Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGE TIS DAD FIELD OF THE MANAGE Serial No. ON THE PROPERTY OF THE INTERIOR OF THE

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

SUNDRY Do not use thi abandoned we	NOTICES AND REPOI is form for proposals to II. Use form 3160-3 (API	RTS ON WE drill or to ref D) for such b	A	rtesia	6. If Indian, Allottee or		Name	
SUBMIT IN TRIPLICATE - Other instructions on reverse side.					7. If Unit or CA/Agreement, Name and/or No.			
1. Type of Well ☑ Oil Well ☐ Gas Well ☐ Other					Well Name and No. Multiple—See Attached			
2. Name of Operator Contact: JENNIFER A DUARTE OXY USA INCORPORATED E-Mail: jennifer_duarte@oxy.com					API Well No. MultipleSee Attached			
3a. Address 5 GREENWAY PLAZA STE 1 HOUSTON, TX 77046-0521	(include area code 3-6640	e)	10. Field and Pool, or Exploratory FORTY NINER RIDGE					
4. Location of Well (Footage, Sec., T			11. County or Parish, and State					
MultipleSee Attached			EDDY COUNTY, NM					
12. CHECK APPI	ROPRIATE BOX(ES) TO	INDICATE	NATURE OF	NOTICE, RE	EPORT, OR OTHE	R DAT	`A	
TYPE OF SUBMISSION	TYPE OF ACTION						,	
■ Notice of Intent	□ Acidize	Deep	□ Deepen		☐ Production (Start/Resume)		■ Water Shut-Off	
_	☐ Alter Casing	☐ Frac	☐ Fracture Treat		ation	D W	ell Integrity	
☐ Subsequent Report	☐ Casing Repair	_	Construction	_ ,			Other Onshore Order Varian	
☐ Final Abandonment Notice	☐ Change Plans ☐ Convert to Injection			-	ce	iore order varian		
OXY USA INC requests perm Battery. This request is due to necessary to capture the gas INC understands that the follo 1. OXY USA INC may be required the Authorized Officer upon received a. If volume being combusted lost?, therefore, no royalty obtained a. Plaavoidably Lost? productions and productions of the combusted of the co	to the fact that the cost of it exceeds the value of the gwing conditions apply: sired to provide economic equest. with NTL-4A requirements is less than 50 MCF of gaigation shall be accrued a tion shall mean (1) those estorage tanks.	nstalling and gas over the li justification a	operating equip fe of the facility nd provide volu s considered ? required to be hich are releas	oment OXY USA The verification unavoidably reported, ed (in this case)	on to ARTI	ESIA D N 0 6 ECEIV	or record	
14. I hereby certify that the foregoing is	Electronic Submission #3	INCORPOR4	TED, sent to the	a Carlsbad		·.		
Name (Printed/Typed) JENNIFER A DUARTE			Title REGU	LATORY SPI	ECIALIST			
Signature (Electronic S	Submission)		Date 11/10/2	2015				
	THIS SPACE FO	R FEDERA	L OR STATE	OFFICE U	SE			
_Approved By_DUNCAN WHITLOCK			TitleTECHNICAL LPET				Date 01/04/2016	
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 Carlsbad					
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent					ke to any department or	agency (of the United	

Additional data for EC transaction #323103 that would not fit on the form

Wells/Facilities, continued

API Number 30-015-30412-00-C1 30-015-30412-00-C2 Well/Fac Name, Number FNR 26 FEDERAL 1 FNR 26 FEDERAL 1 **Location** Sec 26 T23S R30E SWSW 660FSL 660FWL Sec 26 T23S R30E SWSW 660FSL 660FWL Agreement NMNM0531277A NMNM0531277A **Lease** NMNM0531277A NMNM0531277A

32. Additional remarks, continued

volumes need to be reported on OGOR ?B? reports as disposition code ?08?.

5. Per 43 CFR 3162.7-5(d)/Onshore Order No.3.III.I.1, site facility diagram must be submitted within 60 days of equipment installation.

6. This approval does not authorize any additional surface disturbance.

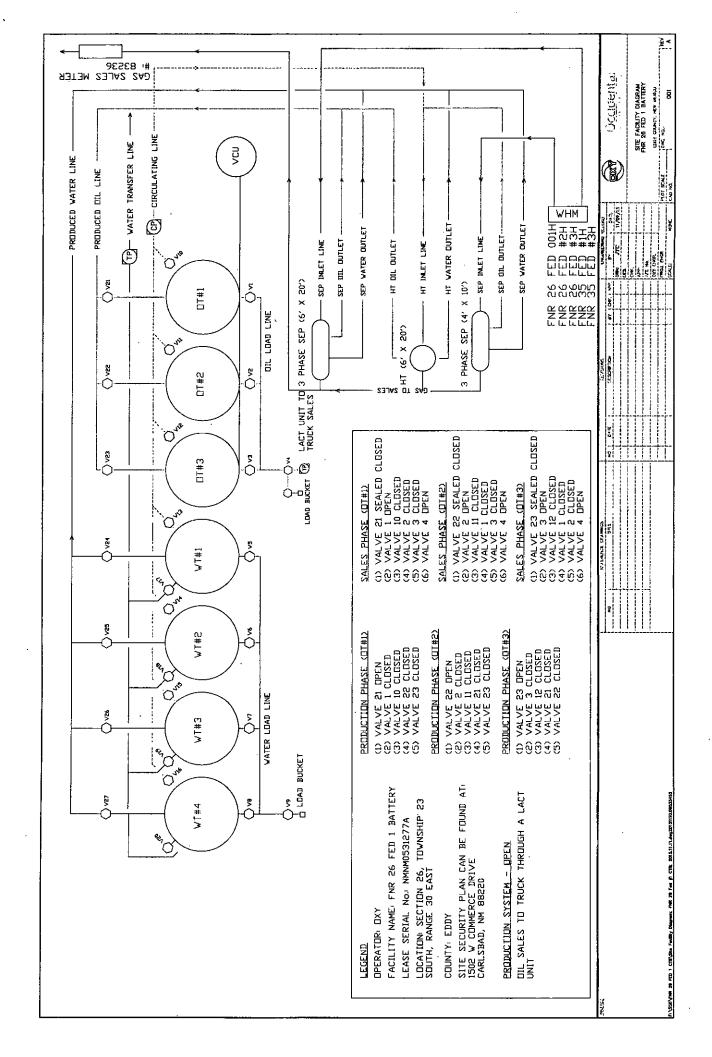
7. Subject to like approval from NMOCD.

Attached are the following: ? Site security diagram of the current tank battery as well as the location of the VCU and the manifold line connecting the tanks to the VCU.

? Specification sheet(s) for the VCU.

? Contact list of Company Field Representatives if access to VCU is needed to retrieve volumes.

being combusted





2105 Greenwood Dr.
Southlake Texas 76092
P 817-416-8881 F 817-416-8886
<u>www.kimark.com</u>

Specfications:

Model Number

Total Height

Flare Diameter

Enrichment Gas?

Design Heat Release

Destruction Efficiency

Normal Operating Pressure

Design Pressure

Max Design Temperature

Min Design Temperature

Normal Operating Temp

Pilot Volumetric Rate

Pilot Continuous or Automatic?

Number of burner tips

Diameter of burner tips

(inches)

SmartFlare 28

21 feet 10 inches

28 inches

No

1.25 MMBTU/hr

99.90%

Ounces 0 to 16

80 PSI

1900 degree shutdown

1200 degrees

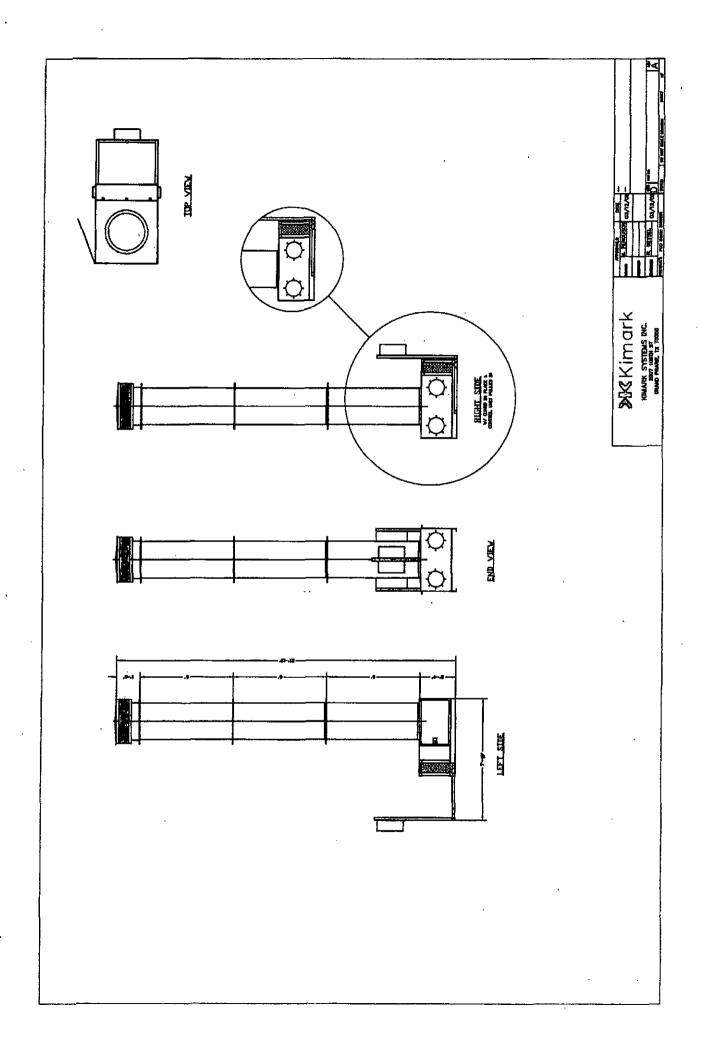
1400 degrees

8.5 to 12 SCF/hr

Both - Software Selectable

1

2 inch



VOC SmartFlare

Scrubber to be Within 10 Feet of Combustor

7



Kimark Systems, Inc. 2105 Greenwood Dr. Southlake Texas 76092 P 817-416-8881 F 817-416-8886 www.kimark.com

Occidental Oil & Gas

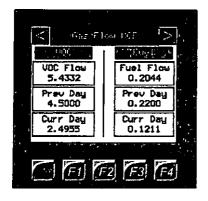
Trey Fournier 03/18/2015

The Combustor gas flow is based on AGA Report No. 3 Part 2 and Part 3. (API 14.3 Part 3 and API 14.3 Part 2). The calculation is based on the mass flow through an Orifice, measuring the pressure with an atmospheric downstream.



Gas Measurement

Enter Specific Gravity for VOC and Fuel. Enter Orifice size for VOC and Fuel. The "Manual Fuel (PSI) is for entering the pressure that the fuel is delivered at.



Totalization

Instantaneous Flow Previous Day Flow Current Day Flow All are recorded for VOC and Fuel

Randy Allen Kimark Systems

For South Carlsbad:

Victor Guadian

575-628-4006 (office) 575-499-6406 (cell)

Terry Coor

575-628-4130 (office) 575-706-3306 (cell)

For North New Mexico:

Don Kendrick

575-628-4132 (office) 575-602-1484 (cell)

Justin Bock

575-628-4003 (office) 575-575-706-4502 (ccll)

For Lea County:

Stan Shaver

575-397-8261 (office) 575-602-5509 (cell)

Tony Summers

575-397-8203 (office) 575-390-2319 (cell)

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

CONDITIONS OF APPROVAL TO INSTALL VAPOR COMBUSTOR UNIT (VCU)

- 1. Comply with NTL-4A requirements.
- 2. If volume being combusted is less than 50 MCF of gas per day, it is considered "unavoidably lost", therefore, no royalty obligation shall be accrued.
 - a. "Unavoidably Lost" production shall mean (1) those gas vapors which are released from storage tanks or other low-pressure vessels.
- 3. Combusted volumes over 50 MCF will require payment of royalties and volumes need to be reported on OGOR reports.
- 4. This approval does not authorize any additional surface disturbance.
- 5. Comply with any restrictions or regulation when on State or Fee surface.