

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

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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 CLLZ
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 NMOC 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 CLLZ) 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

Operator	EOR Operating Company		OGRID #	257420
Address	200 N. Loraine, STF 1440 Midland, TX 79701			
Facility or well name	Milnesand Unit #516			
API Number	30-041-10208	OCD Permit Number	PI-04227	
U.L. or Qtr/Qtr	O	Section	24	Township 08S Range 34E County Roosevelt
Center of Proposed Design	Latitude	Longitude		NAD <input type="checkbox"/> 1927 <input type="checkbox"/> 1983
Surface Owner	<input checked="" type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Tribal Trust or Indian Allotment			

<input checked="" type="checkbox"/> Closed-loop System: Subsection H of 19.15.17.11 NMAC
Operation: <input type="checkbox"/> Drilling a new well <input type="checkbox"/> Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) <input type="checkbox"/> P&A
<input checked="" type="checkbox"/> Above Ground Steel Tanks or <input type="checkbox"/> Haul-off Bins

Signs: Subsection C of 19.15.17.11 NMAC
<input type="checkbox"/> 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
<input checked="" type="checkbox"/> 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.
<input checked="" type="checkbox"/> Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
<input checked="" type="checkbox"/> Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
<input checked="" type="checkbox"/> 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
<input type="checkbox"/> Previously Approved Design (attach copy of design) API Number: _____
<input type="checkbox"/> 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 identify 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 Gandy-Marley Disposal Location Disposal Facility Permit Number NM-01-0019
Disposal Facility Name CRT's Halfway Disposal Facility Disposal Facility Permit Number NM-01-0006
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? <input type="checkbox"/> Yes (If yes, please provide the information below) <input checked="" type="checkbox"/> No
Required for impacted areas which will not be used for future service and operations
<input type="checkbox"/> Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
<input type="checkbox"/> Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
<input type="checkbox"/> Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

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) Jana True Title Mgr. Provisions
Signature <i>Jana True</i> Date 2/17/2012
e-mail address true@enhancedoiles.com Telephone 432-687-0303

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

OCD Representative Signature: _____

Approval Date: _____

Title: _____

OCD Permit Number: _____

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: _____

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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

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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 _____



OGRID# 257420
Form C-144 CLEZ attachment

Milnesand Unit Well #516
O-24-08S-34E
API #30-041-00259
Roosevelt Co, NM

Equipment & Design:

EOR Operating Company, Inc. will use a closed loop system in the drilling of this well. The system is designed to maintain all solids and fluids. The equipment is arranged to progressively remove solids from the largest to the smallest size. Drilling fluids can thus be reused and savings realized in disposal costs. The following equipment will be on location:

1. 500 bbl. "frac tank"
2. Cutting boxes
3. Reserve fluids

Operations & Maintenance:

During each day of operation, the rig crews will inspect and closely monitor the fluids contained within the steel tanks and visually monitor any release that may occur. Should a release, spill or leak occur, the NM OCD District 1 office in Hobbs, NM will be notified @ 575-393-6161 as required in NM OCD's rule 19.15.29.8.

Closure:

After drilling operations, fluids and solids will be hauled and disposed at:

1. Primary site – Gandy-Marley Disposal location, Permit #NM 01-0019
2. Secondary site – CRI's Halfway Disposal Facility, Permit #NM 01-0006