District-I 1,625 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

For closed-loop systems that only use above ground steel tanks or haul-off bins and propose

Form C-144 CLEZ

July 21, 2008

MAY - 1 2009

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: X 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 hins and propose to implement w

ctosed-toop system that only use above ground steet talks of made-off bins and propose to implement waste removal for closure, pieuse 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 invironment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.
1,
Operator:Lime Rock Resources A, L.P OGRID #:_255333
Address:Heritage Plaza, 1111 Bagby St., Suite 4600 Houston, TX 77002
Facility or well name: NW State, Well No. 32
Facility or well name: NW State, Well No. 32 API Number: 30-015 - 37058 OCD Permit Number: 0809 318
U/L or Qtr/Qtr M_Lot Section32 Township _17-S Range _28-E County: Eddy
Center of Proposed Design: Latitude N32.784344' LongitudeW104.204615' NAD: X1927
Surface Owner: Federal X State Private Tribal Trust or Indian Allotment
2.
Closed-loop System: Subsection H of 19.15.17.11 NMAC
Operation: X Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)
Above Ground Steel Tanks or X Haul-off Bins
3.
Signs: Subsection C of 19.15.17.11 NMAC
X 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. X Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC X Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC X 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: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? Yes (If yes, please provide the information below) X 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):George R. Smith Title: POA Agent for Lime Rock Resources A. L.P
Signature: Date: 4/24/09
e-mail address:gr.smith130@yahoo.comTelephone:575-623-4940

OCD Approval: Permit Application (including plosure plan) Closure Plan (only)		
OCD Representative Signature: /acqui	Approval Date: 5/18/2008	
Title: Goologist	OCD Permit Number: 0209318	
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 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 operated Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	ions.	
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):		
Signature:	Date:	
e-mail address:	Telephone:	

Lime Rock Resources, NW STATE, Well No. 32 API: 30--

Sec. 32, T17S-R28E: 330' FSL & 330' FWL Eddy Co., NM

DESIGN: Closed Loop System with roll-off steel bins (pits)

CLS/Carlsbad will supply (2) bins () volume, rails and transportation relating to the Close Loop system. Specifications of Close Loop System attached.

Contacts: Tommy Wilson 575-748-6367 Cell Office # 575-885-3996

Closed Loop Specialties: Supervisor: Curtis: 575-706-4605 - Carlsbad Cell

Monitoring 24 hour service

Equipment:

2-Centrifuges (brand): Swaco

2-Rig Shakers (brand): Mongoose

Air pumps on location for immediate remediation process

Layout of Close Loop System with bins, centrifuges and shakers attached.

Cuttings and associated liquids will be hauled to a State regulated third party disposal site: CRI (Controlled Recovery, Inc) Disposal Facility Permit # R-9166

2- CLS Bins with track system 1 500 bbl tank for fresh water

OPERATIONS:

Closed Loop equipment will be inspected daily by each tour and any necessary maintenance performed.

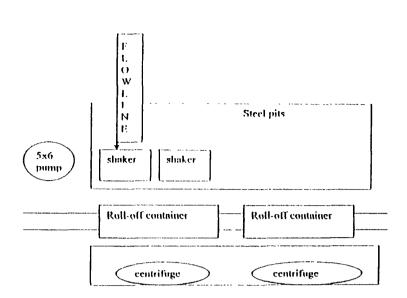
Any leak in system will be repaired and or/contained immediately

OCD will be notified within 48 hours of the spill.

Remediation process started immediately

CLOSURE:

During drilling operations all liquids, drilling fluids and cuttings will be hauled off by CLS (Closed Loop Specialties) to disposal facility, Controlled Recovery, Inc. Permit # R-9166



This will be maintained by 24 hour solids control personnel that stay on location.

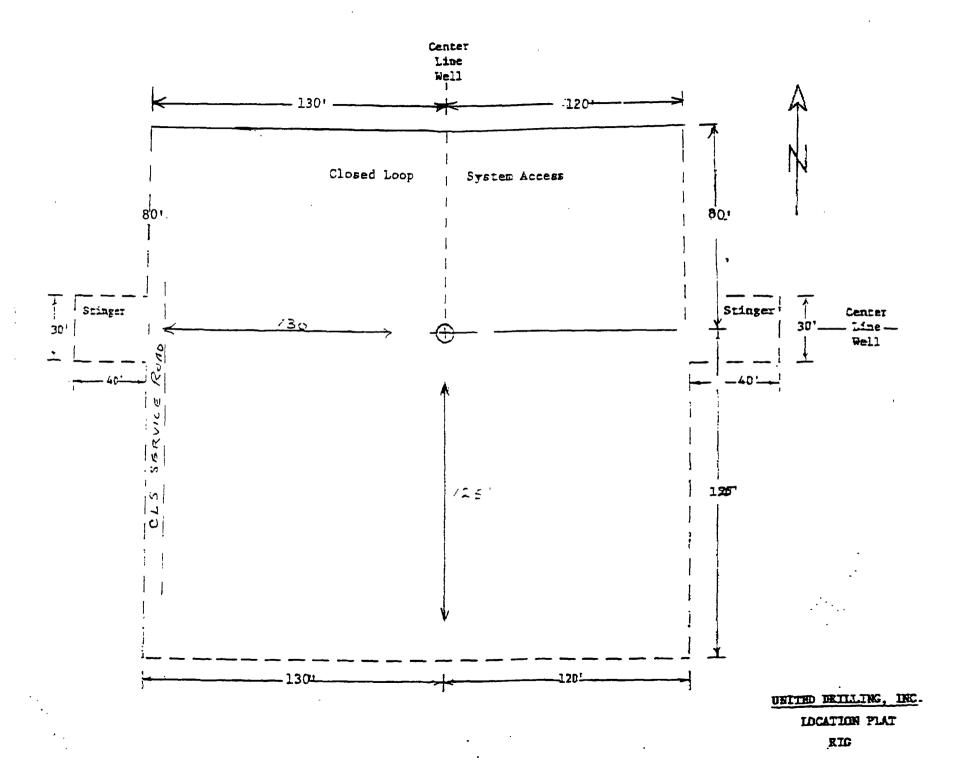
TOMMY WILSON

CLOSED LOOP

SPECIALTY

Office: 575.746.1689

Cell: 575,748.6367



POWER OF ATTORNEY

DESIGNATION OF AGENT

LIME ROCK RESOURCES A, L.P. hereby names the following person as its agent:

Name of Agent: George R. Smith d/b/a/ Energy Administrative Services Company

Agent's Address: P.O. Box 458, Roswell, NM 88202

Agent's Telephone Number: (575) 623-4940

GRANT OF SPECIAL AUTHORITY

LIME ROCK RESOURCES A, L.P. grants its agent the authority to act for it with respect to the following only:

- 1. Executing forms required to be filed with the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department.
- 2. Executive forms required to be filed with the Bureau of Land Management of the Department of Interior of the United States of America.

EFFECTIVE DATE

This power of attorney is effective immediately.

RELIANCE ON THIS POWER OF ATTORNEY

Any person, including the agent, may rely upon the validity of this power of attorney or a copy of it unless that person knows it has terminated or is invalid.

SIGNATURE AND ACKNOWLEDGMENT

LIME ROCK RESOURCES A, L.P.

Name: Charles Adcock

Title: Managing Director - Lime Rock Resources, G.P.

Date: 10/27/2008

Address: 1111 Bagby Street, Suite 4600, Houston, TX 77002

Telephone Number: (713) 292-9512

State of TEXAS County of HARRIS

This instrument was acknowledged before me on UtiVEY 17 by UNIVES UdiVE by WINES UdiVE partnership.

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Signature of notarial officer:
My commission expires:

15,2012

TERRIE POOL Notary Public, State of Texas My Commission Expires August 05, 2012