

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.

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

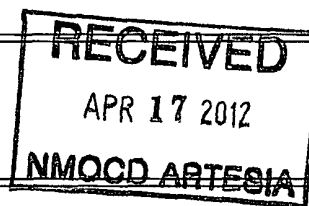
Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, please submit a Form C-144.

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: Turkey Track 3 State 32H
API Number: 30-015-40164 OCD Permit Number: 212825
U/L or Qtr/Qtr O Section 3 Township 19S Range 29E, NMPM County: Eddy
Center of Proposed Design: Latitude N 32.6832540° Longitude 104.0609018° 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

6.
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: 03/01/12
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: _____

Approval Date: 04/29/2012

Title: _____

OCD Permit Number: 212825

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: _____

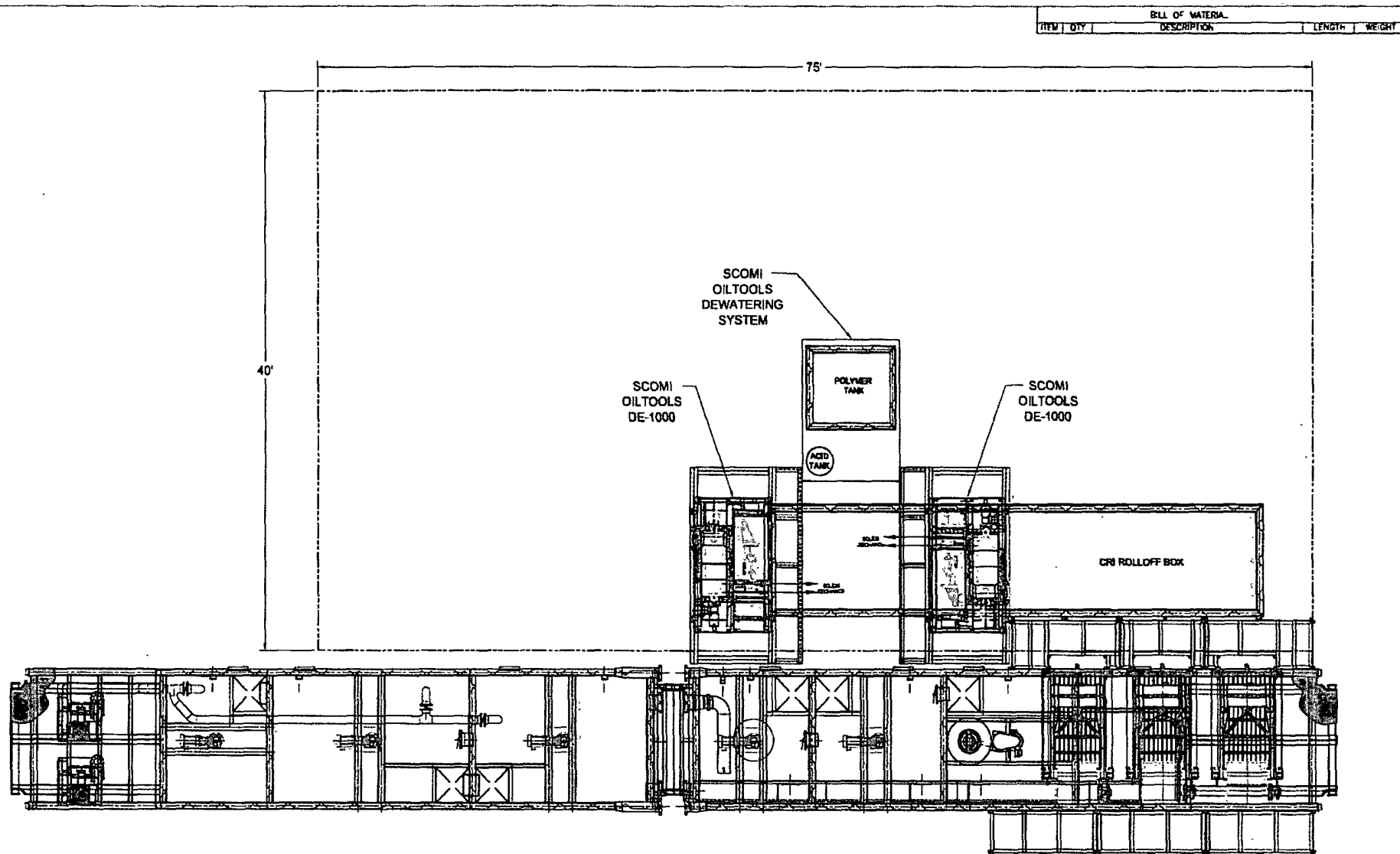


New Mexico Drilling Daily Circulating System Inspection
For Closed Loop Systems

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.



										1. ALL STRUCTURAL MATERIAL SHALL BE ASTM - A36. 2. ALL PIPE SCH. 40 UNLESS SHOWN OTHERWISE. 3. ALL PLATES SHALL BE 300F, 130F & MATERIAL SA 105. 4. ALL FITTINGS SCH. 40 UNLESS SHOWN OTHERWISE. 5. WELD FABRICATION SHALL BE IN ACCORDANCE WITH API-650.										THE DESIGN, INFORMATION AND DISTRIBUTION OF THIS DRAWING OR SPECIES ARE THE EXCLUSIVE CONFIDENTIAL PROPERTY OF SCOMI INTERNATIONAL. LIMITED AND ARE NOT TO BE REPRODUCED OR DISCLOSED TO OTHERS BY ANY MEANS, IN ANY FORM, AT ANY TIME, OR FOR ANY PURPOSE, WITHOUT THE WRITTEN PERMISSION OF SCOMI INTERNATIONAL. IN WITNESS WHEREOF, THE SIGNATURE, DATE AND SEAL OF THE COMPANY ARE AFFIXED TO THIS DRAWING AND ANY SPECIES SHALL BE RETURNED TO SCOMI INTERNATIONAL LIMITED UPON REQUEST.										FILE: CLOSED LOOP SYSTEM BASIC LAYOUT AND TIE IN OXY - H&P - FLEX RIGS / PG 1 OF 2 DESIGN BY: DAI DATE: 10/20/03 CHECKED BY: DAI DATE: 10/20/03 APPROVED: DAI SCALE: NTS ASSEMBLY: D										Scomi 501 N. West Shoshone Parkway East, Suite 200E, Reno, Nevada 89509 TEL: (775) 209-2994 FAX: (775) 209-2999 www.scomi.com 521S-014									
ASSEMBLY: DAI DATE: 10/20/03 CHECKED BY: DAI DATE: 10/20/03 APPROVED: DAI SCALE: NTS ASSEMBLY: D																																																	

40'-0" x 10'-0"
MEETING/CHANGE HOUSE

-FAST IN HORIZONTAL POSITION

OXY FLEX III PAD (SCOMI Closed Loop System)

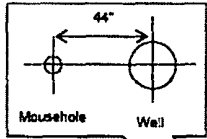
[illegible]

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

Notes for Rotating Mouse hole for a FlexRig3 & 26 Substructure

- 1) 70" of mouse hole below ground level
- 2) If conductor pile is less than 80" above ground level, recommend current mouse hole in place in order to prevent break out or crystallization at sealhead thru mouse hole.
- 3) Use 14" drill, Marshall 3000 size pipe. This can be spiral drill or low pressure pipe, 10 3/4" is used in some applications but due to restrictions in location of mouse hole a potential cut of alignment or corrosion in hole. 4 pipe recommended.
- 4) General mouse hole is 18 1/2" or 2 3/4" inch.
- 5) Rat tail will need to be doing in order to accommodate mouse hole (L.R. 5, 10, 5, 12, ...)

... Driller's decision



- DE 1000
- Dewatering system
- DE 1000
- CRI rolloff box

Flare pit 5'

130 H