

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 NMOC 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.

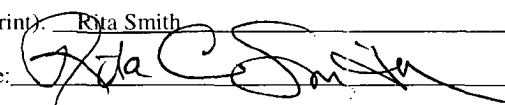
1. Operator: Hess Corporation OGRID #: 495
Address: P.O. Box 840, Seminole, Texas 79360
Facility or well name: Mitchell 1830 Well No. 092F
API Number: 30-021-20494 OCD Permit Number: _____
U/L or Qtr/Qtr F Section 9 Township 18N Range 30E County: Harding
Center of Proposed Design: Latitude N 35° 48' 23" Longitude W 103° 45' 30" 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: 30-021-20494
☐ 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: _____ Disposal Facility Permit Number: _____
Disposal Facility ONSITE: ~~In place burial or~~ deep-trench burial (Onsite deep burial) _____
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): Rita Smith Title: Engineering Technician
Signature:  Date: 8-19-2009
e-mail address: rsmith@hess.com Telephone: 432-758-6726

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

OCD Representative Signature: Ed Martin Approval Date: 9/24/09

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 ONSITE: deep-trench burial 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): Rita C Smith Title: Engineering Technician

Signature: Rita C Smith Date: 08/14/2009

e-mail address: rsmith@hess.com Telephone: (432) 758-6726 office (432) 209-1084 cell

PLAN

Closure ~~Report~~ for Hess Corporation onsite deep-trench burial

After deepening the Mitchell 1830 092F SWD well in June 2009, Hess added some additional cuttings to the drying pan on this well location. In preparation for closing this drying pan, Hess Corporation took a new composite 5 spot soil sample of the dried drilling cuttings in the drying pan on Mitchell 1830-092F. Samples were taken to Cardinal Labs, to perform the same soil analysis that they performed on the original soil sample that was taken in February, 2009, prior to deepening.

Ed Martin District IV Supervisor for the New Mexico Oil Conservation Division advised that if the soil sample test results were clear, he could administratively approve for Hess to bury these drying pan cuttings onsite vs. hauling them to the state approved landfill Gandy Marley Landfarm in Tatum, NM with Permit number 19.

The test results from Cardinal Labs on the second soil sample from the drying pan on Mitchell 1830-092F were emailed to Ed Martin. Ed Martin advised that the samples were sufficient and has given approval for Hess Corporation to bury these cuttings onsite.

Hess Corporation submitted a revised C-144 to Ed Martin District IV Supervisor with the NMOCD for closure regarding the onsite deep-trench burial method of reclamation for this pit.

Attached are the results of this second sampling taken on August 11, 2009. Also attached are the results of the first sampling taken in Feb-09 prior to deepening this well and adding additional cuttings to the drying pan

9/24/09

PER PHONE CALL FROM DANNY HOLCOMB, DEEP-TRENCH
BURIAL WILL BE USED AS CLOSURE FOR THIS PIT.

THIS METHOD IS APPROVED.

THIS C-144 CONSTITUTES A CLOSURE PLAN ONLY.
SEPARATE C-144 DOCUMENTING ACTIVITY AT THE
LOCATION WILL BE REQUIRED AFTER WORK IS
COMPLETED. THIS WORK IS TENTATIVELY SCHEDULED
TO BEGIN THE WEEK OF 8/31/09.

Ed Martin 9/24/09

DISTRICT SUPERVISOR

**Second sampling
Mitchell**

1830-092F

Date of service

08-11-2009



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

August 13, 2009

Danny Holcomb
Hess Corporation
100 NW 7th Street
Seminole, TX 79360

Re: SWD Well (1830-092F)

Enclosed are the results of analyses for sample number H17955, received by the laboratory on 08/07/09 at 4:18 pm.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
------------------	--------------------------

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 4 (includes Chain of Custody)

Sincerely,

Celey D. Keene
Laboratory Director

This report conforms with NELAP requirements.



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
HESS CORP.
ATTN: DANNY HOLCOMB
100 NW 7TH ST.
SEMINOLE, TX 79360
FAX TO: (575) 673-6709

Receiving Date: 08/07/09

Reporting Date: 08/11/09

Project Owner: RICK GILLESPIE (1830-092F)

Project Name: SWD WELL

Project Location: WEST BRAVO DOME

Sampling Date: 08/06/09

Sample Type: SOIL

Sample Condition: COOL & INTACT 5.5°C

Sample Received By: CK

Analyzed By: AB/HM


LAB NUMBER	SAMPLE ID	GRO	DRO	Cl*
		(C ₆ -C ₁₀)	(>C ₁₀ -C ₂₈)	
		(mg/kg)	(mg/kg)	(mg/kg)

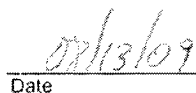
ANALYSIS DATE	08/11/09	08/11/09	08/10/09
H17955-1 1830-092F (2)	<10.0	41.6	1.460
Quality Control	590	584	500
True Value QC	500	500	500
% Recovery	118	117	100
Relative Percent Difference	1.1	0.5	2.0

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; Cl: Std. Methods 4500-ClB

*Analysis performed on a 1:4 w:v aqueous extract. Reported on wet weight.

Not accredited for GRO/DRO and Chloride.


Chemist


Date

H17955 TCL HESS

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



PHONE (575) 393-2328 • 101 E. MARLAND • HOBBES, NM 88240

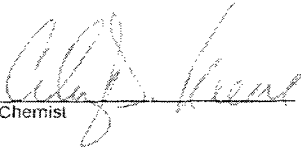
ANALYTICAL RESULTS FOR
HESS CORPORATION
ATTN: DANNY HOLCOMB
100 NW 7TH STREET
SEMINOLE, TX 79360
FAX TO: (575) 673-6709

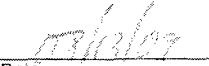
Receiving Date: 08/07/09
Reporting Date: 08/13/09
Project Owner: RICK GILLESPIE (1830-092F)
Project Name: SWD WELL
Project Location: WEST BRAVO DOME

Sampling Date: 08/06/09
Sample Type: SOIL
Sample Condition: COOL & INTACT 5.5°C
Sample Received By: CK
Analyzed By: ZL

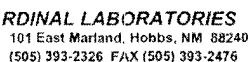
LAB NO.	SAMPLE ID	BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL BENZENE (mg/kg)	TOTAL XYLENES (mg/kg)
ANALYSIS DATE:		08/11/09	08/11/09	08/11/09	08/11/09
H17955-1	1830-092F (2)	<0.025	<0.025	<0.025	<0.075
Quality Control		0.048	0.050	0.051	0.154
True Value QC		0.050	0.050	0.050	0.150
% Recovery		96.0	100	102	103
Relative Percent Difference		<1.0	<1.0	2.1	1.4

METHODS: BTEX - EPA SW-846-8021B
TEXAS NELAP ACCREDITATION T104704398-08-TX FOR BENZENE, TOLUENE, ETHYL BENZENE,
AND TOTAL XYLENES. Reported on wet weight.


Chemist


Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All other claims, including but not limited to, incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

[illegible]

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2475

First sampling
Mitchell

1830-092F

Date of service

02-25-2009



ARDINAL LABORATORIES

101 East Sharland, Hobbs, NM 88240
(505) 393-2326 FAX (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

[illegible]



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
 HESS CORPORATION
 ATTN: DANNY HOLCOMB
 100 NW 7TH STREET
 SEMINOLE, TX 79360
 FAX TO: (575) 673-6709

Receiving Date: 02/20/09
 Reporting Date: 02/25/09
 Project Number: NBD
 Project Name: NBD
 Project Location: NBD

Sampling Date: 02/18/09
 Sample Type: SOIL
 Sample Condition: COOL & INTACT
 Sample Received By: AB
 Analyzed By: ZL/TR

LAB NO.	SAMPLE ID	CI ⁺ (mg/kg)	BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL BENZENE (mg/kg)	TOTAL XYLENES (mg/kg)
ANALYSIS DATE:		02/23/09	02/24/09	02/24/09	02/24/09	02/24/09
H18940-1	1830-092F	256	<0.025	<0.025	0.036	0.211
Quality Control		500	0.058	0.058	0.057	0.173
True Value QC		500	0.050	0.050	0.050	0.150
% Recovery		100	116	116	114	115
Relative Percent Difference		<0.1	<1.0	3.4	2.5	2.9

METHODS: CI - Std. Methods 4500-CI⁺B; BTEX - EPA SW-846-8021B
 *Analysis performed on a 1:4 aqueous extract.

TEXAS NELAP CERTIFICATION T104704398-08-TX FOR BENZENE, TOLUENE, ETHYL BENZENE,
 AND TOTAL XYLENES.


 Chemist


 Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, whether in contract or tort, shall be barred unless the claimant files a written demand for payment with Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services provided by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
HESS CORPORATION
ATTN: DANNY HOLCOMB
100 NW 7TH STREET
SEMINOLE, TX 79360
FAX TO: (575) 873-6709

Receiving Date: 02/20/09
Reporting Date: 02/24/09
Project Number: NBD
Project Name: NBD
Project Location: NBD

Sampling Date: 02/18/09
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: AB
Analyzed By: AB

LAB NUM(SAMPLE ID)	GRO	DRO	EXTENDED	TOTAL
	(C ₆ -C ₁₂) (mg/kg)	(C ₁₂ -C ₂₈) (mg/kg)	(C ₂₈ -C ₃₅) (mg/kg)	(C ₆ -C ₃₅) (mg/kg)
ANALYSIS DATE	02/23/09	02/23/09	02/23/09	02/23/09
H16940-1 1830-092F	<25.0	64.9	<25.0	64.9
Blank	<25.0	<25.0	<25.0	<25.0
Blank Spike	162	182	-	344
Blank Spike Duplicate	188	212	-	400
True Value	200	200	-	400
% Recovery (Ave.)	87.5	98.5	-	93.0
Relative Percent Deviation	14.9	15.2	-	15.1

METHOD: TX 1005

TEXAS NELAP CERTIFICATION T104704398-08-TX FOR TOTAL TPH.

Chemist

Date 02/24/09

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for services. All claims ~~shall be~~ shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise. Remedy shall only be the amount identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.