

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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

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

☐ 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)

SL - 1381 FSL 1235 FWL NWSW(L) Sec 12 T22S R24E

BHL - 660 FSL 660 FWL SWSW(M) Sec 12 T22S R24E

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 #8

9. API Well No.

30-015-35170

10. Field and Pool, or Exploratory Area

McKittrick Hills, Up. Penn

11. County or Parish, State

Eddy NM

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

TYPE OF SUBMISSION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other Set

Casing & Cement

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

ACCEPTED FOR RECORD

DEC 19 2006

LES BABYAK
PETROLEUM ENGINEER

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

David Stewart

Title

Sr. Regulatory Analyst

Date

12/11/06

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

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.

SHELBY 12 FEDERAL #8

Date: 11/14/2006

DRLG 8 3/4" PRODUCTION HOLE FROM 1594' TO 1794' W/ 35K ON BIT, 70 RPMS, 340 GPM @ 1100 PSI
WLS @ 1752' (1.75") RUN WITH RIG TOTCO
DRLG 8 3/4" PRODUCTION HOLE FROM 1794" TO 1930' W/ 35K ON BIT, 70 RPMS, 340 GPM @ 1100 PSI

Date: 11/15/2006

DRILL 8 3/4" HOLE FROM 1930' TO 2082' W/ 35K ON BIT, 65 RPMS, 340 GPM @ 1100 PSI
WLS @ 2036' (1.5") RIG TOTCO
DRILL 8 3/4" HOLE FROM 2082' TO 2350' W/ 45K ON BIT. 65 RPMS, 340 GPM @ 1100 PSI

Date: 11/16/2006

DRLG 8 3/4" HOLE FROM 2350' TO 2590' W/ 45K ON BIT, 65 RPMS, 350 GPM @ 1100 PSI
WLS @ 2548' (1.5")
DRLG 8 3/4" HOLE FROM 2590' TO 2830' W/ 45K ON BIT 65 RPMS, 350 GPM @ 1100 PSI

Date: 11/17/2006

DRLG 8 3/4" HOLE FROM 2853' TO 3020' W/ 40K ON BIT, 65 RPMS, 350 GPM @ 1100 PSI
WLS @ 2978' (1.25")
DRLG 8 3/4" HOLE FROM 3020' TO 3272' W/ 45K ON BIT, 65 RPMS, 350 GPM @ 1100 PSI

Date: 11/18/2006

DRILL 8 3/4" HOLE FROM 3272' TO 3541' W/ 45K ON BIT, 65 RPMS, 350 GPM @ 1100 PSI
WLS @ 3499' (1.25")
DRILL 8 3/4" HOLE FROM 3541' TO 3618' W/ 45K ON BIT, 65 RPMS, 350 GPM @ 1100 PSI

Date: 11/19/2006

DRLG 8 3/4" HOLE FROM 3618' TO 3970' W/ 50K ON BIT, 65 RPMS, 350 GPM @ 1100 PSI
SAFETY MEETING , RU SCIENTIFIC DRLG,RUN MGYRO, TAKE 100' SHOTSN, RD SCIENTIFIC DRLG (SURVEY @ 3930' , 2.58 INC, 258.34 AZIMUTH)
TOOH W/ 27 STANDS DP
SAFETY MEETING, RU BULL ROGERS LD MACHINE
LD 14 JTS 4 1/2" DP, 30 6" DC'A AND ALL BHA
SWITHC LD MACHINE TO PU NEW BHA AND HWDP
PU NEW BIT AND DIRECTIONAL TOOLS

Date: 11/20/2006

FINISH PU NEW BHA AND HWDP
SAFETY MEETING, RD LD MACHINE
FINISH TIH
WASH AND REAM 60' TO BOTTOM (NO FILL)
DRLG 8 3/4" DIRECTIONAL HOLE FROM 3970' TO 4320' SLIDE A TOTAL OF 40' W/ 15K ON BIT 85 DH RPMS, TOOL FACE @ 200° AZIMUTH, 350 GPMS @ 1300 PSI (AVG SLIDING ROP 19.33 FT/HR) ROTATE A TOTAL OF 310' W/ 45K ON BIT 120 RPMS 350 GPM, @ 1250 PSI (AVG ROP OF 22

Date: 11/21/2006

DRLG 8 3/4" HOLE FROM 4320' TO 4740' SLIDE A TOTAL OF 46' W/ 25 K ON BIT 125 RPMS, 350 GPM @ 1200 PSI; ROTATE A TOTAL OF 374' W/ 45K ON BIT 125 RPMS 350 GPM @ 1200 PSI

Date: 11/22/2006

DRILL 8 3/4" HOLE FROM 4740' TO 5203' SLIDE DRILL A TOTAL OF 25' W/ AVG 20K ON BIT 125 DH RPMS, 350 GPM @ 1200 PSI W/ TOOL FACE OF 210° AZIMUTH; ROTATE A TOTAL OF 438' W/ 45K ON BIT 125 DH RPMS, 350 GPM @ 1200 PSI

Date: 11/23/2006

DRILL 8 3/4" PRODUCTION HOLE FROM 5203' TO 5626' SLIDE DRILL A TOTAL OF 57' W/ 20K ON BIT 125 DH RPMS TOOL FACE OF 210° 350 GPMS @ 1200 PSI; ROTATE A TOTAL OF 366' W/ 50K ON BIT 125 DH RPMS 350 GPM @ 1200 PSI

Date: 11/24/2006

DILL 8 3/4" HOLE FROM 5626' TO 5999' SLIDE A TOTAL OF 18' W/ 15K ON BIT 125 DH RPMS, TOOL FACE OF 210 AZIMUTH, 350 GPMS @ 1200 PSI ROTATE A TOTAL OF 355' W/ 50K ON BIT 125 DH RPMS 350 GPM @ 1200 PSI

TOOH LD MOTOR AND OLD BIT
PU NEW 8 3/4" BIT AND 6 1/4" MOTOR

Date: 11/25/2006

TIH W/ MOTOR AND HWDP (TEST MOTOR AND MWD TESTED FINE)
JET AND CLEAN ALL PITS
FINISH TIH W/ 4 1/2" DP
WASH TO BOTTOM W/ MOTOR
ROTATE DRLG FROM 5999' TO 6031' W/ 50K ON BIT 125 DH RPMS, 350 GPM @ 1200 PSI (MWD STARTED ACTING UP, DRILLED KELLEY DOWN TRIED 5 TIMES FOR SURVEY W/ MWD RESPONSE)

TOOH TO CHANGE OUT FAULTY MWD

WAIT ON MWD TOOLS

TIH W/ MOTOR AND MWD AND HWDP TEST MWD AND MOTOR (ALL TESTED FINE) FINISH TIH W/ 4 1/2" DP

DRILL 8 3/4" HOLE SLIDE DRILL 20' W/ 20K ON BIT 125 DH RPMS 350 GPMS @ 1200 PSI ROTATE 199' W/ 45K ON BIT 125 DH RPMS 350 GPM @ 1200 PSI

Date: 11/26/2006

DRILL 8 3/4" HOLE FROM 6218' TO 6699' W/ DIRECTIONAL TOOLS SLIDE A TOTAL OF 141' W/ 20K ON BIT 125 DH AVG TOOL FACE OF 216" 350 GPMS @ 1300 PSI/ ROTATE DRLG A TOTAL OF 340' W/ 45 K ON BIT 125 DH RPMS, 350 GPM @ 1300 PSI

Date: 11/27/2006

DRILL 8 3/4" HOLE FROM 6699' TO 7110' W/ DIRECTIONAL TOOLS SLIDE A TOTAL OF 111' W/ AVG 15 K ON BIT TOOL FACE OF 220" 125 DH RPMS, 350 GPM @ 1300 PSI : ROTATE A TOTAL OF 300' W/ 45 K ON BIT 125 DH ROMS 350 GPMS @ 1300 PSI

Date: 11/28/2006

DRILL 8 3/4" HOLE FROM 7110' TO 7495' W/ DIRECTIONAL TOOLS SLIDE A TOTAL OF 75' W/ 25K ON BIT 125 DH RPMS, TOOL FACE OF 215" 350 GPM @ 1300 PSI ROTATE DRILL 310' W/ 50 K ON BIT 125 DH RPMS, 350 GPM @ 1300 PSI

Date: 11/29/2006

DRILL 8 3/4" HOLE FROM 7495' TO 7865' W/ DIRECTIONAL TOOLS SLIDE A TOTAL OF 100' W/ 20K ON BIT 125 DH RPMS TOOL FACE OF 215" 350 GPMS @ 1300 PSI ROTATE A TOTAL OF 270' W/ 45K ON BIT 125 DH RPMS 350 GPMS @ 1300 PSI

Date: 11/30/2006

DRILL 8 3/4" HOLE FROM 7886' TO 8028' W/ 35K ON BIT 125 DH RPMS 350 GPM @ 1300 PSI

PUMP SWEEP AND CLEAN HOLE

TOOH AND LD DIRECTIONAL TOOLS

PU NEW BIT AND SLICK BHA AND TIH

SHUT DOWN AND WAIT ON WEATHER DUE TO HIGH WINDS AND EXCESSIVE SNOWFALL

RESUME TIH

Date: 12/01/2006

WASH & REAM 90' TO BOTTOM

DRLG 8 3/4" HOLE FROM 8028 TO 8401, W/130 TO 300 BBLS LOSSES PER HR, THIS AM LOSSES ARE 145 BPH.

Date: 12/02/2006

DRLG 8 3/4" HOLE 8401 TO TD 8600 @ 16:15 CST 12/1/2006 W/130 BPH LOSSES

CIRC SWEEP, CIRC FOR LOGGERS, THEIR ARRIVAL TIME TO BE ON LOC @ 7 AM, LOSSES WHILE CIRC 100 TO 300 BPH, 130 BPH THIS AM, SPOT 80 VIS 80 BBL PILL ON BOTTOM

TOH SLM FOR LOGS

Date: 12/03/2006

RU BAKER ATLAS LOGGER TD 8600', LOG, RD LOGGER

TIH

CIRC & SPOT 80 Bbls 80 VIS ON BOTTOM

RU BULL ROGERS LD MACHINE, TOH LD DP

Date: 12/04/2006

TOH LD DP

RU BULL ROGERS CSG CREW HELD SAFETY MEETING & RN 7" 26" J-55 L-80 LT&C CSG & SET @ 8600' W/ DV TOOL @ 5968', ECP @ 5987'

RD BULL ROGERS & RU HOWCO

CIRC & WASH CSG TO TD 8600'

RU HES, CEMENT FIRST STAGE W/ 100 SKS ACID SOLUBLE CEMENT @ 15 PPG, 2.55 FT3/SK FIRST LEAD, 275 SKS CLASS "H" @ 15.2 PPG, 1.25 FT3/SK AND 150 SKS SUPER "H" @ 13 PPG, 1.67 FT3/SK, DISPLACE W/ 304 BBLS FRESH H2O. LAND PLUG AND INFLATE ECP PACKER SET AT 2300 PSI (GOOD INFLATION) RELEASE PSI FLOATS HELD

OPEN DV TOOL AND CIRCULATE, 100SX CEMENT CIRCULATED OFF DV TOOL WOC FOR 2ND STAGE

CEMENT 2ND STAGE W/ 550 SX INTERFILL "C" LEAD @ 11.5 PPG, 2.77 FTS/SK AND 100SX CLASS "C" @ 14.8 PPG, 1.34 FT3/SK DISPLACE W/ 201 BBLS FRESH H2O LAND PLUG AND CLOSE DV TOOL. RELEASE PSI DV TOOL CLOSED

ND BOP

Date: 12/05/2006

ND BOP

JET & CLEAN PIT WHILE WAIT ON TEMP SURVEY TRUCK

RU PRO WIRE LINE & RUN TEMP SURVEY, TOC @ 700', CALL BLM TALKED TO FRED WRIGHT HE OK'D CMT JOB TO HAVE COVERED CAPITAN REEF @ 848'.

SET SLIPS, CUT OFF, INSTALL WELL HEAD & TEST, SET BOP OUT.

RIG RELEASE @ 1600 12/04/2006, RIG DOWN

Date: 12/06/2006

RIG DOWN, WAIT ON TRUCKS