

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OCD-ARTESIAFORM 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)

SL-1550 FSL 2360 FWL NESW (K) Sec 20 T23S R31E
PBL-659 FSL 985 FWL SWSW (M) " " "

5. Lease Serial No.

NNNM 38463

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Pure Gold B Federal #13

9. API Well No.

30-015-38542

10. Field and Pool, or Exploratory Area

Sand Dunes Delaware, West

11. County or Parish, State

Eddy NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 Spud, Set Csg & Cmt
	<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 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.)

Spud 14-3/4" hole 11/23/11, drill to 501'. RIH & set 11-3/4" 42# H-40 STC csg @ 490', cmt w/ 430sx (104bbl) PPC w/ additives, circ 229sx (55bbl) cmt to surf. WOC. Test BOP's @ 250# low 3500# high. WOC per BLM Potash requirements.

11/27/11, drill 10-5/8" hole to 4205', 11/29/11. RIH & set 8-5/8" 32# J55 LTC csg @ 4205', cmt w/ 970sx (323bbl) Light PPC w/ additives, followed by 200sx (48bbl) PPC w/ additives, had good returns thru out job, circ 5bbl spacer w/ re dye, but no cmt, contacted BLM, see attached for additional information.

Accepted for record

NMOCD JCS

12/21/11

RECEIVED

DEC 20 2011

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

David Stewart

Title Regulatory Advisor

Signature

Date

12/21

NMOCD ARTESIA

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Office

DEC 17 2011

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD 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.

(Instructions on page 2)

dm

Pure Gold B Federal # 13 API: 30-015-38542

Summary of events:

11/30/2011: H&P 345 ran and set 8 5/8" intermediate casing to 4205' and cemented with 323 bbl of 12.9 ppg lead cement and 47.7 bbl of 14.8 ppg tail cement for a total of 370.7 bbl of cement which accounts for over 200% excess with a annular volume of 163 bbl (gauge hole). After cement job was pumped no cement returns were observed on surface, 5 bbl of the 20 bbls of red dye spacer made to surface and full returns were observed throughout the job. Cement plug was pumped at 17:00 hrs.

BLM office was contacted, and a survey temperature was coordinated to be run.

12/01/2011: Survey temperature results concluded top of cement to be at 282'. BLM office was contacted again to share survey results and discuss plan forward. After conversations held with Mr. Wesley Ingram (BLM) and Randy Dade (NMOCD) verbal approval was granted to continue with planned operations for next hole section with the following conditions:

- Run CBL to determine cement presence across the intermediate zone
- Perform a casing pressure test in the annulus to 500 psi for 30 min and chart same
- Install pressure gauge in wellhead to be able to monitor pressure changes if any

Ran CBL and determined excellent cement bond across the Potash interval 1700' to 2500' approximately achieving zonal isolation in the Potash interval. Performed pressure test in the annulus and while trying to pressure up to 500 psi, pressure dropped to 75 psi. At this time Halliburton truck was used to establish injection rate. Tried to pump at 0.5 bbl/min, but when pumping only 4/10 of a bbl pressure reached 1000 psi. Contacted BLM (Chris Walls) and discussed options. Decision was made to install pressure gauge in wellhead to monitor possible pressure build up in the intermediate casing annulus, and continue with operations to drill production interval, and condition to circulate cement to surface on every stage in the production string.

Attached documents:

1. Temperature Survey
2. Cement Bond Log
3. Pressure Test Chart



puregoldb#13.dbp.pdf



PURE_GOLD_B_FIELD_BSAT-.pdf



PURE GOLD B#13 PRESS TEST.pdf