Form 3160-5 (August 2007)

UNITED STATES Carlsbad Field Office DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT OCD Artesia 5. Lease Scrial No. NMNM6856

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.					MMINIMIN			
					6. If Indian, Allottee or Tribe Name			
SUBMIT IN TRIPLICATE - Other instructions on reverse					7. If Unit or CA/Agreement, Name and/or No.			
1. Type of Well ☐ Gas Well ☐ Other					8. Well Name and No. GOVERNMENT R 2			
Name of Operator OXY USA WTP LIMITED PTN	DUARTE		9. API Well No. 30-015-28391-00-S2					
3a. Address MIDLAND, TX 79710-0250	3b. Phone No. Ph: 713-513	(include area code 1-6640	2)	10. Field and Pool, or Exploratory RUSSELL				
4. Location of Well (Footage, Sec., T		11. County or Parish, and State						
Sec 14 T20S R28E NESW 23	EDDY COUNTY, NM			•				
12. CHECK APPI	ROPRIATE BOX(ES) TO	INDICATE	NATURE OF	NOTICE, R	EPORT, OR OTHE	R DA	ГА	
TYPE OF SUBMISSION	TYPE OF ACTION							
D Mari a officer	☐ Acidize	☐ Deep	☐ Deepen		☐ Production (Start/Resume)		Vater Shut-Off	
Notice of Intent	☐ Alter Casing	☐ Fract	☐ Fracture Treat		□ Reclamation		Vell Integrity	
☐ Subsequent Report	Casing Repair	■ New Construction		☐ Recom	☐ Recomplete		Other Onshore Order Varian ce	
☐ Final Abandonment Notice	□ Change Plans	□ Plug and Abandon		☐ Tempo	☐ Temporarily Abandon			
	☐ Convert to Injection	Plug	□ Plug Back		☐ Water Disposal			
testing has been completed. Final Al determined that the site is ready for f OXY USA INC requests perm Tank Battery. This request is necessary to capture the gas INC understands that the follows:	inal inspection.) ission to install a Vapor Co due to the fact that the co exceeds the value of the g	ombustor Unit	(VCU) at BUF	RTON FLATS	CENTRAL			
INC understands that the following conditions apply: 1. OXY USA INC may be required to provide economic justification and 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 lost?, therefore, no royalty obligation shall be accrued and will not be rea. ?Unavoidably Lost? production shall mean (1) those gas vapors which				nd provide volume verification to			NM OIL CONSERVATI	
				required to be reported.		MAR 2 1 2016		
combusted) from low-pressure storage tanks. 4. Essentially all measured combusted volumes over 50 MCF will require payment of royaltie					nd RECEIVED		ECEIVED	
		Accepted for record						
14. I hereby certify that the foregoing is	true and correct. Electronic Submission #3 For OXY USA WT itted to AFMSS for process	P LIMITED PT	VRSHIP, sent t	ell Informatio o the Carlsba	d			
Name (Printed/Typed) JENNIFE			. SPECIALIST					
			•					
Signature (Electronic	Submission)		Date 02/03/	2016				
	THIS SPACE FO	R FEDERA	L OR STATE	OFFICE L	SE			
Approved By DUNCAN WHITLOCK			Title TECHNI (CALIPET			Date 03/15/2016	
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 Carlsbad					
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a	crime for any per	son knowingly ar	id willfully to m	ake to any department or	agency	of the United	
States any raise, nethous or trauditient	statements of representations as	to any matter wi	min ris jurisuicitoi	и.				

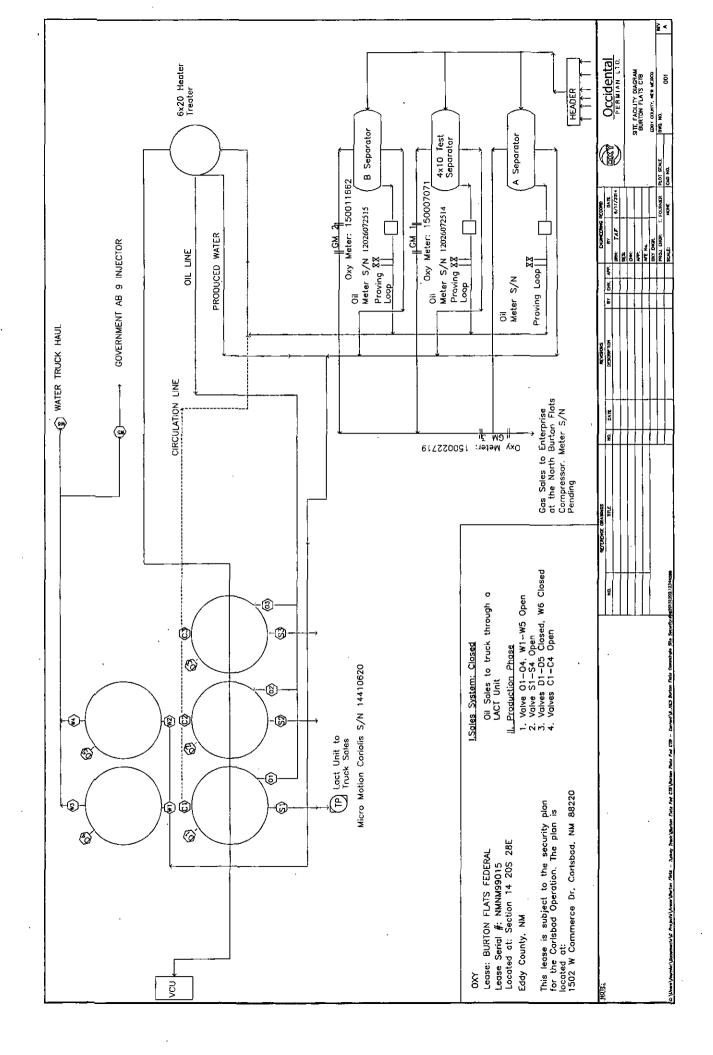
Additional data for EC transaction #330659 that would not fit on the form

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

Specfications:

Model Number

Total Height

Flare Diameter

Enrichment Gas?

Design Heat Release

Destruction Efficiency

Normal Operating Pressure

Design Pressure

Max Design Temperature

Min Design Temperature

Normal Operating Temp

Pilot Volumetric Rate

Pilot Continuous or Automatic?

Number of burner tips

Diameter of burner tips

SmartFlare 28

21 feet 10 inches

28 inches

No

1.25 MMBTU/hr

99.90%

Ounces 0 to 16

80 PSI

1900 degree shutdown

1200 degrees

1400 degrees

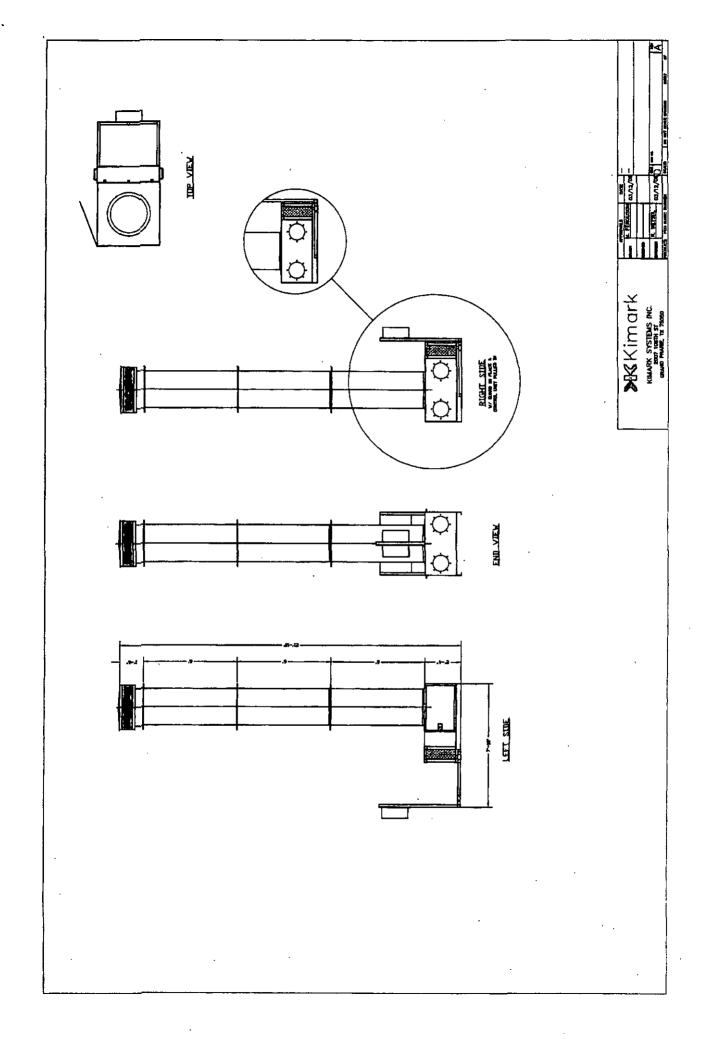
8.5 to 12 SCF/hr

Both - Software Selectable

1

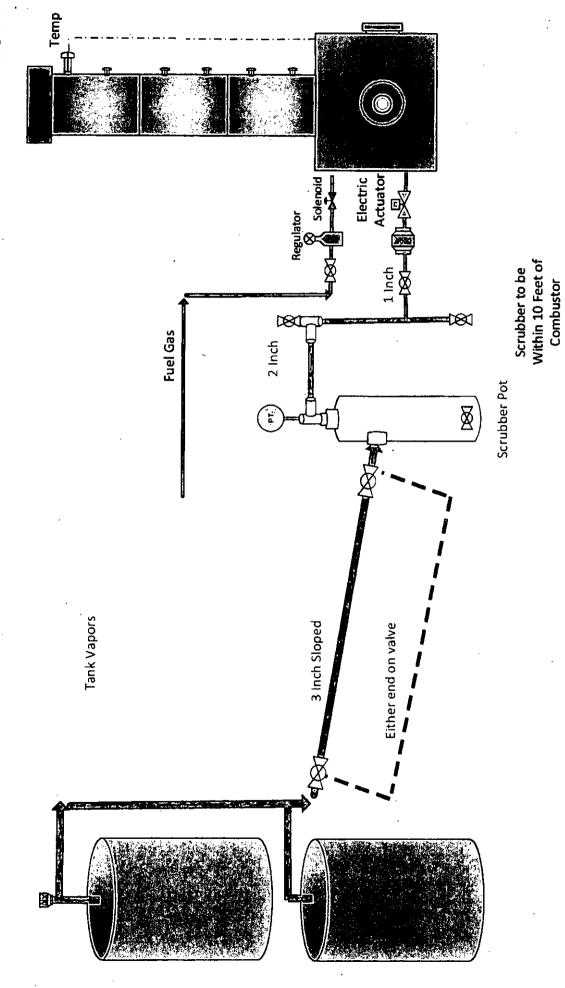
(inches)

2 inch



Y Kimark

VOC SmartFlare



Mmark Systems, Inc



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

Occidental Oil & Gas

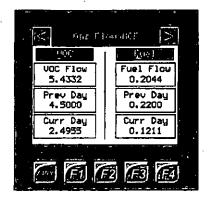
Trey Fournier 03/18/2015

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.