

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

SEP 23 2008

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: Lime Rock Resources A, L.P. OGRID #: 255333
Address: 1111 Bagby St., Suite 4600 Houston, TX 77002
Facility or well name: Willow Creek BFI State, Well No. 8
API Number: 30-005-64069 OCD Permit Number: _____
U/L or Qtr/Qtr D Section 31 Township 4-S Range 25-E County: Chaves
Center of Proposed Design: Latitude 33.920237 Longitude 104.362599 NAD: X1927 ☐ 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
X 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: Gandy Marley Landfarm Disposal Facility Permit Number: R-19-
Disposal Facility Name: _____ Disposal Facility Permit Number: _____
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): George R. Smith Title: Agent for Lime Rock Resources A, L.P.
Signature: George R. Smith Date: 09/19/08
e-mail address: grsmith1@prodigy.net Telephone: 575-623-4940

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

OCD Representative Signature: _____

TIM W. GUM
DISTRICT II SUPERVISOR
th

Approval Date: _____

11-13-08

Title: _____

OCD Permit Number: _____

0208695

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 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: _____

Lime Rock Resources, WILLOW CREEK BFI STATE, Well No. 8
API: 30--

Sec. 31, T4S-R25E: 990' FNL & 990' FWL Eddy Co., NM

DESIGN: Closed Loop System with roll-off steel bins (pits)

CLS/Carlsbad will supply (2) bins () volume, rails and transportation relating to the Close Loop system. Specifications of Close Loop System attached.

Contacts: Tommy Wilson 575-748-6367 Cell Office # 575-885-3996

Closed Loop Specialties: Supervisor: Curtis: 575-706-4605 - Carlsbad Cell

Monitoring 24 hour service

Equipment:

2-Centrifuges (brand): Swaco

2-Rig Shakers (brand): Mongoose

Air pumps on location for immediate remediation process

Layout of Close Loop System with bins, centrifuges and shakers attached.

Cuttings and associated liquids will be hauled to a State regulated third party disposal site:
Gandy Marley Landfarm, Disposal Facility Permit # R-19

2- CLS Bins with track system
1 500 bbl tank for fresh water

OPERATIONS:

Closed Loop equipment will be inspected daily by each tour and any necessary maintenance performed.

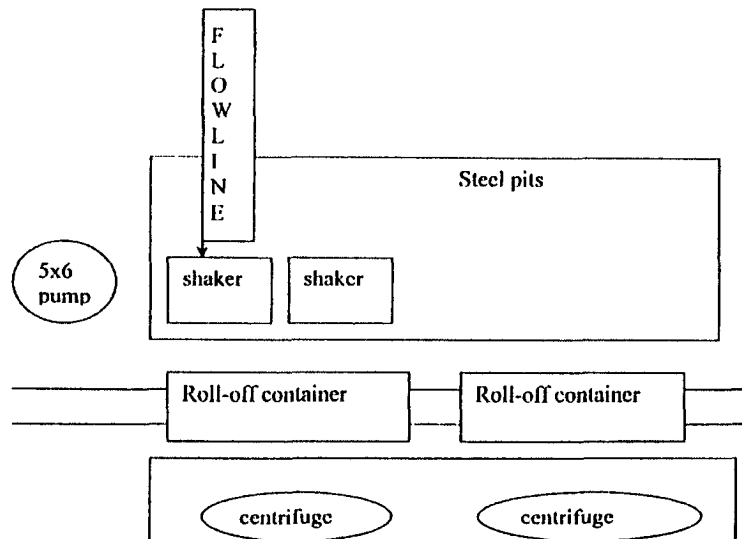
Any leak in system will be repaired and or/contained immediately

OCD will be notified within 48 hours of the spill.

Remediation process started immediately

CLOSURE:

During drilling operations all liquids, drilling fluids and cuttings will be hauled off by CLS (Closed Loop Specialties) to disposal facility, Gandy Marley Landfarm, Permit # R-19



This will be maintained by 24 hour solids control personnel that stay on location.

TOMMY WILSON



**CLOSED LOOP
SPECIALTY**

Office: 575.746.1689

Cell: 575.748.6367

SIGNATURE AND ACKNOWLEDGMENT

LIME ROCK RESOURCES A, L.P.

By: [Signature]

Name: Charles Adcock

Title: Managing Director - Lime Rock Resources, G.P.

Date: 10/27/2008

Address: 1111 Bagby Street, Suite 4600, Houston, TX 77002

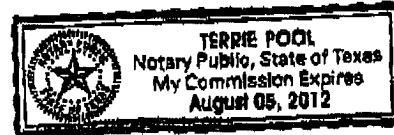
Telephone Number: (713) 292-9512

State of TEXAS
County of HARRIS

This instrument was acknowledged before me on October 27, 2008 by Charles Adcock,
Managing Director of LIME ROCK RESOURCES A, L.P. acting on behalf of said limited
partnership.

Signature of notarial officer: [Signature]

My commission expires: August 5, 2012



FAX COVER SHEET

ENERGY ADMINISTRATIVE SERVICES CO.

P.O. Box 458
Roswell, NM 88202
(505) 623-4940

Send to: New Mexico Oil Conservation Div.	From: George R. Smith Energy Administrative Services Co.
Attention: Mike Bratcher	Date: 10/30/08
Office Location: Artesia, NM	Office Location: Roswell, NM
Fax Number: 575-748-9720	Phone Number: 575.623.4940 Fax is No. 575.623.2556

- ☐ Urgent
- ☐ Reply ASAP
- ☐ Please comment
- ☐ Please Review
- ☐ For your Information

Total pages, including cover: 3

Comments:

Enclosed is the Power of Attorney from Lime Rock Resources A. G.P. appointing me as their Agent with limited Power of Attorney to sign any necessary paper work for NMOCD or BLM. Gayle McQueston, NMOCD lawyer in Santa Fe, has this all worked out with Wayne and Brad how the POA will work to allow me to sign for my clients as well as other agents. This Power of Attorney required the signature of the General Partner of the Limited Partnership to sign. Lime Rock Resources has quite a number of application tied up for this clarification and I am hopeful they can be signed and released. They really need the Willow Creek State wells north of Roswell to start before Dec. 1, 2008.

Thanks, and give me a call if there are any questions. I left a message on your phone today, whenever you find time, please give me a call.

George

POWER OF ATTORNEY

DESIGNATION OF AGENT

LIME ROCK RESOURCES A, L.P. hereby names the following person as its agent:

Name of Agent: George R. Smith d/b/a/ Energy Administrative Services Company

Agent's Address: P.O. Box 458, Roswell, NM 88202

Agent's Telephone Number: (575) 623-4940

GRANT OF SPECIAL AUTHORITY

LIME ROCK RESOURCES A, L.P. grants its agent the authority to act for it with respect to the following only:

1. Executing forms required to be filed with the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department.
2. Executive forms required to be filed with the Bureau of Land Management of the Department of Interior of the United States of America.

EFFECTIVE DATE

This power of attorney is effective immediately.

RELIANCE ON THIS POWER OF ATTORNEY

Any person, including the agent, may rely upon the validity of this power of attorney or a copy of it unless that person knows it has terminated or is invalid.