District L 1625 N. French Dr., Hobbs, NM 88240 District IL

District IV

HOBBS CCD Minerals and Natural Resources

July 21, 2008

Form C-144 CLEZ

1301 W. Grand Avenue, Artesia, NM 88210 District III

1000 Rio Brazos Road, Aztec, NM 8741 NOV 1 0 2011 1220 South St. Francis Dr.

Department
Oil Conservation Division
1220 South St. Francis Dr.

PEB
2For 2046d-loop systems that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, submit RECEIVED.

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

Santa Fe, NM 87505

Closed PESystem 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 Cl closed-loop system that only use above ground steel tanks or h				

Please he advised that approval of this request does not relieve the operator of lightly 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: NTO Energy, Inc. OGRID#: 005380				
Address: 200 N. Loraine, Suite 800, Midland, TX 79701				
Facility or well name: Eunice Monument South Unit #147				
API Number: 30-025-29913 OCD Permit Number: 1-03900 /				
U/L or Qtr/Qtr F Section 31 Township 20S Range 37E County: Lea				
Center of Proposed Design: Latitude Longitude NAD: 1927 1983				
Surface Owner: Federal State Private Tribal Trust or Indian Allotment				
X Clased-loop System: Subsection H of 19.15.17.11 NMAC Operation: Drilling a new well X Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) P&A X Above Ground Steel Tanks or Haul-off Bins				
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				
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:				
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: CRI Disposal Facility Permit Number: NMO1-0006				
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)				
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				
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): Sharon Hindman / Title: Regulatory Analyst				
Signature: Maron Nindman Date: 11/9/2011				
e-mail address: sharon hindman@ctoenergy.com Tclephone: 432-620-6741				
Form C 144 CLE7				

OCD Approval: Permi Application (including closure plan) OCD Representative Signature: Permi Application (including closure plan) Title: Compliance Officer	Closure Plan (only) Approval Date: 11-10-2011 OCD Permit Number: 91-03900			
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. [X] Closure Completion Date: 0 2 / 2 3 / 1 2				
Closure Report Regarding Waste Removal Closure For Closed-loop Syste Instructions: Please indentify the facility or facilities for where the liquids, a than two facilities were utilized. GANDY MARLEY Disposal Facility Name: CRI	drilling fluids and drill cuttings were disposed. Use attachment if more NM 01-0019 Disposal Facility Permit Number: NM 01-0006			
Disposal Facility Name: SUNDANCE	Disposal Facility Permit Number: NM 01-0003			
Were the closed-loop system operations and associated activities performed on Yes (If yes, please demonstrate compliance to the items below) No Required for impacted areas which will not be used for future service and open	n or in areas that 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 belief. I also certify that the closure complies with all applicable closure requirements.				
Name (Print): DAVID A. EYLER	Title: AGENT			
Signature:	Date: 02/24/12			
e-mail address: deyler@milagro-res.com	Telephone: (432)687-3033			

ELG 2-27-2012