

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

HOBBS OCD

APR 03 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  
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 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: OXY USA Inc OGRID #: 16696  
Address: PO BOX 50250 - Midland, TX 79710  
Facility or well name: Cabin Lake 31 Federal 6H  
API Number: 30-025-41088 OCD Permit Number: N/A PI-05983  
U/L or Qtr/Qtr M Section 31 Township 21S Range 32E, NMPM County: Eddy  
Center of Proposed Design: Latitude N 32.4292047° Longitude 103.7213679° NAD: ☒ 1927 ☐ 1983  
Surface Owner: ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

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 approval of a permit or notice of intent) ☐ P&A

☒ Above Ground Steel Tanks or ☒ Haul-off Bins

3. 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. 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: \_\_\_\_\_

5. 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: Control Recovery Inc. Disposal Facility Permit Number: R9166

Disposal Facility Name: Sundance Landfill Disposal Facility Permit Number: NM-01-003

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

### 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): Carlos Mercado Title: Drilling Engineer

Signature: [Signature] Date: 5/14/12

e-mail address: carlos\_mercado@oxy.com Telephone: (713) 366-5418

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

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

Petroleum Engineer

Approval Date: \_\_\_\_\_

04/04/13

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

OCD Permit Number: \_\_\_\_\_

P1-05983

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: \_\_\_\_\_

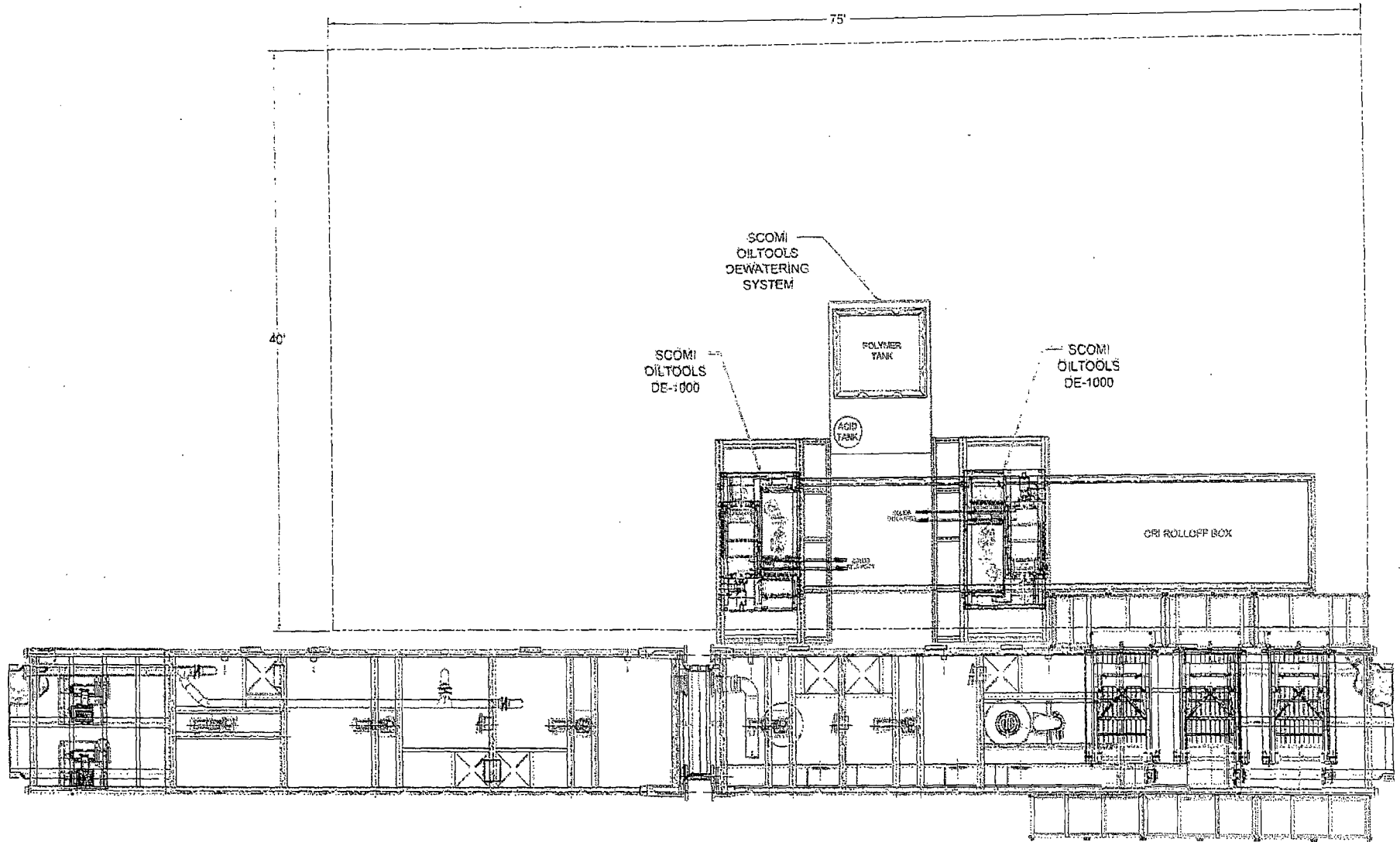
Telephone: \_\_\_\_\_

[illegible]

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

60-1

BILL OF MATERIALS		QUANTITY	WEIGHT
ITEM NO.	DESCRIPTION		



NO.	REVISIONS	DATE	BY	CHKD	APPD	QTY
1	ISSUED FOR FABRICATION	10/20/08	PTL			

1. ALL STRUCTURAL MATERIAL SHALL BE A36 - A572.  
 2. ALL PIPE SHALL BE MATERIAL DA 105 OR B.  
 3. ALL FLANGES SHALL BE SCOT 1509 IN MATERIAL EX 105.  
 4. ALL FITTINGS SHALL BE SCOT 1509 IN MATERIAL EX 105.  
 5. TANK FABRICATION SHALL BE IN ACCORDANCE WITH API-650.

The design, information and drawings on this drawing are the exclusive confidential property of Scomi International Limited and are not to be reproduced or disclosed to anyone by any means, in any form, or transmitted, or transferred into a machine language or used for manufacture or other purposes without the written permission of Scomi International Limited. In receipt of such permission, solely and solely for the purpose consented, the drawing and any copies shall be returned to Scomi International Limited upon request.

CLOSED LOOP SYSTEM BASIC LAYOUT AND TIE IN OXY - H&P - FLEX RIGGS / PG 1 OF 2			
DESIGNED BY	DATE	CHECKED BY	DATE
PTL	10/20/08		
APPROVED	DATE	SIGNATURE	AND EXP.
		NTS	D

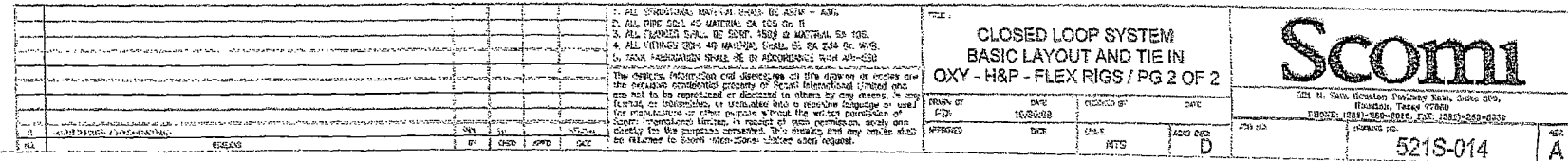
# Scomi

101 H. SWAN REFINERY PARKWAY SUITE 100, CHANDLER, ARIZONA 85226  
 PHONE: (480) 948-8818 FAX: (480) 948-8819

521S-014

A

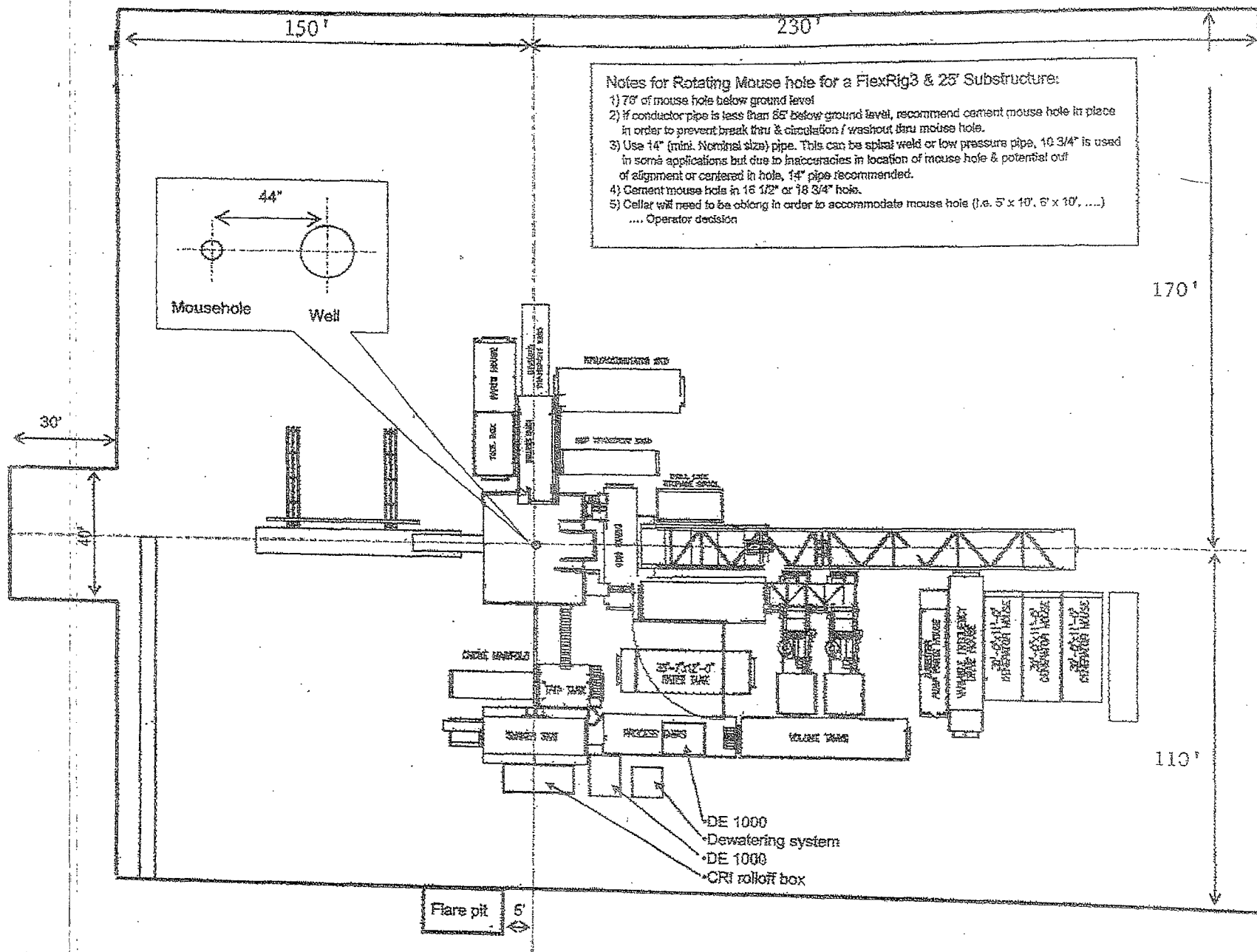
BILL OF MATERIALS		LENGTH	WEIGHT
ITEM NO.	DESCRIPTION		



RL-CL-3

SAFETY FLEX III PAD (SCUMI CLOSED LOOP SYSTEM)

Level Area-No Caliche-For Offices and Living Quarters



Notes for Rotating Mouse hole for a FlexRig3 & 25' Substructure:

- 1) 75' of mouse hole below ground level
  - 2) If conductor pipe is less than 85' below ground level, recommend cement mouse hole in place in order to prevent break thru & circulation / washout thru mouse hole.
  - 3) Use 14" (mini. Nominal size) pipe. This can be spiral weld or low pressure pipe, 10 3/4" is used in some applications but due to inaccuracies in location of mouse hole & potential out of alignment or centered in hole, 14" pipe recommended.
  - 4) Cement mouse hole in 16 1/2" or 18 3/4" hole.
  - 5) Celler will need to be oblong in order to accommodate mouse hole (i.e. 5' x 10', 6' x 10', ....)
- .... Operator decision

Clear all brush + 20' off pad to allow Drk truck to drive off pad & maneuver drk into position

Site plan of the Bannockburn Field Development. The plan shows various facilities and their dimensions:

- Dimensions:**
  - Overall width: 4380' 0"
  - Overall height: 4100' 0"
  - Top section width: 418' 7"
  - Left section width: 429' 2"
  - Right section width: 441' 8"
- Facilities:**
  - SCOMI (top right)
  - shakers (top right)
  - mud pits (top right)
  - pipe racks (top right)
  - pipe racks (middle right)
  - SCOMI (bottom right)
  - oil house (center right)
  - FRAC TANK (four units, left side)
  - Change House (bottom left)
  - Crew Quarters (bottom left)
  - RN Trailer (bottom left)

