

C-144 Modification request (CO PYTHON 10 15 FED COM 414 [fVV2213751422])

Date: 5/14/2025

NMOCD,

Chevron MCBU kindly requests a modification from NMOCD to cancel the construction of the temporary reserve pit for the <u>CO PYTHON 10 15 FED COM 414 (414H, 415H) FACILITY ID</u> [fVV2213751422], which was approved on 5/17/2022.

Drilling with earthen reserve pits, aka open-loop drilling, requires a significant increase in fluid volume and surface disturbance compared to the alternative closed-loop (without earthen pits) drilling. In most areas there is evidence to suggest that the cost of sending drilled cuttings to a disposal facility outweighs the cost of ownership (construction, remediation, permitting, etc). There is reason to suggest that the cost of ownership in fact outweighs the cost of drilled cuttings and fluid disposal in New Mexico. While the Drilling Operations team continues to analyze this issue, I see benefit to continuing operations as we have been to benefit the rig team while protecting the environment the best we can.

Thank you for your time and support.

Best regards,

Vera Zhongke Liu

Lead HSE Factory Support Specialist, MCBU

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Chevron USA Incorporated

Chevron USA Inc. 6301 Deauville Blvd Midland, TX 79706 Tel 325-450-1413 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

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 Revised April 3, 2017

For temporary pits, below-grade tanks, and multi-well fluid management pits, submit to the appropriate NMOCD District Office. For permanent pits submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Pit, Below-Grade Tank, or

Proposed Alternative Method Permit or Closure Plan Application
Type of action: Below grade tank registration Permit of a pit or proposed alternative method Closure of a pit, below-grade tank, or proposed alternative method Modification to an existing permit/or registration Closure plan only submitted for an existing permitted or non-permitted pit, below-grade tank, or proposed alternative method
Instructions: Please submit one application (Form C-144) per individual pit, below-grade tank or alternative request
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.
Operator: OGRID #: 4323
Address: 6301 Deauville Blvd., Midland, TX 79706
Facility or well name: CO Python 10 15 Fed Com 414 (414H, 415H)
API Number: OCD Permit Number:
U/L or Qtr/Qtr N Section 3 Township 25S Range 32E County: Lea
Center of Proposed Design: Latitude 32.15477 Longitude -103.66658 NAD83
Surface Owner: Federal State Private Tribal Trust or Indian Allotment
☑ Pit: Subsection F, G or J of 19.15.17.11 NMAC Temporary: ☑ Drilling ☐ Workover ☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A ☐ Multi-Well Fluid Management Low Chloride Drilling Fluid ☐ yes ☒ no ☒ Lined ☐ Unlined Liner type: Thickness 40 mil ☐ LLDPE ☒ HDPE ☐ PVC ☐ Other ☐ String-Reinforced Liner Seams: ☒ Welded ☐ Factory ☐ Other Volume: 1 x 15,400 bbl, 1 x 7,700 bbl Dimensions: L 251 ft x W 196 ft x D 8 ft
3.
Below-grade tank: Subsection I of 19.15.17.11 NMAC
Volume:bbl Type of fluid:
Tank Construction material:
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off ☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other
Liner type: Thickness mil HDPE PVC Other
4. Alternative Method:
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.
5.
Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)
Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, hospital,
institution or church) ⊠ Four foot height, four strands of barbed wire evenly spaced between one and four feet
Alternate. Please specify

Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)	
Screen Netting Other	
Monthly inspections (If netting or screening is not physically feasible)	
5. 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 19.15.16.8 NMAC	
Variances and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance. Please check a box if one or more of the following is requested, if not leave blank: □ Variance(s): Requests must be submitted to the appropriate division district for consideration of approval. See Variance Request □ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	S
9. Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptance are provided below. Siting criteria does not apply to drying pads or above-grade tanks.	ptable source
General siting	
Ground water is less than 25 feet below the bottom of a low chloride temporary pit or below-grade tank. - □ NM Office of the State Engineer - iWATERS database search; □ USGS; □ Data obtained from nearby wells	☐ Yes ☐ No ☐ NA
Ground water is less than 50 feet below the bottom of a Temporary pit, permanent pit, or Multi-Well Fluid Management pit. - ☑ NM Office of the State Engineer - iWATERS database search; ☑ USGS; ☐ Data obtained from nearby wells See Appendices A, B, Figure 7	☐ Yes ☑ No ☐ NA
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. (Does not apply to below grade tanks) - Written confirmation or verification from the municipality; Written approval obtained from the municipality See Figures 2 & 7	☐ Yes ⊠ No
Within the area overlying a subsurface mine. (Does not apply to below grade tanks) - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division See Figure 4	☐ Yes ⊠ No
 Within an unstable area. (Does not apply to below grade tanks) Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map See Figures 6, 8, 9, Appendix G 	☐ Yes ☒ No
Within a 100-year floodplain. (Does not apply to below grade tanks) - FEMA map See Figure 3	☐ Yes ⊠ No
Below Grade Tanks	
Within 100 feet of a continuously flowing watercourse, significant watercourse, lakebed, sinkhole, wetland or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 200 horizontal feet of a spring or a fresh water well used for public or livestock consumption;. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Temporary Pit using Low Chloride Drilling Fluid (maximum chloride content 15,000 mg/liter)	
Within 100 feet of a continuously flowing watercourse, or any other significant watercourse or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). (Applies to low chloride temporary pits.) - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No
Within 300 feet from a occupied permanent residence, school, hospital, institution, or church in existence at the time of initial application.	☐ Yes ☐ No
- Visual inspection (certification) of the proposed site: Aerial photo: Satellite image	1

Within 200 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 300feet of any other fresh water well or spring, in existence at the time of the initial application. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☐ No	
Within 100 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No	
Temporary Pit Non-low chloride drilling fluid		
Within 300 feet of a continuously flowing watercourse, or any other significant watercourse, or within 200 feet of any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site See Figure 6	☐ Yes ⊠ No	
 Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. Visual inspection (certification) of the proposed site; Aerial photo; Satellite image See Figure 2 	☐ Yes ⊠ No	
 Within 500 horizontal feet of a spring or a private, domestic fresh water well used by less than five households for domestic or stock watering purposes, or 1000 feet of any other fresh water well or spring, in the existence at the time of the initial application; NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site See Appendices A, B, and Figures 1 & 2 	☐ Yes ⊠ No	
 Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site See Figures 2, 5, & 6 	☐ Yes ⊠ No	
Permanent Pit or Multi-Well Fluid Management Pit		
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No	
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No	
Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☐ No	
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No	
Temporary Pits, Emergency Pits, and Below-grade Tanks 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. ☐ Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC ☐ Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC ☐ See Appendix C ☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Attached ☐ Design Plan - based upon the appropriate requirements of 19.15.17.12 NMAC See Appendix D ☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC See Appendix E ☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC See Appendix F ☐ Previously Approved Design (attach copy of design) API Number: or Permit Number: or Per		
Multi-Well Fluid Management Pit 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 A List of wells with approved application for permit to drill associated with the pit. Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC Hydrogeologic Data - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC		

☐ Prev	viously Approved Design (attach copy of design)	API Number:	or Permit Number:	
Instruct attached		ats of Paragraph (1) upon the appropriate requirements of 1: based upon the appropriate requirements of 1: based upon the appropriate requirements of 1 d Installation Plan appropriate requirements of 1 upon the appropriate upon the	on. Please indicate, by a check mark in the box, that the of Subsection B of 19.15.17.9 NMAC atter equirements of 19.15.17.10 NMAC rements of 19.15.17.11 NMAC appriate requirements of 19.15.17.11 NMAC appropriate requirements of 19.15.17.11 NMAC attered are requirements of 19.15.17.11 NMAC attered are requirements of 19.15.17.11 NMAC attered are requirements of 19.15.17.11 NMAC	documents are
Type: [☐ Alternative d Closure Method: ☐ Waste Excavation and Re ☐ Waste Removal (Closed- ☐ On-site Closure Method (res 14 through 18, i vitation P&A moval loop systems only) Only for temporary al On-site Tren	Permanent Pit Below-grade Tank Multi-well I	Fluid Management Pit
	plan. Please indicate, by a check mark in the borrotocols and Procedures - based upon the approprion Confirmation Sampling Plan (if applicable) - based Disposal Facility Name and Permit Number (for lice	x, that the documes, interrequirements of upon the appropriate duds, drilling fluids, drilling fluids, drilling fluids and upon the appropriate dupon the appropriate dupon the spropriate dupon the s	f 19.15.17.13 NMAC tte requirements of Subsection C of 19.15.17.13 NMAC s and drill cuttings) oriate requirements of Subsection H of 19.15.17.13 NMAC ection H of 19.15.17.13 NMAC	
Instruct provide		ion of compliance i	IAC in the closure plan. Recommendations of acceptable sourie justifications and/or demonstrations of equivalency.	
-	water is less than 25 feet below the bottom of the NM Office of the State Engineer - iWATERS dat See Appendices A & B, and Figure 7		S; Data obtained from nearby wells	☐ Yes ☑ No ☐ NA
-	water is between 25-50 feet below the bottom of NM Office of the State Engineer - iWATERS dat See Appendices A & B, and Figure 7		S; Data obtained from nearby wells	☐ Yes ⊠ No ☐ NA
-	water is more than 100 feet below the bottom of t NM Office of the State Engineer - iWATERS dat See Appendices A & B, and Figure 7		S; Data obtained from nearby wells	⊠ Yes □ No □ NA
lake (me	100 feet of a continuously flowing watercourse, or easured from the ordinary high-water mark). Topographic map; Visual inspection (certification See Figure 6		ner significant watercourse, lakebed, sinkhole, or playa	☐ Yes ⊠ No
-	300 feet from a permanent residence, school, hosp Visual inspection (certification) of the proposed s See Figure 2		church in existence at the time of initial application. atellite image	☐ Yes ⊠ No
	300 horizontal feet of a private, domestic fresh wa	ter well or spring us	sed for domestic or stock watering purposes, in existence	☐ Yes ⊠ No

- NM Office of the State Engineer - iWATERS database; Visual inspection (ce See Appendices A & B, and Figure 7	rtification) of the proposed site			
Written confirmation or verification from the municipality; Written approval obtained	from the municipality	☐ Yes ⊠ No		
Within 300 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection See Figures 2, 5 & 6	on (certification) of the proposed site	☐ Yes ⊠ No		
Within incorporated municipal boundaries or within a defined municipal fresh water valopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval See Figure 2	•	☐ Yes ⊠ No		
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining at See Figure 4	nd Mineral Division	☐ Yes ⊠ No		
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Society; Topographic map See Figures 6, 8, & 9, Appendix G	& Mineral Resources; USGS; NM Geological	☐ Yes ⊠ No		
Within a 100-year floodplain FEMA map See Figure 3		☐ Yes ⊠ No		
16. On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Attached Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection E of 19.15.17.13 NMAC Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of Subsection K of 19.15.17.11 NMAC Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.13 NMAC See Appendix F Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of 19.15.17.13 NMAC See Appendix F Subsection Sampling Plan - based upon the appropriate requirements of 19.15.17.13 NMAC See Appendix F Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved) See Appendix F Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC See Appendix F Re-vegetation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC See Appendix F Site Reclamation Plan - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC See Appendix F Thereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief. Name (Print): Vera Zhongke Liu Title: Lead HSE Factory Support Specialist				
Signature:	Date: <u>5/14/2025</u>			
e-mail address:veraliu@chevron.com	Telephone: <u>505-934-8195</u>			
18. OCD Approval: ☐ Permit Application (including closure plan) ☐ Closure Plan ((only) OCD Conditions (see attachment)			
OCD Representative Signature:	Approval Date:			
Title: OCD Permit Number:				
19. Closure Report (required within 60 days of closure completion): 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:				
Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative If different from approved plan, please explain.	Closure Method	l-loop systems only)		

21. Cleaning Deport Attachment Checklists Justinisticus, Each of the	a fallanina itama muat ba att	asked to the elegene nament. Plance indicate by a sheek			
Closure Report Attachment Checklist: Instructions: Each of th	e jouowing uems must be att	acnea to the closure report. Please indicate, by a check			
mark in the box, that the documents are attached.					
Proof of Closure Notice (surface owner and division)	1111				
Proof of Deed Notice (required for on-site closure for private	and only)				
Plot Plan (for on-site closures and temporary pits)					
Confirmation Sampling Analytical Results (if applicable)	. 1				
Waste Material Sampling Analytical Results (required for on	-site closure)				
Disposal Facility Name and Permit Number					
Soil Backfilling and Cover Installation					
Re-vegetation Application Rates and Seeding Technique					
Site Reclamation (Photo Documentation)		<u>_</u>			
On-site Closure Location: Latitude	Longitude	NAD: □1927 □ 1983			
22.					
Operator Closure Certification:					
L hereby certify that the information and attachments submitted with	this closure report is true ac	curate and complete to the best of my knowledge and			
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.					
belief. I also certify that the closure complies with an applicable ex	osare requirements and condit	ions specified in the approved closure plan.			
Name (Print):	Title:				
Signature:	Date				
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a mail addragg	Talamban				
e-mail address:	relepnor	ne:			

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

CONDITIONS

Action 462072

CONDITIONS

Operator:	OGRID:
CHEVRON U S A INC	4323
6301 Deauville Blvd	Action Number:
Midland, TX 79706	462072
	Action Type:
	[C-144] Temporary Pit Plan (C-144T)

CONDITIONS

Created B	Condition	Condition Date
joel.sto	e Construction of temporary reserve pit has been cancelled at operator's request.	5/16/2025