

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

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.

5. Lease Serial No. NMNM77060
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well [X] Oil Well [] Gas Well [] Other
2. Name of Operator OXY USA INCORPORATED
3a. Address HOUSTON, TX 77210-4294
3b. Phone No. (include area code) Ph: 713-513-6640
8. Well Name and No. RED TANK 34 FEDERAL 02
9. API Well No. 30-025-31932-00-S1
10. Field and Pool, or Exploratory W RED TANK
11. County or Parish, and State LEA COUNTY, NM

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

Table with 2 main columns: TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production (Start/Resume), Water Shut-Off, etc.

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 recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones.

OXY USA INC requests permission to install a Vapor Combustor Unit (VCU) at FOXGLOVE 29 FEDERAL Tank Battery. This request is due to the fact that the cost of installing and operating equipment necessary to capture the gas exceeds the value of the gas over the life of the facility.

- 1. OXY USA INC may be required to provide economic justification and provide volume verification to the Authorized Officer upon request.
2. OXY USA INC will comply with NTL-4A requirements.
3. If volume being combusted is less than 50 MCF of gas per day, it is considered ?unavoidably lost?, therefore, no royalty obligation shall be accrued and will not be required to be reported.
4. Essentially all measured combusted volumes over 50 MCF will require payment of royalties and

14. I hereby certify that the foregoing is true and correct. Electronic Submission #322966 verified by the BLM Well Information System For OXY USA INCORPORATED, sent to the Hobbs Committed to AFMSS for processing by LINDA JIMENEZ on 11/13/2015 (16LJ0184SE) Name (Printed/Typed) JENNIFER A DUARTE Title REGULATORY SPECIALIST Signature (Electronic Submission) Date 11/09/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By DUNCAN WHITLOCK Title TECHNICAL LPET Date 01/04/2016 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 Hobbs

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.

** BLM REVISED **

JAN 14 2016

Additional data for EC transaction #322966 that would not fit on the form

32. Additional remarks, continued

volumes need to be reported on OGOR ?B? reports as disposition code ?08?.

5. Per 43 CFR 3162.7-5(d)/Onshore Order No.3.III.I.1, site facility diagram must be submitted within 60 days of equipment installation.

6. This approval does not authorize any additional surface disturbance.

7. Subject to like approval from NMOCD.

Attached are the following:

? Site security diagram of the current tank battery as well as the location of the VCU and the manifold line connecting the tanks to the VCU.

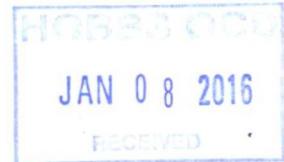
? Specification sheet(s) for the VCU.

? Contact list of Company Field Representatives if access to VCU is needed to retrieve volumes being combusted



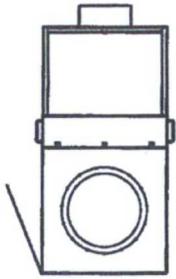


2105 Greenwood Dr.
Southlake Texas 76092
P 817-416-8881 F 817-416-8886
www.kimark.com

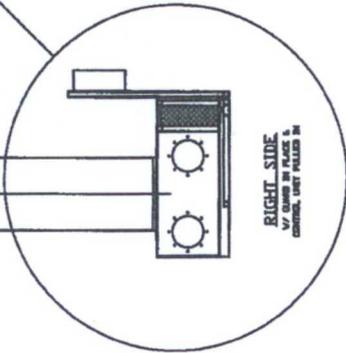
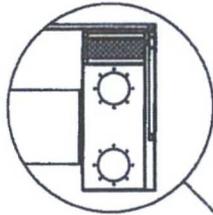


Specifications:

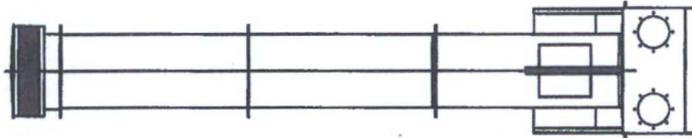
Model Number	SmartFlare 28
Total Height	21 feet 10 inches
Flare Diameter	28 inches
Enrichment Gas?	No
Design Heat Release	1.25 MMBTU/hr
Destruction Efficiency	99.90%
Normal Operating Pressure	Ounces 0 to 16
Design Pressure	80 PSI
Max Design Temperature	1900 degree shutdown
Min Design Temperature	1200 degrees
Normal Operating Temp	1400 degrees
Pilot Volumetric Rate	8.5 to 12 SCF/hr
Pilot Continuous or Automatic?	Both - Software Selectable
Number of burner tips	1
Diameter of burner tips (inches)	2 inch



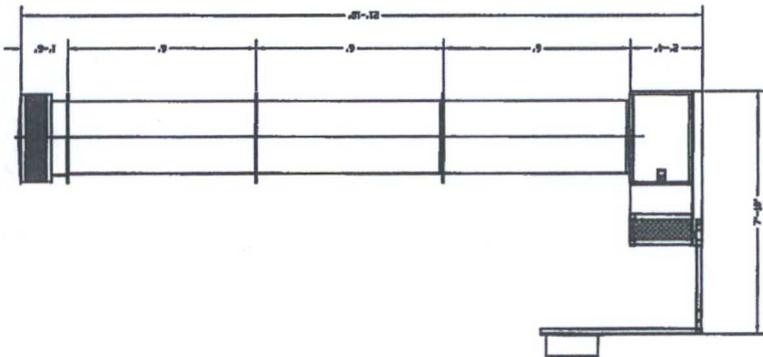
TOP VIEW



RIGHT SIDE
 1/2" SCALE IN PLACE &
 CONTROL UNIT PULSED IN



END VIEW

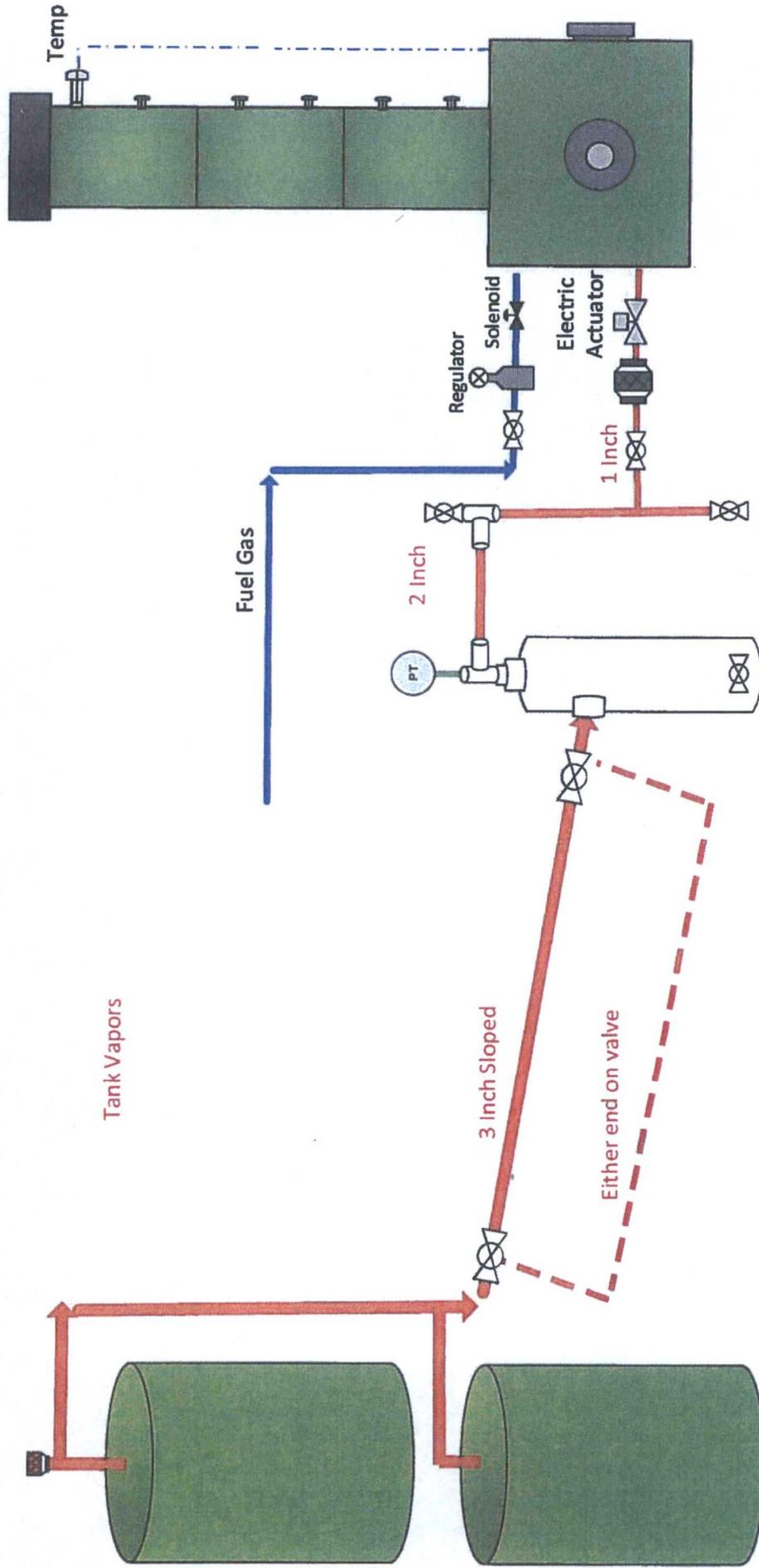


LEFT SIDE

RECEIVED
 JAN 08 2016

Kimark
 KIMARK SYSTEMS INC.
 2007 NORTH ST.
 GRAND PRINCE, TX 76060

APPROVAL	DATE
BY: [Signature]	02/12/06
REVISION	
BY: [Signature]	02/12/06
PROJECT	FOR BAKERS
DRAWN	
CHECKED	
SCALE	1:1
SHEET NO.	1
TOTAL SHEETS	1



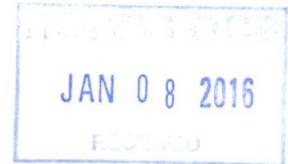
HOESS INC
JAN 08 2016
RECEIVED

Scrubber to be
Within 10 Feet of
Combustor

Scrubber Pot



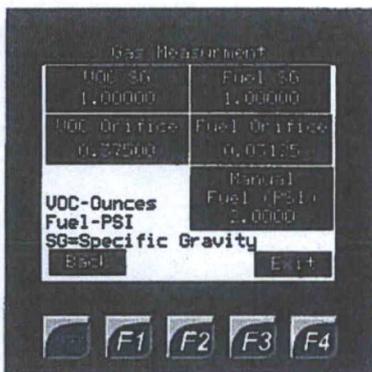
Kimark Systems, Inc.
 2105 Greenwood Dr.
 Southlake Texas 76092
 P 817-416-8881 F 817-416-8886
www.kimark.com



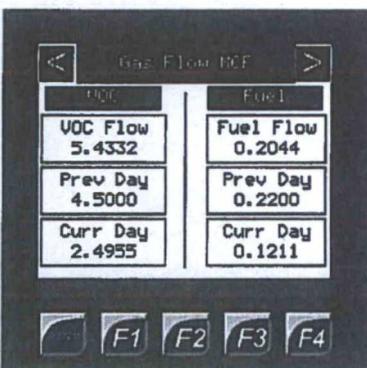
Occidental Oil & Gas

Trey Fournier
 03/18/2015

The Combustor gas flow is based on AGA Report No. 3 Part 2 and Part 3. (API 14.3 Part 3 and API 14.3 Part 2). The calculation is based on the mass flow through an Orifice, measuring the pressure with an atmospheric downstream.



Gas Measurement
 Enter Specific Gravity for VOC and Fuel.
 Enter Orifice size for VOC and Fuel.
 The "Manual Fuel (PSI) is for entering the pressure that the fuel is delivered at.



Totalization
 Instantaneous Flow
 Previous Day Flow
 Current Day Flow
 All are recorded for VOC and Fuel

Randy Allen
 Kimark Systems

For South Carlsbad:

Victor Guadian

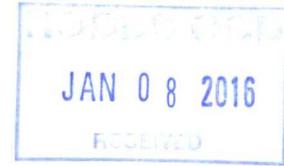
575-628-4006 (office)

575-499-6406 (cell)

Terry Coor

575-628-4130 (office)

575-706-3306 (cell)



For North New Mexico:

Don Kendrick

575-628-4132 (office)

575-602-1484 (cell)

Justin Bock

575-628-4003 (office)

575-575-706-4502 (cell)

For Lea County:

Stan Shaver

575-397-8261 (office)

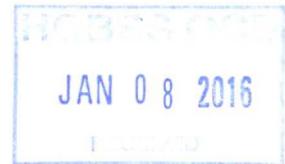
575-602-5509 (cell)

Tony Summers

575-397-8203 (office)

575-390-2319 (cell)

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



**CONDITIONS OF APPROVAL TO INSTALL
VAPOR COMBUSTOR UNIT (VCU)**

1. Comply with NTL-4A requirements.
2. If volume being combusted is less than 50 MCF of gas per day, it is considered "unavoidably lost", therefore, no royalty obligation shall be accrued.
 - a. "Unavoidably Lost" production shall mean (1) those gas vapors which are released from storage tanks or other low-pressure vessels.
3. Combusted volumes over 50 MCF will require payment of royalties and volumes need to be reported on OGOR reports.
4. This approval does not authorize any additional surface disturbance.
5. Comply with any restrictions or regulation when on State or Fee surface.