

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 Office.

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Closed-Loop System Permit or Closure Plan Application

(that only use above ground steel tanks or haul-off bins and propose to implement)

Type of action: Permit Closure

Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement

Please be advised that approval of this request does not relieve the operator of liability to the environment. Nor does approval relieve the operator of its responsibility to comply with applicable rules, regulations or ordinances.

PER OCD RULE 19.15.17: Form C-144clez is no longer required to be submitted, but the operator still has to use and to report to the OCD that Closed-Loop System is being used. Put this statement on all intents: During this procedure we plan to use the Closed-Loop System and haul contents to the required disposal.

1. Operator: Endurance Resources LLC OGI

Address: PO Box 1466 Artesia NM 88211

Facility or well name: Telecaster 30 Fed 3H

API Number: 30-025-41455 OCD Permit Number: FOR RECORD ONLY

U/L or Qtr/Qtr B; NW/NE Section 30 Township 23S Range 34E County: Lea Co NM

Center of Proposed Design: Latitude _____ Longitude _____ 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: R360 Disposal Facility Permit Number: NM-01-0006

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): Kale Jackson Title: Sr Completions Engineer

Signature: [Signature] Date: 7/10/13

e-mail address: kale@enduranceresourcesllc.com Telephone: 575.914.3355

7. **OCD Approval:** Permit Application (including closure plan) Closure Plan (only)

OCD Representative Signature: _____ Approval Date: _____

Title: _____

OCD Permit Number: _____

FOR RECORD ONLY

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 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

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): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____



Operating and Maintenance Plan Closure Plan

**Telecaster 30 Federal #3H
SHL: 330' FNL & 1980' FEL (B)
BHL: 330' FSL & 1980' FEL (O)
Sec 30-T23S-R34E
Lea County, New Mexico**

Endurance Resources LLC will be using all above ground steel pits for fluid and cuttings while drilling. If any tank develops a leak we will have immediate visual discovery, we would then transfer the fluid to another tank then remove any contaminated soil and dispose of it in the cuttings bin for transportation. All leaks should be kept to less than 5 bbls. Rig crews will monitor these tanks at all times.

Equipment List:

- (2) Mongoose Shale Shakers**
- (1) 414 Centrifuge**
- (1) 518 Centrifuge**
- (2) Roll off Bins with Tracks**
- (2) 500 bbl Frac Tanks**

During drilling operations all liquids, drilling fluids and cuttings will be hauled off via R360 Permit NM-01-006 or any other approved facility.