

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
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 NMOC District Office.

RECEIVED
FEB 15 2012
NMOC DISTRICT I

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: Rogers-23 Fee # 6
API Number: 30-015-39850 OCD Permit Number: 212534
U/L or Qtr/Qtr J Section 23 Township 18S Range 26E, NMPM County: Eddy
Center of Proposed Design: Latitude N 32.7322844° Longitude 104.3510372° 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): Luis Tarazona Title: Drilling Engineer

Signature: [Signature] Date: 01/04/2012

e-mail address: luis_tarazona@oxy.com Telephone: (713) 366-5771

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

OCD Representative Signature: [Signature] Approval Date: 02/17/2012

Title: Dist # Supervisor OCD Permit Number: 212534

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 indentify 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: _____

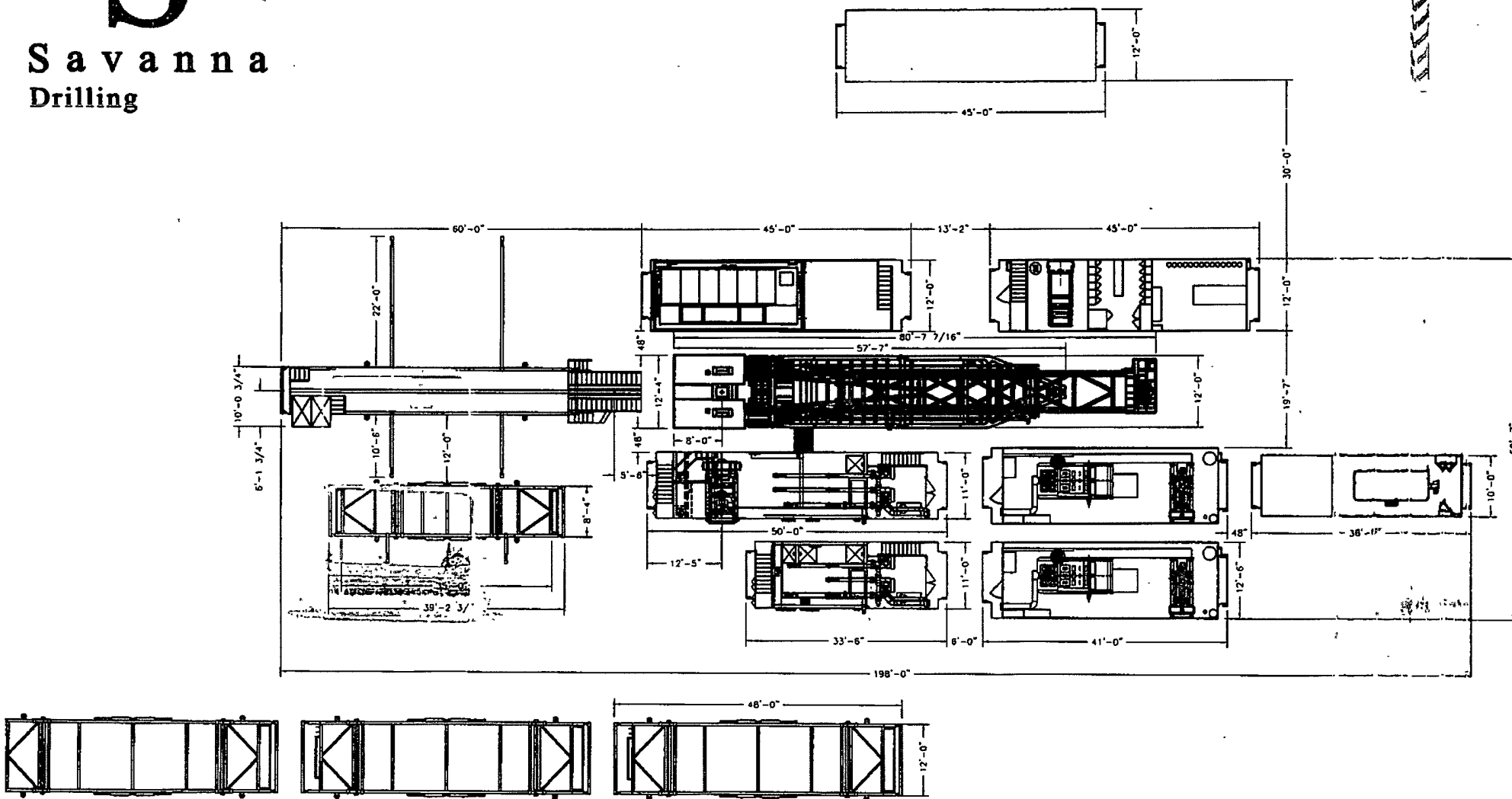
e-mail address: _____ Telephone: _____

[illegible]

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



TDS3000



| | | |
|-----------------------|--------------------------------------|--------|
| Operator Name/Number: | OXY USA Inc. | 16696 |
| Lease Name/Number: | Rogers #6 | 304948 |
| Pool Name/Number: | Atoka Glorieta-Yeso | 3250 |
| Surface Location: | 2310 FSL 2310 FEL J Sec 23 T18S R26E | |

C-102 Plats: 10/26/11 11/14/11 1/4/12 Elevation: 3310.9' GL

Proposed TD: 3700' TVD
 Lat: 32.7322844 Long: 104.3510372 X= 494555.9 Y= 630116.5 NAD - 1927

Casing Program:

| <u>Hole Size</u> | <u>Interval</u> | <u>OD Csg</u> | <u>Weight</u> | <u>Collar</u> | <u>Grade</u> | <u>Condition</u> | <u>Collapse Design Factor</u> | <u>Burst Design Factor</u> | <u>Tension Design Factor</u> |
|------------------|-----------------|---------------|---------------|----------------------------|--------------|------------------|-------------------------------|----------------------------|------------------------------|
| 12-1/4" | 900' | 9-5/8" | 36 | ST&C | J-55 | New | 17.6 | 1.62 | 2.21 |
| | | | | Hole filled with 8.4# Mud | | | 2020# | 3520# | |
| 8-3/4" | 3700' | 5-1/2" | 17 | LT&C | J-55 | New | 2.25 | 2.44 | 2.55 |
| | | | | Hole filled with 10.0# Mud | | | 4910# | 5320# | |

Collapse and burst loads calculated using Stress Check with anticipated loads

Cement Program:

- a. 9-5/8" Surface Circulate cement to surface w/ 750sx PP cmt w/ 2% CaCl₂, 14.8ppg 1.35 yield 2500# 24hr CS 150% Excess
- b. 5-1/2" Production Cement w/ 750sx HES light PP cmt w/ 5% salt + 3#/sx Kol Seal + .125#/sx Poly-E-Flake, 12.9ppg 1.89 yield 530# 24hr CS 150% Excess followed by 470sx 50/50 Poz/PP cmt w/ 3% salt + 0.4% Halad R-322 + .125#/sx Poly-E-Flake, 14.5ppg 1.24 yield 980# 24hr CS 150% Excess

Proposed Mud Circulation System:

| <u>Depth</u> | <u>Mud Wt. ppq</u> | <u>Visc sec</u> | <u>Fluid Loss</u> | <u>Type System</u> |
|--------------|--------------------|-----------------|-------------------|----------------------|
| 0 - 900' | 8.4-8.8 | 32-34 | NC | Fresh Water/Spud Mud |
| 900 - 3700' | 9.8-10.0 | 28-29 | NC | Brine Water |

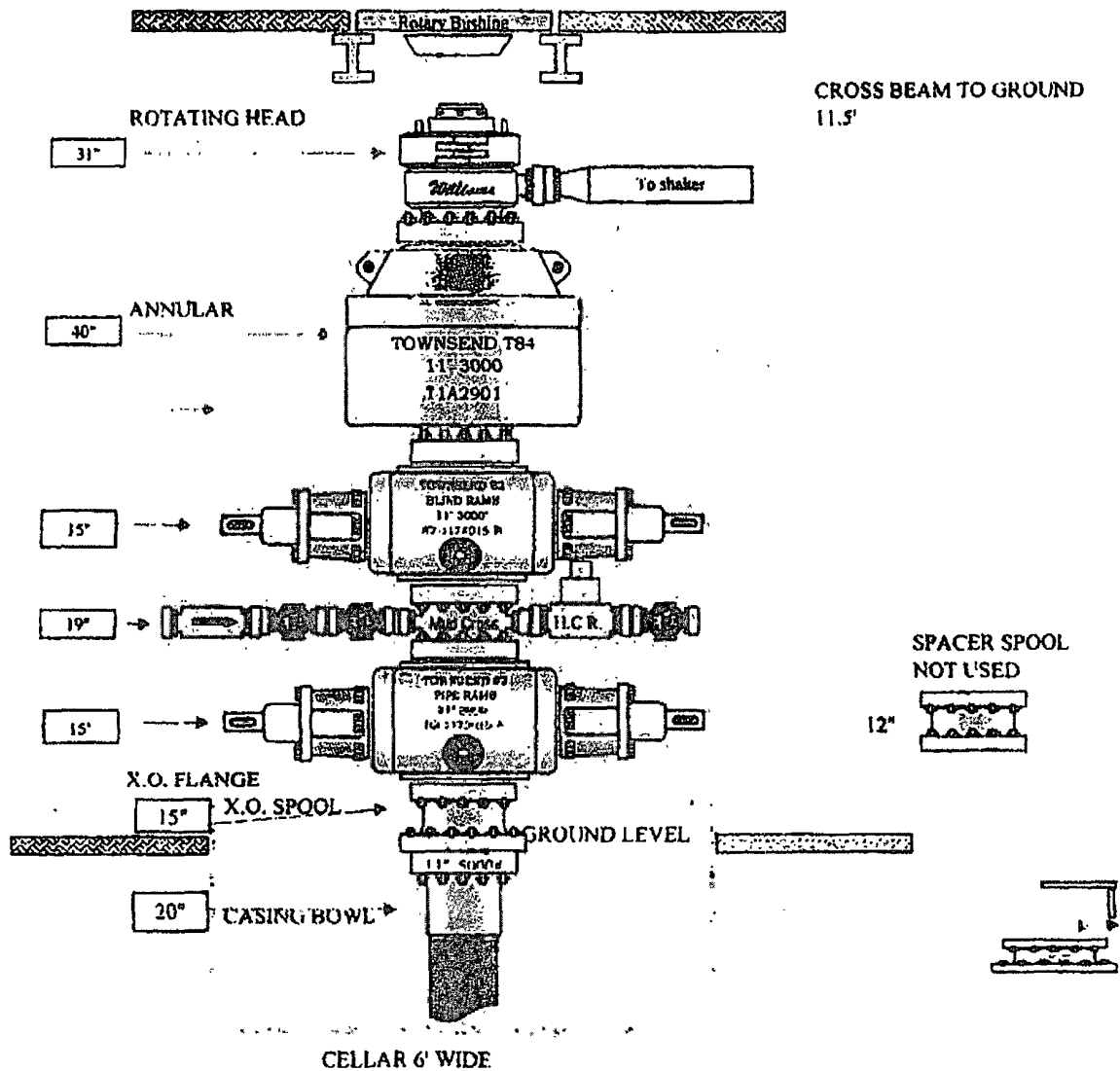
Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times.

BOP Program (1):

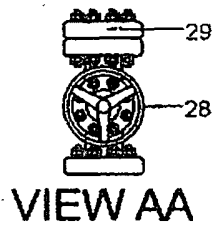
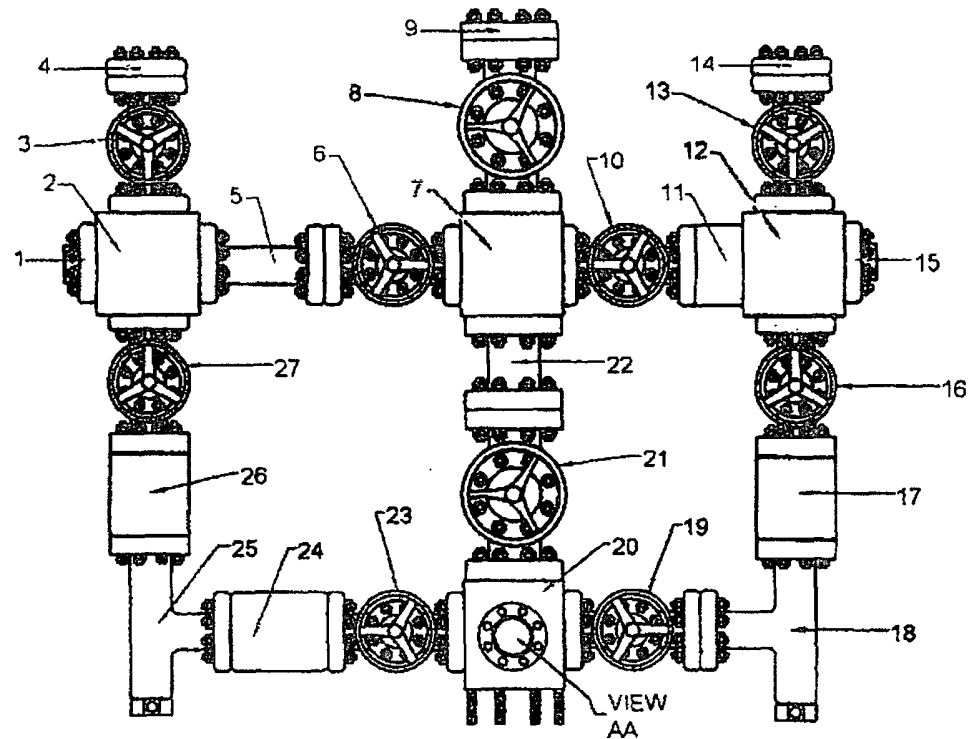
Surface None
 Production 11" X 3M Double Ram, 11" X 3M Annular, 3M Choke Manifold

Estimated Tops of Geological Markers & Depths of Anticipated Fresh Water, Oil or Gas:

| <u>Geological Marker</u> | <u>Depth</u> | <u>Type</u> | <u>Source</u> |
|--------------------------|--------------|-------------|---------------|
| a. Seven Rivers | 200' | Formation | Drilling |
| b. Queen | 400' | Formation | Drilling |
| c. Grayburg | 830' | Formation | Drilling |
| d. San Andres | 1124' | Oil/Gas | Drilling |
| e. Glorieta | 2700' | Oil/Gas | Drilling |
| f. Yeso | 2860' | Oil/Gas | Drilling |



RIG #



| | | | | | |
|-------------|-----------|-------|----|------------------------|--|
| Scale: | N.T.S | Date: | | Description: | |
| Drawn by: | RAVI MANI | DWG# | | 3-1/8" x 2-1/16" 3000# | |
| Checked by: | | REV | 00 | NACE TRIM SINGLE | |
| | | | | GUT CHOKE & KILL | |
| | | | | MANIFOLD SYSTEM | |



3-1/8" x 2-1/16" 3000# NACE TRIM SINGLE GUT CHOKE & KILL MANIFOLD SYSTEM

August-06

| ITEM | I.D. NO. | DESCRIPTION |
|------|----------------|--|
| 1 | 9053 | 2-1/16" 5000# BLIND FLANGE |
| 2 | AR0605004 | 2-1/16" 5000# STUDDED CROSS |
| 3 | AS0606009 | 2-1/16" 5000# CNV NACE TRIM GATE VALVE |
| 4 | 9053 | 2-1/16" 5000# x 2" L.P. COMPANION FLANGE |
| 5 | Q7082 | 2-1/16" 3000# x 8.562" O.A.L. FLANGED SPACER SPOOL |
| 6 | AS0606003 | 2-1/16" 5000# CNV NACE TRIM GATE VALVE |
| 7 | A0445 | 3-1/8" x 3-1/8" x 2-1/16" x 2-1/16" 3000# STUDDED CROSS |
| 8 | AS0606119 | 3-1/8" 3000# CNV NACE TRIM GATE VALVE |
| 9 | F3323 | 3-1/8" 3000# x 3" L.P. COMPANION FLANGE |
| 10 | AS0606004 | 2-1/16" 5000# CNV NACE TRIM GATE VALVE |
| 11 | Q7082 | 2-1/16" 3000# x 3.312" O.A.L. SOLID SPACER SPOOL |
| 12 | AR0605007 | 2-1/16" 5000# STUDDED CROSS |
| 13 | AS0606005 | 2-1/16" 5000# CNV NACE TRIM GATE VALVE |
| 14 | 9053 | 2-1/16" 5000# x 2" L.P. COMPANION FLANGE |
| 15 | 9053 | 2-1/16" 5000# BLIND FLANGE |
| 16 | AS0606007 | 2-1/16" 5000# CNV NACE TRIM GATE VALVE |
| 17 | Q7082 | 2-1/16" 3000# x 7" O.A.L. DOUBLE STUDDED SPACER SPOOL |
| 18 | 1091200-1-1130 | 2-1/16" 5000# CORTEC "CM-2" ADJUSTABLE CHOKE c/w 2 x 0.75" CERAMIC DISCS |
| 19 | AS0606006 | 2-1/16" 5000# CNV NACE TRIM GATE VALVE |
| 20 | A0441 | 3-1/8" x 3-1/8" x 2-1/16" x 2-1/16" x 2-1/16" 3000# 5- WAY STUDDED BLOCK |
| 21 | AS0606118 | 3-1/8" 3000# CNV NACE TRIM GATE VALVE |
| 22 | 51209 | 3-1/8" 3000# x 10.5" O.A.L. FLANGED SPACER SPOOL |
| 23 | AS0606001 | 2-1/16" 5000# CNV NACE TRIM GATE VALVE |
| 24 | Q7082 | 2-1/16" 3000# x 4.733" O.A.L. SOLID SPACER SPOOL |
| 25 | 1091200-1-1137 | 2-1/16" 5000# CORTEC "CM-2" ADJUSTABLE CHOKE c/w 2 x 0.75" CERAMIC DISCS |
| 26 | Q7082 | 2-1/16" 3000# x 7" O.A.L. DOUBLE STUDDED SPACER SPOOL |
| 27 | AS0606008 | 2-1/16" 5000# CNV NACE TRIM GATE VALVE |
| 28 | AS0606002 | 2-1/16" 5000# CNV NACE TRIM GATE VALVE |
| 29 | 9053 | 2-1/16" 5000# x 2" L.P. COMPANION FLANGE |

WVS