

Form 3160-5  
(April 2004)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia  
Operator Copy

FORM APPROVED  
OMB 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 UDA 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)

**H-03-22S-31E-1950FSL-1300FEL**

5. Lease Serial No.

**NM0417696**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No. **3**  
**Lost Tank Federal #5**

9. API Well No.  
**30-015-30586**

10. Field and Pool, or Exploratory Area  
**Lost Tank Delaware West**

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 recompleat 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat 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 Lost Tank Federal 3 #5 location on 6-8-2012 at 6:00p.m. due to DCP Hat Mesa shutting in their lines. Please see attached page/s for additional information regarding the flare event.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

RECEIVED  
JUN 26 2012  
NM OGD ARTESIA

APPROVED

JUN 23 2012  
/s/ JD Whitlock Jr

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

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

**Brenda Hodges**

Title **HES Administrative Assistant**

Signature

*Brenda Hodges*

Date **06/11/2012**

*AR Date 7/5/12*  
Accepted for record  
NM OGD

**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 which would entitle the applicant to conduct operations thereon.

Title

Date

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)

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 USA Inc.,  
whose address is 1017 W. Stanolind Rd.,  
hereby requests an exception to Rule 19.15.18.12 for 1 days or until  
June 8, Yr 2012, for the following described tank battery (or LACT):  
Name of Lease Lost Tank Federal 3 #5 Name of Pool Wolfcamp  
Location of Battery: Unit Letter H Section 03 Township 22S Range 31E  
Number of wells producing into battery \_\_\_\_\_
- B. Based upon oil production of N/A barrels per day, the estimated \* volume  
of gas to be flared is 300 MCF; Value N/A per day.
- C. Name and location of nearest gas gathering facility:  
Lost Tank Federal 3 #5
- D. Distance On Site Estimated cost of connection N/A
- E. This exception is requested for the following reasons: Oxy began flaring due to DCP Hat Mesa shutting in their lines

### 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 6-11-12

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.

District I 1625 N French Dr Hobbs NM 88240 State of New Mexico Form C-141  
District II 1301 W Grand Avenue Artesia NM 88210 Energy Minerals and Natural Resources Revised October 10, 2003  
District III 1000 Rio Brazos Road Aztec NM 87410 Oil Conservation Division Submit 2 Copies to appropriate  
District IV 1220 South St. Francis Dr. District Office in accordance  
1220 S. St. Francis Dr. Santa Fe, NM 87505 with Rule 116 on back  
Santa Fe, NM 87505 side of form

## Release Notification and Corrective Action

### OPERATOR

☐ Initial Report ☒ Final Report

Name of Company <b>OXY USA Inc.</b>	Contact <b>Brenda Hodges</b>
Address <b>1017 W. Stanolind Rd.</b>	Telephone No. <b>(575) 397-8247</b>
Facility Name <b>Lost Tank Federal 3 #5</b>	Facility Type <b>Oil</b>

Surface Owner	Mineral Owner	Lease No. API 30-015-30586
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### LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<b>H</b>	<b>03</b>	<b>22S</b>	<b>31E</b>	<b>1950</b>	<b>S</b>	<b>1300</b>	<b>E</b>	<b>Eddy</b>

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

### NATURE OF RELEASE

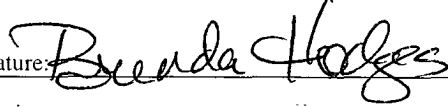
Type of Release <b>Flare</b>	Volume of Release <b>1150 MCF</b>	Volume Recovered <b>0</b>
Source of Release <b>Temp. Flare</b>	Date and Hour of Occurrence <b>6-8-12 @ 6:00 pm</b>	Date and Hour of Discovery <b>6-8-12 @ 6:00pm</b>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <b>Mike Bratcher</b>	
By Whom? <b>Brenda Hodges, HES Administrative Assistant</b>	Date and Hour <b>6-11-12 @ 7:47am</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 due to DCT Hat Mesa shutting in their lines**

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: 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: <b>Brenda Hodges</b>	Approved by District Supervisor:	
Title: <b>HES Administrative Assistant</b>	Approval Date:	Expiration Date:
E-mail Address: <b>Brenda_Hodges@oxy.com</b>	Conditions of Approval:	Attached <input type="checkbox"/>
Date: <b>6-11-12</b> Phone: <b>(575) 397-8247</b>		

\* Attach Additional Sheets If Necessary

**Hodges, Brenda K (Preferred Personnel)**

**From:** Hodges, Brenda K (Preferred Personnel)  
**Sent:** Monday, June 11, 2012 7:47 AM  
**To:** mike.bratcher@state.nm.us  
**Cc:** Summers, Chancey J  
**Subject:** Flaring

Good morning,

Oxy began flaring at the following location due to the DCP Hat Mesa shut in

Lost Tank 4-20 Deep started flaring 6/7/12 at 7:45 pm, stopped 6/9/12 at 12:30 pm, flared about 2650 mcf

Lost Tank 3-23 Deep started flaring 6/7/12 at 9:30pm, stopped 6/8/12 at 2:00 pm, flared about 600 mcf

Lost Tank 3-5 battery started flaring 6/8/12 at 6:00 pm, stopped flaring 6/9/12 at 11:30 am, flared about 1150mcf

Lost Tank 4-1 battery started flaring 6/9/12 at 6:00 am, stopped flaring 6/9/12 at 12:00 pm, flared about 300 mcf

C-141's to follow in the mail.

Thanks,

*Brenda Hodges*

OXY HES

1017 W. Stanolind Rd

Hobbs, NM 88240

575-397-8247

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

**Oxy USA Inc.  
Lost Tank 3 Federal #5  
NMNM0417696**

**June 23, 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.