

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify: AMEND SWD-1420 BASED ON APPLICANT SUBMITTAL

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

David Stewart	Attached e-mail	Sr. Regulatory Advisor	07/23/2013
_____ Print or Type Name	_____ Signature	_____ Title	_____ Date
		david_stewart@oxy.com e-mail Address	

OXY
API-30-025-26976
NBR Well #1
SWD-1420-A

Goetze, Phillip, EMNRD

From: Goetze, Phillip, EMNRD
Sent: Tuesday, July 23, 2013 2:56 PM
To: 'David_Stewart@oxy.com'
Cc: Joseph_Michael@oxy.com; Gonzales, Elidio L, EMNRD; Kautz, Paul, EMNRD; Ezeanyim, Richard, EMNRD
Subject: RE: OXY USA Inc. - NBR #1 SWD - 30-025-26976 - Recompletion to SWD

David:

The package of information and the proposed changes in well construction have been reviewed with the Artesia District and with Richard Ezeanyim of the Engineering Bureau. It is OCD's opinion that the current TOC of 4710 ft for the 7 7/8-inch casing along with top perf being lowered to the proposed 5018 ft depth is sufficient to satisfy the requirements of the SWD permit. I will go and amend the existing permit to reflect the change in the top perf location and that the final TOC is acceptable.

You need to be aware: 1. that the packer will have to be located no shallower than 4918 ft based on the new shallow perf depth and 2. that the max surface inject pressure will increase to 1004 psi. Also, I need a clarification on the injection interval; you noted a lower perf of 5280 while the proposed C-108 completion showed 5998 ft for the lowest perf. Since I am amending the permit, what is going to be final interval, considering the planned life of the SWD well? Please provide some information regarding the last item. Thanks. PRG

Phillip R. Goetze, P.G.

Engineering Bureau, Oil Conservation Division
1220 South St. Francis Dr., Santa Fe, NM 87505
O: 505.476.3466 F: 505.476.3462

From: David_Stewart@oxy.com [mailto:David_Stewart@oxy.com]
Sent: Tuesday, July 23, 2013 12:11 PM
To: Gonzales, Elidio L, EMNRD; Kautz, Paul, EMNRD; Goetze, Phillip, EMNRD
Cc: Joseph_Michael@oxy.com
Subject: OXY USA Inc. - NBR #1 SWD - 30-025-26976 - Recompletion to SWD

Gentlemen;

OXY has completed the plugback portion of the recompletion on our NBR #1 (30-025-26976) conversion to SWD. After we perforated and squeezed the 7-5/8" casing @ 5220' w/ 220sx cmt, a CBL was ran and shows the TOC @ 4710'. The SWD permit was approved for a top perf @ 4952', but OXY plans on the top perforation to be @ 5018'. Before we continue to complete the well, we would like to know if the TOC @ 4710' will be sufficient with the top perf @ 5018'. We are concerned about perforating the casing again to attempt to bring the cement up to 4500' as was originally proposed.

Please see attached for a copy of the CBL, SWD permit, PB Application and work that has been performed (plan on filing this after work has been completed). If you need any additional information, you can contact either myself or Joseph Michael @ 713-350-4928. We really appreciate your help on this.

Thanks,
David Stewart
Sr. Regulatory Advisor
OXY Permian
Wk-432-685-5717
Cell-432-634-5688

Fax-432-685-5742
david_stewart@oxy.com

From: Michael, Joseph
Sent: Tuesday, July 16, 2013 12:47 PM
To: Stewart, David
Subject: RE: NBR #1 SWD

Thanks David.

I should clarify. 5018'-5280' is the injection zone. If we have to perf for a second cement squeeze, we have the risk of perforating 2 casings, which would be close to the current TOC at 4700'.

Sorry for the confusion.

Thanks,
JM

From: Stewart, David
Sent: Tuesday, July 16, 2013 12:43 PM
To: Michael, Joseph
Cc: Balaji, Prithi; Ruidiaz-Santiago, Cyd M; Hood, Ken; Thompson, Buddy W; Gartland, Jeff
Subject: RE: NBR #1 SWD

I will do some checking with the NMOCD in Santa Fe and Artesia and will let you know what they have to say.

Thanks, David S.
Wk - 432-685-5717
Cell - 432-634-5688
Fax - 432-685-5717

From: Michael, Joseph
Sent: Tuesday, July 16, 2013 12:33 PM
To: Stewart, David
Cc: Balaji, Prithi; Ruidiaz-Santiago, Cyd M; Hood, Ken; Thompson, Buddy W; Gartland, Jeff
Subject: NBR #1 SWD

David,

As mentioned on the phone, after reviewing the CBL, we TOC at 4,700'. For us to meet state regulation of 500' above top perf we would have to go back and do another cement squeeze. We want to perf between 5,018' – 5,280' as this is the best zone to inject into. The risk in doing that, is that we could potential perforate through 2 casing strings and if the cement squeeze isn't successful, we could create more damage by opening up a channel to contaminate fresh water.

The CBL shows that we have 300' of very good cement and should provide adequate isolation. Also above the Bell Canyon we have 100' of the Lamar which is a limestone and an Anhydrite zone, those 2 zones can also act as a barrier and will stop the frac from propagating upwards.

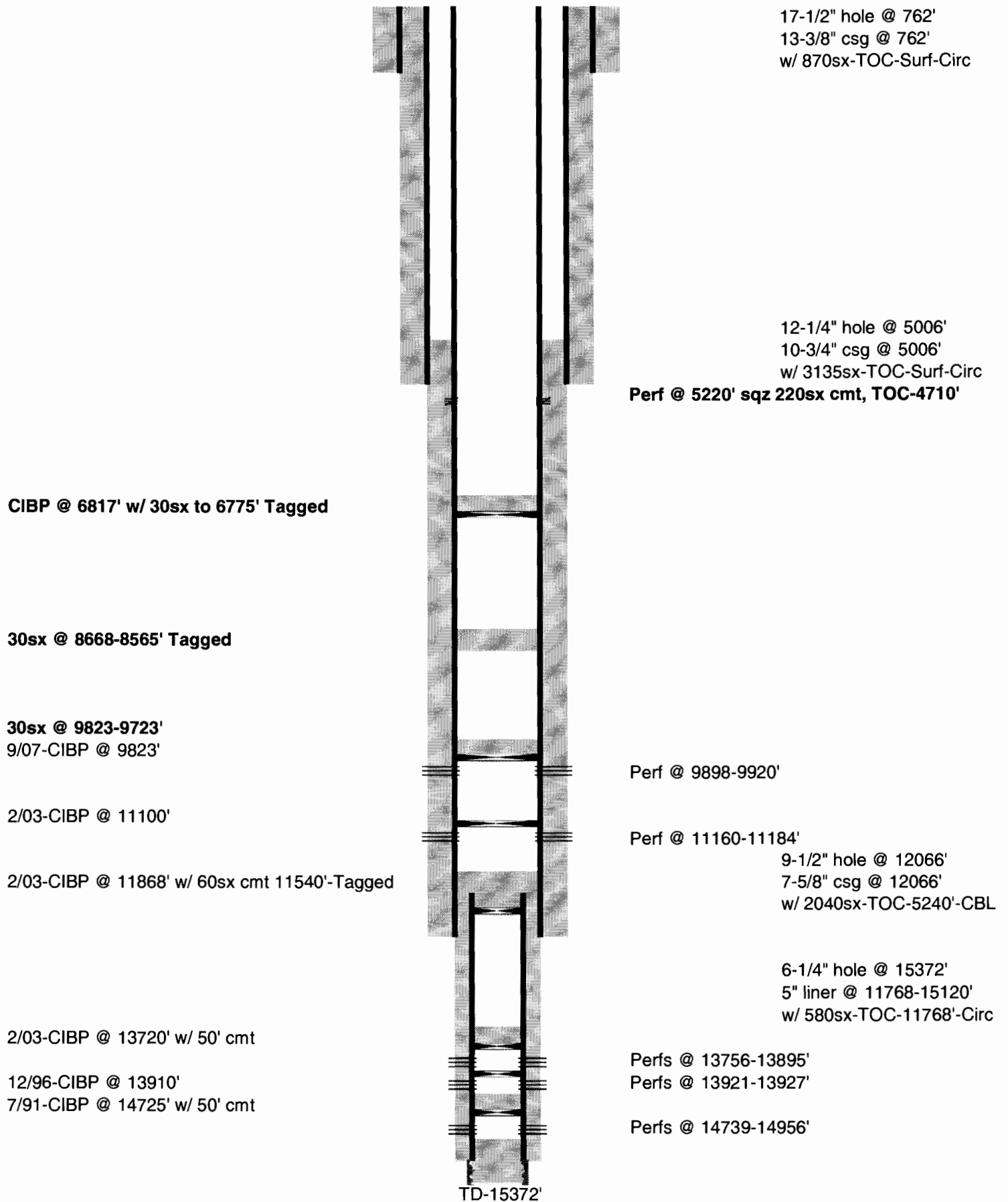
With that in mind, can we go back to the NMOCD and see if it would be ok go ahead and perf with only 300' of cement on top?

I'm attaching the CBL, wellbore sketch, and log. Please let me know if more information is needed.

<< File: NBR #1.pdf >> << File: oxy-nbr1-07-15-13-rcbl.VIEW.PDF >> << File: NBR #1 Convert to SWD Well Data Sheet.xlsx >>

Thanks,
JM

OXY USA Inc. - Current
NBR #1
API No. 30-025-26976



OXY USA Inc. - Proposed
 NBR #1
 API No. 30-025-26976

2-7/8" 6.5# J55 composite tbgs &
 nickel plated Arrow Set pkr @ 4920'

CIBP @ 6817' w/ 30sx to 6775' Tagged

30sx @ 8668-8565' Tagged

30sx @ 9823-9723'
 9/07-CIBP @ 9823'

2/03-CIBP @ 11100'

2/03-CIBP @ 11868' w/ 60sx cmt 11540'-Tagged

2/03-CIBP @ 13720' w/ 50' cmt

12/96-CIBP @ 13910'
 7/91-CIBP @ 14725' w/ 50' cmt

17-1/2" hole @ 762'
 13-3/8" csg @ 762'
 w/ 870sx-TOC-Surf-Circ

12-1/4" hole @ 5006'
 10-3/4" csg @ 5006'
 w/ 3135sx-TOC-Surf-Circ
 Perf @ 5220' sqz 220sx cmt, TOC-4710'
 Perfs @ 5018-5954'

Perf @ 9898-9920'

Perf @ 11160-11184'
 9-1/2" hole @ 12066'
 7-5/8" csg @ 12066'
 w/ 2040sx-TOC-5240'-CBL

6-1/4" hole @ 15372'
 5" liner @ 11768-15120'
 w/ 580sx-TOC-11768'-Circ

Perfs @ 13756-13895'
 Perfs @ 13921-13927'

Perfs @ 14739-14956'

TD-15372'



**RADIAL BOND
GAMMA-RAY / CCL
LOG**

Company	OXY	Location:	API # : N/A	Other Services
Well	NBR #1		N/A	
Field	NBR			
County	EDDY			
State	NM			
Permanent Datum	G.L.			Elevation
Log Measured From	K.B. 7'			K.B. D.F. G.L.
Drilling Measured From	K.B.			

Date					07/15/13		
Run Number					ONE		
Depth Driller					6720'	P8TD	
Depth Logger					6634'		
Bottom Logged Interval					6632'		
Top Log Interval					SURFACE		
Open Hole Size					N/A		
Type Fluid					N/A		
Density / Viscosity					N/A		
Max. Recorded Temp.					N/A		
Estimated Cement Top					@ 4710'		
Time Well Ready					R.O.A.		
Time Logger on Bottom					3:00 PM		
Equipment Number					TRUCK 34		
Location					ANDREWS TX		
Recorded By					KNAKE		
Witnessed By	MR M. KESSELWICK						
Borehole Record					Tubing Record		
Run Number	Bit	From	To	Size	Weight	From	To
Casing Record	Size		Wgt/Ft		Top		Bottom
Surface String							
Prot. String							
Production String	7.625"		N/A		0'		TD
Liner							

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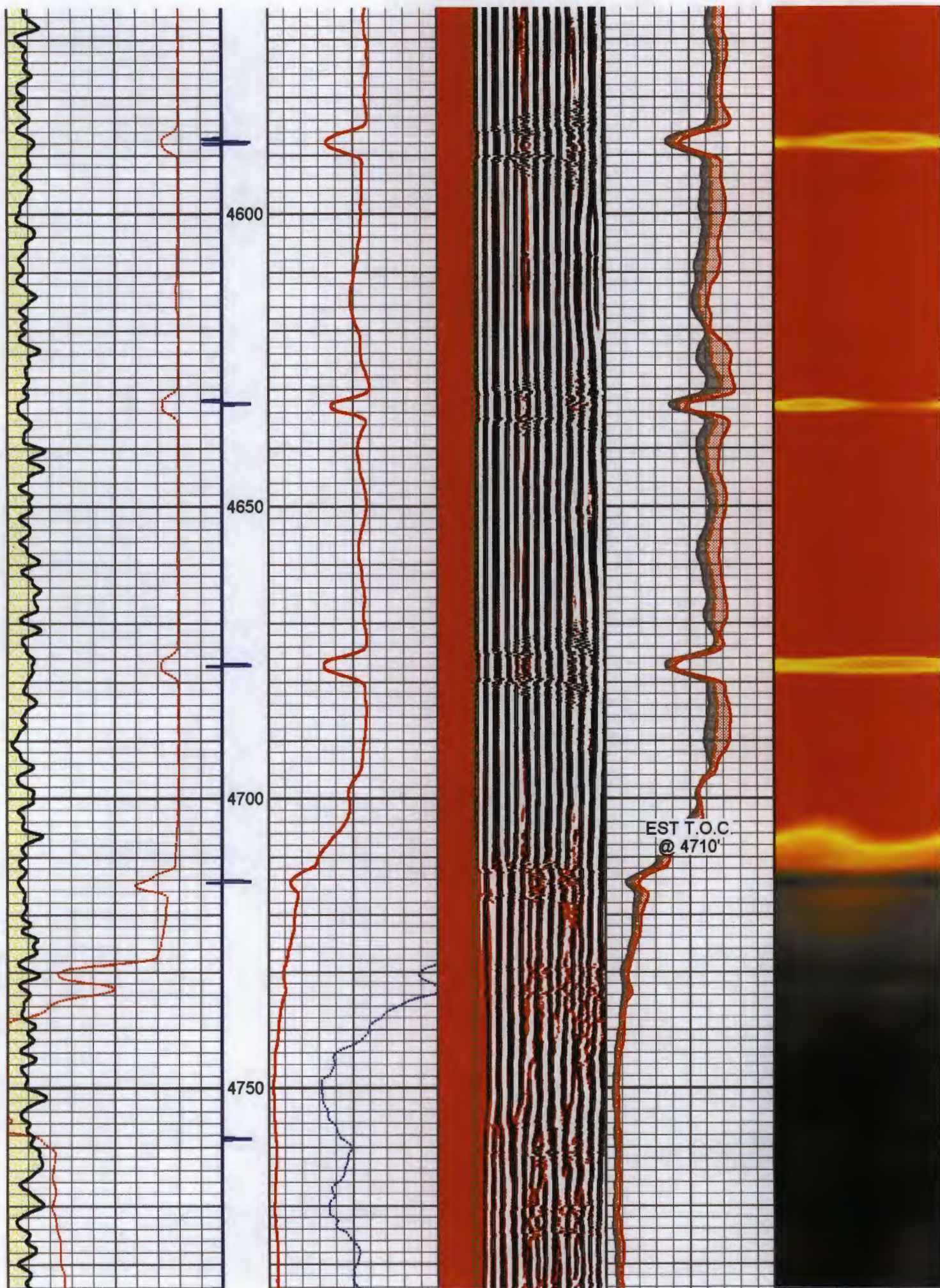
All interpretations are opinions based on inferences from electrical or other measurements and we cannot and do not guarantee the accuracy or correctness of any interpretation, and we shall not, except in the case of gross or willful negligence on our part, be liable or responsible for any loss, costs, damages, or expenses incurred or sustained by anyone resulting from any interpretation made by any of our officers, agents or employees. These interpretations are also subject to our general terms and conditions set out in our current Price Schedule.

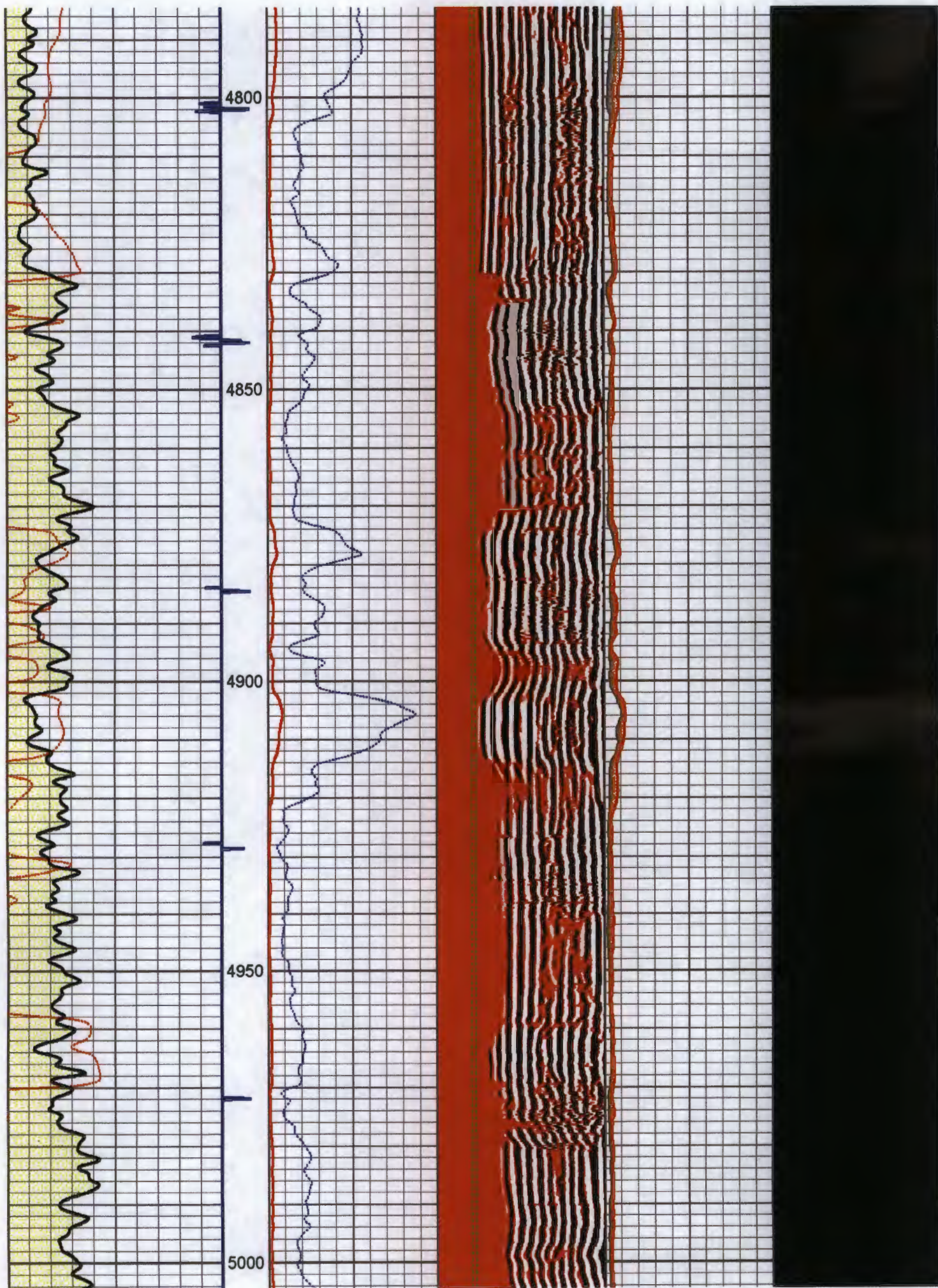
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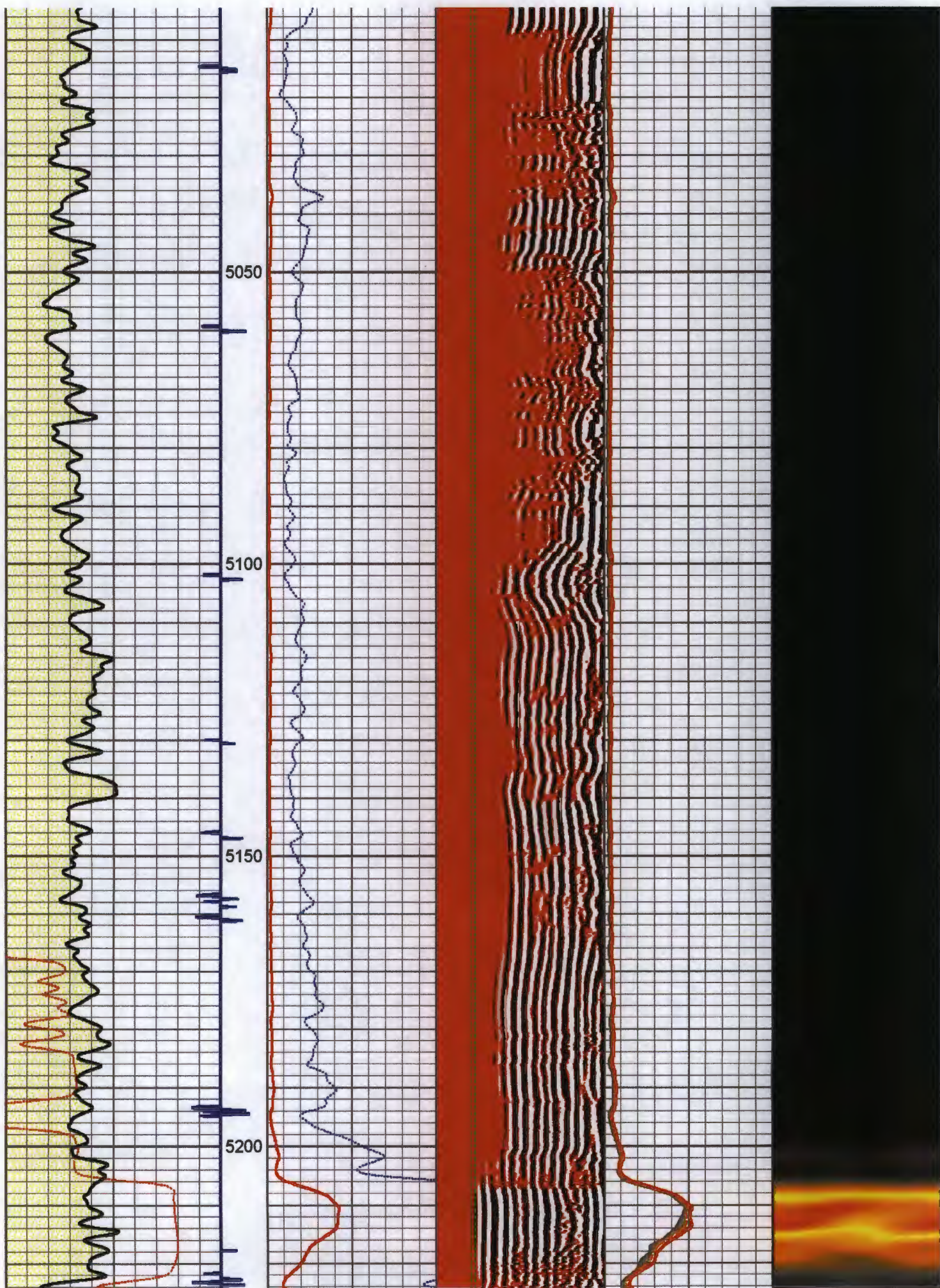
LOG RAN USING 7' K.B. ON RENEGADE DEPTH ONLY

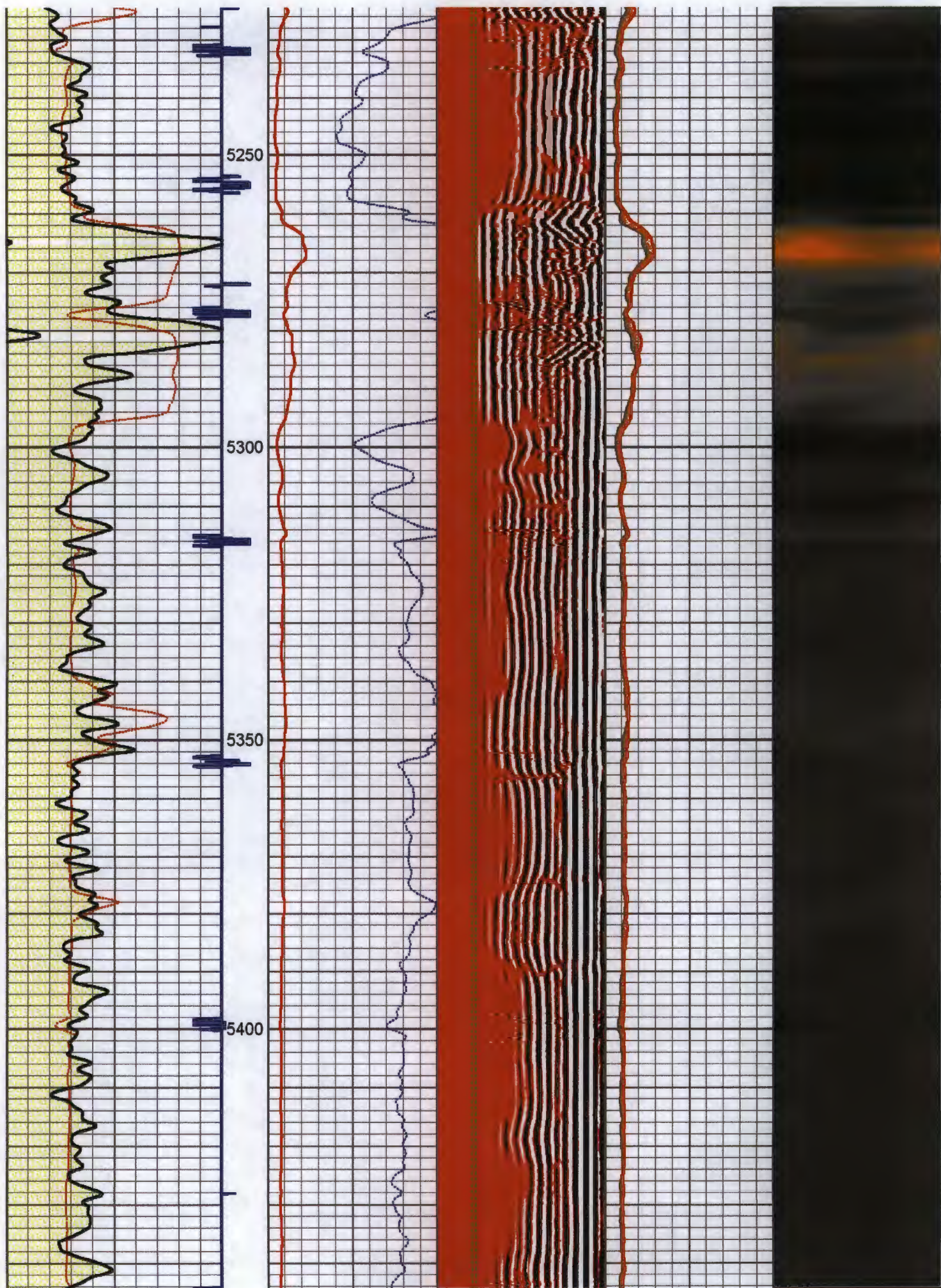


MAIN PASS 1000 PSI









NBR #1

