

District I
1625 N. French Dr., Hobbs, NM 88240

HOBBS OCD

State of New Mexico
Energy Minerals and Natural Resources
Department

HOBBS OCD

Form C-144 CLEZ
21-Jul-08

District II
1301 W. Grand Avenue, Artesia, NM 88210

FEB 17 2012

District III
1000 Rio Brazos Road, Aztec, NM 87410

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

JUL 02 2012

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.

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED

RECEIVED

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-looped 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 government authority's rules, regulations or ordinances.

1.

Operator: Apache Corporation OGRID# 873

Address: 303 Veterans Airpark Lane, Ste 3000, Midland, TX 79705

Facility or Well Name: Owen "B" #2

API Number: 30-025-06997 OCD Permit Number: PI-04225

U/L or Qtr/Qtr: L Section 34 Township 21S Range 37E County: Lea

Center of Proposed Design: Latitude _____ Longitude _____ 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 of 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

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: Sundance Services Disposal Facility Permit Number: NM-01-0003

Disposal Facility Name: Controlled Recovery Inc. 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

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) Guinn Burks Title: Reclamation Foreman

Signature: *Guinn Burks* Date: 2/15/2012

e-mail address: guinn.burks@apachecorp.com Telephone: 432-556-9143

7.

OCD Approval: Permit Application (including closure plan) Closure Plan (only) *MS Brown 7/2/2012*

OCD Representative Signature: *[Signature]* Approval Date: 2-22-2012

Title: Staff MGR OCD Permit Number: P1-04225

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: 3/13/12

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: _____ 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 closure plan.

Name (Print) Guinn Burks Title: Reclamation Foreman

Signature: *Guinn Burks* Date: 6-28-12

e-mail address: guinn.burks@apachecorp.com Telephone: 432-556-9143