Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

1718 1920 2122 232 A JUN 2003

FORM APPROVED OMB NO. 1004-0135 Expires: November 30, 2000

5. Lease Serial No.

NM06245

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an RECEIVED

abandoned well. Use Form 3160-3 (APD) for such proposation ARTESIA 7. If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on reverse side Type of Well Oil Well X Gas Well 8. Well Name and No. Other OXY Misty Federal #2 2. Name of Operator OXY USA WTP Limited Partnership 192463 9. API Well No. 3a. Address 3b. Phone No. (include area code) <u>30-015-32826</u> P.O. Box 50250, Midland, TX 79710-0250 432-685-5717 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Undsg Hackberry Morrow, N. 1650 FSL 1980 FWL NESW(K) Sec 35 T18S R30E 11. County or Parish, State Eddy NM CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Well Integrity Reclamation Alter Casing Fracture Treat Subsequent Report New Construction Other Spud. Set Casing Repair Recomplete Change Plans Plug and Abandon Temporarily Abandon Casing & Cement Final Abandonment Notice Convert to Injection Plug Back 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 final site is ready for final inspection.)

SEE OTHER SIDE/ATTACHED

| 14. I hereby certify that the foregoing is true and correct Name (<i>Printed/Typed</i>) David Stewart | Title Sr. Regulatory Analyst | |
|--|---|------|
| On Stat | Date Le [19] | 03 |
| THIS SPACE FOR | R FEDERAL OR STATE OFFICE US | E |
| Approved by | Title | Date |
| Conditions of approval, if any, are attached. Approval of this notice does certify that the applicant holds legal or equitable title to those rights in the twich would entitle the applicant to conduct operations thereon. | s not warrant or Office he subject lease | |

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

OXY MISTY FEDERAL #2

05/20/2003 CMIC: BOWKER

LOCATION STAKED BY BASIN SURVEYORS AT 1650' FSL & 1980' FWL OF SECT. 35, T18S, R30E, EDDY CTY. NM. BUILT LOCATION & ROAD. DUG & LINED RESERVE PITS. SET 20" CONDUCTOR AT 40'AND CEMENTED W/ REDI-MIX. MIRU MCVAY RIG #8 & PREPARE TO SPUD.

05/21/2003 CMIC: BOWKER

SPUD 17 1/2" HOLE AT 7:00 AM MST 5-20-03. DRILLING F/ 40' TO 113'. POOH TO UPLUG JETS. DRILLING F/ 113' TO 328'. WLS AT 282' 1.5 DEGREES. DRILLING F/ 328' TO 420'. RIG REPAIR, WASHED HOLE IN HAMMER UNION ON STAND PIPE. DRILLING F/ 420' TO 680'. LOST PARTIAL RETURNS AT 460', LOST TOTAL RETURNS AT 595'. DRY DRILL TO 680', PU & CIRC. LOST PRIME ON CENTRIFICAL, ATTEMPT TO PRIME PUMP. POOH. WAIT ON WATER.

05/22/2003 CMIC: BOWKER

RU CASING CREW. RAN 16 JOINTS 13 3/8" CASING AND SET AT 680'. WASHED LAST 40' TO BOTTOM WITH INTERMITTENT CIRCULATION. RU HOWCO. PUMPED 100 SX THIXOTROPIC FOLLOWED BY 450 SX HOWCO LITE CONTAINING 2% CACL2, AND 1/4# CELLOFLAKES. TAILED IN WITH 250 SX CLASS C CONTAINING 2% CACL2 AND 1/4# CELLOFLAKES. DISPLACED CEMENT TO BAFFLE WITH F.W. P.D. AT 1545 HOURS MST WITH 500#. DID NOT HAVE ANY CIRCULATION DURING JOB. SIW FOR 5 HOURS. RAN T.S. AND FOUND TOC AT 435'. RIH WITH 1" TBG AND TAGGED UP AT 380'. ATTEMPT TO BREAK CIRCULATION W/O SUCCESS. MIXED AND PUMPED 50 SX CLASS C WITH 2% CACL2. POOH WITH 1" TBG. WOC AT REPORT TIME. PAUL SWARTZ WITH BLM WITNESSED CEMENT JOB AND 1".

05/23/2003 CMIC: BOWKER

FINISHED WOC. TIH WITH 1" TBG AND TAGGED CEMENT AT 346'. BROKE CIRCULATION WITH F.W. MIXED AND PUMPED 141 SX CLASS C WITH 2% CACL2. POOH WITH 1". WOC 3 HOURS. RIH AND TAGGED AT 140'. BROKE CIRCULATION WITH F.W. MIXED AND PUMPED 159 SX CLASS C WITH 2% CACL2 AND CIRCULATED 40 SX TO PIT. R.D. HOWCO. WOC 4 HOURS. CUT OFF CASING. WELDED ON 13 5/8" 3-M STARTING HEAD. TESTED HEAD TO 500#. NU 13 5/8" HYDRIL AND MUD CROSS. TIH WITH BIT AND BHA. TESTED CASING AND HYDRIL TO 500#. O.K. DRILLED CEMENT AND SHOE. DRILLED TO 689' AND LOST 100% RETURNS. DRILLING AHEAD AT REPORT TIME LOSING 200 BBLS/HOUR. PAUL SWARTZ WITH BLM WITNESSED 1" JOB.

05/24/2003 CMIC: BOWKER

DRILLED TO 931' LOSING 200-250 BBLS/HOUR. TOOH WITH BIT. TIH WITH 9 JOINTS 2 7/8" FIBERGLASS TBG, HOWCO TRT TOOL, ON 4 1/2" D.P. TO 876'. RU HOWCO. MIXED AND PUMPED 200 SX THIXOTROPIC CEMENT. DROPPED BALL. PRESSED D.P. TO 3000# AND SHEARED OFF TOOL. POOH WITH D.P. WOC 8 HOURS. TIH WITH BIT AND SLICK BHA. DRILLED CEMENT FROM 672-875'. DRILLING AHEAD AT REPORT TIME LOSING 12-15 BBLS/HOUR WITH NO PROBLEMS.

05/25/2003 CMIC: BOWKER

DRILLING AHEAD AT REPORT TIME WITH NO FLUID LOSS AND NO PROBLEMS.

05/26/2003 CMIC: BOWKER

DRILLING AHEAD AT REPORT TIME LOSING 40-50 BBLS/HOUR WITH NO PROBLEMS.

05/27/2003 CMIC: BOWKER

DRILLING AHEAD AT REPORT TIME LOSING 20-25 BBLS/HOUR WITH NO PROBLEMS.

05/28/2003 CMIC: BOWKER

DRILLING AHEAD AT REPORT TIME LOSING 20-30 BBLS/HOUR WITH NO PROBLEMS.

05/29/2003 CMIC: BOWKER

DRILLING AHEAD AT REPORT TIME LOSING 30-40 BBLS/HOUR WITH NO PROBLEMS.

05/30/2003 CMIC: BOWKER

DRILLING AHEAD AT REPORT TIME LOLSING 30-40 BBLS/HOUR WITH NO PROBLEMS.

05/31/2003 CMIC: Rick Messenger

Drilling for 23 1/2 hrs. while servicing rig and 1/2 hr. W.L. Survey at 4144' - 1/4 degrees. Losing 40 - 60 bbls. hr. to seepage.

06/01/2003 CMIC: Rick Messenger

DRILLED TO CASING POINT OF 4536'. RAN FLUID CALIPER FOR CEMENT CALCULATIONS. PUMPED SWEEP AND DROPPED TOTCO. TOOH WITH BIT AND BHA.RU LAYDOWN MACHIONE & LD 8" DC'S. SLM, NO CORRECTIONS. RU CASING CREW. RAN 105 JTS. OF 9 5/8" CASING SET @ 4535'. CIRCULATED 1 HR. WITH RTIG PUMP. RIG UP HOWCO AND MIXED AND PUMPED 1300 SACKS OF 35:65:6 WITH 1/4# CELLOFLAKES, 2% CACL2 & 5# GILSONITE. TAILED WITH 200 SACKSOF CLASS "C" W / 2% CACL2. DISPLACED WITH 339 BBLS OF FRESH WATER. PLUG DOWN @ 12:45 AM, 6/1/03. WITH 1500#. FLOATS HOLDING OK. CIRCULATED 192 SACKS CEMENT TO RTESERVE PITS.RIG DOWN HOWCO. ND BOPS . SET SLIPS WITH 155,000# CUT OFF CASING INSTALLED 13 5/8" 3-M BY 11" 5-M "B" SECTION. TESTED SEALS TO 1500#. OK. NIPPLING UP BOP AT REPORT TIME. GENE HUNT WITH BLM WAS CONTACTED @ 2:30 PM ON 5/31/03, BUT DID NOT WITNESS CEMENT JOB.

06/02/2003 CMIC: BOWKER

FINISH NIPPLE UP BOPE & TEST TO 5000 PSI HIGH & 500 PSI LOW. ANNULAR & MUD LINE TO 2500 PSI, ALL OK. PU BHA & TRIP IN HOLE TO FLOAT COLLAR. WOC DUE TO 24 HR POTASH REQUIREMENT. DRILL OUT FLOATS & CEMENT. DRILLING NEW FORMATION TO 4540'. TEST SHOE TO 11.5 MWE(750 PSI SPP), OK. DRILLING F/ 4540' TO 4630'. NO PROBLEMS AT REPORT TIME.