

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

HOBBS OCD

MAR 26 2013

RECEIVED

State of New Mexico  
Energy Minerals and Natural Resources  
Department  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-144 CLEZ  
Revised August 1, 2011

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

**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.

1.	
Operator:	CHEVRON U.S.A. INC. OGRID #:4323
Address:	15 SMITH ROAD, MIDLAND, TEXAS 79705
Facility or well name	H.T. ORCUTT NCT-E #5
API Number:	30-025-38374
OCD Permit Number:	91-05955
U/L or Qtr/Qtr F	Section 2 Township 20S Range 37E County: LEA
Center of Proposed Design: Latitude	Longitude NAD: <input type="checkbox"/> 1927 <input type="checkbox"/> 1983
Surface Owner:	<input type="checkbox"/> Federal <input checked="" type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Tribal Trust or Indian Allotment

2.	
<input type="checkbox"/> <b>Closed-loop System:</b> Subsection H of 19.15.17.11 NMAC	
Operation: <input type="checkbox"/> Drilling a new well <input checked="" type="checkbox"/> Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) <input type="checkbox"/> P&A	
<input type="checkbox"/> Above Ground Steel Tanks or <input type="checkbox"/> Haul-off Bins ACIDIZE, & SCALE SQUEEZE	

3.	
<b>Signs:</b> Subsection C of 19.15.17.11 NMAC	
<input type="checkbox"/> 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers	
<input type="checkbox"/> Signed in compliance with 19.15.16.8 NMAC	

4.	
<b>Closed-loop Systems Permit Application Attachment Checklist:</b> Subsection B of 19.15.17.9 NMAC	
<b>Instructions:</b> 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.	
<input checked="" type="checkbox"/> Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC	
<input checked="" type="checkbox"/> Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC	
<input checked="" type="checkbox"/> 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	
<input type="checkbox"/> Previously Approved Design (attach copy of design) API Number: _____	
<input type="checkbox"/> Previously Approved Operating and Maintenance Plan API Number: _____	

5.	
<b>Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:</b> (19.15.17.13.D NMAC)	
<b>Instructions:</b> 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: CONTROLLED RECOVERY INC. (CRI)	Disposal Facility Permit Number: R9166-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?	
<input type="checkbox"/> Yes (If yes, please provide the information below) <input type="checkbox"/> No	
<b>Required for impacted areas which will not be used for future service and operations:</b>	
<input type="checkbox"/> Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC	
<input type="checkbox"/> Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC	
<input type="checkbox"/> Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC	

6.	
<b>Operator Application Certification:</b>	
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): DENISE PINKERTON	Title: REGULATORY SPECIALIST
Signature: _____	Date: 03-22-2013
e-mail address: leakejd@chevron.com	Telephone: 432-687-7375

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

OCD Representative Signature: \_\_\_\_\_

Approval Date: 3-28-2013

Title: \_\_\_\_\_

OCD Permit Number: P1-05955

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:**

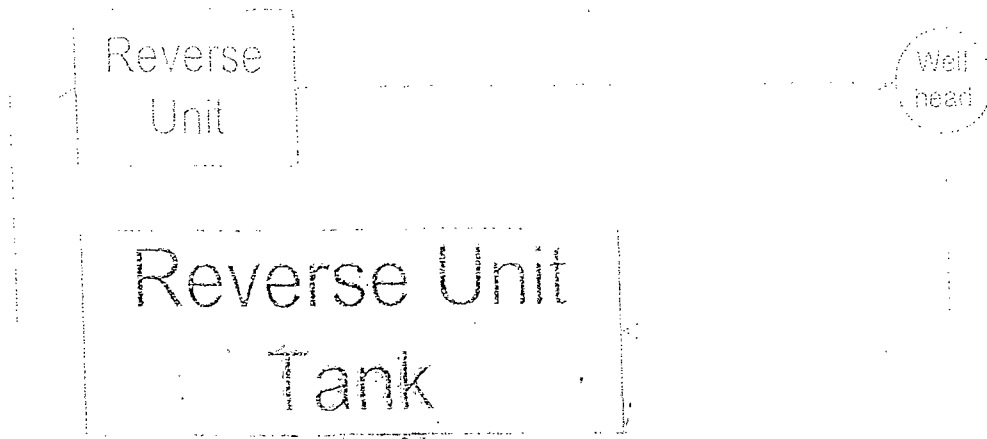
I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): \_\_\_\_\_ Title: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

e-mail address: \_\_\_\_\_ Telephone: \_\_\_\_\_

CHEVRON REVERSE UNIT SCHEMATIC OPERATING AND  
MAINTENANCE CLOSURE PLAN



Notes:

1. This is a generic layout, exact equipment orientation will vary from location to location.
2. This is a schematic representation, so drawing is not to scale.
3. Frac tanks and number of pumps can vary, with daily operations and well requirements.

Operation and Maintenance Plan

1. All recovered fluids and solids will be discharged into reverse tank.
2. Reverse tank will be continuously monitored by designated rig crew so that tank will not be overfilled.
3. Rig crew will visually inspect fluid integrity of reverse tank and frac tanks on a daily basis.
4. Documentation of visual inspection of reverse tank and frac tanks will be captured on daily completion morning report.

Closure Plan

1. All recovered fluids and solids will be removed from reverse tank and hauled off of site.
2. All recovered fluids and solids will be disposed of at a suitable off location waste disposal facility.
3. Any remaining frac fluids in frac tanks will be hauled off location.