

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103

May 27, 2004

WELL API NO. 30-015-34348
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> RECEIVED AUG 2006
6. State Oil & Gas Lease No. ARTESIA V-5979
7. Lease Name or Unit Agreement Name OXY Bypass 16 State
8. Well Number 1
9. OGRID Number 192463
10. Pool name or Wildcat Undsg. Malaga Morrow, West

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3035'

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

2. Name of Operator

OXY USA WTP Limited Partnership

3. Address of Operator

P.O. Box 50250 Midland, TX 79710-0250

4. Well Location

Unit Letter M : 900 feet from the south line and 990 feet from the west line

Section 16 Township 24S Range 28E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3035'

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Completion ☒

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See Attachment

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE David Stewart TITLE Sr. Regulatory Analyst DATE 8/1/06

Type or print name David Stewart

E-mail address: david_stewart@oxy.com
Telephone No. 432-685-5717

For State Use Only

APPROVED BY _____ FOR RECORDS ONLY TITLE _____ DATE AUG 04 2006

Conditions of Approval, if any:

OXY BYPASS 16 STATE #1

04/12/2006 CMIC: Nichols

MIRU Key Well Service Unit # 293. Spot matting boards. Spot pipe racks. Unload and rack 409 joints 2 3/8 L-80 tubing. Install 10K BOP. RIH with 6 1/8 bit - bit sub - 6 3 1/8 od drill collars - top sub on 100 joints 2 3/8 tubing to 3360'. Displace drilling mud from hole with 150 bbl. 6% KCL water. Secure Well. SD.

04/13/2006 CMIC: Nichols

0 pressure on well. Continue to RIH with tubing to 6531'(200 joints). Displace mud from hole with 150 bbl 6% KCL water. RIH and tag up on joint #296 at 9552'. Hook up to clean out. Est. Circ. Drill good hard cement from 9552' to 9827'(.275'). CHC. Secure well. SD.

04/14/2006 CMIC: Nichols

0 pressure on well. Continue to Drill Hard Cement from 9827' to 10053'. CHC. POOH with 312 joints 2 3/8 tubing and BHA. RIH with 3 7/8 bit - bit sub - 6 3 1/8 od drill collars - top sub on 312 joints 2 3/8 tubing to 10053'. Secure well. SD.

04/15/2006 CMIC: Nichols

0 pressure on well. Test Liner top to 1500#. Held. RIH and Tag up at 12801'(.398 joints). Rig up and clean out cement from 12801' to 12843'(.42' cement). Displace hole with 409 bls 6% KCL water. Rig down swivel. Lay down 10 joints 2 3/8 on pipe racks. Stand 390 joints in derrick. Make up and RIH with Baker dress off tool for liner on 336 joints 2 3/8 tubing. Secure well. SD.

04/16/2006 CMIC: Nichols

0 pressure on well. Rig up Swivel. Dress off liner top. POOH with 337 joints 2 3/8 tubing and Dress off tool. Secure well. SD.

04/18/2006 CMIC: Nichols

0 pressure on well. Rig up Halliburton Wireline. RIH and pull CBL Log from 12841'(TD) to Top of liner at 10053'. Cement bond good all the way. Log pay Intrivel (12841' to 12300') under 1000# pressure to double check bond.. POOH with logging tools. Rig up 10K Grease Equipment. RIH with 3 3/8 perforating guns loaded with Millenium 25 grain charges(.41" penetration - .40 entry hole). Corrolate guns on depth with gamma ray. Perf the "Middle Morrow" formation as follows: 12486-12490, 12548-12556, 12572-12574, 12730-12732, & 12749-12754 (47 holes total) in 2 runs. RIH with Baker 4 1/2 Hornet packer - setting tool on wireline. Corrolate packer on depth with gamma ray. Set packer at 12400'. POOH with setting tool. Rig down Halliburton. Secure well. SD.

04/19/2006 CMIC: Nichols

0 pressure on well. Lay down drill collars. RIH with on/off tool on 392 joints 2 3/8 tubing. Latch onto packer. Close BOP and test packer to 1000#. Held. Lay down 1 jt. 2 3/8 tubing. Space well out. Nipple down BOP. Tree well up. Rig up Pro Slick line and fish equalizing prong. Had trouble pulling equalizing prong. RIg down Pro. RIH with swab. IFL at surface. EFL at 8500'. Recovered 34 bbl. water in 13 runs. Lay down swab. Secure well. SD.

Disc:	Length	Total
KB	19.40	19.40
1 jt. 2 3/8 tubing	31.62	51.02
4' X 2 3/8 tubing sub	4.02	55.04
10' X 2 3/8 tubing sub	10.04	65.08
390 jts 2 3/8 tubing	12333.57	12398.65
L-10 on/off tool	1.35	12400.00
4 1/2 Baker "EL" Hornet packer	6.03	12406.03
4' X 2 3/8 tubing sub	4.10	12410.13
1.81 F-Nipple	.97	12411.10
2 3/8 WLEG	.41	12411.51

04/20/2006 CMIC: Nichols

150# on tubing. Bleed pressure off well. RIH with swab. IFL at 8500'. EFL at 9500'. Recovered 4 bbl. Water in 1 run. Rig down swab. Rig up Pro Slick line. RIH and fish blanking plug. POOH with blanking plug. RD Pro. Rig up TSI and Halliburton. Pressure up Backside to 2000#. Test lines to 9000#. Open well. Acidize the "Middle Morrow" perms 12486' - 12754' (47 holes) with 2000 gal. 7 1/2% HCL at 3 - 4 BPM. Dropping 104 1.18 Bioballs for diversion. Flush to formation with 6% KCL water. Max treating

pressure - 5622#. Avg treating pressure - 2939#. Max rate - 4 BPM. Avg rate - 3.8 BPM. ISIP = 2655#. 5 min = 2268#. 10 min = 2073#. 15 min = 1931#. Total load to recovery 101 bbls. Close well in. Rig down Halliburton and TSI. SITP = 1450#. Open well up and pressure down to 0 in 1 minute. RIH with swab. IFL at surface. FFL at 5500'. Recovered 40 bbl. water in 10 runs. Lay down swab. Lack 61 bbls load. Secure well. SD.

04/21/2006 CMIC: Nichols

900# on tubing. Pressure down to 0 in 5 minutes. RIH with swab. IFL at 2800'. EFL at 3500'. Recovered 8 bbl. In 2 runs. Kinked sandline 3500' down on 2nd. Run. Secure well. SD.

04/22/2006 CMIC: Nichols

500# on tubing. Pressure down to 0 in 1 minute. Nipple down Tree. NU Frac Valve and BOP. Unset packer and POOH with Tubing and Packer. Secure well. SD.

04/23/2006 CMIC: Nichols

Rig up Stinger and Halliburton. Test lines to 9500#. . Frac the "Middle Morrow" interval 12486' - 12754' with 46,000 gallons of CO2 Foam consisting of 40# Water Frac CHMPG and 70% CO2 carrying 40,000# Versaprop. Flush to formation. ISIP = 4506#. 5 min = 4191#. 10 min = 4077#. 15 min. = 4000#. Max Treating pressure = 5331#. Avg. Treating pressure = 4700#. Max Slurry rate = 15.8 BPM. Avg Slurry rate = 9.8 BPM. Proppant Mass pumped = 40600#. Close well in and rig down Halliburton and Stinger. SICP = 3650#. Open well up on 16/64 choke at 3:30 PM. Pressure down to 2200# at 5:00 PM on 21/64 choke. Recovered 80 bbl. fluid in 1.5 hours. Turn well over to Weatherford flowback hand. Can't backflowing Well. At 0600 hrs on 23rd well flowing on 575# on 24/64 choke. Cutting 50%+ CO2. Recovered 380 bbls fluid (no sand). Total rec'd since frac job = 460 bbls. Lack 421 bbls load. Can't backflowing.

04/24/2006 CMIC: Nichols

At midnight on 23th had to shut well in for 4hrs due to wind direction toward farm house. When SI FTP was 850#. Reopened well at 0400 hrs w/ 2150#. At 0600 hrs FTP = 1200# on 24/64 choke. Total recovered last 24 hrs = 273 bbls. Well still cutting over 50% CO2. Lack 148 BLWTR. Can't flowing.

04/25/2006 CMIC: Nichols

Continue to flow well. Flowing Casing Pressure at 7:00 AM - 800# on 24/64 Choke. Flowed well for 10 hours Recovered 127 bbl. Fluid. 5:00PM flowing pressure of 780# on 24/64 Choke. CO2 cut of 51%. During Sunday night had overspray of CO2 and wtr on farmers alfalfa field. Covered area of 112' X 200' or 22,400 sq/ft. Approx 1/2 acre. At 0600 hrs FCP 710# on 24/64 choke. Rec'd 277 bbls last 24 hrs. All load recovered. CO2 cut still over 50%

04/26/2006 CMIC: Nichols

At 0700 on 25th csg press 710#. Flowed to tank for 10 hrs. FCP @ 400 hrs 650# Rec'd 45 bbls wtr. Sent water sample into Halliburton to be analyzed. No report as of yet. At 0600 today Csg press 800# and holding steady for the 7 hrs. CO2 cutting 3%. Well making 7 to 5 bbls wtr/hr for the last 7 hrs. Total rec'd today 133 bbls. Gas rate 2.5 MMCFD. Can't backflowing

04/27/2006 CMIC: Nichols

At 0700 on 26th FCP = 820#. Flowed well for 5 hrs on 24/64 choke. Rec'd 19 bbls wtr. FCP @ 1200 hrs = 810#. Est gas rate of 2.5 MMcf. SI well to let sand settle. Will run wireline in hole to check for fill. Water Analysis from Halliburton showed KCL content was Negative. Chloried 72,951 mpl.

04/28/2006 CMIC: Nichols

SICP = 2600#. RU Halliburton wireline truck. RIH w/ Gague ring and junk basket to 12606. Tagged sand. Sand not solid but trying to stick tools. POOH. RIH w/ Baker Hornet pkr, and set AT 12475. Bottom of pkr assy. @ 12485 (1' above top shot of Middle Morrow perf. Top of pkr assy @ 12473 (15' below proposed bottom shot of Upper Morrow perf). POOH & RD Halliburton. Before pkr set SICP had gone to 2850#. Bled csg down to 0 in 3 hrs. SION.

04/29/2006 CMIC: Nichols

RIH as follows:

21-23 Anchor Seal Assy w/1/2 Mule shoe(0.79) @ 12,471.91

2 3/8 tbg sug (1.79)

On/Off tool INVERTED (2.04) @ 12468.08

392 jts 2 3/8 8rd L-80 tbg

3- 2 3/8 tbg subs (4₆, 8₆, & 10₆)

1 jt 2 3/8 tbg (31.71)

Loaded hole w/ 410 bbls 6% KCL w/ pkr fluid and clay stab. Spaced out , latched onto pkr. Tested to 1000# - OK. ND Frac valve and BOP. NU Tree. RU swab and lowered FL to 5100'. RU Pro slick line and pulled plug in two runs. RD Pro. Open well to blow down pit @1700 hrs w/3000# SITP to unload tbg of wtr. Rec'd 38 bbls. [left in tbg to pull plug]. At 2200 hrs turned well into portable stack pack. w/ 2850# tbg press. on 12/64 choke w/500# BP. Gas rate varying from 609 MCFD to 1973.3 MCFD due to sand plugging choke. . At 0400 on Sat 29th choke plugged with sand. SI well for 4 hrs to let sand settle and to clean sand from choke and control lines.

04/30/2006 CMIC: Nichols

At 0800 hrs open well to blow down tank w/3100# TP on 16/64 choke. At 10 am turned well into stack pack. w/2100# TP on 14/64 choke w/500# BP. Keep increased choke to 24/64 . At 0600 on Sunday 30th FTP 1100# on 24/64 choke and Gas rate of 2.155 MMCFD. In last 27 hrs rec'd 90 bbls wtr. [avg 3+ bbls/hr]. Con't testing

05/01/2006 CMIC: Nichols

At 0600 hrs well flowing on 25/64 choke w/500# BP. FTP= 800#. Last 24 hrs rec'd 113 bbls wtr. Gas rate steady at 952 MCFD. Con't testing

05/02/2006 CMIC: Nichols

At 0600 hrs Well flowing on 18/64 choke w/ 500# BP. FTP= 800#. Rec'd 84 bbls wtr in last 24 hrs. Gas Rate 1.2 MMCFD.

05/03/2006 CMIC: Nichols

RU Pro slick line and set off BHP gauge in profile nipple @ 12484 while well flowing on 800# FTP on 18/64 choke. Gas rate 1.149 MMCFD. Gauge on bottom at 10: 00 am. POOH & RD Pro. RD pulling unit and reverse unit. Moved both to Oxy Pogo State #1. Con't flowing well till 8:00 pm. SI for buildup w/900# FTP on 18/64 choke. Gas rate 1.161 MMCFD. Total wtr rec'd last 24 hrs. 47 bbls.

05/10/2006 CMIC: Nichols

SITP=3475#. RU Pro slick line truck . POOH w/ BHP gauges. Left well SI

06/21/2006 CMIC: Nichols

Online at 10:15 am on June 20

TP - 3567 LP - 486 Rate - 2000 Water - 0 Oil - 0 Choke - 10/64

06/22/2006 CMIC: Nichols

Oil - 0 Water - 0 Gas - 999 TP 3339 LP - 387 Rate - 542 choke - 10/64

Need to check float, may have plugged off

06/23/2006 CMIC: Nichols

Gas - 1296 Oil - 0 Water - 62 LP - 403 FTP - 2364 Rate - 1384 Choke - 11

06/27/2006 CMIC: Nichols

Gas - 1296 Oil - 0 Water - 44 Meter SP: 416 FTP: 1599 Rate mcf:1255 Choke: 12

06/28/2006 CMIC: Nichols

Gas: 1254 Mtr SP: 429 FTP: 1527 Rate: 1073 Choke: 12 Oil: 0 Water: 27

06/29/2006 CMIC: Nichols

Gas: 1239 Mtr SP: 431 FTP: 1442 Rate: 1231 Choke: 12 Oil: 0 Water 40

06/30/2006 CMIC: Nichols

Gas: 1195 Mtr SP: 436 FTP: 1411 Choke: 12 Oil: 0 Water: 36

07/01/2006 CMIC: Nichols

Gas: 1154 Mtr SP: 437 FTP: 1387 Rate: 1168 Choke: 12 Oil: 0 Water: 8

07/02/2006 CMIC: Nichols

Gas: 1044 Mtr SP: 427 FTP: 1513 Choke: 12 Oil: 0 Water: 3

07/03/2006 CMIC: Nichols

Gas: 894 Mtr SP: 422 FTP: 1679 Choke: 12 Oil: 0 Water: 3

07/04/2006 CMIC: Nichols

Gas: 1068 Mtr SP: 453 FTP: 1276 Choke: 13 Oil: 0 Water: 5

07/05/2006 CMIC: Nichols

Gas: 1148 Mtr SP: 408 FTP: 1232 Choke: 13 Oil: 0 Water: 7

07/06/2006 CMIC: Nichols

Gas: 1181 Mtr SP: 449 FTP: 1046 Choke: 15 Oil: 0 Water: 3

07/07/2006 CMIC: Nichols

Gas: 1256 Mtr SP: 446 FTP: 878 Rate: 1126 Choke: 16 Oil: 0 Water: 5