

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

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 ☐ Other2. Name of Operator **OXY USA Inc.**3a. Address
1017 W. Stanolind Rd., Hobbs, NM 882403b. Phone No. (include area code)
575-397-82474. Location of Well (Footage, Sec., T, R., M, or Survey Description)
M29-23S-31E-330 FSL- 760 FWL5. Lease Serial No
NM0545035

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No
Federal 29 #0089. API Well No
30-015-2726610. Field and Pool, or Exploratory Area
Sand Dunes Delaware West11. 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 Flaring |
| | <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 Federal 29 #008 Battery on 8-17-12 due to DCP shutting in their lines for compressor problems. Please see attached page(s) for additional information regarding this flare event.

RECEIVED

SEP 25 2012

NMOCD ARTESIA

CRD Date 10/16/12
Accepted for record
NMOCD**SEE ATTACHED FOR
CONDITIONS OF APPROVAL****APPROVED**

SEP 22 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 HodgesTitle **HES Administrative Assistant**

Signature

Brenda Hodges

Date

09/04/2012**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 USC Section 1001 and Title 43 USC 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
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
1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED

SEP 25 2012

NMOCD ARTESIA

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☐ Initial Report

☒ Final Report

| | |
|--------------------------------------|-------------------------------------|
| Name of Company OXY USA Inc. | Contact Brenda Hodges |
| Address 1017 W. Stanolind Rd. | Telephone No. (575) 397-8247 |
| Facility Name Federal 29 #008 | Facility Type Oil Well |

| | | |
|---------------|---------------|-----------------------------------|
| Surface Owner | Mineral Owner | Lease No. API 30-015-27266 |
|---------------|---------------|-----------------------------------|

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|-----------|------------|------------|---------------|------------------|---------------|----------------|-------------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| M | 29 | 23S | 31E | 330 | S | 760 | W | Eddy |

Latitude _____ Longitude _____

NATURE OF RELEASE

| | | |
|--|--|--|
| Type of Release Flare | Volume of Release 1380 MCF | Volume Recovered 0 |
| Source of Release Temp. Flare | Date and Hour of Occurrence 8/17/2012 @ 9:25AM | Date and Hour of Discovery 8-17-12 @ 9:25 AM |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Mike Bratcher/Jim Amos | |
| By Whom? Brenda Hodges, HES Administrative Assistant | Date and Hour 8-20-12 @ 8.12 AM | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. n/a | |

If a Watercourse was Impacted, Describe Fully.* **n/a**

Describe Cause of Problem and Remedial Action Taken.* **Oxy began flaring at the Federal 29 #008 Battery due to DCP shutting in their lines for compressor problems.**

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. <i>Brenda Hodges</i> | OIL CONSERVATION DIVISION | |
| Printed Name: Brenda Hodges | Approved by District Supervisor: <i>RR Dade</i> | |
| Title: HES Administrative Assistant | Approval Date: 10/16/12 | Expiration Date: |
| E-mail Address: Brenda_Hodges@oxy.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: 9-4-12 Phone: (575) 397-8247 | | |

* Attach Additional Sheets If Necessary

District I
1625 N French Dr., Hobbs, NM 88240
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811 S First St., Artesia, NM 88210
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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 PERMIAN,
whose address is 1017 W. Stanolind Rd.,
hereby requests an exception to Rule 19.15.18.12 for 10 days or until
August 25, Yr 2012, for the following described tank battery (or LACT):
Name of Lease Federal 29 #008 _____ Name of Pool Sand Dunes Delaware West
Location of Battery: Unit Letter M Section 29 Township 23S Range 31E
Number of wells producing into battery 8
- B. Based upon oil production of 125 barrels per day, the estimated * volume
of gas to be flared is 230 MCF; Value N/A per day.
- C. Name and location of nearest gas gathering facility:
Federal 29 #008
- D. Distance on-site Estimated cost of connection N/A
- E. This exception is requested for the following reasons: Oxy began flaring at the Federal 29 #008 Battery due to DCP
shutting in their lines for compressor problems

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 9-4-12 Telephone No. (575)397-8247

OIL CONSERVATION DIVISION

Approved Until Oct 20 - 2012

By

RDade

Title

DIST HP SUPERVISOR

Date

10/16/2012

* Gas-Oil ratio test may be required to verify estimated gas volume.

Hodges, Brenda K (Preferred Personnel)

From: Hodges, Brenda K (Preferred Personnel)
Sent: Monday, August 20, 2012 8:12 AM
To: 'mike.bratcher@state.nm.us'; 'jamos@blm.gov'
Cc: Summers, Chancey J; Moore, L. Kim; Kendrick, Donald D; Shaver, Stanley
Subject: Flaring

Good morning,

This is to inform you that Oxy began flaring at the Mobil Federal #1 location on 8-16-12, the Federal 29 #8 location on 8-17-12 and the Pure Gold D#1 location also on 8-17-12 due to DCP having compressor problems.

I will mail the C-141 and other paperwork at the end of the flare event.

Brenda Hodges

OXY HES Administrative Assistant
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.
Federal 29 #8
NM0545035

September 22, 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.