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

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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: Rogers ~~23 Fee~~ # 3

API Number: 30-015-39849 OCD Permit Number: ~~N/A~~ 212535

U/L or Qtr/Qtr J Section 23 Township 18S Range 26E, NMPM County: Eddy

Center of Proposed Design: Latitude N 32.7359389° Longitude 104.3467007° 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 indentify 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: 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: AR Dade **Approval Date:** 02/17/2012

Title: Dist II Supv **OCD Permit Number:** 212535

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: _____

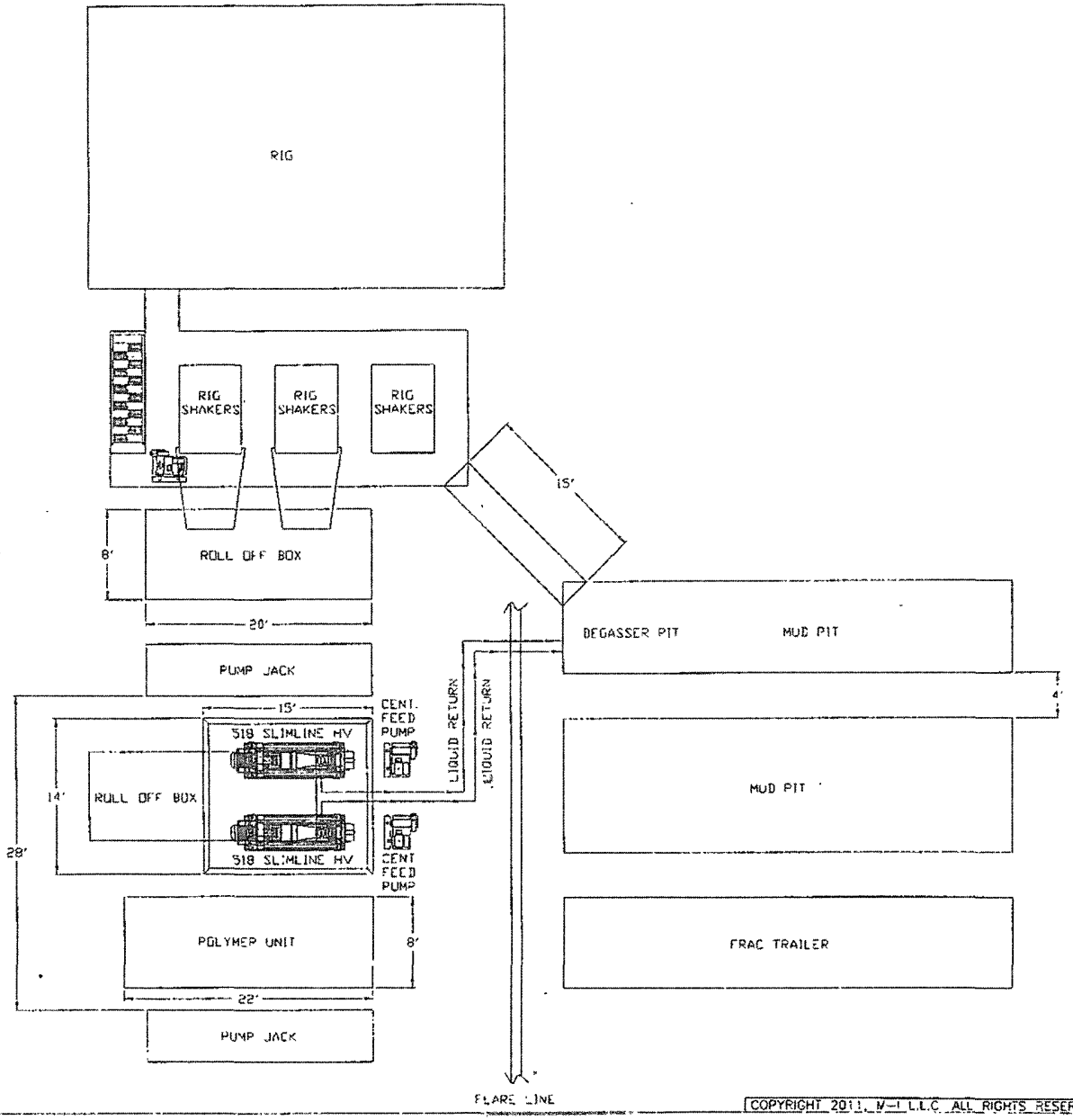
e-mail address: _____ Telephone: _____

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 contained?* Explain.	Has any hazardous waste been disposed of in system?

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.**



MI SWACO

3600 NORTH SOURCE DRIVE, HOUSTON, TEXAS 77032

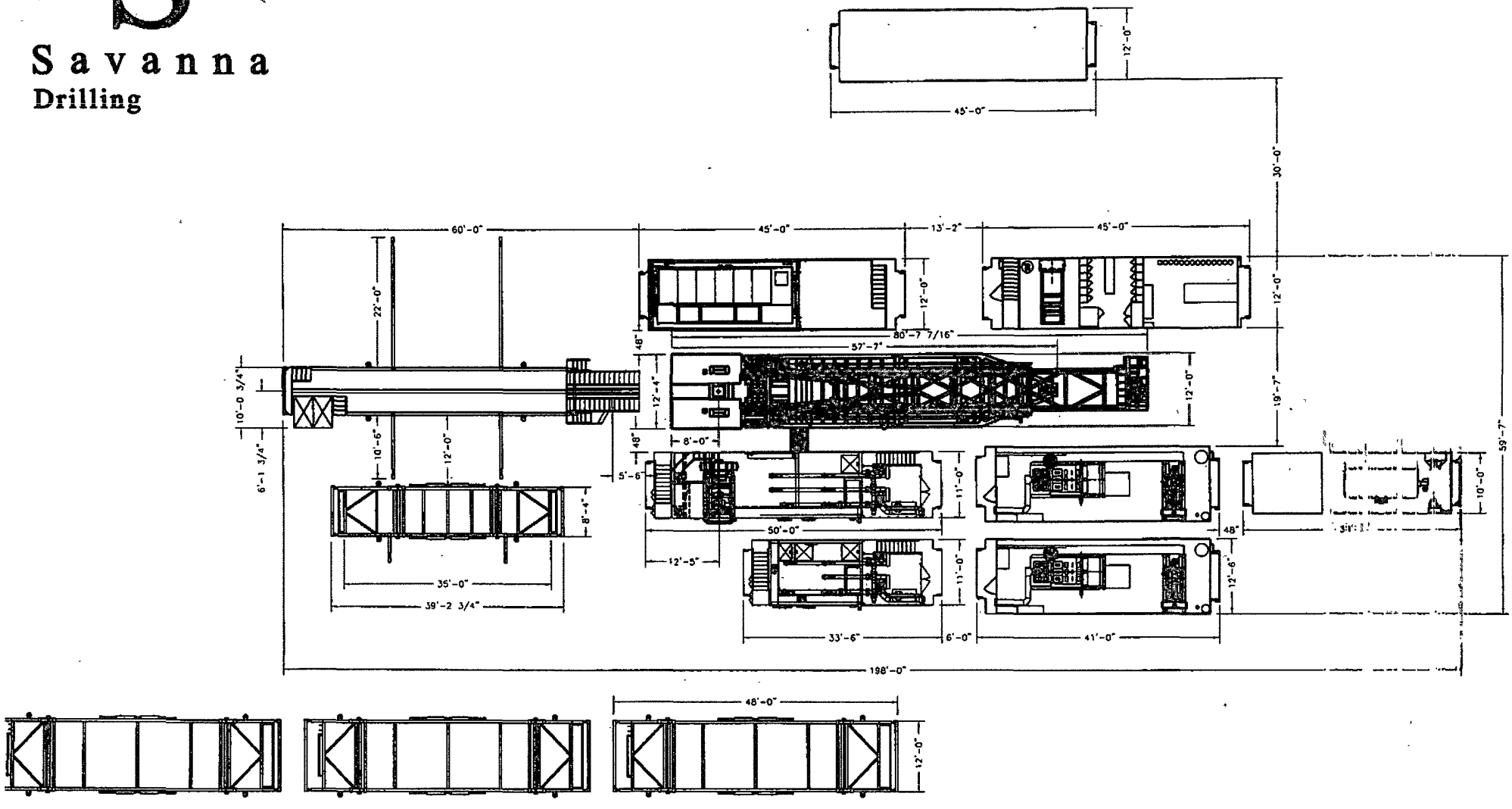
H&P 345/OXY
SOLIDS CONTROL AND
DEWATERING PROPOSAL GA

SIZE	PLOT DATE	DWG NO.	REV
D	10-12-2011	NALP-029-DWG-001	-

SCALE N.T.S | DRAWN BY T. ANDERSON | SHEET 1 OF 1

Savanna
Drilling

TDS3000



Operator Name/Number: OXY USA Inc. 16696
Lease Name/Number: Rogers #3 304948
Pool Name/Number: Atoka Glorieta-Yeso 3250
Surface Location: 1650 FNL 990 FEL H Sec 23 T18S R26E

C-102 Plats: 10/26/11 11/14/11 1/4/12 **Elevation:** 3309.9' GL

Proposed TD: 3700' TVD
Lat: 32.7359389 **Long:** 104.3467007 **X=** 495889.6 **Y=** 631445.8 **NAD - 1927**

Casing Program:

Hole Size	Interval	OD Csg	Weight	Collar	Grade	Condition	Collapse Design Factor	Burst Design Factor	Tension Design Factor
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:

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

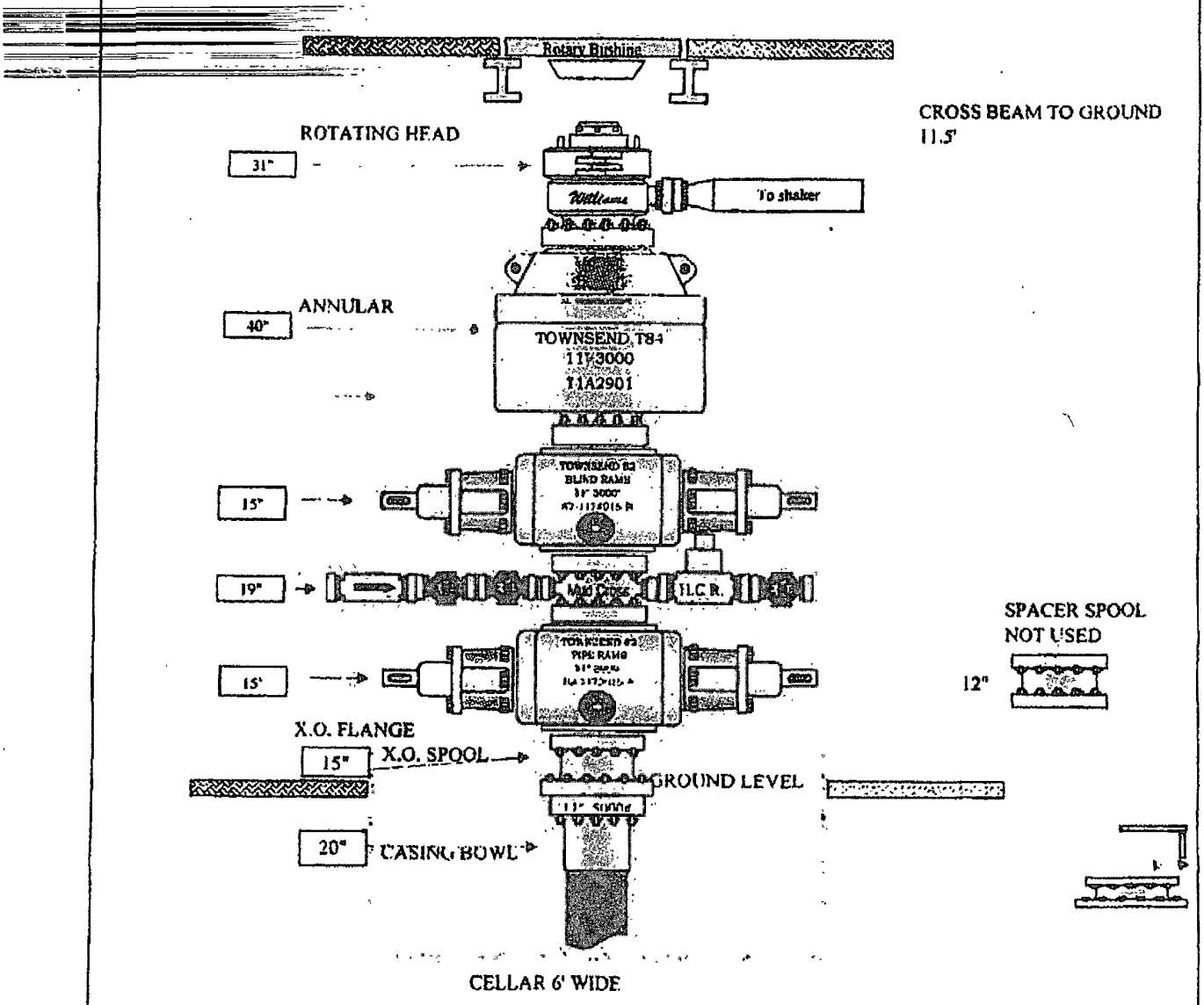
Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times.

BOP Program (1):

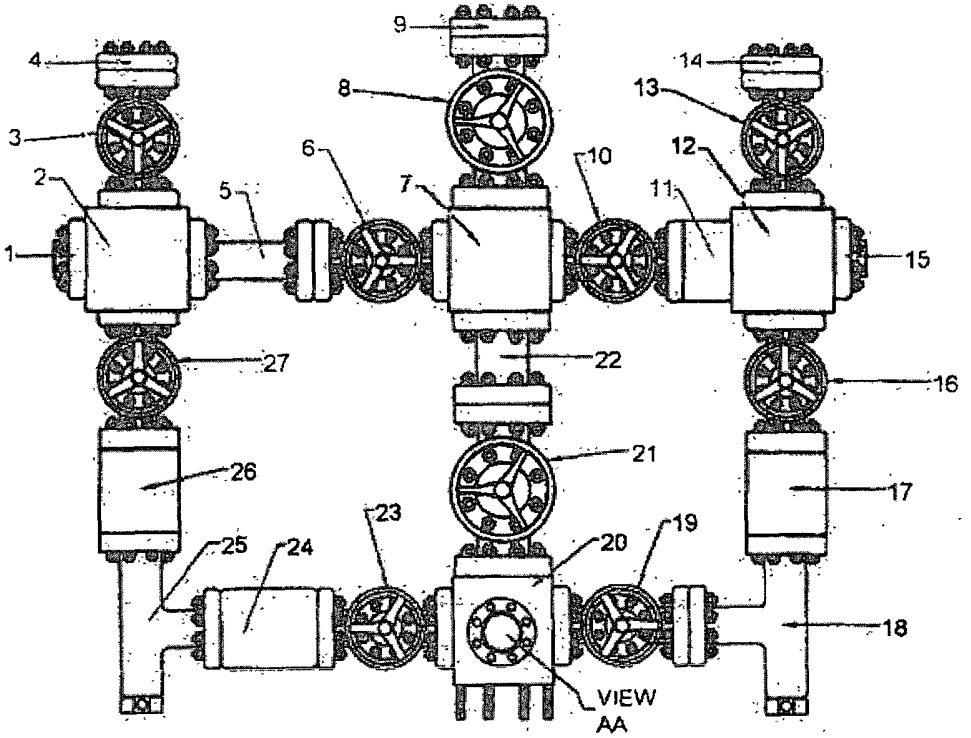
Surface None
Production 11" X 3M Double Ram, 11" X 3M Annular, 3M Choke Manifold

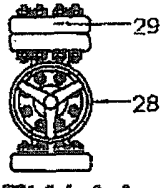
Estimated Tops of Geological Markers & Depths of Anticipated Fresh Water, Oil or Gas:

Geological Marker	Depth	Type	Source
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


Rotary Bushing
CROSS BEAM TO GROUND
11.5'
ROTATING HEAD
31"
Williams
To shaker
ANNULAR
40"
TOWNSEND T84
11A3000
11A2901
15"
19"
15"
SPACER SPOOL
NOT USED
12"
X.O. FLANGE
15"
X.O. SPOOL
GROUND LEVEL
20"
CASING BOWL
CELLAR 6' WIDE

RIG #





VIEW AA

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

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