State of New Mexico

District 1 1625 N French Dr. Hobbs, NM 88240 HOBBS OCD Energy Minerals and Natural Resources Department

Form C-144 CLEZ July 21, 2008

District II 1301 W Grand Avenue, Artesia, NM 88210

District I

District III 1000 Rio Brazos Road, Aztec, NM 8741

District IV 1220 S St Francis Dr, Santa Fe, NM 87505 Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

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)

XXPermit Closure Type of action!

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

Operator: FULFER OIL & CATTLE LLC. OGRID #: 141402
Address: P.O. BOX 1224, JAL, NM 88252
Facility or well name: Dyer #1
API Number: 30-025-11853 OCD Permit Number: P1-04871
U/L or Qtr/Qtr B Section 31 Township 258 Range 37E County: Lea
Center of Proposed Design: Latitude Longitude NAD: 1927 1983
Surface Owner: Federal State XX Private Tribal Trust or Indian Allotment
Closed-loop System: Subsection H of 19.15.17.11 NMAC
Operation: Drilling a new well XX 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
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Signs: Subsection C of 19.15.17.11 NMAC
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
XXSigned in compliance with 19.15.3.103 NMAC
$oldsymbol{4}$
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
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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): Debbie McKelvey Title: Agent
Signature: Dell're Mikely Date: 7/0212
c-mail address: debmckelvey@earthlink.net Telephone: 575-392-3575
OCD Approval: Permit Application (including closure plan) Closure Plan (only)
OCD Representative Signature: Waley & Brown Approval Date: 7/10/2012
Title: Compliance Officer OCD Permit Number: P1-04871
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:
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 that 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) XX 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
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): Debbie McKelvey Title: Agent
Signature:
e-mail address: <u>debmckelvey@earthlink.net</u> Telephone: <u>575-392-3575</u>

C-144 ATTACHMENT

Facility: Dyer #001

Item #4

Design Plan

1 - 500 bbl. Frac Tank

OPERATING AND MAINTENANCE PLAN:

Perform daily walk around, and if leak is detected, the OCD will be notified immediately and the leak will be contained immediately.

CLOSURE PLAN:

Upon completion, tanks will be removed, and liquids will be hauled to disposal facility indicated.