

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBS OCD

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

DEC 1 0 2018

RECEIVED

5. Lease Serial No.
NMNM66925

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit or CA/Agreement, Name and/or No.
NMNM137096X

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
MESA VERDE BS UNIT 12

2. Name of Operator
OXY USA INCORPORATED

Contact: DAVID STEWART
E-Mail: david_stewart@oxy.com

9. API Well No.
30-025-44186-00-X1

3a. Address
P O BOX 4294
HOUSTON, TX 77210-4294

3b. Phone No. (include area code)
Ph: 432-685-5717

10. Field and Pool or Exploratory Area
MESA VERDE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 18 T24S R32E SESW 280FSL 2563FWL
32.210911 N Lat, 103.714691 W Lon

11. County or Parish, State

LEA COUNTY, NM

Carlsbad Field Office
OCD Hobbs

12. CHECK THE 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"/> Hydraulic Fracturing	<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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original APD
	<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 recomplate 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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 to amend the APD for the following wells.

This bulk sundry request for ten Mesa Verde Unit wells in sections 13 and 18. These wells will be drilled with a Slim Hole design. The wells related to this sundry request are:

- Mesa Verde BS Unit #12H - 3002544186 - NMNM66925
- Mesa Verde BS Unit #13H - 3002544192 - NMNM66925
- Mesa Verde BS Unit #14H - 3002544191 - NMNM66925
- Mesa Verde BS Unit #15H - 3002544190 - NMNM66925
- Mesa Verde BS Unit #16H - 3001544551 - NMNM114979
- Mesa Verde BS Unit #17H - 3001544550 - NMNM114979

All Lea County Wells were accepted for record. Resubmit H. Eddy County wells. 25.

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

Electronic Submission #421237 verified by the BLM Well Information System
For OXY USA INCORPORATED, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 05/29/2018 (18PP1099SE)

Name (Printed/Typed) DAVID STEWART

Title SR. REGULATORY ADVISOR

Signature (Electronic Submission)

Date 05/23/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

/s/ Zota Stevens

Approved By

Petroleum Engineer
Carlsbad Field Office

Date 7/11/18

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, 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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #421237 that would not fit on the form

32. Additional remarks, continued

~~Mesa Verde BS Unit #18H - 3001544549 - NMNM114979~~
~~Mesa Verde BS Unit #19H - 3001544548 - NMNM114979~~
~~Mesa Verde BS Unit #20H - 3001544547 - NMNM114979~~
~~Mesa Verde BS Unit #21H - 3001544546 - NMNM114979~~

All ten wells will be drilled using the same design except for differences in lateral length. The lateral lengths are provided in the chart below. The section 13 wells (16H-21H) are located within SOPA boundaries. However, the specific details (i.e. depth intervals, casing weights and grades, cement volumes, etc?) will remain similar across all wells, as our standard design for these wells is compliant with regulations applied to SOPA wells. The information that will not change from the original APD will not be included here. The information shown below is for the Mesa Verde BS Unit 12H.

Mesa Verde BS Unit #12H - H&P 657 - 7500'
Mesa Verde BS Unit #13H - H&P 657 - 5000'
Mesa Verde BS Unit #14H - H&P 556 - 5000'
Mesa Verde BS Unit #15H - H&P 556 - 5000'
Mesa Verde BS Unit #16H - H&P 656 - 5000'
Mesa Verde BS Unit #17H - H&P 656 - 5000'
Mesa Verde BS Unit #18H - H&P 657 - 5000'
Mesa Verde BS Unit #19H - H&P 657 - 5000'
Mesa Verde BS Unit #20H - H&P 639 - 5000'
Mesa Verde BS Unit #21H - H&P 639 - 5000'

OXY USA Inc. – Mesa Verde BS Unit - Amended Drilling Plan – Slim Hole

Bulk Sundry Details – Slim Hole

This is a bulk sundry request for ten Mesa Verde Unit wells in sections 13 and 18. These wells will be drilled with a Slim Hole design. The wells related to this sundry request are:

Well Name	API	Lease Number
Mesa Verde BS Unit 12H	3002544186	NMNM66925
Mesa Verde BS Unit 13H	3002544192	NMNM66925
Mesa Verde BS Unit 14H	3002544191	NMNM66925
Mesa Verde BS Unit 15H	3002544190	NMNM66925
Mesa Verde BS Unit 16H	3001544551	NMNM114979
Mesa Verde BS Unit 17H	3001544550	NMNM114979
Mesa Verde BS Unit 18H	3001544549	NMNM114979
Mesa Verde BS Unit 19H	3001544548	NMNM114979
Mesa Verde BS Unit 20H	3001544547	NMNM114979
Mesa Verde BS Unit 21H	3001544546	NMNM114979

All ten wells will be drilled using the same design except for differences in lateral length. The lateral lengths are provided in the chart below. The section 13 wells (16H-21H) are located within SOPA boundaries. However, the specific details (i.e. depth intervals, casing weights and grades, cement volumes, etc...) will remain similar across all wells, as our standard design for these wells is compliant with regulations applied to SOPA wells. The information that will not change from the original APD will not be included here. The information shown below is for the Mesa Verde BS Unit 12H.

Well Name	Rig	Lateral Length
Mesa Verde BS Unit 12H	H&P 657	7,500'
Mesa Verde BS Unit 13H	H&P 657	5,000'
Mesa Verde BS Unit 14H	H&P 556	5,000'
Mesa Verde BS Unit 15H	H&P 556	5,000'
Mesa Verde BS Unit 16H	H&P 656	5,000'
Mesa Verde BS Unit 17H	H&P 656	5,000'
Mesa Verde BS Unit 18H	H&P 657	5,000'
Mesa Verde BS Unit 19H	H&P 657	5,000'
Mesa Verde BS Unit 20H	H&P 639	5,000'
Mesa Verde BS Unit 21H	H&P 639	5,000'

OXY USA Inc. – Mesa Verde BS Unit - Amended Drilling Plan – Slim Hole

1. Geologic Formations

TVD of target	10470'	Pilot Hole Depth	N/A
MD at TD:	17969'	Deepest Expected fresh water:	920'

2. Casing Program

Hole Size (in)	Casing Interval		Csg. Size (in)	Weight (lbs)	Grade	Conn.	SF Collapse	SF Burst	Bouyant	Bouyant
	From (ft)	To (ft)							Body SF Tension	Joint SF Tension
14.75	0	970	10.75	40.5	J55	BTC	1.125	1.2	1.4	1.4
9.875	0	9797	7.625	26.4	L80	BTC	1.125	1.2	1.4	1.4
6.75	0	10500	5.5	20	P-110	DQX	1.125	1.2	1.4	1.4
6.75	10500	17969	4.5	13.5	P-110	DQX	1.125	1.2	1.4	1.4
SF Values will meet or exceed										

Annular Clearance Variance Request

As per the agreement reached in the Oxy/BLM meeting on Feb 22, 2018, Oxy requests permission to allow deviation from the 0.422” annular clearance requirement from Onshore Order #2 under the following conditions:

1. Annular clearance to meet or exceed 0.422” between intermediate casing ID and production casing coupling only on the first 500’ overlap between both casings.
2. Annular clearance less than 0.422” is acceptable for the curve and lateral portions of the production open hole section.

3. Cementing Program

Casing	Slurry	#Sks	Wt. (Lb/gal)	Yld ft3/sack	H2O gal/sk	500# Comp. Strength	Slurry Description
Surface	Tail	785	14.8	1.33	6.365	5:26	Accelerator
1st Stage Intermediate	Lead	232	10.2	2.58	11.57	6:59	Retarder, Extender, Dispersant
	Tail	160	13.2	1.61	7.8	7:11	Retarder, Dispersant, Salt
DV/ECP Tool @ 6577 ft							
2nd Stage Intermediate	Tail	1,578	13.6	1.67	8.765	7:32	Extender, Accelerator, Dispersant
Production Liner	Tail	984	13.2	1.38	6.686	3:49	Retarder, Dispersant, Fluid Loss Control, Extender

OXY USA Inc. – Mesa Verde BS Unit - Amended Drilling Plan – Slim Hole

Casing String	Top of Lead (ft)	Bottom of Lead (ft)	Top of Tail (ft)	Bottom of Tail (ft)	% Excess Lead	% Excess Tail
Surface	N/A	N/A	0	970	N/A	100%
1st Stage Intermediate	6477	8797	8797	9797	20%	20%
2nd Stage Intermediate	N/A	N/A	0	6577	N/A	100%
Production	N/A	N/A	9297	17969	N/A	20%

4. Pressure Control Equipment

BOP Break Testing Request

As per the agreement reached in the Oxy/BLM face-to-face meeting on Feb 22, 2018, Oxy requests permission to allow BOP Break Testing under the following conditions:

- After a full BOP test is conducted on the first well on the pad.
- When skidding to drill an intermediate section that does not penetrate into the Wolfcamp.
- Full BOP test will be required prior to drilling any production hole.

5. Mud Program

Depth		Type	Weight (ppg)	Viscosity	Water Loss
From (ft)	To (ft)				
0	970	Water-Based Mud	8.6-8.8	40-60	N/C
970	9797	Saturated Brine-Based Mud	9.0-9.6	35-45	N/C
9797	17969	Water-Based Mud or Oil-Based Mud	9.0-9.6	38-50	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CACL2. Oxy will use a closed mud system.

What will be used to monitor the loss or gain of fluid?	PVT/MD Totco/Visual Monitoring
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6. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	4180 psi
Abnormal Temperature	No.
BH Temperature at deepest TVD	176°F

Total estimated cuttings volume: 1381.7 bbls.