Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BURBALLOE LAND MANAGEMENT

OCD Artesia

FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007

Date

BUREAU OF LAND MANAGEMENT 5. Lease Serial No. NMNM0417696 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE- Other instructions on reverse side. Öil Well□ □ ✓ Gas Well □□ Other 8. Well Name and No. Lost Tank 3 Federal #26 2. Name of Operator OXY USA Inc. 16696 9. API Well No. 30-015-40769 3a. Address 3b. Phone No. (include area code) P.O. Box 50250 Midfand, TX 79710 432-685-5717 10. Field and Pool, or Exploratory Area Lost Tank Wolfcamp 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11 County or Parish, State S - 845 FNL 887 FWL NWNW(\$) Sec 3 T22S R31E PBH - 680 FSL 1957 FEL SWSE(O) Sec 3 T22S R31E Eddy NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Well Integrity Alter Casing Reclamation Fracture Treat Other Test & Casing Repair Recomplete New Construction Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Plug Back Water Disposal _ Convert to Injection 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 recomplete 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 recompletion 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.) ACCEPTED FOR RECORD JAN 31 2013 See A Hacked NMOCD ARTESIA Accepted for record AND MANAGE FIELD OFFICE 1/31/2013 I hereby certify that the foregoing is true and correct Name (Printed/Typed) **David Stewart** Title Regulatory Advisor 12/2/12 Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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.

Office

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.

Approved by

LOST TANK 3 FEDERAL #26

Date: 11/30/2012

WAIT ON PACKER TOOLS

TRIP IN HOLE TO 595', HIT OBSTRUCTION WITH 20K, DID NOT ATTEMPT TO PASS OBSTRUCTION

PULL UP TO 495' / TIH BACK TO 575'

SET RTTS AT 573°, PRESSURE UP DOWN DRILL PIPE TO 440 PSI, PRESSURE BLED OFF 94 PSI IN 10 MIN, ATTEMPT TO PRESSURE UP ANNULUS, HAD DIRECT COMMUNICATION WITH OPEN DRILL PIPE. RELTOOL.

SET RTTS AT 477', PRESSURE UP ANNULUS TO 990 PSI, PRESSURE BLED OFF 80 PSI IN 10 MIN. NO COMMUNICATION BETWEEN ANNULUS AND DRILL PIPE. RELEASE TOOL.

SET RTTS AT 508', DIRECT COMMUNICATION BETWEEN ANNULUS AND DRILL PIPE, RELEASE TOOL.

SET RTTS AT 493', PRESSURE UP ANNULUS TO 985 PSI, PRESSURE BLED OFF 70 PSI IN 10 MIN. NO COMMUNICATION BETWEEN ANNULUS AND DRILL PIPE. RELEASE TOOL.

SET RT'S AT 500', PRESSURE UP ANNULUS TO 935 PSI, PRESSURE BLED OFF 60 PSI IN 10 MIN. NO COMMUNICATION BETWEEN ANNULUS AND DRILL PIPE., RELEASE TOOL.

SET RTTS AT 508' HAD DIRECT COMMUNICATION BETWEEN ANNUI US AND DRILL PIPE, PIPE TALLY SHOWS COUPLINGS AT 481' AND 519'!, RELEASE TOOL.

SET RTTS 417', PRESSURE UP ANNULUS TO 979 PSI, PRESSURE BLED OFF 89 PSI IN 10 MIN. NO COMMUNICATION BETWEEN ANNULUS AND DRILL PIPE.

SET RTTS 323', PRESSURE UP ANNULUS TO 945 PSI, PRESSURE BLED OFF 58 PSI IN 10 MIN. NO COMMUNICATION BETWEEN ANNULUS AND DRILL PIPE.

SET RTTS 229', DIRECT COMMUNICATION BETWEEN ANNULUS AND DRILL PIPE, RELEASE TOOL

SET BTTS 260', DIRECT COMMUNICATION BETWEEN ANNUI US AND DRILL PIPE, RELEASE TOOL

SET RTTS 200', DIRECT COMMUNICATION BETWEEN ANNULUS AND DRILL PIPE, RELEASE TOOL.

SET RTTS 104', DIRECT COMMUNICATION BETWEEN ANNULUS AND DRILL PIPE, RELEASE TOOL.

SET RTTS 20', PRESSURE UP ANNULUS TO 1145 PSI, PRESSURE BLED OFF 39 PSI IN 10 MIN. NO COMMUNICATION BETWEEN ANNULUS AND DRILL PIPE, RELEASE TOOL.

SET RTTS, 260', PRESSURE UP ANNULUS TO 942 PSI, PRESSURE BLED OFF 8 PSI IN 10 MIN, NO COMMUNICATION BETWEEN ANNULUS AND DRILL PIPE, RELEASE TOOL.

SET RTTS 292', PRESSURE UP ANNULUS TO 940 PSI, PRESSURE BLED OFF 3 PSI IN 10 MIN, NO COMMUNICATION BETWEEN ANNULUS AND DRILL PIPE, RELEASE TOOL.

SET RTTS 310', PRESSURE UP, ANNULUS TO 972 PSI, PRESSURE BLED OFF 6 PSI IN 10 MIN, NO COMMUNICATION BETWEEN ANNULUS AND DRILL PIPE, RELEASE TOOL.

SET RTTS 323', PRESSURE UP ANNULUS TO 976 PSI, PRESSURE BLED OFF 0 PSI IN 10 MIN. NO COMMUNICATION BETWEEN ANNULUS AND DRILL PIPE. RELEASE TOOL.

SET RTTS 417', PRESSURE UP ANNULUS TO 1000 PSI, PRESSURE BLED OFF 0 PSI IN 10 MIN. NO COMMUNICATION BETWEEN ANNULUS AND DRILL PIPE, RELEASE TOOL.

SET RTTS 511', PRESSURE UP ANNULUS TO 1037 PSI, PRESSURE BLED OFF 0 PSI IN 10 MIN. NO COMMUNICATION BETWEEN ANNULUS AND DRILL PIPE, RELEASE TOOL.

RTTS AT 511', PUMP THROUGH DRILL PIPE BELOW 511' TO 1100 PSI, PRESSURE BLED OFF 312 PSI IN 10 MIN, RELEASE TOOL.

SET BITS 571' PRESSURE UP ANNULUS TO 1045 PSI PRESSURE BLED OFF 0 PSI IN 10 MIN. NO COMMUNICATION BETWEEN ANNULUS AND DRILL PIPE. RELEASE TOOL

TRIP OUT OF HOLE WITH RTTS PACKER, LEFT 4 INCONEL DRAG SPRINGS AND ONE DRAG BLOCK IN HOLE. PICTURES OF BLOCK AND SPRINGS WITH CARLOS MERCADO

DRILLING ENGINEER, PJSM WITH HALLIBURTON, BREAK OUT TOOLS AND LOAD OUT.

TRIP IN HOLE WITH 12.25" BHA

TRIP OUT OF HOLE LAYING WEIGHT PIPE AND BHA.

TRIP IN HOLE W/ RETRIÉVABLE BRIDGE PLUG F/ SURFACR TO 400'. SET PACKER @ 400' SUSPENDED W/ 40K

PRESSURE TEST CASING AND RBP.

Date: 12/01/2012-

COMPLETE PRESSURE TESTING CASING AND RBP TO 500 PSI, GOOD TEST.

POOH L/D 5' D.P. L/D RBP SETTING TOOL

PULL WEAR BUSHING

DRAIN BRINE WATER THROUGH CASING VALVE, WASH THROUGH WELL HEAD, BOP, KILL LINE, CHOKE, STAND PIPE & MUD PUMP W/ H2O

R/D FLOW LINE.ROTATING HEAD ASSEMBLY & SPACER, HYDRILL, BOP STACK.

SIMOPS: CLEAN SHAKERS. RIGGING DOWN FOR RIG MOVE.

CONTINUE RIG DOWN OF BOP, LAY OUT 10K HYDRILL WITH ROTATING HEAD

NIPPLE UP 13.5/8" 10K BLIND CAP ON WELL HEAD

PITS CLEANED. RIG RELEASED TO LOST TANK 4 FED 22 @ 10:00. CONTINUE RIGGING DOWN FOR MOVE.