

District I
1625 N. French Dr , Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88301
District III
1000 Rio Brazos Road, Aztec, NM 87410
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: **EOG Resources, Inc.** OGRID #: **7377**
Address: **P.O. Box 2267 Midland, TX 79702**
Facility or well name: **Comanche State Unit 4**
API Number: **30-025-27828** OCD Permit Number: **P1-01854**
U/L or Qtr/Qtr H Section 9 Township 21S Range 33E County: **Lea**
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 19.15.3.103 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: **Controlled Recovery, Inc.**

Disposal Facility Permit Number: **NM-01-0006**

or

Disposal Facility Name: **Gandy Marley, Inc.**

Disposal Facility Permit Number: **NM-01-0019**

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) Revision ☐ 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): Stan Wagner Title: Regulatory Analyst

Signature: Stan Wagner Date: 3.10.2010

e-mail address: stan_wagner@eogresources.com Telephone: 432.686.3642

7.

OCD Approval: ☐ Permit Application (including closure plan) ☐ Closure Plan (only)

OCD Representative Signature: [Signature] Approval Date: 3-15-10

Title: [Signature] OCD Permit Number: P1-01854

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: _____



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Jon Goldstein
Cabinet Secretary

Jim Noel
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



RESPONSE REQUIRED – DEADLINE ENCLOSED

March 4, 2010

EOG Resources Inc.

Attn: Stan Wagner, Regulatory Analyst
P.O. Box 2267
Midland, TX 79702

Email: stan_wagner@eogresources.com

Certified Mail: 7008 3230 0000 2319 8754

Re: Operator: EOG Resources Inc. – OGRID 7377
Well: Comanche State Unit #4, API # 30-025-27828

Dear Mr. Wagner:

It has come to our attention that there are outstanding issues relating to the above-referenced well, including issues relating to confirming that the pit at the site was properly closed and to proper plugging and abandonment of the well. You will recall that this was an "Enron Oil and Gas Company" well that was never fully addressed during the operator transfer/name change from Enron Oil and Gas Company to your current designation of EOG Resources Inc.

This well was apparently a pre-ONGARD well for which production was never reported. As a result of this, the well did not get transferred over to the new name/OGRID at the time that EOG went through the name change/change of operator process. A review of the well file records for this well, however, leaves no question that this was an Enron Oil and Gas Company well and should have been among the family of wells to be transferred to the new name/OGRID of EOG Resources, Inc., OGRID 7377 ("EOG").

Our records reflect that the last submission filed for this well was a C-103 Notice of Intention to Plug and Abandon and accompanying wellbore diagram, filed on December 17, 1999 and approved by the District Supervisor for the Hobbs District. (*Attachment A*). The C-103 identifies the operator as "Enron Oil & Gas Company" with an address of P.O. Box 2267, Midland Texas, 79702 – the same address still being used by your company now that it identifies itself as EOG Resources, Inc. The attached well diagram illustrates the *proposed* plugging to be performed, and is identified at the top with certain information including the well name, the date of preparation, and the identifier "EOG Resources, Inc." A review of the EOG website's detailed



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"company history" page confirms that "EOG Resources, Inc. (EOG), formerly Enron Oil & Gas Company, adopted a new name and declared its independence from Enron Corp." in 1999. (http://www.eogresources.com/about/company_history.html).

Recent site inspections by OCD staff have confirmed that the proposed plugging described in the 1999 C-103 was never performed, and that the site remains in need of attention. I am enclosing pictures of the site taken this past October, 2009, reflecting this. (*Attachment B*).

We understand that there has been some confusion due to the pre-ONGARD designation of this well; however, this well is currently out of compliance, and has been out of compliance for over a decade. Your immediate attention is therefore required.

Please promptly make arrangements to properly transfer this well to EOG's OGRID by contacting Dorothy Phillips in the Santa Fe OCD Office. She can be reached at (505) 476-3461 or via email at Dorothy.Phillips@state.nm.us. Once you have completed the well transfer so that the records accurately reflect operatorship of the well, please immediately begin taking steps to bring the well into compliance by completing the plugging and abandonment or otherwise returning the well to beneficial use. My understanding from OCD district personnel is that the pit at the location may also require attention. Mark Whitaker is the contact in the Hobbs District Office who is working on this file, and is the individual whom you will need to contact. He may be reached at (575) 393-6161, extension 120 or via email at MarkA.Whitaker@state.nm.us.

Please complete the well transfer and contact Mark Whitaker to address this well's compliance issues by **March 18, 2010.**

Sincerely,



Mikal Altomare
OCD Attorney

ec:

Daniel Sanchez - daniel.sanchez@state.nm.us

Gail MacQuesten - gail.macquesten@state.nm.us

Dorothy Phillips - dorothy.phillips@state.nm.us

Mark Whitaker - mark.whitaker@state.nm.us

Cindy Herrera - cindy.herrera@state.nm.us

Jane Prouty - jane.prouty@state.nm.us