1625 N. French Dr., Hobbs, NM 88249 HOBBS OCD Diefrict, B

e-mail addrss. shermapecoscompanies.com

1000 Rio Brazos Road, Az'ec, NM 874 NOV 18 2011 District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 RECEIVED

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 Revised August 1, 2011

For closed-loop systems that only use above ground steel tanks or haid-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 us, above ground steel tanks or haul-off him 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 houl-off bins and propose to implement waste removal for closure, please submit a 1 orm 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. ... OGRID#. 246798 * Operating Company, LLC_ Acdress. 125 W. Missouri Ave., Suite 450 Midland, TX 79701 Pacifity or well name. STATEL GA # ... API Number 30-025-03682 OCD Permit Number Applied for Section [6] Township 158 Range 36's County: Lea _ Center of Proposed Design. Latitude 33° 01' 36.66"N Longitude 103° 18' 40.14"W Surface Owner. Thederal La State Aprivate La Tribal Trust or Indian Allotment XI Closed-loop System: Subsection U of 19 15 17.11 NMAC Operation: [1] Orilling a new well [2] Workover or Dralting (Applies to activities which require prior approval of a permit or notice of intent). [1] P&A (X) Above Ground Steel Lanks or [1] Hand-off Bins Signs: Subsection C of 19.15.17.11 NMAC [x] 12"x 24", 2" lettering, providing Operator's name, set location, and emergency telephone numbers Signed in compliance with 19 15.16.8 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 Itemously Approved Design (attach copy of design) Proviously Approved Operating and Manaet ance Plan API Number Waste Removal Closure For Closyd-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. "Tuids only--No solids auticipated Disposal Facility Name, STAT 1 GA #4 Disposa' Facility Permit Number: SWD-11832 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 Lof 19.15 17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection Coof 19.15.17.13 NMAC Operator Application Certification: Thereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief. Title: Regulatory Clerk Date: 11-18-11

Telephone, 432-620-8480

OCD Approval: Permit Application (including closure plan) Closure Plan (only)		NOV 29 2011
OCD Representative Signature: Approval Date:		
Title: "Ethan bun Emiliar	OCD Permit Number:	P1-03938
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:		
2. Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Hauf-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:	· · · · · · · · · · · · · · · · · · ·	
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) Soit 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)		
Signature: Date.		
o-mail address:		

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State GA #1 Re-Entry

Site Plan

