

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: Yates Petroleum Corporation OGRID #: 025575
Address: 105 South Fourth Street, Artesia, New Mexico 88210
Facility or well name: Qualifier BOP State #1H
API Number: 30-015-38957 OCD Permit Number: 211427
U/L or Qtr/Qtr M Section 32 Township 17S Range 30E County: Eddy
Center of Proposed Design: Latitude N 32.785400 Longitude W 103.001694 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

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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: _____

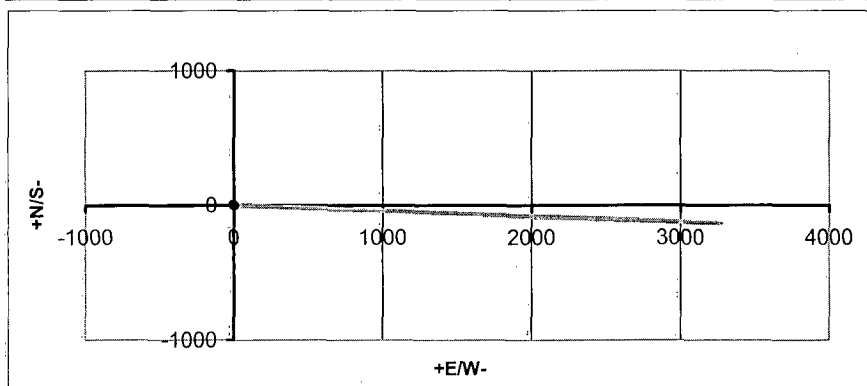
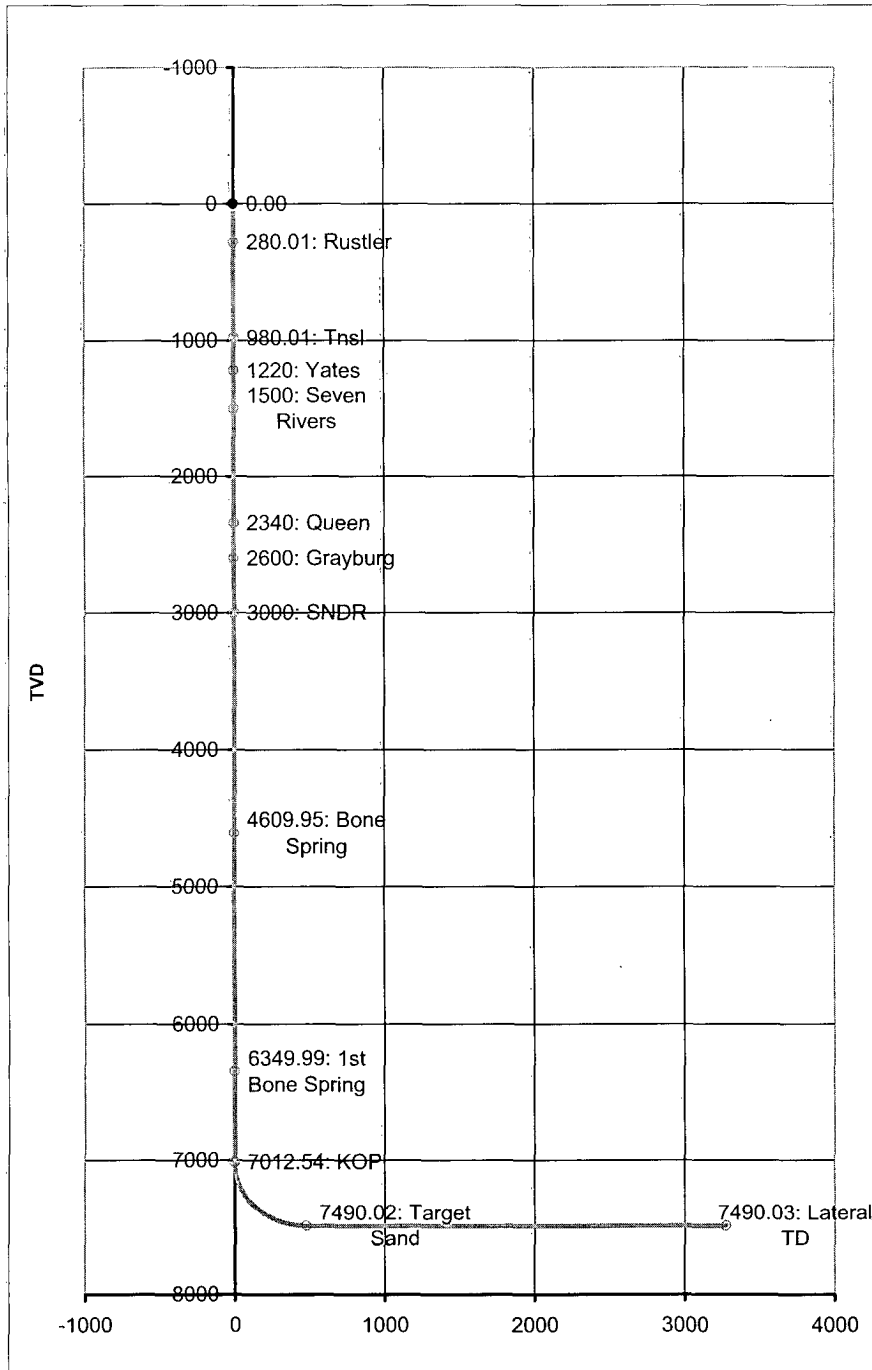
NMOCD ARTESIA

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: Gandy Marley Disposal Facility Permit Number: NM-01-0019
Disposal Facility Name: CRI Disposal Facility Permit Number: R-9166
Disposal Facility Name: Lea Land Farm Disposal Facility Permit Number: WM-1-035
Disposal Facility Name: Sundance Services Inc. Disposal Facility Permit Number: NM-01-0003

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



Co: 0	Units: Feet, ° 7100ft	VS Az: 92.40	Tgt TVD: 7490.00
Drillers: 0	Elevation:	Tgt Radius: 0.00	Tgt MD: 0.00
Well Name: Qualifier BQP State 1H	Northing:	Tgt N/S: -137.27	Tgt Displ.: 0.00
Location: 0	Easting:	Tgt E/W: 3272.91	Method: Minimum Curvature

No.	MD	CL	Inc.	Azi	TVD	VS	+N/S	+EW-	BR	WR	DLS	Comments
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
1	280.01	280.01	0.00	0.00	280.01	0.00	0.00	0.00	0.00	0.00	0.00	Rustler
2	980.01	699.99	0.00	0.00	980.01	0.00	0.00	0.00	0.00	0.00	0.00	TnsI
3	1220.00	240.00	0.00	0.00	1220.00	0.00	0.00	0.00	0.00	0.00	0.00	Yates
4	1500.00	280.00	0.00	0.00	1500.00	0.00	0.00	0.00	0.00	0.00	0.00	Seven Rivers
5	2340.00	840.00	0.00	0.00	2340.00	0.00	0.00	0.00	0.00	0.00	0.00	Queen
6	2600.00	260.00	0.00	0.00	2600.00	0.00	0.00	0.00	0.00	0.00	0.00	Grayburg
7	3000.00	400.01	0.00	0.00	3000.00	0.00	0.00	0.00	0.00	0.00	0.00	SNDR
8	4609.95	1609.94	0.00	0.00	4609.95	0.00	0.00	0.00	0.00	0.00	0.00	Bone Spring
9	6349.99	1740.04	0.00	0.00	6349.99	0.00	0.01	0.00	0.00	0.00	0.00	1st Bone Spring
10	7012.54	662.55	0.00	92.40	7012.54	0.00	0.01	0.00	0.00	13.95	0.00	KOP
11	7100.00	87.46	10.49	92.40	7099.51	7.99	-0.33	7.98	12.00	0.00	12.00	
12	7152.02	52.02	16.73	92.40	7150.04	20.22	-0.84	20.20	12.00	0.00	12.00	
13	7200.00	47.98	22.49	92.40	7195.22	36.32	-1.52	36.29	12.00	0.00	12.00	
14	7300.00	100.00	34.49	92.40	7282.95	83.94	-3.51	83.86	12.00	0.00	12.00	
15	7400.00	100.00	46.49	92.40	7358.86	148.75	-6.23	148.62	12.00	0.00	12.00	
16	7500.00	100.00	58.49	92.40	7419.64	227.93	-9.55	227.73	12.00	0.00	12.00	
17	7600.00	100.00	70.49	92.40	7462.62	318.02	-13.32	317.74	12.00	0.00	12.00	
18	7700.00	100.00	82.50	92.40	7485.93	415.08	-17.39	414.72	12.00	0.00	12.00	
19	7762.53	62.53	90.00	92.40	7490.02	477.44	-20.00	477.02	12.00	0.00	12.00	Target Sand
20	10560.86	2798.32	90.00	92.40	7490.03	3275.76	-137.27	3272.88	0.00	0.00	0.00	Lateral TD