State of New Mexico

District I 1625 N French Dr., Hobbs, NM 88240

HOBBS OCPnergy Minerals and Natural Resources

Form C-144 CLEZ July 21, 2008

<u>District II</u> 1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410 JUN 13 2011

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

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.

<u>District IV</u> 1220 S. St. Francis Dr , Santa Fe, NM 87505

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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 ordinance

environment. Nor does approval relieve the operator of its responsibility to comply	with any other applicable governmental authority's rules, regulations or ordinances.	
Operator: Endeavor Energy Resources, LP OGRID #: 190595		
Address: 110 N. Marienfeld Suite 200 Midland, TX 7970		
Facility or well name: Harton # 002		
4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	D Permit Number: P1 - 03365	
U/L or Qtr/Qtr A Section 7 Township 13S	Range 36E County: Lea	
5,2 or 4m 4m 12	Longitude -103.337597 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)		
☑ 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		
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: □ Previously Approved Operating and Maintenance Plan API Number: □ S. 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: Fluid - Gandy Marley Disposal Facility Name: Solids - Gandy Marley	Disposal Facility Permit Number: NM01-0019 Disposal Facility Permit Number: NM01-0019	
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 G 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): Billy E. Prichard	Title: Agent for Endeavor Energy Resources, LP	
Signature: Billy E. Kruhun	Date: 6/7/2011	
e-mail address: billy@nwllc.net	Telephone: 432-934-7680	

OCD Approval: Permit Application (including closure plan) Closure Plan (only)		
OCD Representative Signature:	Approval Date: Db//5/1/	
Title:	OCD Permit Number: P1-03365	
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:		
Schools 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 <i>will not</i> be used for future service and operations? Yes (If yes, please demonstrate compliance to the items below) \sum 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.		
Name (Print):	Title:	
Signature:	Date:	
e-mail address:	Telephone:	

Endeavor Energy Resources, LP Harton # 002

Closed Loop System

Design

Drilling mud will circulate through a closed loop system of steel pits on the surface, mud pumps, piping on the surface. Drilling solids will be removed from the mud with the use of shale shakers and other solid removal equipment. Roll off bins and rails will be installed next to the steel pits so that solids removed from the solids removal equipment fall directly in to the bins. Once a bin is full, it is picked up by a truck and hauled to disposal. An empty bin is moved under the solids control equipment along the rail so that the solids control equipment can operate continuously.

Operations and Maintenance

Drilling rig personnel will monitor the operation and maintenance of the solids control equipment 24 hours a day while drilling. If equipment problems are identified the solids control equipment will repaired or replaced. Drilling rig personnel will monitor the level of solids in the roll-off bins and arrange for trucks to pick up the bins when they are filled.

Closure Plan

Cuttings and other solids will be hauled off to permitted landfill according to NMOCD guidelines. Liquids will be re-used to the extent possible, but if liquids need to be disposed of, they will also be hauled to a permitted disposal facility.

For the Harton # 002 well, both solids and liquid water will be taken to the Gandy- Marley facility *NM01-0019* located between Tatum and Roswell, New Mexico

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