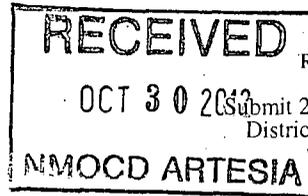


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505



Form C-141  
Revised October 10, 2003  
Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

**Release Notification and Corrective Action**

*nJMW* 1236237325

**OPERATOR**

Initial Report  Final Report

Name of Company <b>OXY USA Inc.</b> <i>16696</i>	Contact <b>Brenda Hodges</b>
Address <b>1017 W. Stanolind Rd.</b>	Telephone No. <b>(575) 397-8247</b>
Facility Name <b>Cypress 28 Federal #002H</b>	Facility Type <b>Oil</b>

Surface Owner	Mineral Owner	Lease No. <b>API-30-015-37331</b>
---------------	---------------	-----------------------------------

**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
L	28	23S	29E	1833	S	530	W	Eddy

Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

**NATURE OF RELEASE**

Type of Release <b>Flare</b>	Volume of Release <b>10,800 MCF</b>	Volume Recovered <b>0</b>
Source of Release <b>Temp. Flare</b>	Date and Hour of Occurrence <b>9-11-12 @ 5:00 PM</b>	Date and Hour of Discovery <b>9-11-12 @ 5:00 PM</b>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <b>Mike Bratcher/Jim Amos</b>	
By Whom? <b>Brenda Hodges, HES Administrative Assistant</b>	Date and Hour <b>9-12-12 @ 7:34 AM</b>	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. <b>n/a</b>	

If a Watercourse was Impacted, Describe Fully.\* **n/a**

Describe Cause of Problem and Remedial Action Taken.\* **Oxy began flaring at the Cypress 28 Federal #002H location due to Southern Union Gas shutting in lines for fluid in their pipelines**

Describe Area Affected and Cleanup Action Taken.\* **Return to sales upon purchaser opening their lines**

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature: <i>Brenda Hodges</i>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: <b>Brenda Hodges</b>	<b>Accepted for record NMOCD</b>	
Title: <b>HES Administrative Assistant</b>	Approved by District Supervisor:	Expiration Date:
E-mail Address: <b>Brenda_Hodges@oxy.com</b>	Approval Date:	Attached <input type="checkbox"/>
Date: <b>9-21-12</b> Phone: <b>(575) 397-8247</b>	Conditions of Approval:	

\* Attach Additional Sheets If Necessary

*2RP-1474*

**Accepted for record  
NMOCD**

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

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

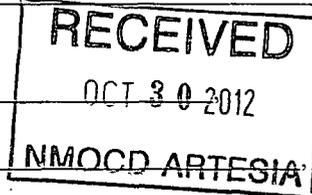
Form C-129  
Revised August 1, 2011

Submit one copy to appropriate  
District Office

NFO Permit No. \_\_\_\_\_  
(For Division Use Only)

### APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)



- A. Applicant OXY PERMIAN  
whose address is 1017 W. Stanolind Rd.  
hereby requests an exception to Rule 19.15.18.12 for 9 days or until  
September 20, Yr 2012, for the following described tank battery (or LACT):  
Name of Lease Cypress 28 Federal #002H Name of Pool Laguna Salado, Bone Spring  
Location of Battery: Unit Letter L Section 28 Township 23S Range 29E  
Number of wells producing into battery 8
- B. Based upon oil production of 260 barrels per day, the estimated \* volume  
of gas to be flared is 1200 MCF; Value N/A per day.
- C. Name and location of nearest gas gathering facility:  
Cypress 28 Federal #002H
- D. Distance on-site Estimated cost of connection N/A
- E. This exception is requested for the following reasons: Oxy began flaring at the Cypress 28 Federal #002H location due to Southern Union Gas shutting in lines for fluid in their pipelines

#### OPERATOR

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature Brenda Hodges

Printed Name  
& Title: Brenda Hodges HES Administrative Assistant

E-mail Address: Brenda\_Hodges@oxy.com

Date 9-21-12 Telephone No. (575)397-8247

#### OIL CONSERVATION DIVISION

Approved Until \_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

\* Gas-Oil ratio test may be required to verify estimated gas volume.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
OCD Artesia

FORM APPROVED  
OM B No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator **OXY USA Inc.**

3a. Address  
**1017 W. Stanolind Rd., Hobbs, NM 88240**

3b. Phone No. (include area code)  
**575-397-8247**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**L28-23S-29E-1833 FSL- 530 FWL**

5. Lease Serial No.  
**NM86024**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
**Cypress 28 Federal #002H**

9. API Well No.  
**30-015-37331**

10. Field and Pool, or Exploratory Area  
**Laguna Salado Bone Spring**

11. County or Parish, State  
**Eddy Cnty, NM**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>Flaring</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIÁ. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Oxy began flaring at the Cypress 28 Federal #002H location due to Southern Union Gas shutting in lines for fluid in their pipelines. Please see attached page/s for additional information regarding this flare event.

**RECEIVED**  
 OCT 30 2012  
 NMOCD ARTESIA

**APPROVED**  
 OCT 26 2012  
 /s/ JD Whitlock Jr  
 BUREAU OF LAND MANAGEMENT  
 CARLSBAD FIELD OFFICE

SEE ATTACHED FOR  
 CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct  
 Name (Printed/Typed)

**Brenda Hodges**

Title **HES Administrative Assistant**

Signature

*Brenda Hodges*

Date

**09/21/2012**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

BUREAU OF LAND MANAGEMENT  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972

Oxy USA INC.  
Cypress 28 Federal 2H  
NM86024

October 26, 2012

### **Condition of Approval to Flare Gas**

1. Report all volumes on OGOR reports.
2. Comply with NTL-4A requirements
3. Subject to like approval from NMOCD
4. **Flared volumes will still require payment of royalties**
5. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time. Gas meter to meet all requirements for sale meter as Federal Regulations and Onshore Order #5.
6. This approval does not authorize any additional surface disturbance.
7. Submit updated facility diagram as per Onshore Order #3.
8. Approval not to exceed 90 days for date of approval.

## Hodges, Brenda K (Preferred Personnel )

---

**From:** Hodges, Brenda K (Preferred Personnel )  
**Sent:** Friday, September 21, 2012 9:16 AM  
**To:** 'mike.bratcher@state.nm.us'; 'jamos@blm.gov'  
**Subject:** FW: Flaring

Good morning,

I wanted to correct the location of these flare events on 9-11-12. I was given the incorrect locations. They flaring was at the Cypress 28 Federal #2h, Cypress 33 Federal #4H and the Goodnight 27 # 2 locations. I will be mailing the appropriate paperwork at the conclusion of the flare event.

Sorry for the inconvenience.

Thank you,

*Brenda Hodges*

OXY HES Administrative Assistant  
1017 W. Stanolind Rd  
Hobbs, NM 88240  
575-397-8247

---

**From:** Hodges, Brenda K (Preferred Personnel )  
**Sent:** Wednesday, September 12, 2012 7:34 AM  
**To:** 'mike.bratcher@state.nm.us'; 'jamos@blm.gov'  
**Cc:** Summers, Chancey J; Moore, L. Kim; Kendrick, Donald D; Shaver, Stanley  
**Subject:** Flaring

Good morning,

This is to inform you that Oxy began flaring at the Goodnight 27-1, Cypress 34-1, & Cypress 33-1 batteries on 9-11-2012 due to Southern Union Gas shutting in their lines for fluid in their pipelines.

I will send the appropriate paperwork in the mail at the end of the flaring event.

Thank you,

*Brenda Hodges*

OXY HES Administrative Assistant  
1017 W. Stanolind Rd  
Hobbs, NM 88240  
575-397-8247

## Bratcher, Mike, EMNRD

---

**From:** Brenda\_Hodges@oxy.com  
**Sent:** Friday, September 21, 2012 9:16 AM  
**To:** Bratcher, Mike, EMNRD; jamos@blm.gov  
**Subject:** FW: Flaring

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**Subject:** Flaring

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Thank you,

*Brenda Hodges*

OXY HES Administrative Assistant  
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Hobbs, NM 88240  
575-397-8247