Form 3160-5 (August 2007)

#### **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010

5. Lease Serial No.

NMNM03927

## SUNDRY NOTICES AND REPORTS ON WELLS

6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. NMNM70935X 1. Type of Well 8. Well Name and No. DRICKEY QUEEN SAND UNIT #006 Oil Well Gas Well Other 2. Name of Operator OXY USA INC 9. API Well No. 30-005-00903 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area 3a. Address PO BOX 4294 [8559] CAPROCK; QUEEN HOUSTON, TX 77210 713-493-1986 11. Country or Parish, State 4. Location of Well (Footage Sec., T.,R.,M., or Survey Description) CHAVES 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Production (Start/Resume) Water Shut-Off Deepen ✓ Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Casing Repair New Construction Recomplete Other Subsequent Report ✓ Plug and Abandon Change Plans Temporarily Abandon Convert to Injection Plug Back Water Disposal Final Abandonment Notice 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 must 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 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.)

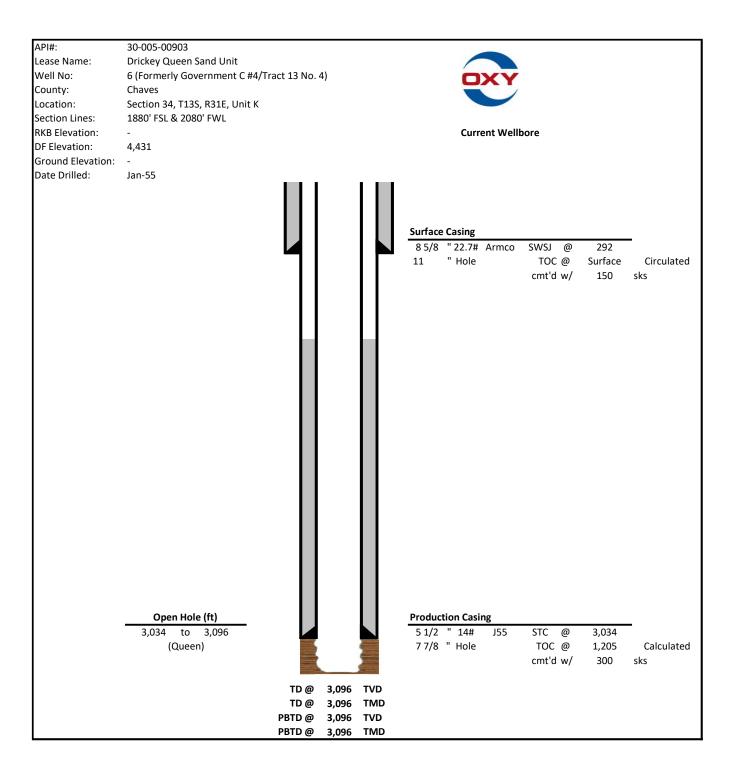
OXY IS PLUGGING THIS WELL BECUASE IT IS AN ORPHAN WELL PREVIOUSLY OPERATED BY ACACIA. THE CURRENT WELLBORE, PROPOSED WELLBORE, AND PA PROCEDURE ARE ATTACHED.

See Conditions of Approval

Like Approval by NMOCD

| 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) STEPHEN JANACEK   |                               |  |  |  |  |  |
|---|-------------------------------|--|--|--|--|--|
| Ti  | tle REGULATORY ENGINEER       |  |  |  |  |  |
| Signature Stephen Januah D  | ate 05/09/2025                |  |  |  |  |  |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE  |                               |  |  |  |  |  |
| Approved by  JENNIFER SANCHEZ  SANCHEZ  Date: 2025.05.12 06:38:02 -06'00'   | Petroleum Engineer 05/12/2025 |  |  |  |  |  |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certithat the applicant holds legal or equitable title to those rights in the subject lease which would |                               |  |  |  |  |  |

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.



API#: 30-005-00903 Lease Name: Drickey Queen Sand Unit 6 (Formerly Government C #4/Tract 13 No. 4) Well No: County: Location: Section 34, T13S, R31E, Unit K Section Lines: 1880' FSL & 2080' FWL RKB Elevation: **Proposed Wellbore** DF Elevation: 4,431 Ground Elevation: Date Drilled: Jan-55 10 PPG Plug Mud from 2,850' to Surface Circulate from 342' to Surface w/ 90 sx Class C cement **Surface Casing** Perforate @ 342' **Confirm cement to Surface** 85/8 "22.7# Armco SWSJ @ 292 " Hole 11 TOC @ Surface Circulated cmt'd w/ 150 sks Squeeze from 1,500' to 1,350' w/ 40 sx Class C cmt Perforate @ 1,500' Wait 4 hrs and tag top of plug Squeeze from 2,290' to 2,140' w/ 40 sx Class C cmt Perforate @ 2,290' Wait 4 hrs and tag top of plug Spot plug from 3,000' to 2,850' w/ 20 sx Class C cement Wait 4 hrs and tag top of plug CIBP @ 3,000' Open Hole (ft) **Production Casing** 5 1/2 " 14# 3,034 to 3,096 STC @ 3,034 (Queen) 77/8 " Hole TOC @ 1,205 Calculated cmt'd w/ 300 sks TD@ TVD 3,096 TD@ 3,096 TMD PBTD @ 3,096 TVD PBTD @ 3,096 TMD

**OXY USA WTP LP- Proposed** 

**DRICKEY QUEEN SAND UNIT #06** 

API No. 30-005-00903

#### P&A PROCEDURE

10# MLF BETWEEN PLUGS. UTILIZE ABOVE STEEL GROUND TANKS.

- 1. SET CIBP @ 3000'.
- 2. RUN CBL 3000'-SURFACE.
- 3. SPOT 20 SX CLASS C CMT ON TOP OF CIBP 3000'-2850'. WOC &TAG.
- 4. PERF AT 2290'. SQUEEZE 40 SX CLASS C CMT 2290'-2140'. WOC AND TAG.
- 5. PERF AT 1500'. SQUEEZE 40 SX CLASS C CMT 1500'-1350'. WOC AND TAG.
- 6. PERF AT 342'. CIRCULATE 90 SX CLASS C CMT 342'-SURFACE ON THE 8-5/8" X 5-1/2" ANNULUS LEAVING THE 5-1/2" CASING FULL OF CEMENT. VERIFY CMT AT SURFACE, TOP OFF IF NECESSARY.

#### **GEOLOGIC FORMATION TOPS**

| FROM-  | то-   | TOTAL FEET  | FORMATION  |
|--|---|---|--|
| 0<br>225<br>1093<br>1400<br>1430<br>1515<br>2235<br>2275<br>3000<br>3045 | 225<br>1093<br>1400<br>1430<br>1515<br>2235<br>2275<br>3000<br>3045<br>3 56 | 225<br>868<br>307<br>30<br>85<br>720<br>40<br>725<br>45 | Surface soil, sand and caliche Fed Sed Shale and shells Anhydrite Shale and shells Salt Salt and shells Shale and shells Anhydrite Sand (ween) |
|  | <u></u>   |   | Formation Tops  Yates 2292  Queen 3045   |

Drickey Queen Sand Unit 6 30-005-00903 OXY USA INC May 12, 2025 Conditions of Approval

- 1. Operator shall place CIBP at 2,975' and place a minimum of 25 sx of Class C cement on top. WOC and TAG.
- 2. Operator shall perf at 2,342' and squeeze cement class C cement to 2,140' to seal the Yates and bottom of the Salt. WOC and TAG.
- 3. Operator shall perf at 1,565' and squeeze cement class C cement to 1,350' to seal the top of the Salt and the Rustler. WOC and TAG.
- 4. Operator shall perf at 342' and squeeze cement class C cement to surface to seal the 8-5/8'' casing shoe.
- 5. Dry hole marker must be below ground.
- 6. Surface reclamation will need to be completed once the well bore has been plugged. Please contact <a href="mailto:rflores@blm.gov">rflores@blm.gov</a> for additional information.
- 7. See Attached for general plugging stipulations.

JAM 05122025

#### BUREAU OF LAND MANAGEMENT Roswell Field Office 2909 W. Second Street Roswell, New Mexico 88201 575-627-0272

#### **General Requirements for Plug Backs**

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 <u>ninety (90)</u> days from this approval.

If you are unable to plug back the well by the 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> 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. Call 575-627-0205.
- 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. **Before pumping cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.** 

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. **Show date work was completed.**
- 7. <u>Trash:</u> 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.

## State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

**Dylan M. Fuge**Deputy Secretary

**Dylan M. Fuge**, Division Director (Acting) **Oil Conservation Division** 



### NOTICE NEW MEXICO PLUG AND ABANDON CONDITIONS OF APPROVAL

#### Effective January 1, 2024

The New Mexico Oil Conservation Division ("OCD") is announcing the release of its updated Plugging and Abandoning Conditions of Approval ("COA"). These COAs will bring consistency throughout the state and formalize existing practice in the field that are already being required by OCD and performed by Operators. OCD staff reviewing plans are directed to implement these COA's are throughout the entire State of New Mexico, except when circumstances warrant modifications or additional requirements as dictated by specific plugging project conditions, which determines are left solely to OCD.

For the most part, these updates simply consolidate current practice to ensure it applied uniformly state-wide. The most significant changes from existing practice are as follows:

- Logs.
  - A Cement Bond Log is required to ensure isolation of producing formations, protection of water and correlative rights. A CBL must be run or be on file that can properly evaluate the cement behind the casing.

Note: Logs must be submitted to OCD via OCD permitting. A copy of the log may be emailed to the Compliance Officer Supervisor for faster review times, but email transmittal does not relieve the requirement for an operator to file through OCD permitting.

- Cement:
  - A table has been included which indicates the Class of cement and its allowed lower limits. This table is intended to align OCD requirements with applicable API standards and the Haliburton Redbook.
  - We are also standardizing practices with respect to cement waiting times:
    - 4 hours for accelerated (calcium chloride) cement.
    - 6 hours on regular cement.
- Formations:

1220 South St. Francis Drive • Santa Fe, New Mexico 87505 Phone (505) 476-3460 • Fax (505) 476-3462 • www.emnrd.nm.gov

• The COAs now include appendices for geological formation tops that shall be plugged.

The updated plugging COAs are attached to this notice. These COAs are effective for plugging operations for any NOI C-103F submitted on or after January 1, 2024, unless OCD determines that a modification or additional COAs are necessary based on specific plugging project conditions.

1220 South St. Francis Drive • Santa Fe, New Mexico 87505 Phone (505) 476-3460 • Fax (505) 476-3462 • www.emnrd.nm.gov

# State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division Standard Plugging Conditions



This document provides OCD's general plugging conditions of approval. It should be noted that the list below may not cover special plugging programs in unique and unusual cases, and OCD expressly reserves the right to impose additional requirements to the extent dictated by project conditions. The OCD also reserves the right to approve deviations from the below conditions if field conditions warrant a change. A C-103F NOI to P&A must be approved prior to plugging operations. Failure to comply with the conditions attached to a plugging approval may result in a violation of 19.15.5.11 NMAC, which may result in enforcement actions, including but not limited to penalties and a requirement that the well be re-plugged as necessary.

- 1. Notify OCD office at least 24 hours before beginning work and seek prior approval to implementing any changes to the C-103 NOI to PA.
  - North Contact, Monica Kuehling, 505-320-0243, monica.kuehling@emnrd.nm.gov
  - South Contact, Gilbert Cordero, 575-626-0830, gilbert.cordero@emnrd.nm.gov
- A Cement Bond Log is required to ensure strata isolation of producing formations, protection of
  water and correlative rights. A CBL must be run or be on file that can be used to properly
  evaluate the cement behind the casing.

Note: Logs must be submitted to OCD via OCD permitting. A copy of the log may be emailed to OCD inspector for faster review times, but emailing does not relieve the operators obligation to submit through OCD permitting.

- 3. Once Plugging operations have commenced, the rig must not rig down until the well is fully plugged without OCD approval. If gap in plugging operations exceeds 30 days, the Operator must file a subsequent sundry of work performed and revised NOI for approval on work remaining. At no time shall the rig be removed from location if it will result in waste or contamination of fresh water.
- 4. Insure all bradenheads have been exposed, identified and valves are operational prior to rig up.
- 5. Fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
  - North, water or mud laden fluids
  - South, mud laden fluids
- 6. Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to an OCD permitted disposal facility.
- 7. Class of cement shall be used in accordance with the below table for depth allowed.

| Class          | TVD Lower Limit (feet) |
|----------------|------------------------|
| Class A/B      | 6,000                  |
| Class I/II     | 6,000                  |
| Class C or III | 6,000                  |
| Class G and H  | 8,000                  |
| Class D        | 10,000                 |

| Class E | 14,000 |
|---------|--------|
| Class F | 16,000 |

- 8. After cutting the well head any "top off cement jobs" must remain static for 30 minutes. Any gas bubbles or flow during this 30 minutes shall be reported to the OCD for approval of next steps.
- 9. Trucking companies being used to haul oilfield waste fluids (Commercial or Private) to a disposal facility shall have an approved OCD C-133 permit.
  - A copy of this permit shall be available in each truck used to haul waste products.
  - It is the responsibility of the Operator and Contractor to verify that this permit is in place prior to performing work.
  - Drivers shall be able to produce a copy upon request of an OCD Compliance Officer.
- 10. Filing a [C-103] Sub. Plugging (C-103P) will serve as notification that the well has been plugged.
- 11. A [C-103] Sub. Release After P&A (C-103Q) shall be filed no later than a year after plugging and a site inspection by OCD Compliance officer to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to meet OCD standards before bonding can be released.
- 12. Produced water or brine-based fluids may not be used during any part of plugging operations without prior OCD approval.

#### 13. Cementing;

- All cement plugs will be neat cement and a minimum of 100' in length. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.
- If cement does not exist between or behind the casing strings at recommended formation depths, the casing perforations will be shot at 50' below the formation top and the cement retainer shall be set no more than 50' from the perforations.
- WOC (Wait on Cement) time will be:
  - 4 hours for accelerated (calcium chloride) cement.
  - o 6 hours on regular cement.
- Operator must tag all cement plugs unless it meets the below condition.
  - The operator has a passing pressure test for the casing annulus and the plug is only an inside plug.
- If perforations are made operator must tag all plugs using the work string to tag unless given approval to tag with wireline by the correct contact from COA #1 of this document.
  - This includes plugs pumped underneath a cement retainer to ensure retainer seats properly after cement is pumped.
- Cement can only be bull-headed with specific prior approval.
- Squeeze pressures are not to exceed the exposed formations frac gradient or the burst pressure of the casing.
- 14. A cement plug is required to be set from 50' below to 50' above (straddling) formation tops, casing shoes, casing stubs, any attempted casing cut offs, anywhere the casing is perforated, DV tools.
  - Perforation/Formation top plug. (When there is less than 100ft between the top perforation to the formation top.) These plugs are required to be started no greater than

50ft from the top perforation. However, the plug should be set below the formation top or as close to the formation top as possible for the maximum isolation between the formations. The plug is required to be a 100ft cement plug plus excess.

- Perforation Plug when a formation top is not included. These plugs are required to be started within 50ft of the top perforation. The plug is required to be a 100ft cement plug plus excess.
- Cement caps on top of bridge plugs or cement retainers for perforation plugs, that are
  not straddling a formation top, may be set using a bailer with a minimum of 35' of
  cement in lieu of the 100' plug. The bridge plug or retainer must be set within 50ft of the
  perforations.
- Perforations are required below the surface casing shoe if cement does not exist behind
  the casing, a 30-minute minimum wait time will be required immediately after
  perforating to determine if gas and/or water flows are present. If flow is present, the
  well will be shut-in for a minimum of one hour and the pressure recorded. If gas is
  detected contact the OCD office for directions.
- 15. No more than 3000 feet is allowed between cement plugs in cased hole and no more than 2000 feet is allowed in open hole.
- 16. Formation Tops to be isolated with cement plugs, but not limited to are:
  - Northwest See Figure A
  - South (Artesia) See Figure B
  - Potash See Figure C
    - o In the R-111-P (Or as subsequently revised) Area a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, woe 4 hours and tag, this plug will be 50' below the bottom and 50' above the top of the Formation.
  - South (Hobbs) See Figure D1 and D2
  - Areas not provided above will need to be reviewed with the OCD on a case by case basis.

#### 17. Markers

• Dry hole marker requirements 19.15.25.10.

The operator shall mark the exact location of plugged and abandoned wells with a steel marker not less than four inches in diameter set in cement and extending at least four feet above mean ground level. The marker must include the below information:

- 1. Operator name
- 2. Lease name and well number
- 3. API number
- 4. Unit letter
- 5. Section, Township and Range
- AGRICULTURE (Below grade markers)

In Agricultural areas a request can be made for a below ground marker. For a below ground marker the operator must file their request on a C-103 notice of intent, and it must include the following;

- A) Aerial photo showing the agricultural area
- B) Request from the landowner for the below ground marker.

C) Subsequent plugging report for a well using a below ground marker must have an updated C-102 signed by a certified surveyor for SHL.

Note: A below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to OCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to OCD. OCD requires a current survey to verify the location of the below ground marker, however OCD will accept a GPS coordinate that were taken with a GPS that has an accuracy of within 15 feet.

18. If work has not commenced within 1 year of the approval of this procedure, the approval is automatically expired. After 1 year a new [C-103] NOI Plugging (C-103F) must be submitted and approved prior to work.

#### Figure A

#### North Formations to be isolated with cement plugs are:

- San Jose
- Nacimiento
- Ojo Alamo
- Kirtland
- Fruitland
- Picture Cliffs
- Chacra (if below the Chacra Line)
- Mesa Verde Group
- Mancos
- Gallup
- Basin Dakota (plugged at the top of the Graneros)
- Deeper formations will be reviewed on a case-by-case basis

Figure B

#### South (Artesia) Formations to be isolated with cement plugs are:

- Fusselman
- Montoya
- Devonian
- Morrow
- Strawn
- Atoka
- Permo-Penn
- Wolfcamp
- Bone Springs
- Delaware, in certain areas where the Delaware is subdivided into;
  - 1. Bell Canyon
  - 2. Cherry Canyon
  - 3. Brushy Canyon
- Any salt sections
- Abo
- Yeso
- Glorieta
- San Andres
- Greyburg
- Queen
- Yates

#### Figure C

#### Potash Area R-111-P

T 18S - R 30E

Sec 10 Unit P. Sec 11 Unit M,N. Sec 13 Unit L,M,N. Sec 14 Unit C -P. Sec 15 Unit A G,H,I,J,K,N,O,P. Sec 22 Unit All

except for M. Sec 23, Sec 24 Unit C,D,E,L, Sec 26 Unit A-G, Sec 27 Unit A,B,C

T 19S - R 29E

Sec 11 Unit P. Sec 12 Unit H-P. Sec 13. Sec 14 Unit A,B,F-P. Sec 15 Unit P. Sec 22 Unit A,B,C,F,G,H,I,J K,N,O,P. Sec 23.

Sec 24. Sec 25 Unit D. Sec 26 Unit A-F. Sec 27 Unit A,B,C,F,G,H.

T 19S – R 30E

Sec 2 Unit K,L,M,N. Sec 3 Unit I,L,M,N,O,P. Sec 4 Unit C,D,E,F,G,I-P. Sec 5 Unit A,B,C,E-P. Sec 6 Unit I,O,P.

Sec 7 – Sec

10. Sec 11 Unit D, G—P. Sec 12 Unit A,B,E-P. Sec 13 Unit A-O. Sec 14-Sec 18. Sec 19 Unit A-L, P. Sec 20 – Sec 23. Sec

24 Unit C,D,E,F,L,M,N. Sec 25 Unit D. Sec 26 Unit A-G, I-P. Sec 27, Sec 28, Sec 29 Unit A,B,C,D,F,G,H,I,J,O,P. Sec 32

Unit A,B,G,H,I,J,N,O,P. Sec 33. Sec 34. Sec 35. Sec 36 Unit D,E,F,I-P.

T 19S - R 31E

Sec 7 Unit C,D,E,F,L. Sec 18 Unit C,D,E,F,G,K,L. Sec 31 Unit M. Sec 34 Unit P. Sec 35 Unit M,N,O. Sec 36 Unit O,P.

T 20S - R 29E

Sec 1 Unit H,I,P. Sec 13 Unit E,L,M,N. Sec 14 Unit B-P. Sec 15 Unit A,H,I,J,N,O,P. Sec 22 Unit A,B,C,F,G,H,I,J,O,P. Sec

23. Sec 24 Unit C,D,E,F,G,J-P. Sec 25 Unit A-O. Sec 26. Sec 27 Unit A,B,G,H,I,J,O,P. Sec 34 Unit A,B,G,H. Sec 35 Unit

A-H. Sec 36 Unit B-G.

T 20S – R 30E

Sec 1 – Sec 4. Sec 5 Unit A,B,C,E-P. Sec 6 Unit E,G-P. Sec 7 Unit A-H,I,J,O,P. Sec 8 – 17. Sec 18 Unit A,B,G,H,I,J,O,P.

Sec 19 Unit A,B,G,H,I,J,O,P. Sec 20 – 29. Sec 30 Unit A-L,N,O,P. Sec 31 Unit A,B,G,H,I,P. Sec 32 – Sec 36.

T 20S - R 31E

Sec 1 Unit A,B,C,E-P. Sec 2. Sec 3 Unit A,B,G,H,I,J,O,P. Sec 6 Unit D,E,F,J-P. Sec 7. Sec 8 Unit E-P. Sec 9 Unit E,F,J-P.

Sec 10 Unit A,B,G-P. Sec 11 – Sec 36.

T 21S - R 29E

Sec 1 – Sec 3. Sec 4 Unit L1 – L16,I,J,K,O,P. Sec 5 Unit L1. Sec 10 Unit A,B,H,P. Sec 11 – Sec 14. Sec 15 Unit A,H,I. Sec

23 Unit A,B. Sec 24 Unit A,B,C,D,F,G,H,I,J,O,P. Sec 25 Unit A,O,P. Sec 35 Unit G,H,I,J,K,N,O,P. Sec 36 A,B,C,F – P.

T 21S - R 30E

Sec 1 - Sec 36

T 21S - R 31E

Sec 1 – Sec 36

T 22S - R 28E

Sec 36 Unit A,H,I,P.

T 22S - R 29E

Sec 1. Sec 3 Unit I,J,N,O,P. Sec 9 Unit G – P. Sec 10 – Sec 16. Sec 19 Unit H,I,J. Sec 20 – Sec 28. Sec 29 Unit

A,B,C,D,G,H,I,J,O,P. Sec 30 Unit A. Section 31 Unit C – P. Sec 32 – Sec 36

T 22S - R 30E

Sec 1 – Sec 36

T 22S - R 31E

Sec 1 – Sec 11. Sec 12 Unit B,C,D,E,F,L. Sec 13 Unit E,F,K,L,M,N. Sec 14 – Sec 23. Sec 24 Unit C,D,E,F,K,L,M,N. Sec 25

Unit A,B,C,D. Sec 26 Unit A,BC,D,G,H. Sec 27 – Sec 34.

T 23S - R 28E

Sec 1 Unit A

T 23S - R 29E

Sec 1 – Sec 5. Sec 6 Unit A – I, N,O,P. Sec 7 Unit A,B,C,G,H,I,P. Sec 8 Unit A – L, N,O,P. Sec 9 – Sec 16. Sec 17 Unit

A,B,G,H,I,P. Sec 21 – Sec 23. Sec 24 Unit A – N. Sec 25 Unit D,E,L. Sec 26. Sec 27. Sec 28 Unit A – J, N,O,P. Sec 33

Unit A,B,C. Sec 34 Unit A,B,C,D,F,G,H. Sec 35. Sec 36 Unit B,C,D,E,F,G,K,L.

T 23S - R 30E

Sec 1 – Sec 18. Sec 19 Unit A – I,N,O,P. Sec 20, Sec 21. Sec 22 Unit A – N, P. Sec 23, Sec 24, Sec 25. Sec 26 Unit

A,B,F-P. Sec 27 Unit C,D,E,I,N,O,P. Sec 28 Unit A – H, K,L,M,N. Sec 29 Unit A – J, O,P. Sec 30 Unit A,B. Sec 32 A,B. Sec

33 Unit C,D,H,I,O,P. Sec 34, Sec 35, Sec 36.

T 23S - R 31E

Sec 2 Unit D,E,J,O. Sec 3 – Sec 7. Sec 8 Unit A – G, K – N. Sec 9 Unit A,B,C,D. Sec 10 Unit D,P. Sec 11 Unit G,H,I,J,M,N,O,P. Sec 12 Unit E,L,K,M,N. Sec 13 Unit C,D,E,F,G,J,K,L,M,N,O. Sec 14. Sec 15 Unit A,B,E – P. Sec 16 Unit

I, K – P. Sec 17 Unit B,C,D,E, I – P. Sec 18 – Sec 23. Sec 24 Unit B – G, K,L,M,N. Sec 25 Unit B – G, J,K,L. Sec 26 – Sec

34. Sec 35 Unit C,D,E.

T 24S - R 29E

Sec 2 Unit A, B, C, D. Sec 3 Unit A

T 24S - R 30E

Sec 1 Unit A – H, J – N. Sec 2, Sec 3. Sec 4 Unit A,B,F – K, M,N,O,P. Sec 9 Unit A – L. Sec 10 Unit A – L, O,P. Sec 11

Sec 12 Unit D,E,L. Sec 14 Unit B – G. Sec 15 Unit A,B,G,H.

T 24S – R 31E Sec 3 Unit B – G, J – O. Sec 4. Sec 5 Unit A – L, P. Sec 6 Unit A – L. Sec 9 Unit A – J, O,P. Sec 10 Unit B – G, K – N. Sec 35 Unit E – P. Sec 36 Unit E,K,L,M,N.

T 25S – R 31E Sec 1 Unit C,D,E,F. Sec 2 Unit A – H.

Figure D1 and D2

South (Hobbs) Formations to be isolated with cement plugs are:

The plugging requirements in the Hobbs Area are based on the well location within specific areas of the Area (See Figure D1). The Formations in the Hobbs Area to be isolated with cement plugs are (see Figure D2)

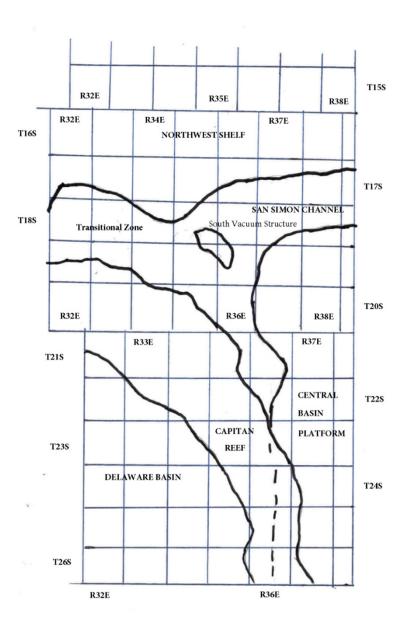


Figure D1 Map

#### Figure D2 Formation Table

| 100' Plug to isolate upper and lower fresh water zones (typically 250' to 350')            |                      |                     |                   |                        |  |  |
|--|----------------------|---------------------|-------------------|------------------------|--|--|
| Northwest Shelf  | Captan Reef Area     | Transition Zone     | San Simon Channel | South Vacuum Structure | Delaware Basin                                       | Central Basin Platform   |
| Granit Wash (Detrital<br>basement material and<br>fractured pre-Cambrian<br>basement rock) | Siluro-Devonian      | Morrow              | Siluro-Devonian   | Ellenburger            | Siluro-Devonian                                      | Granit Wash (Detrital<br>basement material,<br>fractured pre-Cambrian<br>basement rock and fracture<br>Mafic Volcanic intrusives). |
| Montoya  | Mississippian        | Atoka               | Morrow            | Mckee                  | Morrow   | Ellenburger  |
| Fusselman  | Morrow               | Strawn              | Wolfcamp          | Siluro-Devonian        | Atoka  | Connell  |
| Woodford   | Atoka                | Cisco               | Abo Reef          | Woodford               | Strawn   | Waddell  |
| Siluro-Devonian  | Strawn               | Pennsylvanian       | Bone Spring       | Mississippian          | Pennsylvanian  | Mckee  |
| Chester  | Pennsylvanian        | Wolfcamp            | Delaware          | Barnett Shale          | Lower Wolfcamp                                       | Simpson Group  |
| Austin   | Wolfcamp             | Bone Spring         | San Andres        | Morrow                 | Upper Wolfcamp                                       | Montoya  |
| Mississippian  | Abo Reef, if present | Delaware            | Queen             | Atoka                  | Wolfcamp   | Fusselman  |
| Morrow   | Abo, if present      | San Andres          | Yates             | Strawn                 | Third Bone Spring Sand<br>(Top of Wolfbone)          | Silurian   |
| Atoka  | Queen, if present    | Grayburg-San Andres | Base of Salt      | Canyon                 | First Bone Spring Sand (Top<br>of Lower Bone Spring) | Devonian   |
| Lower Pennsylvanian  | Bone Spring          | Queen               | Rustler           | Pennsylvanian          | Bone Spring  | Strawn   |
| Cisco-Canyon   | Delaware             | Seven Rivers        |                   | Blinebry               | Brushy Canyon  | Pennsylvanian  |
| Pennsylvanian  | Base Capitan Reef    | Yates               |                   | Bone Spring            | Delaware (Base of Salt)                              | Wolfcamp   |
| Bough  | Seven Rivers         | Base of Salt        |                   | San Andres             | Rustler  | Abo  |
| Wolfcamp   | Yates                | Rustler             |                   | Queen                  |  | Abo Reef   |
| Abo  | Top Capitan Reef     |                     |                   | Base of Salt           |  | Drinkard   |
| Abo Reef, if present   | Base of Salt         |                     |                   | Rustler                |  | Tubb   |
| Yeso (Township 15 South to<br>Township 17 South)   | Rustler              |                     |                   |                        |  | Blinebry   |
| Drinkard or Lower Yeso<br>(Township 15 South to<br>Township 17 South)                      |                      |                     |                   |                        |  | Paddock  |
| Tubb (Township 15 South to<br>Township 17 South)   |                      |                     |                   |                        |  | Glorieta   |
| Blinebry (Township 15 South<br>to Township 17 South)                                       |                      |                     |                   |                        |  | San Andres   |
| Paddock (Township 15<br>South to Township 17 South)  |                      |                     |                   |                        |  | Grayburg   |
| Glorieta   |                      |                     |                   |                        |  | Grayburg-San Andres  |
| San Andres   |                      |                     |                   |                        |  | Queen  |
| Queen (Township 15 South<br>to Township 17 South)  |                      |                     |                   |                        |  | Seven Rivers   |
| Seven Rivers (Township 15<br>South to Township 17 South)                                   |                      |                     |                   |                        |  | Yates  |
| Yates (Township 15 South to<br>Township 17 South)  |                      |                     |                   |                        |  | Base of Salt   |
| Base of Salt   |                      |                     |                   | 1                      |  | Rustler  |
| Rustler  |                      |                     |                   |                        |  |  |

# Received by OCD: 5/13/2025 10:56:56 AM

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

#### **NOTICE OF WRITTEN ORDER**

| Number | 25AXN0196W |
|--------|------------|
| Page 1 | of 3       |

| Certified Mail-Ref  |   | equested  |   |   |   | Identification       |
|---|---|---|---|---|---|----------------------|
| 9589 0710 527   | 70 0400 424   | 7 79  | (1 m) (2 m) (3 m)   |   | Lease   |                      |
| Hand Delivered, R   | Received By an  | nd Date   |   |   | Agreement   | NMNM70935X           |
| Bureau of Land Man  | agement Offi  | ice   |   | Operator or Third Party   |   |                      |
| Roswell Field Office  |   |   | OXY USA INC RTO   |   |   |                      |
| Address 2909 W. Second Street   |   |   | Address 5 Greenway Plaza  |   |   |                      |
| Roswell. N  |   | Inspector   |   | Houston. TX 77046   | 0-0521  |                      |
| 5756270202  |   | ALLISON   | NELSON  | Clay Carroll  |   |                      |
| Site Name   |   |   | y/FMP/Identification#   | Legal Land Description (Include Lat./Long.)   |   |                      |
| DRICKEY QUEEN   | Angel de contra   |   | J   | NESW, 34-13S-31E (33.14   |   |                      |
| Site Name   |   | 34  | y/FMP/Identification#   | Legal Land Description (Inclu   |   |                      |
| Site Name   | e Name Well/Facility/FMP/Identification#  |   | y/FMP/Identification#   | Legal Land Description (Include Lat./Long.)   |   |                      |
| THE FOLLOWING   | ISSUE(S) WER  | E FOUND BY  | BUREAU OF LAND MAN  | AGEMENT INSPECTORS ON THE   | DATE AND A  | Γ THE SITE(S) LISTED |
| Date  |   |   | Corrective Action to be<br>Completed By   | Date<br>Corrected   | Author  | ity Reference        |
| 02/05/2025  | 14:   | :39   | 03/14/2025  |   | 43 C.F.R. 3161.2  |                      |
| Well No. 30-005-00  | 903), locate  | ed in T. 13   | S., R. 31E, Sec. 34, N  | Drickey Queen Sand Unit #6<br>ESW, in Chaves County, Ne   |   |                      |
| of Natural Resource<br>POW since Januar<br>Regulations at 43 (<br>longer capable of purposes. No well of<br>the authorized office<br>site of a well which<br>the lands disturbed                  | was found in es and Revoy of 2013.  C.F.R. 3162 production in may be tem ser. Followin is to be per lin connection.   | n nonopera<br>enue for th<br>.3-4 require<br>n paying qu<br>porarily ab<br>ng removal<br>rmanently a<br>on with the | e operators to promptly antities or not being us andoned for more than of drilling or producing abandoned, operators a conduct of operations                              | riew of reports submitted to to the rell has been reported with a sy plug and abandon wells who sed for water injection or disting 30 days without the prior and equipment and facilities frow are required to reclaim the state.     | nich are no<br>posal<br>pproval of<br>m the<br>surface of |                      |
| Problem: The well of Natural Resource POW since Januar Regulations at 43 Clonger capable of purposes. No well the authorized officiate of a well which the lands disturbed                        | was found in es and Revoy of 2013.  C.F.R. 3162 production in may be temper. Followin is to be per in connection.   | n nonopera<br>enue for th<br>.3-4 require<br>n paying qu<br>porarily ab<br>g removal<br>manently a<br>on with the   | e operators to promptly antities or not being us andoned for more than of drilling or producing abandoned, operators a conduct of operations                              | riew of reports submitted to to the rell has been reported with a sy plug and abandon wells who sed for water injection or disting a 30 days without the prior and grequipment and facilities frow are required to reclaim the second | nich are no<br>posal<br>pproval of<br>m the<br>surface of |                      |
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| Problem: The well of Natural Resource POW since Januar Regulations at 43 Clonger capable of purposes. No well the authorized officiate of a well which the lands disturbed When the Written Ord   | was found in es and Revoy of 2013.  C.F.R. 3162 production in may be temper. Following is to be per in connection of the complete in complete tive Signature. | n nonopera<br>enue for th<br>.3-4 require<br>n paying qu<br>porarily ab<br>g removal<br>manently a<br>on with the   | e operators to promptly antities or not being us andoned for more than of drilling or producing abandoned, operators a conduct of operations of this notice and return to | y plug and abandon wells who sed for water injection or distant and facilities from the required to reclaim the sed.  | nich are no<br>posal<br>pproval of<br>m the<br>surface of | Date:                |
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In accordance with 43 CFR 3163.1(a), you must comply with the corrective actions for the identified issue(s) by the abatement date provided above. If you fail to comply within the time frames specified, you will be issued an Incident of Noncompliance (INC) in accordance with 43 CFR 3163.1(a), which may include an assessment or additional enforcement actions as deemed necessary to gain compliance.

#### WARNING

The Authorized Officer has authority to issue a Written Order in accordance with 43 CFR 3161.2. Per 43 CFR 3165.3, Written Order and reporting time frames begin upon receipt of the Notice, or seven business days after the date it is mailed, whichever is earlier. Each issue must be corrected by the "Action to be Completed By" date identified above. This form must be signed, dated, and postmarked no later than the next business day after the prescribed timeframe for correction and returned to the Bureau of Land Management office at the address shown above.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for a civil penalty per violation for each day such violation continues.

#### REVIEW AND APPEAL RIGHTS

A person contesting an Order of the Authorized Officer or violation must request a State Director Review of the Written Order or Incident of Noncompliance. This request must be filed within 20 business days of receipt of the Written Order with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, MS 300-QC, Arlington, Virginia 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer

Date 02/06/25

Time (24-hour Clock)

(Form 3160-18, Page 2

Released to Imaging: 5/19/2025 8:47:41 AM

Received by OCD: 5/13/2025 10:56:56 AM

#### Remarks:

An inspection was performed on Federal Lease NMNM03927, Drickey Queen Sand Unit #6 well (US Well No. 30-005-00903), located in T. 13S., R. 31E, Sec. 34, NESW, in Chaves County, New Mexico, on November 7, 2024 by Allison Nelson, Natural Resources Specialist.

Problem: The well was found in nonoperational status. BLM review of reports submitted to the Office of Natural Resources and Revenue for this lease indicate the well has been reported with a status of POW since January of 2013.

Regulations at 43 C.F.R. 3162.3-4 require operators to promptly plug and abandon wells which are no longer capable of production in paying quantities or not being used for water injection or disposal purposes. No well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer. Following removal of drilling or producing equipment and facilities from the site of a well which is to be permanently abandoned, operators are required to reclaim the surface of the lands disturbed in connection with the conduct of operations.

Corrective Action: Regulations at 43 C.F.R. 3161.2 state that the authorized officer may issue written or oral orders to govern specific lease operations. For the Drickey Queen Sand Unit #6 well (US Well No. 30-005-00903), you are hereby ordered to submit a Sundry Notice, Notice of Intent (Form 3160-5), and request, or plan, with all the required information to:

- 1. Return the well to production, including timeframes, and notification to the authorized officer no later than the 5th business day after the well has resumed production; or
- 2. Plug and abandon the well and reclaim the site(s) and all associated disturbance including utility corridor(s), access road(s), and removal of associated facilities and equipment; or
- 3. Temporarily Abandon (TA) or Shut-in (SI) the well for a specified period. The procedures for requesting TA or SI status are attached for your reference.

The information must be submitted by the Corrective Action to be Completed By date referenced above. If you have any questions, please contact Ricky Flores, Natural Resources Specialist, at (575) 627-0339 or rflores@blm.gov.

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

# State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Action 461490

#### **CONDITIONS**

| Operator:             | OGRID:                              |
|-----------------------|-------------------------------------|
| OXY USA INC           | 16696                               |
| P.O. Box 4294         | Action Number:                      |
| Houston, TX 772104294 | 461490                              |
|                       | Action Type:                        |
|                       | [C-103] NOI Plug & Abandon (C-103F) |

#### CONDITIONS

| Created By | Condition  | Condition<br>Date |
|------------|--|-------------------|
| jagarcia   | A Cement Bond Log (CBL) is required for all Plug & Abandons (P&A) unless a CBL is currently on file with the OCD that can be used to properly evaluate the cement behind the casing. | 5/19/2025         |
| jagarcia   | A Cement Bond Log (CBL) is required to be submitted to electronic permitting.  | 5/19/2025         |
| jagarcia   | Notify the OCD inspection supervisor via email 24 hours prior to beginning Plug & Abandon (P&A) operations.  | 5/19/2025         |
| jagarcia   | OCD agrees with BLM Conditions of approval and the BLM revised depths of plugs.  | 5/19/2025         |