

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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM89819
2. Name of Operator OXY USA INCORPORATED		6. If Indian, Allottee or Tribe Name
3a. Address 5 GREENWAY PLAZA SUITE 110 HOUSTON, TX 77046-0521		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 432.685.5717		8. Well Name and No. PATTON MDP1 18 FEDERAL 6H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 18 T24S R31E NENE 150FNL 505FEL		9. API Well No. 30-015-43854-00-X1
		10. Field and Pool, or Exploratory HACKBERRY UNKNOWN
		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 APD
	<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 requested approval for changes to the approved APD on EC Transaction 345681, Serial Number 852-22856. Please see below and attached for additional explanation/information for the 100' liner overlap, cased hole sidetrack via whipstock and BOP Pressure Testing Procedure:

?Cement Top and Liner Overlap

a. COA #345681 requires minimum fill of cement behind the 4-1/2" production liner to be at least 500' into previous casing string.

b. Oxy is requesting permission to have minimum fill of cement behind the 4-1/2" production liner to be 100' into previous casing string. Please see attached wellbore schematic.

NM OIL CONSERVATION
ARTESIA DISTRICT

AUG 22 2016

RECEIVED

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #347768 verified by the BLM Well Information System For OXY USA INCORPORATED, sent to the Carlsbad Committed to AFMSS for processing by MUSTAFA HAQUE on 08/16/2016 (16MH0008SE)	
Name (Printed/Typed) DAVID STEWART.	Title REGULATORY ADVISOR
Signature (Electronic Submission)	Date 08/12/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>CHRISTOPHER WALLS</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>08/17/2016</u>
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 <u>Carlsbad</u>

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 #347768 that would not fit on the form

32. Additional remarks, continued

c. The reason for this is so that we can come back and develop shallower benches from the same 7-5/8" mainbore in the future.

d. Our plan is to use a whipstock for our exit through the mainbore. Based on our lateral target, we are planning a whipstock cased/hole exit so that kick-off point will allow for roughly 10deg/100' doglegs needed for the curve.

e. Cement will be brought to the top of this liner hanger

?BOP Pressure Test

a. Because it is not possible to land a 16-3/4" test plug through 13-5/8" BOP, OXY is requesting permission to test the BOP against the lower pipe rams after NU BOP on 16-3/4" wellhead. The lower pipe rams will serve as a test plug.

b. A 2M, 10 minute test will be performed on all BOP components. Maximum Anticipated Surface Pressure for drilling the 13-1/2" hole section is: $(4400' \times 10\text{ppg} \times 0.052) + (0.1 \text{ psi/ft} \times 4400') = 1848\text{psi}$.

c. Upper pipe rams will be tested against lower pipe rams.

d. Annular will also against the lower pipe rams.

e. Blind rams will be tested against casing with nothing in the hole. This will be a 30 minute test.

f. Lower pipe rams will be tested against casing after running the BHA in the hole. Test pressure will not exceed 70% burst of 16" casing. This test will also serve as a casing test, and will be held for 30 minutes.

g. After cementing the 10-3/4" casing, subsequent tests on BOP will be performed using a traditional test plug.

Patton MDP1 18 Federal 6H

