

Case No.: 16-000000000000000
Subject: State of New Mexico
Address: 1220 South St. Francis Dr.
City: Santa Fe, NM 87505
District: 1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OCD State of New Mexico
Energy Minerals and Natural Resources
Department
OCT 24 2011 Oil Conservation Division
1220 South St. Francis Dr
Santa Fe, NM 87505

Form C-144 CLEZ
Revised version 1-20-04

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 NMODD 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 note that application for closure does not have to be submitted if activity should operate or result in pollution of surface water, ground water or the environment. Nor does application require the operator to test and/or comply with any state, applicable government, tribal, or local rules, regulations or ordinances.

Operator: OCF Energy LLC

OCRID #: 268379

Address: 105 Oscar Lane Drills Design Bldg 32

Facility or well name: Cimarron 32

MPP Number: 30-25-11865

30-025-11865

OCD Permit Number:

91-04786

LLC or Corp On Behalf Of:

Signed by:

Owner(s) Name:

Range: 37E

Len County

Center of Proposed Design Latitude:

Surface Ownership: Federal State Private Tribal, Trust or Indian Allotment

Subsurface Ownership: Federal State Private Tribal, Trust or Indian Allotment

X Closed-Loop System: Subsection C of 19.15.17.11 NMAC

Operator: DrillSite (excluding Workover or Drilling Activity), to activities which require prior approval or a permit or notice of intent) Party

Above Ground Steel Tanks & Haul-off Bins

X Signs: Subsection C of 19.15.17.11 NMAC

12 x 24" x 2" lettering providing Operator's name, site location, and emergency telephone numbers

Signed in compliance with 19.15.16.8 NMAC

X 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 Plans 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 30 days prior to implementation) based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.3 NMAC

Previously Approved Design after copy or design - API No.

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: 19.15.17.12 NMAC

Instructions: Please indemnify 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: N/A

Disposal Facility Permit Number:

Disposal Facility Name:

Disposal Facility Permit Number:

Well Log: Use a proposed closed-loop system to access and treat any fluids occurring at areas that will not be used for future service and general use. Yes No

Refrigerant: Proprietary blend with no known parts per million contaminants

Non-Hazardous Oil Based Sludge Specified as "as" based upon the appropriate requirements of Subsection C of 19.15.17.3 NMAC

Re-vegetation Plan: Passively re-vegetation requirements of Subsection C of 19.15.17.3 NMAC

Site Rehabilitation Plan: Passively re-vegetation requirements of Subsection C of 19.15.17.3 NMAC

Operator Application Certification:

I hereby certify that the information contained in this application is true, accurate, and complete to the best of my knowledge and belief.

Name (Print):

Title: Managing Member

Signature:

Date: 10-26-2011

Email address:

Telephone: 505-457-3712

JUN 20 2012

OCD Approval, Permit Application (including Closure plan), Closure Plan only

OCD Representative Signature:

Makayla Brown
Compliance Officer

Approval Date:

6/19/2012

Title:

OCD Permit Number:

P1-04786

Closure Report (required within 60 days of closure completion): Subsection K of 19 CFR 1517.13 NMMR

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:

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 Name _____

Disposal Facility Permit Number _____

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 (*Indicates demonstration of compliance to the items below*) No

Required for impacted areas which will not be used for future service and operations:

Site Recertification Photo Documentation

Soil Backfilling and Cover Installation

Re-vegetation Application Rates and Seeding Technique

Operator Closure Certification:

I hereby certify that the information and attachments supplied 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): Dan Johnson

Title: Managing Member

Signature: *Dan Johnson*

Date: 6-20-2011

E-mail address: Dan.Johnson@DCIenergy.com

Telephone: 770-757-3715

DCI Energy will have a 250 barrel open top steel tank on location to haul Mid Laden Fluid (approx. 100 bbls) away

DC energy LLC

Gregory C #1

Unit C, Sec.33, T-25s, R-37e

API # 30-025-11865

Equipment & Design:

DC Energy LLC will use a closed loop system in the plug and abandonment of this well. The following equipment will be on location;

- (1) 250 bbl steel reverse tank

Operations & Maintenance:

During each day of operation, the rig's crew will inspect and closely monitor the fluids contained within the steel tank and visually monitor any release that may occur. Should a release, spill or leak occur, the NMOCD District I office in Hobbs NM (575-393-6161) will be notified, as required in NMOCD Rule 19.15.29.8.

Closure:

After plugging operations, fluids and solids will be hauled and disposed at CRI Disposal location, The closure form will be sent to the OCD Hobbs office with closure date.

Form C-144CLEZ Attachment