Form 3160-5 (August 2007)

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

| OC | D-ARTESIA |
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| | - L31/A |

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

5. Lease Serial No.

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.

6. If Indian, Allottee or Tribe Name

NMNM96231

| SUBMIT IN TRI | 7. If Unit or CA/Ag | 7. If Unit or CA/Agreement, Name and/or No. | | | |
|---|--|---|---|---|--|
| 1. Type of Well Gas Well Gas Well Oth | | 8. Well Name and No. LOST TANK 33 11 | | | |
| 2. Name of Operator OXY USA INCORPORATED | 9. API Well No. 30-015-29677 | 9. API Well No. 30-015-29677-00-S1 | | | |
| 3a. Address HOUSTON, TX 77046-0521 | | 3b. Phone No. (include area code Ph: 432-685-5936 Fx: 432-685-5742 | e) 10. Field and Pool, DELAWARE LOST TANK | | |
| 4. Location of Well (Footage, Sec., T Sec 33 T21S R31E SWNE 19 | , | 11. County or Parish, and State EDDY COUNTY, NM | | | |
| 12. CHECK APPI | ROPRIATE BOX(ES) TO | INDICATE NATURE OF | NOTICE, REPORT, OR OTH | ER DATA | |
| TYPE OF SUBMISSION | TYPE 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 (Start/Resume) ☐ Reclamation ☐ Recomplete ☐ Temporarily Abandon ☑ Water Disposal | ☐ Water Shut-Off ☐ Well Integrity ☐ Other | |

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 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.)

SEE ATTACHED.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

NM OIL CONSERVATION

ARTESJA DISTRICT

FEB 29 2016

RECEIVED

| 14. I hereby certify | that the foregoing is true and correct. Electronic Submission #330072 verifie For OXY USA INCORPORA Committed to AFMSS for processing by PRI | TEĎ, s | ent to the Carlst | sbad | |
|---|---|--------------------------|-------------------|-------------------|--|
| Name (Printed/Typed) DAVID STEWART | | Title REGULATORY ADVISOR | | | |
| Signature | (Electronic Submission) | Date | 01/28/2016 | ADDDOVED | |
| | THIS SPACE FOR FEDERA | L OR | STATE OFFI | ICE USE | |
| Approved By | | Title | | FEB 1 7 2016 Date | |
| 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. | | | ÷ | JAMES A. AMOS | |

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.

Lost Tank 33 Federal

Bureau of Land Management Carlsbad Field Office 620 E. Greene Street Carlsbad, New Mexico 88220 575-234-5972

WATER PRODUCTION & DISPOSAL INFORMATION

| 1. | Name(s) of formation(s) producing water on the lease. Delaware |
|----|---|
| 2. | Amount of water produced from all formations in barrels per day. 4-26 5-39 |
| | 6-116 7-37 8-29 9-4 10-31 11-18 12-30 15-12 |
| 3. | How water is stored on lease. Water Storage Tanks |
| 4. | How water is moved to the disposal facility. Transfer Pump |
| 5. | Identify the Disposal Facility by: A. Facility Operators name. OXY USA INC. |
| | B. Name of facility or well name and number. Lost Tank 33 Federal #2 |
| | C. Type of facility or well (WDW) (WIW) etc. WDW |
| | D. Location by 1/4 1/4 SWSW Section 33 Township 215 Range 31E |
| | C. The appropriate NMOCD permit number SWD - 708 |

Submit to this office, 620 EAST GREENE ST, CARLSBAD NM, 88220, the above required information on a Sundry Notice 3160-5. Submit 1 original and 5 copies, within abatement period. (This form may be used as an attachment to the Sundry Notice.)

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