HOBBS OCD

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RECEIVED

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

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: Enstor Grama Ridge Storage and Transportation, LLC OGRID #: 234255

Address: 20329 State Highway 249, Suite 400, Houston, TX 77070

Facility or well name: Grama Ridge Federal, 8817 JV-P #1

API Number: 30-025-30686 OCD Permit Number: PI-03496

U/L or Qtr/Qtr B Section 9 Township 22S Range 34E County: Lea

Center of Proposed Design Latitude W103 deg, 28 mm, 22.10 sec Longitude N32 deg, 24 mm, 40.51 sec. 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) ☐ 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

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 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: See Attached Disposal Facility Permit Number: See Attached

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): Daryl W. Gee Title: Director, Regulatory Affairs & Land Managment

Signature: Date: 08/03/11

e-mail address: daryl.gee@enstoreinc.com Telephone: (281) 374-3062

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

OCD Representative Signature: Maley A Brown **Approval Date:** 7/21/2011

Title: Compliance Officer **OCD Permit Number:** BI-03496

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 _____

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)

Disposal Facility Name: Triassic Park Waste Disposal Facility (Grandy Marley, Inc.)
Disposal Facility Permit Number: NM0001002484

Disposal Facility Name: Parabo Disposal Facility (Sundance Services, Inc.)
Disposal Facility Permit Number: NM 1-3-0

Disposal Facility Name: Halfway Disposal Facility (CRI)
Disposal Facility Permit Number: R9166

Design Plan:

- Frac Tank

Operating and Maintenance Plan:

- A portable Frac Tank will be placed at the location for the drilling fluids.
- A walk around the tank to inspect for leaks will be completed daily.
- If any leaks are detected, the OCD will be called immediately.

Closure Plan:

- When complete, a pump truck will drain the tanks and take drilling fluid away for handling.

ENSTOR GRAMA RIDGE STORAGE & TRANSPORTATION LLC

GRMU #7 (GRAMA RIDGE FEDERAL 8817 JV-P #1/BTA #1)

PROPANE FRACTURE STIMULATION

LOCATION IS IN THE NE1/4 OF SEC 9, T22S R34E, LEA CTY., NM

June 3, 2011

Step No.	Activity
1	Remove well piping and move out of way.
2	Install Tubing/Tree Saver and hydraulic controlled valve on top of tree (Saver ID 2.416") Test flanged connections to 10,000 psi with N2.
3	Survey site, decide how to spot equipment.
4	MIRU fracturing, flow back (including self igniting flare) and safety equipment.
5	Spot frac tank and fill with 300 bbl of fresh water.
6	Install frac valving on well.
7	Connect flowback lines to well and test.
8	Connect high pressure frac lines to well and perform low pressure and high pressure tests.
9	MIRU kill truck with 6% KCl water.
10	Install a gauge and 5000 psi relief valve on 4-1/2"X7" annulus outlet and pressure annulus to 2500 psi with KCl water and close in and monitor. Bleed pressure as necessary during frac job to maintain 2500 psi but do not exceed 7500 psi differential pressure between tubing and annulus pressures.
11	Perform frac job.
12	Following frac job, shut in well, bleed off annulus pressure and purge high pressure frac lines to flare with N2
13	RDMO frac, flowback and safety equipment.
14	RU electric wireline unit, wireline BOP and lubricator. Test lubricator to greater of 1000 psi with N2 or to well pressure. GIH and tag bottom and run termperature log. RDMO.
15	Reconnect well piping for injection/delivery.