

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

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

## 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)

735 FSL 1945 FWL SWSE(0) Sec 3 T22S R31E

## 5. Lease Serial No.

NMNM0417696

## 6. If Indian, Allottee or Tribe Name

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

## 8. Well Name and No.

Lost Tank 3 Federal #16

## 9. API Well No.

30-015-37907

## 10. Field and Pool, or Exploratory Area

Lost Tank 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

- ☒ Notice of Intent
- ☐ Subsequent Report
- ☐ Final Abandonment Notice

## TYPE OF ACTION

- |  |   |  |  |
|--|---|--|--|
| <input type="checkbox"/> Acidize                 | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off                |
| <input type="checkbox"/> Alter Casing            | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                |
| <input type="checkbox"/> Casing Repair           | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other <u>Amend</u> |
| <input checked="" type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | <u>Intermediate/Prod</u>                               |
| <input type="checkbox"/> Convert to Injection    | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            | <u>Casing &amp; Cementing</u>                          |

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.)

RECEIVED

SEP 21 2010

NMOCD ARTESIA

See attached.

SEE ATTACHED FOR  
CONDITIONS OF APPROVALAccepted for record  
NMOCD

APPROVED  
Petroleum Engineer  
SEP 16 2010  
*Ryan D. Howe*  
BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

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

David Stewart

## Title

Sr. Regulatory Analyst

## Date

9/25/10

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

## Approved by

## 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.

**PECOS DISTRICT  
CONDITIONS OF APPROVAL**

|                              |  |
|------------------------------|--|
| <b>OPERATOR'S NAME:</b>      | <b>OXY USA Inc.</b>                            |
| <b>LEASE NO.:</b>            | <b>NMNM0417696</b>                             |
| <b>WELL NAME &amp; NO.:</b>  | <b>Lost Tank 3 Federal #16</b>                 |
| <b>SURFACE HOLE FOOTAGE:</b> | <b>735' FSL &amp; 1945' FWL Sec 03-22S-31E</b> |
| <b>BOTTOM HOLE FOOTAGE</b>   | <b>Same</b>                                    |
| <b>LOCATION:</b>             | <b>Section 03, T. 22 S., R 31 E., NMPM</b>     |
| <b>COUNTY:</b>               | <b>Eddy County, New Mexico</b>                 |

**B. CASING**

1. The minimum required fill of cement behind the 8-5/8 inch intermediate casing is:  
**The intermediate should be set in the Fletcher Anhydrite or Lamar Limestone within 100 to 600 feet below the base of the salt.**

☒ Cement to surface. If cement does not circulate see B.1.a, c-d above.  
**Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to potash concerns.**

**The DV tool should be placed a minimum of 50 feet below the intermediate casing shoe.**

2. The minimum required fill of cement behind the 5-1/2 inch production casing is:  
**THE MAXIMUM DEPTH OF PENETRATION INTO THE BONE SPRING FORMATION CANNOT EXCEED 100 FEET ( 8259 feet TVD).**
  - a. First stage to DV tool, cement shall:

☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office, before proceeding with second stage cement job. Operator should have plans as to how they will achieve circulation on the next stage.
  - b. Second stage above DV tool, cement shall:

☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with third stage cement job. Operator should have plans as to how they will achieve circulation on the next stage.
  - c. Third stage above DV tool, cement shall:

☒ Cement to surface. If cement does not circulate, contact the appropriate BLM office.

**RGH 091610**