

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87414  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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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 for closure, submit to the appropriate NMOCD District Office.

**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-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.

1.  
Operator: Rubicon Oil & Gas, LLC OGRID #: 194266  
Address: 508 West Wall St STE 500, Midland, Texas 79701  
Facility or well name: Sell 25 No. 1  
API Number: 30-025-39343 OCD Permit Number: PI-00914  
U/L or Qtr/Qtr N Section 25 Township 21S Range 35E County: Lea  
Center of Proposed Design: Latitude N32°26'36.95" Longitude W103°19'27.92" 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 19.15.3.103 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: CRI Disposal Facility Permit Number: R-9166  
Disposal Facility Name: Lea Land Disposal Facility Permit Number: WM-1-035  
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): DAL LEE Title: AGENT - OPS MGR  
Signature: DAL LEE Date: 1/21/2008  
e-mail address: \_\_\_\_\_ Telephone: \_\_\_\_\_

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

OCD Representative Signature: \_\_\_\_\_

Approval Date: 2/16/09

Title: \_\_\_\_\_

**Geologist**

OCD Permit Number: \_\_\_\_\_

PI-DD914

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: \_\_\_\_\_

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: \_\_\_\_\_

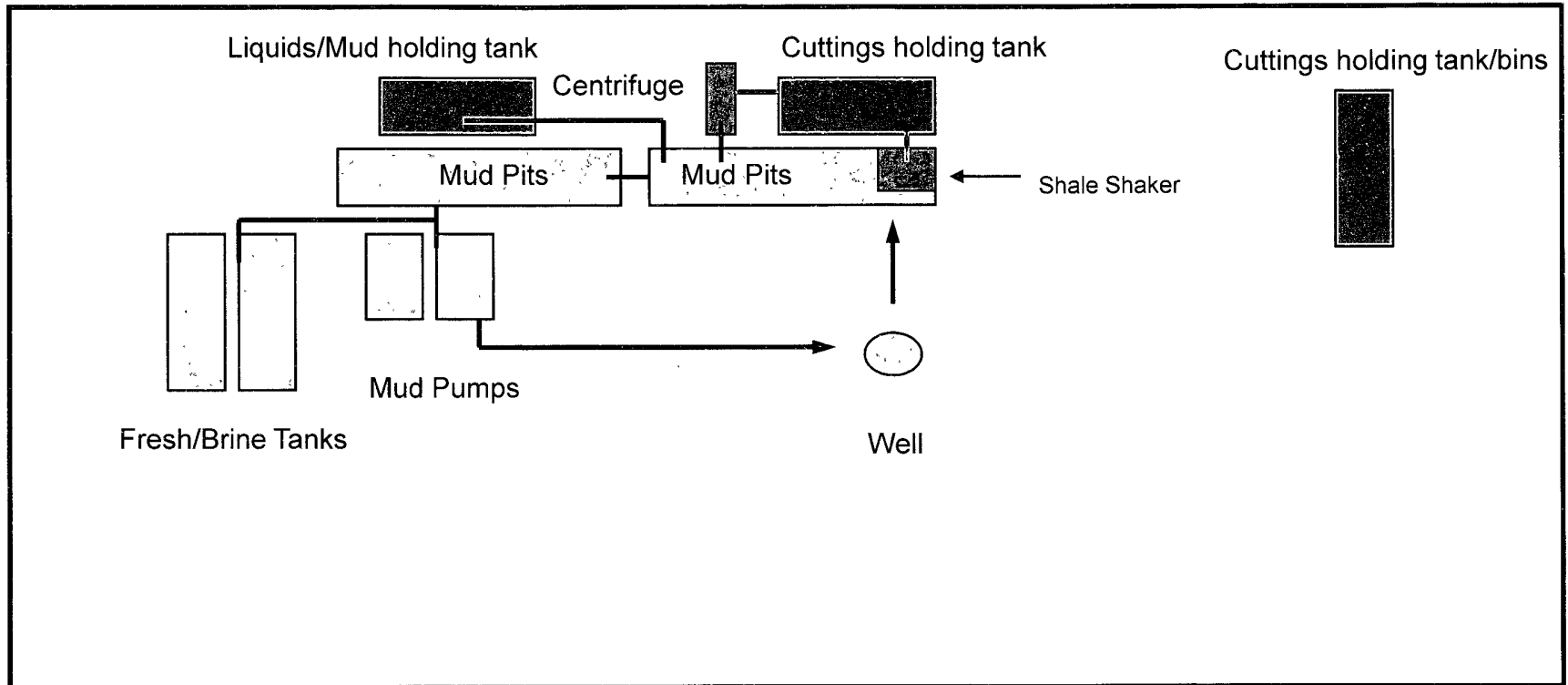
Telephone: \_\_\_\_\_

Rubicon Oil & Gas, LLC

Sell 25 No. 1

Surface Loc: 25-21S-35E Lea County, NM

## Closed Loop System – Design and Construction Equipment Layout



### Operating and Maintenance Plan

1. All liquids and solids contained in closed loop system
2. All equipment will be monitored continuously by Solids control personnel while drilling
3. All solids and contaminated fluid hauled to an approved facility as required.

**Power of Attorney**

**State:** New Mexico  
**County:** Chaves, Eddy and Lea Counties  
**Principal:** Rubicon Oil & Gas, LLC  
Rubicon Oil & Gas II, LP  
Sand Ranch Pipeline  
**Principal's Address:** 508 West Wall Avenue, Suite 500  
Midland, Texas 79701  
**Agent/Attorney in Fact:** Hal Lee  
**Agent/Attorney in Fact's Address:** Adventure Energy Services  
201 West Wall Avenue, Suite 404  
Midland, Texas 79701  
**Date Executed:** November 17, 2008  
**Effective Date:** November 17, 2008

Principal, identified above, makes, constitutes and appoints Agent, identified above, Principal's true and lawful Agent and Attorney in Fact for Principal and in Principal's name, place and stead, for the purposes of transacting any business on behalf of Principal.

Principal gives and grants Agent full and complete power and authority to do and perform all acts and things required or necessary to be done in transacting Principal's business, as fully to all intents and purposes as if Principal might or could do if personally present and acting on Principal's own behalf.

Principal ratifies and affirms all that the Agent may lawfully do or cause to be done by virtue of the Power of Attorney.

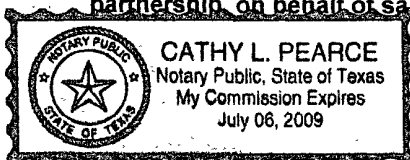
**Principal**

Rubicon Oil & Gas II, LP  
By: ~~Rubicon Oil & Gas, LLC~~, General Partner

  
W. Brett Smith, President

State of Texas       }  
County of Midland   }

This instrument was acknowledged before me this 17<sup>th</sup> day of November, 2008, by W. Brett Smith, President of Rubicon Oil & Gas, LLC, General Partner of Rubicon Oil & Gas II, LP, a Texas limited partnership, on behalf of said partnership.



  
Notary of Public, State of Texas