

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-40890
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. UG-3604-0002
7. Lease Name or Unit Agreement Name Lost Tank 35 State SWD
8. Well Number 1
9. OGRID Number 16696
10. Pool name or Wildcat SWD Delaware
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3521.6'

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other SWD

2. Name of Operator
OXY USA Inc.

3. Address of Operator
P.O. Box 50250 Midland, TX 79710

4. Well Location
Unit Letter K : 2630 feet from the south line and 2630 feet from the west line
Section 35 Township 21S Range 31E NMPM County Eddy

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <u>Completion</u> <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

DENIED

PERFORATIONS ARE OUTSIDE OF SWD PERMIT ZONE.
See Attached



SWD -147 ZONE - 4355 TO 4965
THIS NOTICE STATES PERFS FROM 4355 TO 6320'
RESUBMIT WITH PERF WITHIN AUTHORIZED ZONE OR REQUEST CHANGE TO SWD ORDR, RR 1/8/14

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE David Stewart TITLE Sr. Regulatory Advisor DATE 1/7/13

Type or print name David Stewart E-mail address: david_stewart@oxy.com PHONE: 432-685-5717

For State Use Only

DENIED

APPROVED BY: _____ TITLE _____ DATE 1/8/14

Conditions of Approval (if any):

RECOMMENDED PROCEDURE:

Clean location, set and test anchors. Install frac valve.

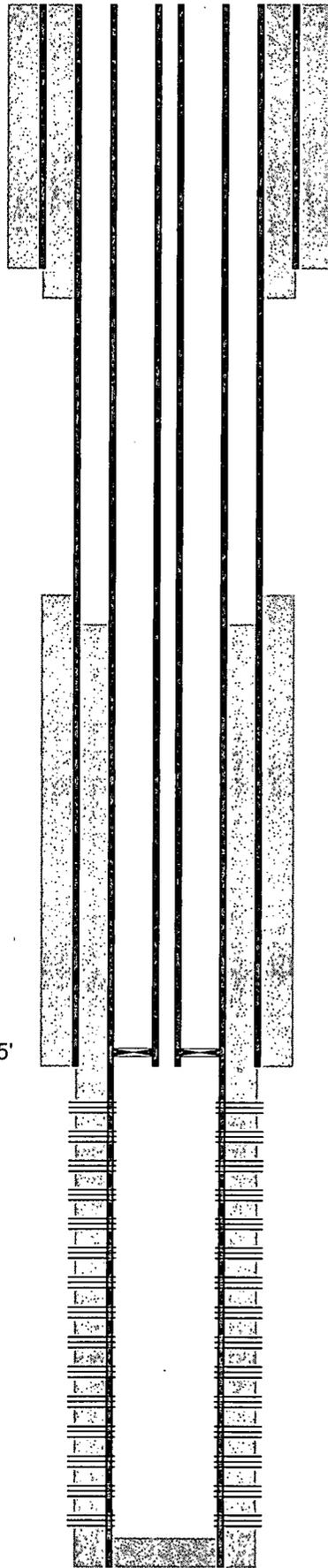
- Check location for hazardous conditions.
- MIRU WLU. NU 7" frac stack.
- RU Pump truck and test casing and wellhead to maximum of 5000psi only.
- RU WL. PU & RIH w/ WL guns and perforate first stage (5510–6151'), break down perms w/ 15% NEFE HCl. POOH.
- RD WLU.
- Rig up frac and WLU. Set maximum Pressure to 5000psi. Frac Stage #1.
NOTE: Ensure both the 7" x 9 5/8" and 9 5/8" x 11 3/4" annulus are monitored during the frac job to ensure no unexpected pressure is seen. If pressure is seen notify the completion engineer immediately.
- PU guns and 7" CBP (caged ball type), RIH and set plug at 5480'. Perf stage 2 (4965–5436'), POOH, check guns, and LD WL.
- Frac Stage #2.
- PU guns and 7" FTCBP, RIH and set plug at 4950'. Perf stage 3 (4650–4886'), POOH, check guns, and LD WL.
- Frac Stage #3
- PU guns and 7" FTCBP, RIH and set plug at 4600'. Perf stage 4 (4400–4561'), POOH, check guns, and LD WL. RD and release WLU.
- Frac Stage #4
- RU DDP, Reverse Unit and Air Unit with N2 membrane. PU workstring and collars w/ 5.875" – 6.125" mill. Drill out CBP's at 4600', 4950' and 5480' for clean out. Ensure enough air/ foam is used to maintain circulation and hole cleaning.
- Continue cleaning to the PBTB @ 6259'. POOH w/ work string and lay down.
- RU WLU. PU perf guns and re-perforate 4 zones, Ensure to check guns after each perforation run. RD WL.
- Flow back well through frac stack directly to frac tanks at low rates and do not surge the formation. Flow well until it dies, or fluid returns are clean. Dispose of waste water at a commercial waste facility.
- RU WLU. PU AS-1X packer, profile nipple, bottom half of on/off tool, pump off plug and set packer at 4370' (~30' above top perf).
- ND frac stack. NU wellhead.
- PU and RIH with 3.5" 7.7# J-55 Duo-line tubing and top half of on/off tool. Circulate packer fluid. Land out on/off tool and tubing.
- Test the back side of the tubing to confirm packer, on/ off tool and tubing integrity.

NOTE: Ensure MIT is witnessed as per requirement of SWD wells.

- Pressure up on tubing to pump open the isolation plug.
- Hand well over to surface ops and put onto SWD operations ASAP.

NOTE: The 7" x 9 5/8" and 9 5/8" x 11 3/4" annulus' are to be monitored for the life of the well and production engineer notified immediately of any pressure deviations.

OXY USA Inc.
Lost Tank 35 State SWD #1
API No. 30-015-40890



14-3/4" hole @ 852'
11-3/4" csg @ 852'
w/ 600sx-TOC-Surf-Circ

10-5/8" hole @ 4342'
9-5/8" csg @ 4327'
w/ 1090sx-*TOC-Surf-Circ
*CBL-TOC @ 2546'
*1" 250sx cmt, circ to surf

3-1/2" 7.7# Duo-Line tbg w/ AS-1X pkr @ 4305'

Perfs @ +/-4355-6320'

8-3/4" hole @ 6352'
7" csg @ 6346'
w/ 830sx-TOC-2718'-CBL

TD-6352'