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.

## 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 ordinance:

environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.		
Operator: CHEVRON U.S.A. INC. OGRID #:4323		
Address: 15 SMITH ROAD, MIDLAND, TEXAS 79705		
Facility or well name CENTRAL VACUUM UNIT #258 (NEW DRILL)		
API Number 30 025-40 463 OCD Permit Number: 410 4256		
U/L or Qtr/Qtr A Section 36 Township 17S Range 34E County: LEA		
Center of Proposed Design: Latitude Longitude NAD: \[ \Boxed{1927} \Boxed{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)		
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		
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.		
<ul> <li>☑ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC</li> <li>☑ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC</li> </ul>		
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:  API Number:		
Previously Approved Operating and Maintenance Plan API Number:		
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: Disposal Facility Permit Number: Disposal Facility Permit Number: 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) 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/ Date: 02-27-2012		
e-mail address: leakejd@chevron.com Telephone: 432-687-7375		

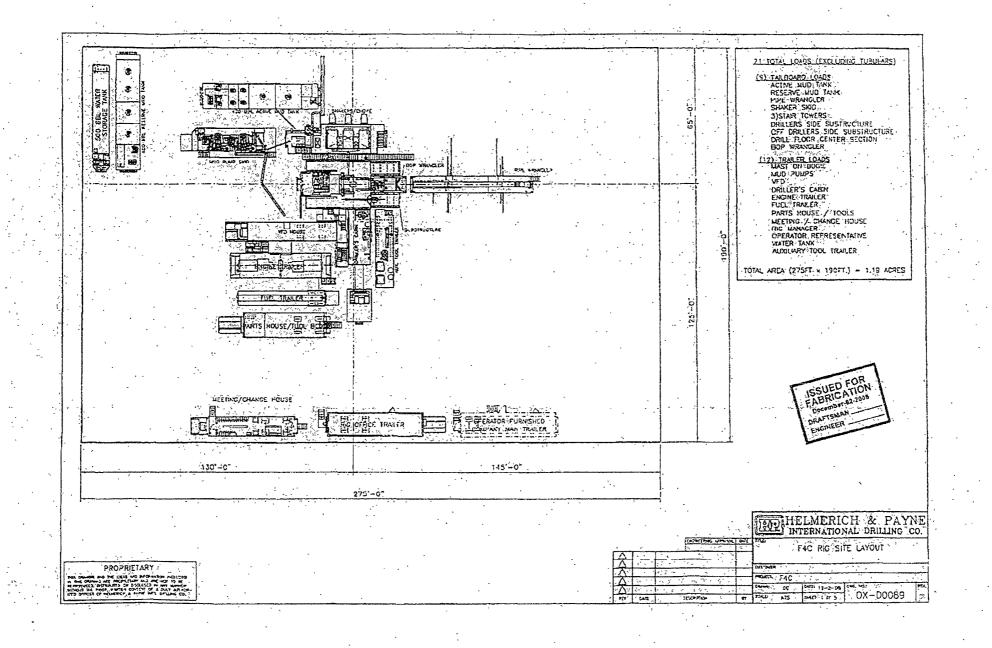
OCD Approval: Permit Application (including closure plan) Closure Plan (only)		
OCD Representative Signature:	Approval Date: 23 for /12	
Title:	OCD Permit Number: <u>\$1-04256</u>	
8.  Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC  Instructions: Operators 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 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 operated.  Site Reclamation (Photo Documentation)  Soil Backfilling and Cover Installation  Re-vegetation Application Rates and Seeding Technique	ions:	
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:	

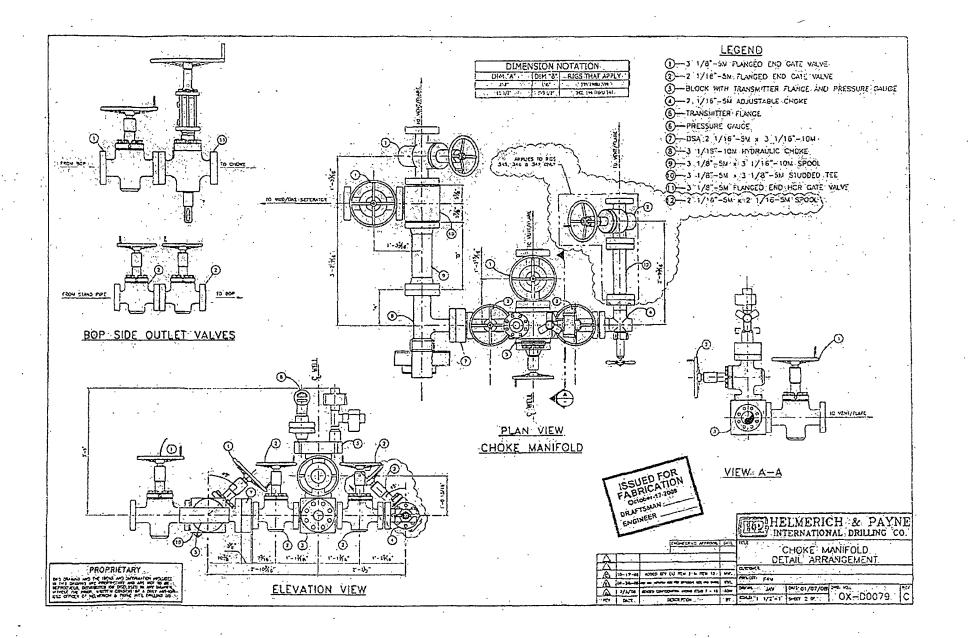
## Operating & Maintenance Plan & Closure Plan

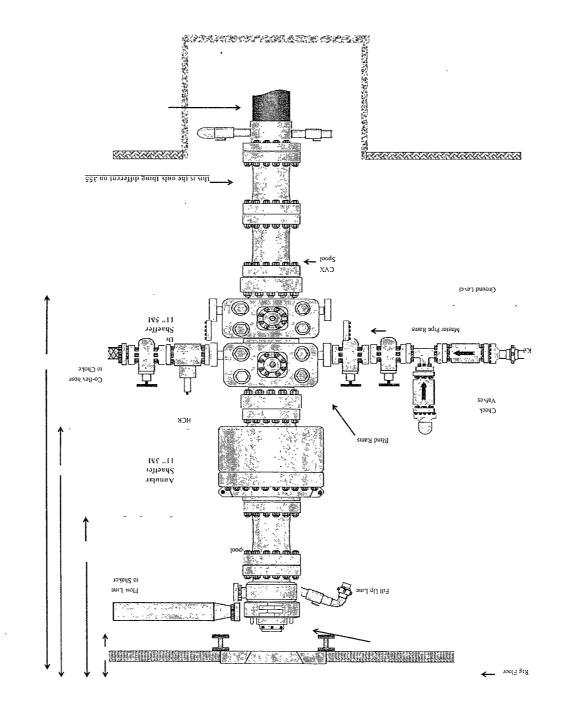
- 1. 250 bbl, ½ frac. Tank, cutting tank w/dimensions of 32'x10.5'x6' tall will be installed.
  On top of 20 mil plastic barrier.
- 2. Cuttings will be discharged from shaker into cuttings tank.
- 3. Cuttings tank will be continuously monitored by designated roughneck so that cuttings tank will not be overfilled.
- 4. Rig crew will visually inspect fluid integrity of cuttings tank on a daily basis.
- 5. Documentation of visual inspection of cuttings tank will be captured on IADC Drilling Report.

## Closure Plan

- 1. Drilled cuttings will be dipped out of tank with backhoe bucket and placed in suitable transport container (dump truck tank or cuttings bin)
- 2. Drill cuttings will be disposed of at a suitable off-location waste facility.







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