

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 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)

735 FSL 1945 FWL SWSE(0)

Sec 3 T22S R31E

5. Lease Serial No.

NMNM0417696

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Lost Tank 3 #16
Federal

9. API Well No.

30-015-37907

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

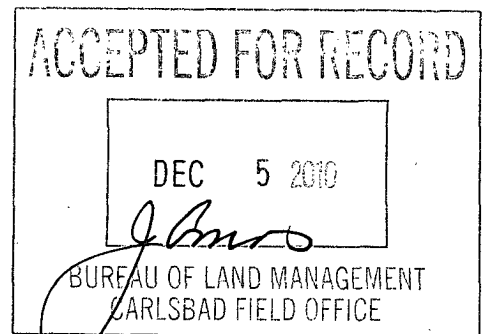
TYPE OF ACTION

- | | | | |
|---|---|--|---|
| ☐ Acidize | ☐ Deepen | ☐ Production (Start/Resume) | ☐ Water Shut-Off |
| ☐ Alter Casing | ☐ Fracture Treat | ☐ Reclamation | ☐ Well Integrity |
| ☐ Casing Repair | ☐ New Construction | ☐ Recomplete | ☒ Other <u>Set Prod</u> |
| ☐ Change Plans | ☐ Plug and Abandon | ☐ Temporarily Abandon | <u>casing & cement</u> |
| ☐ Convert to Injection | ☐ Plug Back | ☐ 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 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

11/22/10

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.

DRILL 7-7/8" VERTICAL PRODUCTION HOLE TO 8259' 10/25/10

LOG WELL WITH CNL / GR / HRLA / LITHODENSITY/ SPEC. GR TOOLS FROM LOGGERS DEPTH 8263' TO INTERMEDIATE CASING SHOE AT 4078'.

LOG INTERMEDIATE CASING SHOE TO SURFACE WITH CNL - SPEC. GR AT A RATE OF 3600 FPH. WELL STATIC.

RUN # 2 LOG WELL FROM LOGGERS DEPTH 8263' TO INTERMEDIATE CASING SHOE AT 4078' WITH MISP(MULTI INDUCTION SONIC PULSE) AT A RATE OF 1000 FPH.

RUN 5½ PRODUCTION CASING AS FOLLOWS

01 FLOAT SHOE (DAVIS LYNCH) 8258.53' - 8259'.

02 SHOE JOINTS.

01 FLOAT COLLAR (DAVIS LYNCH) 8169.98' - 8171.50'.

53 CASING JOINTS.

01 DV TOOL (DAVIS LYNCH MODEL 777-HY-3S) 5912.50' - 5914.72'.

41 CASING JOINTS.

01 PACKER STAGE TOOL (DAVIS LYNCH MODEL 778-100) 4167.53' - 4185.03'.

97 CASING JOINTS.

01 SPACER JOINT.

01 CSG JOINT TO SURFACE.

NOTE: AT 09:00 HRS NOTIFIED BLM OF CARLSBAD TALKED TO TERRY WILSON BLM OFFICER WITH INTENT TO CEMENT PRODUCTION CASING AT 16:00 HRS.

PUMP CEMENT 1ST STAGE:

20 BBL FRESH WATER / WG-19 GEL SPACER

520 SKS (149 BBL) CEMENT SUPER H , 13.2 PPG, 1.61 YIELD, 7.83 GAL/SK, AT 8 BPM. AT 800 PSI

DROPPED THE PLUG AT 18:50 HRS AND DISPLACE WITH 70 BBLS 8.4 PPG FRESH WATER AT 6 BPM , FOLLOWED BY 123.0 BBLS MUD 8.6 PPG, AT 6 BPM AT 120 PSI SLOW DOWN TO 3 BPM LAST 10 BBL, 950 PSI FINAL PRESSURE. BUMPED PLUG AT 19:33 HRS, WITH 1350 PSI (400 PSI OVER). HELD 5 MIN. FLOAT HOLDING. BLED BACK 02 BBLS.

PRESSURE UP WITH HALLIBURTON PUMPS TO 2770 PSI AND OPEN HYDRAULIC DV TOOL AT 19:38 HRS (AT 5912').

START PUMPING 8.6 PPG MUD AT 3 BPM WITH HALLIBURTON PUMPS AT 6 BPM AT 550 PSI. CIRCULATE OUT 33 BBL CEMENT (115 SKS).

PUMP 2ND STAGE CEMENT JOB.

PUMP 20 BBLS GEL SPACER WG-19 + 600 SKS (172 BBL) CEMENT, 13.2 PPG, 1.61 YIELD, 7.82 GAL/SK, AT 8 BPM. DROPPED PLUG AT 00:24 HRS

DISPLACED WITH 50 BBLS 8.4 PPG FRESHWATER FOLLOW WITH 87 BBLS 10.0 PPG BRINE AT 8 BPM. AT 375 PSI

BUMPED PLUG AT 00:52 HRS TO 700 PSI UP TO 2600 (1,900 PSI OVER), TO CLOSE DV TOOL. HOLD FOR 5 MIN. FLOAT HOLDING. BLED BACK 2.0 BBLS

DROP BOMB AT 01:00 AND LET IT GRAVITATE FOR 25 MIN.

PRESSURE UP TO 350 PSI AND INFLATE THE PACKER AND CONTINUE PUMPING TO 1,680 PSI TO OPEN THE DV TOOL.

PUMP 140 BBL 8.6 PPG MUD AT 5 BPM AND CIRCULATE OUT 42 BBLS CEMENT (115 SKS) TO SURFACE.

PUMP 3RD STAGE CEMENT JOB.

PUMP 20 BBLS GEL SPACER (WG-19) + 380 SKS (141 BBL) CEMENT, 12.4 PPG, 2.05 YIELD, 11.39 GAL/SK, AT 7 BPM AT 300 PSI. PUMP TAIL CEMENT 150 SKS (35.5 BBL) 14.8 PPG 1.33 YIELD, 6.38 GAL/SK, AT 5 BPM AT 320 PSI.

DROP PLUG AT 03:00 AND DISPLACE AT 6 BPM 700 PSI. WITH 97.0 BBL FRESH WATER. FINAL DISPLACEMENT PRESSURE 975 PSI UP TO 2880 AT 3 BPM

BUMPED PLUG AT 03:28 HRS, AT 2880 PSI (1900 PSI OVER) AND CLOSE DV TOOL ABOVE POST. HELD 5 MIN. FLOATS HOLDING. BLED BACK 2.0 BBLS.

CIRCULATED OUT 54 BBLS CEMENT (188 SKS) TO SURFACE HAVE FULL RETURNS AT ALL TIMES NO LOSSES.

NIPPLE DOWN BOP. SPLIT DOUBLE RAM AND SPOOL, SPLIT ROTATING HEAD. CLEANING MUD PITS

MAKE FINAL CUT ON 5½" CASING AND INSTALL FMC 11" 5K X 7 1/16" 5K TUBING HEAD AND TORQUE UP BOLTS.

TEST SEALS WITH OIL TO 3400 PSI (FOR 15 MINUTES), TEST GOOD. RIG DOWN CRT. RELEASE RIG AT 11:00 HRS. 10/27/2010