

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NM OIL CONSERVATION ARTESIA DISTRICT

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

SEP 18 2014

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.

RECEIVED

- 5. Lease Serial No. MNM04827B
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 (Oil Well checked)
2. Name of Operator (OXY USA WTP LIMITED PTNRSHIP)
3a. Address (MIDLAND, TX 79710-0250)
3b. Phone No. (713-513-6640)
4. Location of Well (Sec 1 T21S R23E NWNW 760FNL 660FWL)
8. Well Name and No. (MOC FEDERAL 3)
9. API Well No. (30-015-28045-00-S1)
10. Field and Pool, or Exploratory (S DAGGER DRAW)
11. County or Parish, and State (EDDY COUNTY, NM)

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

Table with columns TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production, 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 recomplate 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.)

THE FORMATION PRODUCING WATER ON THIS LEASE IS THE MORROW. THE AMOUNT OF WATER PRODUCE FROM ALL FORMATIONS PER DAY IS MINIMAL. WATER IS STORED IN TWO 500 BBL FIBERGLASS TANKS ON LEASE. WATER IS PUMPED TO THE DISPOSAL FACILITY. THE OPERATOR OF THE PRIMARY DISPOSAL FACILITY IS OXY USA WTP LP. THE NAME OF THE FACILITY IS MOC SWD #1 (30-015-21669). THE LOCATION OF THE FACILITY IS K-7-20S-25E; 1980 FSL AND 1980 FWL. THE STATE ISSUED PERMIT IS SWD-448-0.

Accepted for record (handwritten) NMOC 9-26-14

SEE ATTACHED FOR CONDITIONS OF APPROVAL

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

Electronic Submission #236186 verified by the BLM Well Information System For OXY USA WTP LIMITED PTNRSHIP, sent to the Carlsbad Committed to AFMSS for processing by JAMES AMOS on 03/29/2014 (14JA0928SE)

Name (Printed/Typed) JENNIFER A DUARTE Title REGULATORY SPECIALIST

Signature (Electronic Submission) Date 02/20/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By Title

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

APPROVED stamp with date SEP 10 2014 and signature of JAMES A. AMOS SUPERVISOR-EPS

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

Disposal of Produced Water From Federal Wells
Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
6. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
7. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
8. Disposal at any other site will require prior approval.
9. Subject to like approval by NMOCD.

7/10/14