

District I  
1625 N French Dr., Hobbs, NM 88240  
District II  
811 S First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr., Santa Fe, NM 87505

HOBBS OCD

DEC 05 2011

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 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: ASPEN OPERATING COMPANY, L.L.C. OGRID #: 217598  
Address: 801 CHERRY ST., SUITE 810, FORT WORTH, TX 76102  
Facility or well name: STATE AC (SWD) #0001  
API Number: 30-025-03646 OCD Permit Number: 24592 **PI-03733**  
U/L or Qtr/Qtr N Section 15 Township 10S Range 36E County: LEA  
Center of Proposed Design: Latitude 33.44159 Longitude -103.246 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 **REPAIR SWD**  
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 19.15.16.8 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 identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.  
OGRID 162928  
Disposal Facility Name: DKD now owned by Energen Resources, CORP Disposal Facility Permit Number: 132267  
Disposal Facility Name: Gandy Corp. Treating Plant Disposal Facility Permit Number: ORDER NO. NM1-25-0  
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): MICHAEL WILSON

Title: PRODUCTION MANAGER

Signature: Mike Wilson

Date: 9/20/2011

e-mail address: mwilson@aspen-oil.com

Telephone: 817-455-2311

DEC 12 2011

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

**OCD Representative Signature:** [Signature] **Approval Date:** \_\_\_\_\_

**Title:** Staff Writer **OCD Permit Number:** PI-03733

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.

No Closure Necessary ☐ **Closure Completion Date:** 11/24/11 RDMC

9. **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 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

No fluids handled

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):** Michael Wilson **Title:** Production Manager

**Signature:** [Signature] **Date:** 11/29/11

**e-mail address:** mwilson@aspen-oil.com **Telephone:** 817-455-2311

## **CLOSED-LOOP SYSTEMS PERMIT APPLICATION ATTACHMENT**

**RE: C-144CLEZ FINAL REPORT: State AC #1, 30-025-03646**

**11/22/11**      There were no fluids released or hauled off lease during the course of the job.  
No spillage to report. Close loop system has been disassembled and location  
cleaned. --Anthony Rowland--

---

RE: C-144CLEZ

Submitted for repair of State AC #1 (SWD), 30-025-03646, N 15-10S-36E, Lea County, NMX.

**BOX #4:**

**Design Plan:**

Aspen Operating Company, L.L.C. (Aspen) plans to use a vacuum truck and steel tank to hold up to 300 barrels of fluid and waste from the repair and workover operation of the subject well.

**Operating and Maintenance Plan:**

Aspen plans to inspect the truck, steel tank and equipment for leaks during operations. In the event a leak is found, then Aspen will shut down for repairs and notify the OCD District I Office in Hobbs, NMX.

**Closure Plan:**

After the repair of the subject well, and in the event we encounter mud and cuttings, Aspen will have the trucking company haul the waste to Gandy Corp Treating Plant, Order Number NM1-25-0, SE/4, 11-10S-35E, Lea County.

Please contact me with any concerns.

Sincerely,



Michael Wilson

Production Manager

Aspen Operating Company, L.L.C. (OGRID # 217598)

801 Cherry St., Suite 810

Fort Worth, TX 76102

817-455-2311

[mwilson@aspen-oil.com](mailto:mwilson@aspen-oil.com)

## **CLOSED-LOOP SYSTEMS PERMIT APPLICATION ATTACHMENT**

RE: C-144CLEZ

Submitted for repair of State AC #1 (SWD), 30-025-03646, N 15-10S-36E, Lea County, NMX.

### **BOX #4:**

#### **Design Plan:**

Aspen Operating Company, L.L.C. (Aspen) plans to use a vacuum truck and steel tank to hold up to 300 barrels of fluid and waste from the repair and workover operation of the subject well.

#### **Operating and Maintenance Plan:**

Aspen plans to inspect the truck, steel tank and equipment for leaks during operations. In the event a leak is found, then Aspen will shut down for repairs and notify the OCD District I Office in Hobbs, NMX.

#### **Closure Plan:**

After the repair of the subject well, and in the event we encounter mud and cuttings, Aspen will have the trucking company haul the waste to Gandy Corp Treating Plant, Order Number NM1-25-0, SE/4, 11-10S-35E, Lea County.

Please contact me with any concerns.

Sincerely,

Michael Wilson

Production Manager

Aspen Operating Company, L.L.C. (OGRID # 217598)

801 Cherry St., Suite 810

Fort Worth, TX 76102

817-455-2311

[mwilson@aspen-oil.com](mailto:mwilson@aspen-oil.com)