

District I
1625 N French Dr, Hobbs, NM 88240
District II
811 S First St, 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
Revised August 1, 2011

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

8985
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 <u>ENCANA OIL & GAS (USA) INC</u> OGRID #: <u>282327</u> RCVD APR 4 '12	
Address: <u>370 17TH STREET, SUITE 1700 DENVER, CO 80202</u>	
Facility or well name <u>LYBROOK H36-2307 01H</u> OIL CONS. DIV.	
API Number <u>30-043-2117</u> OCD Permit Number: <u>DIST. 3</u>	
U/L or Qtr/Qtr <u>SENE</u> Section <u>36</u> Township <u>23N</u> Range <u>07W</u> County: <u>SANDOVAL</u>	
Center of Proposed Design: Latitude <u>36 18566° N</u> Longitude <u>107.51873° W</u> NAD: <input type="checkbox"/> 1927 <input checked="" type="checkbox"/> 1983	
Surface Owner <input type="checkbox"/> Federal <input checked="" type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Tribal Trust or Indian Allotment	
2. <input checked="" type="checkbox"/> Closed-loop System: Subsection H of 19.15.17.11 NMAC Operation: <input checked="" type="checkbox"/> Drilling a new well <input type="checkbox"/> Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) <input type="checkbox"/> P&A <input checked="" type="checkbox"/> Above Ground Steel Tanks or <input checked="" type="checkbox"/> Haul-off Bins	
3. Signs: Subsection C of 19.15 17 11 NMAC <input checked="" type="checkbox"/> 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers <input type="checkbox"/> Signed in compliance with 19.15.16 8 NMAC	
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. <input checked="" type="checkbox"/> Design Plan - based upon the appropriate requirements of 19 15 17.11 NMAC <input checked="" type="checkbox"/> Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC <input checked="" type="checkbox"/> 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 <input type="checkbox"/> Previously Approved Design (attach copy of design) API Number: _____ <input type="checkbox"/> 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: <u>PLEASE SEE PAGE 2</u> 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? <input type="checkbox"/> Yes (If yes, please provide the information below) <input checked="" type="checkbox"/> No Required for impacted areas which will not be used for future service and operations <input type="checkbox"/> Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC <input type="checkbox"/> Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15 17.13 NMAC <input type="checkbox"/> 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): <u>BRENDAR LINSTER</u> Title: <u>REGULATORY ADVISOR</u> Signature: <u>Brendar Linster</u> Date: <u>09.21.2011</u> e-mail address: <u>BRENDA LINSTER@ENCANA.COM</u> Telephone: <u>720-876-3989</u>	

7. **OCD Approval:** ☒ Permit Application (including closure plan) ☒ Closure Plan (only) *Kelly 4/5/2012*
OCD Representative Signature: *Jonathan D. Kelly* **Approval Date:** *9/26/2011*
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:** *02 12 12*

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: *Envirotech, Inc* **Disposal Facility Permit Number:** *NM-01-0011*
Disposal Facility Name: *Industrial Ecosystems, Inc* **Disposal Facility Permit Number:** *NM-01-0010B*
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): *Brenda R. Linster* **Title:** *Regulatory Advisor*
Signature: *Brenda R. Linster* **Date:** *03 30 12*
e-mail address: *brenda.linster@encana.com* **Telephone:** *720-876-3989*

CONTINUED FROM PAGE 1

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: *Basin Disposal, Inc* **Disposal Facility Permit Number:** *NM-01-005*
Disposal Facility Name: *Envirotech, Inc* **Disposal Facility Permit Number:** *NM-01-0011*
Disposal Facility Name: *Industrial Ecosystem, Inc.* **Disposal Facility Permit Number:** *NM-01-0010B*

District II
811 S First Street, Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Drive, Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

OIL CONSERVATION DIVISION

1220 South St. Francis Drive
Santa Fe, NM 87505

Submit one copy to
Appropriate District Office

AMENDED REPORT

AS-DRILLED

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-043-21117	*Pool Code 42289	*Pool Name LYBROOK GALLUP
*Property Code 38833	*Property Name LYBROOK H36-2307	*Well Number 01H
*OGRID No 282327	*Operator Name ENCANA OIL & GAS (USA) INC.	*Elevation 7265

¹⁰ Surface Location

U. or lot no	Section	Township	Range	Lot 1ch	Feet from the	North/South line	Feet from the	East/West line	County
H	36	23N	7W		1550	NORTH	280	EAST	SANDOVAL

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 10h	Feet from the	North/South line	Feet from the	East/West line	County
E	36	23N	7W		1550	NORTH	330	WEST	SANDOVAL

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No
320.0 Acres - (N/2)			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

15 N89°42'00"W 2613.69' (MEASURED) N88°41'24"W 2614.60' (MEASURED)

