Form 3160-5 (April 2004)

UNITED STATES

FORM APPROVED

| (April 200 1) | DEPARTMENT OF THE | | P 24 ZUIZ | Expires: March 31, 2007 | | | | |
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| CHNIDD | BUREAU OF LAND MAN Y NOTICES AND REI | | QD ARTES | 5 Lease Serial No. NM19848 | | | | |
| Do not use | this form for proposals t well. Use Form 3160-3 (| to drill or to re-ei | nter an | 6. If Indian, Allottee or Tribe Name | | | | |
| SUBMIT IN T | RIPLICATE- Other inst | ructions on revers | se side. | 7. If Unit or CA/Agreement, Name and/or No. | | | | |
| 1. Type of Well ☐ ☐ Oil Well ☐ ☐ | 8 Well Name and No. | | | | | | | |
| 2. Name of Operator OXY USA | Inc. | | | Cypress 33 Federal #004H 9. API Well No. | | | | |
| 3a. Address 1017 W. Stanolind Rd., Hob | bs, NM 88240 | 3b. Phone No. (include a 575-397-8247 | area code) | 30-015-37368 10. Field and Pool, or Exploratory Area Cedar Canyon, Bone Spring | | | | |
| 4 Location of Well (Footage, Se | c., T, R., M, or Survey Description) | | | | | | | |
| H33-23S-29E-1490FNL-250 | 11. County or Parish, State Eddy, Cty, NM | | | | | | | |
| 10 CUTOCU | A PRODUCTION TO THE POST OF TH | DIDIOLED MAN | | | | | | |
| | APPROPRIATE BOX(ES) TO | | | REPORT, OR OTHER DATA | | | | |
| TYPE OF SUBMISSION | · | TYP | E OF ACTION | | | | | |
| Notice of Intent | Acidize | Deepen | Production (8 | · - | | | | |
| | Alter Casing Casing Repair | Fracture Treat New Construction | Reclamation | Well Integrity ✓ Other Flaring | | | | |
| Subsequent Report | Change Plans | Plug and Abandon | Recomplete Temporarily | | | | | |
| Final Abandonment Notice | Convert to Injection | Plug Back | Water Dispos | | | | | |
| If the proposal is to deepen of Attach the Bond under which following completion of the testing has been completed, determined that the site is recovered by began flaring at the state of | directionally or recomplete horizontal the the work will be performed or proven involved operations. If the operation Final Abandonment Notices shall be ady for final inspection.) | Ily, give subsurface location ride the Bond No on file w in results in a multiple comple if filed only after all requiren ation due to Southern U | as and measured and orth BLM/BIA. Requestion or recompletion ments, including recla | any proposed work and approximate duration thereof, true vertical depths of all pertinent markers and zones, ared subsequent reports shall be filed within 30 days in in a new interval, a Form 3160-4 shall be filed once amation, have been completed, and the operator has in lines for fluid in their pipelines. Please see | | | | |
| | | Acce | Dada O Sted for 16:0 NMOCD | 9/26/N | | | | |
| 14 I hereby certify that the f Name (Printed/Typed) Brenda Hodg | • | Title H | ES Administrativ | re Assistant | | | | |

09/21/2012 Date THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by

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 Date Tıtle Office which would entitle the applicant to conduct operations thereon.

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 anymatter within its jurisdiction.

, $\frac{D_1 strict\ I_{\bar{\bullet}}}{1625\ N}$ 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

SEP 24 2012

RECEIVED

Form C-141 Revised October 10, 2003

NMOCD ARTES Pistrict Office in accordance with Rule 116 on back side of form

Santa Fe, NM 87505 **Release Notification and Corrective Action**

Oil Conservation Division 1220 South St. Francis Dr.

| | | | | | | OPERAT | COR | | Initia | al Report | \boxtimes | Final Report | |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------|-----------------------------------------------|------------------------------------------------|----------------------------------------------------------------|---------------------------------------|--------------------------------------------|-------------------------------------------------|---------------------------------|---------------------------------------|--|
| | | | Contact Brenda Hodges | | | | | | | | | | |
| Address 1017 W. Stanolind Rd. | | | | Telephone No. (575) 397-8247 | | | | | | | | | |
| Facility Name Cypress 33 Federal #004H | | | | | Facility Typ | e Oil Well | | | | | | | |
| Surface Owner Mineral Owner | | | Lease No. A | | | | No. API-30 | API-30-015-37368 | | | | | |
| | | | | LOCA | ATION | OF RE | LEASE | | | | | | |
| Unit Letter | Section | Township | Range | Feet from the | North/ | South Line | Feet from the | · · · · · · · · · · · · · · · · · · · | | | <u></u> | | |
| Н | 33 | 238_ | 29E | 1490 | | N | 250 | | E Eddy | | | | |
| | | LatitudeLongitude | | | | | | | | | | | |
| | | | | NAT | TURE | OF REL | EASE | | | | | | |
| Type of Rele | | | | | | Volume of Release 10800 MCF Volume Recovered 0 | | | | | | | |
| Source of Re | lease Temp | p. Flare | | | | | | | | Hour of Dis @ 5:00 PM | Hour of Discovery 9 5:00 PM | | |
| Was Immedi | ate Notice C | | Yes [| No Not R | equired | If YES, To Mike Brate | Whom? cher/Jim Amos | | | | | | |
| | | | dministra | ative Assistant | | Date and Hour 9-12-12 @ 7:34 AM | | | | | | | |
| Was a Watercourse Reached? ☐ Yes ☑ No | | | | | If YES, Volume Impacting the Watercourse. n/a | | | | | | | | |
| If a Watercou | irse was Im | pacted, Descr | ibe Fully. | * n/a | | J | | | | | | | |
| | | | | | | | | | | | | | |
| | | em and Remed in their pipel | | n Taken.* Oxy b | egan flar | ing at the Cy | press 33 Federal a | #004H 1 | ocation du | e to Souther | n Union | a Gas | |
| Describe Are | a Affected a | and Cleanup A | Action Tal | ten.* Return to s | sales upo | n purchaser o | pening their lines | S | | | _ | | |
| regulations a public health should their or or the environ | I operators or the environment of the environment of the language of the langu | are required to ronment. The ave failed to a | o report ar acceptand adequately OCD accep | e is true and comp nd/or file certain r ce of a C-141 repo investigate and r stance of a C-141 | elease no ort by the emediate | otifications and NMOCD made contaminati | nd perform correct arked as "Final R on that pose a thre | tive act eport" c eat to gr | ions for rel loes not rel round wate | leases which lieve the ope er, surface wa | may en erator of ater, hu | ndanger f liability ıman health | |
| Signature: £ | Brand | lator | hes | | | OIL CONSERVATION DIVISION | | | | | | | |
| Printed Name | : Brenda I | Hodges | <u> </u> | | / | Approved by District Supervisor: | | | | | | | |
| Title HES A | dministrat | tive Assistant | · · | | | Approval Date: Expiration Date: | | | | | | | |
| E-mail Addre | ss: Brenda | _Hodges@o: | xy.com_ | | (| Conditions of Approval: | | | | Attached | Attached | | |
| Date: 9-21-12 | | (575) 397-82 ets If Necess | | | | | | | | <u> </u> | | | |

1625 N. French Dr , Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 R10 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

Revised August 1, 2011

Submit one copy to appropriate District Office

NFO Permit No. ___

(For Division Use Only)

Form C-129

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12 30-015-37368 (See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

| A . A | ApplicantOXY PERMIAN | | , | | | | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|------------------------------|-----------------------------|--|--|--|--|--|--|
| v | whose address is1017 W. Stanolind I | Rd | | | | | | | |
| h | nereby requests an exception to Rule 19.15.1 | 8.12 for9 | days or until | | | | | | |
| _ | September 20th, Yr 2012 | , for the following describe | ed tank battery (or LACT): | | | | | | |
| 1 | Name of Lease Cyperss 33 Federal #004H | _Name of Pool _Cedar Canyon, | Bone Spring | | | | | | |
| Ι | Location of Battery: Unit LetterHS | ection33Township23S | SRange29E | | | | | | |
| Ν | Number of wells producing into battery | 8 | | | | | | | |
| B. F | Based upon oil production of260barrels per day, the estimated * volume | | | | | | | | |
| C | of gas to be flared is1200MCF; ValueN/Aper day. | | | | | | | | |
| C. N | Name and location of nearest gas gathering facility: | | | | | | | | |
| _ | Cypress 33 Federal # 004H | | | | | | | | |
| D. I | Distanceon-siteEstimated cost of connectionN/A | | | | | | | | |
| | This exception is requested for the following due to Southern Union Gas shutting in lines | | ne Cypress 33 Federal #004F | | | | | | |
| OPERATOR | | OIL CONSERVATION DIVIS | GION | | | | | | |
| 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 Founda College Printed Name & Title: Brenda Hodges HES Administrative Assistant | | Approved Until | | | | | | | |
| | | Ву | | | | | | | |
| | | Title | | | | | | | |
| E-mail Address: | : Brenda_Hodges@oxy.com | Date | | | | | | | |
| Date 9-21-12 | Telephone No. (575)397-8247 | | | | | | | | |

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

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