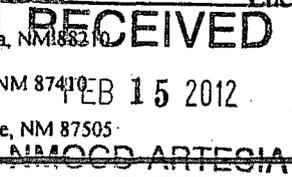


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 Inc OGRID #: 16696  
Address: PO BOX 50250 - Midland, TX 79710  
Facility or well name: Lost Tank 35 State SWD #1  
API Number: 30-015-40890 OCD Permit Number: 213697  
U/L or Qtr/Qtr J Section 35 Township 21S Range 31 E NMPM County: Eddy  
Center of Proposed Design: Latitude 32.4324958 N Longitude 103.7456329 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

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

**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: Date: 1/3/12  
E-mail address: Carlos\_Mercado@oxy.com Telephone: (281)455-3481

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

OCD Representative Signature: RP Dade Approval Date: 12/13/2012

Title: DIST # Supervisor OCD Permit Number: 213697

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: \_\_\_\_\_

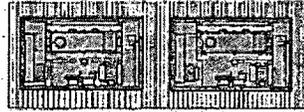
Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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

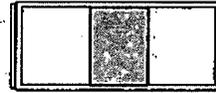
Dewatering System



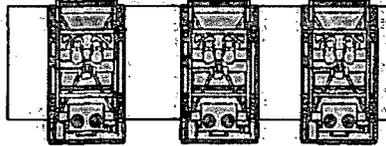
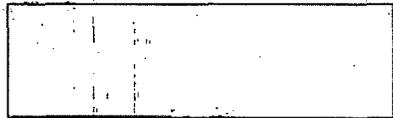
Dual Centrifuges



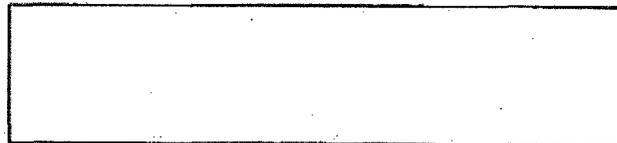
Roll-Off Boxes



Primary Shakers

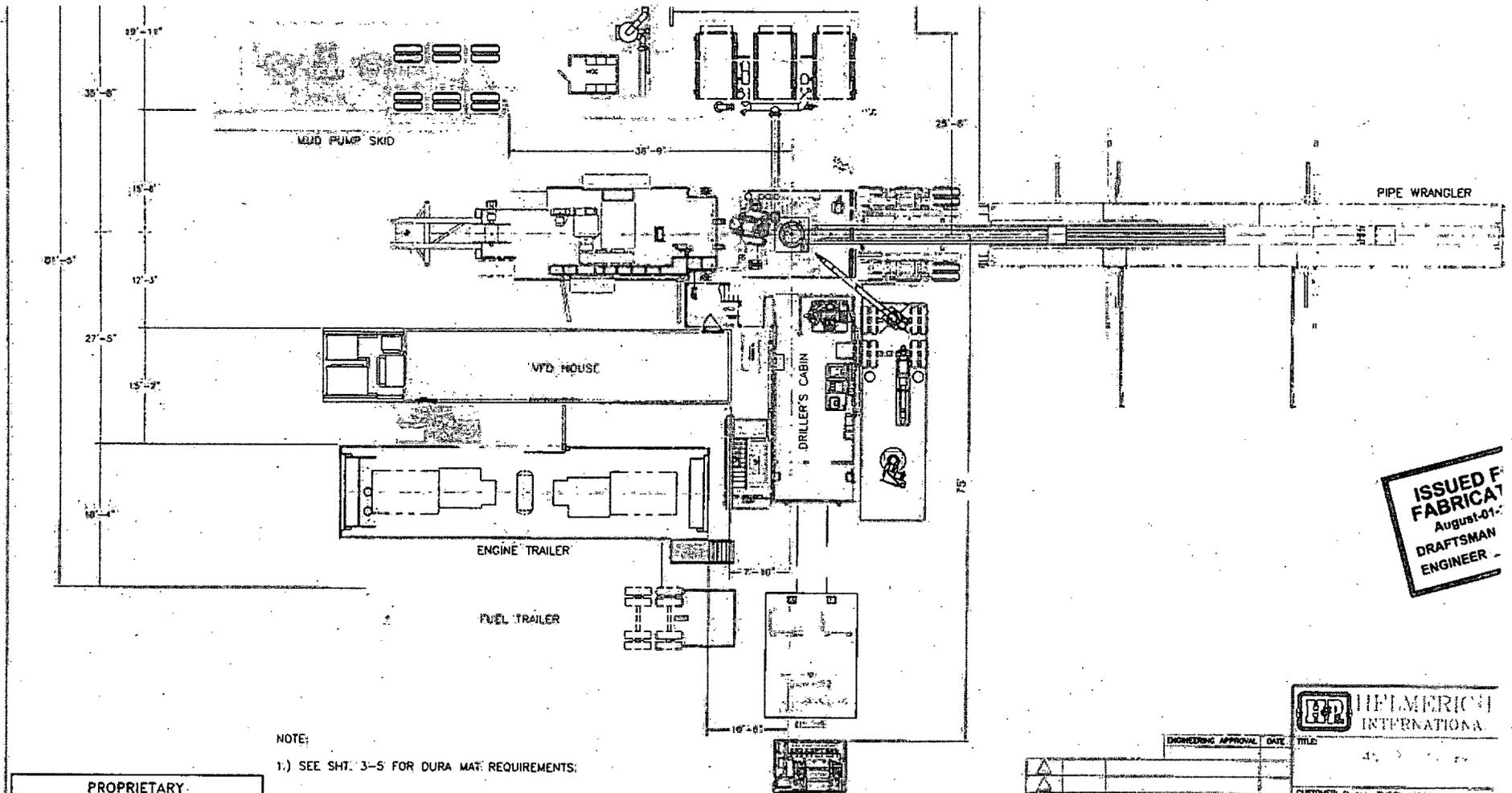


Well Head



**MISWACO**

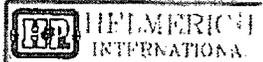
5950 NORTH COURSE DRIVE, HOUSTON, TX 77072



**ISSUED FOR FABRICATE**  
 August-01-08  
 DRAFTSMAN  
 ENGINEER

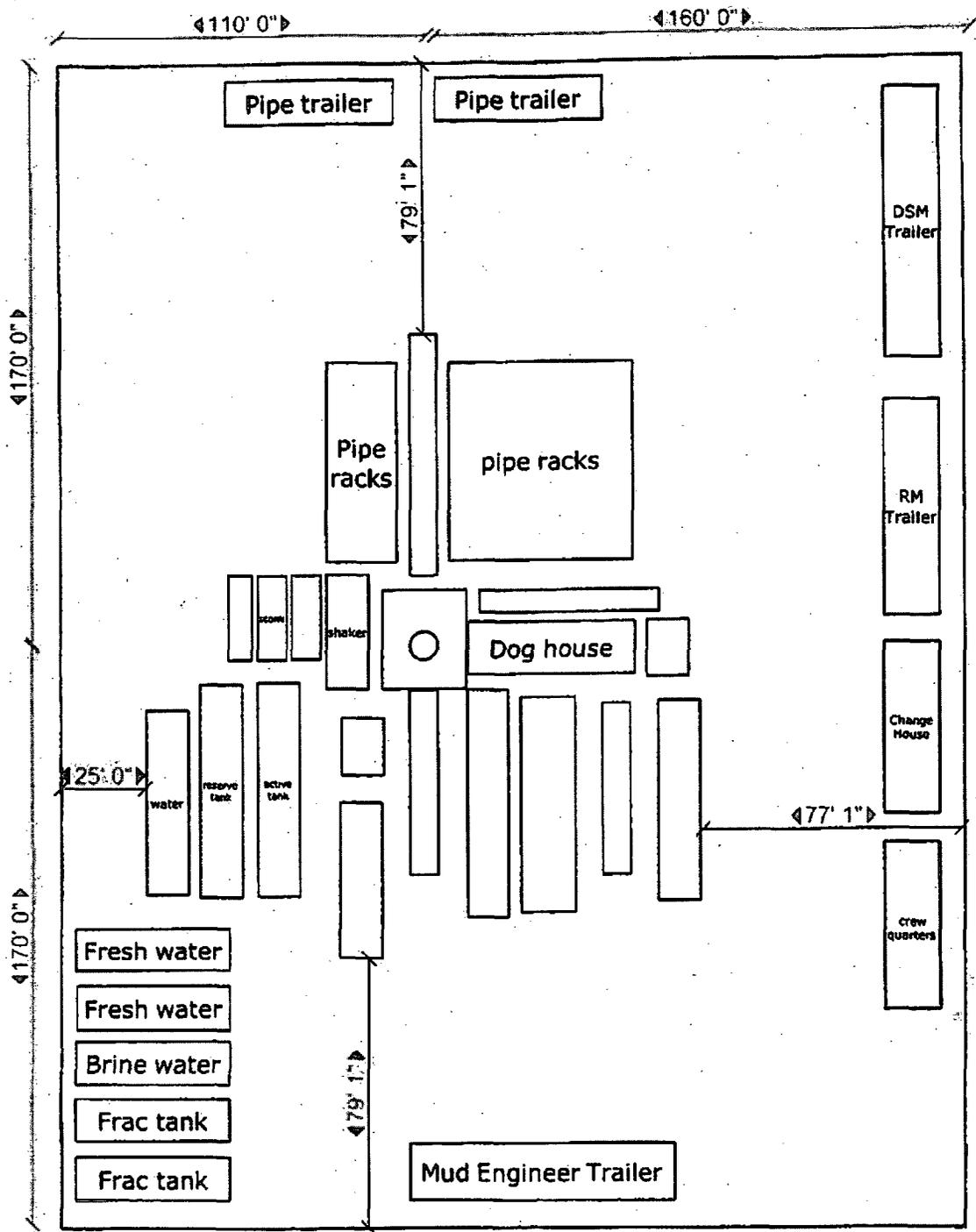
NOTE:  
 1.) SEE SHT. 3-5 FOR DURA MAT REQUIREMENTS.

**PROPRIETARY**  
 THIS DRAWING AND THE IDEAS AND INFORMATION INCLUDED IN THIS DRAWING ARE PROPRIETARY AND ARE NOT TO BE REPRODUCED, DISTRIBUTED OR DISCLOSED IN ANY MANNER, WITHOUT THE PRIOR WRITTEN CONSENT OF A QUALIFIED OFFICER OF HELMUTSON & PATHE, INT'L DRILLING CO.



ENGINEERING APPROVAL	DATE	TITLE				
▲						
▲						
▲						
▲						
REV	DATE	DESCRIPTION	BY	SCALE	DATE	SHEET
				1/15	7-28-08	2 OF

CUSTOMER: OXY PERMAN  
 PROJECT: F4M  
 DRAWN: JRC DATE: 7-28-08 DWG. NO.  
 SHEET: 2 OF



Operator Name/Number:	OXY USA Inc.	16696
Lease Name/Number:	Lost Tank 35 State SWD #1	304878 State Lease No. VO-3604-0002
Pool Name/Number:	Lost Tank Delaware	40299
Surface Location:	1753 FSL 1875 FEL J Sec 35 T21S R31E	

C-102 Plats: 12/12/11 12/29/11 Elevation: 3533.9' GL

Proposed TD: 4815' TVD

Lat: 32.4324958 Long: 103.7456329 X= 681325.0 Y= 521554.6 NAD - 1927

**Casing Program:**

Hole Size	Interval	OD Csg	Weight	Collar	Grade	Condition	Collapse Design Factor	Burst Design Factor	Tension Design Factor
14-3/4"	825'	11-3/4"	42	ST&C	H-40	New	2.97	1.43	8.86
				Hole filled with 8.4# Mud			1070#	1980#	
10-5/8"	4100'	8-5/8"	32	LT&C	J-55	New	1.32	2.25	3.18
				Hole filled with 10.0# Mud			2530#	3930#	
7-7/8"	4815'	5-1/2"	17	LT&C	J-55	New	2.2	3.05	3.02
				Hole filled with 8.9# Mud			4910#	5320#	

Collapse and burst loads calculated using Stress Check with anticipated loads

**Cement Program:**

- 11-3/4" Surface Circulate cement to surface w/ 680sx PP cmt w/ 2% CaCl<sub>2</sub>, 14.8ppg 1.35 yield 2500# 24hr CS 150% Excess
- 8-5/8" Intermediate Circulate cement to surface w/ 780sx HES light PP cmt w/ 5% Salt + 3#/sx Kol-Seal + .125#/sx Poly-E-Flake, 12.9ppg 1.87 yield 650# 24hr CS 150% Excess followed by 200sx PP cmt w/ 1% CaCl<sub>2</sub>, 14.8ppg 1.34 yield 1343# 24hr CS 150% Excess
- 5-1/2" Production Cement w/ 470sx HES light PP cmt, 12.7ppg 1.85 yield 560# 24hr CS 200% Excess followed by 240sx PP cmt w/ 0.5 Halad 344 + 0.4% CFR 3 + 3#/sx Kol Seal + 1#/sx Salt, 14.2ppg 1.29 yield 1817# 24hr CS 35% Excess

**Proposed Mud Circulation System:**

Depth	Mud Wt. ppg	Visc sec	Fluid Loss	Type System
0 - 825'	8.4-8.8	32-38	NC	Fresh Water/Spud Mud
825 - 4100'	9.8-10.0	28-29	NC	Brine Water
4100 - 4815'	8.4-8.8	26-28	NC	Fresh Water

Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times.

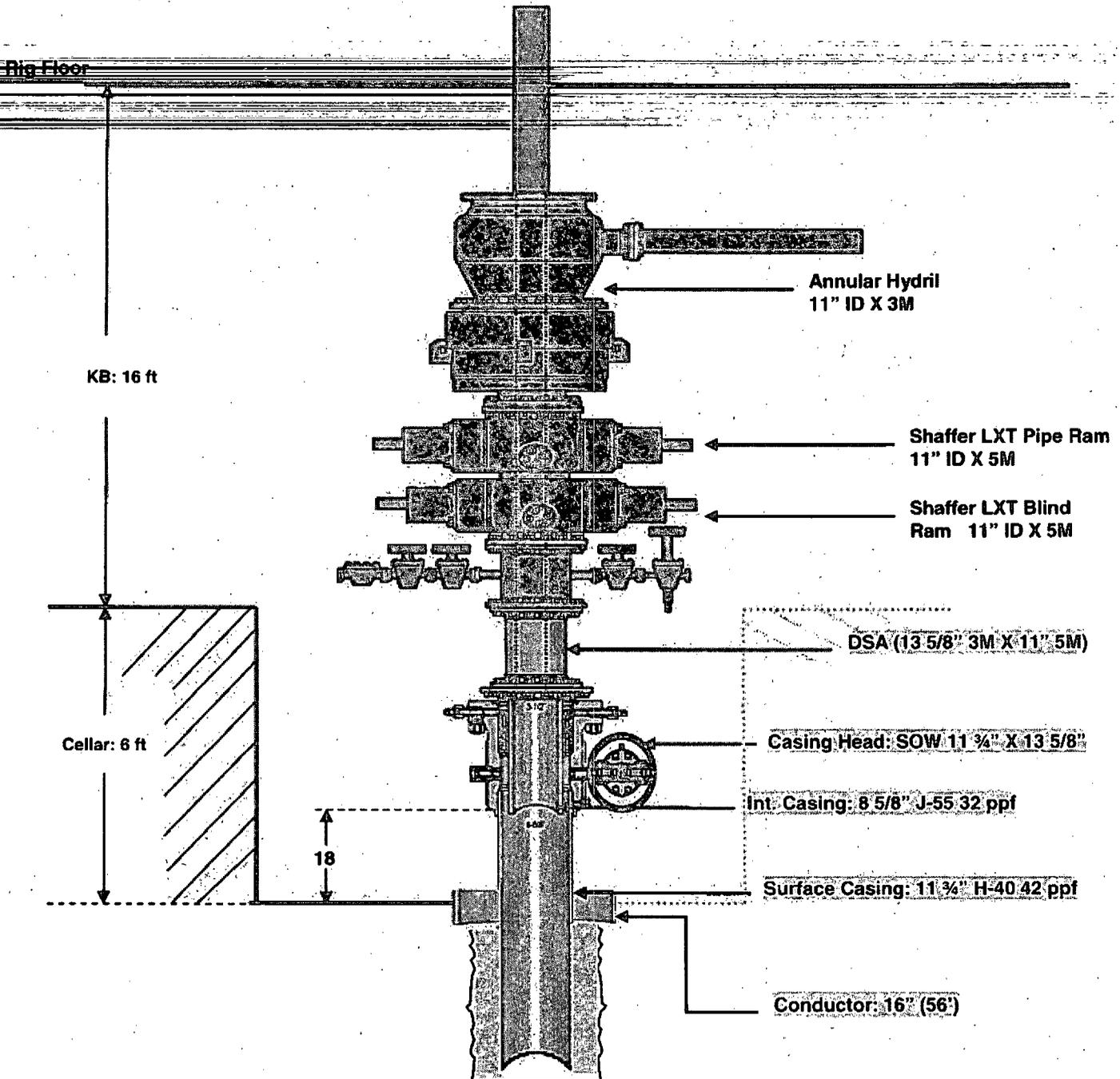
**BOP Program (1):**

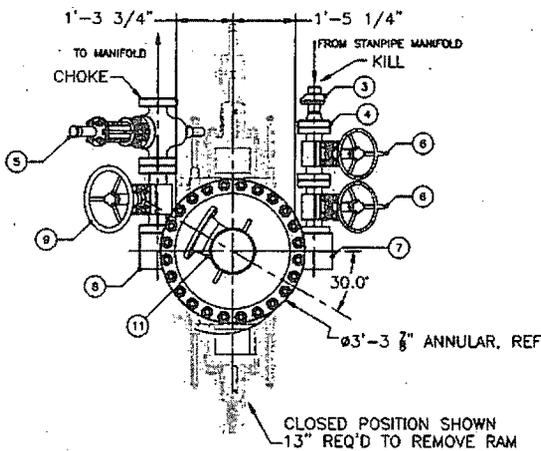
- Surface: None  
 Production: 11" X 3M Double Ram, 11" X 3M Annular, 3M Choke Manifold

**Estimated Tops of Geological Markers & Depths of Anticipated Fresh Water, Oil or Gas:**

Geological Marker	Depth	Type	Source
a. Rustler	800'	Formation	Drilling
b. Top Salt	855'	Formation	Drilling
c. Bottom Salt	3995'	Formation	Drilling
d. Delaware	4300'	Oil/Gas	IHS
e. Bell Canyon	4367'	Oil/Gas	IHS

# 10. BOP Diagram

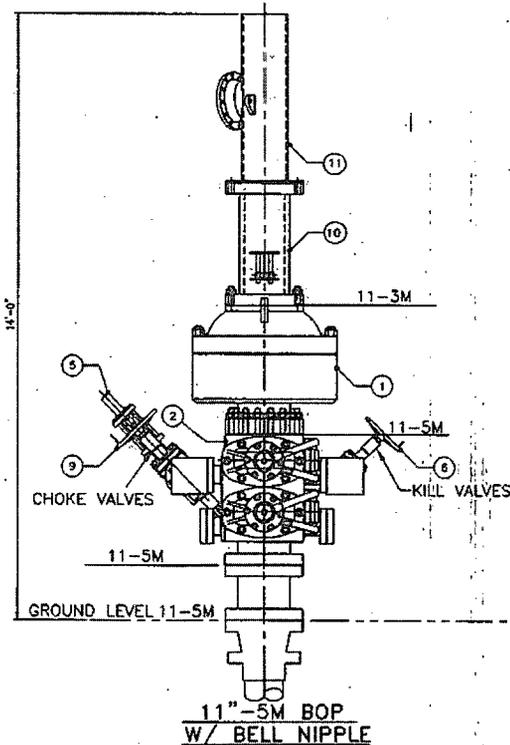




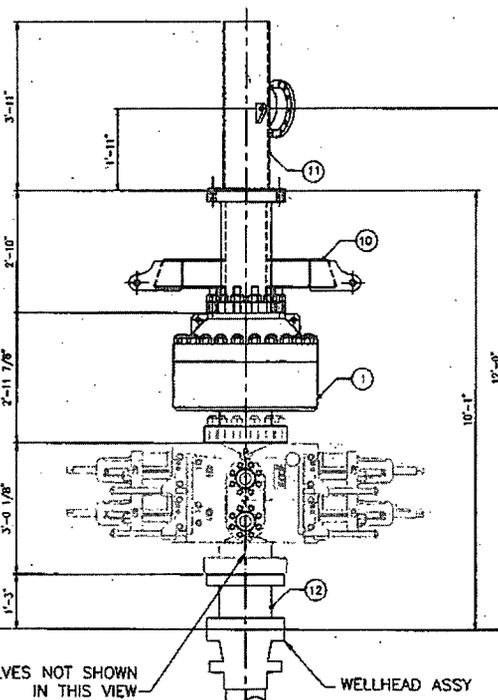
COMPONENT	FLANGE SIZE & RATING	BOLT SIZE	PROPER TORQUE FOR BOLTS	
			TORQUE CF-0.07	(FT/LBS) CF-0.13
SPOOLS, ANNULAR & RAMS	11" x 5M	1 7/8" DIA.	1890	3330
BLOCKS	3 1/8" x 5M	1 1/8" DIA.	401	686
CHOKE VALVES	3 1/8" x 5M	1 1/8" DIA.	401	686
KILL VALVES	2 1/16" x 5M	7/8" DIA.	188	319

BILL OF MATERIAL				
ITEM NO.	QUAN.	DESCRIPTION	PART NUMBER	WEIGHT
		11"-5M BOP ASSEMBLY		
1	1	ANNULAR, 11.3M BOLTED TYPE		6005
2	1	BOP DOUBLE RAM		7600
4		RAM ELEMENTS		444
3	1	HAMMER UNION, 2-1502/ X31 (SW)		5
4	1	FLANGE, WN 2 1/16"-5M API		42
5	1	VALVE, GATE FLS-HCR 3 1/8"-5M		396
6	2	VALVE, GATE 2 1/16"-5M		350
7	1	90° STUCCED BLOCK, 3 1/8"-5M X 2 1/10"-5M		240
8	1	90° STUCCED BLOCK, 3 1/8"-5M X 3 1/8"-5M		250
9	2	VALVE, GATE 3 1/8"-5M		720
10	1	BELL NIPPLE BOP LIFTING SECTION	UK F&H-H-318.0M	780
11	1	BELL NIPPLE EXTENSION	UK F&H-H-318.0M	398
12	1	11"-5M x 11"-5M x 1'-3" LONG SPACER		600
		SPOOL- WORKING PRESSURE 5000 PSI		

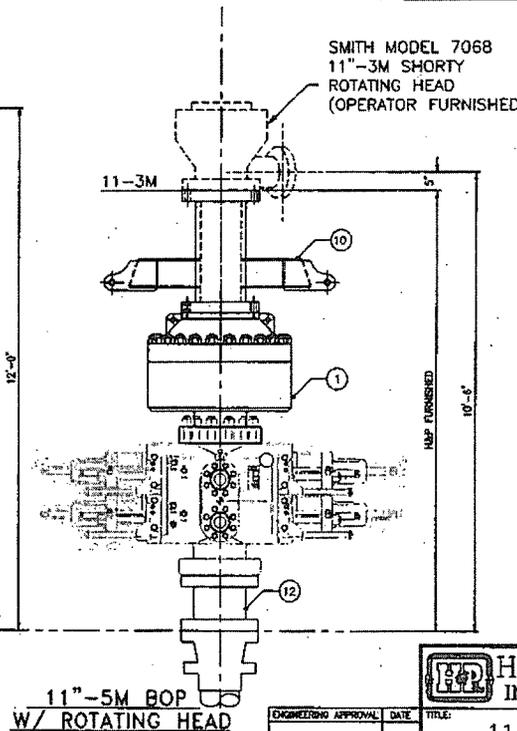
HARDWARE				
ITEM NO.	QUAN.	DESCRIPTION	PART NUMBER	WEIGHT
		RINGS AND BOLTS		400



11"-5M BOP  
W/ BELL NIPPLE



11"-5M BOP  
W/ BELL NIPPLE



11"-5M BOP  
W/ ROTATING HEAD

APPROX. TOTAL WEIGHT = 18,228 LBS.

ISSUED FOR FABRICATION  
August-03-2008  
DRAFTSMAN  
ENGINEER

**HELMERICH & PAYNE**  
INTERNATIONAL DRILLING CO.

TITLE:  
11"-5M BOP EQUIPMENT  
GENERAL ARRANGEMENT

CUSTOMER: OXY-PERMAN

PROJECT: F4M

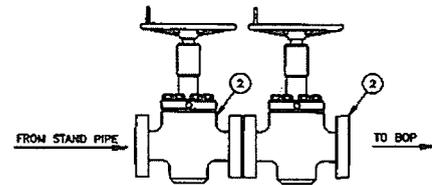
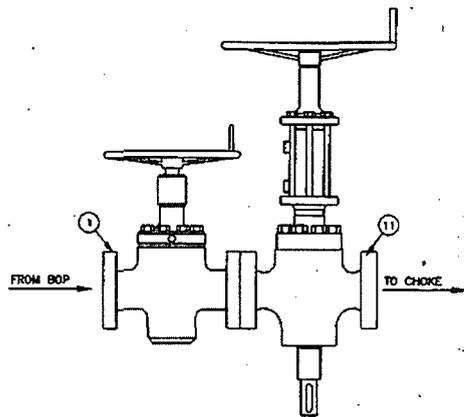
DRAWN: PLUMMER (MID-LEVEL) DRG. NO.:

PROPRIETARY  
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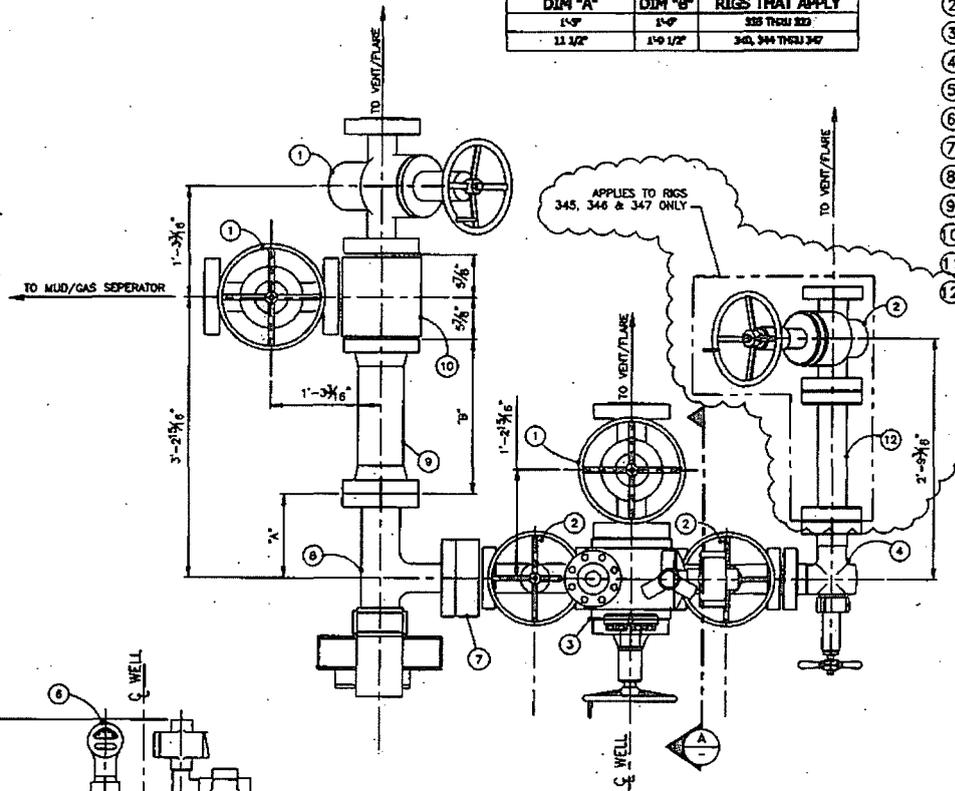
NOTES:

1. ALL BOP RAMS SHOWN ARE SHAFFER MODEL LXT

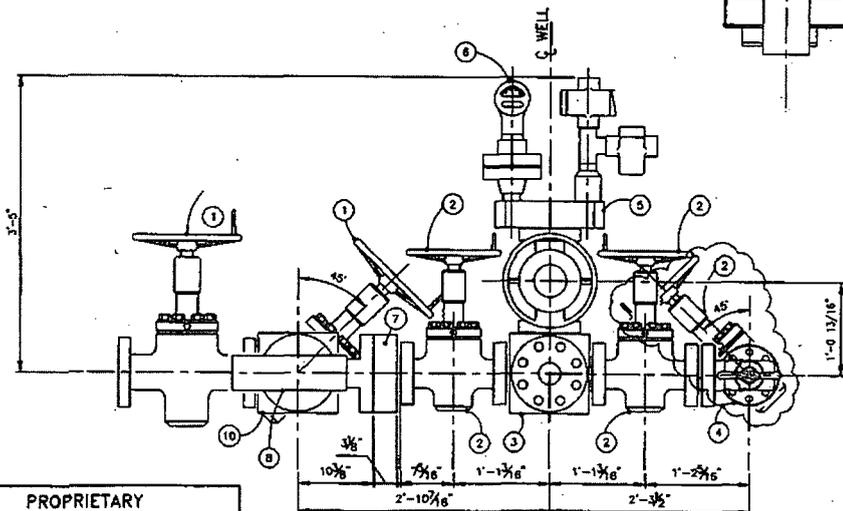
DATE	DESCRIPTION	BY	CHKD
08/08/08	ADDED 1 OF 4 SHEETS 1 OF 3	DAU	



BOP SIDE OUTLET VALVES



PLAN VIEW  
CHOKE MANIFOLD

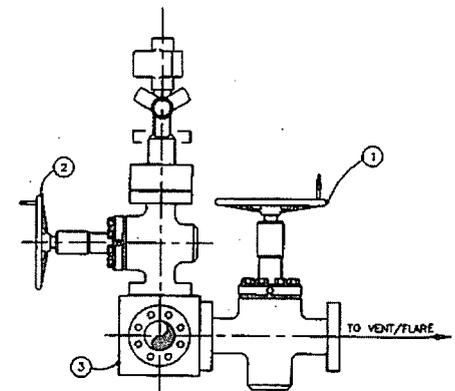


ELEVATION VIEW

DIMENSION NOTATION		
DIM "A"	DIM "B"	RIGS THAT APPLY
1'-0"	1'-0"	345 THRU 347
11 1/2"	1'-0 1/2"	345, 346 THRU 347

LEGEND

- ① - 3 1/8"-5M FLANGED END GATE VALVE
- ② - 2 1/16"-5M FLANGED END GATE VALVE
- ③ - BLOCK WITH TRANSMITTER FLANGE AND PRESSURE GAUGE
- ④ - 2 1/16"-5M ADJUSTABLE CHOKE
- ⑤ - TRANSMITTER FLANGE
- ⑥ - PRESSURE GAUGE
- ⑦ - DSA 2 1/16"-5M x 3 1/16"-10M
- ⑧ - 3 1/16"-10M HYDRAULIC CHOKE
- ⑨ - 3 1/8"-5M x 3 1/16"-10M SPOOL
- ⑩ - 3 1/8"-5M x 3 1/8"-5M STUDDED TEE
- ⑪ - 3 1/8"-5M FLANGED END HCR GATE VALVE
- ⑫ - 2 1/16"-5M x 2 1/16"-5M SPOOL



VIEW A-A

ISSUED FOR FABRICATION  
October-17-2003  
DRAFTSMAN  
ENGINEER

PROPRIETARY  
THIS DRAWING AND THE IDEAS AND INFORMATION INCLUDED IN THIS DRAWING ARE PROPRIETARY AND ARE NOT TO BE REPRODUCED, DISTRIBUTED OR DISCLOSED IN ANY MANNER.

ENGINEERING APPROVAL		DATE	TITLE
▲			
▲	10-17-03	ADDED QTY (1) ITEM 2 & ITEM 12	MPL
▲	09-24-03	ADD DIMENSION FOR OFFSHORE USE (SEE CHOKES)	MPL

HELMERICH & PAYNE INTERNATIONAL DRILLING CO.	
TITLE: CHOKE MANIFOLD DETAIL ARRANGEMENT	
CUSTOMER: OXY SOUTH AMERICA	
PROJECT: F4M	
DRAWN:	