

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.

5. Lease Serial No.

S-NMNM0417696 BH-NMNM0417506

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

OXY USA Inc.

16696

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- 200 FSL 250 FEL SESE(P) Sec 3 T22S R31E

BHL - 1536 FNL 330 FEL SENE(H) Sec 10 T22S R31E

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

8. Well Name and No.

Lost Tank 10 #5

Federal

9. API Well No.

30-015-37924

10. Field and Pool, or Exploratory Area

Lost Tank Delaware, West

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

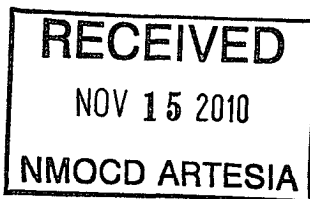
☐ Water Shut-Off

☐ Well Integrity

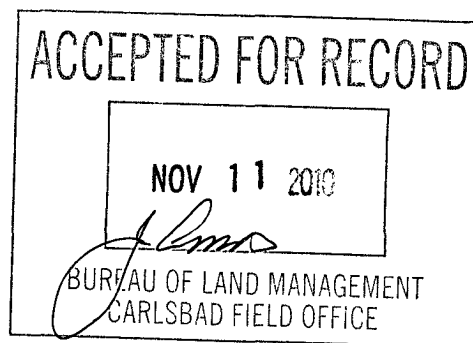
☒ Other Spud, set

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 attached.



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

David Stewart

Title

Sr. Regulatory Analyst

Date

10/26/10

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.

SPUD AT 14:30 HRS ON 10/01/2010.

DRILL 14-3/4" SURFACE HOLE 682'

RUN 11-3/4", CASING 42 #, H-40, STC, R-3, FROM SURFACE TO 682'.

CASING SET ON BOTTOM AS FOLLOWS:

1-GUIDE SHOE -STC (WEATHERFORD TIGER TOOTH) AT 682'.

1-SHOE JOINT - STC WITH STOP RING 10' UP FROM GUIDE SHOE.

1-FLOAT COLLAR (WEATHERFORD) AT 636.80'. (THREAD LOCKED)

15-CASING JOINTS, STC, CASING TO SURFACE.

RUN 7 BOW SPRING CENTRALIZERS ONE ON FIRST THREE JOINTS AND EVERY 3 JOINTS FROM 593.56' TO CELLAR ON COUPLINGS.

PUMP CEMENT AS FOLLOW: 20 BBLS GEL SPACER AT 3 BPM + 570 SACKS (136 BBL), 14.8 PPG, 1.35 YIELD, MIX WATER 6.39 GAL/SK, AT 5.5 BPM. WASH UP ON TOP OF PLUG AND DISPLACEMENT WITH 66 BBL 10.0 PPG BRINE WATER AT 5.5 BPM, SLOWED TO 2 BPM LAST 10 BBLS. BUMP THE PLUG TO 725 PSI (500 OVER) AT 09:25 HRS. HELD FOR 10 MINUTES BLED BACK 1.0 BBL FLOAT HELD. NOTE: CIRCULATE OUT 62 BBL CEMENT TO SURFACE (257 SXS OF CEMENT TO SURFACE).

NOTE: BLM OFFICIAL WAS NOT ON LOCATION TO WITNESS CEMENT JOB.

NOTE: AT 10:20 HRS NOTIFIED BLM WITH RESULTS FROM CEMENT JOB TALKED TO TERRY WILSON HE SAID HE WOULD BE OUT LATER IN THE DAY TO PICK UP PAPER WORK.

FINAL CUT 11.75" CASING 41" BELOW GROUND LEVEL

INSTALL FMC OUTSIDE WELD ONLY CASING HEAD (C-22-EG, 11-3/4" SOW x 13-5/8" x 3K TOP FLANGE), VALVES FACING EAST / WEST HEAD TO 750 PSI (70% CASING COLLAPSE PRESSURE). TESTED SAME WITH N2. LEAKING ON INSIDE. HAD WELDER WELD INSIDE OF CASING HEAD AND RETESTED WITH OIL TO 750 PSI. HELD PRESSURE 10 MINUTES GOOD TEST.

NIPPLE UP 11" 5K LB BOP STACK

(BOTTOM TO TOP): DSA (DOUBLE STUDDED ADAPTER) 13-5/8" x 3K LB X 11" x 5K LB. SPOOL 11" x 5K LB X 11" x 5K LB. 11" x 5K LB PSI DOUBLE RAM (BLINDS ON BOTTOM, 4 1/2" PIPE RAMS ON TOP). 11" x 5K LB PSI ANNULAR PREVENTER. 11" x 5K LB ROTATING HEAD.

NOTE: NOTIFIED MR. TERRY WILSON WITH BLM AT 17:00 HRS OF BOP TEST. WE DISCUSSED NO BOP OR SURFACE EQUIPMENT WOULD BE TESTED FOR 24 HRS FROM PLUG DOWN. START BOP TEST AT 09:30 HRS. 10/03/2010

NIPPLE UP DOUBLE RAM, SPOOL BETWEEN ANNULAR AND ROTATING HEAD BOWL, INSTALL ROTATING HEAD BOWL, OPEN RAM DOORS, INTECT RAMS AND CARRIERS. 2" VALVES

SAFETY MEETING WITH MONAHANS THIRD PARTY TESTER.

BOPS WITH CLOSED CASING VALVE AGAINST 11.75" CASING.

TEST # 1) BLIND RAM, 11.75" 42# CASING, INSIDE KLV, CHOKE MANIFOLD VALVES 4,5,7,- LOW 250, HIGH 1386.

TEST # 2) OUTSIDE 2" POWER CHOKE VALVE, OUTSIDE MANUAL CHOKE VALVE- LOW 250, HIGH 1386.

TEST # 3) PIPE RAMS, OUTSIDE KILL LINE VALVE, INSIDE 2" CHOKE MANIFOLD VALVES, T.I.W. VALVE, 2" INSIDE VERTICAL VALVE, 1 & 2 - LOW 250, HIGH 1386.

TEST # 4) CHECK VALVE, HCR VALVE, MANUAL TOP DRIVE VALVE - 250 LOW 1368 HIGH.

TEST # 5) ANNULAR, INSIDE CHOKE LINE VALVE # 4. - LOW 250 HIGH 1386.

TEST # 6) STANDPIPE, MUDLINES BACK TO PUMPS - 250 LOW, 3500 HIGH.

TEST # 7) DART VALVE, LOW 250, HIGH 1386.

PUMP TEST) OPEN HCR AND CLOSE ANNULAR USING PUMPS ONLY = 1MINUTE 47 SECONDS

NO LEAKS ON ANY TEST - 30 MINUTES OF REQUIRED PRESSURE ON ALL TESTS - ALL TESTS ARE DOCUMENTED AS PER OXY AND BLM REQUIREMENTS - BLM REPRESENTATIVE TERRY WILSON WAS ON LOCATION AND WITNESSED TESTING OPERATION

DRILL OUT CEMENT, FLOAT COLLAR, SHOE TRACK FROM 633' TO 682' AND 10' NEW FORMATION TO 692'

CIRCULATE BOTTOMS UP, MUD WEIGHT 10.0 PPG IN & OUT, SPOT 25 BBLS OF 8 PPB SALT GEL PLUS 20 PPB MIX 2 MED LCM PILL. PERFORM FIT FOR TEN MINUTES AT 682' TO 106 PSI = 13.0 PPG EMW

DRILL 10-5/8" INTERMEDIATE HOLE TO 4134'

RUN 8-5/8" 32# J-55 INTERMEDIATE CASING FROM SURFACE TO 4134'.

1- GUIDE SHOE MODEL 303A FROM 4132.45' TO 4134'.

2- SHOE CASING JOINTS FROM 4051.19' TO 4132.45'.

1-FLOAT COLLAR MODEL 402A FROM 4050.01' TO 4051.19'.

70 JOINTS CASING.

1- DV TOOL 1090.15' TO 1093.15'

25- CASING JOINTS FROM TO SURFACE TO 1090.15'.

NOTIFIED BLM MR. BOB HOSKINSON AT 05:30 HRS OF RUN AND CEMENT 8 5/8" INTERMEDIATE CASING.

TEST LINES 250 LOW / 2500 HIGH, CEMENTING AS FOLLOWS

PUMP 30 BBL OF FRESH WATER. 24 BBL SUPER FLUSH. 20 BBL FRESH WATER WITH WG-19 GELLING AGENT AHEAD OF CEMENT. LEAD - PUMPED 368 BBLS/ 1100 SX, CLASS C, 12.9 PPG, 1.88 YIELD. @ 8 BBLS/MIN. TAIL - PUMPED 48 BBLS / 200 SX, CLASS-C PREMIUM PLUS CEMENT - 14.8 PPG, 1.34 YIELD @ 5 BBLS/MIN. WASHED UP LINES ON TOP OF PLUG. DISPLACED WITH 190 BBLS FRESH WATER + 56.6 BBLS OF 10.2 BRINE = (246.6 TOTAL) DISPLACEMENT WATER 1200 PSI OF LIFT PRESSURE. @ 6.1 BBLS/MIN. BUMPED PLUG TO 1620 PSI AND HELD PRESSURE FOR 10 MINUTES AND BLED BACK 1.5 BBLS - FLOAT HOLDING

NOTE - AT 64 BBLS INTO DISPLACEMENT CEMENT WAS CIRCULATED TO SURFACE AND 181 BBLS OF CEMENT WERE DISPLACED TO SURFACE PRIOR TO PLUG DOWN. DROP CANCELLATION BOMB FOR D.V. TOOL @ 23:18, WAIT 30 MINUTES, PRESSURE UP CASING TO 3000 PSI FOR 10 MINUTES TO CLOSE SLEEVE. WAIT ON CEMENT, OPEN INSPECTION PLATES AND INSPECT SHAKER MANIFOLD, TRANSFERING BRINE WATER TO FRAC. TANKS, CLEAN PITS

TEST BOP EQUIPMENT 10 MIN LOW (250 PSI) AND 10 MIN HIGH (5000 PSI) AS FOLLOWS:

TEST #1 BLIND RAMS, INSIDE 2" KLV, INSIDE CHOKE MANIFOLD VALVES, 250 / 5000.

TEST # 2 BLIND RAMS, MANUAL & POWER CHOKE VALVES, 250 / 5000.

TEST # 3 BLIND RAMS, OUTSIDE CHOKE MANIFOLD VALVES, 250 / 5000.

TEST # 4 PIPE RAMS, OUTSIDE 2" KLV, HCR, 250 / 5000.

TEST # 5 PIPE RAMS, CHECK VALVE, INSIDE CHOKE LINE VALVE, 250 / 5000. TEST # 6 ANNULAR, 250 / 3100.

TEST # 7 TIW, 250 / 5000.

TEST # 8 MANUAL TOP DRIVE VALVE, 250 / 4000.

TEST # 9 STAND PIPE / MUD LINE BACK TO PUMPS, 250 / 4000.

TEST # 10 DART VALVE 250 / 5000.

TRIP IN HOLE WITH 7 7/8" BIT AND DIRECTIONAL TOOLS TO THE FLOAT COLLAR AT 4,050'. DRILL OUT CEMENT, PLUG, FLOAT COLLAR, SHOE TRACK AND 10' NEW FORMATION TO 4144'. CIRCULATE, GET CONSISTENT MUD WEIGHTS IN / OUT (8.6 PPG). PERFORM FIT TEST, TVD = 4144', MW = 8.6 PPG, SURFACE PRESSURE = 386 PSI, EMW = 10.4 PPG.

DRILL 7-7/8" DIRECTIONAL HOLE TO 8675'

RUN 5.5", 17#, J-55, LTC CASING F/ SURFACE TO 8675'

1 - FLOAT SHOE (DAVIS LYNCH) 8673.6' - 8675'.

2 - SHOE JOINTS.

1 - FLOAT COLLAR (DAVIS LYNCH) 8585.79' - 8587.89'.

62 - CASING JOINTS.

1 - DV TOOL (DAVIS LYNCH MODEL 777-HY-3S) 5947.11' - 5949.33'.

41 - CASING JOINTS.

1 - PACKER STAGE TOOL (DAVIS LYNCH MODEL 778-100) 4183.91' - 4201.06'.

98 - CASING JOINTS.

PUMP 1ST STAGE W/ 20 BBL FRESH WATER / WG-19 GEL SPACER. 490 SKS (166 BBL) CEMENT SUPER H , 13.2 PPG, 1.61 YIELD, 7.83 GAL/SK, AT 7 BPM. AT 660 PSI. DROPPED THE PLUG AT 20:55 AND DISPLACE WITH 70 BBLS 8.4 PPG FRESH WATER AT 7 BPM , FOLLOWED BY 129.2 BBLS MUD 8.8 PPG, AT 7 BPM AT 199 PSI SLOW DOWN TO 3 BPM LAST 10 BBL, 798 PSI FINAL PRESSURE. BUMPED PLUG AT 21:45 HRS, WITH 1500 PSI (700 PSI OVER). HELD 5 MIN. FLOAT HOLDING. BLED BACK 1 BBLS. PRESSURE UP WITH HALLIBURTON PUMPS TO 3150 PSI AND OPEN HYDRAULIC DV TOOL (AT 5947'). START PUMPING 8.8 PPG MUD AT 3 BPM WITH HALLIBURTON PUMPS AT 8 BPM AT 550 PSI. CIRCULATE OUT 56 BBL CEMENT (195 SKS).

PUMP 2ND STAGE W/ 20 BBLS GEL SPACER WG-19 + 600 SKS (172 BBL) CEMENT, 13.2 PPG, 1.61 YIELD, 7.82 GAL/SK, AT 8 BPM. DISPLACED WITH 137.9 BBLS 10.0 PPG BRINE AT 8 BPM. AT 179 PSI. BUMPED PLUG AT 03:32 HRS TO 880 PSI UP TO 2,880 (2,000 PSI OVER), TO CLOSE DV TOOL. HOLD FOR 5 MIN. FLOAT HOLDING. BLED BACK 1.5 BBLS. PRESSURE UP TO 350 PSI AND INFLATE THE PACKER AND CONTINUE PUMPING TO 1,500 PSI TO OPEN THE DV TOOL. PUMP 140 BBL 9.0 PPG MUD AT 5 BPM AND CIRCULATE OUT 38 BBLS CEMENT (135 SKS) TO SURFACE.

PERFORM 3RD STAGE CEMENT JOB.

PUMP 3RD STAGE W/ 20 BBLS GEL SPACER (WG-19) + 390 SKS (144 BBL) CEMENT, 12.4 PPG, 2.05 YIELD, 11.39 GAL/SK, AT 6 BPM AT 442 PSI.

PUMP TAIL CEMENT 150 SKS (35.5 BBL) 14.8 PPG 1.33 YIELD, 5.81 GAL/SK, AT 6 BPM AT 500 PSI. DROP PLUG AT 05:36 AND DISPLACE WITH 97.0 BBL FRESH WATER. FINAL DISPLACEMENT PRESSURE 722 PSI UP TO 1326 AT 3 BPM. BUMPED PLUG AT 05:54 HRS, AT 2820 PSI (1500 PSI OVER) AND CLOSE DV TOOL ABOVE POST. HELD 5 MIN. FLOATS HOLDING. BLED BACK 1.5 BBLS. CIRCULATED OUT 74 BBLS CEMENT (312 SKS) TO SURFACE HAVE FULL RETURNS AT ALL TIMES NO LOSSES.

RIG RELEASED AT 1500 HRS 10.15.2010