District I 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 Energy Minerals and Natural Resources Department

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

For closed-loop systems that only use above

Form C-144 CLEZ

July 21, 2008

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. APACHE CORPORATION OGRID#: 873 Operator: 79705 303 VETERANS AIRPARK LN., STE. 3000 **TEXAS** Address: **EDITH BUTLER B 5** Facility or well name: OCD Permit Number: API Number: LEA U/L or Qtr/Qtr I Section Township Range County: NAD: ⊠1927 □ 1983 103.108714 W Center of Proposed Design: Latitude Longitude Surface Owner: Federal State Private 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 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. SUNDANCE INCORPORATED Disposal Facility Permit Number: NM-01-0003 Disposal Facility Name: Disposal Facility Permit Number: NM-01-0006 Disposal Facility Name: CRI 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

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): V	ICKI BROWN	Title: D	RILLING TECH II		
Signature:	eki Brown	Date:	JANUARY 12, 2011		
e-mail address:	vicki.brown@apachecorp.com	Telephone:	432-818-1117		
7. OCD Approval: Permit Application (including closure plan) Closure Plan (only)					
OCD Representative Signature: Approval Date: 01/13/11					
Title:	Geologist		OCD Permit Number:_	P1-02783	
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 Na	ne:		Disposal Facility Permit 1	Number:	
Disposal Facility Name:					
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.	.tif action				
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:		



DESIGN PLAN, OPERATING & MAINTENANCE PLAN, & CLOSURE PLAN FOR OCD FOR C-144

EDITH BUTLER B 5

DESIGN PLAN

Fluid & cuttings coming from drilling operations will pass over the Shale Shaker with the cuttings going to the Sundance Inc / CRI haul off bin and the cleaned fluid returning to the working steel pits.

Equipment includes:

- 2-500 bbl steel frac tanks (fresh water for drilling)
- 2 180 bbl steel working pits
- 3 75 bbl steel haul off bins
- 2 Pumps (6-1/2" x 10" PZ 10)
- 1 Shale shaker
- 1 Mud cleaner QMAX MudStripper

OPERATING AND MAINTENANCE PLAN

Inspection to occur every tour for proper operation of system and individual components. If any problems are found they will be repaired and/or corrected immediately.

CLOSURE PLAN

All haul bins containing cuttings will be removed from location and hauled to Sundance Incorporated (NM-01-0003) disposal site located 3 miles East of Eunice, NM on the Texas border / Controlled Recovery, Inc's (NM-01-0006) disposal site located near mile marker 66 on Highway 62/180.

Vicki Brown Drilling Tech