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 RECEIETS Minerals and Natural Resources Department

MAR 2 3 2 [Oil Conservation Division 1220 South St. Francis Dr. HOBBS 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 bips 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 of 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: THREE RIVERS OPERATING COMPANY LLCOGRID #: 272295 | | | |
| Address: 1122 SOUTH CAPITAL OF TEXAS HIGHWAY, SUITE 325, AUSTIN, TX 78745 | | | |
| Facility or well name: D K 25 #5 | | | |
| API Number: 30-025-33890 OCD Permit Number: P1 - 03032 | | | |
| U/L or Qtr/Qtr I Section 25 Township 20S Range 38E County: LEA | | | |
| Center of Proposed Design: Latitude 32.5430785448186 | | | |
| Surface Owner: Federal State Private Tribal Trust or Indian Allotment | | | |
| | | | |
| 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 | | | |
| 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: CRI (CONTROL RECOVERY, INC) Disposal Facility Permit Number: NM-01-0006 | | | |
| 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 G 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): TOM STRATION Title: OPERATIONS ENGINEER | | | |
| Signature: Date: 3 22 10 | | | |
| e-mail address: tstratton@3rm.comTelephone: 512-423-1464 | | | |

| 7. OCD Approval: Permit Application (including cle | osure plan) Closure F | • • • |
|---|---|--|
| OCD Representative Signature: | Many | Approval Date: 23/28/11 |
| Title: | Geologist | Approval Date: <u>03/28/11</u> OCD Permit Number: P1-D3032 |
| | proved closure plan prior livision within 60 days of | to implementing any closure activities and submitting the closure report. the completion of the closure activities. Please do not complete this |
| | | s That Utilize Above Ground Steel Tanks or Haul-off Bins Only: lling fluids and drill cuttings were disposed. Use attachment if more than |
| Disposal Facility Name: | | Disposal Facility Permit Number: |
| Disposal Facility Name: | | Disposal Facility Permit Number: |
| Were the closed-loop system operations and associated Yes (If yes, please demonstrate compliance to the | | r in areas that will not be used for future service and operations? |
| Required for impacted areas which will not be used for Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Tea | • | ions. |
| | | report is true, accurate and complete to the best of my knowledge and nents and conditions specified in the approved closure plan. |
| Name (Print): | | Title: |
| Signature: | | Date: |
| e-mail address: | | Telephone: |

CLOSED LOOP OPERATION & MAINTENANCE PROCEDURE

| 1. | Steel tanks will be used to contain spent acid water, frac fluids and produced formation water recovered during the process of recompleting of this well. |
|----|---|
| 2. | All spent acid water, frac fluids and produced formation water will be disposed of in a State approved disposal system. |
| 3. | No solids are expected to be recovered during the process of completing operation. |
| 4. | This equipment will be maintained at all times while working on this recompletion. |