Form 3160-5 (March 2012)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

OCD Hobbs

FORM APPROVED OMB No. 1004-0137 Expires: October 31, 2014

5. Lease Scrial No.

BBYTMG

6. If Indian, Allottee or Tribe Name

	form for proposals to drill o Use Form 3160-3 (APD) for					
SUBMIT IN TRIPLICATE – Other instructions on page 2.				7. If Unit of CA/Agreement, Name and/or No.		
1. Type of Well Oil Well Gas W	Vell Mother Inject	ion	8. Well Na	auxlic Malti	×44171	
2. Name of Operator OXY USA WTP Limited Partnership			9. API Well No. 192463 30-025 - 11030			
3a. Address P.O. Box 50250		No. (include area cod	le) 10. Field ar	nd Pool or Exploratory		
Midland, TX 79710 4. Location of Well (Footage, Sec., T.,	R M or Survey Description)	5717		or Parish, State	Rango	
1940 FSL 660 F		6 TAYS RE	//	3144		
	K THE APPROPRIATE BOX(ES) TO			OR OTHER DATA		
TYPE OF SUBMISSION TYPE OF			PE OF ACTION	CTION		
Notice of Intent Acidize Alter Casing Casing Repair		Deepen Fracture Treat New Construction	e Treat Reclamation		Water Shut-Off Well Integrity Other Failed Test	
Subsequent Report Final Abandonment Notice	Change Plans	Plug and Abandon Plug Back	Temporarily Aban Water Disposal	don &	to Injection	
detected, forward hole w/ pkr fluid. N	g & pkr. RIH w/ pkr & RBP, p plan will discussed. If no leal Notify NMOCD/BLM, pressure el tanks will be utilized	k is found, clean	out wellbore to P 00# for 30 min. I	BTD, RIH w/ tbg Return well to inj APPROVAL: Operate	& pkr, circ	
	FF	EB 1 9 2014	SUBJE0 APPRO	CT TO LIKE . OVAL BY STA	ATE .	
	RECEIVED	SEE	SEE ATTACHED FOR CONDITIONS OF APPROVAL			
14. I hereby certify that the foregoing is tr	ue and correct. Name (Printed/Typed)					
David Stewart		Title Sr. Regul	Title Sr. Regulatory Advisor		david_stewart@oxy.com	
Signature Un Stat		Date 9	(16(13	√ A Df	DOVED	
THIS SPACE FOR FEDERAL OR STATE OFFI					NUVED	
	. Approval of this notice does not warrant			FEB /S/ C	1 0 2014 hris Walls	
ntitle the applicant to conduct operations t	tle to those rights in the subject lease which hereon. J.S.C. Section 1212, make it a crime for an	· · · · · ·	willfully to make to any	BUKFAU OF I	AND MANAGEMENT	

fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

OXY USA WTP LP - Current Myers Langlie Mattix Unit #171 API No. 30-025-11030

TD-3630'

11" hole @ 326' 8-5/8" csg @ 326' w/ 300sx-TOC-Surf-Circ

2006-sqz csg lk @ 325-389' w/ 250sx

7-7/8" hole @ 3630' 5-1/2" csg @ 3629' w/ 250sx-TOC-2192'-Calc

Perfs @ 3488-3620'

2-3/8" tbg w/ pkr @ 3393'

PBTD-3625'

Conditions of Approval

Oxy USA WTP LP Myers Langlie Mattix Unit - 171 API 3002511030, T24S-R37E, Sec 06

February 10, 2014

HOBBS OCD

FEB 1 9 2014

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- 1. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
- 2. Subject to like approval by the New Mexico Oil Conservation Division.
- 3. Provide BLM with an electronic copy (Adobe Acrobat Document) cement bond log record from 3300 or below to surface. The CBL may be attached to a <u>pswartz@blm.gov</u> email. The CFO BLM on call engineer may be reached at 575-706-2779.
- 4. Surface disturbance beyond the existing pad shall have prior approval.
- 5. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
- 6. Functional H₂S monitoring equipment shall be on location.
- 7. 2000 (2M) Blow Out Prevention Equipment to be used. All BOPE and workover procedures shall establish fail safe well control. A ram system including a blind ram and pipe ram(s) designed to close on all of the work string(s) used is required equipment. Manual BOP closure (hand wheels) equipment shall be installed regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) shall be employed when needed for reasonable well control requirements.
- 8. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
- 9. Workover approval is good for 90 days (completion to be within 90 days of approval). A legitimate request is necessary for extension of that date.
- 10. File intermediate **subsequent sundry** Form 3160-**5** within 30 days of any interrupted workover procedures and a complete workover subsequent sundry.

Well with a Packer - Operations

1) Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established. Repair that seal any time more than five barrels of packer fluid is replaced within 30 days.

- 2) The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with minimum 200 psig differential between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.
- 3) Document the pressure test on a one hour full rotation calibrated recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
- 4) Make arrangements 24 hours before the test for BLM to witness. In Lea County phone 575-393-3612. If no answer, leave a voice mail or email with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.
- 5) Submit a subsequent Sundry Form 3160-5 relating the MIT activity. Include a copy of the recorded MIT pressure chart. List the name of the BLM witness, or the notified person and date of notification. NMOCD is to retain the original recorded MIT chart.
- 6) Use of tubing internal protection, tubing on/off equipment just above the packer, a profile nipple, and an in line tubing check valve below the packer or between the on/off tool and packer is a "Best Management Practice". The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.
- 7) Submit the original subsequent sundry with three copies to BLM Carlsbad.
- 8) Compliance with a NMOCD Administrative Order is required, submit documentation of that authorization.
 - a) Approved injection pressure compliance is required.
 - b) If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.
 - c) When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum. Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
- 9) Unexplained significant variations of rate or pressure to be reported within 5 days of notice.
- 10) The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity. A BLM inspector may request verification of a full annular fluid level at any time.
- 11) Maintain the annulus full of packer fluid at atmospheric pressure. Installation of equipment that will display continuous open to the air packer fluid level above the casing vent is required for this injection well.
- 12) Notify the BLM's authorized officer ("Paul R. Swartz" < pswartz@blm.gov>, cell phone 575-200-7902) on or before 04/10/2014 to arrange for approval of the annular monitoring system.

- 13) Loss of packer fluid above five barrels per month indicates a developing problem. Notify BLM Carlsbad Field Office, Petroleum Engineering within 5 days.
- 14) A suggested format for monthly records documenting that the casing annulus is fluid filled is available from the BLM Carlsbad Field Office.
- 16) Submit a (Sundry Form 3160-5) subsequent report (daily reports) describing all wellbore activity and Mechanical Integrity Test as per item 1) above. Include the date(s) of the well work, and the setting depths of installed equipment: internally corrosive protected tubing, tubing on/off equipment just above the packer, and an in line tubing check valve below the packer or between the on/off tool and packer. The setting depths and descriptions of each are to be included in the subsequent sundry. List daily descriptions of any previously unreported wellbore workover(s) and reason(s) the well annular fluid was replaced.

Access information for use of Form 3160-5 "Sundry Notices and Reports on Wells"

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

 \S 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.