<u>District I</u> 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

Oil Conservation Division

OCT 3 0 2012 Form C-141 Revised October 10, 2003 NMOCD ARTISUBING 2 Copies to appropriate
District Office in accordance
with Rule 116 on back side of form

1220 South St. Francis Dr. Santa Fe, NM 87505 Pologge Notification and Corrective Action

-11			Rei	ease mound	cauo	n and Co	rrective A	Cuon	ļ				
nTMW1300831665					OPERATOR			☐ Initial Report ☐ Fit			Final Repor		
				Contact Brenda Hodges									
				Telephone No. (575) 397-8247									
Facility Name Federal 29 #8					Facility Typ	e Oil Well							
Surface Ow	ner			Mineral C	Owner				Lease N	No. API 30	-015-2	7266	
				LOCA	ATIO	N OF REI	LEASE						
Unit Letter	Section	Township	Range	Feet from the					Vest Line	County			
M	29	238	31E	330		S 760			W	Eddy			
	LatitudeLongitude												
				NAT	URE	OF RELI	EASE						
Type of Rele							Release 771 MC		Volume Recovered 0				
Source of Re	lease Temp	o. Flare				Date and Hour of Occurrence 9-27-12 @10:00AM Date and Hour of Discovery 9-71-12 @10:00 AM					covery		
Was Immedia	ate Notice C		V [l No. D No. D		If YES, To							
Dy Whom?	Branda Ua			No Not Re			ther/ Jim Amos	0.50 A N	<u> </u>				
Was a Water			anumstra	nive Assistant		Date and Hour 10-01-12 @10:58AM If YES, Volume Impacting the Watercourse. n/a							
			Yes 🛚	No									
If a Watercou	irse was Imp	pacted, Descri	be Fully.*	n/a									
	CD 11		1: 1 A .:	T			1.00.00						
	Describe Cause of Problem and Remedial Action Taken.* Oxy began flaring at the Federal 29 #8 location on 9-27-12 due to DCP having high line pressure and equipment problems												
}													
Describe Are	a Affected a	nd Cleanun A	ction Tak	en * Return to s	ales uno	n purchaser o	pening their lines						
Describe Area	a Affected a	ind Cicanup A	iction Tak	en. Return to sa	ares upo	ii purchaser o	pening their lines						
							knowledge and un						
							d perform correct orked as "Final Re						
							on that pose a thre						
				ance of a C-141 r	eport do	oes not relieve	the operator of re	esponsib	ility for co	mpliance w	ith any	other	
federal, state.	or local law	s and/or regul	lations.				OH GOV		- TOYON T		 -		
)	0 10	\wedge				OIL CONS	ERV	ATION	DIVISIO	N		
Signature: Hender Hodge						Accepted for record				ord			
Printed Name: Brenda Hodges Approved by District Supervisor: NMOCD													
Title: HES A	dministrati	ve Assistant			<i>P</i>	Approval Date: Expiration Date:		Date:					
E-mail Addres	ss: Brenda	_Hodges@ox	y.com			Conditions of Approval:			Attached □				
Date:10-01-12 Phone: (575) 397-8247								Attached					
Attach Addit										2RP	- 141	82	
										へいい	17	J 4	

Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

OCD Artesia

FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007

BUREAU OF LAND MANAGEMENT	Lease Serial No.
SUNDRY NOTICES AND REPORTS ON WELLS	NM0545035

Do not use	this	form	for p	proposals	to c	frill	or t	to r	re-enter an
abandoned	well.	Use .	Form	3160 - 3	(API	D) fo	r su	ıch	proposals.

	NM0545035	
6.	If Indian, Allottee or Tribe Name	

SUBMIT IN TR	7. If Unit or CA/Agreement, Name and/or No.						
1. Type of Well Oil Well 🗆 🗆		8. Well Name and No. Federal 29 #8 9. API Well No.					
2. Name of Operator OXY USA II							
3a Address 1017 W. Stanolind Rd., Hobbs	, NM 88240	3b. Phone No. (include 575-397-8247	e area code)	30-015-27266 10. Field and Pool, or Exploratory Area			
4. Location of Well (Footage, Sec., M29-23S-31E-330 FSL-760FV		Sand Dunes Delaware West 11. County or Parish, State Eddy Cnty, NM					
12. CHECK A	PPROPRIATE BOX(ES) TO	INDICATE NATUR	E OF NOTICE, RI	EPORT, O	R OTHER DATA		
TYPE OF SUBMISSION		TYI	PE OF ACTION				
✓ Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Production (Star Reclamation Recomplete Temporarily Aba Water Disposal	,	Water Shut-Off Well Integrity Other Flaring		
	ed Operation (clearly state all perti				ork and approximate duration thereof.		

If the proposal is to deepen directionally or recomplete 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 recompletion 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 Federal 29 #8 location on 9-27-12 due to DCP having high line pressure and equipment problems. Please see attached page/s for additional information requarding this flare event.



OCT 2 6 2012 /s/ JD Whitlock J

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 Leceuda (bod)	Date	10/0	01/2012					
THIS SPACE FOR FEDERAL OR STATE OFFICE USE								
Approved by		Title		Date				
Conditions of approval, if any, are attached. Approval of this notice does not warrant certify that the applicant holds legal or equitable title to those rights in the subject lear which would entitle the applicant to conduct operations thereon.	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.								

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

> Oxy USA INC. Federal 29 #8 NM0545035

October 26, 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.
- 8. Approval not to exceed 90 days for date of approval.