

UNITED STATES N.M. Oil Cons. DIV-Dist. 2
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT 1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

RECEIVED

JUN 24 2004

OCD-ARTESIA

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
OXY USA WTP Limited Partnership

3a. Address
P.O. Box 50250, Midland, TX 79710-0250

3b. Phone No. (include area code)
432-685-5717

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
660 FSL 660 FEL SESE(P) Sec 15 T20S R28E

Lease Serial No.

NM0554216

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or Government AC Com

8. Well Name and No.

9. API Well No.

30-015-32655

10. Field and Pool, or Exploratory Area
Burton Flat Morrow

11. County or Parish, State

Eddy 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 checked="" 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 <u>Perforate</u> |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | <u>Add'l Morrow</u> |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water 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 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.)

See other side

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

David Stewart

Title

Sr. Regulatory Analyst

Date

6/21/04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

(ORIG. SGD.) ALEXIS C. SWOBODA

Title

PETROLEUM ENGINEER

Date

JUN 23 2004

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

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.

Government AC Com #4
Upper And Lower Morrow Procedure

EXISTING CONDITIONS:

TD @ 11,488' PBDT @ 11,438' Perfs @ 11,260-66' KB = 18'

RECOMMENDED PROCEDURE:

1. **Move In Pulling Unit** – Check location for overhead power lines and discuss other safety concerns about rigging up. Hold tailgate safety meeting on procedure and equipment spacing. Rack and tally 2 3/8", N-80 tubing. ND WH. NU BOP. REL PKR. POOH W/Tbg and PKR.
2. **Squeeze Middle Morrow** – RIH w/5 1/2" CMT RET and set approx. 11,210'. Establish PIR. RU HALCO. Mix and pump 75 sx Premium cement and tail in w/50 sx Premium "Neat" cmt. Flush to RET. Sting out of RET. REV out tbg. POOH w/TBG and tools. RIH w/4 3/4" bit, 6 – DC's and drill out RET. Test CSG to 1000#. Continue cleaning out casing to top of TCP guns approx 11,386'. Test CSG to 1000#. POOH w/tbg and tools.
3. **Perforate Lower Morrow** – RU Baker Atlas. RIH w/4" casing guns loaded 4 SPF Predator Charges perforate Lower Morrow from 11,344-50' correlating to BA Compensated Neutron Log dated 04/21/2003. RD Baker Atlas
4. **RIH w/TBG** – RIH w/ 1.81 (F) profile nipple, 6' – sub, 5 1/2" Baker Loc-Set PKR and On/Off tool w/1.87 (F) profile nipple on 2 3/8" tbg. Set PKR approx. 11,275'. RU swab. Swab test and report to engineering for evaluation. **Note: Treating PKR must be set below squeezed perfs @ 11,260-66'**
5. **Acidize Lower Morrow** –RU Halliburton to acidize the Middle Morrow formation using 2000 gals of 50 Quality CO2 Foamed Acid. Total treatment rate will be 4 bpm with an anticipated treatment pressure of 5500 psi. Approximately 1,000 gals of acid will be pumped at 2.0 bpm and approximately 4.5 tons of CO2 will be pumped at 2.0 bpm. Approximately 36 ball sealers (1.1spg) will be dropped for diversion. The well will be flushed with 971 gals of Treated water and 5 tons of CO2. RD HALCO
6. **Flowback and swab test** – Flowback and test. Report to engineering for evaluation.

UPPER MORROW COMPLETION

Upper Morrow – REL PKR. POOH w/Tbg and PKR. RU Baker Atlas. RIH w/5 1/2" CIBP and set approx 11,230' and dump 20' cmt on top. RIH w/4" guns loaded 4 SPF and perforate Upper Morrow from 11,105-12' correlating to BA Compensated Neutron Log dated 04/21/2003. RD Baker Atlas.

7. **RIH w/TBG** – RIH w/ 1.81 (F) profile nipple, 6' – sub, 5 1/2" Baker Loc-Set PKR and On/Off tool w/1.87 (F) profile nipple on 2 3/8" tbg. Set PKR approx. 11,025'. RU swab. Swab test and report to engineering for evaluation.
8. **Acidize Upper Morrow** – RU HALCO. Pump 2000 gals of 50 Quality CO2 Foamed Acid. Total treatment rate will be 4 bpm with an anticipated treatment pressure of 5500 psi. Approximately 1,000 gals of acid will be pumped at 2.0 bpm and approximately 4.5 tons of CO2 will be pumped at 2.0 bpm. Approximately 25 ball sealers (1.1spg) will be dropped for diversion. The well will be flushed with 971 gals of Treated water and 5 tons of CO2.
9. **Flowback and test** – Flowback and swab test well. Report to engineering for evaluation.