

Tract I
5 N. French Dr., Hobbs, NM 88240
Tract II
1 W. Grand Avenue, Artesia, NM 88210
Tract III
0 Rio Brazos Road, Aztec, NM 87410
Tract IV
0 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

MAY 17 2010
NMOCD ARTESIA

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.

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.

Operator: COG OPERATING OGRID #: 7577
Address: 505 W TEXAS STE 1300 MIDLAND TX 79701
Facility or well name: CAADCO 9 STATE COM #1
Number: 30-015-30690 OCD Permit Number: _____
Section 6 Township 17S Range 29E County: Eddy
Center of Proposed Design: Latitude _____ Longitude _____ NAD: ☐ 1927 ☐ 1983
Face 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

Is: 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 checked.

- ☒ 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: _____

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 Inc Disposal Facility Permit Number: MM-01-0019
Disposal Facility Name: CRT Disposal Facility Permit Number: B9166

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



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): Gary Foglesong Title: Agent
Signature: [Signature] Date: 4-15-10

Telephone:

I. Design Plan

Above ground steel tanks will be used for the management of all workover fluids.

II. Operations and Maintenance Plan

COG
Devon will operate and maintain all of the above ground steel tanks involved in workover operations in a prudent manner to prevent any spills. If a leak develops, the appropriate division district office will be notified within 48 hours of the discovery and the leak will be addressed. During an upset condition the source of the spill is isolated and addressed as soon as it is discovered. Free liquids will be removed and loose topsoil will be used to stabilize the spill. The contaminated soil will be either bio-remediated or excavated and taken to an agency approved disposal facility.

III. Closure Plan

All workover fluids will go to above ground steel tanks and will be hauled by various trucking companies to an agency approved disposal facility.

Impacted areas which will not be used for future service or operations will be reclaimed and reseeded as stated in the APD.

D Approval: ☒ Permit Application (including closure plan) ☐ Closure Plan (only)

D Representative Signature: Thurs P. Dade **Approval Date:** 05/18/2010
as: Dist. J. Sefers **OCD Permit Number:** 210287

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. 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 portion of the form until an approved closure plan has been obtained and the closure activities have been completed.

☒ **Closure Completion Date:** 04-15-10

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 one facility was utilized.

Disposal Facility Name: _____ **Disposal Facility Permit Number:** _____

Disposal Facility Name: _____ **Disposal Facility Permit Number:** _____

Are 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

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.

Signature (Print): _____ **Title:** _____

Signature: _____ **Date:** _____

Address: _____ **Telephone:** _____

C O G Operations

CONO State 9 com #1

Unit 6 Sec. 9, T-17-S, R-24-E

CHAVES Co., NM

API#: 30-015-30690

Equipment & Design:

C.O.G. - BASIC
State of NM (~~formerly YES Energy, Inc~~) will use a closed loop system in the plug and abandonment of this well. The following equipment will be on location:

- (1) 250 bbl steel reverse tank

Operations & Maintenance:

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 1 office Hobbs (575-393-6161) will be notified, as required in NMOCD's rule 19.15.29.8.

DIS TRACT 2 (1-575-748-1283)
ARTESI A

Closure:

After plugging operations, fluids and solids will be hauled and disposed at Gandy-Marley Disposal's location, permit number NM 01-0019. Secondary site will be
CR1 Disposal, permit number NM A 9166