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

Revised August 1, 2011 For closed-loop systems that only use above

Form C-144 CLEZ

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: X 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. | | |
|---|--|--|
| COOLOREDATING LIC | | |
| Operator: COG. OPERATING, LLC OGRID#: 213179 | | |
| Address: 600 W. ILLINOIS AVE., MIDEAND, TEXAS 79701 | | |
| Facility or well name: WOOLLEY FEDERAL #001 | | |
| API Number: 30-015-04369 OCD Permit Number: 213778 | | |
| U/L or Qtr/Qtr M Section 21 Township 17S Range 30E County: EDDY | | |
| 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 or Drilling (Applies to activities which require prior approval of a permit or notice of intent) | | |
| Above Ground Steel Tanks or Haul-off Bins RECEIVED | | |
| Signs: Subsection C of 19.15.17.11 NMAC | | |
| X 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers JAN 1 4 2013 | | |
| ▼ Signed in compliance with 19 15 16 8 NMAC | | |
| NMOCD ARTESIA | | |
| 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) □ Previously Approved Operating and Maintenance Plan □ API Number: □ API Number: | | |
| Previously Approved Operating and Maintenance Plan API Number: | | |
| 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 indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required. GANDY MARLEY NM 01-0019 | | |
| January 11. 11. 11. 11. 11. 11. 11. 11. 11. 11 | | |
| Disposal Facility Name: R 3 6 0 Disposal Facility Permit Number: NM 01-0006 Disposal Facility Name: 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 | | |
| 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): DAVID A. EYLER Title: AGENT | | |
| Signature: | | |
| e-mail address: deyler@milagro-res.com Telephone: 432.687.3033 | | |

| OCD Approval: Permit Application (including close | sure plant Closure Plan (only) | |
|---|--|--|
| OCD Representative Signature: | Approval Date: 1/15/13 | |
| Title: DOT A Sylen 180 | Approval Date: 1/15/13 OCD Permit Number: 213778 | |
| 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 indentify 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 a Yes (If yes, please demonstrate compliance to the | activities performed on or in areas that <i>will not</i> be used for future service and operations? items below) \(\subseteq \text{No} \) | |
| Required for impacted areas which will not be used for f Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Tec | • | |
| 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: | |