

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

OKY USA Inc.

16694

3a. Address

P.O. Box 50250 Midland TX 79710

3b. Phone No. (include area code)

432-685-5717

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

S-840 FSL 1838 FEL SWSE (0) Sec 3 T22S R31E
BH-950 FNL 2312 FEL NWNE (B) Sec 10 " "

5. Lease Serial No.

S-NMNM0417696 B-NMNM0417506

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Lost Tank 10 Federal #2

9. API Well No.

30-015-37960

10. Field and Pool, or Exploratory Area

Lost Tank Delaware, West

11. County or Parish, State

Edley 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 checked="" 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 Amend
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Intermediate Casing
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Curt

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.)

Amend Intermediate Casing and Cementing Program due to the severity of losses encountered @ 913'

8-5/8" 32# J-55 LTC casing @ 4175' w/ DVT @ 900'

Accepted for record
NMOCD

Cement 1st stage w/ 970sx HES Lite PPC with 5% Salt + 5#/sx Gilsonite + 0.125 #/sx Poly-E-Flake + 1% Halad-344, 2% Calcium Chloride, 12.9 ppg 1.88 yield followed by 200sx PPC, 14.8 ppg 1.34 yield. Cement 2nd stage w/ 140sx HES Lite PPC 5% Salt + 5#/sx Gilsonite + 0.125 #/sx Poly-E-Flake + 1% Halad-344, 2% Calcium Chloride, 12.9 ppg 1.88 yield followed by 200sx PPC, 14.8 ppg 1.34 yield.

This volumes account for 200% excess in Open hole and 35% excess inside surface casing

If cement is not circulated to surface on each stage the BLM will be contacted prior to continuing.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

David Stewart

Title

Regulatory Advisor

Signature



Date

10/25/11

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Date

Office

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.

(Instructions on page 2)

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

RECEIVED

OCT 31 2011

NMOCD-ARTESIA

APPROVED

OCT 25 2011

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

OPERATOR'S NAME:	OXY USA, INC.
LEASE NO.:	NM-0417506
WELL NAME & NO.:	Lost Tank 10 Federal #2 30-015-37960
SURFACE HOLE FOOTAGE:	840' FSL & 1838' FEL
BOTTOM HOLE FOOTAGE:	950' FNL & 2312' FEL
LOCATION:	Section 03, T. 22 S., R. 31 E., NMPM SHL Section 10, T. 22 S., R. 31 E., NMPM BHL
COUNTY:	Eddy County, New Mexico

DRILLING OPERATIONS REQUIREMENTS

1. The minimum required fill of cement behind the **8 5/8** inch intermediate casing is:

a. First stage to DV tool:

- ☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve circulation on the next stage.

b. Second stage above DV tool:

- ☒ Cement to surface. If cement does not circulate, contact the appropriate BLM office.