.

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: \square Permit \square 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.

Image: Decision of the corporation		
Address: 303 VETERANS AIRPARK LN., STE. 3000 MIDLAND TEXAS 79705 RECEIVED		
Facility or well name: CROW FEDERAL #24H		
API Number: 30-015- $4/168$ OCD Permit Number: $-4/406C$		
U/L or Qtr/Qtr <u>E</u> Section <u>9</u> Township <u>17 S</u> Range <u>31 E</u> County: <u>EDDY</u> NMOCD ARTESIA		
Center of Proposed Design: Latitude <u>32.851750 Longitude</u> <u>103.882758 W</u> 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)		
\square Above Ground Steel Tanks or \square 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		
 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:		
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.		
Disposal Facility Name: <u>SUNDANCE INCORPORATED</u> Disposal Facility Permit Number: <u>NM-01-0003</u>		
Disposal Facility Name: <u>CRI</u> Disposal Facility Permit Number: <u>NM-01-0006</u>		
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that <i>will not</i> be used for future service and operations?		
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		

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6. Operator Application Certification:		
I hereby certify that the information submitted with this appl	lication is true, accurate and complete to the best of my knowledge and belief.	
Name (Print): SORINA L. FLORES	Title: SUPV OF DRILLING SERVICES	
Signature:Sorina L. Horer	Date: AUGUST 29, 2012	
e-mail address: <u>sorina.flores@apachecorp.com</u>	Telephone: <u>432-818-1167</u>	
7. OCD Approval: Permit Application (including closure plan) Closure Plan (only)		
OCD Representative Signature:	Approval Date: <u>3-7-2013</u>	
Title: Dr.ST & Superiss	OCD Permit Number: 214062	
8. <u>Closure Report (required within 60 days of closure completion)</u> : 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:	
	<u>Slosed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:</u> here the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than	
Disposal Facility Name:	Disposal Facility Permit Number:	
Disposal Facility Name:		
Were the closed-loop system operations and associated activity Yes (If yes, please demonstrate compliance to the item	ties performed on or in areas that <i>will not</i> be used for future service and operations? as below) \square No	
Required for impacted areas which will not be used for futur Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Techniq		
10. Operator Closure Certification:		
I hereby certify that the information and attachments submitte	ed with this closure report is true, accurate and complete to the best of my knowledge and able closure requirements and conditions specified in the approved closure plan.	
Name (Print):	Title:	
Signature:	Date:	
e-mail address:	Telephone:	



DESIGN PLAN, OPERATING & MAINTENANCE PLAN, & CLOSURE PLAN FOR OCD FOR C-144

CROW FEDERAL #24H

DESIGN PLAN

Fluid & cuttings coming from drilling operations will pass over the Shale Shaker with the cuttings going to the Sundance Inc / CRI haul off bin and the cleaned fluid returning to the working steel pits.

Equipment includes:

- 2 500 bbl steel frac tanks (fresh water for drilling)
- 2 180 bbl steel working pits
- 3 75 bbl steel haul off bins
- 2 Pumps (6-1/2" x 10" PZ 10 or equivalent)
- 1 Shale shaker
- 1 Mud cleaner QMAX MudStripper

OPERATING AND MAINTENANCE PLAN

Inspection to occur every tour for proper operation of system and individual components. If any problems are found they will be repaired and/or corrected immediately.

CLOSURE PLAN

All haul bins containing cuttings will be removed from location and hauled to Sundance Incorporated (NM-01-0003) disposal site located 3 miles East of Eunice, NM on the Texas border / Controlled Recovery, Inc's (NM-01-0006) disposal site located near mile marker 66 on Highway 62/180.

Sorina L. Flores Supv. of Drilling Services