Form C-144 CLEZ July 21, 2008

State of New Mexico

| 1625 N. French Dr., Hobbs, NM 88240 | Property | Minerals and Natural Resources | District II | 1301 W. Grand Avenue, Artesia, NM 88240 | Department | Department | Department | 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 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.

Operator: Fulfer Oil And Cattle Co. LLC OGRID #: 141402		
Address: P.O.B. 1224 Jal, NM 88252		
Facility or well name: Steeler A #3		
API Number: 300 25 26513 OCD Permit Number: P1-D1865		
U/L or Qtr/Qtr N Section 20 Township 23S Range 37E County: LEA		
Center of Proposed Design: Latitude 32.2844233259 Longitude -103.186991628 NAD: 1927 1983		
Surface Owner: Federal State XX Private Tribal Trust or Indian Allotment		
☐ Closed-loop System: Subsection H of 19.15.17.11 NMAC Operation: ☐ Drilling a new well ☐ XX Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) ☐ P&A		
XX Above Ground Steel Tanks or Haul-off Bins		
Signs: Subsection C of 19.15.17.11 NMAC		
xx 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 Oniy: (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 #5 SWD Disposal Facility Permit Number: 30-025-09807		
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) XX 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, accu	rate and complete to the best of my knowledge and belief.		
Name (Print): Gregg Fulfer	Title: Member		
Signature: Luly Zuly	Date: <u>2/10/2010</u>		
e-mail address: gfulfer@aol.com	Telephone:575-395-9970		
7. OCD Approval: Permit Application (including closure plan) Closure Plan (only)			
OCD Representative Signature:	Approval Date: UY/29/2012		
Title:	OCD Permit Number: P1-01865		
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: Fulfer Oil and Cattle Co LLC - Brown #5	Disposal Facility Permit Number: 30-025-09807		
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): Gregg Fulfer Suga Fulfer	Title: Member		
Signature: Megy Infler	Date: 6/22/10		
e-mail address: ofulfer@anl.com	Celenhone: 575 205 0070		

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·C-144 ATTACHMENT

Facility: Steeler #3, API 30-025-26513

Item #4

Design Plan

Four - 500 barrel frac tanks will be rented.

OPERATING AND MAINTENANCE PLAN:

Perform daily walk around, and if leak is detected, the OCD will be notified immediately and the leak will be contained immediately.

CLOSURE PLAN:

Upon completion, frac tanks will be removed, and liquids will be hauled to the Brown #5 SWD, API 30-025-09807 operated by Fulfer Oil & Cattle, LLC.