

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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 ☐ Other

2. 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-1940 T4N L 330 FEL SENECH Sec 2 T22S R32E
B4-2033 ENL 336 FWL SWNW(E) " " "

5. Lease Serial No.

NM106696

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Rum Runner 2 Federal #1H

9. API Well No.

30-025-40095

10. Field and Pool, or Exploratory Area

Red Tank Bone Springs

11. County or Parish, State

Lea 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 Temporary
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	UACT
	<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.)

SEE ATTACHED

SEE ATTACHED FOR
CONDITIONS OF APPROVAL14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

David Stewart

Title Regulatory Advisor

Signature

Date

7/17/12

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

J.D. W. Hittich

Title

LPE1

Date

7/28/12

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

CFB

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)

AUG 01 2012

Rum Runner 2 Federal #1H

OXY USA Inc. respectfully requests to install a temporary LACT with a 3" Micro Motion Coriolis located at the Rum Runner 2 Federal #1H. Please see below for additional detail.

LACT meter will be proved and verified on the first load of oil measured from the Rum Runner 2 Federal #1H location. Upon completion, test results and meter factor will be submitted to the BLM for review.

3" Flow Meter max rate 475 bbl/hr
CMF300M355NRAUEZZZ – Serial No. 14283973
3" Micro Motion Elite Sensor 316SS, 3" 150#
WNRF flange end connections, standard
Pressure containment, 9- wire epoxy painted
Jbox, " conduit connections

2700C12ABUEAZX – Serial No. 3208529
Micro Motion Coriolis MVD multivariable flow and
Density transmitter, 9 wire remote transmitter with
Integral core processor, 18-30 VDC and 85-235 VAC
Self switching, dual line display, one MA, one frequency,
RS 485, UL Listed, English Quick Reference, Petroleum Measurement.

Verbal Approval by Mr. Duncan Whitlock

**Coriolis Meter
Conditions of Approval
Rum Runner 2 Federal 1H / 3002540095
NM106696 / Sec. 2 SENE,T22S, R32E**

- 1. Approval is for meter number CMF300M355NRAUEZZZ – Serial No. 14283973 and transmitter number 2700C12ABUEAZX- Serial No. 3208529 .**
- 2. The Coriolis meter shall be designed, installed and operated in accordance with all applicable API standards, including API 5.6, as may be amended or revised from time to time.**
- 3. The temporary LACT shall include a temperature probe to monitor the actual oil temperature during custody transfer. This information will be recorded and used in calculating the volume of oil metered during each transaction.**
- 4. The meter shall have a non-resettable totalizer.**
- 5. The custody transfer meter shall be proven during the first load of oil measured from the Fecta 33 Federal #1H and in conformance with Onshore Oil and Gas Order No. 4.III.D. The meter proving is to be witnessed by BLM, contact 575-361-2822; a minimum of 24 hours prior to meter proving. Meter proving records shall be maintained for a period of six years from the date of generation.**
- 6. A copy of the monthly meter proving will be submitted to the appropriate BLM office within 30 days of proving.**
- 7. The run ticket associated with each oil transfer shall include the measured or calculated BS&W, oil gravity, temperature recorded during the transfer and beginning & ending totalizer readings. Such records shall be maintained for a period of six years from the date of generation.**
- 8. A copy of run ticket shall be submitted to the appropriate BLM office within 30 days of ticket generation and will be made available for audit upon request.**
- 9. Operator to maintain tank gauging data to be used as a comparison with the LACT meter readings.**
- 10. All other provisions of the Onshore Oil and Gas Orders, especially No. 3 and No. 4 shall be met.**
- 11. This approval may be subject to future review and if determined inadequate with regards to accurate measurement, the approval will be withdrawn.**