<u>District I</u> 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

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: X 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.

Places he adviced 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.POGRID #:_255333		
Address:Heritage Plaza, 1111 Bagby St., Suite 4600 Houston, TX 77002		
Facility or well name: Eagle 26 N Federal, Well No.6		
API Number: 30-015-3956 OCD Permit Number: 212093		
U/L or Qtr/Qtr N_Lot Section26 Township17-S Range27-E County: Eddy		
Center of Proposed Design: Latitude _N32.799846' LongitudeW104.249316' NAD: X1927 1983		
Surface Owner: X Federal - State Trivate Tribal Trust or Indian Allotment		
2.  □ Closed-loop System: Subsection H of 19.15.17.11 NMAC  Operation: X 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 X Haul-off Bins		
1 DECEIVED		
Signs: Subsection C of 19.15.17.11 NMAC  V. 12": 24" 22" lattering providing Operator's peace site location and amount a state of the section		
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. NIMOCD ARTESIA]		
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.  X Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC  X Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC  X 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: _Controlled Recovery, Inc Disposal Facility Permit Number:R-9166  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) X 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: POA Agent for Lime Rock Resources A. L.P		
Signature: Date: 6/10/11		
e-mail address:gr.smith1@hotmail.com Telephone:575-623-4940		

OCD Approval: Permit Application (including closure plan)  Closure P	lan (only)	
OCD Approval: Permit Application (including closure plan) Closure P	Approval Date: /1/02/20//	
Title: DIST JE Supervisor	Approval Date: 11/02/2011  OCD Permit Number: 2/2093	
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:		
Olosure 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 Yes (If yes, please demonstrate compliance to the items below) No	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	ions:	
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 A, L.P., EAGLE 26 N FEDERAL, WELL NO. 6 API: 30-

Sec. 26, T17S-R27E, 700' FSL & 2550' 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: CRI (Controlled Recovery, Inc) Disposal Facility Permit # R-9166

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, Controlled Recovery, Inc. Permit # R-9166

#### 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 Oll 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.

# SIGNATURE AND ACKNOWLEDGMENT

LIME ROCK RESOURCES A, L.P.

By:

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 WHY 11 , 100 by MWIS UNIVER WILLIAM DIVICES A, L.P. acting on behalf of said limited

partnership.

Signature of notarial officer

My commission expires:

TERRIE POOL
Notary Public, State of Texas
My Commission Expires
August 05, 2012