

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

Carlsbad Field Office
OCD Artesia

5. Lease Serial No.
Multiple--See Attached

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMMN128925X

8. Well Name and No.
Multiple--See Attached

9. API Well No.
Multiple--See Attached

10. Field and Pool or Exploratory Area
Multiple--See Attached

11. County or Parish, State
EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
OXY USA WTP LP
Contact: JENNIFER A HUDGENS
E-Mail: jennifer_duarte@oxy.com

3a. Address
HOUSTON, TX 77210
3b. Phone No. (include area code)
Ph: 713-513-6640

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Multiple--See Attached

12. CHECK THE 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"/> Hydraulic Fracturing	<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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Venting and/or Flaring
	<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 recompletable 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/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletable in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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 USA WTP LP respectfully reports that the above location began to flare on December 6, 2016 due to a DCP curtailment and we request permission to flare for 90 days ending on March 6, 2017.

NM OIL CONSERVATION
ARTESIA DISTRICT

JAN 20 2017

Wells associated with CTB listed below:

- API Number Well Name
- 3001540669 ARTESIA YESO FEDERAL UNIT No. 001
- 3001540709 ARTESIA YESO FEDERAL UNIT No. 002
- 3001540948 ARTESIA YESO FEDERAL UNIT No. 003
- 3001540708 ARTESIA YESO FEDERAL UNIT No. 004
- 3001540716 ARTESIA YESO FEDERAL UNIT No. 005
- 3001540670 ARTESIA YESO FEDERAL UNIT No. 006
- 3001540671 ARTESIA YESO FEDERAL UNIT No. 007

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

RECEIVED

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #360786 verified by the BLM Well Information System
For OXY USA WTP LP, sent to the Carlsbad
Committed to AFMSS for processing by DEBORAH MCKINNEY on 12/15/2016 (17DLM0464SE)

Name (Printed/Typed) JENNIFER A HUDGENS

Title ENVIRONMENTAL SPECIALIST

Signature (Electronic Submission)

Date 12/13/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By MUSTAFA HAQUE

Title PETROLEUM ENGINEER

Date 01/12/2017

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 Carlsbad

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)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #360786 that would not fit on the form

5. Lease Serial No., continued

NMLC028456
 NMLC046250A
 NMLC048479A
 NMLC048479B
 NMLC065729
 NMNM048343
 NMNM048344
 NMNM048345

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM128925X	NMNM048343	ARTESIA YESO FEDERAL UNIT	130-015-40669-00-S1	Sec 21 T17S R28E NWNW 727FNL 462FWL
NMNM128925X	NMLC048479A	ARTESIA YESO FEDERAL UNIT	100-015-40673-00-S1	Sec 20 T17S R28E NENE 402FNL 2183FWL
NMNM128925X	NMLC048479B	ARTESIA YESO FEDERAL UNIT	130-015-40674-00-S1	Sec 20 T17S R28E NENW 875FNL 2140FWL
NMNM128925X	NMLC048479A	ARTESIA YESO FEDERAL UNIT	120-015-40675-00-S1	Sec 20 T17S R28E SENW 1790FNL 1780FWL
NMNM128925X	NMNM048345	ARTESIA YESO FEDERAL UNIT	130-015-40833-00-S1	Sec 20 T17S R28E NENW 990FNL 880FWL
NMNM128925X	NMLC048479B	ARTESIA YESO FEDERAL UNIT	180-015-40676-00-S1	Sec 20 T17S R28E SWNW 1980FNL 430FWL
NMNM128925X	NMNM048344	ARTESIA YESO FEDERAL UNIT	150-015-41329-00-S1	Sec 21 T17S R28E SWNE 2447FNL 2500FEL 32.820297 N Lat, 104.180389 W Lon
NMNM128925X	NMNM048343	ARTESIA YESO FEDERAL UNIT	100-015-41330-00-S1	Sec 21 T17S R28E SESW 952FNL 801FWL
NMNM128925X	NMNM048343	ARTESIA YESO FEDERAL UNIT	130-015-41331-00-S1	Sec 21 T17S R28E NENW 350FNL 2120FWL
NMNM128925X	NMLC046250A	ARTESIA YESO FEDERAL UNIT	180-015-41358-00-S1	Sec 21 T17S R28E SWNW 1900FNL 406FWL
NMNM128925X	NMNM048343	ARTESIA YESO FEDERAL UNIT	190-015-41332-00-S1	Sec 21 T17S R28E NENW 350FNL 2120FWL
NMNM128925X	NMNM048343	ARTESIA YESO FEDERAL UNIT	230-015-40709-00-S1	Sec 21 T17S R28E NENW 488FNL 1574FWL
NMNM128925X	NMNM048344	ARTESIA YESO FEDERAL UNIT	200-015-41335-00-S1	Sec 21 T17S R28E NWNE 932FNL 1786FWL
NMNM128925X	NMNM048344	ARTESIA YESO FEDERAL UNIT	230-015-41333-00-S1	Sec 21 T17S R28E SESW 553FNL 1207FEL
NMNM128925X	NMNM048344	ARTESIA YESO FEDERAL UNIT	220-015-41328-00-S1	Sec 21 T17S R28E SWNE 150FNL 2083FEL
NMNM128925X	NMLC065729	ARTESIA YESO FEDERAL UNIT	230-015-41334-00-S1	Sec 20 T17S R28E NENE 929FNL 974FEL
NMNM128925X	NMLC028456	ARTESIA YESO FEDERAL UNIT	280-015-41369-00-X1	Sec 20 T17S R28E SENE 2145FNL 789FEL
NMNM128925X	NMLC065729	ARTESIA YESO FEDERAL UNIT	250-015-41396-00-X1	Sec 20 T17S R28E SWNE 2344FNL 1944FEL
NMNM128925X	NMLC048479A	ARTESIA YESO FEDERAL UNIT	280-015-41336-00-S1	Sec 21 T17S R28E NWNE 965FNL 1966FWL
NMNM128925X	NMLC048479B	ARTESIA YESO FEDERAL UNIT	280-015-41337-00-X1	Sec 20 T17S R28E NENW 514FNL 1716FWL
NMNM128925X	NMLC048479B	ARTESIA YESO FEDERAL UNIT	280-015-42378-00-S1	Sec 20 T17S R28E NENW 514FNL 1666FWL
NMNM128925X	NMLC046250A	ARTESIA YESO FEDERAL UNIT	330-015-40948-00-S1	Sec 21 T17S R28E SWNW 1673FNL 0990FWL
NMNM128925X	NMNM048343	ARTESIA YESO FEDERAL UNIT	430-015-40708-00-S1	Sec 21 T17S R28E NENW 1635FNL 2220FWL
NMNM128925X	NMNM048344	ARTESIA YESO FEDERAL UNIT	530-015-40716-00-S1	Sec 21 T17S R28E NENW 445FNL 1865FEL
NMNM128925X	NMNM048344	ARTESIA YESO FEDERAL UNIT	630-015-40670-00-S1	Sec 21 T17S R28E NENE 965FNL 1038FEL
NMNM128925X	NMLC065729	ARTESIA YESO FEDERAL UNIT	730-015-40671-00-S1	Sec 20 T17S R28E NENE 380FNL 440FEL
NMNM128925X	NMLC028456	ARTESIA YESO FEDERAL UNIT	830-015-40672-00-S1	Sec 20 T17S R28E SENE 1860FNL 570FEL
NMNM128925X	NMLC065729	ARTESIA YESO FEDERAL UNIT	930-015-40794-00-S1	Sec 20 T17S R28E SWNE 1650FNL 1980FEL

10. Field and Pool, continued

UNKNOWN

32. Additional remarks, continued

3001540672 ARTESIA YESO FEDERAL UNIT No. 008
 3001540794 ARTESIA YESO FEDERAL UNIT No. 009
 3001540673 ARTESIA YESO FEDERAL UNIT No. 010
 3001540674 ARTESIA YESO FEDERAL UNIT No. 011
 3001540675 ARTESIA YESO FEDERAL UNIT No. 012
 3001540833 ARTESIA YESO FEDERAL UNIT No. 013
 3001540676 ARTESIA YESO FEDERAL UNIT No. 014
 3001541329 ARTESIA YESO FEDERAL UNIT No. 015
 3001541330 ARTESIA YESO FEDERAL UNIT No. 016
 3001541331 ARTESIA YESO FEDERAL UNIT No. 017
 3001541358 ARTESIA YESO FEDERAL UNIT No. 018
 3001541332 ARTESIA YESO FEDERAL UNIT No. 019
 3001541335 ARTESIA YESO FEDERAL UNIT No. 020
 3001541333 ARTESIA YESO FEDERAL UNIT No. 021
 3001541328 ARTESIA YESO FEDERAL UNIT No. 022
 3001541334 ARTESIA YESO FEDERAL UNIT No. 023
 3001541369 ARTESIA YESO FEDERAL UNIT No. 024
 3001541396 ARTESIA YESO FEDERAL UNIT No. 025
 3001541336 ARTESIA YESO FEDERAL UNIT No. 026
 3001542378 ARTESIA YESO FEDERAL UNIT No. 027Y

Revisions to Operator-Submitted EC Data for Sundry Notice #360786

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	FLARE NOI	FLARE NOI
Lease:	NMNM025527A	NMLC028456 NMLC046250A NMLC048479A NMLC048479B NMLC065729 NMNM048343 NMNM048344 NMNM048345
Agreement:		NMNM128925X (NMNM128925X)
Operator:	OXY USA WTP LP PO BOX 4294 HOUSTON, TX 77210 Ph: 713-513-6640	OXY USA WTP LP HOUSTON, TX 77210 Ph: 713.366.5360
Admin Contact:	JENNIFER A HUDGENS ENVIRONMENTAL SPECIALIST E-Mail: JENNIFER_HUDGENS@OXY.COM Ph: 713-513-6640	JENNIFER A HUDGENS ENVIRONMENTAL SPECIALIST E-Mail: jennifer_duarte@oxy.com Ph: 713-513-6640
Tech Contact:	JENNIFER A HUDGENS ENVIRONMENTAL SPECIALIST E-Mail: JENNIFER_HUDGENS@OXY.COM Ph: 713-513-6640	JENNIFER A HUDGENS ENVIRONMENTAL SPECIALIST E-Mail: jennifer_duarte@oxy.com Ph: 713-513-6640
Location:		
State:	NM	NM
County:	EDDY	EDDY
Field/Pool:	ARTESIA GLORIETA-YESO	ARTESIA ARTESIA-YESO UNKNOWN
Well/Facility:	ARTESIA YESO FEDERAL CTB Sec 21 T17S R28E	ARTESIA YESO FEDERAL UNIT 1 Sec 21 T17S R28E NWNW 727FNL 462FWL ARTESIA YESO FEDERAL UNIT 10 Sec 20 T17S R28E NENE 402FNL 2183FWL ARTESIA YESO FEDERAL UNIT 11 Sec 20 T17S R28E NENW 875FNL 2140FWL ARTESIA YESO FEDERAL UNIT 12 Sec 20 T17S R28E SENW 1790FNL 1780FWL ARTESIA YESO FEDERAL UNIT 13 Sec 20 T17S R28E NENW 990FNL 880FWL ARTESIA YESO FEDERAL UNIT 14 Sec 20 T17S R28E SWNW 1980FNL 430FWL ARTESIA YESO FEDERAL UNIT 15 Sec 21 T17S R28E SWNE 2447FNL 2500FEL 32.820297 N Lat, 104.180389 W Lon ARTESIA YESO FEDERAL UNIT 16 Sec 21 T17S R28E SESW 952FNL 801FWL ARTESIA YESO FEDERAL UNIT 17 Sec 21 T17S R28E NENW 350FNL 2120FWL ARTESIA YESO FEDERAL UNIT 18 Sec 21 T17S R28E SWNW 1900FNL 406FWL ARTESIA YESO FEDERAL UNIT 19 Sec 21 T17S R28E NENW 350FNL 2120FWL ARTESIA YESO FEDERAL UNIT 2 Sec 21 T17S R28E NENW 488FNL 1574FWL ARTESIA YESO FEDERAL UNIT 20 Sec 21 T17S R28E NWNE 932FNL 1786FWL ARTESIA YESO FEDERAL UNIT 21 Sec 21 T17S R28E SESW 553FNL 1207FEL ARTESIA YESO FEDERAL UNIT 22 Sec 21 T17S R28E SWNE 150FNL 2083FEL ARTESIA YESO FEDERAL UNIT 23 Sec 20 T17S R28E NENE 929FNL 974FEL ARTESIA YESO FEDERAL UNIT 24 Sec 20 T17S R28E SENE 2145FNL 789FEL ARTESIA YESO FEDERAL UNIT 25 Sec 20 T17S R28E SWNE 2344FNL 1944FEL ARTESIA YESO FEDERAL UNIT 26

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

OXY USA INC.
Artesia Federal Unit 1
NMNM025527A

1/12/2017

Pursuant to **NTL-4A III**, Lessees or operators are hereby authorized to vent or flare gas on a short-term basis without incurring a royalty obligation in the following circumstances:

- A. Emergencies. During temporary emergency situations, such as compressor or other equipment failures, relief of abnormal system pressures, or other conditions which result in the unavoidable short-term venting or flaring of gas. However, this authorization to vent or flare gas in such circumstances without incurring a royalty obligation is limited to 24 hours per incident and to 144 hours cumulative for the lease during any calendar month, except with the prior authorization, approval, ratification, or acceptance of the Supervisor.
- B. Well Purging and Evaluation Tests. During the unloading or cleaning up of a well during drillstem, producing, routine purging, or evaluation tests, not exceeding a period of 24 hours.
- C. Initial Production Tests. During initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMcf of gas, whichever occurs first, unless a longer test period has been authorized by the appropriate State regulatory agency and ratified or accepted by the Supervisor.
- D. Routine or Special Well Tests. During routine or special well tests, other than those cited in NTL-4A III.B and C above, only after approval by the Supervisor.

If a flaring event conforms with the requirements listed above as per NTL-4A III., the flared volumes are not royalty bearing and the operator does not need to submit a Sundry Notice. Report flared volumes as unavoidably lost on OGOR B.

Condition of Approval to Flare Gas

1. The first 24 hours of a temporary emergency flare* is considered "unavoidably lost" and is therefore royalty free. Flared volumes that are considered unavoidably lost are not to be included in Sundry Notice (Form 3160-5). NTL-4A specifies no more than 24 hours per incident and no more 144 hours cumulative for the lease during any calendar month. These Volumes are not royalty bearing and shall be reported on OGOR "B" as either disposition code "21" or "22".
2. Flared volumes considered to be "avoidably lost":
 - Exceeding the first 24 hours for each temporary emergency flare event (144 hours cumulative for the lease per month), well purging and evaluation test.
 - During initial well evaluation tests, exceeding a period of 30 days or the production of 50 MMcf of gas, whichever occurs first
 - Scheduled flaring operations

These flare events will require prior approval via Notice of Intent- Sundry Notice (Form 3160-5). Volumes flared beyond limits defined in NTL-4A are considered "avoidably lost" and will require payment of royalties, unless an exception is granted in accordance with NTL-4A.IV.B.. Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "08". If the operator believes that the flared volumes were "unavoidably lost" and the BLM determines them to be "avoidably lost", the operator can submit a more detailed request via Sundry Notice (Form 3160-5) for an exception in accordance with NTL-4A.IV.B.. As an

alternative to producing oil and flaring gas the operator may choose to shut the well in and avoid paying royalties on otherwise avoidably lost gas.

3. Approval not to exceed 90 days, (from 12/06/2016 to 03/06/2017), if flaring is still required past 90 days submit new request for approval.
4. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a Sundry Notice (Form 3160-5). Include method for volume determination and duration. Report unavoidably lost (first 24 hrs of unexpected event) and avoidably lost (exceeding the first 24 hrs or flared gas that has been approved as avoidably lost by the Authorized Officer) volumes and durations on the Subsequent Report.
5. In determining the volumes of gas to be reported in accordance with NTL-4A the BLM CFO requires Vent/flare gas metering to meet all requirements for a sales meter as per Federal Regulations, Onshore Order #5 and NTL 2008-01. Include meter serial number on Sundry Notice (Form 3160-5).
 - If installation of an approved gas meter is not economically feasible for continued operations. Submit Notice of Intent - Sundry Notice (Form 3160-5) to request an alternate method of determining gas volumes with a valid justification. Alternate methods are listed in NTL-4A. The Authorized Officer may require the installation of additional measurement equipment whenever it is determined that the present methods are inadequate to meet the purposes of this Notice.
6. An updated facility diagram is required within 60 days of modifications to existing facilities per Onshore Order #3.
7. This approval does not authorize any additional surface disturbance.
8. Subject to like approval from NMOCD

Regulations and Definitions

Definition: As per **NTL-4A II. A.** "Avoidably lost" production shall mean the venting or flaring of produced gas without the prior authorization, approval, ratification, or acceptance of the Supervisor and the loss of produced oil or gas when the Supervisor determines that such loss occurred as a result of (1) negligence on the part of the lessee or operator, or (2) the failure of the lessee or operator to take all reasonable measures to prevent and/or to control the loss, or (3) the failure of the lessee or operator to comply fully with the applicable lease terms and regulations, appropriate provisions of the approved operating plan, or the prior written orders of the Supervisor, or (4) and combination of the foregoing.

NTL-4A.IV.B. Oil Well Gas. Except as provided in II.C and III above, oil well gas may not be vented or flared unless approved in writing by the Supervisor. The Supervisor may approve an application for the venting or flaring of oil well gas if justified either by the submittal of **(1)** an evaluation report supported by engineering, geologic, and economic data which demonstrates to the satisfaction of the Supervisor that the expenditures necessary to market or beneficially use such gas are not economically justified and that conservation of the gas, if required, would lead to the premature abandonment of recoverable oil reserves and ultimately to a greater loss of equivalent energy than would be recovered if the venting or flaring were permitted to continue or **(2)** an action plan that will eliminate venting or flaring of the gas within 1 year from the date of application.

*Temporary Emergency Flaring is defined as an unexpected situation requiring immediate action. A flaring event is considered an emergency if the occurrence is out of the operators control and the operator had less than 24 hrs notification of the event. Scheduled or routine flare events will not be considered an emergency.