

District I
1625 N. French Dr., Hobbs, NM 88240
District H
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OCD
SEP 16 2013
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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
July 21, 2008

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

Closed-Loop System Permit or Closure Plan Application

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

Type of action: Permit Closure

Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system.

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 all applicable laws, rules, regulations, orders, 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.

more than for a Form, C-144. water or the or ordinances.

1. Operator: Mack Energy Corporation
Address: P.O. Box 960 Artesia, NM 88210-0960
Facility or well name: Marble State #1
API Number: 30-025-28501
U/L or Qtr/Qtr C Section 21 Township _____ Range 32E County Lea
Center of Proposed Design: Latitude _____ Longitude _____ NAD: 1927 1983
Surface Owner: Federal State Private Tribal Trust or Indian Allotment

FOR RECORD ONLY

2. Closed-loop System: Subsection H of 19.15.17.11 NAIAC
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. **Sign:** 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

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: R-360 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): Deana Weaver Title: Production Clerk
Signature: Deana Weaver Date: 9.13.13
e-mail address: dweaver@mec.com Telephone: (575)748-1288

OCT 30 2013

7. **OCD Approval:** Permit Applies on (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 Reports 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: R-360 Disposal Facility Permit Number: NM-01-0006

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

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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: _____

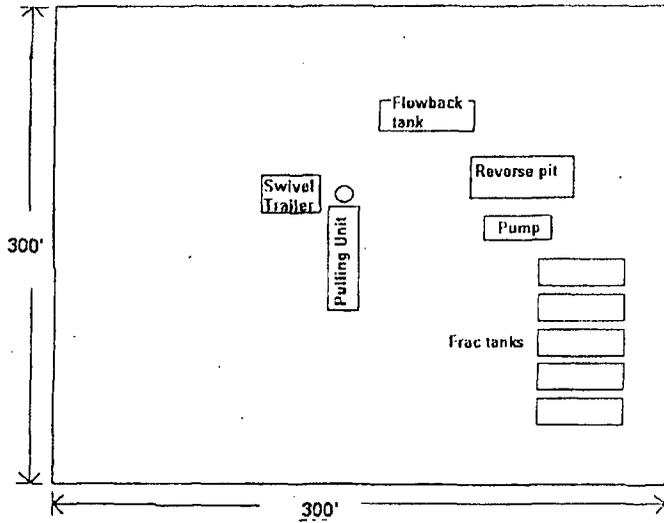
e-mail address: _____ Telephone: _____

Standard setup for workover operations

Tanks and equipment are of adequate size to hold all fluids and cuttings during workover operations.

Daily inspections of all equipment will be performed.

In the event of a leak: Fluids will be removed and remediation procedure started. OCD will be notified within 48 hours of any leak.



Note: Flowback tank is a frac tank, Reverse pit is a steel open top tank measuring 20' L x 7' W x 6' D.