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District I
1625 N. French Dr., Hobbs, NM 88240District II
1304 N. French Dr., Hobbs, NM 88210District III
1000 Rio Brazos Road, Aztec, NM 87410District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505**RECEIVED**

MAY 14 2010

HOBBSDOState of New Mexico
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 NMOC 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.

| | | | | |
|----------------------------|---|--------------------|-----------|---|
| Operator: | Avra Oil Company | | OGRID #: | 1340 |
| Address: | 4925 Greenville Ave., Ste. 460 | | Dallas TX | 75206 |
| Facility or well name: | Williams #2 | | | |
| API Number | 30-025-27643 | OCD Permit Number: | 91-02190 | |
| U/L or Qtr/Qtr | H | Section | 11 | Township |
| | | | 18s | Range |
| | | | 38e | County |
| | | | Lea | |
| Center of Proposed Design: | Latitude | Longitude | | NAD <input type="checkbox"/> 1927 <input type="checkbox"/> 1983 |
| Surface Owner: | <input type="checkbox"/> Federal <input type="checkbox"/> State <input checked="" type="checkbox"/> Private <input type="checkbox"/> Tribal Trust or Indian Allotment | | | |

1. ☐ **Closed-loop System:** Subsection H of 19.15.17.11 NMACOperation: ☐ 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 Bins2. **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 NMAC3. **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: _____4. **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: J4 L Landfarm, Inc.

Disposal Facility Permit Number NM 01-0023

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 NMAC5. **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): Saeed Afghani

Title: President

Signature: Saeed Afghani

Date: 5-13-10

e-mail address: avraoil@sbcglobal.net

Telephone: 214.692.7200

7. **OCD Approval:** ☐ Permit Application (including closure plan) ☒ Closure Plan (only)

OCD Representative Signature: _____

Approval Date: 7-22-10

Title: _____

OCD Permit Number: _____

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 identify 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: _____

Avra Oil Company

Williams #2

Unit H, Sec 11, T-18S, R-38E

Lea County, NM

API #: 30-025-27643

Equipment & Design

Avra Oil Company will use a closed loop system in the plugging and abandonment of this well. The following equipment will be on location:

- 250 bbl. steel reverse or test tank

Operations & Maintenance

During each day of operation, the rig's crew will inspect and closely monitor the fluids contained within the steel tank and visually monitor any release that may occur. Should a release, spill or leak occur, the NMOCD District 1 Hobbs office (575-393-6161) will be notified, as required in NMOCD's rule 19.15.29.8

Closure

After plug back operations, fluids & solids will be emptied by vacuum truck and will be hauled and disposed at J&L Landfarm, Inc., Permit # 01-0023.