

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

RECEIVED

FEB 16 2011

HOBBSOCD

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: CHEVRON U.S.A. INC. OGRID #: 4323  
Address: 15 SMITH ROAD, MIDLAND, TEXAS 79705  
Facility or well name: NEW MEXICO "R" NCT-4 #4 NEW DRILL  
API Number: 3D-025-40061 OCD Permit Number: P1-02925  
U/L or Qtr/Qtr D Section 7 Township 18-S Range 35-E County: LEA 990' FNL, & 1200' FWL  
Center of Proposed Design: Latitude Longitude 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: CONTROLLED RECOVERY INC. Disposal Facility Permit Number: R9166-NM-01-0000  
Disposal Facility Name: \_\_\_\_\_ 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: *Denise Pinkerton* Date: 02-14-2011  
e-mail address: leakejd@chevron.com Telephone: 432-687-7375

7.

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

OCD Representative Signature: \_\_\_\_\_

**Geologist**

Approval Date: \_\_\_\_\_

Title: \_\_\_\_\_

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: \_\_\_\_\_

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: **CONTROLLED RECOVERY INC.**

Disposal Facility Permit Number: R9166-NM-01-0000

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: \_\_\_\_\_

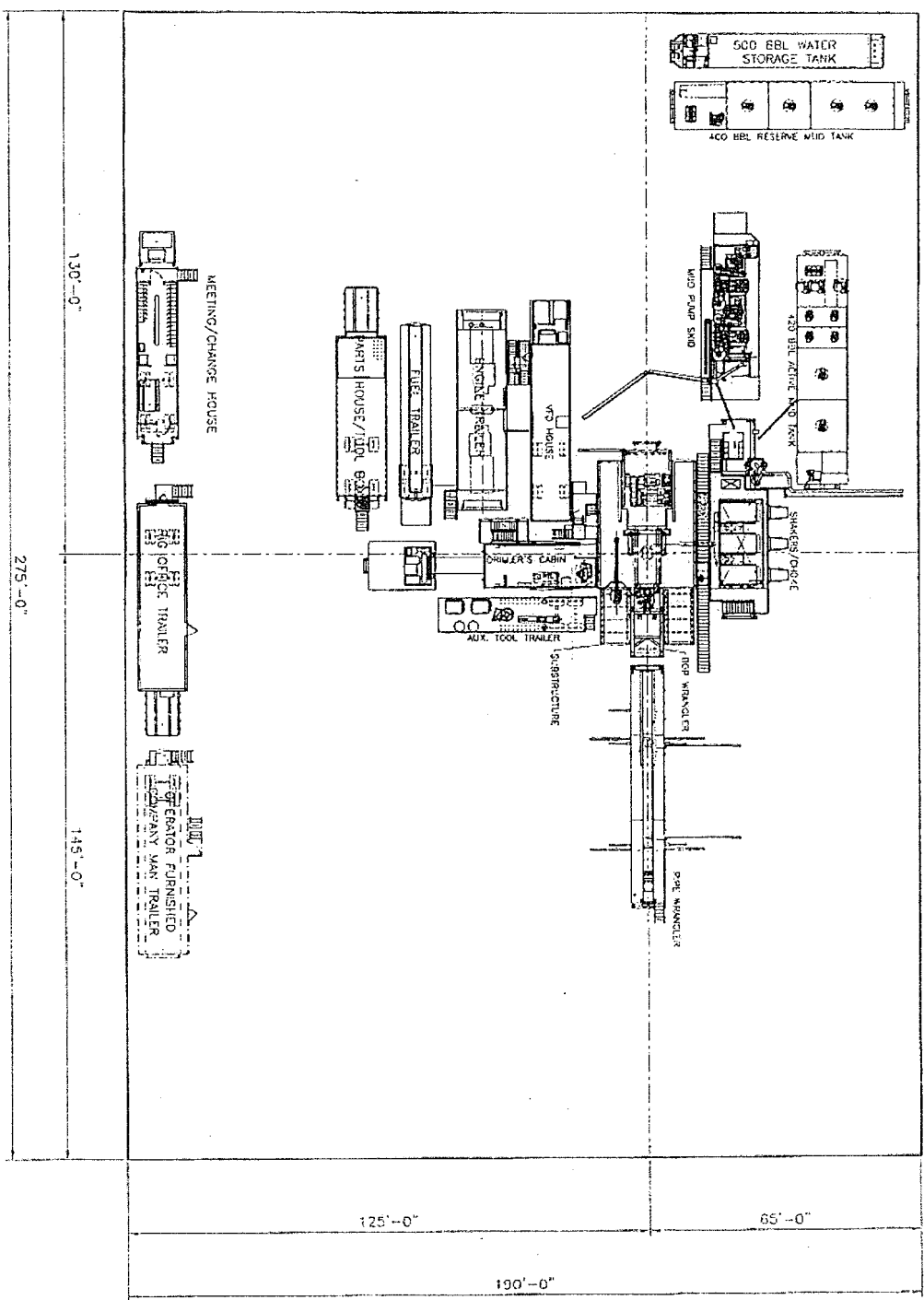
Date: \_\_\_\_\_

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

Telephone: \_\_\_\_\_

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PROPRIETARY



21 TOTAL LOADS (EXCLUDING TOWERS)

(S) TAILBOARD LOADS  
 ACTIVE MUD TANK  
 RESERVE MUD TANK  
 PIPE WRANGLER  
 SHAKER SKID  
 DRILLERS SIDE SUBSTRUCTURE  
 OFF DRILLERS SIDE SUBSTRUCTURE  
 DRILL FLOOR CENTER SECTION  
 BOP WRANGLER

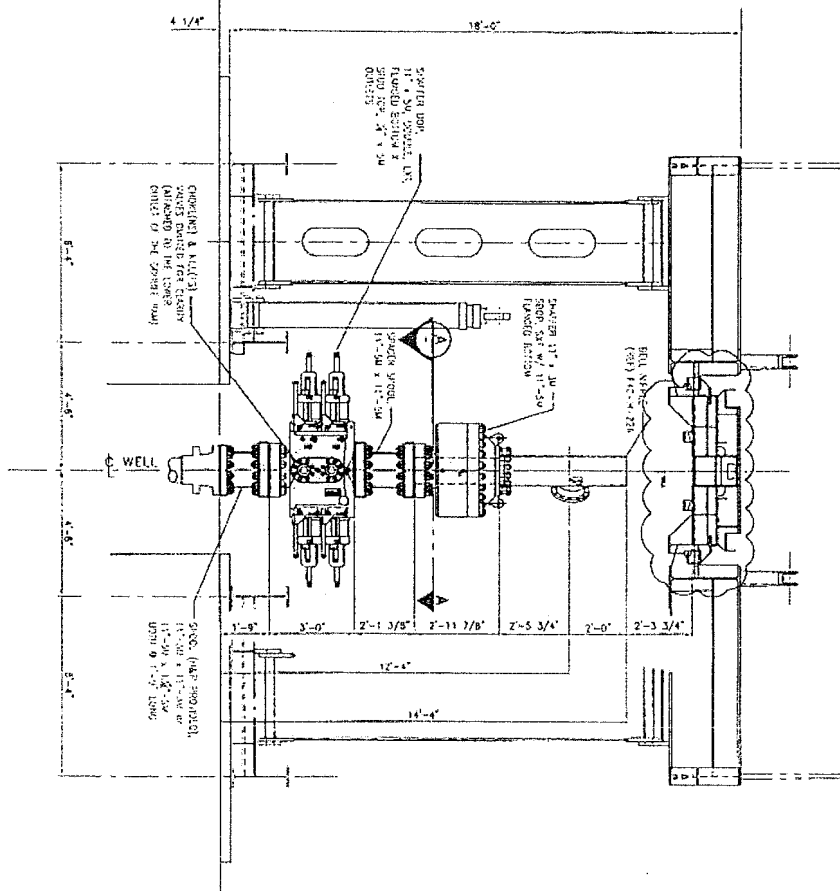
(12) TRAILER LOADS  
 MAST OUT BOGE  
 MUD PUMPS  
 DRILLER'S CABIN  
 ENGINE TRAILER  
 FUEL TRAILER  
 PARTS HOUSE / TOOLS  
 MEETING / CHANCE HOUSE  
 RIG MANAGER  
 OPERATOR REPRESENTATIVE  
 WATER TANK  
 AUXILIARY TOOL TRAILER

TOTAL AREA (275FT x 190FT) = 1.19 ACRES

ISSUED FOR FABRICATION  
 Document: 02-1008  
 DRAFTSMAN  
 ENGINEER

REVISION	DATE	DESCRIPTION
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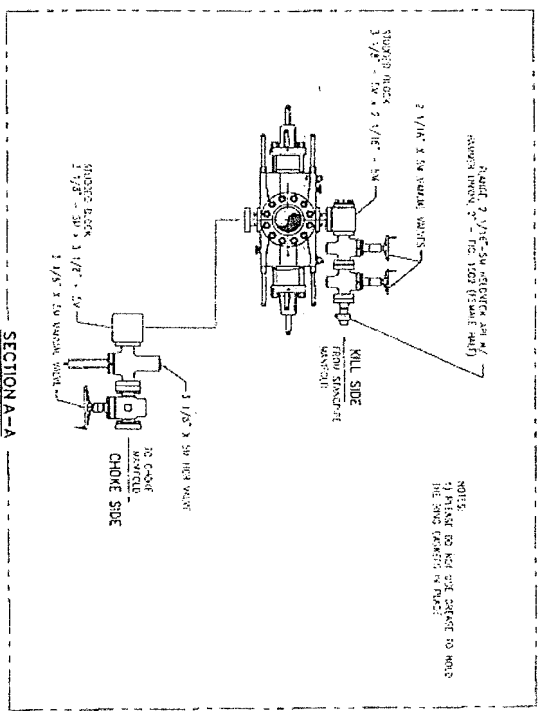
HELMERICH & PAYNE  
 INTERNATIONAL DRILLING CO.  
 F4C RIG SITE LAYOUT



PROPER TORQUE FOR BOLTS				
COMPONENT	TYPICAL SIZE	BOLT SIZE	TORQUE	
			lb-ft	ft-lb
ENGINE AND STUDS	1/2"-3/4"	1/2"-2 1/2" DIA.	1200	1300
CRANK PINS & KNUCKLES	1/2"-3/4"	1/2"-2 1/2" DIA.	350	1900
ROCKE SHAFTS	3/4"-1 1/2"	1 1/2"-2 1/2" DIA.	600	150
CR. SHAFTS	2 1/2"-3/4"	2 1/2" DIA.	600	310

[illegible]

ISSUED FOR  
FABRICATION  
February 23, 2009  
DRAFTSMAN \_\_\_\_\_  
ENGINEER \_\_\_\_\_

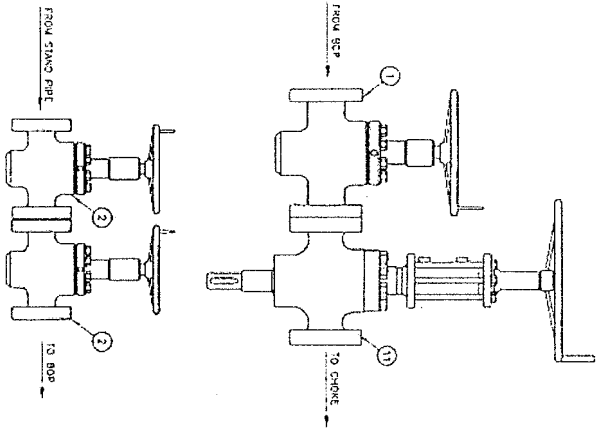


DIMENSION NOTATION			
DIM. IN'	DIM. IN'	RIGS THAT APPLY	
11-12"	11-12"	311-11111111	
11-12"	11-12"	311-11111111	

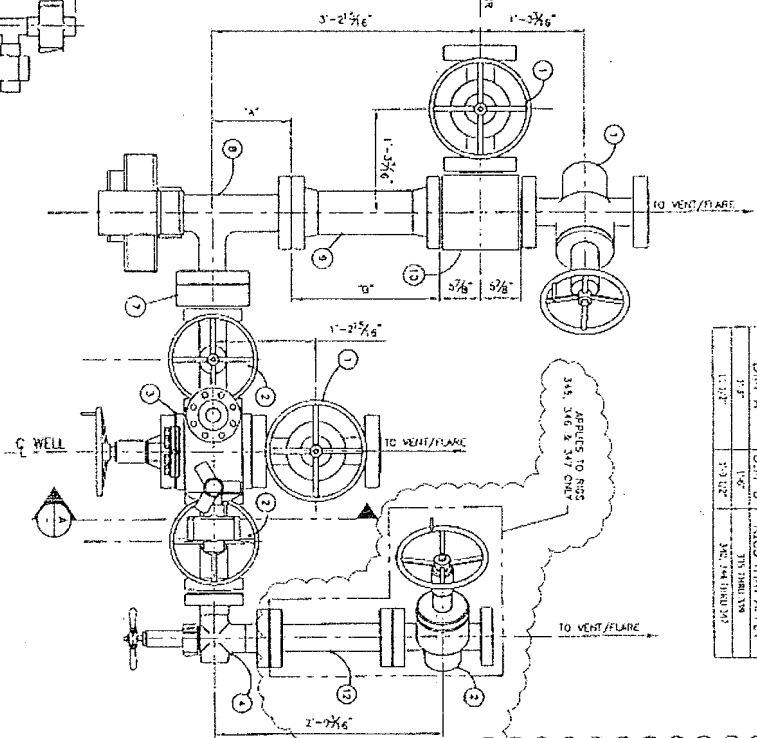
# LEGEND

- 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 1/15"-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 GATE VALVE
- 12-2 1/16"-5M x 2 1/16"-5M SPOOL

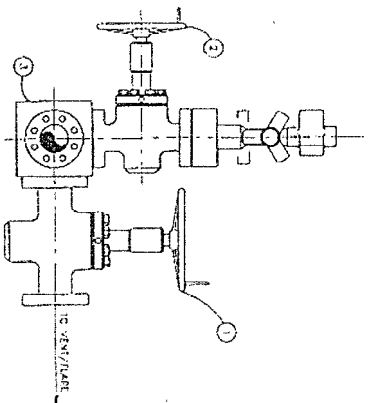
## BOP SIDE OUTLET VALVES



## PLAN VIEW CHOKE MANIFOLD

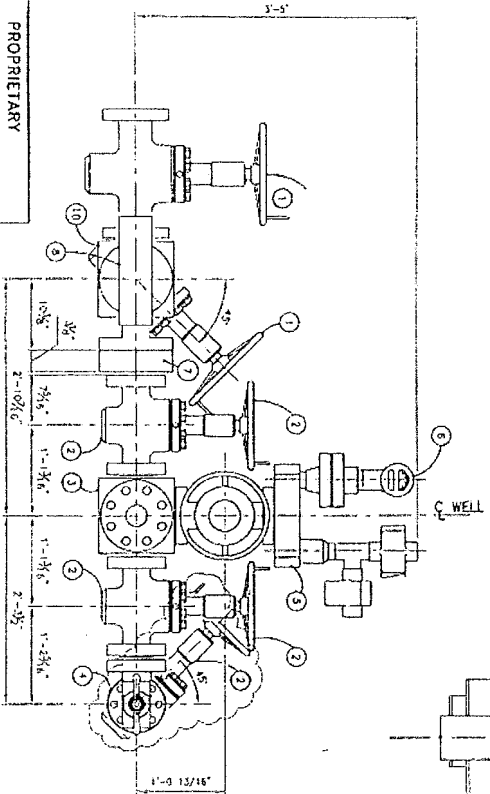


## VIEW A-A



PROPRIETARY  
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## ELEVATION VIEW



ISSUED FOR  
FABRICATION  
October-17-2008  
DRAFTSMAN  
ENGINEER

REVISIONS		APPROVALS		DATE	
1	DESIGN	2	DESIGN	10-17-08	10-17-08
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CHOKE MANIFOLD  
DETAIL ARRANGEMENT

HELMERICH & PAYNE  
INTERNATIONAL DRILLING CO.

OX-D0079  
C

***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.***