1625 N. French Dr, Hobbs, NM 18344 CEIVE Tenergy Minerals and Natural Resources District II District II 1301 W Grand Avenue, Artesia, NM 88210

District III 1000 Rio Brazos Road, Aztec, NM 87410 16 2010

1220 S St Francis Dr., Santa Fe, NM 8585BSOCD

Plea envi 1.

State of New Mexico Department Oil Conservation Division

1220 South St. Francis Dr. Santa Fe, NM 87505

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office. For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Pit, Closed-Loop System, Below-Grade Tank, or

Proposed Alternative Method Permit or Closure Plan Application			
Type of action: Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method			
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request			
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#: 4323			
Address: 15 SMITH ROAD, MIDLAND, TEXAS 79705			
Facility or well name NORTH VACUUM ABO WEST UNIT #24 HORIZONTAL			
API Number: 30-025-24087 OCD Permit Number: PI - D2 217			
U/L or Qtr/Qtr J Section 33 Township 17-S Range 34-E County: LEA			
Center of Proposed Design: Latitude Longitude NAD: \[\sqrt{1927} \sqrt{1983}			
Surface Owner: Federal State Private Tribal Trust or Indian Allotment			
Surface Owner reactar State rivate _			
Pit: Subsection F or G of 19.15.17.11 NMAC Temporary:			
Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume:bbl Type of fluid: Tank Construction material: Secondary containment with leak detection			
5.			
Alternative Method:			

Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks) Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school,	hospital		
institution or church)	ноѕриш,		
Four foot height, four strands of barbed wire evenly spaced between one and four feet			
Alternate. Please specify			
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks)			
☐ Screen ☐ Netting ☐ Other			
☐ Monthly inspections (If netting or screening is not physically feasible)			
8.			
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			
9. Administrative Approvals and Exceptions:			
Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.			
Please check a box if one or more of the following is requested, if not leave blank: Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau	office for		
consideration of approval.			
Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.			
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or			
above-grade tanks associated with a closed-loop system. Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.	☐ Yes ☐ No		
- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells			
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	Yes No		
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	☐ Yes ☐ No		
(Applies to temporary, emergency, or cavitation pits and below-grade tanks) - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	□ NA		
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.	☐ Yes ☐ No		
 (Applies to permanent pits) Visual inspection (certification) of the proposed site; Aerial photo; Satellite image 	∐ NA		
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock	☐ Yes ☐ No		
watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site			
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance	☐ Yes ☐ No		
 adopted pursuant to NMSA 1978, Section 3-27-3, as amended. Written confirmation or verification from the municipality; Written approval obtained from the municipality 			
Within 500 feet of a wetland.			
- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☐ No		
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☐ No		
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map 	☐ Yes ☐ No		
Within a 100-year floodplain FEMA map	☐ Yes ☐ No		

Temporary Pits, Emergency Pits, and Below-grade Tanks 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. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC Previously Approved Design (attach copy of design) API Number: or Permit Number:			
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. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC 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 Boxes 14 through 18, if applicable) - 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:(Applies only to closed-loop system that use			
above ground steel tanks or haul-off bins and propose to implement waste removal for closure)			
Permanent Pits Permit Application 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. Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Nuisance or Hazardous Odors, including H ₂ S, Prevention Plan Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Erosion Control Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC			
14. Proposed Closure: 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.			
Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System Alternative Proposed Closure Method: Waste Excavation and Removal Waste Removal (Closed-loop systems only) On-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial On-site Trench Burial Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)			
Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings) 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 G of 19.15.17.13 NMAC			

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.	Disposal Facility Permit Number: R9166-NM-01-00	006	
Disposal Facility Name:	Disposal Facility Permit Number:		
Will any of the proposed closed-loop system operations and associated activities o ☐ Yes (If yes, please provide the information below) ☐ No	occur on or in areas that will not be used for future serv	vice and operations?	
Required for impacted areas which will not be used for future service and operation Soil Backfill and Cover Design Specifications based upon the appropriation Re-vegetation Plan - based upon the appropriate requirements of Subsection Site Reclamation Plan - based upon the appropriate requirements of Subsection	te requirements of Subsection H of 19.15.17.13 NMAO n I of 19.15.17.13 NMAC	2	
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.			
Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Da	ata obtained from nearby wells	☐ Yes ☐ No ☐ NA	
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Da	ata obtained from nearby wells	☐ Yes ☐ No☐ NA	
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Da	ata obtained from nearby wells	☐ Yes ☐ No ☐ NA	
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other si lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	gnificant watercourse or lakebed, sinkhole, or playa	☐ Yes ☐ No	
Within 300 feet from a permanent residence, school, hospital, institution, or churc - Visual inspection (certification) of the proposed site; Aerial photo; Satelli		☐ Yes ☐ No	
Within 500 horizontal feet of a private, domestic fresh water well or spring that le watering purposes, or within 1000 horizontal feet of any other fresh water well or - NM Office of the State Engineer - iWATERS database; Visual inspection	spring, in existence at the time of initial application.	☐ Yes ☐ No	
Within incorporated municipal boundaries or within a defined municipal fresh wa adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written appro	•	☐ Yes ☐ No	
Within 500 feet of a wetland US Fish and Wildlife Wetland Identification map; Topographic map; Visa	al inspection (certification) of the proposed site	☐ Yes ☐ No	
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Minim	g and Mineral Division	☐ Yes ☐ No	
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geolog Society; Topographic map 	gy & Mineral Resources; USGS; NM Geological	☐ Yes ☐ No	
Within a 100-year floodplain FEMA map		☐ Yes ☐ No	
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC Protocols and Procedures - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved) Soil Cover Design - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC			

Operator Application Certification: I hereby certify that the information submitted with this application is true, accur	rate and complete to the best of my knowledge and belief.		
Name (Print): DENISE PINKERTON	Title: REGULATORY SPECIALIST		
Signature: Dense Punker ton	Date: 07-14-2010		
e-mail address: leakejd@chevron.com	Telephone: 432-687-7375		
OCD Approval: Rermit Application (including closure plan) Closure P			
OCD Representative Signature:	Approval Date:		
Title: Geologist	OCD Permit Number: PI- DZZI7		
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:		
Closure Method: Waste Excavation and Removal On-Site Closure Method Alternate If different from approved plan, please explain.	ative Closure Method Waste Removal (Closed-loop systems only)		
Closure Report Regarding Waste Removal Closure For Closed-loop Systems Instructions: Please indentify the facility or facilities for where the liquids, dril two facilities were utilized.	lling fluids and drill cuttings were disposed. Use attachment if more than		
Disposal Facility Name:			
Disposal Facility Name:			
Were the closed-loop system operations and associated activities performed on or Yes (If yes, please demonstrate compliance to the items below) \(\subseteq\) No	·		
Required for impacted areas which will not be used for future service and operation Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	ions:		
24. Clasura Papart Attachment Charlists Instructional Each of the following it	and most be established to the design of Direct Property of the design o		
Closure Report Attachment Checklist: Instructions: Each of the following its mark in the box, that the documents are attached. Proof of Closure Notice (surface owner and division) Proof of Deed Notice (required for on-site closure) Plot Plan (for on-site closures and temporary pits) Confirmation Sampling Analytical Results (if applicable) Waste Material Sampling Analytical Results (required for on-site closure) Disposal Facility Name and Permit Number Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique Site Reclamation (Photo Documentation) On-site Closure Location: Latitude	ude NAD: □1927 □ 1983		
25.			
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:			
e-mail address:	Telephone:		

CHEVRON -REVERSE UNIT - SCHEMATIC - OPERATING AND MAINTENANCE - CLOSURE PLAN



Notes:

- 1. This is a generic layout, exact equipment orientation will vary from location to location.
- 2 This is a schematic representation, so drawing is not to scale.

Operating and Maintenance Plan

- 1 All recovered fluids and solids will be discharged into reverse tank.
- 2. Reverse tank will be continuously monitored by designated rigidies, so that rank will not be overfilled.
- 3. Rig crew will visually inspect third integrity of reverse tank on a daily basi-
- 4. Documentation of a small inspection of reverse tank will be captured on daily completion morning report.

Closure Plan

- Γ All recovered fluids and solids will be removed from reverse and and made to do rate
- 2. Administrate of flation with minimum by insposed on majoritary administration with a contract of the contra

CHEVRON -- FRAC -- SCHEMATIC -- OPERATING AND MAINTENANCE -- CLOSURE PLAN

Frac Tank

Frac Tank

Frac Tank

Frac Tank

The second second

Frac Tank

Frac Pump

Reverse Link

Reverse Unit

Notes

- 1 This is a generic layout, exact equipment orientation will vary from location to location
- 2. This is a schematic representation, so drawing is not to scale
- 3 Frac tanks and number of pumps can vary, with daily operations and well requirements

Operating and Maintenance Plan

- t All recovered fluids and solids will be discharged into reverse tank
- 2 Reverse tank will be continuously monitored by designated rig crew so that tank will not be overfilled
- 3 Rig crew will visually inspect fluid integrity of reverse tank and frac tanks on a daily basis
- 4 Documentation of visual inspection of reverse tank and frac tanks will be captured on daily completion morning report.

Closure Plan

- 1 All recovered fluids and solids will be removed from reverse tank and hauted off of site.
- 2. All recovered fluids and solids will be disposed of at a suitable off-location wasterdisposal facility.
- 3. Any remaining feac fluids in feac tanks will be hauled off location.