

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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.

OCD Artesia

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM15003
2. Name of Operator OXY USA WTP LP Contact: JENNIFER DUARTE E-Mail: jennifer_duarte@oxy.com		6. If Indian, Allottee or Tribe Name
3a. Address HOUSTON, TX 77210	3b. Phone No. (include area code) Ph: 713-513-6640	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 10 T20S R28E SWNW 1980FNL 660FWL		8. Well Name and No. GOVERNMENT AB FEDERAL 14
		9. API Well No. 30-015-40854-00-X1
		10. Field and Pool, or Exploratory OLD MILLMAN RANCH
		11. County or Parish, and State EDDY COUNTY, 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

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 site is ready for final inspection.)

While drilling the 10-5/8" intermediate hole section on the Government AB 14 well at approximately 2000 ft we started to experience seepage loses that increased to +100 bbl/h by 2200 ft. At this point, as per the COA's we switched the drilling fluid from brine to fresh water and have resumed drilling to our estimated CSG seat at 3050 ft. As per the COA's a Caliper run will be run before running the 8-5/8" CSG and final cement volumes will be adjusted based on the Caliper readings. Given the losses experienced while drilling we are proposing to set a DV Tool at 1975 ft, as done on the previous Government AB well (#11). The plan will be to pump enough cement to get returns to surface in the first stage; if successful a cancelation plug will be pumped to permanently close the DV tool. If cement is not circulated to surface the DV tool will be opened, cement above the stage tool will be circulated to surface and will circulate water for at least 4 hours before pumping the second stage.

Accepted for record

NMOCD 10/13/2013

RECEIVED

JAN 02 2013

NMOCD ARTESIA

14. I hereby certify that the foregoing is true and correct. Electronic Submission #172297 verified by the BLM Well Information System For OXY USA WTP LP, sent to the Carlsbad Committed to AFMSS for processing by WESLEY INGRAM on 12/28/2012 (13WWI0185SE)	
Name (Printed/Typed) JENNIFER DUARTE	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 12/28/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By WESLEY INGRAM	Title PETROLEUM ENGINEER	Date 12/28/2012
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 Carlsbad

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.

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

Additional data for EC transaction #172297 that would not fit on the form

32. Additional remarks, continued

Cement formulation and estimated volumes as follows:

Intermediate Interval

Interval Amount sx Ft of Fill Type Gal/Sk PPG Ft3/sk 24 Hr Comp

Stage 1: Intermediate (TOC: 0? ?3050?)

Lead:

0? ?2420?

(100%Excess) 730 2415 Light Premium Plus Cement, with 3 lbm/sk Salt, 3 lbm/sk Kol-Seal, 0.125 lb/sk Poly-E-Flake 9.56 12.9 1.85 500 psi

Tail:

2420? ? 3050?

(100%Excess) 210 635 Premium Plus cement with 1% Calcium Chloride 6.36 14.8 1.34 1650 psi

DV TOOL @ 1975 ft

Stage 2: Intermediate (TOC: 0? ?1975?)

Lead:

0? ? 1655?

(100%Excess) 900 1655? Light Premium Plus Cement, with 3 lbm/sk Salt, 3 lb/sk Kol-Seal, 0.125 lb/sk Poly-E-Flake 9.56 12.9 1.85 815 psi

Tail:

2420? ? 1975?

(100%Excess) 100 320 Premium Plus cement with 2% Calcium Chloride 6.36 14.8 1.34 1940 psi

Description of Cement Additives: Poly-E-Flake (Lost Circulation Additive); Kol-Seal (Lost Circulation Additive); Calcium Chloride - Flake (Accelerator)

Government AB Federal 14

30-015-40854

OXY USA WTP L.P.

December 28, 2012

Conditions of Approval

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 circulate. If cement does not circulate, contact the appropriate BLM office.

WWI 122812