

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

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: Cram's Hot Oil Service, Inc OGRID # 189886
Address: P.O. Box 613, Lovington, New Mexico 88260
Facility or well name Gulf Deep Well No. 1
API Number: 30-005-01210 OCD Permit Number: P1-04886
U/L or Qtr/Qtr C Section 34 Township 14 South Range 31 East County Chaves
Center of Proposed Design Latitude 33.0650224907 Longitude -103.811698825 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
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.
Disposal Facility Name Solids-Gandy Marley Landfarm Disposal Facility Permit Number 01-0019
Disposal Facility Name Liquids-Gulf Deep No. 1 Disposal Facility Permit Number SWD-1158-B
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): David Catanach Title: Agent-Cram's Hot Oil Service, Inc
Signature: David Catanach Date: July 4, 2012
e-mail address dcatanach@csape.com Telephone (505) 690-9453

JUL 10 2012

7. **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: _____

9. **Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-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: _____ 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

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): David Catanach Title: Agent-Crain's Hot Oil Service, Inc.

Signature: _____ Date: _____

e-mail address: _____ Telephone: (505) 690-9453

Crain's Hot Oil Service, Inc.
Division Form C-144
Gulf Deep Well No. 1
660' FNL & 1980' FWL (Unit C) 34-14S-31E
Design Plan, Operating & Maintenance Plan & Closure Plan

DESIGN PLAN

The Gulf Deep Well No. 1 will be perforated in the Devonian formation from a depth of 12,206 feet to 12,234 feet. Any solids waste as a result of this operation will be stored in a haul-off bin that will be transported to Gandy Marley Landfarm. Any liquid waste will be stored within steel tanks, and ultimately, this liquid waste will be injected down the Gulf Deep Well No. 1. Equipment to be utilized on location includes:

1-180 bbl steel working pit
1-75 bbl steel haul-off bin

OPERATION & MAINTENANCE

All components of the workover system will be continually monitored and visually inspected at frequent intervals to assure proper operation. Any component malfunction will result in suspension of workover operations until the problem can be repaired. Any leaks or discharges will be cleaned up and reported to the NMOCD.

Closure Plan

Upon completion of workover operations, the haul-off bin will be transported to Gandy Marley Landfarm. This site is authorized by NMOCD to accept solid drilling waste.