

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS
RECEIVED

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

APR 03 2010

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 79710-0250

3b. Phone No (include area code)

432-685-5717

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

330 FSL 330FWL SWSW(11) Sec 13 T22S R32E

5. Lease Serial No.

NMNM58940

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

WBR Federal #2

9. API Well No.

30-025-32999

10. Field and Pool, or Exploratory Area

Red Tank Delaware, West

11. County or Parish, State

Lea NM

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

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Deepen

☐ Production (Start/Resume)

☐ Water Shut-Off

☐ Alter Casing

☐ Fracture Treat

☐ Reclamation

☐ Well Integrity

☐ Casing Repair

☐ New Construction

☐ Recomplete

☒ Other Method of

☐ Change Plans

☐ Plug and Abandon

☐ Temporarily Abandon

Water Disposal

☐ Convert to Injection

☐ Plug Back

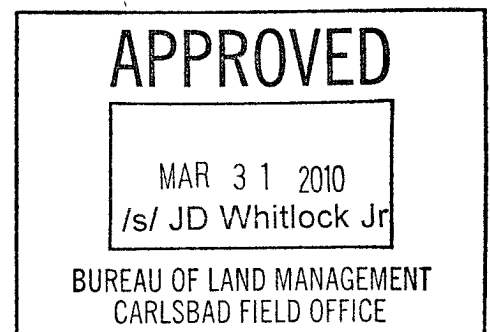
☐ Water Disposal

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 final site is ready for final inspection.)

See Attached

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 Analyst

Date

3/16/10

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

EUG 4/6/10

Title

Date

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, makes 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.

The following information is needed before your disposal of produced water can be approved, per Onshore Oil & Gas Order #7.

You may attach this information to your Sundry Notice (3160-5). Submit all required information as per this attachment, submit a Sundry Notice(3160-5), one original and five copies to this office within the required time.

1. Name(s) of all formation(s) producing water on the lease. DELAWARE, Bone Spring
2. Amount of water produced from all formations in barrels per day. 77
3. A CURRENT water analysis of produced water from all zones showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates.
4. How water is stored on the lease. WATER STORAGE TANK
5. How water is moved to the disposal facility. Transfer Pump To Rec TANK 28-3
SWD.
6. Identify the Disposal Facility by:
 - A. Operators' Name OXY USA Inc
 - B. Well Name Rec TANK 28 Federal
 - C. Well type and well number SWD #3
 - D. Location by quarter/quarter, section, township, and range NWNE(B) 28-22S 32E
7. A copy of the Underground Injection Control Permit - issued for the injection well by the Environmental Protection Agency or New Mexico Oil Conservation Division where the State has achieved primacy.
SWD-526 - See Attached.

MITCHELL ANALYTICAL LABORATORY

2638 Faudree
Odessa, Texas 79765-8538
561-5579

Company: **Nalco Company**

Bone Springs

Well Number: WBR Federal #7
Lease: OXY
Location:
Date Run: 4/11/2008
Lab Ref #: 08-apr-n39441

Sample Temp: 70
Date Sampled: 4/7/2008
Sampled by: Casey Summers
Employee #:
Analyzed by: DOM

Dissolved Gases

		Mg/L	Eq. Wt.	MEq/L
Hydrogen Sulfide	(H ₂ S)	.00	16.00	.00
Carbon Dioxide	(CO ₂)	NOT ANALYZED		
Dissolved Oxygen	(O ₂)	NOT ANALYZED		

Cations

Calcium	(Ca++)	369.84	20.10	18.40
Magnesium	(Mg++)	24.40	12.20	2.00
Sodium	(Na+)	58,806.10	23.00	2,556.79
Barium	(Ba++)	NOT ANALYZED		
Manganese	(Mn+)	.15	27.50	.01

Anions

Hydroxyl	(OH-)	.00	17.00	.00
Carbonate	(CO ₃ =)	.00	30.00	.00
BiCarbonate	(HCO ₃ -)	1,490.84	61.10	24.40
Sulfate	(SO ₄ =)	725.00	48.80	14.86
Chloride	(Cl-)	90,099.00	35.50	2,538.00
Total Iron	(Fe)	1.19	18.60	.06
Total Dissolved Solids		151,516.52		
Total Hardness as CaCO ₃		1,024.64		
Conductivity MICROMHOS/CM		205,100		

pH 7.200 Specific Gravity 60/60 F. 1.105

CaSO₄ Solubility @ 80 F. 107.67MEq/L, CaSO₄ scale is unlikely

CaCO₃ Scale Index

70.0	.434	100.0	.754	130.0	1.314
80.0	.524	110.0	1.014	140.0	1.314
90.0	.754	120.0	1.014	150.0	1.654

Nalco Company

MITCHELL ANALYTICAL LABORATORY

2638 Faudree
Odessa, Texas 79765-8538
561-5579

Company: **Nalco Company**

De la ware

Well Number: WBR Federal #11
Lease: OXY
Location:
Date Run: 4/11/2008
Lab Ref #: 08-apr-n39443

Sample Temp: 70
Date Sampled: 4/7/2008
Sampled by: Casey Summers
Employee #:
Analyzed by: DOM

Dissolved Gases

		Mg/L	Eq. Wt.	MEq/L
Hydrogen Sulfide	(H ₂ S)	.00	16.00	.00
Carbon Dioxide	(CO ₂)	NOT ANALYZED		
Dissolved Oxygen	(O ₂)	NOT ANALYZED		

Cations

Calcium	(Ca++)	13,008.72	20.10	647.20
Magnesium	(Mg++)	1,459.12	12.20	119.60
Sodium	(Na+)	65,628.95	23.00	2,853.43
Barium	(Ba++)	NOT ANALYZED		
Manganese	(Mn+)	.65	27.50	.02

Anions

Hydroxyl	(OH-)	.00	17.00	.00
Carbonate	(CO ₃ =)	.00	30.00	.00
BiCarbonate	(HCO ₃ -)	12.22	61.10	.20
Sulfate	(SO ₄ =)	245.00	48.80	5.02
Chloride	(Cl-)	128,341.02	35.50	3,615.24
Total Iron	(Fe)	3.8	18.60	.20
Total Dissolved Solids		208,699.48		
Total Hardness as CaCO ₃		38,504.19		
Conductivity MICROMHOS/CM		239,300		

pH 5.770 Specific Gravity 60/60 F. 1.145

CaSO₄ Solubility @ 80 F. 16.74MEq/L, CaSO₄ scale is unlikely

CaCO₃ Scale Index

70.0	-.816	100.0	-.316	130.0	.784
80.0	-.696	110.0	.064	140.0	.784
90.0	-.316	120.0	.064	150.0	1.444

Nalco Company



BRUCE KING
GOVERNOR
ANITA LOCKWOOD
CABINET SECRETARY

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

CORRECTED ADMINISTRATIVE ORDER SWD-526

***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 June 21, 1993, for permission to complete for salt water disposal its Red Tank "28" Federal Well No. 3 located 330 feet from the North line and 2310 feet from the East line (Unit B) of Section 28, 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, Pogo Producing Company is hereby authorized to complete its Red Tank "28" Federal Well No. 3 located 330 feet from the North line and 2310 feet from the East line (Unit B) of Section 28, 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 4690 feet to 5800 through 2 7/8-inch plastic-lined tubing set in a packer located at approximately 4600 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 938 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 formation. 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.

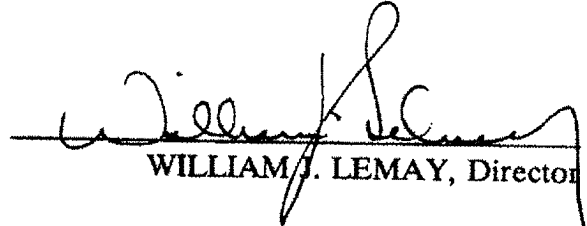
PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the operator to conduct operations in a manner 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-526
Pogo Producing Company
July 22, 1993
Page 3

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 13th day of July, 1993.


WILLIAM J. LEMAY, Director

WJL/BES/amg

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

**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. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
6. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
8. 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.
9. Subject to like approval by NMOCD.

3/25/2010