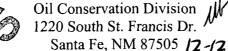
,~District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W Grand Avenue, Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S St. Francis Dr., Santa Fe, NM 87505

State of New Mexico **Energy Minerals and Natural Resources**

Form C-144 CLEZ July 21, 2008

Department





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 hins 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				
Operator: COG OPERATING LLC	OGRID #:	229137	DEC 1 0 2008	
Address: 550 WEST TEXAS, SUITE 1300 MIDLA				
Facility or well name: SKELLY UNIT # 622				
API Number: 30-015- 34831 OCD Permit Number:				
U/L or Qtr/Qtr ULD Section 14 Township	17S Range	31E County:	EDDY	
Center of Proposed Design: Latitude N/A	Longitude	N/A	NAD: □1927 □ 1983	
Surface Owner: Federal State Private Tribal Trust or Indian Allotment				
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				
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 Nu	mber:			
5. <u>Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only</u> : (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.				
		Facility Permit Number:		
Disposal Facility Name:				
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				
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): Phyllis A. Edwards Title: Regulatory Analyst				
Signature: Degles Ce. Heran	del	Date: <u>10-20</u>	-08	
e-mail address: pedwards@conchoresources.com Telephone: 432-685-4340				

A			
OCD Approval: Permit Application (including closure plan) Closure			
OCD Representative Signature:	Approval Date: _ <i>[2-12-08</i>		
Title: DISTRICT II SUPERVISOR	Approval Date: <u>12-12-08</u> OCD Permit Number: <u>020877</u>		
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:			
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 c Yes (If yes, please demonstrate compliance to the items below) No	or in areas that will not be used for future service and operations?		
Required for impacted areas which will not be used for future service and operation Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	itions.		
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:			
e-mail address:	Telephone:		

Closed Loop Operation & Maintenance Procedure

All drilling fluid circulated over shaker(s) with cuttings discharged into roll off container.

Fluid and fines below shaker(s) are circulated with transfer pump through centrifuge(s) or solids separator with cuttings and fines discharged into roll off container.

Fluid is continuously re-circulated through equipment with polymer added to aid separation of cutting fines.

Roll off containers are lined and de-watered with fluids re-circulated into system.

Additional tank is used to capture unused drilling fluid or cement returns from casing jobs.

This equipment will be maintained 24 hrs./day by solids control personnel and or rig crews that stay on location.

Cuttings will be hauled to either:

CRI (permit number R9166) or GMI (permit number 711-019-001)

dependent upon which rig is available to drill this well.

