

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

OCD Hobbs

5. Lease Serial No.
NMNM77060

6. (If Indian, Allottee or Tribe Name)

SUBMIT IN TRIPLICATE - Other instructions on page 2

HOBBS
OCD
RECEIVED
JAN 16 2019

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
RED TANK 34 FEDERAL 03

2. Name of Operator
OXY USA INCORPORATED
Contact: JANA MENDIOLA
E-Mail: janalyn_mendiola@oxy.com

9. API Well No.
30-025-31951-00-S1

3a. Address
P O BOX 4294
HOUSTON, TX 77210-4294
3b. Phone No. (include area code)
Ph: 432-685-5936
Fx: 432-685-5742

10. Field and Pool or Exploratory Area
W RED TANK

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 34 T22S R32E NENE 760FNL 660FEL

11. County or Parish, State
LEA COUNTY, NM

12. CHECK THE 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"/> Hydraulic Fracturing	<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.

1. Name(s) of formation(s) producing water on the lease: Red Tank; Delaware, West
2. Amount of water produced from each formation in barrels per day: 52bbl
3. How water is stored on the lease: Water Storage Tanks
4. How water is moved to disposal facility: Transfer pump
5. Operator(s) of disposal facility(ies): OXY USA Inc.
-Lease name or well name & number: Red Tank 35 Federal #3
-Location by 1/4 1/4 Section, Township, and Range of the disposal system: NWSW-35-22S-32E

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #447071 verified by the BLM Well Information System
For OXY USA INCORPORATED, sent to the Hobbs
Committed to AFMSS for processing by DEBORAH MCKINNEY on 12/11/2018 (19DLM0171SE)**

Name (Printed/Typed) DAVID STEWART	Title SR. REGULATORY ADVISOR
Signature (Electronic Submission)	Date 12/10/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	<div style="border: 2px solid black; padding: 5px; display: inline-block;"> ACCEPTED FOR RECORD DEC 17 2018 <i>DMCKINNEY</i> BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE </div>
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.

Additional data for EC transaction #447071 that would not fit on the form

32. Additional remarks, continued

-The appropriate NMOCD permit number: SWD-616

Operator(s) of disposal facility(ies): OXY USA Inc.

-Lease name or well name & number: Diamond 34 State #1

-Location by 1/4 1/4 Section, Township, and Range of the disposal system:

SESW-34-22S-33E

-The appropriate NMOCD permit number: SWD-640

OIL CONSERVATION DIVISION

ADMINISTRATIVE ORDER SWD-616

**APPLICATION OF POGO PRODUCING COMPANY FOR SALT WATER DISPOSAL,
LEA COUNTY, NEW MEXICO.**

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Under the provisions of Rule 701(B), Pogo Producing Company made application to the New Mexico Oil Conservation Division on November 28, 1995, for permission to complete for salt water disposal its Red Tank '35' Federal Well No.3 located 2310 feet from the South line and 990 feet from the West line (Unit L) of Section 35, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

The applicant herein, is hereby authorized to complete its Red Tank '35' Federal Well No.3 located 2310 feet from the South line and 990 feet from the East line (Unit L) of Section 35, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico, in such manner as to permit the injection of salt water for disposal purposes into the Bell Canyon and Upper Cherry Canyon formations at approximately 4950 feet to 6252 feet through 2-7/8 inch plastic lined tubing set in a packer located at approximately 4850 feet.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

Prior to commencing injection operations into the well, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 900 psi.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Bell Canyon and Upper Cherry Canyon formations. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment and of the mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Hobbs district office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

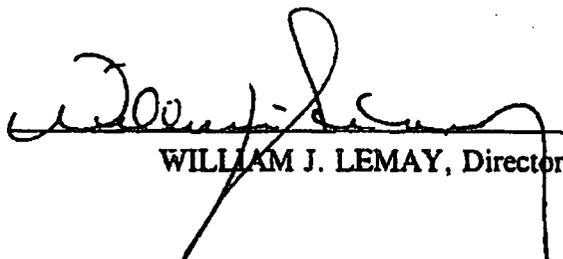
PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the operator to conduct operations in a manner which will ensure the protection of fresh water or in a manner inconsistent with the requirements set forth in this order, the Division may, after notice and hearing, terminate the injection authority granted herein.

*Administrative Order SWD-616
Pogo Producing Company
December 27, 1995
Page 3*

The operator shall submit monthly reports of the disposal operations in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Approved at Santa Fe, New Mexico, on this 27th day of December, 1995.


WILLIAM J. LEMAY, Director

S E A L

WJL/BES

xc: Oil Conservation Division - Hobbs
Bureau of Land Management - Carlsbad



CORRECTED ADMINISTRATIVE ORDER SWD-640

***APPLICATION OF POGO PRODUCING COMPANY FOR SALT WATER DISPOSAL,
LEA COUNTY, NEW MEXICO.***

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Under the provisions of Rule 701(B), Pogo Producing Company made application to the New Mexico Oil Conservation Division on August 7, 1996, for permission to complete for salt water disposal its Diamond '34' State Well No.1 located **990 feet from the South line and 1650 feet from the West line (Unit N)** of Section 34, Township 22 South, Range 33 East, NMPM, Lea County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.
- (5) The application should be approved.

IT IS THEREFORE ORDERED THAT:

The applicant herein, is hereby authorized to complete its Diamond '34' State Well No.1 located **990 feet from the South line and 1650 feet from the West line (Unit N)** of Section 34, Township 22 South, Range 33 East, NMPM, Lea County, New Mexico, in such manner as to permit the injection of salt water for disposal purposes into the Bell Canyon and Upper Cherry Canyon formations at approximately 5,100 feet to 6,516 feet through 2 3/8-inch plastic-lined tubing set in a packer located at approximately 5,000 feet.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

Prior to commencing injection operations into the well, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 1020 psi.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Bell Canyon and Upper Cherry Canyon formations. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment and of the mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Hobbs district office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the operator to conduct operations in a manner which will ensure the protection of fresh water or in a manner inconsistent with the requirements set forth in this order, the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall submit monthly reports of the disposal operations in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

Corrected Administrative Order SWD-640

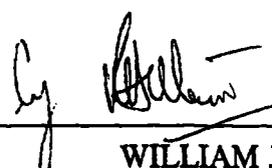
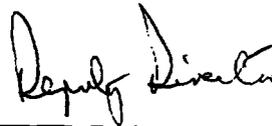
Pogo Producing Company

September 10, 1996

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The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Approved at Santa Fe, New Mexico, on this 4th day of September, 1996.

WILLIAM J. LEMAY, Director

S E A L

WJL/BES

xc: Oil Conservation Division - Hobbs
State Land Office - Oil & Gas Division

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. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
6. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
7. 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.
8. Disposal at any other site will require prior approval.
9. Subject to like approval by NMOCD.

4/4/2017