Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCD Artesia

FORM APPROVED OMB NO. 1004-0135

Expires: July 31, 2010 5. Lease Serial No. NMNM06245

If Unit or CA/Agreement, Name and/or No. NMNM135877

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.

6. If Indian, Allottee or Tribe Name

1. Type of Well				8. Well Name and No. MISTY 35 FEDERAL COM 4H	
2. Name of Operator Contact: JENNIFER A DUARTE OXY USA WTP LP E-Mail: JENNIFER_DUARTE@OXY.COM				9. API Well No.	
3a, Address	3b. Phone No. (include area code) Ph: 713-513-6640		30-015-41413-00-S1 10. Field and Pool, or Exploratory		
HOUSTON, TX 77210			LEO		
4. Location of Well (Footage, Sec., T.			11. County or Parish, and State		
Sec 35 T18S R30E SESE 122	•	EDDY CO		7. NM .	
32.699902 N Lat, 103.934820					
12. CHECK APPE	ROPRIATE BOX(ES) TO) INDICATE NATUR	E OF NOTICE, R	EPORT, OR OTHE	R DATA
TYPE OF SUBMISSION	TYPE OF ACTION				
⊠ Notice of Intent	□ Acidize	□ Deepen	☐ Produc	tion (Start/Resume)	☐ Water Shot-Off
	☐ Alter Casing ·	☐ Fracture Treat	☐ Reclan	nation	■ Well Integrity
☐ Subsequent Report	□ Casing Repair	■ New Construct	tion Recom	plete	Other
☐ Final Abandonment Notice	Change Plans	Plug and Abar	ndon 🔲 Tempo	rarily Abandon	Venting and/or Flari
	□ Convert to Injection	Plug Back	₩ater	Disposal	_
determined that the site is ready for fi OXY USA WTP LP respectfull Enterprise issues and we requ	y reports that the above le	r 90 days ending on Si	eptember 22, 2016	5.	
		SEE ATTACHED FOR CONDITIONS OF APPROVAL			
•	JUL 29 2016				KUVAL
	RECEIVED		For Reco	rd 8/3/16	2
	true and correct. Electronic Submission #: For OXY mitted to AFMSS for proce R A DUARTE	USA WTP LPI, sent to t essing by PRISCILLA PI	LM Well Informatio he Carlsbad REZ on 06/30/2016 NVIRONMENTAL	(16PP1\$70SE)	
Signature (Electronic S	ubmission)	· Date (6/28/2016	A/PROVE	
	THIS SPACE FO	R FEDERAL OR S	TATE OFFICE U	SE /	
Approved By Conditions of approval, if any, are attached certify that the applicant holds legal or equ which would entitle the applicant to conduction	itable title to those rights in the		BU	JUL 27 70 VAU OF LAND M/M/ CARLSBAD FIEL OF	Dage Dage
Title 18 U.S.C. Section 1001 and Title 43 U.S.tates any false, fictitious or fraudulent s	U.S.C. Section 1212, make it a	crime for any person known	ngly and willfully to m	7	T _ /
** BLM REVI	SED ** BLM REVISED	** BLM REVISED	* BLM REVISE) ** BLM REVISED) **

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

This field office has evaluated the attached Notice of Intent as a request for flaring/venting beyond NTL-4A allowable thresholds (reasons, timeframes and volumes), and has determined the following Conditions of Approval apply.

Condition of Approval to Flare Gas

- 1. Comply with NTL-4A requirements
- 2. Subject to like approval from NMOCD
- 3. Flared volumes are considered "avoidably lost" and will require payment of royalties. Volumes shall be reported on OGOR "B" reports as disposition code "08
- 4. "Avoidably lost" flare volumes shall be metered due to their royalty bearing status. 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.
- 5. Vent/flare gas metering to meet all requirements for a sales meter as per Federal Regulations, Onshore Order #5 and NTL 2008-01. Include meter serial number on sundry (form 3160-5).
- 6. This approval does not authorize any additional surface disturbance.
- 7. An updated facility diagram is required within 60 days of modifications to existing facilities per Onshore Order #3.
- 8. Approval not to exceed 90 days, if flaring is still required past 90 days submit new request for approval.
- 9. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared on a sundry form 3160-5.

Definition: As per **NTL-4A II. A.** "Avoidably lost" production shall mean the venting or flaring of produced gas without the prior authorization, approval, ratification, or acceptance of the Supervisor and the loss of produced oil or gas when the Supervisor determines that such loss occurred as a result of (1) negligence on the part of the lessee or operator, or (2) the failure of the lessee or operator to take all reasonable measures to prevent and/or to control the loss, or (3) the failure of the lessee or operator to comply fully with the applicable lease terms and regulations, appropriate provisions of the approved operating plan, or the prior written orders of the Supervisor, or (4) and combination of the foregoing.

43CFR3162.7-1 (a) The operator shall put into marketable condition, if economically feasible, all oil, other hydrocarbons, gas and sulphur produced from the leased land.

43CFR3162.1 (a) The operating rights owner or operator, as appropriate, shall comply with applicable laws and regulations; with the lease terms, Onshore Oil and Gas Orders, NTL's; and with other orders and instructions of the authorized officer. These include, but are not limited to, conducting all operations in a manner which ensures the proper handling, measurement, disposition, and site security of leasehold production; which protects other natural resources and environmental quality; which protects life and property; and which results in maximum ultimate economic recovery of oil and gas with minimum waste and with minimum adverse effect on ultimate recovery of other mineral resources.