State of New Mexico District I 1625 N. French Dr., Hobbs, NM 88240

RECEIVATION Minerals and Natural Resources Department

District II 1301 W. Grand Avenue, Artesia, NM 88210

District III

FEB 15 ZUIÚ Oil Conservation Division 1220 S. St. Francis Dr., Santa Fe, NM 87508 HOBBSUCL Scatter St. Francis Dr.

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.

Form C-144 CLEZ

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 peribility to comply with any other applicable governmental authority's rules, regulations or ordinances

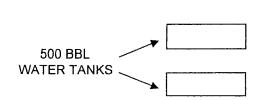
vironment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental fundating states, regulations of observables.		
Operator: Yates Petroleum Corporation OGRID #: 02557		
Address: 105 South Fourth Street Artesia, NM 88210		
Facility or well name: BOOTS STATE UNIT #3		
API Number: 30-025-38752 OCD Permit Number:		
U/L or Otr/Otr Section 17 Township 11S Range 35 E County: LEA		
Center of Proposed Design: Latitude Longitude NAD: \[\sqrt{1927} \sqrt{1983}		
Surface Owner: Tederal 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		
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 indentify 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: GANDY MARLEY Disposal Facility Permit Number: NM01-0019		
Disposal Facility Name: TENNECO SWD #1 Disposal Facility Permit Number: API#300252576200		
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: 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): Mike Allen Title: Completions Superintendent		
Signature Date: 12/30/09		
e-mail address. mikea@yatespetroleum.com Telephone 575-748-1471		
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7. OCD Approval: Permit Application (including closure plan) Closure Pl		
OCD Representative Signature:	Approval Date: 2-/6-/6	
Title: OC FIELD REPRESENTATIVE MANAGEMENT	OCD Permit Number: P1-01618	
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: 2/8/2010		
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: GANDY MARCEY	Disposal Facility Permit Number: Nm 01-0019	
Disposal Facility Name: TENNECO SWO"	Disposal Facility Permit Number: Afs 300257576200	
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): MIKE ALLEN	Title: COMPLETION SUPERINTENDENT	
Signature: Nucle Alle	Date: 2/9/2010	
e-mail address:mikea@yatespetroleum.com	Telephone: <u>575-748-147</u>	



Attachment to C-144 CLEZ

P+A



WELL

PULLING UNIT