

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-007-20181
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name VPR B
8. Well Number 01
9. OGRID Number 180514
10. Pool name or Wildcat Van Bremmer Canyon - Vermejo Gas

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☐ Other **Coalbed Methane**

2. Name of Operator
EL PASO E & P COMPANY, L.P.

3. Address of Operator
PO BOX 190, RATON, NM 87740

4. Well Location
Unit Letter **C** : **1085** feet from the **North** line and **2272** feet from the **West** line
Section **02** Township **29N** Range **18E** **NMPM** **Colfax** County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
8,252' (GL)

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: **Recompletion** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: _____

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work).
SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- MIRU Animas Well Service. Pull Rods, Tubing, Production Equipment.
- MIRU Superior and perforate the following Coal Intervals: 863'-870', 1267'-1270', 1311'-1315', 1326'-1329', 1332'-1334', 1450'-1453', 1456'-1459', 1648'-1652', 1805'-1808', 2067'-2073', 2563'-2568', 2629'-2639', 2670'-2672', 2673'-2680'
- MIRU Well Enhancement Services. Jet 1"x 300' laterals @ the following depths: 1313', 1451', 1650', 2069', 2565', 2635', 2676'
- Acidize all intervals using packer and plug. Swab test each interval.
- Fracture stimulate perfs if necessary.
- Run pump, tubing, and rods. Test well and put back on production.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Shirley Mitchell TITLE Regulatory Analyst DATE 10/08/2008
Type or print name Shirley A Mitchell E-mail address: shirley.mitchell@elpaso.com Telephone No. (505) 445-6785
For State Use Only

APPROVED BY: Ed Martin TITLE DISTRICT SUPERVISOR DATE 10/17/08
Conditions of Approval (if any): _____

2008 OCT 16 PM 12 33

RECEIVED

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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: EL PASO E & P COMPANY, L.P. OGRID #: 180514
Address: PO BOX 190 RATON, NEW MEXICO 87740
Facility or well name: VPR B 01
API Number: 30-007-20181 OCD Permit Number: _____
U/L or Qtr/Qtr NWNE Section 02 Township 29N Range 18E County: Colfax
Center of Proposed Design: Latitude N 36 46 51.2737 Longitude W 104 59 59.4795 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

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: VPR B 27 WDW (Water) Disposal Facility Permit Number: API 30-007-20161
Disposal Facility Name: Midway Landfill - Pueblo, Colorado (Frac Sand) Disposal Facility Permit Number: Case # CD-89-003
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): Mike Granger Title: Sr. Staff Production Engineer
Signature: Mike Granger / sm Date: 10/14/08
e-mail address: _____ Telephone: _____

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

OCD Representative Signature: Del Martin

Approval Date: 10/17/08

Title: **DISTRICT SUPERVISOR**

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: _____

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: API

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): _____

Title: _____

Signature: _____

Date: _____

e-mail address: _____

Telephone: _____

**FORM C-144 CLEZ ATTACHMENT
EL PASO E & P COMPANY, L.P.
RATON BASIN
ABOVE GROUND STEEL TANKS**

Closed-Looped Design Plan

In accordance with Rule 19.15.17 NMAC, the following describes the design of a closed-looped system for El Paso E & P Company, L.P. The following describes El Paso E & P Company's standard procedures for a closed-looped system; a separate plan will be submitted for any closed-loop system, which does not conform to this plan.

El Paso E & P Company's closed-loop system will not require a drying pad, temporary pit, below grade tank or a sump. It will include an above ground steel tank suitable for holding the solids and fluids for rig operations. The tank will be of sufficient volume to maintain a safe free board between disposal of the liquids and solids from the rig operations.

- Fencing is not required for an above ground closed-loop system.
- El Paso E & P Company will post a well sign in compliance with 19.15.3.103 NMAC.
- El Paso E & P Company will place a frac tank on location to store fresh water.

Operating and Maintenance Plan (O & M)

El Paso E & P Company's closed-loop system will be operated and maintained to contain liquids and solids to prevent contamination of fresh water sources, to protect public health, and the environment. El Paso E & P Company's O & M plan will include the following steps:

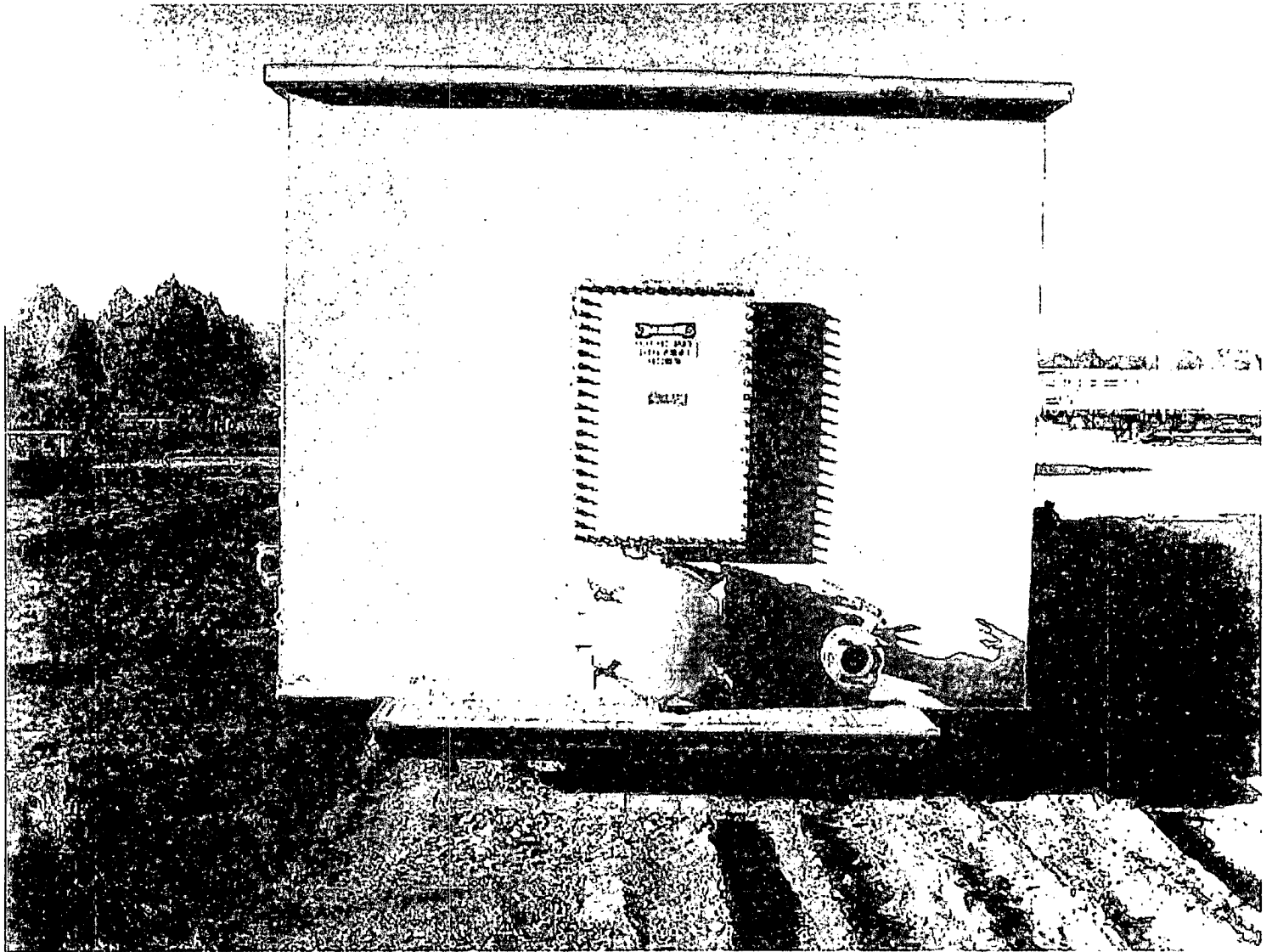
- El Paso E & P Company, will vacuum out the liquids, which will be disposed At one of our nearest Salt Water Disposals located on the Vermejo Park Ranch.
- Solids in the closed-loop tank will be vacuumed out, stored in 55 gallon drums at the mine Warehouse yard, and hauled off by Waste Management, to the Midway Landfill, Pueblo, Colorado ,Case Number CD-89-003, (Certificate attached)
- No hazardous waste, miscellaneous solid waste, or debris will be stored in the tank. Only fluids or cuttings, used or generated by rig operations, will be placed or stored in the tank.
- El Paso E & P Company will notify the Santa Fe District Office within 48 hours, if a discovery of the closed-loop system's integrity is compromised in any way. Upon a discovery of a compromised tank, repairs will be made immediately.
- During rig operations, a daily inspection will be conducted, which will be logged, signed, and dated.

Closure Plan

The closed-loop system will be hauled off within 60 days of completion, and in accordance with Subsection D of 19.15.17.13. This will be done by transporting the liquids to the nearest Salt Water Disposal on the Vermejo Park Ranch; and the solids will be transported by Waste Management to the Midway Landfill. The tank will be removed from the location as part of the rig mob. If any equipment is set off location, El Paso E & P Company will re-seed the disturbed area. Also as part of the abandonment of the well, the location will be re-contoured and re-vegetated to pre-existing conditions when possible.

(Steel Tank Design and Photos attached)

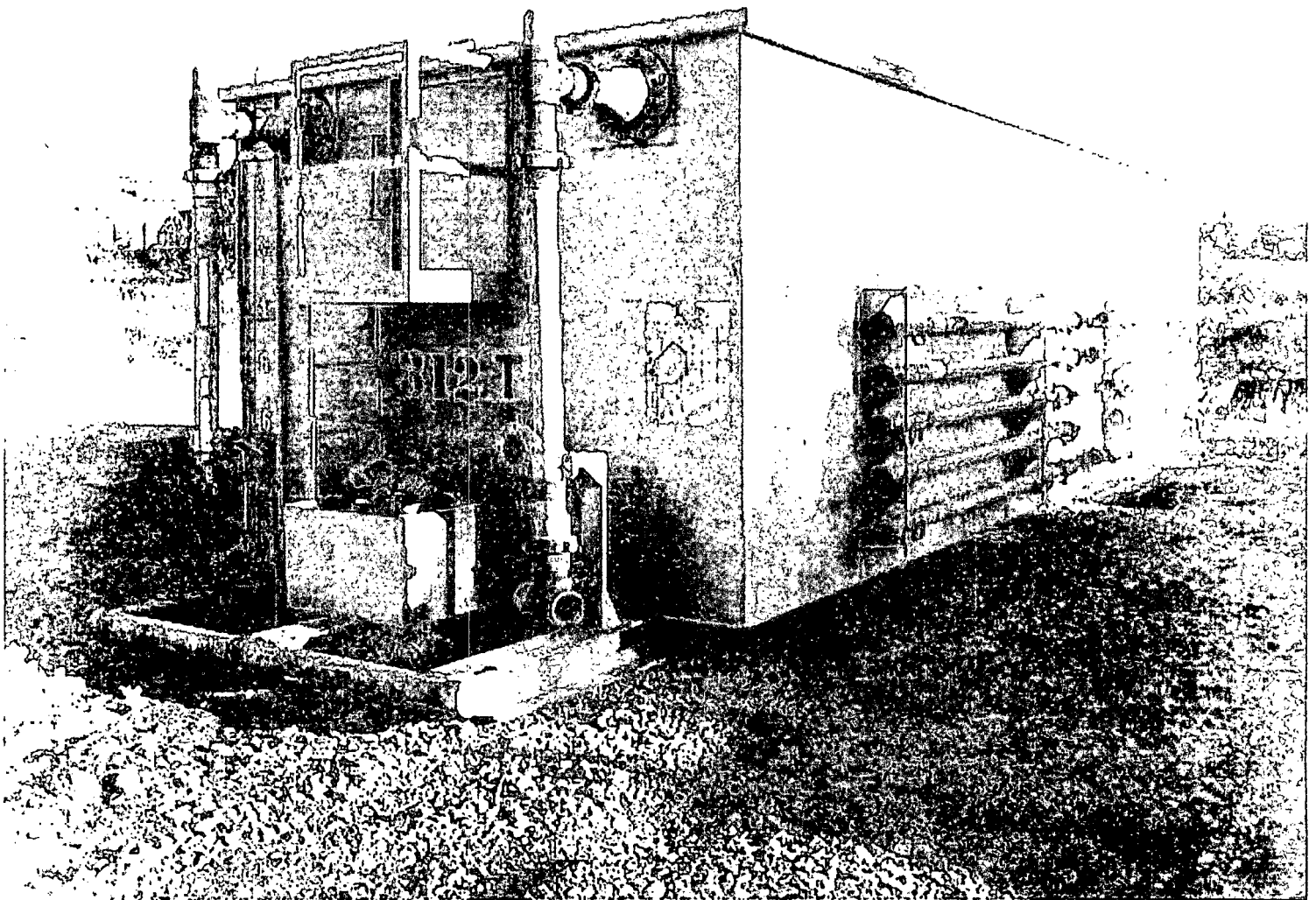
ABOVE GROUND STEEL TANKS
DESIGN DIMENSIONS
7' Wide, 8' Height, 32' Length



ABOVE GROUND STEEL TANKS

DESIGN DIMENSIONS

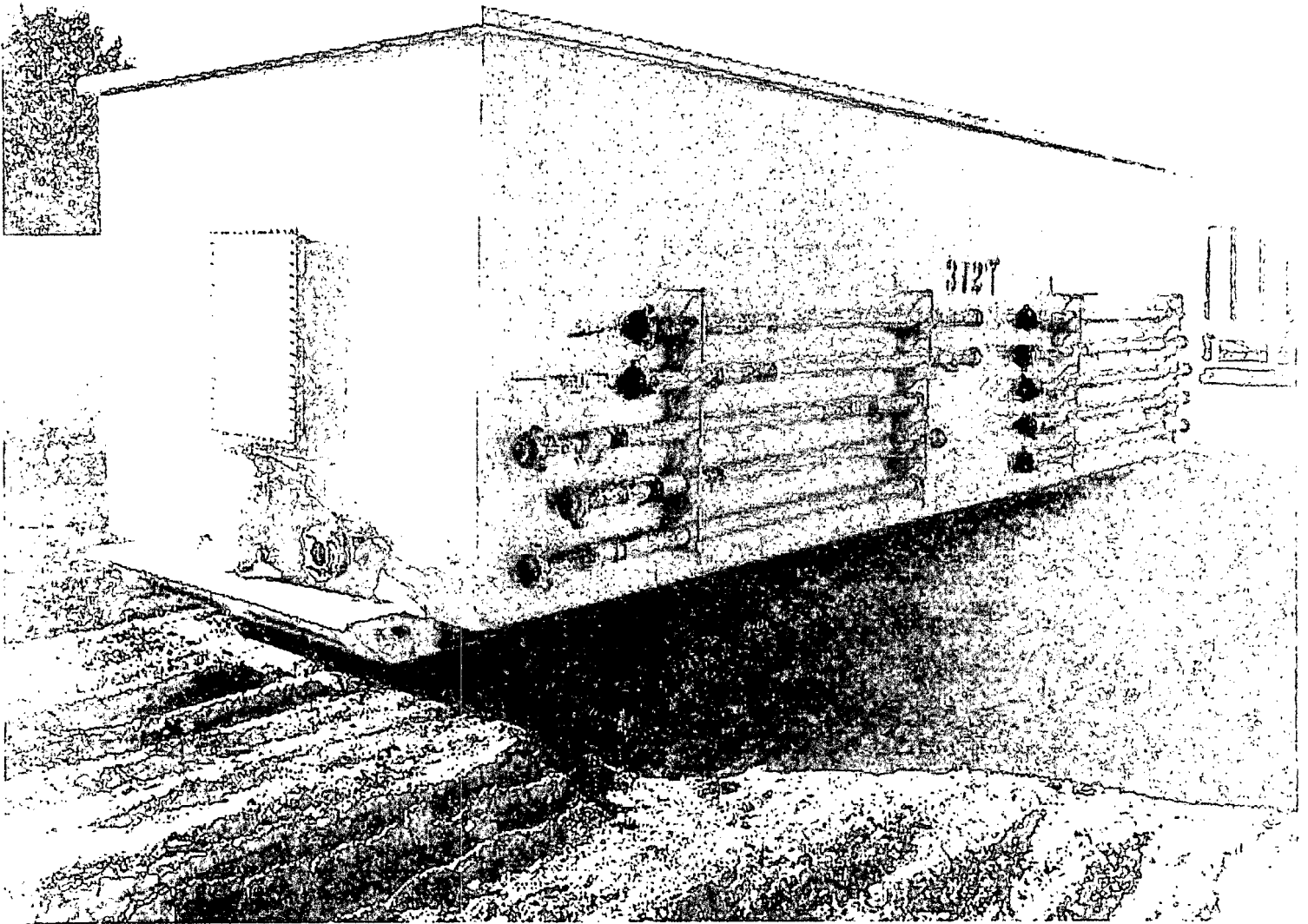
7' Wide, 8' Height, 32' Length



ABOVE GROUND STEEL TANKS

DESIGN DIMENSIONS

7' Wide, 8' Height, 32' Length





WASTE MANAGEMENT
Industrial Waste Sales
7780 E. 96th Ave.
Henderson, CO 80640
(800) 963-4776
(866) 365-0175 Fax
www.wmdisposal.com

Per Section 5. Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:

The "Paraffin Impacted Soils" were disposed of at:

Midway Landfill

8925 Rancho Colorado Boulevard

Pueblo, Colorado 81008

Certificate of Designation – El Paso County, Colorado, Case #CD-89-003

The "Tank Bottom Liquids and Sludges" were disposed of at:

Conservation Services, Inc.

41800 East 88th Avenue

Bennett, Colorado 80102

Certificate of Designation - Adams County, Colorado, Case #86-88-CD

Post-it® Fax Note

7671

To: GARY MOSER from MIDWAY LANDFILL

Date: 11/11/03

Page: 1 of 1



201136845

09/19/2001 02:00
J. Patrick Kelly
El Paso County
Page 1 of 1
\$0.00
\$0.00
Rec

MIDWAY LANDFILL

03/11/2004 10:56 FAX 3825787

BY AUTHORITY OF THE BOARD OF COUNTY COMMISSIONERS
OF EL PASO COUNTY, COLORADO

CERTIFICATE OF DESIGNATION SOLID WASTES DISPOSAL SITE AND FACILITY

In accordance with the provisions of the Colorado Solid Wastes Disposal Sites and Facilities Act, Colorado Revised Statutes, Title 30, Article 20, the Board of County Commissioners of El Paso County, Colorado, hereby designates the following site for a solid wastes disposal site and facility:

WASTE MANAGEMENT OF COLORADO, INC.

Location of Site: PORTIONS OF SECTIONS 20, 22, 27, 28 and 29 IN TOWNSHIP 17 SOUTH, RANGE 65 WEST
OF THE 6TH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO
Type of Site or Facility: SOLID WASTES DISPOSAL SITE AND FACILITY
ALLOWABLE ASSOCIATED USES ONLY

Name & Address of Certificate of Designation Holder: WASTE MANAGEMENT OF COLORADO, INC., 8310 SOUTH VALLEY HIGHWAY, SUITE 200, ENGLEWOOD, COLORADO 80112-5806

- This Certificate is issued subject to the Laws of the State of Colorado and especially under the provisions of Title 30, Article 20, Colorado Revised Statutes as well as Resolution No. 98-459, LAND USE-159 (recorded under reception number 201134239) adopted by the Board of County Commissioners on November 19, 1998, in accordance with Chapter VI of the El Paso County Land Development Code.

- This Certificate of Designation is not transferable or assignable without express consent and approval by the Board of County Commissioners.

- This Certificate of Designation may be temporarily suspended or revoked, after reasonable notice and public hearing, for failure of this site and facility to comply with all applicable laws, resolutions, and approved operational plans and plot plans for the facility, or to comply with the provisions of C.R.S. Title 30, Article 20 or any rule, regulation, or resolution adopted pursuant thereto.

- Any change in operating procedure, or deviation from the Operational Plan, Engineering Design and Operations Report as approved by the Board of County Commissioners requires County approval prior to implementing such change or deviation.

IN TESTIMONY WHEREOF, The Board of County Commissioners has hereunto subscribed its name by its officers duly authorized this 7th day of September, 2001, nunc pro tunc, November 12, 1998.



The Board of County Commissioners, El Paso County

By

Chairman, Board of County Commissioners

Attest

Deputy County Clerk

TO BE POSTED IN A CONSPICUOUS PLACE WITH A COPY OF THE APPROVED ENGINEERING DESIGN
AND OPERATIONS REPORT.