

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

SEP - 8 2008

Form C-144 CLEZ  
July 21, 2008

**OCD-ARTESIA**  
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: Occidental Permian Limited Partnership OGRID #: 157984  
Address: PO BOX 50250 - Midland, TX 79710  
Facility or well name: Full Recovery No.1  
API Number: 30-015-36149 OCD Permit Number: N/A  
U/L or Qtr/Qtr 1 Section 6 Township 25S Range 28E County: Eddy  
Center of Proposed Design: Latitude N32°09'52.50" Longitude W104°07'11.56" 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: \_\_\_\_\_ 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): Mario Campos Title: Drilling Engineer  
Signature: Mario Campos Date: \_\_\_\_\_  
e-mail address: mario\_campos@oxy.com Telephone: (713) 215-7181

0208487

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

OCD Representative Signature: Ann W. Green

Approval Date: 9-12-08

Title: District II Supervisor

OCD Permit Number: 0208487

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 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: \_\_\_\_\_

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: \_\_\_\_\_

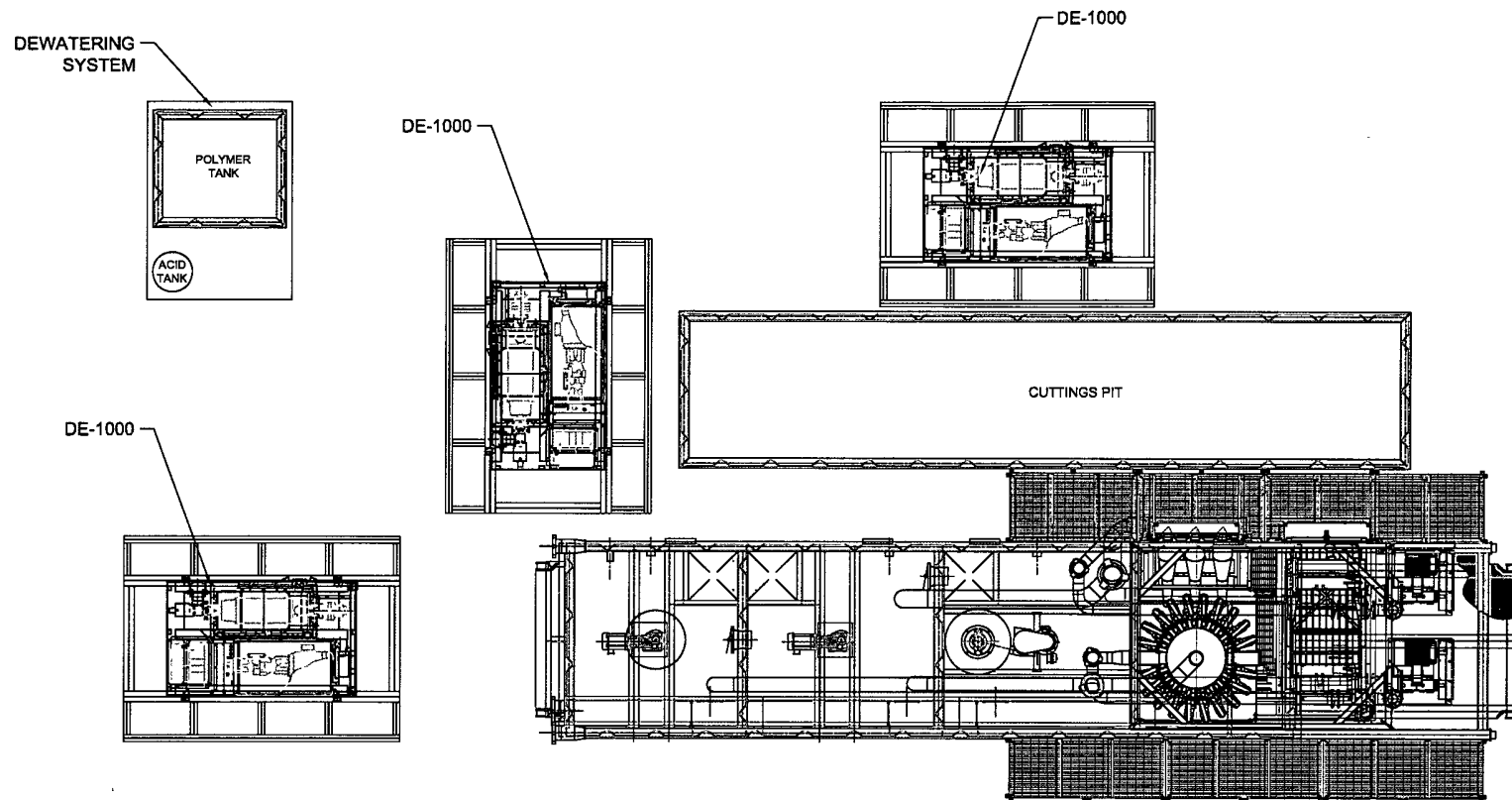
Signature: \_\_\_\_\_


Date: \_\_\_\_\_

e-mail address: \_\_\_\_\_

Telephone: \_\_\_\_\_

| BILL OF MATERIAL |      |             |               |
|------------------|------|-------------|---------------|
| ITEM             | QTY. | DESCRIPTION | LENGTH WEIGHT |



|    |           |    |      |      |  |   |   |              |          |         |                         |      |
|----|-----------|----|------|------|--|---|---|--------------|----------|---------|-------------------------|------|
|    |           |    |      |      | 1. ALL STRUCTURAL MATERIAL SHALL BE ASTM - A36.<br>2. ALL PIPE SCH. 40 MATERIAL SA 106 Gr B<br>3. ALL FLANGES SHALL BE SORF, 150# & MATERIAL SA 105.<br>4. ALL FITTINGS SCH. 40 MATERIAL SHALL BE SA 234 Gr. WPB.<br>5. TANK FABRICATION SHALL BE IN ACCORDANCE WITH API-650.  | TITLE<br><br>CLOSED LOOP SYSTEM<br>BASIC LAYOUT AND TIE IN<br>OXY | <br>SMT N. 2km Ramatou Portway East, Baita 300,<br>Bamenda, Togo 77050<br>PHONE: (81)-200-9016, FAX: (81)-200-9008 |              |          |         |                         |      |
|    |           |    |      |      | The designs, information and disclosures on this drawing or copies 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, or transmitted, or translated into a machine language or used for manufacture or other purpose without the written permission of Scomi International Limited, in receipt of such permission, solely and directly for the purposes consented. This drawing and any copies shall be returned to Scomi International Limited upon request. | DRAWN BY<br>PDL   | DATE<br>8/4/08  | CHECKED BY   | DATE     | JOB NO. | DRAWING NO.<br>521S-002 | REV. |
| NL | REVISIONS | BY | CHKD | APPD | DATE   | APPROVED  | DATE  | SCALE<br>NTS | ADO<br>D |         |                         |      |



# 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? |
|-----------------|------|---------|--|---|
|                 |      |         |  |   |
|                 |      |         |  |   |
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|                 |      |         |  |   |
|                 |      |         |  |   |

**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.**

NM Daily Circulating

State of New Mexico  
Energy, Minerals & Natural Resources

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Form C-101  
May 27, 2004

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Oil Conservation Division  
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FEB 26 2008

OCD-ARTESIA

Submit to appropriate District Office

☐ AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

|  |  |  |  |
|--|--|--|--|
| <sup>1</sup> Operator Name and Address<br>Occidental Permian Limited Partnership<br>P.O. Box 50250 Midland, TX 79710 |  | <sup>2</sup> OGRID Number<br>157984      |  |
| <sup>4</sup> Property Code   |  | <sup>3</sup> API Number<br>30-015-361479 |  |
| <sup>5</sup> Property Name<br>Full Recovery  |  | <sup>6</sup> Well No.<br>1               |  |
| <sup>9</sup> Proposed Pool 1<br>Salt Draw Morrow, West 96819   |  | <sup>10</sup> Proposed Pool 2            |  |

<sup>7</sup> Surface Location

| UL or lot no | Section | Township | Range | Lot. Idn | Feet from the | North/South Line | Feet from the | East/West line | County |
|--------------|---------|----------|-------|----------|---------------|------------------|---------------|----------------|--------|
| 1            | 6       | 25S      | 28E   |          | 660           | north            | 660           | east           | Eddy   |

<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

| UL or lot no | Section | Township | Range | Lot. Idn | Feet from the | North/South Line | Feet from the | East/West line | County |
|--------------|---------|----------|-------|----------|---------------|------------------|---------------|----------------|--------|
|              |         |          |       |          |               |                  |               |                |        |

Additional Well Location

|   |  |  |                                    |   |
|---|--|--|------------------------------------|---|
| <sup>11</sup> Work Type Code<br>N   | <sup>12</sup> Well Type Code<br>G      | <sup>13</sup> Cable/Rotary<br>R        | <sup>14</sup> Lease Type Code<br>P | <sup>15</sup> Ground Level Elevation<br>3048' |
| <sup>16</sup> Multiple<br>N   | <sup>17</sup> Proposed Depth<br>12900' | <sup>18</sup> Formation<br>Morrow      | <sup>19</sup> Contractor<br>H&P    | <sup>20</sup> Spud Date<br>6/30/08            |
| Depth to ground water<br>See C-144  |  | Distance from nearest fresh water well |                                    | Distance from nearest surface water           |
| Pit: Liner. Synthetic <input type="checkbox"/> _____ mls thick Clay <input type="checkbox"/> Pit Volume _____ bbls Drilling Method.<br>Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/> |  |  |                                    |   |

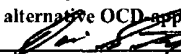
<sup>21</sup> Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 17-1/2"   | 13-3/8"     | 48# H40            | 600'          | 535             | Surface       |
| 12-1/4"   | 9-5/8"      | 40# K55            | 2700'         | 750             | Surface       |
| 8-3/4"    | 7"          | 26# HCP110         | 10000'        | 880             | Surface       |
| 6-3/4"    | 4-1/2"      | 11.6# HCP110       | 12900'        | 675             | 9000'         |

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

See Attachment

This well was originally permitted & approved 2/2/06, an extension was granted but expired 2/2/08. Property Code No. 35419 API No. 30-015-34584

|  |                     |  |  |
|--|---------------------|--|--|
| <sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD approved plan <input type="checkbox"/> .<br>Signature:  |                     | OIL CONSERVATION DIVISION                                    |  |
| Printed name: David Stewart  |                     | Approved by: <b>BRYAN G. ARANT</b>                           |  |
| Title: Sr. Regulatory Analyst  |                     | Title: <b>DISTRICT II GEOLOGIST</b>                          |  |
| E-mail Address: david.stewart@oxy.com  |                     | Approval Date: 2-26-08 Expiration Date: 2-26-10              |  |
| Date: 2/21/08  | Phone: 432-685-5717 | Conditions of Approval:<br>Attached <input type="checkbox"/> |  |