District I
1625 N French Dr , Hobbs, NM 88240
District II
811 S First St., 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
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.

10079

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 theoperator 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: Chevron Midcontinent L.P. OGRID #: 24133

Address: Attn. Regulatory Specialist 332 Road 3100 Aztec, New Mexico 87410

Facility or well name: Redfern 1

API Number: 30-045-29035 OCD Permit Number:

U/L or Qtr/Qtr K Section 14 Township 29N Range 13W County: San Juan

Center of Proposed Design: Latitude 36.7238807415796 Longitude -108.17802689616 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 19.15.16.8 NMAC

RCVD MAY 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: Envirotech (solids) Disposal Facility Permit Number: NM-07-0011

Disposal Facility Name: Basin Disposal (liquids) Disposal Facility Permit Number: NM-1-005

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: No tanks required - see attachment

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): April E. Pohl Title: Regulatory Specialist

Signature: Date:

e-mail address: April.Pohl@chevron.com Telephone: 505-333-1901

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

OCD Representative Signature: Jonathan D. Kelly **Approval Date:** 5/22/2012

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:** 05/11/2012

9.
Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:

Instructions: Please 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): April E. Pohl Title: Regulatory Specialist

Signature: April E Pohl Date: 05-18-2012

e-mail address: April.Pohl@chevron.com Telephone: 505-333-1941

Redfern #1 API 30-045-29035

5/7/2012 MIRU

5/8/2012
SICP = 12 psi, SITP = 0 psi, Bradenhead Press - 15 psi. RU and pull 2" x 1-1/2" x 14' HVR insert pump, stabilizer bar, two 1-1/4" sinker bars, forty-five 3/4" guide rods 5 per, and a 1-1/4" x 16' PR. All guide rods look good.
ND B-1. NU BOP stack. RU floor. Pressure test BOPs 250 psi low, 1500 psi high. Pull hanger & tighten chemical injection port fitting. Pipe rams test good. Bag & blinds test good.
Unseat 2-3/8" L-80 tubing & remove hanger. Band end of capstring to tubing, RIH & tag 5' in on 3rd joint (PBTD). Pull & spool-up 400+' of capstring. Pull 38 joints, SN, & muleshoe. Outside of tubing was covered w/ heavy scale which smelled pungent (chemical). Major build-up was from the chem discharge to surface.
Off-load 28 jts 2-3/8" 4.7# L-80 8rd tubing. Load-out 38 joints pulled tubing. Tally 42 joints for production string (28 delivered + 14 transferred to location). PU 4-3/4" bit, sub/float. TIH to 1033' (above perfs).

5/9/2012
TIH to PBTD (1296') RU Chicksan. Break circulation. Well coming around. Circ & cond well. Initial flowback is dirty. 1100 washed 7-8" deeper (1303') than reported PBTD caused frac sand in returns.
Flowback very dirty w/ fines. 1300 flowback clean, trace of frac sand, soapy surface in flowback tank. 1400 well is clean. Shut down air/foam unit.
Pull up above perfs. Shut in well for night.

5/10/2012
TIH & tag 3' of fill. TOOH in stands.
Run 19.3' muleshoe, SN w/ a 1.78" F-nipple profile, 32 joints of 2-3/8", 4.7#, L-80, 8rd tubing. 10, 6, & 4' pups, & a slick joint. SN is @ 1210' & EOT is 1229'. Ran 1/4" capstring from SN to surface.
Land tubing (SN @ 1210'). RD floor. ND BOPs. NU B-1 adapter and pressure test. Test failed. Remove B-1. Change-out ring gasket RX45 to R45. Test failed again. Remove B-1. Install original nipple between B-1 & tubing head. Test failed. Wait on new B-1 adapter. Install same and pressure test to 1500 psi. Test good. Replace corroded pumping Tee.
RU & Run 2" x 1-1/2" x 14' RWAC HRV pump, stabilizer bar, two 1-1/4" sinker bars, forty-five 3/4" five per guide rods, 8' pony rod, & 16' PR.
Pump 1/2 bbl corrosion inhibitor down tbg 1/2 bbl down annulus. Chase both sides w/ 3 bbls water each.
Pressure test pump seat w/ rod pump to 500 psi. Test good. Set clamps ~ 4" above tag.
RDMO

C144 CLEZ filed for potential use. No use of tanks involved in this project. C144 closure document attached.