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District 1 1625 N French Dr., Hobbs, NM 88240 District II 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 State of New Mexico

State of New INACASE

Energy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.

State of New INACASE

Department
OBBS Cool Dop 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. July 21, 2008

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

nvironment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.		
Operator: Vates Petroleum Corporation OGRID #: 02557 25575		
Optiano		
Address: 105 South Fourth Street Artesia, NM 88210		
Facility or well name: REDTAIL AWR STATE COM#1 API Number: 17-72-35-35-35-35-35-35-35-35-35-35-35-35-35-		
AFI Number.		
U/L or Qtr/Qtr Section 28 Township 15 Range 32 County: LEA		
Center of Proposed Design: Latitude Longitude NAD: 1927 1983		
Surface Owner: Federal State Tribal Trust or Indian Allotment		
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:		
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: BROWN SWD #1 Disposal Facility Permit Number: API#300252984200 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		
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: 2/18/2010		
c-mail address: mikea@yatespetroleum.com Telephone: 575-748-1471		

Form C-144 CLE7.

Oil Conservation Division

7. OCD Approval: Permit Application (including closure plan) Closure Plan (only)		
OCD Representative Signature:	Approval Date: FEB 2 2 2010	
Title:Geologist	OCD Permit Number: P1-01779	
6. 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.		
section of the join and an approved closure plant has over comment and the	Closure Completion Date: 3/9/2010	
7. 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		
Disposal Facility Name: BRSWN SW3 */	Disposal Facility Permit Number:	
Disposal Facility Name:	Disposal Facility Permit Number:	
Were the closed-loop system operations and associated activities performed on or Yes (If yes, please demonstrate compliance to the items below) No	in areas that will not be used for future service and operations?	
Required for impacted areas which will not be used for future service and operate Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	ons:	
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: MARe alle	Date: 6/17/2010	
e-mail address: mikea@yatespetroleum.com	Telephone: <u>575-748-147</u>	
Elfrigal 6-24-10		
	B.co.	

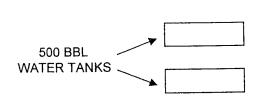
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Form C-144 CLEZ Oil Conservation Division



Attachment to C-144 CLEZ

RE-COMPLETION



3

WELL
PULLING
UNIT

SWAB TANK 500-250 BBL

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