District I District II

1220 S St Francis Di , Santa Fe, NM 87505

District III FFB 1 7 2012

811 S First St, Artesia, NM 88210

District III

District IV

State of New Mexico District I 1625 N French Dr., Hobbs, NM 88240 HOBBS OCDEnergy 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

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

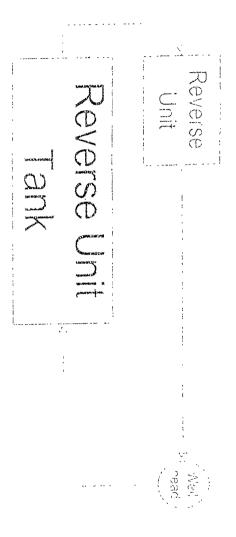
Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, please submit a Form C-144.

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.		
I. Operator CHEVRON U.S A. INC. OGRID # 4	222	
Address 15 SMITH ROAD, MIDLAND, TEXAS 79705	525	
Facility or well name C.C. FRISTOE "B" FEDERAL NCT-2 #27		
API Number: 30-025-35589 OCD Permit Number.	P1-0423D	
U/L or Qtr/Qtr I Section 26 Township 24S Range 37E	- · · · · · · · · · · · · · · · · · · ·	
Center of Proposed Design: Latitude Longiti	•	
Surface Owner ⊠ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotmer		
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 RECOMPLETE TO JUSTIS BLINEBRY/TUBB/DRINKARD		
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		
algred in compliance with 12 13 to 6 NWAC		
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		
S 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 CONTROLLED RECOVERY INC (CRI)	Disposal Facility Permit Number R9166-NM-01-0006	
Disposal Facility-Name		
Will any of the proposed closed-loop system operations and associated activities of \(\sum \) Yes (If yes, please provide the information below) \(\sum \) 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). DENISE PINKERTON	Title, REGULATORY SPECIALIST	
Signature Squad Lacker ton	Date, 11-30-2011	
c-mail address leakejd@chevron.com	Telephone, 432-687-7375	
Form C. MA CLET Will Consequetion	Telephone: 432-087-7373 FEB 2-1-2012	

OCD Approval: Permit Application (including closure plan) Closure Plan (only)		
OCD Representative Signature: Approval Date: 02/10/2012		
Title: PETROLEIJM ENGINER	OCD Permit Number: P1-04230	
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:		
Olosure 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		
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	

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CHAVEON REVENSU UNIT - SONI VIATA MAINTENANCE + CLOSCR & PLAN さられたがら くむ



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Operating and Membershood Plan

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C.C Fristoe B NCT-2 #27 30-025-35589 Chevron USA Inc. February 14, 2012 Conditions of Approval

- 1. A minimum of 35 feet of cement must be bailed on top of all Bridge Plugs.
- 2. Surface disturbance beyond the originally approved pad must have prior approval.
- 3. Closed loop system required.
- 4. 5000 (5M) psi workover BOP to be used with pulling unit. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2. 5M systems shall require two independent power sources, one of which may be nitrogen bottles (three minimum) maintaining a charge equal to the manufacturer's recommendations.
- 5. Operator to have H2S monitoring equipment on location as H2S has been reported from wells in the area.
- 6. Subsequent sundry and completion report required.

CRW 021412