Form 3160-5-- • (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR OCD-11/28/25/VED

BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLSAPR 0 5 2010

Do not use this form for proposals to drill or to re-entertain

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

5. Lease Serial No.

NMNM5894	0
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6 If Indian Allottee or Tribe Name

abandoned well. Use For	6. It motall, Anottee of The Name						
SUBMIT IN TRIPLICATE - Other instructions on reverse side 1 Type of Well X Oil Well Gas Well Other 2. Name of Operator					7. If Unit or CA/Agreement, Name and/or No		
					8. Well Name and No. WBR Federal #7		
OXY USA Inc.		16696		9. API Well l	No.		
3a. Address		Bb. Phone No. (include are	a code)	30-025- 3572 Z			
P.O. Box 50250, Midland, TX 79710-4. Location of Well (Footage, Sec., T., R., M., or Survey		432-685-5717		10. Field and Pool, or Exploratory Area Red Tank Bone Spring			
1980 FSL 2310 FWL WESWL) Sec 13 T22S R3	ec 13 T22S R32E			11. County or Parish, State		
12. CHECK APPROPRIATE	BOX(ES) TO INDIC	CATE NATURE OF N	IOTICE, REP	<u>I Lea</u> ORT, OR OT	NM / HER DATA		
TYPE OF SUBMISSION		TYP	E OF ACTION				
X Notice of Intent	Acidize	Deepen	Production	(Start/Resume)	Water Shut-Off		
Subsequent Report	Alter Casing Casing Repair	Fracture Treat New Construction	Reclamation Recomple		Well Integrity X Other Method of		
Final Abandonment Notice	Change Plans	Plug and Abandon	= :	ly Abandon	Water Disposal		
· · · · · · · · · · · · · · · · · · ·	Convert to Injection	Plug Back	Water Dis	oosal	- Nater Disposal		
				ΔPPR	OVED		
See Attached				APPROVED			
				MAR 3 1 2010 /s/ JD Whitlock Jr			
SEE ATTACHED FOR				BUREAU OF LAND MANAGEMENT			
			-	CARLSBAD FI	FID OFFICE		
SUBJECT TO LIKE APPROVAL BY STATE	DINDITIONS (OF APPROVA	L		LED OFFICE		
14. I hereby certify that the foregoing is true and correct Name (<i>Printed/Typed</i>) David Stewart		Title Sr. Reg	gulatory Ana	alvst			
1. Suff			16/10	11,500			
THIS	S SPACE FOR FEDE	RAL OR STATE OFF					
Approved by	4/1/10	Title	_	Da	ate		
Conditions of approval, if any, are attached. Approval o certify that the applicant holds legal or equitable title to which would entitle the applicant to conduct operations the	those rights in the subject	rant or Office					

ATTACHMENT to Incident of Noncompliance # ATM-025-10

The following information is needed before your disposal of produced water can be approved, per Onshore

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 5 Pring
2. Amount of water produced from all formations in barrels per day. 30
 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. WATIN STORAGE TANK
5. How water is moved to the disposal facility. TRANSFOR PUNP TO RIATANK 28-3
6. Identify the Disposal Facility by: A. Operators' Name OXY USA Inc B. Well Name RCO TANK 28 Federal C. Well type and well number SWO #5 D. Location by quarter/quarter, section, township, and range NWWE(B) 23-22535

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 Com	pany	y Bone Spriness					
Well Number: Lease: Location:	WBR Federal #7 OXY		Date		Sample Temp Date Sampled	: 4/7/20	70 4/7/2008 Casey Summers	
Date Run: Lab Ref #:	4/11/2008 08-apr-n3944	L			Sampled by: Employee #: Analyzed by:	DOM	summers	
			Dissolved (Gases	Mg/L	Eq. Wt.	MEq/L	
Hydrogen Sulfide (H2S) Carbon Dioxide (CO2) Dissolved Oxygen (O2)			NOT ANALYZED NOT ANALYZED		.00	16.00	.00	
Cations								
Calcium	(Ca++)	Carrons		369:84	20.10	18.40	
Magnesium	(Mg++)			24.40	12.20	2.00	
Sodium	(Na+)				58,806.10	23.00	2,556.79	
Barlum Manganese	(Bā++ (Mn+))	NOT ANAL	.YZED	.15	27.50	.01	
			Anions					
Hydroxyl	(OH-)				.00	17.00	.00	
Carbonate	(CO3=)				.00	30.00	.00	
BiCarbonate	(HCO3-	•			1,490.84	61.10	24.40	
Sulfate	(SO4=)	1			725.00	48.80	14.86	
Chloride	(CI-)				90,099.00	35.50	2,538.00	
Total Iron (Fe) Total Dissolved Solids Total Hardness as CaCO3 Conductivity MICROMHOS/CM					1.19 151,516.52 1,024.64 205,100	18.60	.06	
рН	7.200			Specific	c Gravity 60/6	50 F.	1.105	
CaSO4 Solubility	⁄ @ 80 F.	107.	67MEq/L,	CaSO4 s	scale is unlikel	У		
CaCO3 Scale Inde.	X							
70.0	.434	100.0	.754	130.0	1.3:	14		
80.0	.524	110.0	1.014	140.0				
90.0	.754	120.0	1.014	150.0				

MITCHELL ANALYTICAL LABORATORY

2638 Faudree Odessa, Texas 79765-8538 561-5579

Company:	Nalco C	Company	(e (e war	L				
Well Number: WBR Federal #11 Lease: OXY Location:					Sample Temp Date Sampled Sampled by:	: 4/7/20	108 Summers		
Date Run: Lab Ref #:	Date Run: 4/11/2008				Employee #: Analyzed by:	DOM	Summers		
			Dissolved (Gases	Mg/L	Eq. Wt.	MEq/L		
Hydrogen Sulfi Carbon Dioxide Dissolved Oxyg	e (C	2S) 02) 2)	NOT ANA		.00	16.00	.00		
Cations									
Calcium	-	a++)	Canons		13,008.72	20.10	647.20		
Magnesium Sodium	-	g++) a+)			1,459.12 65,628.95	12.20	119.60 2,853.43		
Barlum		a++)	NOT ANAI	LYZED	03,020.93	23.00	2,033.43		
Manganese	(Mı	n+)			.65	27.50	.02		
			Anions						
Hydroxyl	(OI	H-)	21/11/0/115		.00	17.00	.00		
Carbonate	(CC	03=)			.00	30.00	.00		
BiCarbonate	•	CO3-)			12.22	61.10	.20		
Sulfate	•	04=)			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 CaCO3					38,504.19				
Conductivity MI	CROMHOS	5/CM			239,300				
рН	5.770			Specific	Gravity 60/6	50 F.	1.145		
CaSO4 Solubility	@ 80 F.	16	.74MEq/L,	CaSO4 so	cale is unlikel	У			
CaCO3 Scale Index	X								
70.0	816	100.0	316	130.0	.78	84			
80.0	696	110.0	.064	140.0		84			
90.0	316	120.0	.064	150.0					

STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

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 ake 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 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.
- Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
- 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