

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

Form C-144 CLEZ
Revised August 1, 2011

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: COG Operating LLC OGRID #: 229137
Address: One Concho Center, 600 W Illinois Ave, Midland, TX 79701
Facility or well name: Jenkins B Federal #1
API Number: 30-015-04214 OCD Permit Number: 214/81
U/L or Qtr/Qtr E Section 20 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) ☐ 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 19.15.16.8 NMAC

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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: _____

NMOCD ARTESIA

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: CRI Disposal Facility Permit Number: R1966
Disposal Facility Name: GM INC Disposal Facility Permit Number: 711-019-001
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): Kanicia Castillo Title: Lead Regulatory Analyst
Signature: [Signature] Date: 04/05/13
e-mail address: kcastillo@concho.com Telephone: 432-685-4332

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

OCD Representative Signature: [Signature]

Approval Date: 4/9/2013

Title: Asst. H. Super

OCD Permit Number: 214181

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: CRI Disposal Facility Permit Number: R1966

Disposal Facility Name: GM INC Disposal Facility Permit Number: 711-019-001

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: _____

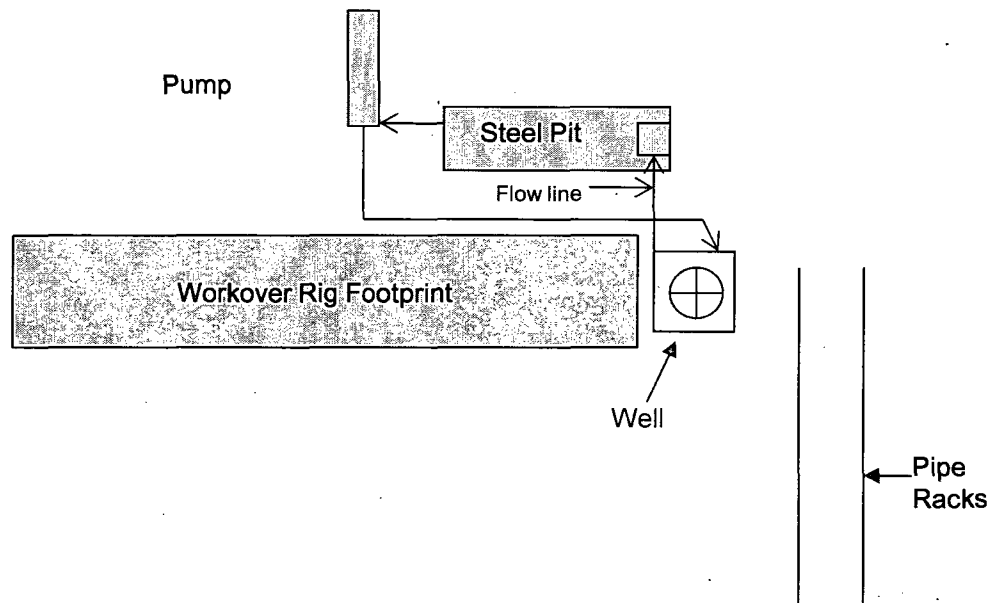
e-mail address: _____ Telephone: _____

Closed Loop Operation & Maintenance Procedure

During each day of operation, the rig's crew will inspect and closely monitor the fluids contained within the steel tank and visually monitor any release that may occur. Should a release, spill or leak occur, the NMOCD District 2 office Artesia (575-748-1283) will be notified, as required in NMOCD's rule 19.15.29.8.

COG Operating LLC

Closed Loop Equipment Diagram –
Workover



Jenkins B Federal #1 – San Andres Recompletion

Well Information

API# 30-015-04214

Surface Location:

- Section - 20
- Township - 17S
- Range - 30E
- 1,650' FNL & 330' FWL
- Eddy County, NM

Well Completion Data

Hole Size (in.)	Casing Size (in.)	Depth Set (ft)	Cement Volume (sx)
12-1/4	10-3/4	479	50
8-1/2	7	3,000	100
6-1/4	4-1/2	4,786	275

Procedure

1. Rig up well service unit.
2. Pull out of the hole with the rods. RIH with fishing tool and latch onto remainder of rods. Detach from progressive cavity pump rotor. Pull out laying down all rods.
3. POOH with tubing, rotor and stator.
4. Rig up wireline service. RIH with 4-1/2" CIBP and 3-1/8" perforating guns.
 - a. Set CIBP @ 4,225' to isolate Glorieta Yeso. Load and test casing to 3000 psig.
 - b. Perforate from 3,818' – 4,100' with 26 total shots using 12 gram ppg 3112-321T charges.
5. Set 4-1/2" x 2-7/8" packer @ 3,750'.
6. Pump 3,000 gals 15% HCL NEFE acid with Claystay. Flush with 30 bbls 2% KCl water.
7. Wait 1 hour. Begin swabbing load back. Swab test will determine next action.
8. If swab test proves zone productive, we will hydraulically fracture interval with 97,950 gals of 15 lb. cross-linked fluid carrying 135,225 lbs. of premium brown 16/30 sand. Otherwise, we will abandon interval.
9. Clean out wellbore to CIBP @ 4,225'. Will not drill out CIBP.
10. Put well on artificial lift. Acquire significant production data on lower San Andres.
11. Rig up well service unit.
12. Pull out of the hole with rods and tubing.
13. Rig up wireline service. RIH with 4-1/2" composite bridge plug and 3-1/8" perforating guns.
 - a. Set CBP @ 3,750'. Load and test casing to 3,000 psig.
 - b. Perforate from 3,414' – 3,694' with 26 total shots using 12 gram ppg 3112-321T charges.
14. Set 4-1/2" x 2-7/8" packer @ 3,365'.
15. Pump 3,000 gals 15% HCL NEFE acid with claystay. Flush with 30 bbls 2% KCl water.
16. Wait 1 hour. Begin swabbing load back. Swab test will determine next action.
17. If swab test proves zone productive, we will hydraulically fracture interval with 97,950 gals of 15 lb. cross-linked fluid carrying 135,225 lbs. of premium brown 16/30 sand. Otherwise, we will abandon interval.
18. Clean out wellbore to CBP @ 3,750'.
19. Put well on artificial lift. Once significant production data is acquired from middle San Andres, the two intervals being tested will be comingled.

Wellbore Schematic

