

District I
525 N. French Dr., Hobbs, NM 88240
District II
301 W. Grand Avenue, Artesia, NM 88210
District III
300 Rio Brazos Road, Aztec, NM 87410
District IV
220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OGD

State of New Mexico
Energy Minerals and Natural Resources
Department
JAN 15 2013

Form C-144 CLEZ
21-Jul-08

DEC 06 2012

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

RECEIVED

For closed-loop systems that only use above ground steel tanks or haul off bins and purpose to implement waste removal for closure, submit to the appropriate NMOC District Office.

RECEIVED 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-looped 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 government authority's rules, regulations or ordinances.

Operator: Apache Corporation OGRID#: 873
Address: 303 Veterans Airpark Lane, Ste 3000, Midland, TX 79705
Facility or Well Name: Southland Royalty "A" #15
PI Number: 30-025-36141 OCD Permit Number: P1-05497
W/L or Qtr/Qtr: Q Section 4 Township 21S Range 37E County: Lea
Center of Proposed Design: Latitude Longitude 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 of 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

Plans: 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
 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: _____

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: Sundance Services Disposal Facility Permit Number: NM-01-0003
Disposal Facility Name: Controlled Recovery Inc. Disposal Facility Permit Number: NM-01-0006
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

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): Guinn Burks Title: Reclamation Foreman
Signature: [Signature] Date: 12/5/2012
e-mail address: guinn.burks@apachecorp.com Telephone: 432-556-9143

OC Approval: Permit Application (including closure plan) Closure Plan (only)

OC Representative Signature: Mark Whitman

Approval Date: 12-07-2012

Title: Compliance Officer

OCD Permit Number: 91-05497

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: 1-7-13

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 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

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): Guinn Burks

Title: Reclamation Foreman

Signature: Guinn Burks

Date: 1-15-13

e-mail address: guinn.burks@apachecorp.com

Telephone: 432-556-9143

ELG 1-16-2013