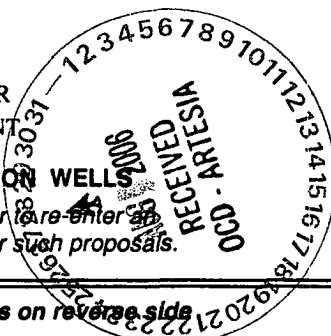


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.



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

5. Lease Serial No.

NM-12828

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Shelby 12 Federal #7

9. API Well No.

30-015-34985

10. Field and Pool, or Exploratory Area
McKittrick Hills, Up. Penn

11. County or Parish, State

Eddy NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

OXY USA WTP Limited Partnership

192463

3a. Address

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

3b. Phone No. (include area code)

432-685-5717

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

190 FSL 1840 FEL SWSE(0) Sec 12 T22S R24E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 <u>Spud. Set</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Casing & Cementing</u>
	<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 recompleat 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 recompleat 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 (Printed/Typed)

David Stewart

Title

Sr. Regulatory Analyst

Date

8/25/06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

Accepted for record - NMOCB

8/29/06

SHELBY 12 FEDERAL #7

Date: 08/12/2006

WAIT ON RIG MOVERS, SET 40' OF 20" CONDUCTOR ON 8/04/2006 BY BUTCHES RATHOLE

Date: 08/13/2006

MIRU PUTI # 508

Date: 08/15/2006

RU PATTERSON 508 FOR CLOSED LOOP SYSTEM

Date: 08/17/2006

FINISH RU PATTERSON #508 FOR CLOSED LOOP, PU BHA

DRLG 14 3/4" HOLE FROM 40' TO 92'

Date: 08/18/2006

DRLG 14 3/4" HOLE FROM 92' TO 251'

Date: 08/19/2006

DRLG 14 3/4" HOLE FROM 251' TO 547', WLS @ 505' (.5")

DRLG 14 3/4" HOLE FROM 547' TO 719'

Date: 08/20/2006

DRLG 14 3/4" HOLE FROM 719' TO 770'

TOOH, LD REAMERS

WAIYT ON WELDER .5 HOURS WELD, RIP IN CONDUTOR PIPE

TIH W/ OPEN JETS ON BIT TO AIR DRLG

DRLG 14 3/4" HOLE FROM 770' TO 1009'

Date: 08/21/2006

DRLG 14 3/4" HOLE FROM 1009' TO 1035', WLS @ 991' (.25")

DRLG 14 3/4" HOLE FROM 1035' TO 1067'

REPLACE ROTATING HEAD RUBBER

DRLG 14 3/4" HOLE FROM 1067' TO 1287', WLS @ 1242' (2")

DRLG 14 3/4" HOLE FROM 1287' TO 1465'

Date: 08/22/2006

DRLG 14 3/4" HOLE FROM 1465' TO 1550'

TOOH W/ DP, LD 8" DC'S BIT-SUB AND BIT

SAFETY MEETING W/ BULL ROGERS, RU CASING CREW AND RUN 34 JTS 9 5/8" 36 LB/FT J-55 LT&C CASING, RD BULL ROGERS

CIRCULATE CASING W/ APPRX 130 BBLS GONE PSI INCREASED TO 1000 PSI @ 1 BPM, SURGE AND CHASE TRYING TO FREE PLUG, NO SUCESS

WAIT ON BULL ROGERS FOR CASING VREW AND LD MACHINE

POOH W/ 9 5/8" CASING

WAIT ON SEVERE THUNDERSTORM TO PASS

Date: 08/23/2006

SAFETY MEETING W/ BULL ROGERS, RUN 34 JTS (1554.4') OF 9 5/8" 36LB/FT J-55 8RD LT&C CASING, RD BULL ROGERS

PUMP 200 BBLS FRESH H2O TO CLEAR CASING

CEMENT FIRST STAGE W/ 515 SKS HLP+ @ 12.4 PPG & 2.03 FT3/SK LEAD & 250 SKS PREM+ 2% CACL2 @ 14.8 PPG & 1.34 FT3/SK DISPLACE W/ 95 BBLS FRESH MUD (CEMENT BRIDGED 22 BBLS FROM FINAL CALCULATED DISPLACEMENT OF 117 BBLS EST TOC IN CASING 1200') (* DID NOT CIRCULATE ON FIRST STAGE*)

CIRCULATE AND WOC FOR SECOND STAGE

CEMENT SECOND STAGE W/ 540 SKS HLP+ @ 12.4 PPG & 2.03 FT3/SK LEAD 100 SKS PREM+ @ 14.8 PPG & 1.34 FT3/SK, DIPLACE W/ 50 BBLS FRESH H2O, LAND PLUG AND CLOSE DV TOOL

WOC TO CUT-OFF, CUT-OFF CONDUCTOR AND CASING, WELD ON 3K HEAD, NU BOPE

Date: 08/24/2006

NU BOP, REPLACE ACCUM DUE TO IT BEING HIT DURING RIG MOVE

TEST BOP, PU BHA AND START TIH

Date: 08/25/2006

PU BHA AND 20 6" DC'S

DRLG DV TOOL, TAG CEMENT @ 1199' DRLG CEMENT FROM 1199' TO 1550'

DRLG 8 3/4" HOLE FROM 1550' TO 1702'