State of New Mexico

HOBBS OCD Energy Minerals and Natural Resources Department

Form C-144 CLI July 21, 20

District II

1625 N. French Dr., Hobbs, NM 88240

District I

1301 W Grand Avenue, Artesia, NM 88210

District III 1000 Rio Brazos Road, Aztec, NM 8741 30 2 5 2012 District IV 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 propos-to implement waste removal for closure, submit to the appropriate NMOCD District Office.

-VEO -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)

Permit 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 ordinance.
1. Operator: 047 USIA Inc. Address: P.O.Box 50250 Midland, TX 79710
Facility or well name: Central Coubin Queen Unit # 402
API Number: 30-025-29314 OCD Permit Number: \$\frac{105010}{}\$
U/L or Qtr/Qtr D Section 9 Township 185 Range 33E County: Lea
Center of Proposed Design: Latitude 32.76732 Longitude 103-67402 NAD: 1927 1983
Surface Owner: Federal State Private Tribal Trust or Indian Allotment
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
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 Poperating 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: Control Recovery Inc. R36 Disposal Facility Permit Number: WM-01-0004
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) 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): Duvid Stewart Title: Regulation, House
Signature: Date: 7/23/12
e-mail address: de vid_stewart@oty.com Telephone: 432-685-5717

OCD Approval: Permit Application (including closure plan)	Closure Plan (only)
OCD Representative Signature:	Approval Date: 6-2-2012
Title:Dst. max	OCD Permit Number: P1 105010
8. Closure Report (required within 60 days of closure completion): Instructions: Operators are required to obtain an approved closure The closure report is required to be submitted to the division within section of the form until an approved closure plan has been obtain	Subsection K of 19.15.17.13 NMAC The plan prior to implementing any closure activities and submitting the closure report. The following the completion of the closure activities. Please do not complete this
	Closure Completion Date:
9. <u>Closure Report Regarding Waste Removal Closure For Closed-le Instructions: Please indentify the facility or facilities for where the two facilities were utilized.</u>	oop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: e liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than
Disposal Facility Name:	Disposal Facility Permit Number:
Disposal Facility Name:	Disposal Facility Permit Number:
Were the closed-loop system operations and associated activities perf Yes (If yes, please demonstrate compliance to the items below	formed on or in areas that will not be used for future service and operations?) \(\sum \) No
Required for impacted areas which will not be used for future service Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	e and operations:
10.	
	this closure report is true, accurate and complete to the best of my knowledge and sure requirements and conditions specified in the approved closure plan.
Name (Print):	Title:
Signature:	Date:
e-mail address:	Telephone:
	,
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New Mexico Drilling Daily Circulating System Inspection For Closed Loop Systems

Vellname:	Permit #: Rig Mo		Rig Mobe D	ate:			
ounty:					Rig Demobe	e Date:	one of the state o
Inspection D	ate	Time	By Whom	Any drips or leaks from steel tanks, lines contained?* Explain.	or pumps not	Has any i disposed	nazardous waste beem of in system?
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TOTAL SECTION ASSESSMENT STORY							

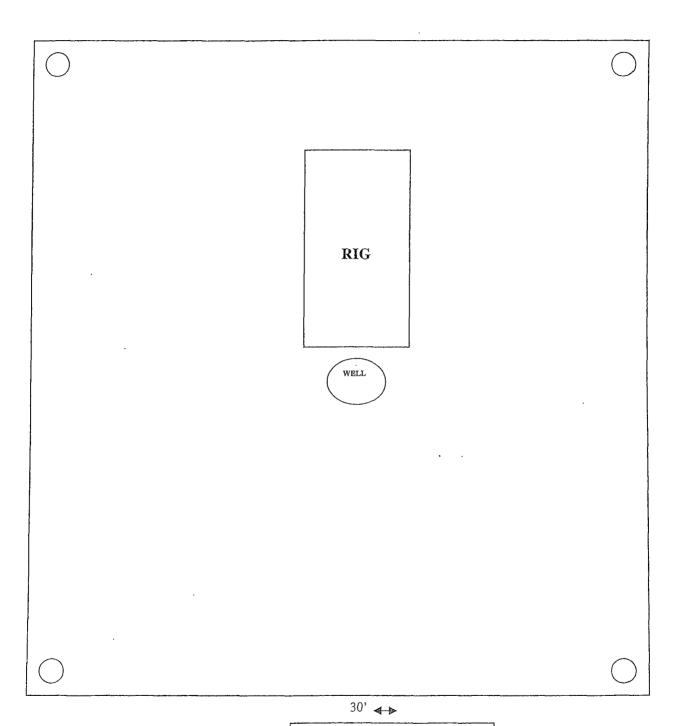
Il circulating systems to be inspected DAILY during drilling operations.

Any leak of the steel tanks, lines or pumps shall be reported to the NMOCD and repaired within 48 hours.

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NM Daily Circulating System Inspection - Closed loop REV 0 8/4/2008

C-144CLEZ P&A Attachment RIG LAY-OUT



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