

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

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.

HOBBS OCD

SUBMIT IN TRIPLICATE - Other instructions on reverse side

MAR 30 2015

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other WIW		5. Lease Serial No. LC-032233(A)
2. Name of Operator Occidental Permian Limited - Attn: Mark Stephens, Rm. 28.121, GRWY 5		6. If Indian, Allottee or Tribe Name
3a. Address P.O. Box 4294, Houston, TX 77210-4294	3b. Phone No. (include area code) (713) 366-5158	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1450' FSL x 469' FWL, Letter L, Sec. 29, T-18-S, R-38-E		8. Well Name and No. North Hobbs G/SA No. 813 Unit
		9. API Well No. 30-025-34871
		10. Field and Pool, or Exploratory Area Hobbs; Grayburg-San Andres
		11. County or Parish, State Lea Co. NM

12. CHECK 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"/> Fracture Treat	<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 Squeeze
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Re-perf. x acid
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	stimulate

3. 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 recompleat 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 recompleat 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 final site is ready for final inspection.)

- 1) MI x RU. ND WH x NU BOP. POOH w/injection equipment.
- 2) RIH w/bit x scraper x clean out to 4150'.
- 3) RIH w/5-1/2" CIBP x set at 4137'; RIH w/5-1/2" CICR x set at 3900'.
- 4) Pump water into perfs to establish injection rate.
- 5) Squeeze perfs at 4100' to 4132' w/300 sx. PP to a squeeze pressure of 2500 psi.
- 6) Drill out CICR x CIBP to 4137'. Pressure test squeezed perfs to 1000 psi.
- 7) Drill out remaining cement x CIBP to CICR at 4224' (PBD). Drill out CICR x CIBP's at 4235' and 4251' and cement from 4265' - 4280'. Circulate well clean.
- 8) Perforate at 4228'-32', 4240'-48', 4255'-60', & 4266'-72', 4 JSPF (108 total planned holes).
- 9) Acid treat 4228' - 4272' with 1100 gal. 15% NEFE HCL.
- 10) RBIH with injection equipment.
- 11) ND BOP x NU WH. Pressure test casing x chart for the NMOC. + BLM
- 12) RD x MO x clean location. Turn well back over to injection.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Mark Stephens		Title Regulatory Compliance Analyst
Date 7/23/14		APPROVED
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by Mark Stephens	Title	MAR 25 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.	Office	151 Chris Walls BUREAU OF LAND MANAGEMENT GRAND STAIRcase-Escalante Field Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

MBS/OCD 4/1/2015

APR 08 2015

Conditions of Approval

Occidental Permian Limited Partnership

North Hobbs G/SA Unit 813

API 3002534871

March 25, 2015

1. Notify BLM 575-361-2822 before plug back procedures. The procedures are to be witnessed.
2. Surface disturbance beyond the existing pad must have prior approval.
3. Casing added or replaced requires a prior notice of intent (BLM Form 3160-5) approval of the design.
4. Closed loop system required. 2000 2M BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the work string shall be adequate. Tapered work strings will require an additional pipe ram.

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.
 - a) The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with 200 psig differentials 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.
 - b) Document the pressure test on a 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.
 - c) At least 24 hours before the test: In Eddy County email Paul R. Swartz paul_swartz@blm.gov, (phone 575-200-7902). If there is no response phone 575-361-2822. In Lea County email Andy Cortez andy_cortez@blm.gov, (phone 575-393-3612 or 575-631-5801). Note the contact notification method, time, & date in your subsequent report.
 - d) 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.