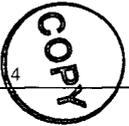


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 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.

5. Lease Serial No.
NM025527A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

| | | |
|--|---|---|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 7. If Unit of CA/Agreement, Name and/or No. |
| 2. Name of Operator OXY USA WTP Limited Partnership | | 8. Well Name and No. OXY CHOPSTICKS FEDERAL #2 |
| 3a. Address PO BOX 50250, MIDLAND, TX 79710-0250 | 3b. Phone No. (include area code) 915-685-5717 | 9. API Well No. 30-015-31743 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1010FSL 1650 FWL SESW(N) SEC 24 T17S R27E | | 10. Field and Pool or Exploratory Area EMPIRE WOLFCAMP |
| | | 11. County or Parish, State EDDY, NM |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input 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 checked="" 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 type="checkbox"/> Other _____ |
| | <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 checked="" 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 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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 THE LEASE IS THE LOGAN DRAW MORROW.
THE FORMATION PRODUCES LESS THAN 1 BARREL PER DAY.
WATER IS STORED IN A 300 BARREL FIBERGLASS TANK.
WATER IS TRUCKED/HAULED TO THE DISPOSAL FACILITY.
THE OPERATOR OF THE DISPOSAL FACILITY IS WALTER SOLT, LLC.
THE NAME OF THE FACILITY IS THE WALTER SOLT STATE #001.
THE LOCATION OF THE DISPOSAL SYSTEM IS L-05-18S-28E 2240 FSL 400 FWL.
THE NMOCD PERMIT NUMBER FOR THE WATER SOLT SWD IS #138476.

RECEIVED
JAN 22 2013
NMOCD ARTESIA

Accepted for record
NMOCD RE 1/29/13

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

| | | |
|---|-------------|--------------------------------|
| 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) HOLLY A CAMPBELL | | Title ADMINISTRATIVE ASSISTANT |
| Signature <i>Holly A Campbell</i> | Date 1-7-13 | |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|-------------------|---------------------|
| Approved by <i>James R. [Signature]</i> | Title <i>SEPS</i> | Date <i>1-17-13</i> |
| 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 <i>CEO</i> | |

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. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
6. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
8. 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.

9/22/09