

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 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 c/o Dugan Production _____ OGRID #: 16696 _____
Address: PO Box 420, Farmington, NM 87499 _____
Facility or well name: Gillespie Federal 1
API Number: 30-045-26611 _____ OCD Permit Number: _____
U/L or Qtr/Qtr J _____ Section 29 _____ Township 32N _____ Range 8W _____ County: San Juan _____
Center of Proposed Design: Latitude 36.19681 N _____ Longitude 107.702 W _____ 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

RCVD OCT 18 '12
OIL CONS. DIV.
DIST. 3

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: _____ Disposal Facility Permit Number: _____
Disposal Facility Name: _____ Disposal Facility Permit Number: _____
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): _____ Title: _____
Signature: _____ Date: _____
e-mail address: _____ Telephone: _____

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

OCD Representative Signature: Jonathan D. Kelly Approval Date: 10/23/2012

Title: Compliance Officer OCD Permit Number: _____

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: 9/28/2012

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: Basin Disposal Disposal Facility Permit Number: NM-01-001B

Disposal Facility Name: Envirotech Disposal Facility Permit Number: NM-01-0011

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): John Alexander Title: Agent

Signature: John Alexander Date: 10/17/2012

e-mail address: john.alexander@duganproduction.com Telephone: (505) 325-1821

Envirotech
5796 US Hwy 64
Farmington, NM 87401
Phone: 505-632-0615
Fax: 505-632-1865



To
Dugan Production Corp
PO Box 420
Farmington, NM 87401

Invoice

Invoice Number: 32180
Job: 06094-0116
DATE: October 16, 2012

Gillespie Federal #1 - Accept exempt
wellbore sediment and cement wash-up
from a P&A job

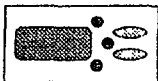
Ordered by Bill Armenta

Project Manager: Kendra Runung LF

<u>Employee</u>	<u>Staff Type</u>	<u>Description</u>	<u>Units</u>	<u>Rate</u>	<u>Total</u>
09/28/2012					
Landfarm					
		BOL# 42194	1.00 EA	10.00	10 00
Paint Filter Test (LF)		BOL# 42194	1 00 EA	15.00	15 00
Chloride (LF)		BOL# 42194	15 00 EA	18 00	270 00
Contaminated Barrel Receival					
			Landfarm Total:	17.00	295.00
			09/28/2012 Total:	17.00	295.00
Invoice Sub-total					295.00
Sales Tax					18.62
Amount due this Invoice					\$313.62

This may not be the final bill - if charges are received after this invoice has been mailed, you will receive a separate invoice for those costs.

TERMS. Net 30 Days from Invoice Date. Interest Charged at the Rate of 1 5% PER MONTH or 18% PER ANNUM on Accounts Not Paid Within 30 Days. **PLEASE PAY FROM THIS INVOICE.**

**BASIN DISPOSAL, INC.***SPECIALIZING IN DISPOSAL OF PRODUCED WATER AND DRILLING MUD
P.O. BOX 100 • AZTEC, NEW MEXICO 87410 • PHONE (505) 632-8936

NO. 573567

NMOCD PERMIT: NM-001-0005

Oil Field Waste Document, Form C139

INVOICE:

DATE

9-26-12

DEL. TKT#

4350

GENERATOR:

Dugan

BILL TO:

Dugan

HAULING CO.

HIGHTCCH

DRIVER:

M. J. Armenta

(Print Full Name)

ORDERED BY:

Bill Armenta

CODES:

WASTE DESCRIPTION: ☒ Exempt Oilfield Waste☒ Produced Water☐ Drilling/Completion Fluids☐ Reserve PitSTATE: ☒ NM☐ CO☐ AZ☐ UT

TREATMENT/DISPOSAL METHODS:

☒ EVAPORATION☒ INJECTION☒ TREATING PLANT

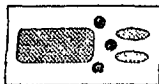
NO.	TRUCK	LOCATION(S)	VOLUME	AM	PM	COST	TOTAL	TIME
1	48 Gillespie Fed 41		80			85	15.25	26.11.2012
2								
3								
4								
5								
TOTAL								

representative or authorized agent for the above generator and hauler hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination that the above described waste is RCRA Exempt, Oil field wastes generated from oil and gas exploration and production operations and not mixed with non-exempt waste, per OCD's mixing policy.

☒ Approved☐ Denied

ATTENDANT SIGNATURE:

san juan reproduction 16



BASIN DISPOSAL, INC.
*SPECIALIZING IN DISPOSAL OF PRODUCED WATER AND DRILLING MUD
P.O. BOX 100 • AZTEC, NEW MEXICO 87410 • PHONE (505) 632-8930

NO. 070360
NMOCD PERMIT: NM-001-0005
Oil Field Waste Document, Form C130
INVOICE:

DATE 9 28 12

DEL. TKT# 1557

GENERATOR: Dugan

BILL TO: Dugan

HAULING CO. Hightech

DRIVER: JOHN W. C.

(Print Full Name)

ORDERED BY: Bill Armenta

CODES: _____

WASTE DESCRIPTION: ☒ Exempt Oilfield Waste

☐ Produced Water

☐ Drilling/Completion Fluids

☐ Reserve Pit

STATE: ☐ NM ☐ CO ☐ AZ ☐ UT

TREATMENT/DISPOSAL METHODS: ☒ EVAPORATION ☒ INJECTION ☒ TREATING PLANT

NO.	TRUCK	LOCATION(S)	VOLUME	AM	PM	COST	TOTAL	TIME
1	17	Gillespie Geo	80				68 --	
2								
3								
4								12 SEP 28 11
5								
TOTAL								

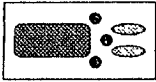
I, Whitney Khan representative or authorized agent for the above generator and hauler hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination that the above described is RCRA Exempt, Oil field wastes generated from oil and gas exploration and production operations and not mixed with non-exempt waste, per OGD's policy.

☒ Approved

☐ Denied

ATTENDANT SIGNATURE: Whitney Khan

8001 0001 0001



BASIN DISPOSAL, INC.
*SPECIALIZING IN DISPOSAL OF PRODUCED WATER AND DRILLING MUD
P.O. BOX 100 • AZTEC, NEW MEXICO 87410 • PHONE (505) 632-8936

NO 578667

NMOCB PERMIT: NM-001-0005

Oil Field Waste Document, Form C138

INVOICE:

DATE 9-26-82

DEL TKT# 11550

GENERATOR: Dugan

BILL TO: Dugan

HAULING CO. HIGH TECH

DRIVER: Bill Armenta

(Print Full Name)

ORDERED BY: Bill Armenta

CODES: _____

WASTE DESCRIPTION: ☒ Exempt Oilfield Waste

☐ Produced Water

☐ Drilling/Completion Fluids

☐ Reserve Pit

STATE: ☒ NM

☐ CO

☐ AZ

☐ UT

TREATMENT/DISPOSAL METHODS:

☒ EVAPORATION

☒ INJECTION

☒ TREATING PLANT

NO.	TRUCK	LOCATION(S)	VOLUME	AM	PM	COST	TOTAL	TIME
1	48	El Hespicio Fcd 1/1	80			870	1.25	20:15
2								
3								
4								
5								
TOTAL								

Manuel Armenta

Representative or authorized agent for the above generator and hauler hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination that the above described waste is RCRA Exempt, Oil field wastes generated from oil and gas exploration and production operations and not mixed with non-exempt waste, per OCD's mixing policy.

☒ Approved

☐ Denied

ATTENDANT SIGNATURE: [Signature]



BASIN DISPOSAL, INC.
*SPECIALIZING IN DISPOSAL OF PRODUCED WATER AND DRILLING MUD
P.O. BOX 100 • AZTEC, NEW MEXICO 87410 • PHONE (505) 632-8936

NO. 070000
NMOCD PERMIT: NM-001-0005
Oil Field Waste Document, Form C136
INVOICE:

DATE 9/28/12

DEL. TKT# 1557

GENERATOR: Dugan

BILL TO: Basin Disposal, Inc.

HAULING CO. Hightower

DRIVER: Bob Hightower
(Print Full Name)

ORDERED BY: Bill Almondo

CODES: _____

WASTE DESCRIPTION: ☒ Exempt Oilfield Waste ☐ Produced Water ☐ Drilling/Completion Fluids ☐ Reserve Pit

STATE: ☐ NM ☐ CO ☐ AZ ☐ UT TREATMENT/DISPOSAL METHODS: ☒ EVAPORATION ☒ INJECTION ☒ TREATING PLANT

NO.	TRUCK	LOCATION(S)	VOLUME	AM	PM	COST	TOTAL	TIME
1	17	Gillespie Geo	80			1.5	68.00	
2								
3								
4								12:28 PM
5								
TOTAL								

I, William Almondo representative or authorized agent for the above generator and hauler hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination that the above described is RCRA Exempt, Oil field wastes generated from oil and gas exploration and production operations and not mixed with non-exempt waste, per OGD's policy.

☒ Approved

☐ Denied

ATTENDANT SIGNATURE: William Almondo

5200 (02/01/12)