State of New Mexico HOBBS Ochnergy Minerals and Natural Resources

District 1

District II

District III

District IV

1625 N. French Dr., Hobbs, NM 88240

1220 S. St. Francis Dr., Santa Fe, NM 87505

District III 1000 Rio Brazos Road, Aztec, NM 87410 2 7 2012

811 S. First St, Artesia, NM 88210

Department Oil Conservation Division

1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-144 CLEZ Revised August 1, 2011

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.

Operator: Occidental Permian Ltd. OGRID#: 157984					
Address: P.O. Box 4294, Houston, TX 77210-4294					
Facility or well name: North Hobbs G/SA Unit No. 311					
API Number: 30-025-25116 OCD Permit Number: 0-2/838					
U/L or Qtr/Qtr B Section 26 Township 18-S Range 37-E County: Lea					
Center of Proposed Design: Latitude 32 43 28.7040 Longitude -103 13 08.6808 NAD: ▼1927 □ 1983					
Surface Owner: Federal State 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					
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 19.15.16.8 NMAC					
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: Sundance Services Parabo Facility Disposal Facility Permit Number: NM-01003					
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) \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \					
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 G 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): Mark Stephens Title: Reg. Comp. Analyst					
Signature: Date: 6/27/12					
c-mail address: Mark_Stephens@oxy.com Telephone: (7.13) 366-5158					

Form C-144 CLEZ

Oil Conservation Division

Page 1 of 2

OCD Approval: Permit Application (including cosure plan) Closure	Plan (only)				
OCD Representative Signature:	Approval Date: 6-27-2012				
Title: SAMMINAS	OCD Permit Number: 11-04838				
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. <u>Closure Report Regarding Waste Removal Closure For Closed-loop System</u> <i>Instructions: Please indentify the facility or facilities for where the liquids, dr two facilities were utilized.</i>					
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 C Yes (If yes, please demonstrate compliance to the items below) No	or in areas that will not be used for future service and operations?				
Required for impacted areas which will not be used for future service and operation Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	tians:				
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 Demob	e Date:			
Inspection	Date	Time	By Whom	Any drips or leaks from contained?* Explain.	n steel tanks,	fines or	pumps not	Has any disposed	hazardous v of in system	vaste b	een
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	NM Daily Circulating System Inspection - Closed loop
Page of	REV 0 8/4/2008

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.

OXY FL=X III PAD (SCOMI Closed Loup System)

Level Area-No Calliche-For Offices and Living Quarters 150 Notes for Rotsing Mause hale for a FlexRig3 & 25" Substructure

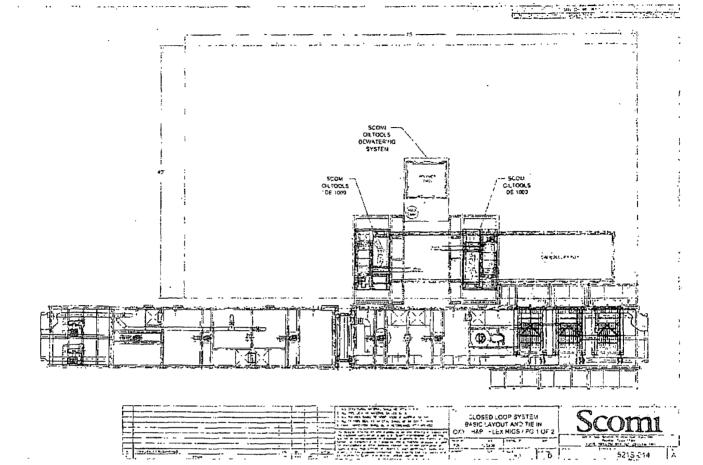
3) 77 of mouse has below ground level
2) if confustor type is less than \$5 below ground level, recommend carrier throuse hole in place
is rater to prevent break this & critiquesh / weshout this mouse hole.

3) Use 14" (inter froming use) jope. This can be spiral weld or low presture poer 16 3/4" is used
in some applications but due to intercuracies in location of mouse hale is powrhatioul
of a ignored or conjugation hole, 14" pipe recommended
4; Commit mouse hale is 16 172" or 18 3/4" hale
5) Cellar will need to be anising in croter to accommendate mouse hale (in 5 × 10", 5" × 10", 1)
Operator decision Alternate road Preferred road 44* ···• 170' Clear at beish + Mousehole 20 off pad to Well allow Dor truck beg for avirts of & maneuver drk into position 30 Contract Land

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Flare pil

110'



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