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	DEC 162	2009 State of New Mexico	Form C-144 CLEZ
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Intel: 10       Oil Conservation Division Building and access that and request the service of the ser	District II	Department	For closed-loop systems that only use above
Index Dr.       To the appropriate NMCCD District Office.         Strikt F, Numer, Dr., Santa Fe, NM 87503       Closed-Loop System Permit or Closure Plan Application (the appropriate Number of the second office of the second of the second office of the second office of the second office of the second office of the second of	District III		ground steel tanks or haul-off bins and propose
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pernor:	lease be advised that approval of this request does not nyironment. Nor does approval relieve the operator of	f its responsibility to comply with any other applicable g	overnmental authority's rules, regulations or ordinances
address: P.O. Box 18496 Oklahoma City. OK 73154-0496         acility or well name: Cattlemant 4 State # 3         PI Number: 30-025-39053         OCD Permit Number: Cattlemant 4 State # 3         OCD Permit Number: 30-025-39053         OCD Permit Number: Cattlemant 4 State # 3         PI Number: 30-025-39053         OCD Permit Number: Cattlemant 4 State # 3         Octorer of Proposed Design: Latitude 32,520-020         Longitude: -103.37510         NAD: [3]1927 ] 1983         urfnee Owner: Federal [3] State Frinker Triskal Trust or Indian Allonnent         3       Closed-Ioop System: Subsection II of 19.15.17.11 NMAC         peration: Drilling name well [3] Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)       P&A         3       Above Ground Steel Tanks or F Haul-Off Bins       Engregeneration: Catter and the following items must be attached to the application. Please Inflictute, by n check murk in the back, that the documents are truched.         12*x 24*, 2* tettering, providing Operator's name, site location, and emergency telephone numbers         35 igned it compliance with 19.15.3.103 NMAC         10 operating and Maintenance Print Applications. Place Inflictute, by n check murk in the back, that the documents are truched.         10 Departure and Maintenance Print Plan - based upon the appropriate requirements of 19.15.17.13 NMAC         10 Operating and Maintenance Plan Pl Number: <td>1.</td> <td></td> <td></td>	1.		
acility or well name:       Cattlemant 4. State # 3         PI Number;       30:2025-30053         OCD Permit Number;       PI = DISSt         PL or QU/QUr Lot 3       Section 4         Township 21S       Range 32E         County:       Lengitude         enter of Proposed Design:       Initude         32.520420       Longitude         urface Owner;       Federal QS state         Private Owner;       Basection 11 of 19:17:11 NMAC         Permition:       Dubling a new well QW workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)       P&A         Subsection C of 19:15:17:11 NMAC       Image:       Image:       Image:         Ising:       Subsection C of 19:15:17:11 NMAC       Image:       Image:       Image:         Ising:       Subsection C of 19:15:17:11 NMAC       Image:       Image: <td< td=""><td>Operator: <u>Chesapeake Operating</u>, inc.</td><td>77154:0496</td><td></td></td<>	Operator: <u>Chesapeake Operating</u> , inc.	77154:0496	
PI Number:			
II. or Qirfor       Lot 3       Section 4       Township 21S       Range 35E       County: Lea         enter of Proposed Design:       Latitude       32.520420       Longitude       -103.37510       NAD: [3]1927       1983         urfnee Owner:       Federal [3] State       Private       Trislal Trust or Indian Alletateat       NAD: [3]1927       1983         If Cheed-Joop System:       Subsection II of 19.15.17.11 NMAC       Peration:       Drilling a new well [3] Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)       P&A         [3] Above Ground Steel Tanks or       Hau-OT Bins       Peration:       Private Private Private       Paratoria         [3] Signed in compliance with 19.15.3.103 NMAC       Private Priva			$P_{1} = 121591$
enter of Proposed Design: Latitude32.520420	API Number: <u>30-025-39053</u>		
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ScienceLion System:       Subsection 11 of 19.15.17.11 NMAC         peration:       Drilling a new well [X] Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)       P&A         Schove Ground Steel Tanks or       Haul-Off Bins       P         igns:       Subsection C of 19.15.17.11 NMAC         12"x 24", 2" tetering, providing Operator's name, site location, and emergency telephone numbers       Signed in compliance with 19.15.3.103 NMAC         Signed in compliance with 19.15.3.103 NMAC       P       P         Sole-chang Systems Permit Amplication Attachment Checklist:       Subsection B of 19.15.17.11 NMAC         Signed in compliance with 19.15.3.103 NMAC       P       P         Sole-chang Systems Permit Amplication thatachment Checklist:       Subsection B of 19.15.17.12 NMAC       P         Sole-chang Plan - based upon the appropriate requirements of 19.15.17.11 NMAC       Sole-change Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC         Previously Approved Operating and Maintenance Plan       API Number:	Center of Proposed Design: Latitude 32.52042		(MD): [X1927 ] 1985
peration:       Drilling a new well X       Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)       P&A         X       Above Ground Steel Tanks or       Haul-off Bins         Igns:       Subsection C of 19.15.17.11 NMAC         12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers         X       Signed in compliance with 19.15.3.103 NMAC         Closed-Inop 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 murk in the bax, that the ducuments are trached.         X       Dopenting and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC       Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC         X       Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC         X       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         Yest Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13 D MAC)         Previously Approved Design (attach copy of design)       API Number:         Yest Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13 D MAC)         Disposal Facility	Surface Owner: 🔲 Federal 🔀 State 🗌 Private 🗌	] Tribal Trust or Indian Allotment	
Inseed-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 hadicate, by a check murk in the box, that the documents are tracked.         Image: Design Plain - based upon the appropriate requirements of 19,15,17,11 NMAC       Operating and Maintenance Plan - based upon the appropriate requirements of Subsection C of 19,15,17,19 NMAC and 19,15,17,13 NMAC         Image: Design Plain - Dased Design (Previously Approved Design (Attach copy of design) API Number:			
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X       Operating and Maintenance Plan - based upon the appropriate requirements of 19,15,17,12 NMAC         X       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:	attached.		
Previously Approved Design (attach copy of design)       API Number:	[V] (A solution and Maintenance Plan, burghtun	on the appropriate requirements of 19.15.17.12 NMA	C C = \$10.15.17.0 MAAC and 19.15.17.13 MAAC
Previously Approved Operating and Maintenance Plan       API Number:			
Internolsy reported openangest         Visit Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)         istructions: Please indentify the facility or facilities for the disposal of liquids, drifting fluids and drift entrings. Use attachment if more than two rediffes are required.         Disposal Facility Name: Controlled Recovery, Inc.       Disposal Facility Permit Number: <u>NM-01-0006</u> Disposal Facility Name: Sundance Disposal       Disposal Facility Permit Number: <u>NM-01-0003</u> //ill 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:			
Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more man two neillitles are required. Disposal Facility Name: <u>Controlled Recovery, Inc.</u> Disposal Facility Permit Number: <u>NM-01-0006</u> Disposal Facility Name: <u>Sundanco Disposal</u> . Disposal Facility Permit Number: <u>NM-01-0003</u> //II 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: Over the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations: Over the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations: Over the proposed closed-loop system operations - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Over Design Specifications - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC Over the information Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC Disposal Facility that the information submitted with this application is true, accurate and complete to the best of inv knowledge and belief. Title: <u>Senior Regulatory Compl. Sp.</u> Date: <u>11/24/2009</u>			
Disposal Facility Name:       Controlled Recovery, Inc.       Disposal Facility Permit Number:       NM-01-0006         Disposal Facility Name:       Sundance Disposal       Disposal Facility Permit Number:       NM-01-0003         //ill 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:       Disposal Facility Permit Number:       NM-01-0003         //ill 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:       Disposal Facility Permit Number:       NM-01-0003         //ill 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:       Disposal Facility Permit Number:       NM-01-0003         //ill 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:       Disposal Facility Permit Number:       NM-01-0003         // Yes (If yes, please provide the information below) [X] No       No       Disposal Facility Permit Number:       NM-01-0003         // Yes (If yes, please provide the information below) [X] No       No       Disposal Facility Permit Number:       NM-01-0003         // Solid Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC       Disposal Facility Permit Number:       NA         //	Waste Removal Closure For Closed-loop System Instructions: Please indentify the facility or facility	<u>ms That Utilize Above Ground Steel Tanks or Haw</u> Ittles for the disposal of liquids, drilling fluids and d	<u>1-off Bins Only</u> : (19.15.17.13.D NMAC) rill cuttings, Use attachment if more than two
Disposal Facility Name: <u>Sundance Disposal</u>	fucilities are required.		
Proposal rule in the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations:         Pres (If yes, please provide the information below) X       No         équired for impacted areas which will not be used for future service and operations:	•		
Yes (If yes, please provide the information below) [X] No         equired 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         Image: Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC         Image: Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC         Image: Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC         Image: Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC         Image: Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC         Image: Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC         Image: Site Reclamation Submitted with this application is true, accurate and complete to the best of my knowledge and helief.         Image: Site Reclamation Submitted with this application is true, accurate and complete to the best of my knowledge and helief.         Image: Site Reclamation Submitted with this application is true, accurate and complete to the best of my knowledge and helief.         Image: Site Reclamation Site Reclamation Site Recl	Disposal Facility Name: <u>Sundance Disposal</u>		
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         Decrator Application Certification:         hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.         Iame (Print):       Bryan Arrant         Title:       Senior Regulatory Compl. Sp.         ignature:       Date:         11/24/2009	Yes (If yes, please provide the information	below) [X] No	at without be used for future service and operational
hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief. The senior Regulatory Compl. Sp	Soil Backfill and Cover Design Specification	ons based upon the appropriate requirements of Sub priate requirements of Subsection 1 of 19.15.17.13 NM	IVC
hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief. The senior Regulatory Compl. Sp	<u>6.</u>		
ignature: <u>Bryan Arrant</u> ignature: <u>Date: 11/24/2009</u>	Operator Appreation Certification: Thereby certify that the information submitted wi	th this application is true, accurate and complete to th	e best of my knowledge and belief.
ignature: Buen Munt Date: 11/24/2009			
	Name (Print): Bryan Arrant	1	
Telephone: (405)935-3782	Signature: Degen Munt	7 Date:	/24/2009
	e-mail address: bryan.arrant@chk.com	Telèphone: (4	105)935-3782

Oil Conservation Division

7. OCD Approvnly Permit Application (including closure plan) Closure	Plan (only)	
OCD Representative Signature       Geologist       Approval Date: 12/17/02         Title:		
Title:	OCD Permit Number: <u>F1-01591</u>	
<ul> <li>S. Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC</li> <li>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.</li> <li>Closure Completion Date:</li> </ul>		
%. Closure Report Regarding Waste Removal Closure For Closed-loop System	is 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 <i>will not</i> 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		
In. <u>Operator Closure Certification</u> : 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:	

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## Chesapeake Operating, Inc.'s Closed Loop System Cattleman 4 State # 3 Lot 3, Sec. 4, T-21-S R-35-E Lea Co., NM API #: 30-025-39053

Equipment & Design:

Chesapeake Operating, Inc. is to use a closed loop system in the re-completion of this well. (1) 500 bbl "frac" tank"

**Operations & Maintenance:** 

During each and every tour, the rig's crew will inspect and monitor closely the fluids contained within the steel pits and visually monitor any spill which may occur.

Within 48 hours should a spill, release or leak occur, the NMOCD District I office in Hobbs (575-393-6161) will be notified. Please note that notifications may be made earlier to the district office should a greater release occur.

Closure:

After re-completion operations, fluids will be hauled and disposed to Controlled Recovery, Inc.'s location. The permit number for Controlled Recovery, Inc. is: NM-01-0006 The alternative disposal facility will be Sundance Disposal. Their permit # is: NM-01-0003.