

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM86024
2. Name of Operator OXY USA INCORPORATED		6. If Indian, Allottee or Tribe Name
3a. Address 5 GREENWAY PLAZA STE 110 HOUSTON, TX 77046-0521		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 432.685.5717		8. Well Name and No. CYPRESS 34 FEDERAL 9H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 34 T23S R29E SESE 279FSL 1070FEL 32.254607 N Lat, 103.966871 W Lon		9. API Well No. 30-015-42088-00-X1
		10. Field and Pool, or Exploratory CEDAR CANYON
		11. County or Parish, and State EDDY COUNTY, NM

## 12. CHECK 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"/> 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 Drilling Operations
	<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.)

OXY USA Inc. respectfully requests approval for the following change to the drilling plan:

Casing design modification, 5-1/2" 17# L80 BTC csg. Details are below.

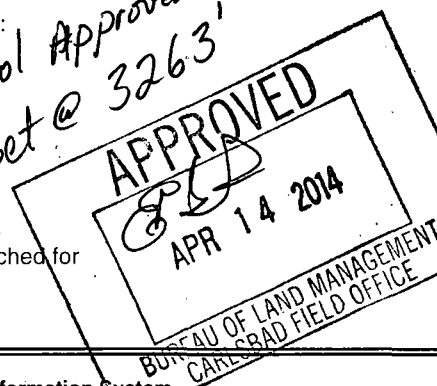
Production Casing

5-1/2" 17# L-80 BT&amp;C new csg @ 0-13222'M, 7-7/8" hole w/ 9.2# mud

Coll Rating (psi)-6290 Burst Rating (psi)-7740

SF Coll:1.46 SF Burst:1.22 SF Ten:1.71

Collapse and burst loads calculated using Stress Check with anticipated loads, see attached for design assumptions

*Original COA Still Applies**Dr Tool Approved  
To set @ 3263'**Accepted for record  
NMOCD 705  
421-14*

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

**Electronic Submission #239799 verified by the BLM Well Information System  
For OXY USA INCORPORATED, sent to the Carlsbad  
Committed to AFMSS for processing by KURT SIMMONS on 04/17/2014 (14KMS8215SE)**

Name (Printed/Typed) DAVID STEWART	Title REGULATORY ADVISOR	<b>RECEIVED</b> APR 21 2014 NMOCD ARTESIA
Signature (Electronic Submission)	Date 03/25/2014	

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <u>EDWARD FERNANDEZ</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>04/17/2014</u>
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 <u>Carlsbad</u>

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.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

**OXY USA Inc**  
**Cypress 34 Federal #9H**

**Casing Design Assumptions:**

**Burst Loads**

**CSG Test (Surface)**

- Internal: Displacement fluid + 70% CSG Burst rating
- External: Pore Pressure from section TD to surface

**CSG Test (Intermediate)**

- Internal: Displacement fluid + 70% CSG Burst rating
- External: Pore Pressure from the Intermediate hole TD to Surface CSG shoe and MW of the drilling mud that was in the hole when the CSG was run to surface

**CSG Test (Production)**

- Internal: Displacement fluid + 80% CSG Burst rating
- External: Pore Pressure from the well TD the Intermediate CSG shoe and MW of the drilling mud that was in the hole when the CSG was run to surface

**Gas Kick (Surface/Intermediate)**

- Internal: Gas Kick based on Pore Pressure or Fracture Gradient @ CSG shoe with a gas 0.115psi/ft Gas gradient to surface while drilling the next hole section (e.g. Gas Kick while drilling the production hole section is a burst load used to design the intermediate CSG)
- External: Pore Pressure from section TD to previous CSG shoe and MW of the drilling mud that was in the hole when the CSG was run to surface

**Stimulation (Production)**

- Internal: Displacement fluid + Max Frac treating pressure (not to exceed 80% CSG Burst rating)
- External: Pore Pressure from the well TD to the Intermediate CSG shoe and 8.5 ppg MWE to surface

**Collapse Loads**

**Lost Circulation (Surface/Intermediate)**

- Internal: Losses experienced while drilling the next hole section (e.g. losses while drilling the production hole section are used as a collapse load to design the intermediate CSG). After losses there will be a column of mud inside the CSG with an equivalent weight to the Pore Pressure of the lost circulation zone
- External: MW of the drilling mud that was in the hole when the CSG was run

**Cementing (Surface/Intermediate/Production)**

- Internal: Displacement Fluid
- External: Cement Slurries to TOC, MW to surface

**Full Evacuation (Production)**

- Internal: Atmospheric Pressure
- External: MW of the drilling mud that was in the hole when the CSG was run

**Tension Loads**

**Running CSG (Surface/Intermediate/Production)**

- Axial load of the buoyant weight of the string plus either 100 klb over-pull or string weight in air, whichever is less

**Green Cement (Surface/Intermediate/Production)**

- Axial load of the buoyant weight of the string plus the cement plug bump pressure (Final displacement pressure + 500 psi)

Burst, Collapse and Tensile SF are calculated using Landmark's Stress Check (Casing Design) software.