Plan – based the appropriate requirements of 19.15.17.12 NMAC

Resaca Operating Company will operate and maintain all above-ground steel tanks and bins in workover operations in a prudent manner to prevent any leaks/spills. Should a release, leak, or spill occur, the NMOCD District 1 Office in Hobbs will be notified, as required by NMOCD Rule 19.15.29.8. During such upset condition the source of a leak is location and addressed as soon as it is discovered. Free liquids will be removed and loose topsoil will be used to stabilize the leak. Any contaminated soil will either be bioremediated or excavated and taken to an OCD approved disposal facility

Closure Plan – based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

As stated in the attached design and operating and maintenance plans, the proposed closed loop system is self-contained. No temporary, permanent in-ground pits of any type or drying pads will be used; therefore there is no on-site closure. All solids will be contained, transported to an appropriate disposal site and disposed of. All fluids will be collected from the closed loop system and disposed of at an appropriate disposal site or moved to the next site for further service. All closed loop system equipment will be removed from the drill site.

The proper closure reporting requirements from Subsection K of 19.15.17.13 NMAC will be met and reported to the NMOCD.

all distances approx and
not to scale

