Submit 3 Copies to Appropriate District Office

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-103
Revised 1-1-89

WELL API NO. 30-025-08736

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No. B1481

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name: State N 8661

1. Type of Well: OIL WELL [X] GAS WELL [ ] OTHER

2. Name of Operator: OXY USA Inc. 16696

8. Well No. 4

3. Address of Operator: P.O. Box 50250 Midland, TX 79710-0250

9. Pool name or Wildcat: Arrowhead Grayburg 3040

4. Well Location
Unit Letter M : 990 Feet From The South Line and 990 Feet From The West Line

Section 2 Township 22S Range 36E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[ ]	PLUG AND ABANDON	[X]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	PLUG AND ABANDONMENT	[ ]
PULL OR ALTER CASING	[ ]			CASING TEST AND CEMENT JOB	[ ]		
OTHER:	[ ]			OTHER:			[ ]

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

TD-3835' PBTD-3616' PERFS-3708-3835' CIBP-3653'

8-5/8" 24# CSG @ 341' W/ 200sx, 12-1/4" HOLE, TOC-CIRC
5-1/2" 15# CSG @ 3708' W/ 150sx, 7-7/8" HOLE, TOC-2842'-CALC
12/27/98-SET CIBP @ 3653', DUMP 5sx CMT
1. M&P 25sx @ 3090-2990'
2. PERF & SQZ @ 2830', M&P 35sx CMT TO 2730'
3. PERF & SQZ @ 1784', M&P 35sx CMT TO 1684'
5. M&P 35sx @ 758-658'
8. PERF & SQZ @ 391', M&P 40sx CMT TO 291'
9. M&P 10sx CMT SURFACE PLUG
10# MLF BETWEEN PLUGS

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE David Stewart TITLE Regulatory Analyst DATE 2/17/99

TYPE OR PRINT NAME David Stewart TELEPHONE NO. 9156855717

(This space for State Use)

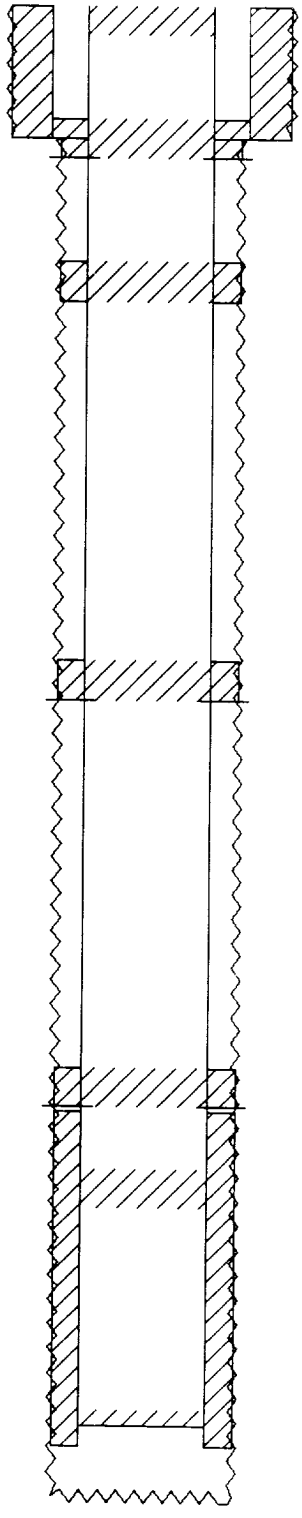
APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

3
C

MP

OXY USA INC. PROPOSED
STATE N #4
SEC 2 T22S R36E LEA NM



0.0 - 75.0' CEMENT PLUG 10sx

291.0 - 391.0' CEMENT PLUG 40sx

658.0 - 758.0' CEMENT PLUG 35sx

1684.0 - 1784.0' CEMENT PLUG 35sx

2730.0 - 2830.0' CEMENT PLUG 35sx

2990.0 - 3090.0' CEMENT PLUG 25sx

3616.0 - 3653.0' CEMENT PLUG 5sx
3653.0 - 3653.0' CIBP

0.0 - 341.0' 12 1/4" OD HOLE
0.0 - 341.0' CEMENT 200sx-CIRC
0.0 - 341.0' 8 5/8" OD SURF CSG

391.0 - 391.0' SQUEEZE PERFS

1734.0 - 1784.0' SQUEEZE PERFS

2830.0 - 2830.0' SQUEEZE PERFS

341.0 - 3835.0' 7 7/8" OD HOLE
2842.0 - 3708.0' CEMENT 150sx-CALC
0.0 - 3708.0' 5 1/2" OD PROD CSG

TD: 3835'