State of New Mexico <u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

HOBBS OCPhergy Minerals and Natural Resources

Form C-144 CLE2 July 21, 2008

District II 1301 W. Grand Avenue, Artesia, NM 88210

1000 Rio Brazos Road, Aztec, NM 87410 MAY 2 7 2011 District IV

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

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.

1220 S. St. Francis Dr., Santa Fe, NM 87505

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)

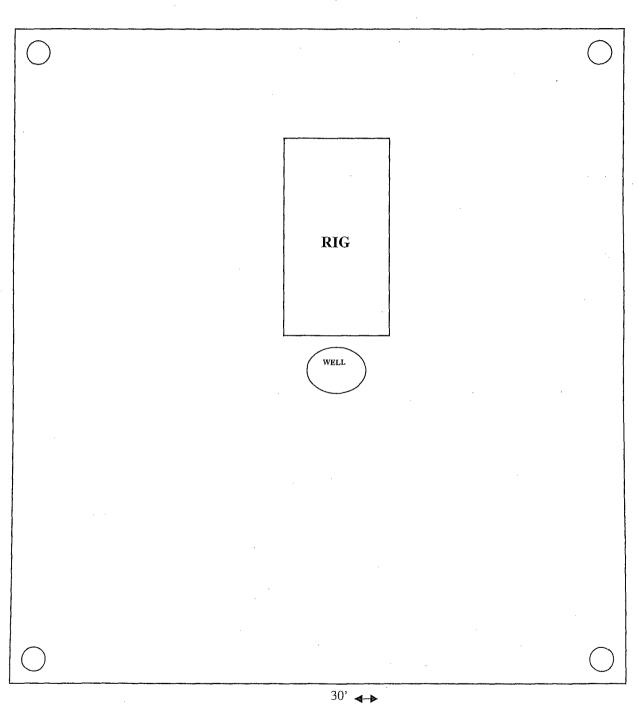
Type of action: Permit Closure

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 st environment. Nor does approval relieve the operator of its responsibility to comply with	
1.	00mm 1/10/
Operator: Oth USA Inc. Address: P.O. Box 50250 Midlend TY	OGRID #: 16696
Facility or well name: Hodges B #6	
API Number: 36-025-2496 OCD P	ermit Number: <u> </u>
	· · · · · · · · · · · · · · · · · · ·
U/L or Qtr/Qtr N Section Township 255	
Center of Proposed Design: Latitude 32. 15364 Longi	
Surface Owner: Federal State Private Tribal Trust or Indian Allotme	nt
2.	
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 energyal of a permit or notice of intent). [FRA
Above Ground Steel Tanks or ☐ Haul-off Bins	which require prior approval of a period of notice of intent,
3.	
Signs: Subsection C of 19.15.17.11 NMAC	
12"x 24", 2" lettering, providing Operator's name, site location, and emergency	y telephone numbers
☐ Signed in compliance with 19.15.3.103 NMAC	
Closed-loop Systems Permit Application Attachment Checklist: Subsection Be Instructions: Each of the following items must be attached to the application. For attached. Design Plan - based upon the appropriate requirements of 19.15.17.11 NMA Operating and Maintenance Plan - based upon the appropriate requirements Closure Plan (Please complete Box 5) - based upon the appropriate requirements Previously Approved Design (attach copy of design) API Number: Previously Approved Operating and Maintenance Plan API Number:	Please indicate, by a check mark in the box, that the documents are AC of 19.15.17.12 NMAC ments of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
S. Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Instructions: Please indentify the facility or facilities for the disposal of liquids, facilities are required.	drilling fluids and drill cuttings. Use attachment if more than two
Disposal Facility Name: Control Recover Inc.	Disposal Facility Permit Number: WW-0(-006
Disposal Facility Name:	Disposal Facility Permit Number:
Will any of the proposed closed-loop system operations and associated activities o ☐ Yes (If yes, please provide the information below) ☐ No	ccur on or 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 operation Soil Backfill and Cover Design Specifications based upon the appropriate Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection	e requirements of Subsection H of 19.15.17.13 NMAC 11 of 19.15.17.13 NMAC
6. Operator Application Certification:	
I hereby certify that the information submitted with this application is true, accura	te and complete to the best of my knowledge and belief.
Name (Print): Duvid Stewart	Title: Regulation Hevisor
Signature:	Date: 5(26(((
e-mail address: devid_Stewatooty.com	Telephone: 432-685-5717

OCD Approval: Permit Application (including closure plan) Closure Plan (or	nly)
OCD Representative Signature:	Approval Date \$31-2011
OCD Approval: Permit Application (including clostific plan) Closere Plan (of OCD Representative Signature: Title: OCC	D Permit Number: <u>\$\P\$1-03319</u>
8. Closure Report (required within 60 days of closure completion): Subsection K of Instructions: Operators are required to obtain an approved closure plan prior to imp The closure report is required to be submitted to the division within 60 days of the con section of the form until an approved closure plan has been obtained and the closure	lementing any closure activities and submitting the closure report. mpletion of the closure activities. Please do not complete this
9. <u>Closure Report Regarding Waste Removal Closure For Closed-loop Systems That</u> Instructions: Please indentify the facility or facilities for where the liquids, drilling fl two facilities were utilized.	
Disposal Facility Name: Dis	posal Facility Permit Number:
Disposal Facility Name: Dis	posal Facility Permit Number:
Were the closed-loop system operations and associated activities performed on or in are Yes (If yes, please demonstrate compliance to the items below) No	eas that will not be used for future service and operations?
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	
Operator Closure Certification: I hereby certify that the information and attachments submitted with this closure report belief. I also certify that the closure complies with all applicable closure requirements a	
Name (Print):	Title:
Signature:	Date:
e-mail address:	Telephone:

C-144CLEZ P&A Attachment RIG LAY-OUT



15'

STEEL PIT



New Mexico Drilling Daily Circulating System Inspection For Closed Loop Systems

Wellname:	Permit #:	Rig Mobe Date:
County:		Rig Demobe Date:

Inspection Date	Time	By Whom	Any drips or leaks from steel tanks, lines or pumps not disposed of in system?
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NM Daily Circulating System Inspection - Closed loop REV 0 8/4/2008

All circulating systems to be inspected DAILY during drilling operations.

*Any leak of the steel tanks, lines or pumps shall be reported to the NMOCD and repaired within 48 hours.