

**RECEIVED**  
 Form 3160-3  
 (Rev. 2004)  
**AUG 25 2010**  
**NMOC D-ARTESIA**

**OCD-ARTESIA**

UNITED STATES  
 DEPARTMENT OF THE INTERIOR  
 BUREAU OF LAND MANAGEMENT

FORM APPROVED  
 OM B No 1004-0137  
 Expires March 31, 2007

**NOTICE OF INTENT TO DRILL EXPLORATORY 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 Inc.**

3a Address    **4008 N. Grimes PMB 269, Hobbs NM 88240**

3b Phone No (include area code)    **5753978210**

4 Location of Well (Footage, Sec, T, R, M, or Survey Description)  
**Sec 26 T22s R31e N32\*21.955 W103\*44.784**  
**Unit F**

5 Lease Serial No  
**NM 62590**

6 If Indian, Allottee or Tribe Name

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

8 Well Name and No  
**Federal 26 # 7**

9 API Well No  
**30-015-26941**

10 Field and Pool, or Exploratory Area

11 County or Parish, State  
**Eddy**

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 site is ready for final inspection.)

Attached is the Archeological Survey performed by Boone Archeological Services as per BLM request. It shows that there are no concerns for disturbance of sensitive areas at this site.

Upon approval of this Survey from the BLM, we propose to move forward at this site with the before mentioned Soil Boring to identify deeper than expected Chloride levels at this site. In order to perform this next function, we are requesting permission to build a temporary caliche road, 12' wide from the closest lease road west of the site to the site, and a temporary pad (40' X 80') for the Boring Machine to perform its soil boring and testing. Once the testing and Remediation Plan for this site (To be determined by soil boring investigation data) is determined and executed, the temporary Caliche road and pad will be removed and the surface area restored to its natural state prior to excavation.

This plan has been suspended for the time being until approval from BLM could be provided on the above mentioned work plan.

*\* Remove Caliche, Contour, Seed (BLM #2) when complete*

*At 8/26/2010*

14 I hereby certify that the foregoing is true and correct  
 Name (Printed/Typed)    **Dusty L. Wilson**    Title    **HES Specialist**

Signature    *[Signature]*    Date    **8-17-2010**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by    *[Signature]*    Title    **SEPS**    Date    **8-22-10**

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    **CFD**

Title 18 USC Section 1001 and Title 43 USC Section 1212, make 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

(Instructions on page 2)