

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTBLM **OCDA Artesia**FORM APPROVED
OM B 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.** **16696**3a. Address
P.O. Box 50250 Midland, TX 797103b. Phone No. (include area code)
432-685-5717

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**S - 595 FNL 845 FWL NWNW(D) Sec 27 T24S R29E
BH - 352 FSL 670 FWL SWSW(M)**

5. Lease Serial No.

S-Fee BH-NMNM094651

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Cedar Canyon 27 Federal Com. #1H

9. API Well No.

30-015-41095

10. Field and Pool, or Exploratory Area

Cedar Canyon Delaware

11. County or Parish, State

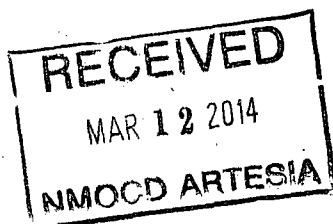
Eddy, NM**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

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 Flare Gas
	<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 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 USA Inc. respectfully requests to flare gas for 90 days until the final gas pipeline connection is completed.

Please see attached for a copy of the NMOCD C-129 application for additional information.



WD 3/13/14
Accepted by 40294
NMOCD

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

SUBJECT TO LIKE
APPROVAL BY STATE

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)**David Stewart**Title **Sr. Regulatory Advisor**

Signature

Date

3/13/13**APPROVED****david_stewart@oxy.com****MAR 10 2014****THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

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.

(Instructions on page 2)

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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

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 USA Inc.,
whose address is P.O. Box 50250 Midland, TX 79710,
hereby requests an exception to Rule 19.15.18.12 for 90 days or until
November 10, Yr 2013, for the following described tank battery (or LACT):
Name of Lease Cedar Canyon 27 Fd. Com. #111 Name of Pool Cedar Canyon Delaware
API No. 30-015-41095
Location of Battery: Unit Letter D Section 27 Township 24S Range 29E
Number of wells producing into battery Temporary Battery on location
- B. Based upon oil production of 220 barrels per day, the estimated * volume
of gas to be flared is 194 MCF; Value \$630 per day.
- C. Name and location of nearest gas gathering facility:
Enterprise Cedar Canyon - Sec 15 T24S R29E
- D. Distance .5 miles Estimated cost of connection 0
- E. This exception is requested for the following reasons:
See attached

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 David Stewart

Printed Name

& Title David Stewart - Sp. Reg. Advisor

E-mail Address david.stewart@oxy.com

Date 8/12/13 Telephone No. 432-685-5717

OIL CONSERVATION DIVISION

Approved Until _____

By _____

Title _____

Date _____

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

Attachment C-129

Cedar Canyon 27 Federal Com. #1H

API No. 30-015-41095

Sec 27 T24S R29E Eddy Cty

In July 2013, OXY signed an agreement with Enterprise to set a compressor and install a metering facility in order to begin producing newly drilled wells in the Cedar Canyon area, located in Eddy County, New Mexico (T24S, R29E). This Enterprise agreement was signed after DCP Midstream, who had been contracted to process the gas in this area, stated that they would not be able to accept any additional gas due to piping constraints. The contract with DCP Midstream had a primary term through Jun 30, 2013 and has been terminated.

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

3/10/2014 Approved subject to Conditions of Approval. JDB

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. Include meter serial number on sundry.
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.
9. Submit Subsequent Report to this sundry with actual volumes of gas flared monthly on 3160-5 (sundry notice).
10. If flaring is still required past 90 days submit new request for approval.
11. If a portable unit is used to flare gas it must be monitored at all times.
12. Comply with any restrictions or regulations when on State or Fee surface.

JDB