

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

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 LP (Attn: Jereme Robinson 15.022)

3a. Address

P.O. Box 27757, Houston, TX 77227-7757

3b. Phone No. (include area code)

713.366-5360

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

D Sec. 12, T21S, R23E
1980' FNL 660' FWLLat. 32.494790
Long. 103.562010

5. Lease Serial No.

NM-05608

6. If Indian, Allottee or Tribe Name

7. If Unit or C/A Agreement, Name and/or No.

NM-91035

8. Well Name and No.

Bone Flats 12 #2
Federal Com

9. API Well No.

30-015-28304

10. Field and Pool, or Exploratory Area

South Dagger Draw/
Upper Pen Associate

11. County or Parish, State

Eddy NM

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 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.)

OXY USA WTP LP request an extension T/A for a period of 1 year with an annual renewal option for a period of 3 years. The subject well is located in the OXY YES0 recompleat pilot project presented to the BLM on 05/26/2010. Plan of Development for the mentioned project was submitted for BLM review in 10/2010.

OXY will MIT the well per regulatory requirements.

TD: 8000' CIBP @ 7724' w/ 10' cmt

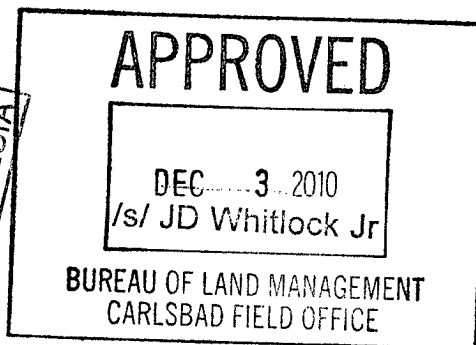
Accepted for record

NMOCB

12/10/10

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

RECEIVED
DEC 09 2010
NMOCB ARTESIA



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Jereme Robinson/ jereme.robinson@oxy.com

Title

Regulatory Analyst

Date

11/23/2010

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

Spud: 02/22/95
G.L. Elev.: 3787'
K.B.: 3803'

Bone Flats #2
1980' FNL and 660' FWL
UL "E", Section 12, T-21-S, R-23-E
Eddy County, New Mexico

Conductor Casing
16" Set at 76'. Cmt to
surface w/ Redi-Mix

Surface Casing
9 5/8" 36# Set at 1212', Cmt.
w/ 800 sks. Circ. 350 sks.

CIBP Set at 7724' with 10' of Cement Dump Bailed
on Top

Perforations: 7774'-7848', 7876'-7894' (2 jsfp)

Production Casing
7" 23 & 26# Set at 8000',
Cmt. W/1200 sks. Circ. 110

PBTD: 7954'
TD: 8000'

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Temporary Abandonment of Wells on Federal Lands
Conditions of Approval

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes. Any leak-off will be evaluated.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
3. **Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.**

Wells that successfully pass the casing integrity test may be approved for Temporary Abandonment (TA) status provided that the operator:

1. **Submits a subsequent Sundry Notice** (Form 3160-5) requesting TA approval **with well bore diagram** with all perforations and CIBP's and tops of cement on CIBP's.
2. Describes the temporary abandonment procedure.
3. Attaches a clear copy or the original of the pressure test chart.
4. Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.

Bone Flats 12 Fed. Com. #2. Well may be approved to be TA/SI for a period of 1 year 12/3/2011 after successful MIT and subsequent report with well bore diagram is submitted. The BLM reserves the right to refuse to extend this TA. Operator has requested an annual renewal option for 3 years. TA to be review annually. No TA will extend past 6/9/2013, This is from the date of the first TA request.