

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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

S

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.

AUG 29 2008

OCD-ARTESIA

5. Lease Serial No

NM81219

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

01d Ranch Canyon #3

7 Federal

9. API Well No.

30-015-31152

10. Field and Pool, or Exploratory Area

Indian Basin (Upper Penn)

Assoc.

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)

SL-1724 FNL 1498 FWL SENW(F) Sec 7 T22S R24E

BHL-1779 FSL 643 FEL NESE(I) Sec 7 T22S R24E

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ 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

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 recomple 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 recomple 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.)

Water Order  
08DN027WTA

ACCEPTED FOR RECORD

See Attached

AUG 29 2008

Gerry Guye, Deputy Field Inspector  
NMOC-District II ARTESIA

See attached conditions -  
procedure cannot be approved.

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

David Stewart

Title

Sr. Regulatory Analyst

Date

7/22/08

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

AUG 27 2008

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

WESLEY W. INGRAM

PETROLEUM ENGINEER

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 in any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Old Ranch Canyon 7 Federal #3  
Plugging Procedure

RIH w/pkr on workstring to 1600'

Set packer

Pump 100 bbls fresh water to establish pump in rate, pump 120 bbls 15% acid followed by 500 bbls fresh water

If we do not circulate

Pull packer

RIH & set cement retainer @ 1600'

Pump 1200 sx Cl C cement (1.32 cu ft/sx, 14.8#/gal) - thin down ?

POOH w/tbg

POOH w/7" casing from 1489' (location of slip over casing patch)

RIH w/cement retainer & set @ 1450'

Establish pump in rate w/200 bbls fresh water (make sure hole loads and breaks down)

Pump 700 sx Cl C cement, pull up & dump 30 sx cement on top of retainer (100 feet fill in 9-5/8" casing)

POOH setting plugs as required by BLM & NMOCD

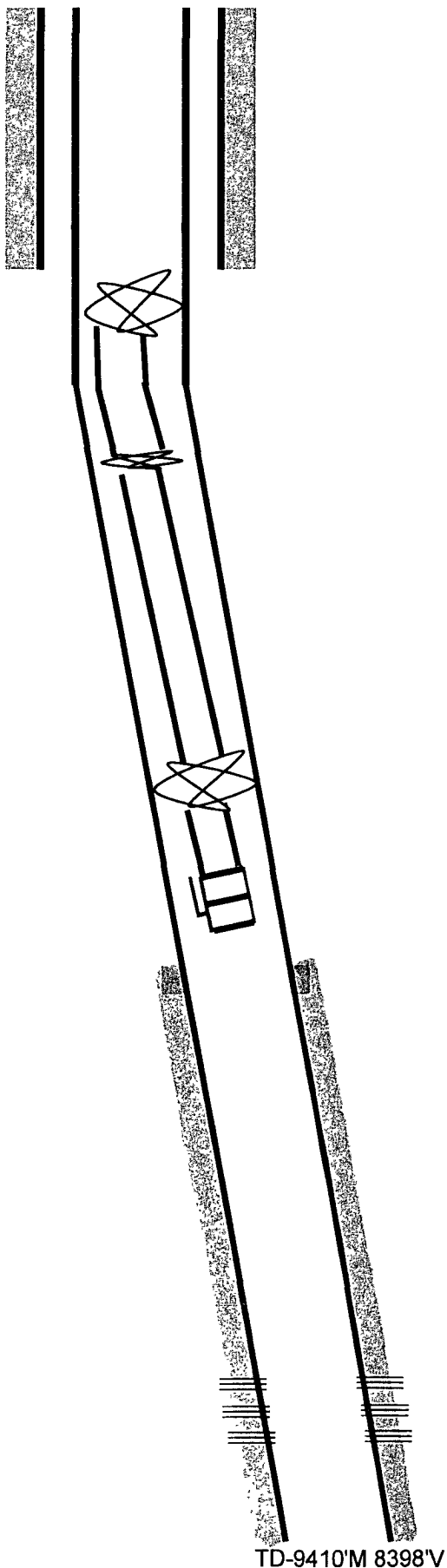
OXY, USA WTP LP - Current  
Old Ranch Canyon 7 Federal #3  
API No. 30-015-31152

Cable, Bands, & Capillary tbg @ 1621'

2-7/8" tbg @ 1996-2974'

Jet Cut @ 3012', POOH w/ 1jt  
2-7/8" tbg @ 3012-4650'

Jet Cut @ 5170', POOH w/ 13jts tbg  
2-7/8" tbg & ESP @ 5170-5345'



12-1/4" hole @ 1620'  
9-5/8" csg @ 1620'  
w/1130sx-TOC-Surf-Circ

7" casing bowl @ 1489'

8-3/4" hole @ 9410'M 8398'V  
7" csg @ 9419'M 8398'V  
w/500sx-TOC-6082'M 5554'V-Calc

Perfs @ 8566-8888'M 7676-7942'V

TD-9410'M 8398'V

### Old Ranch Canyon 7 Federal #3 - Summary

1. ORC 7 Fed #3 was directionally drilled and completed in 2000.
2. 7" production casing is set at 9409' MD with a calculated top of cement at 6082'.
3. Bad dogleg @ 2560' mentioned in previous workovers
4. Casing inspection log showed Class 4 casing 1321' - 1489' with a possible penetration at 1434'; CI 2, 3, & 4 casing 2193' - 5926' with possible penetrations at 5831', 5851' & 5914'.
5. The casing parted in the interval 1321' to 1489', the original casing was pulled, the stub dressed off and a casing bowl and new casing run to 1489'.
6. There remains in the hole four fish, three of which are tubing only and the fourth consisting of tubing and a submersible pump, cable, cable bands and capillary tubing. I do not have a good description of the lowest fish, need the ESP description. The bottom of the fourth fish is at 5345'. This is in a section of CI 4 pipe and the fish could have gone through the casing wall.
7. Current top of tubing fish is 1996' but there remain pieces of cable, bands and capillary tubing up to 1621' which will have to be cleaned out to remove the tubing fish.
8. ~\$625,000 was spent during the course of this workover with \$88,000 being spent from the time the casing was repaired to cleanout trash and a tubing fish.
9. Based on the work done to date and the casing inspection log the cost of fishing the rest of the tubing and pump plus repairing the casing or running a liner could easily exceed \$1,000,000 not counting the sunk costs of \$625,000.

### **Old Ranch Canyon 7 Federal #3**

9/25/06 - day 1 - Move in & rig up well service rig

ARRIVE ON LOCATION, LOCK OUT ELECTRICAL POWER, SET MATTING BOARDS, MOVE IN & SET KILL TANK, SET REVERSE UNIT THEN MOVE IN & RIG UP WELL SERVICE UNIT. SHUT DOWN OVER NIGHT.

***\*\* PLAN TO PULL ESP IN AM \*\****

9/26/06 - day 2 - pull out of hole w/ REDA esp,

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED H2s - KILL WELL, NIPPLE DOWN WELL HEAD THEN NIPPLE UP & TEST BOP./ TORUS (OK)- LIFT OFF TBG MANDRILL @ 90,000 POUNDS (last 4 pulls had to pull well over 100k to come off bottom, the Difference is the Canon Clamps)- RIG SPOOLERS & PULL OUT OF HOLE W/ 263 JTS OF 2 7/8" L-80 TUBING & WOOD GROUP SUBMERSIBLE PUMP, DISASSEMBLE ESP, FOUND ALL PUMPS IN SEVERE DOWN THRUST NOT ALLOWING SPLINES TO MATCH ( most likely broken snap rings) - ALSO CORROSION ON TUBING WAS MODERATE, PROBABLY FROM STATIC CONDITIONS, SECURE WELL & SHUT DOWN OVER NIGHT

***\*\* PLAN TO RUN OXY SHOE & BAILER IN THE MORNING \*\****

***NOTE: did not loose any canon clamps- missing 1 to 2 monel bands per stand***

9/27/06 - day 3 - round trip 6 1/8" OXY shoe & bailer tag early & clean to 8,870'

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED H2s, KILL WELL THEN PICK UP 6 1/8" OXY SHOE AND BAILER, TAG BAND WAD @ 8,700', CLEAN WELL OUT TO 8,870' (old csg problem, dressed on last pull) COULD NOT GET PAST 8,870', PULL OUT OF HOLE AND SHUT DOWN FOR EVENING.

***\*\* PLAN TO RUN 5 3/4" SHOE IN THE MORNING \*\****

9/28/06 - day 4 - tih w/ 5 3/4" shoe, pooh dump & tih w/ 2 7/8" notched coupling

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED H2S - FINISH DUMPING BAILER FROM YESTERDAY THEN PICK UP 5 3/4" SHOE & BAILER THEN TRIP IN HOLE TAG @ 8,870', WORK BAILER, COULD NOT GET THRU TITE SPOT, PULL OUT OF HOLE, EMPTY BAILER, BAILER PACKED FULL OF SLUDGY IRON SULFIDE, MAKE UP 2 7/8" NOTCHED TUBING COUPLING THEN TRIP BACK IN HOLE W/ BAILER & TUBING, SHUT DOWN ABOVE PERFORATIONS

***\*\* PLAN TO ATTEMPT BAILOUT IN THE MORNING \*\****

9/29/06 - day 5 - attempt to bail w/ no luck, pull out of hole & shut down, plan to pick up work string on Monday

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED LIFTING & PIPE HANDLING, KILL WELL, FINISH TRIPPING IN HOLE W/ NOTCHED COUPLING, TAG IN SAME PLACE @ 8,870', WORK BAILER, CAN NOT TURN DUE TO TORQUE EXCEEDS TUBING CAPACITY, PULL OUT OF HOLE, EMPTY BAILER (full of sludgy iron sulfide BS), SECURE WELL & SHUT DN.

***\*\* ORDERED 2 7/8" PH-6 WORK STRING & LARGE SWIVEL & WILL RUN 5 3/4" SHOE & BAILER ON MONDAY \*\****

10/2/06 - day 6 - pick up 280 jts of ph-6 (work strg) then trip in hole.

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED PINCH POINTS, UNLOAD PIPE RACKS & PH-6 WORK STRING THEN TRIP IN HOLE W/ 5 3/4" SHOE & BAILER, RIG UP 3.5 SWIVEL & TAG FILL @ 8,870'. SION

***\*\* PLAN TO CLEAN WELL BORE \*\****

10/3/06 - day 7 - clean well bore from 8,862' to 8881'

ARRIVE ON LOCATION, CLEAN WELL BORE FROM 8,862' to 8,881' or 7' ABV BTM PERF & 71' ABV PBTD (made 19' ) PULL OUT OF HOLE, EMPTY BAILER, BAILER COMPLETELY PACKED W/ I.S. & BANDS. SION

***\*\* PLAN TO CONTINUE CLEANING WELL BORE \*\****

10/4/06 - day 8 - continue cleaning well bore

ARRIVE ON LOCATION, HELD FIVE MINUTE SAFETY MEETING, DISCUSSED RIG INSPECTION - TRIP IN HOLE W/ SHOE BAILER & WORK STRING, CLEAN WELL FROM 8,881' TO 8,888', QUIT MAKING HOLE, KILL WELL & POOH W/ DHA - EMPTY BAILER, PACKED W/ POWDERY IRON SULFIDE. SIFN.

***\*\* PLAN TO CONTINUE CLEANING WELL BORE, ACID SET FOR SATURDAY \*\****

10/5/06 - day 9 - continue cleaning well bore

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED PPE, KILL WELL THEN TRIP IN HOLE WITH CLEAN 5 3/4" SHOE & BAILER, TAG @ 8,888', CLEAN OUT TO 8,902' GIVING UP 14' OF RAT HOLE. RECOVERED SOLID PACKED IRON SULFIDE, SECURE WELL FOR EVENING...

***\*\* PLAN TO RUN PKR, SPOT CONVERTER & PREP FOR SATURDAY ACID JOB \*\****

10/6/06 - day 10 - tih w/ pkr, set @ 8,472' - Spot Calcium Sulfate converter.

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED PIPE HANDLING - KILL WELL THEN TRIP IN HOLE W/ 6K KENCO PACKER & 273 JOINTS OF PH-6 HYDRIL TUBING (had to use work string due to the way pipe is racked in the derrick) SET PKR @ 8,472' or 92' ABOVE PERFORATIONS - RIG UP PUMP TRUCK & PUMP 2,500 GALLON MIX OF CALCIUM SULFATE CONVERTER (500gal chem./ 2,000gal fw) - SECURE WELL & SHUT DOWN TILL MORNING.

**\*\* PLAN TO PUMP ACID IN AM & WILL FINISH CLEANING WELL BORE LATER \*\***

10/7/06 - day 11 - acidize existing perforations, w/ 19k hcl

ARRIVE ON LOCATION, HELD PRE JOB SAFETY MEETING, DISCUSSED S.O.P. - RIG UP HALLIBURTON, TEST DUAL TREATING LINES THEN ACIDIZE WELL W/ 19,000 GALLONS OF 15% FERCHEK HCL- HAD TO SHUT DOWN TWICE FOR WELL HEAD LEAKS & ONCE FOR PUMP TRUCK LEAKS, ALSO WAS SURPRISED BY HIGH TREATING PRESSURES. NOMINAL TREATING PRESSURE DURING JOB WAS 5,700 PSI @ 10 BPM. AVG ACCORDING TO COMPUTER WAS 3,674 PSI @ 9.4 BPM W/ MAX AT 14 BPM W/ 8,314 PSI.-- WE WERE ABLE TO GET IN 175 BIO BALL SEALERS.....

INSTANT SHUT DOWN TUBING PRESSURE WAS A VACUUM. LEFT WELL SHUT IN AND SECURE TILL MONDAY WHEN WE WILL CHECK PRESSURES & FLUID LEVEL & DECIDE WHETHER TO SWAB UNDER PKR OR FINISH CLEANING WELL BORE & SWAB LATER DEPENDING ON WHAT WELL DICTATES MONDAY AM.

10/9/06 - day 12 - onsi tbg was 150 psi, csg 50 psi. attempt to load annulus, no luck, dig out cellar, check surface csg had 150 psi, pooh w/ tbg

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED H<sub>2</sub>S - 36 HOUR SHUT IN ON TUBING 150 PSI SURFACE, CASING WAS 50 PSI, TRIED AGAIN TO LOAD ANNULUS WITH NO LUCK, (we pumped 300 bbls the day of acid job & another 100 bbls this morning, after shut down both times there was no suction just very slight blow) - DUG OUT CELLAR FOUND BRADEN HEAD VALVE WITH 150 PSI ON ANNULUS BETWEEN 7" & 9 5/8" CSG, BLED DOWN, H<sub>2</sub>S WAS VERY STRONG, PUMP 50 MORE BBLs OF FRESH WATER DN 7" W/ NO CHANGE TO EITHER 9 5/8" OR 2 3/4" PIPE.- THERE WAS NO COMMUNICATION BETWEEN PAY AND ANNULUS DURING ACID JOB BUT THE ANNULUS SHOULD HAVE LOADED WITH 246 BARRELS.. TOTAL PUMPED WAS 450 ???? - OPENED PACKER BYPASS & KILL WELL THEN RELEASE PACKER & PULL OUT OF HOLE, PICK UP 5 3/4" SHOE & BAILER & TRIP BACK IN HOLE TO CONTINUE CLEANING WELL BORE BELOW PERFORATIONS. SHUT DOWN ABOVE PERFORATION AND SECURE WELL..

**\*\* PLAN TO CONTINUE CLEANING WELL BORE BELOW PERFORATIONS IN THE MORNING \*\***

10/10/06 - day 13- clean well from 8,902' to 8,941'

ARRIVE ON LOCATION, KILL WELL, FINISH TRIPPING IN HOLE, ROTATE & BAIL FROM 8,902 TO 8,941', MADE 39' WHICH GIVES 53' OF RAT HOLE. PULL OUT W/ DHA, EMPTY BAILER, BAILER & SHOE WERE PLUGGED W/ IRON SULFIDE & BANDS, START BACK IN HOLE W/ CLEAN DHA & SECURE WELL FOR NIGHT

**\*\* PLAN TO CONTINUE CLEANING WELL BORE BELOW PERFORATIONS IN THE MORNING \*\***

10/11/06 - day 14 - finish tih w/ shoe- bail from 8,941' to 53' - pooh - bailer full of I.S.

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED H<sub>2</sub>S - KILL WELL - FINISH TRIPPING IN HOLE W/ BAILER & SHOE, TAG FILL @ 8,941' & BAIL TO 8,953' OR 12' ( 65' OF RAT HOLE BELOW BOTTOM PERFORATIONS) PULL OUT OF HOLE W/ PH-6 TBG, EMPTY BAILER, FOUND BAILER AND CAVITY TO BE FULL OF SLUDGY IRON SULFIDE. SECURE WELL.

**\*\* PLAN TO TIEH W/ PKR & PLUG TO ISOLATE HOLE IN 7" CASING \*\***

10/12/06 - day 15 - tih w/ pkr & plug, attempt to test plug @ 8,472' w/ no luck, start to move pkr & plug, rig broke down.

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED PPE, KILL WELL, PICK UP KENCO PACKER AND 7" RETRIEVABLE BRIDGE PLUG (RBP) THEN TRIP IN HOLE W/ 273 JOINTS OF PH-6 HYDRIL TUBING, SET RBP AT 8,472' - LAY DOWN ONE JOINT & SET PACKER - TRY TO TEST PLUG, PUMPING AT 3 BPM W/ NO LUCK, RELEASE PKR PICK UP ONE JOINT, LATCH ON TO AND RELEASE RBP - RIG BROKE DOWN, SNAPPED MAIN DRIVE CHAIN WAIT ON REPAIRS TWO HOURS, SECURE WELL, SHUT JOB DN FOR EVENING, RIG SHOULD BE FIXED BY MORNING.

**\*\* PLAN TO CONTINUE TESTING CASING IN THE MORNING \*\***

10/13/06 - day 16 - move rbp & test, move pkr 4 times with out test, secure well & shut dn

ARRIVE ON LOCATION, HELD BRIEF SAFETY MEETING- MOVE RBP UP TO 8,317' & SET, LAY DOWN ONE JOINT OF TUBING & SET PKR, TEST TO 500 PSI AND HELD, PULL PACKER UP HOLE TO 7,392' & TEST, NO GOOD, PUMPING 3 BPM & NO LOAD - LOWER PKR TO 7,593' AND ATTEMPT TO TEST W/ NO LUCK, COULD NOT GET PACKER TO SEAT OR CASING IS BAD, DECIDE TO RUN CASING INTEGRITY LOG, SECURE WELL THEN SHUT DOWN FOR THE W/END

**\*\* PLAN TO POOH W/ PKR & PLUG & RUN CSG INSPECTION LOG ON TUESDAY \*\***

10/14/06 - day 17 - pooh w/ pkr secure well for evening.

ARRIVE ON LOCATION, HELD SHORT H<sub>2</sub>S SAFETY MEETING, THEN KILL WELL & PULL OUT OF HOLE W/ PKR. SECURE WELL FOR EVENING.

NOTE: ONSI 40 PSI 7" CSG & 40 PSI ANNULUS OF 7" & 9 5/8" CSG, BLOW ONE DN & OTHER FOLLOWS.

10/16/08 - day 18- rig up Baker Atlas & run inspection log

ARRIVE ON LOCATION, OVER NITE SHUT IN 40 PSI 7" & 40 PSI 9 5/8" CSG, BLED DOWN 7" & 9" FALLOWED, HELD BRIEF SAFETY MEETING (H2s). KILL WELL, RIG UP BAKER ATLAS WIRE LINE & RAN CASING INSPECTION LOG FROM 8,317' TO SURFACE, FOUND MULTIPLE BAD JOINTS, SECURE WELL FOR EVENING, ,

**\*\* PLAN TO CONTINUE CHECKING CASING FOR LEAKS WHILE WAITING ON LOG. \*\***

10/17/06 - day 19 - tih w/ pkr attempt to load annulus w/ no luck, pooh & ld work string

ARRIVE ON LOCATION, OVER NIGHT SHUT IN PRESSURE ON 7" & 9 5/8" CASING WAS 50 PSI, KILL WELL THEN TRIP IN HOLE W/ PKR TO 4,875', ATTEMPT TO LOAD ANNULUS W/ NO LUCK, FINISH TRIPPING IN HOLE, LATCH UP TO RBP, THEN START OUT OF HOLE LAYING DOWN WORK STRING. SECURE WELL FOR EVENING.

10/18/06 - day 20 - finish laying dn work string & tih w/ pkr & production string,

ARRIVE ON LOCATION, OVER NIGHT SHUT IN PRESSURE ON 7" & 9 5/8" CASING WAS 50 PSI, KILL WELL THEN FINISH LAYING DOWN WORK STRING PKR & RBP - PICK UP KENCO 7" PACKER THEN TRIP BACK IN HOLE W/ 262 JTS ON 2 7/8" L-80 TUBING, SET PACKER @ 8,386'... SECURE WELL FOR EVENING,

NOTE: work string very hard to break out , broke two sets of rig tongs, 3 hr delay...

10/19/06 - day 21 - rig dn & move off, waiting on orders, perfs isolated

ARRIVE ON LOCATION, TUBING SHUT IN PRESSURE (**PERFS**) WAS **186 PSI**, 7" CASING 50 PSI, 9 5/8" CSG 50 PSI. RIG DOWN WELL SERVICE UNIT & MOVE TO **JC 5-2** - PURGE 7-3 ANNULUS & TURNED TO SALES,

note: plan to come back to well at later date, IN THE MEAN TIME WE WELL MONITORING CASINGS & TUBING PRESSURES

10/20/06 - tubing pressure was 172, 7" csg turned to sales & selling small amount of gas

10/21/06 - tubing pressure was 162, casing on production @ 18 mcf/d

10/26/06 - day 22

ARRIVE ON LOCATION, HELD 5 MINUTE SAFETY MEETING, DISCUSSED H2s - ONSI TBG WAS 160, CASING 85 PSI, RIG SWAB & MADE 9 RUNS, FLUID LEVEL REMAINED AT 7,500' MADE 9 RUNS, KILL WELL , RELEASE PACKER & START OUT OF HOLE, HAD TO SHUT DOWN DUE TO STRONG WINDS,

**\*\* PLAN TO FINISH POOH IN THE MORNING \*\***

10/27/06 - day 23- finish pooh w/ pkr, pick up & run shoe & bailer,

ARRIVE ON LOCATION, HELD FIVE MINUTE SAFETY MEETING, DISCUSSED RIG INSPECTION - KILL WELL THEN FINISH PULLING OUT OF HOLE W/ PACKER, PICK UP 5 3/4" SHOE & BAILER THEN TRIP BACK IN HOLE, TAG FILL AT 8,950 AND BAIL TO 8,963', PULL 20 STANDS & SHUT DOWN OVER NIGHT.

**\*\* PLAN TO FINISH PULLING SHOE IN THE MORNING.**

10/28/06 - day 24 - finish pulling out of hole & dump bailer

ARRIVE ON LOCATION, KILL WELL THEN FINISH PULLING TUBING & BAILER OUT OF HOLE, USE VACUUM TRUCK TO EMPTY BAILER, RECOVERED SLUDGY IRON SULFIDE BS, SECURE WELL FOR WEEK END,

**\*\* PLANNING TO RUN WOODGROUP ESP ON MONDAY \*\***

10/30/06 day 25 - attempt to run WG esp, tag early, secure well

ARRIVE ON LOCATION, HELD PRE JOB SAFETY MEETING, DISCUSSED H<sup>2</sup>S, PICK UP & ASSEMBLE NEW WOOD GROUP ESP THEN RIG SPOOLERS & TRIP IN HOLE W/ ESP, P-CABLE, 3/8" SS CT, CANON CLAMPS & TUBING, TAG WAY EARLY AT 5,345', COULD NOT GET PAST TIGHT SPOT, CHECK CABLE & FOUND IT TO BE GROUNDED, START OUT OF HOLE, SECURE WELL FOR NIGHT..

**\*\* PLAN TO finish PULLING OUT OF HOLE IN THE MORNING \*\***

10/31/06 - day 26 - attempt to pull out of hole, ran free point, start fishing (casing bad )

ARRIVE ON LOCATION, KILL WELL, TRY TO PULL OUT OF HOLE W/ TBG & ESP, PULLED 5 STANDS, EACH STAND GOT TIGHTER THE FURTHER UP HOLE WE PULLED, TRIP BACK TO BOTTOM & STACK PUMP OUT AT 5,345', RIG UP WIRE LINE & JET CUT @ 5,170', PULLED 13 JOINT IN TWO HOURS STUCK TUBING, RAN FREEPOINT, 20% FREE AT 3,700' 50% FREE @ 3,000', ATTEMPT CUT @ 3,700', COULD NOT FREE PIPE, SECURE WELL..

**\*\* PLAN TO CONTINUE TRYING TO FREE STUCK TUBING IN THE MORNING \*\***

11/1/06 - day 27 - free point & cut, work stuck tbg

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED WIRE LINE SAFETY, RIG WIRE LINE AND RAN FREE POINT - CUT 2 7/8" TUBING AT 3,012', PULL ONE STAND & STUCK TBG, CUT AT 1,996' AND COULD NOT PULL, RAN FREE POINT AGAIN, 100% STUCK AT 1,624', CUT AT 1,611', WORK FREE AND PULL OUT OF HOLE W/ 39 JTS OF TBG, BANDING, CABLE & CT- THEN LAST 21 JOINTS PULLED OUT W/ NO POWER CABLE, BANDING OR CAP STRING, (687") SPENT REST OF DAY FISHING FROM 0 TO 1,491', RECOVERED 62' OF P-CABLE, 50' OF 3/8" CT & ONE CANON CLAMP - TOP OF FISH IS AT 1,611', SECURE WELL

11/2/06 - day 28 - continue fishing from 1,488' to 1,495'

ARRIVE ON LOCATION, HELD SAFETY MEETING DISCUSSED PPE, KILL WELL THEN MADE EIGHT ROUND TRIPS RECOVERING 30' OF P-CABLE, 12' OF 3/8" CT & ONE CANON CLAMP.

11/3/06 - day 29 - continue fishing from 1,495 to 1,496'

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED H<sup>2</sup>S, KILL WELL THEN MADE EIGHT ROUND TRIPS, STUCK W/ FISHING TOOLS THREE TIMES, USED WIRE LINE GRABS, SINGLE & DOUBLE PRONG, USED 3 1/2" & 4 1/2" SCREW GRABS, , RECOVERED 36' OF POWER CABLE, 26' OF 3/8" CHEMICAL LINE AND 3 CANON CLAMP.

11/6/06 - day 30 - continue fishing from 1,496' to 1,506'

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED HOUSE KEEPING, KILL WELL, THEN PICK UP 4 1/2" SCREW GRAB, 1-DC, JARS & BUMPER SUB, MADE EIGHT ROUND TRIPS FISHING FROM 1,496' TO 1,506' USING 4 1/2", 3 1/2" SCREW GRABS, 3 1/2" & 4 1/2" SINGLE PRONG WL SPEARS & 4 1/2" DOUBLE PRONG GRABS.. RECOVERED 46' of Power Cable, 22' of 3/8" ss Chemical line & 2 Canon Clamps, TOP OF TUBING IS @ 1,611' kb-

11/7/06 - day 31 - continue fishing at 1506'

ARRIVE ON LOCATION, HELD FIVE MINUTE SAFETY MEETING, DISCUSSED DERRICK INSPECTION, KILL WELL, PICK UP 4 1/2" DUAL PRONG WL GRAB & TRIP IN HOLE TO 1,506', WORK FISHING TOOL & PULL OUT OF HOLE, FOUND ONE PRONG MISSING, MADE FOUR MORE TRIPS, ONE W/ 4 1/2" & 3 1/2" SCREW GRABS THE REST W/ SPLIT SHOE GRABS, NO RECOVERY, SECURE WELL,

*\*\* PLAN TO RUN IMPRESION BLOCK IN THE MORNING (may be trying to go outside casing) \*\**

11/8/06 - day 32 - made two magnet runs, lead impression block, dig out cellar start braden head nipple down

ARRIVE ON LOCATION, HELD FIVE MINUTE SAFETY MEETING, DISCUSSED FALL PREVENTION, KILL WELL, PICK UP MAGNET & MADE TWO ROUND TRIPS, RECOVERED PIECES OF ONE CANON CLAMP - RAN LEAD IMPRESSION BLOCK, TAG GENTLY AT 1,506' SET DOWN 6 POINTS & START OUT OF HOLE, COULD NOT GET PAST 1,489' FEET, ATTEMPT TO WORK THROUGH BAD SPOT, DRUG 10,000 POUNDS OVER STRING WEIGHT AND PULLED FREE, FINISH PULLING OUT OF HOLE, DID NOT GET PICTURE, DRUG LEAD OFF OF IMPRESSION BLOCK, According to casing Inspection log the 7" casing from 1,320' to 1,489' is condemned C4 grade ( 80% to 100% metal loss ) THE COUPLING AT 1,489' CORRELATES DIRECTLY WITH THE PROBLEMS WE ARE HAVING DOWN HOLE, IT APPEARS THE CASING IS SEPARATED AT 1,489', THE INSPECTION LOG ALSO INDICATES GOOD CASING FROM 1,489' TO 2,200' DECIDED TO CHECK FOR FREE HANGING 7" CASING, DUG OUT CELLAR, START NIPPLE DOWN OF BRADEN HEAD, WORK WITH RUSTED OLD BOLTS REST OF DAY, ORDERED 11"x 3,000 x BOP W/ 7"RAMS- SECURE WELL-

*\*\* PLAN TO FINISH NIPPLE DOWN, SPEAR 7", IF CASING IS FREE HANGING WE PLAN TO POOH W/ CSG & REPAIR \*\**

*\*\* IF CASING JUST HAS BAD FLAP WE WILL DRESS BAD SPOT & CONTINUE FISHING \*\**

11/9/06 - day 33 - nipple dn braden head pick up 7" casing, pass couplings

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED NIPPLE DOWN, KILL WELL DN ANNULUS OF 7"/ 9 5/8" CASING, finish NIPPLING DOWN B & C SECTIONS OF WELL HEAD. PICK UP & ASSEMBLE 7" CASING SPEAR THEN LATCH ON TO CASING, LIFT OFF OF SLIPS @ 40K, PASS COUPLINGS, RESET SLIPS & SECURE WELL, SD/ WIND

*\*\* PLAN NIPPLE UP 11"x 3000 x 7" BOP & POOH W/ BAD CASING \*\**

11/10/06 - day 34 - pooh w/ 7" bad casing

ARRIVE ON LOCATION, HELD PRE JOB SAFETY MEETING, DISCUSSED WELL CONTROL - KILL WELL, NIPPLE DN "B" SECTION, PULL CSG SLIPS & NIPPLE UP 11"x3Kx 7" BOP, (TEST OK) HELD JSA W/ CSG CREW, RIG UP CSG CREWS & LAY DOWN EQUIPMENT - PULL OUT OF HOLE W/ 36 JOINTS OF BRITTLE 7" CASING, RIG DOWN CASING CREWS & LAY DOWN EQUIPMENT - SECURE WELL....

*\*\* PLAN TO DRESS TOP OF 7" CASING - PREP FOR PATCH \*\**

11/13/06 - day 35 - bop trouble, shut down

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, PICK UP CONCAVE MILL & ATTEMPT TO TRIP IN HOLE W/ DHA- COULD NOT GET TOOLS TO GO THRU ANNULAR BOP- WORK ON BOP W/ NO LUCK- SHUT DN JOB, ORDER NEW BOP. Also ordered casing, casing patch & set up csg crews.....



11/14/06 - day 36 - change out bop- pick up 8 5/8" mill- sd due to high winds

ARRIVE ON LOCATION, KILL WELL, NIPPLE DOWN BROKEN BOP, NIPPLE UP 11"x 3K BOP/ ANNULAR- PICK UP 8 5/8" CONCAVE MILL & START IN HOLE, HAD TO SHUT DOWN DUE TO HIGH WINDS.

**\*\* PLAN TO CONTINUE DRESSING 7" CSG STUB \*\***

11/15/06 - day 37 - finish tripping in hole w/ dress off mill, dressing off 7" csg stub

ARRIVE ON LOCATION, HELD FIVE MINUTE SAFETY MEETING, DISCUSSED WELL CONTROL- FINISH TRIPPING IN HOLE W/ 8 5/8" CONCAVE MILL, RIG UP SWIVEL, START DRESSING 7" CASING STUB - HAD TROUBLE MAKING PROGRESS- POOH FOUND LEAD IN CUTRITE, DECIDED TO BUILD SHOE TO SWALLOW CASING + LEAD BLOCK-

**\*\* PLAN TO CONTINUE DRESSING CASING STUB IN THE AM. \*\***

11/16/06 - day 38 - continue fishing

ARRIVE ON LOCATION, CASING HAD 235 PSI, HAD TO PUMP 250 BBLS TO KILL WELL- HELD SHORT SAFETY MEETING TRIP IN HOLE W/ 8 5/8" (cut lip guide w/ inside cutrite & diamond catch, ATTEMPT TO SWALLOW CASING STUB W/ NO LUCK (dressed four hours, made 2") POOH, MILL WORE OUT, NO PICTURES ON INSIDE OR OUT - TRIP BACK IN HOLE WITH CONCAVE MILL, DRESS ONE HOUR, MADE 2" & POOH, ALL MARKINGS OFF CENTER- SECURE WELL

11/17/06 - day 39 - continue fishing

ARRIVE ON LOCATION, CASING HAD 217 PSI, ONLY TOOK 74 BBLS TO KILL WELL THIS MORNING, HELD 5 MINUTE SAFETY MEETING, DISCUSSED HANDLING HEAVY TOOLS - ROUND TRIP IMPRESSION BLOCK, PICS SHOWED LESS THAN 7" SEMI CIRC/ OFF CENTER- TRIP IN HOLE W/ SLIGHT CONCAVE MILL, RIG SWIVEL & BURN 1 1/2', PULL OUT OF HOLE, MILL SHOWED BETTER CENTERED MARKINGS, ROUND TRIP IMPRESSION BLOCK, PICTURE SHOWED LESS THAN 7" CENTERED CIRCLE, brittle casing peeling to the inside may have short pieces - SECURE WELL,

**\*\* PLAN TO MAKE OVER SHOT RUN TO SEE IF WE CAN GET OVER & LATCH ON TO 7" STUB BEFORE RUNNING PATCH\*\***

Consider plugging well, we are in straight hole & in surface pipe, we haven't even got to the kick off point, the 7" gets worse towards 5,300', we are at the easiest part of this fishing job, also we are stuck in at least 3 more places, more than 30° deviation, canon clamps, power cable & 3/8" chemical line all inside very brittle 7" w/ no cement on the out side - if they would let us we could set 9 5/8" cement retainer above csg stub, pump neat cmt w/ 2%cc on the fly till it pressures, sting out & reverse. May be able to make Good fresh water well for w/o & maintenance purposes ??

11/20/06 - day 40 - tih w/ overshot to catch 7", no luck, pooh pick up shoe, tih & mill, pooh, sion

ARRIVE ON LOCATION, HELD FIVE MINUTE SAFETY MEETING, DISCUSSED RIG INSPECTION, KILL WELL, PUMP 70 BARRELS & GAINED CIRCULATION - PICK UP & TRIP IN HOLE W/ OVER SHOT TO CATCH 7" CASING STUB WITH NO LUCK, PULL OUT OF HOLE, WAS UNABLE TO GET OVER STUB - PICK UP & RUN 8 5/8" CUTRITE SHOE, MILL FOUR HOURS & PULL OUT OF HOLE, MADE 8", SECURE WELL FOR EVENING.

11/21/06 - day 41 - tih w/ 8 5/8" shoe, mill 2' dn outside of 7"- secure well.

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED GAS & H2s MONITORS - LOAD HOLE W/ 35 BBLS THEN PICK UP NEWLY DRESSED 8 5/8" SHOE & TRIP IN HOLE, CUT ANOTHER 2' OVER CASING STUB, WE STILL HAD 80% TO 90% RETURNS. DULLED MILL & PULLOUT OF HOLE. PLAN TO CUT ANOTHER FOOT & THEN ATTEMPT TO LATCH ON TO STUB

11/22/06 - day 42 - tih w/ 8 5/8" clean shoe w/cut rite & mill down 2 1/2", pooh ran o-shot

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED PIPE HANDLING - OVER NITE SHUT IN CSG WAS 35 PSI - PUMP 40 BARRELS OF KILL FLUID AND GAIN CIRCULATION, PICK UP 8 5/8" CUT RITE SHOE & TRIP IN HOLE, MILL 30" THEN PULL OUT OF HOLE, TOTAL FOOTAGE OVER OUTSIDE OF 7" CASING IS 5', PICK UP OVER SHOT TO CATCH 7" CASING THEN TRIP IN HOLE, WORK OVER 7" CASING STUB, COULD NOT LATCH UP, FISHING TOOL KEPT SLIPPING OFF @ 22K, PULL OUT OF HOLE, FOUND SPIRAL GRAPPLE BROKEN,, SECURE WELL F/ HOLIDAY...

**\*\* PLAN TO MAKE ANOTHER ATTEMPT TO LATCH ON TO 7" CASING STUB ON MONDAY TO ENSURE CASING PATCH WILL WORK & THERE ARE NO SHORT OR BROKEN PIECES OF CASING THAT WOULD FORCE A REPEAT \*\***

11/27/06 - day 43- tih w/ over shot,

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED TRIPS & FALLS, CASING HAD "0" PSI & WAS STANDING FULL OF FLUID, PICK UP 8 5/8" OLD WORE SHOE & TRIP IN HOLE W/ TUBING, WORK OVER 7" CSG STUB THEN PULLOUT OF HOLE, PICK UP & RUN 7" CSG OVER SHOT & EXTENSION THEN TRIP IN HOLE, TAG TOP OF STUB @ 1489', ATTEMPT TO SWALLOW & CATCH CASING W/ NO LUCK, KEPT SLIPPING OFF AT 25,000 POUNDS PULL. PULL OUT OF HOLE & SECURE WELL FOR EVENING...

**\*\* PLAN TO CUT 1/8" OUT OF ID OF FISHING TOOL EXTENSION, SEEM 7" STUB IS OUT OF ROUND \*\***

11/28/06 - day 44 - trip in hole w/ milled over shot, failed to catch fish

ARRIVE ON LOCATION, HELD SAFETY MEETING, DISCUSSED RIG INSPECTION, FLUID STANDING IN CASING, TRIP IN HOLE W/ 60"x 8 5/8" SHOE, WORK OVER STUB THEN PULL BACK OUT OF HOLE, PICK UP 7" CASING OVERSHOT W/ O SPIRAL GRAPPLE, TAG TOP OF CASING STUB AT 1,489', STILL COULD NOT SWALLOW CASING STUB WITH OVER SHOT, CASING STUB WOULD NOT GO IN EXTENSION, KEPT SLIPPING OF @ 25K PULL, PULL OUT OF HOLE AND SECURE WELL...

**\*\* PLAN TO RUN CASING W/ SLIP JOINT & ATTEMPT TO CLEAN OUT INSIDE OF BAD 7" CASING \*\***

11/29/06 - day 45 - trip in hole w/ slip joint & 34 joints of 7" casing, tie in to stub.

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED RIGGING UP CASING EQUIPMENT.. WELL STILL STANDING FULL OF FRESH WATER, RIG UP PICK CASING PICK UP EQUIPMENT, RIG UP CASING HANDLING TOOLS. PICK UP 60"x 8 5/8" SLIP JOINT, THEN TRIP IN HOLE W/ 34 JOINTS ON NEW 7"x 26# HC L-80 CASING, TAG STUB AT 1,489', WORK SLIP JOINT OVER STUB TO 1,494', NIPPLE DOWN 10" ANNULAR BOP, SET CSG SLIPS & MADE CUT OFF, NIPPLE UP B SECTION OF WELL HEAD & 7 1/16x 3000 BOP, SECURE WELL FOR NIGHT...

**\*\* PLAN TO RUN TAPERED MILL TO DRESS TOP OF STUB, HOPEFULLY WE'LL BE ABLE TO GET INSIDE STUB? \*\***

11/30/06 - day 46 - tih w/ tapered mill, dress t/o stub & pooh,

ARRIVE ON LOCATION, HELD FIVE MINUTE SAFETY MEETING, DISCUSSED WORKING IN FREEZING WEATHER CONDITIONS, OVER NITE SHUT IN PRESSURE WAS "0" - HOLE STANDING FULL OF FRESH WATER- WAIT ON FISHING EQUIPMENT DUE TO ICY ROADS, PICK UP FULL GAUGE 6.27"x 3' LONG TAPERED MILL THEN TRIP IN HOLE, TAG 7" CASING STUB AT 1,494'- DRESS TO 3' TO 1,497' AND PULL OUT OF HOLE, CIRCULATED OUT PIECES OF LEAD, STEAL & ARMOR, MILL SHOWED GOOD PICTURES AT FULL GAUGE POINT, SECURE WELL ...

**\*\* PLAN TO RUN STABILIZED BLADE MILL IN THE AM \*\***

12/1/06 - day 47- tih w/ stabilized blade mill, cut 1' & pooh. Weather crappy

ARRIVE ON LOCATION, HELD FIVE MINUTE SAFETY MEETING, DISCUSSED PIPE HANDLING, OVER NIGHT SHUT IN WAS "0" - PICK UP FULL GAUGE STABILIZED BLADE MILL & TRIP IN HOLE, TAG JUNK INSIDE 7" STUB AT 1,497' - RIG SWIVEL AND BRAKE CIRCULATION, CUT FOOT, RECOVER MOSTLY LEAD W/ SOME IRON, PIECES OF ARMOR, CANON CLAMPS, AND SUPPER BANDS (note, super bands were not run on last instillation) SECURE WELL FOR NIGHT ...

**\*\* PLAN TO RUN FULL GAUGE SHOE ON SATURDAY \*\***

12/2/06 - day 48 - tih w/ wire diamond full gauge shoe, wash over junk & pooh

ARRIVE ON LOCATION, OVER NIGHT SHUT IN PRESSURE WAS "0" - HELD SHORT SAFETY MEETING THEN PICK UP 6 1/8" CUTRITE SHOW W/ DIAMONDS & WIRE THEN TRIP IN HOLE, TAG JUNK AT 1,498' WASH THREE FOOT THEN PULL OUT OF HOLE, RECOVERED SHOE FULL OF, SUPPER BAND & CANNON CLAMP PIECES, COULD NOT GET JUNK OUT OF SHOE BECAUSE IT WAS PACKED TO TIGHTLY.. SHUT DOWN FOR REST OF WEEK END,, PLAN TO DRESS SHOE & RUN ON MONDAY.. SECURE WELL FOR WEEK END..

**\*\* PLAN TO DRESS & RUN SAME SHOE ON MONDAY \*\***

12/4/06 - day 49 - tih w/ wire diamond full gauge shoe then wash over junk,

ONSI "0" PSI TBG, HELD SHORT SAFETY MEETING, DISCUSSED HOUSEKEEPING - MADE TWO ROUND TRIPS WITH 6 1/8" WIRE SHOE, BOTH TRIPS FILLED W/ JUNK, ON SECOND RUN LOST CIRCULATION & WELL BLEW OUT- KILL WELL, MADE TWO TRIPS W/ SCREW GRAB, RECOVERED MOSTLY TORE UP POWER CABLE & WADED CAP STRING W/ SOME CANON CLAMP PIECES. STARTING DEPTH WAS 1,499', ENDING DEPTH WAS 1,511' - SECURE WELL...

12/5/06 - day 50 - made 8 rnd trips w/ various grabs & spears ending @ 1,515'

ONSI 53 PSI, HELD FIVE MINUTE SAFETY MEETING, DISCUSSED H<sup>2</sup>S THEN KILL WELL - MADE EIGHT ROUND TRIPS WITH VARIOUS WIRE LINE SPEARS & GRABS, RECOVERED 40' OF POWER CABLE, 20' OF CHEMICAL LINE AND ONE CANON CLAMP, FISHED FROM 1,500' TO 1,515', JUNK SEEMS TO BE LOOSENING UP.. SECURE WELL FOR NIGHT.

12/6/06 - day 51 - made 8 rnd trips w/ various spears & grabs ending @ 1,560'

ONSI 48 PSI, HELD PRE JOB SAFETY MEETING, DISCUSSED JSA - KILL WELL - MADE EIGHT ROUND TRIPS WITH VARIOUS WIRE LINE SPEARS & GRABS, RECOVERED 75' OF POWER CABLE, 47' OF CHEMICAL LINE AND 4 CANON CLAMPS, STARTED FISHING AT 1,515' AND ENDED AT 1,560'... (seem to have bad spot at 1,515' or 15' blw slip jnt)

12/7/06 - day 52 - made 7 rnd trips w/ various w/ grabs & spears, ending @ 1,608'

ONSI 53 PSI, HELD SHORT SAFETY MEETING, DISCUSSED TUBING LINE INSPECTION, KILL WELL - MADE 7 ROUND TRIPS W/ ASSORTED WIRE LINE SPEARS & GRABS - RECOVERED 77' OF POWER CABLE, 52' OF CHEMICAL LINE AND 4 CANON CLAMPS, FISH FROM 1,561' to 1,608' or 2' ABOVE 2 7/8" TUBING CUT OFF....

12/8/07 - day 53 - made 3 trips w/ w/ grab- tih w 6 1/8" over shot, mill over tbg

ONSI 52 PSI -HELD SHORT SAFETY MEETING, DISCUSSED WELL CONTROL - KILL WELL - MADE 3 ROUND TRIPS WITH VARIOUS WIRE LINE SCREW GRABS & SPEARS, RECOVERED 2 CANONS CLAMPS & 6' OF CHEMICAL LINE - ENDING DEPTH WAS 1,611' - PULL OUT OF HOLE - PICK UP 6 1/8" CUT RITE SHOE & TRIP IN HOLE, MILL OVER 2 7/8" L-80 TUBING STUB, WORE OUT SHOE THEN PULL OUT OF HOLE - MADE TWO FOOT - ENDING AT 1,613' SECURE WELL FOR WEEK END...

12/11/06 - day 54 - ran 6 1/8" shoe cut from 1,613 to 1,615' then pooh, shut down due to wind

ARRIVE ON LOCATION, HELD FIVE MINUTE SAFETY MEETING, DISCUSSED PPE, ONSI 70 PSI, KILL WELL THEN TRIP IN HOLE WITH 6 1/8" SHOE, CUT FROM 1,613' TO 1,615' WORE SHOE AND THEN PULL OUT OF HOLE - WIND HIT HARD, SECURE WELL FOR NIGHT...

12/12/06 - day 55 - ran one more shoe, cut from 1,615' to 1,617', pooh pick up O-shot,

ARRIVE ON LOCATION, HELD FIVE MINUTE SAFETY MEETING, DISCUSSED WELL CONTROL. OVER NITE SHUT IN PRESSURE WAS 70 - KILL WELL, TRIP IN HOLE 6 1/8" SHOE - CUT FROM 1,615 to 1,617' THEN PULL OUT OF HOLE TUBING - PICK UP & RUN OVER SHOT W/ CUTRITE CONTROL, TAG TOP OF TUBING AT 1,611 - DRESS END OF TBG & LATCH ON THEN JAR FROM 50,000 TO 80,000 FOR 7 HOUR, MOVED FISH 2 1/2' UP HOLE - SECURE WELL F/ NIGHT...

12/13/06 - ay 56 - jar- pull loose, lay dn 10 jts, stuck, jar all day, pull lose,

ARRIVE ON LOCATION, HELD FIVE MINUTE SAFETY MEETING, DISCUSSED H2s, ONSI WAS 70 PSI, KILL WELL THEN FINISH PULLING OUT OF HOLE W/ FISH, NEXT TUBING STUB @ 1,996' (cut off) - MADE FIVE ROUND TRIPS WITH SCREW GRAB, RECOVERED 12' OF CHEMICAL LINE, 23' OF POWER CABLE AND 3 CANON CLAMP PIECES, FISHED JUNK FROM 1,608 TO 1,616' - PLAN ON CLEANING TO NEXT TUBING STUB AT 1,996' - SECURE WELL FOR NIGHT...

12/14/06 - day 57 - made eight round trips w/ screw grabs,

ARRIVE ON LOCATION, HELD FIVE MINUTE SAFETY MEETING, DISCUSSED PPE, ONSI 70 PSI, KILL WELL THEN MADE 7 ROUND TRIPS, RECOVERED 37' OF POWER CABLE, 43' OF CHEMICAL LINE AND ONE CANON CLAMP. SECURE WELL FOR NIGHT.

12/15/06 - day 58 - made 7 round trips w/ various grabs

ARRIVE ON LOCATION, HELD SHORT SAFETY MEETING, DISCUSSED PINCH POINTS, OVER NIGHT SHUT IN PRESSURE WAS 70 POUNDS, KILL WELL THEN MADE SEVEN ROUND TRIPS W/ VARIOUS GRABS & SPEARS, RECOVERED 45' OF POWER CABLE, 14' OF CHEMICAL LINE & 2 CANON CLAMS. SECURE WELL FOR NIGHT.

*\*\* plan to continue fishing \*\**

12/16/06 - day 59 - made 7 round trips w/ various grabs

ARRIVE ON LOCATION, HELD JSA MEETING, OVERNIGHT SHUT IN PRESSURE WAS 70 PSI, MADE 7 ROUND TRIPS WITH VARIOUS GRABS & SPEARS, RECOVERED 24' OF POWER CABLE, 11' OF CHEMICAL LINE AND 1 1/2 CANON CLAMP PIECES, WE FISHED FROM 1,512' to 1,621'

*\*\* plan to continue fishing \*\**

12/17/06 - day 60 - Ice Storm, shut down due to Extreme Weather Conditions.

*\*\* change of plans, we will tih & pooh laying dn tbg when weather permits & move to completion work \*\**

12/18/06 - day 61- w/f ice to melt, tih w/ tbg then pooh laying dn,

ARRIVE ON LOCATION, HELD JSA MEETING, WELL HEAD HAD 70 PSI, KILL WELL THEN TRIP IN HOLE W/ 30 STANDS OF 2 7/8" L-80 TUBING F/ DERRICK THEN PULL OUT OF HOLE LAYING DOWN THEN RAN LAST 24 STANDS IN HOLE - PICK UP SEBOARD & LAND & SECURE WELL, THEN RIG DOWN & MOVE OFF.

*\*\* We Will Continue With This Job at A Later Date \*\**



**OXY USA WTP LP**

5 Greenway Plaza., Houston, TX 77046  
P.O. Box 4294, Houston, TX 77210-4294  
713-215-7000

July 22, 2008

Mr. James Stovall  
Field Manager, Carlsbad  
Bureau of Land Management  
620 E. Greene St.  
Carlsbad, NM 88220

RE: I & E CFO  
#08DN027WTA – Old Ranch Canyon 7 Fed # 3

Dear Mr. Stovall,

OXY USA WTP LP received the above referenced notice and has evaluated the well for repair or abandonment. Significant effort has been made to retrieve several fish in the hole. The effort has been difficult due the presence of an ESP, associated electric cable and a crooked hole. Pieces of cable, cable straps and parted tubing are firmly wedged and can not be moved.

After a complete review of the workover history and attempts to retrieve the fish, OXY is of the opinion that the fish can not be retrieved and the well will be plugged from the top of the fish. A plugging procedure is being prepared and will be submitted within the next few days. A quick approval will be appreciated as we have a rig ready to move on the well.

Please call me if you or your staff would like more information or would like to discuss this well with OXY personnel.

Sincerely,

A handwritten signature in cursive script, reading "Elizabeth S. Bush-Ivie, P.E.", written in black ink.

Elizabeth S. Bush-Ivie, P.E.  
Regulatory Team Leader  
713-366-5303

cc: D. Stewart  
B. Meadows  
K. Hobbs  
T. Gum/NMOCD

1 & E CFO

Number 08DN027WTA

Page of

☒ Certified Mail - Return  
Receipt Requested  
70073020000206491135

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
NOTICE OF WRITTEN ORDER

IDENTIFICATION	
ID	
Lease	NMMN81219
CA	
Unit	
PA	

Bureau of Land Management Office				Operator			
CARLSBAD FIELD OFFICE				OXY USA WTP LIMITED PTNRSHIP			
Address				Address			
620 E GREENE STREET CARLSBAD NM 88220				P O BOX 50250 MIDLAND TX 79710-0250			
Telephone				Attention			
575-234-5952				DAVID STEWART			
Inspector				Attn Addr			
NEGRETE				P O BOX 50250 MIDLAND TX 79710			
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State
OLD RANCH CANYON 7 FED	3	SE NW 7	22S	24E	NMP	EDDY	NM
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State

The following condition(s) were found by Bureau of Land Management Inspectors on the date and at the site(s) listed above

Date	Time (24-hour clock)	Corrective Action to be Completed by	Date Corrected	Authority Reference
05/27/2008	08:10	07/15/2008		43CFR3162.1(a) / 43CFR3162.3-4(c)

Remarks  
A RECENT FIELD INSPECTION OF THE ABOVE REFERENCED WELL AND OUR RECORDS INDICATE THAT THE ABOVE WELL IS SHUT-IN (SI) OR TEMPORARILY ABANDONED (TA). THE BUREAU OF LAND MANAGEMENT (BLM) AND MINERALS MANAGEMENT SERVICE (MMS) DEFINITION OF A SHUT-IN WELL IS A COMPLETION THAT IS PHYSICALLY AND MECHANICALLY CAPABLE OF PRODUCTION IN PAYING QUANTITIES OR CAPABLE OF SERVICE USE. THE DEFINITION OF A TEMPORARILY ABANDONED WELL IS A COMPLETION THAT IS NOT CAPABLE OF PRODUCTION IN PAYING QUANTITIES BUT WHICH MAY HAVE VALUE AS A SERVICE COMPLETION. ACCORDING TO OUR RECORDS THE WELL REFERENCED ABOVE HAS BEEN SHUT-IN FOR 6 MONTHS OR LONGER OR HAS BEEN TEMPORARILY ABANDONED WITHOUT AUTHORIZATION.

(Remarks continued on following page(s).)

When the Written Order is complied with, sign this notice and return to above address

Company Representative Title	<u>S.R. Roy Analyst</u>	Signature	<u>[Signature]</u>	Date	<u>7/22/08</u>
Company Comments <u>See attached for proposed Sundry Notice for Intent to P&amp;A</u>					

Warning

The Authorized Officer has authority to issue a Written Order in accordance with 43 CFR 3161.2. Written Order correction and reporting time frames begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each stipulation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management Office at the address shown above. If you do not comply as noted above under "Corrective Action to be Completed By", you shall be issued an Incident of Noncompliance (INC) in accordance with 43 CFR 3163.1(a). Failure to comply with the INC may result in assessments as outlined in 43 CFR 3163.1 and may also incur civil penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time frame for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

Review and Appeal Rights

A person contesting a decision shall request a State Director review of the Written Order. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer		Date	Time
<u>[Signature]</u>		<u>5/27/08</u>	<u>0810 HRS</u>
FOR OFFICE USE ONLY			
Number	Date	Type of Inspection	
<u>53</u>		<u>RR</u>	

1 & E CFO

BLM Remarks, continued

43 CFR 3162.3-4 (c) REQUIRES THAT WELLS INCAPABLE OF PRODUCTION IN PAYING QUANTITIES BE PROMPTLY PLUGGED AND ABANDONED AND REQUIRES APPROVAL FOR ANY WELL TEMPORARILY ABANDONED FOR MORE THAN 30 DAYS

THEREFORE YOU ARE ORDERED TO DO ONE OF THE FOLLOWING

1. RETURN THE WELL TO PRODUCTION OR BENEFICIAL USE.
2. SUBMIT NOTICE OF INTENT TO PLUG AND ABANDON.

IF YOU DECIDE TO RETURN THE WELL TO PRODUCTION, SUBMIT A SUNDRY NOTICE (FORM 3160-5, ORIGINAL AND 5 COPIES) OF INTENT WITHIN 30 DAYS OF RECEIPT OF THIS LETTER. INCLUDE THE DATE YOU ANTICIPATED THE WELL BEING PLACED BACK IN SERVICE. 43 CFR 3162.4-1(c) ALSO REQUIRES YOU TO NOTIFY THE AUTHORIZED OFFICER, NOT LATER THAN THE FIFTH BUSINESS DAY AFTER PRODUCTION IS RESUMED FOR ANY WELL WHICH HAS BEEN OFF PRODUCTION FOR MORE THAN 90 DAYS, THE DATE ON WHICH SUCH PRODUCTION WAS RESUMED. NOTIFICATION MAY BE BY LETTER OR SUNDRY NOTICE, OR ORALLY FOLLOWED BY LETTER OR SUNDRY NOTICE

IF THE WELL IS TO BE USED FOR BENEFICIAL PURPOSES, SUBMIT A SUNDRY NOTICE (FORM 3160-5, ORIGINAL AND 5 COPIES) WITHIN 30 DAYS OF RECEIPT OF THIS LETTER AND INCLUDE INFORMATION CONCERNING FUTURE USE. A BRIEF DESCRIPTION OF YOUR PROPOSED PLANS AND ECONOMIC FEASIBILITY AND AN ANTICIPATED DATE FOR PLACING THE WELL IN BENEFICIAL USE WILL SUFFICE. BENEFICIAL USE INCLUDES, BUT IS NOT LIMITED TO, RECOMPLETION BUT IS NOT LIMITED TO, RECOMPLETION TO OTHER HORIZONS, CONVERSION TO INJECTION FOR SECONDARY OR ENHANCED RECOVERY, AND SALT-WATER DISPOSAL OR INJECTION.

IF YOU DECIDED TO PLUG AND ABANDON THE WELL, SUBMIT A SUNDRY NOTICE (FORM 3160-5, ORIGINAL AND 5 COPIES) WITHIN 30 DAYS OF RECEIPT OF THIS LETTER AND DESCRIBE THE PROPOSED PLUGGING PROGRAM

FOR MONITORING AND TRACKING PURPOSES, PLEASE SUBMIT APPROPRIATE PAPERWORK TO THIS OFFICE ATTENTION DINAH NEGRETE. IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT ME AT (575) 234-5952.

**Old Ranch Canyon 7 Federal #3  
30-015-31152  
OXY USA WTP Limited Partnership  
August 27, 2008  
Conditions**

**The proposed plugging procedure cannot be approved for the following reasons:**

- 1. This is a critical cave/karst area and the cave depth extends to 2500'.**
- 2. There is deep water in this area and has been recorded below 1600'.**
- 3. H<sub>2</sub>S has been encountered and probably originates in the Cisco-Canyon formation.**
- 4. The Cisco-Canyon, Wolfcamp, and Bone Spring formations would not be properly isolated.**

**WWI 082708**