

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)

SL-300FSL 250FEL SESE (P)

Sec 3 T22S R31E

BH-2104FWL 839FEL SEWE (H)

Sec 10 T22S R31E

5. Lease Serial No.

S-NMNM0417696 BH-NMNM0417506

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Lost Tank 10 #4  
Federal

9. API Well No.

30-015-37961

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

TYPE OF ACTION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other Spud, set

casing & cement

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 recompleate 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 recompleation 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.)

Spud 14-3/4" hole 12/23/10, drill to 671', RIH & set 11-3/4" 42# H40 STC csg @ 671', cmt w/ 570sx PPC w/ additives, circ 274sx cmt to surface. WOC, Test BOP's.

Drill 10-5/8" hole to 4118'. RIH w/ 8-5/8 csg 32# J-55 LTC & set @ 4118', cmt w/ 910sx PPC followed by 200sx PPC all w/ additives, circ 379sx cmt to surf, WOC, Test BOP's.

Drill 7-7/8" hole to 9037'M 8218'V. Log well, RIH w/ 5-1/2" 17# J55 LTC csg @ 9037' w/ DVT @ 5878', POST @ 4162'. Cmt 1st stage w/ 630sx Super H, circ 244sx cmt to surf. Cmt 2nd stage w/ 640sx Super H, circ 383sx cmt to surf. Cmt 3rd stage w/ 390sx PPC followed by 150sx PPC all w/ additives, circ 63sx cmt to surf. Rel Rig 1/7/11.

RECEIVED

FEB 04 2011

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

David Stewart

Signature

Sr. Regulatory Analyst

Date

1/11/11

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

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.

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.

SPUD AT 06:00 HRS ON 12/23/2010. DRILL 14-3/4" SURFACE HOLE TO 671'

RIH W/ 11-3/4" 42# H-40, STC, R-3, FROM SURFACE TO 671'.

01 GUIDE SHOE -STC (WEATHERFORD TIGER TOOTH) AT 671'.

01 SHOE JOINT - STC WITH STOP RING 10' UP FROM GUIDE SHOE.

01 FLOAT COLLAR (WEATHERFORD) AT 626.02' ( THREAD LOCKED )

15 CASING JOINTS, STC, CASING TO SURFACE.

RUN 07 WEATHERFORD BOW SPRING CENTRALIZERS ONE ON FIRST THREE JOINTS AND EVERY 3 JOINTS FROM 660' TO CELLAR ON COUPLINGS.

TOTAL CENTRALIZERS = 07.

PUMP CEMENT AS FOLLOWS: 20 BBLS GEL SPACER WITH RED DYE AT 5 BPM + 570 SACKS (137 BBL), 14.8 PPG, 1.35 YIELD , MIX WATER 6.39 GAL/SK, AT 7 BPM. WASH UP ON TOP OF PLUG AND DISPLACEMENT WITH 78 BBLS 10 PPG BRINE WATER AT 6 BPM, 208 PSI, SLOWED TO 2.5 BPM LAST 11.5 BBLS. BUMP THE PLUG TO 750 PSI (500 OVER) AT 07:00 HRS. HELD FOR 10 MINUTES BLEED BACK 0.5 BBL FLOAT HELD. CIRCULATED 66 BBLS (274 SACKS) CEMENT TO SURFACE.

RICHARD CARRASCO , BLM OFFICIAL WAS ON LOCATION TO WITNESS CEMENT JOB.

ROUGH CUT 11.75" CASING AND LAY OUT CONDUCTOR.; WOC 12 HRS. FROM PLUG BUMP TIME

FINAL CUT 11.75" CASING 41" BELOW GROUND LEVEL INSTALL FMC CASING HEAD (C-22-EG, 11-3/4" SOW x 13-5/8" x 3K TOP FLANGE), VALVES FACING EAST / WEST WELD AND TEST CASING HEAD TO 750 PSI (70% CASING COLLAPSE PRESSURE). TESTED SAME WITH N2. PRESSURE 15 MINUTES GOOD TEST.

NIPPLE UP 11" 5K LB BOP STACK (BOTTOM TO TOP): DSA (DOUBLE STUDDED ADAPTER) 13-5/8" x 3K LB X 11" x 5K LB. SPOOL 11" x 5K LB X 11" x 5K LB. 11" x 5K LB PSI DOUBLE RAM (BLINDS ON BOTTOM, 4 1/2" PIPE RAMS ON TOP). 11" x 5K LB PSI ANNULAR PREVENTER. 11" x 5K LB ROTATING HEAD.

AT 05:00 HRS NOTIFIED TERRY WILSON OF B.L.M. - CARLSBAD N.M. THAT WE WERE GOING TO COMENCE TESTING BOPE AT 07:00. HE APPROVED.

BOPS WITH CLOSED CASING VALVE AGAINST 11.75" CASING. ALL TEST HELD FOR 30 MINUTE LOW. 30 MINUTE HIGH.

TESTING BEGAN AT 07:00 HRS = 24 HRS FROM PLUG DOWN

TEST # 1) BLIND RAM, 11.75" 42# CASING, INSIDE KLV, CMV 4, 5, 6, 7, CASING - LOW 250, HIGH 1386.

TEST # 2 ) BLINDS, INSIDE 2" KLV, POWER CHOKE VALVE , OUTSIDE MANUAL CHOKE VALVE, CASING - LOW 250 , HIGH 1386.

TEST # 3 ) PIPE RAMS , OUTSIDE KLV, INSIDE 2" CMV, CASING - LOW 250 , HIGH 1386.

TEST # 4 ) CHECK VALVE, HCR VALVE , MANUAL TOP DRIVE VALVE - 250 LOW 1368 HIGH.

TEST # 5 ) ANNULAR , INSIDE CHOKE LINE VALVE # 4. - LOW 250 HIGH 1386.

TEST # 6 ) MUDLINES BACK TO PUMPS - 250 LOW , 3500 HIGH.

TEST # 7 ) STAND PIPE KELLY HOSE - 250 LOW, 3500 HIGH.

TEST # 8 ) MANUAL TOP DRIVE VALVE - 250 LOW, 3500 HIGH.

TEST # 9 ) FLOOR VALVE ( TIW ) - 250 LOW, 3500 HIGH.

TEST # 10) DART VALVE - 250 LOW, 3500 HIGH.

TRIPPING IN HOLE TAG CEMENT @ 620'

DRILL OUT CEMENT, FLOAT COLLAR, SHOE TRACK FROM 626' TO 671' AND 10' NEW FORMATION TO 681'.

CIRCULATE CONSISTENT 10.1 PPG FLUID WEIGHT AROUND, SPOT 30 BBLS OF 8 PPB SALT GEL AND 20 PPB MIX II MEDIUM PILL, CLOSE ANNULAR AROUND DRILL PIPE, FORMATION INTEGRITY TEST AT 681' WITH 10.0 PPG , PRESSURE DRILL PIPE TO 105 PSI, HOLD 5 MINS, LOST 0 PSI, GOOD TEST. EMW= 13.0 PPG.

DRILL 10-5/8" INTERMEDIATE HOLE TO 4118'

RIH W/ 8-5/8" 32# J-55, LTC INTERMEDIATE CASING

01 SHOE MODEL 303A FROM 4118.00' TO ' 4116.48

02 SHOE CASING JOINTS FROM 4116.48' TO 4073.77'

FLOAT COLLAR MODEL 402A FROM 4034.77' TO 4033.57'

97 JOINTS CASING TO SURFACE

PUMP 20 BBL OF GEL SPACER ( 6 PPB WG-19 GELLING AGENT WITH RED DYE) + 910 SKS (304 BBL), LEAD HALLIBURTON LIGHT PREMIUM PLUS 12.90 PPG, 1.88 FT3/SK YIELD, 9.35 GAL/SK WATER AT 7 BPM + TAIL 200 SKS (47.7 BBL) PREMIUM PLUS CEMENT , 14.80 PPG , 1.34 FT3/SK, MIXING FLUID: 6.38 GAL/SK. AT 4.5 BPM FULL RETURNS AT ALL TIMES. DROP PLUG , WASH UP ON TOP DISPLACING CEMENT AT 5.1 BPM WITH 237.6 BBLS FRESH WATER. FINAL CIRCULATING PRESSURE 620 PSI. BUMPED PLUG AT 11:00 HRS 12/28/2010 TO 1120 PSI. ( 500 PSI OVER). HELD FOR 5 MINUTES AND BLEED BACK 1.5 BBLS

CIRCULATED 127 BBLS (379 SACKS) CEMENT TO SURFACE.

NOTE: MR. BOB HOSKINSON FROM BLM WITNESSED CEMENTING JOB.

WAIT ON CEMENT AS PER THE BLM. @ 19:50 HRS NOTIFIED BOB HOSKINSON OF BLM CARLSBAD THAT AT 23:00 HRS (12 HRS FROM PLUG DOWN) WE WOULD SET CASING SLIPES AT CUT - OFF 8 5/8" INTERMEDIATE CASING. HE APPROVED.

NO PRESSURE WAS INDICATED ON ANNULUS, OPEN HCR TO BLEED ANY POSSIBLE PRESSURE THROUGH CHOKE, OPENED ANNULAR AND BEGAN NIPPLING DOWN, SET 8 5/8" CASING SLIPS AT FULL STRING WEIGHT 102K.

MAKE FINAL CUT AND BEVEL CASING.

SET AND NIPPLE UP "B" SECTION FMC 13 5/8" 3K X 11" 5K, HAVING SOME DIFFICULTY GETTING THE VOID TO TEST. THE TEST HAD TO BE ATTEMPTED SEVERAL TIMES, CHECKING FOR LEAKS ON TEST PUMP ON ANY OTHER VISBLE FAILER. NOTIFIED FMC SUPERVISOR, SUBSEQUENTLY A GOOD TEST WAS ACHIEVED AND THE VOID WAS PRESSURED TO 1770 PSI AND HELD FOR 15 MINUTES - GOOD TEST WITNESS BY DSM. @ 05:30 12/29/2010.

TEST BOP EQUIPMENT 10 MIN LOW (250 PSI) AND 10 MIN HIGH (5000 PSI) AS FOLLOWS

TEST #1 BLIND RAMS, OUTSIDE 4" KLV, INSIDE CHOKE MANIFOLD VALVES, OUTSIDE 4" KILL LINE VALVE, 250 / 5000.

TEST # 2 BLIND RAMS, MANUAL & POWER CHOKE VALVES, OUTSIDE 4" CH.MAN VALVE INSIDE 2" KILL LINE VALVE 250 / 5000.

TEST # 3 BLIND RAMS, INSIDE 2" CHOKE MANIFOLD VALVES, 250 / 5000.

TEST # 4 PIPE RAMS, OUTSIDE 2" KLV, HCR, 250 / 5000.

TEST # 5 PIPE RAMS, INSIDE CHOKE LINE VALVE, 2" CHECK VALVE 250 / 5000. TEST # 6 ANNULAR, INSIDE 4" CHOKE LINE VALVE, 2" CHECK VALVE 250 / 3100.

TEST # 7 TIW , 250 / 5000

TEST # 8 LOWER MANUAL TOP DRIVE VALVE 250 / 5000

TEST # 9 STAND PIPE / MUD LINE BACK TO PUMPS, 250 / 4000.

TEST # 10 DART VALVE 250 / 5000.

CIRCULATE BOTTOMS UP & LINE UP VALVES TO TEST CASING. TEST CASING WITH 2,050 PSI FOR 30 MINUTES, BLEED OFF TO 35 PSI, (CHOKE DRILL).

DRILLING FORMATION FROM 4,118 TO 4,128, CIRCULATE, GET CONSISTENT MUD WEIGHTS IN / OUT ( 8.4 PPG). PERFORM FIT TEST, TVD = 4,128', MW = 8.5 PPG, EMW = 10.4 PPG. TESTED AT 406 PSI. HELD FOR 5 MINUTES. NO LEAK OFF

DRILL 7-7/ 8 DIRECTIONAL HOLE TO 9037'M 8218'V

RIH WITH 5-1/2" 17# J-55 LTC CASING TO 9037'

01 FLOAT SHOE (DAVIS LYNCH ) 9037' - 9036'

02 SHOE JOINTS.

01 FLOAT COLLAR (DAVIS LYNCH ) 8948.81' - 8950.11'

72 CASING JOINTS.

01 DV TOOL (DAVIS LYNCH MODEL 777-HY-3S) 5876.49' - 5879.49'.

40 CASING JOINTS.

01 PACKER STAGE TOOL (DAVIS LYNCH MODEL 778-100) 4148.94' - 4173.94'

97 CASING JOINTS TO SURFACE.

CEMENT 1st STAGE W/ 10 BBL FRESH WATER, 20 BBL WG-19 GELLED WATER W/ RED DYE, 630 SKS (181 BBL) SUPER H , 13.2 PPG, 1.61 YIELD, 7.83 GAL/SK, DROP WIPER PLUG, DISPLACE WITH 207.7 BBL., BUMPED PLUG WITH 1753 PSI. 410 PSI OVER. HELD 5 MINUTES. FLOWED BACK 1 BBL. FLOAT HELD

PRESSURE UP TO 3200 PSI. SHIFTED SLEEVE OPEN. CIRCULATE @ 320 PSI. RD CEMENT HEAD. LATCH ON WITH CRT. CIRCULATE WITH RIG PUMPS @ 450 GPM WITH 350 PSI USING FRESH WATER. CIRCULATE 70 BBL (244 SKS) CEMENT TO SURFACE.

CEMENT 2nd STAGE W/ 10 BBL FRESH WATER, 20 BBL WG-19 GELLED WATER W/ RED DYE, 640 SKS (184 BBL) SUPER H, 13.2 PPG, 1.61 YIELD, 7.82 GAL/SK. DROP PLUG, DISPLACE WITH 136 BBL ( 60 BBL FRESH WATER & 76 BBL 9.8 PPG BRINE - SHORTAGE OF TRUCKS), SLOWED FROM 5 BPM TO 2 BPM WHILE PASSING THROUGH POST TOOL. ALSO SLOWED 10 BBL BEFORE PLUG WAS DUE TO BUMP. OVER DISPLACED @ 2 BPM W/ 1000 PSI FOR 10 BBL. SD & BLED BACK 3 BBL. RESUMED PUMPING 2 BPM. PLUG LANDED @ 43 BBL OVER DISPLACEMENT. PRESSURE FROM 900 PSI TO 2900 PSI. HELD 5 MINUTES. BLED BACK 1 BBL. DV TOOL SHIFTED CLOSED. DROPPED DART FOR 3rd STAGE. WAITED 25 MINUTES. CIRCULATE 110 BBL (383 SKS) CEMENT TO SURFACE FROM DV TOOL.

SET PKR & CEMENT 3rd STAGE W/ 10 BBL FRESH WATER, 20 BBL GEL WITH RED DYE MARKER, 390 SKS (142 BBL) PPC, 12.4 PPG, 2.04 YIELD, 11.39 GPS LEAD CEMENT, 150 SKS (36 BBL) PPC, 14.8 PPG, 1.33 YIELD, 5.81 GPS TAIL CEMENT, DROP PLUG, DISPLACE WITH 96 BBL FRESH WATER. PLUG BUMPED (CORRECT DISPLACEMENT). CIRCULATING PRESSURE 1030 PSI. BUMPED TO 3050 PSI. 2020 PSI OVER. HELD 5 MINUTES. OK. BLED BACK 1 BBL. CIRCULATE 23 BBL (63 SKS) CEMENT TO SURFACE FROM POST TOOL

PICK UP STACK. SET SLIPS WITH 160K. MAKE ROUGH CUT. SET STACK BACK DOWN. SET BACK ANNULAR & RAMS. REMOVE SPACER SPOOL. MAKE FINAL CUT. SET TUBING HEAD ON "B" SECTION & TORQUE BOLTS.

RIG RELEASED @ 04:00 HRS 1/7/11