Approved By

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

Lease Serial No.	
NIMMIM5514Q	

SUNDRY		5. Lease Serial No. NMNM55149					
Do not use th abandoned we	drill or to re-enter an D) for such proposals.	•	6. If Indian, Allottee	or Tribe Name			
SUBMIT IN TRI	PLICATE - Other instruc	BBS OCD	7. If Unit or CA/Agro NMNM132912	eement, Name and/or No.			
1. Type of Well				8. Well Name and No			
Oil Well Gas Well Otl			<u>30 2015</u>		FEDERAL COM 2		
Name of Operator OXY USA INCORPORATED	E-Mail: jennifer_du		-	9. API Well No. 30-025-41424-	00-S1		
3a. Address		3b. Phone No. (include are Ph. 713-513-6640	GEIVED	 Field and Pool, or CORBIN 	Exploratory		
HOUSTON, TX 77210-4294	<u></u>						
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description			11. County or Parish,	and State		
Sec 9 T18S R33E NWSW 190 32.759883 N Lat, 103.673551				LEA COUNTY,	NM		
12. CHECK APPR	ROPRIATE BOX(ES) TO	D INDICATE NATURE O	F NOTICE, RI	EPORT, OR OTHE	R DATA		
TYPE OF SUBMISSION		ТҮРЕ	OF ACTION				
Notice of Intent	☐ Acidize	☐ Deepen	☐ Product	ion (Start/Resume)	☐ Water Shut-Off		
_	☐ Alter Casing	☐ Fracture Treat	☐ Reclam	ation	■ Well Integrity		
☐ Subsequent Report	Casing Repair	■ New Construction	□ Recomp	olete	☐ Other		
☐ Final Abandonment Notice	☐ Change Plans	Plug and Abandon	□ Tempor	arily Abandon	•		
	☐ Convert to Injection	Plug Back	■ Water D	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 recomplete 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 recompletion 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 site is ready for final inspection.) OXY USA INC respectfully request permission to plugback and recomplete in the Bone Spring formation. Please see the proposed procedure and the attached wellbore diagrams for your use and review. 200 1. Set CIBP @ 10,040? and cap /w 56? cement. 2. Perforate, stimulate and test 3rd Bone Spring Sand from 9,906? to 9,931? 3. Set RBP @ 9,80? and cap /w 2 sxs of sand. 4. Perforate, stimulate and test 2nd Bone Spring Sand from 9,209? to 9,253? 5. Set RBP @ 9,300? and cap /w 2 sxs of sand. 6. Perforate, stimulate and test 2nd Bone Spring Carbonate from 8,150? to 8,300? SEE ATTACHED FOR CONDITIONS OF APPROVAL Perforate, stimulate and test 1st Bone Spring Carbonate from 8,150? to 8,300?							
14. I hereby certify that the foregoing is		VF.4040	(-11 t t	2 1			
_	For OXY US	54813 verified by the BLM WAINCORPORATED, sent to 1	the Hobbs				
		ssing by WE\$LEY INGRAM o	•	•			
Name (Printed/Typed) JENNIFER	A DUARTE	Title REGU	JLATORY SPE	CIALIOI			
Signature (Electronic St	ubmission)	Date 07/28/	/2014				
	THIS SPACE FO	R FEDERAL OR STATE	OFFICEUS	E ADDDA	IVED T		

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

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 the part department of the States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CARL SRAD FIFLD OFFICE

Office

MAB/OCD 3/31/2015

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.



MAR 2 5 2015

<u>Is/</u> Chris Walls

Additional data for EC transaction #254813 that would not fit on the form

32. Additional remarks, continued

9. Set RBP @ 8,000? and cap /w 2 sxs of sand.
10. Perforate, stimulate and test 1st Bone Spring Carbonate from 7,775? to 7,858?.
11. Retrieve RBP?s @ 8,000?, 8,500?, 9,300?, and 9,890?.
12. RIH /w production equipment.

WELLBORE DIAGRAM

WELL: Corbin South Federal Com #2

FIELD :

10040

30-025-41424 API #:

GL'elev: 3,926.9 DF elev: 3,950.9 3,951.9 KB elev :

(updated: 07-10-14 DJA)

Spudded: Completed: State:

01/02/14 04/01/14 New Mexico Lea County

County: Location: Surface:

L-09-T18S-R33E 1,900' FSL & 800' FWL

Formation Tops:

WFMP

RSLR 1506 SALT 1714 YATES 3107 SVRV 3449 QUEEN 4275 CAPITAN 4993 DLWR 5084 CHERRY CANYON 5228 BRUSHY CANYON 5921 BSGL 6899 1BSPG SS 8458 2BSPG Carb 8706 2BSPGsand 9035 2BSPG SS 3BSPG Carb 9196 9652 3BSPG SS 9861

16" Conductor Pipe set @ 125'

<u>Surface Casing:</u> 11-3/4" 47 ppf J-55 @ 1,523', cmt w/ 1,130 sxs, circ. 6 sxs; 14 3/4" hole dia.

Intermediate Casing:

8-5/8" 32 ppf J-55 @ 2,966', cmt w/ 620 sxs, circ.

129 sxs; 10 5/8" hole dia.

Production Casing; 5-1/2" 17 ppf P-110 @ 12,014', cmt w/ 1,270 sxs, circ. 106 sxs; 7-

7/8" hole dia.

'<u>Wolfcamp Perfs</u>: 10,055' - 10,057' / 10,064' - 10,068' / 10,134' - 10,140' / 10,178' -10,182' / 11,206' - 11,214' / 11,222' - 11,227' / 11,640' - 11,646'

PBTD @ 11,927'

Total Depth @ 12,014'

WELLBORE DIAGRAM

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API#: 30-025-41424

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01/02/14 04/01/14 New Mexico

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Lea County L-09-T18S-R33E

1,900' FSL & 800' FWL

For	mat	ion	Tο	ns

RSLR	1506
SALT	1714
YATES	3107
SVRV	3449
QUEEN	4275
CAPITAN	4993
DLWR	5084
CHERRY CANYON	5228
BRUSHY CANYON	5921
BSGL	6899
1BSPG SS	8458
2BSPG Carb	8706
2BSPGsand	9035
2BSPG SS	9196
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<u>Upper 2nd Bone Spring Sand:</u> 9,216 - 9,226' / 9,235' - 9,245'

Lower 2nd Bone Spring Sand: 9,322' - 9,332' / 9,348' - 9,358'

3rd Bone Spring Sand: 9,911' - 9,921'

200

CIBP @ 10,040 capped /w 50' of cement

Wolfcamp Perfs:

10,055' - 10,057' / 10,064' - 10,068' / 10,134' - 10,140' / 10,178' - 10,182' / 11,206' - 11,214' / 11,222' - 11,227' / 11,640' - 11,646'

PBTD @ 11,927

Total Depth @ 12,014'

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Permanent Abandonment of Production Zone Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within **ninety** (90) days from this approval.

If you are unable to plug back the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged back. Failure to do so will result in enforcement action.

- 2. <u>Notification</u>: Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. For wells in Eddy County, call 575-361-2822. For wells in Lea County, call 575-393-3612
- 3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.
- 4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement</u>: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. **Before pumping or bailing cement on top of CIBP, tag will be required to verify depth.**

Unless otherwise specified in the approved procedure, the cement plug shall consist of either **Neat Class** "C", for up to 7,500 feet of depth or **Neat Class** "H", for deeper than 7,500 feet plugs.

6. <u>Subsequent Plug back Reporting:</u> Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. <u>Show date work was completed.</u>

7. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.