

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NM OIL CONSERVATION
ARTESIA DISTRICT
JUL 21 2015

FORM 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.

RECEIVED

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		8. Well Name and No. FNR 35 FEDERAL 3H
2. Name of Operator OXY USA INCORPORATED Contact: DAVID STEWART E-Mail: david_stewart@oxy.com		9. API Well No. 30-015-42298-00-S1
3a. Address 5 GREENWAY PLAZA STE 110 HOUSTON, TX 77046-0521	3b. Phone No. (include area code) Ph: 432-685-5717 Fx: 432-685-5742	10. Field and Pool, or Exploratory FORTY NINER RIDGE UNKNOWN
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 35 T23S R30E NWSW 2220FSL 330FWL 32.260009 N Lat, 103.858710 W Lon		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 Change to Original APD
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 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.)

OXY USA Inc. respectfully requests a change in the pressure test on the 7" casing on this well to 3000psi for 30 minutes.

- Run & Cement 7", 29#, P110, BTC casing
- Hang the casing on slips and wait 12 hours. Conventional system, not a mandrel hanger
- N/D BOP Stack, cut 7" casing and Install Tubing Spool
- N/U BOP Stack with 4" Rams installed. WOC as required and retest BOP's (5KPSI for rams 3.5KPSI for annular)

Accepted for record
NMOCD
7/21/2015

14. I hereby certify that the foregoing is true and correct. Electronic Submission #242060 verified by the BLM Well Information System For OXY USA INCORPORATED, sent to the Carlsbad Committed to AFMSS for processing by ANGEL MAYES on 05/29/2014 (14AXM0152SE)	
Name (Printed/Typed) DAVID STEWART	Title SR. REGULATORY ADVISOR
Signature (Electronic Submission)	Date 04/14/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	CHRISTOPHER WALLS Title PETROLEUM ENGINEER	Date 07/16/2015
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.

Additional data for EC transaction #242060 that would not fit on the form

32. Additional remarks, continued

5. Drill Out the DV tool and test the casing to 3000psi for 30 mins
6. Drill 6-1/8" Lateral section, install the 4.5" liner completion system, set RBP above the liner top and release the rig
7. Well Servicing Team to run CBL Log to confirm cement integrity
8. Well Servicing Team to test the casing to 7850psi for 30 mins (70% of internal yield pressure of the casing), retrieve the bridge plug and continue with completion operations

PRESSURE CONTROL EQUIPMENT

Surface: 0' – 500' None.

Intermediate & 8-3/4" Production: 500' MD/TVD - 8170' MD / 7771' TVD Intermediate and 8-3/4" Production hole will be drilled using a 13-5/8" 10M three ram BOP stack with 4-1/2" DP Rams, 5M annular preventer and a 5M Choke Manifold.

- a. All BOP's and associated equipment will be tested in accordance with Onshore Order #2 (250/5000psi on rams for 10 minutes each and 250/3500psi for 10 minutes for annular preventer, equal to 70% of working pressure) with a third party BOP testing service before drilling out the surface casing shoe. A Multibowl wellhead system will be used in this well therefore the BOPE test will cover the test requirements for the 12-1/4" Intermediate and 8-3/4" Production sections.
- b. The Surface and intermediate casings strings will be tested to 70% of its burst rating for 30 minutes. This will also test the seals of the lock down pins that hold the pack-off in place in the Multibowl wellhead system.
- c. Pipe rams will be function tested every 24 hours and blind rams will be tested each time the drill pipe is out of the hole. These functional tests will be documented on the daily driller's log. A 2" kill line and 3" choke line will be accommodated on the drilling spool below the ram-type BOP.
- d. The BOPE test will be repeated within 21 days of the original test, on the first trip, if drilling the 12-1/4" intermediate or 8-3/4" production section takes more time than planned.
- e. Other accessory BOP equipment will include floor safety valve, choke lines, and choke manifold having a 5000 psi working pressure rating and tested to 5000 psi.
- f. The Operator also requests a variance to connect the BOP choke outlet to the choke manifold using a co-flex hose manufactured by Contitech Rubber Industrial KFT. It is a 3" ID x 35' flexible hose with a 10,000 psi working pressure. It has been tested to 15,000 psi and is built to API Spec 16C. Once the flex line is installed it will be tied down with safety clamps. Certifications attached.
- g. BOP & Choke manifold diagrams attached.

6-1/8" Production: 8170' MD / 7771' TVD - 12134' MD / 7821' TVD 6-1/8" Production hole will be drilled using a 13-5/8" 10M three ram BOP stack with 4" DP Rams, 5M annular preventer and a 5M Choke Manifold.

- a. After changing pipe rams from 4-1/2" to 4" all BOP's and associated equipment will be tested in accordance with Onshore Order #2 (250/5000psi on rams for 10 minutes each and 250/3500psi for 10 minutes for annular preventer, equal to 70% of working pressure) with a third party BOP testing service before drilling out the surface casing shoe.
- b. The 7" production casing string will be tested to 3000psi for 30 minutes.
- c. As above
- d. As above
- e. As above
- f. As above
- g. As above