

Submit 1 Copy To Appropriate District Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised July 18, 2013

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO.

30-025-44063

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Red Tank 30-31 State Com

8. Well Number 34H

9. OGRID Number 16696

10. Pool name or Wildcat

Red Tank; Bone Spring, East

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator OXY USA INC.

3. Address of Operator P.O. BOX 50250 MIDLAND, TX 79710

4. Well Location

Unit Letter A: 200 feet from the NORTH line and 470 feet from the EAST line

Section 30 Township 22S Range 33E NMPM County LEA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3660' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

DOWNHOLE COMMINGLE ☐

CLOSED-LOOP SYSTEM ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☒

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

11/7/17 drill 12-1/4" hole to 11140', 11/15/17. RIH & set 9-5/8" 47# L80 csg @ 11130', DVT @ 6879', ACP @ 6883' pump 40BFW spacer then cmt w/ 435sx (232bbl) PPC w/ additives 11ppg 2.8 yield followed by 235sx (69bbl) PPC w/ additives 13.2ppg 1.66 yield, full returns throughout job, inflate ACP to 2150#, open DVT, circ thru DVT, circulate 131sx (70bbl) cmt to surf. Pump 2nd stage w/ 20bbl gel spacer then cmt w/ 1960sx (656bbl) PPC w/ additives 12.9ppg 1.88 yield followed by 270sx (64bbl) PPC w/ additives 14.8ppg 1.33 yield, displace w/ 487bbl of OBM @ 5 BPM 540 psi, got 20bbl of contaminated spacer back then lost returns 200bbl into job, drop cancellation plug, pressure up & close DVT, WOC. Install pack-off, test to 5000# for 15 min, good test. 11/18/17 RUWL RIH w/ temp log, temp svy inconclusive, RDWL RU BOP, test @ 250# low 5000# high. RIH w/ echometer, fluid level @ 94'. 11/18/17 DE notified NMOC Rep. Maxey Brown of inconclusive temp svy. & echometer results. DE also explained that we got 20bbl of contaminated spacer back during cement job & assuming it was 50% contaminated would mean 10bbl of contaminated cement which is ~155' plus 94' (fluid level) puts calc. TOC @ ~249'. Maxey Brown advised that we can move forward with operations & no remedial cement job is needed since the cement is tied back well into the previous casing shoe. RIH & tag DVT, drill out DVT, test 9-5/8" casing to 3880#, observed drop in pressure, stopped pumping & check surface equip, observed 2300# drop in 8 mins. Isolate mud pumps #2 & #3, pressure up to 3500# shut 4" valve on mud pump, observed pressure drop to 1100# in 5 mins, failed test. 11/18/17 Called and notified NMOC of failed casing test. Also, informed DE of casing test failure & decision made to TOO & PU inflatable packer. 11/19/17 RIH w/ Mesquite Oil Tools 9-5/8" HD packer & set @ 6865', test casing to 4000# at the following depths to determine depth of breach: 6861'-above good, below fail; 6945'-above fail, below good; 6925'-below good; 6883'-below good, above fail; 6874' @ 3500# - below fail, above good. Leak is between 6882-6874'. Set packer @ 6884', test below 6884' @ 4200# for 30 min, good test. Set packer @ 6852', test above 6852' @ 4200# for 30 min, good test. Test below 6852' @ 1500# for 30 min, good test, POOH w/packer assembly. RIH & drill new formation to 11150', perform FIT test to EMW=12.4ppg, 1100psi, good test.

11/21/17 Drill 8-1/2" hole to 21675'M 11996'V 11/29/17. RIH w/ 5-1/2" 20# P110 liner csg @ 21665', TOL @ 11001'. Pump 70BFW tuned spacer then cmt w/ 1750sx (512bbl) PPC w/ additives 13.2ppg 1.64 yield, full returns throughout job, circ 70bbl of spacer & 72sx (21bbl) cmt to surf, TOC @ 11001', WOC. Install packoff, test to 7000#, good test, ND BOP. RD Rel Rig 12/03/17.

Spud Date:

11/5/17

Rig Release Date:

12/3/17

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

TITLE Regulatory Coordinator

DATE 12/20/17

Type or print name Jana Mendiola

E-mail address: janalyn\_mendiola@oxy.com

PHONE: 432-685-5936

For State Use Only

APPROVED BY:

TITLE

Petroleum Engineer

DATE

12/28/17

Conditions of Approval (if any):