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

State of New Mexico

Form C-144 CLEZ Revised August 1, 2011

District II 811 S. First St., Artesia, NM 88210

District IV

1000 Rio Brazos Road, Aztec, NM 87410 NOV 1 9 2012 District IV

Department 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.

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

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: A 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.

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Operator: John R. Stearns dba Stearns OGRID #: 21566		
Address: HC.65, Box 988 Crossroads, NM 88114		
Facility or well name: Pray SWD #2		
API Number: 30-025-03636 OCD Permit Number: 1 - 05461		
U/L or Qtr/Qtr C Section 5 Township 10S Range 36E County: Lea		
Center of Proposed Design: Latitude 33.4816018687576 Longitude -103.276928270598 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		
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 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: Gandy Marley Disposal Facility Permit Number: NM01-0019		
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 G 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): Billy E. Prichard	Title: Agent for Stearns	
Signature: Billy E. Free Pro	Date: ///15/20/2	
e-mail address: billy@pwllc.net	Telephone: 432-934-7680	
OCD Approval: Permit Application (including closure plan) Closure Plan (only)		
OCD Representative Signature:	Approval Date: 11-20-2017	
Title: DIST MAT	OCD Permit Number: P1-0546]	
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:		
Were the closed-loop system operations and associated activities performed on or in areas that <i>will not</i> be used for future service and operations? Yes (If yes, please demonstrate compliance to the items below) \sum 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):	Title:	
Signature:	Date:	
e-mail address:	Telephone:	

John R. Stearns dba Stearns Pray SWD # 2

No earthen pits will be constructed. All well fluids and solids will be circulated to steel pits. Fluids and solids will be hauled to Gandy Marley NM01-0019