

Well Name: VAGABOND CC 8-17 FED COM	Well Location: T24S / R29E / SEC 17 / SESW / 32.211834 / -104.009597	County or Parish/State: EDDY / NM
Well Number: 22H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM117120	Unit or CA Name:	Unit or CA Number:
US Well Number: 3001547978	Well Status: Drilling Well	Operator: OXY USA INCORPORATED

Notice of Intent

Type of Submission: Notice of Intent	Type of Action Other
Date Sundry Submitted: 07/22/2021	Time Sundry Submitted: 11:10
Date proposed operation will begin: 08/22/2021	
Procedure Description: OXY USA Inc. respectfully requests approval to amend the subject well APD casing, cementing and mud programs. See the attached revised drill plan amending the casing, cementing and mud programs.	

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

VagabondCC8_17FederalCom22H_DrillPlan_20210722103709.pdf

Received by OCD: 8/9/2021 12:50:43 PM

Page 2 of 15

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Conditions of Approval

Additional Reviews

Vagabond_CC_8_17_Federal_Com_22H_SundryCOA_2509179_20210806102644.pdf

172429N_Sundry_2509179_Vagabond_CC_8_17_Federal_Com_22H_Eddy_NMNM117120_Oxy_13_22_08052021_NMK_20210806102621.pdf

Operator Certification

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: LESLIE REEVES	Signed on: JUL 22, 2021 09:54 AM
Name: OXY USA INCORPORATED	
Title: Advisor Regulatory	
Street Address: 5 GREENWAY PLAZA, SUITE 110	
City: HOUSTON	State: TX
Phone: (713) 497-2492	
Email address: LESLIE_REEVES@OXY.COM	

Field Representative

Representative Name:		
Street Address:		
City:	State:	Zip:
Phone:		
Email address:		

BLM Point of Contact

BLM POC Name: CHRISTOPHER WALLS	BLM POC Title: Petroleum Engineer
BLM POC Phone: 5752342234	BLM POC Email Address: cwalls@blm.gov
Disposition: Approved	Disposition Date: 08/06/2021
Signature: Chris Walls	

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	OXY USA Incorporated
LEASE NO.:	NMNM117120
LOCATION:	Section 17, T.24 S., R.29 E., NMPM
COUNTY:	Eddy County, New Mexico

WELL NAME & NO.:	Vagabond CC 8 17 Federal Com 22H
SURFACE HOLE FOOTAGE:	546'/S & 1705'/W
BOTTOM HOLE FOOTAGE:	20'/N & 1040'/W

WELL NAME & NO.:	Vagabond CC 8 17 Federal Com 23H
SURFACE HOLE FOOTAGE:	546'/S & 1740'/W
BOTTOM HOLE FOOTAGE:	20'/N & 1775'/W

WELL NAME & NO.:	Vagabond CC 8 17 Federal Com 24H
SURFACE HOLE FOOTAGE:	1070'/S & 975'/E
BOTTOM HOLE FOOTAGE:	20'/N & 2300'/E

WELL NAME & NO.:	Vagabond CC 8 17 Federal Com 25H
SURFACE HOLE FOOTAGE:	1070'/S & 940'/E
BOTTOM HOLE FOOTAGE:	20'/N & 1600'/E

COA

H2S	☐ Yes	☒ No	
Potash	☒ None	☐ Secretary	☐ R-111-P
Cave/Karst Potential	☐ Low	☒ Medium	☐ High
Cave/Karst Potential	☐ Critical		
Variance	☐ None	☒ Flex Hose	☐ Other
Wellhead	☐ Conventional	☐ Multibowl	☒ Both
Other	☐ 4 String Area	☐ Capitan Reef	☐ WIPP
Other	☐ Fluid Filled	☒ Cement Squeeze	☐ Pilot Hole
Special Requirements	☐ Water Disposal	☒ COM	☐ Unit

ALL PREVIOUS COAs STILL APPLY.

A. CASING

Casing Design:

3. The minimum required fill of cement behind the 5-1/2 inch production casing is:

Option 1 (Single Stage):

- Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
 - Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

B. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
- 2.

Option 1:

- a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.
- b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate casing shoe shall be **3000 (3M)** psi.

Option 2:

1. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.

- a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
- b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- c. Manufacturer representative shall install the test plug for the initial BOP test.
- d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

C. SPECIAL REQUIREMENT (S)

BOPE Break Testing Variance

- BOPE Break Testing is ONLY permitted for 5M BOPE or less.
- BOPE Break Testing is NOT permitted to drilling the production hole section.
- While in transfer between wells, the BOPE shall be secured by the hydraulic carrier or cradle.
- Any well control event while drilling require notification to the BLM Petroleum Engineer prior to the commencement of any BOPE Break Testing operations.
- A full BOPE test is required prior to drilling the first deep intermediate hole section. If any subsequent hole interval is deeper than the first, a full BOPE test will be required.
- The BLM is to be contacted (575-361-2822 Eddy County) 4 hours prior to BOPE tests.
- As a minimum, a full BOPE test shall be performed at 21-day intervals.
- In the event any repairs or replacement of the BOPE is required, the BOPE shall test as per Onshore Oil and Gas Order No. 2.

NMK08052021

Oxy USA Inc. - Vagabond CC 8_17 Federal Com 22H

Drill Plan

1. Geologic Formations

TVD of Target (ft):	8351	Pilot Hole Depth (ft):	
Total Measured Depth (ft):	17381	Deepest Expected Fresh Water (ft):	259

Delaware Basin

Formation	MD-RKB (ft)	TVD-RKB (ft)	Expected Fluids
Rustler	259	259	
Salado	581	581	Salt
Castile	1232	1232	Salt
Delaware	2777	2777	Oil/Gas/Brine
Bell Canyon	2823	2823	Oil/Gas/Brine
Cherry Canyon	3710	3710	Oil/Gas/Brine
Brushy Canyon	4969	4953	Losses
Bone Spring	6641	6546	Oil/Gas
Bone Spring 1st	7646	7502	Oil/Gas
Bone Spring 2nd	8658	8320	Oil/Gas
Bone Spring 3rd			Oil/Gas
Wolfcamp			Oil/Gas
Penn			Oil/Gas
Strawn			Oil/Gas

*H2S, water flows, loss of circulation, abnormal pressures, etc.

2. Casing Program

Section	Hole Size (in)	MD		TVD		Csg. OD (in)	Csg Wt. (ppf)	Grade	Conn.
		From (ft)	To (ft)	From (ft)	To (ft)				
Surface	14.75	0	521	0	521	10.75	45.5	J-55	BTC
Intermediate	9.875	0	8002	0	7835	7.625	26.4	L-80 HC	BTC
Production	6.75	0	17381	0	8351	5.5	20	P-110	DQX

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

*Oxy requests the option to run production casing with DQX, TORQ DQW, TORQ SFW/Wedge 425, Wedge 461, and/or Wedge 441 connections to accommodate hole conditions or drilling operations.

All Casing SF Values will meet or exceed those below			
SF Collapse	SF Burst	Body SF Tension	Joint SF Tension
1.125	1.2	1.4	1.4

Annular Clearance Variance Request

As per the agreement reached in the Oxy/BLM face-to-face meeting on Feb 22, 2018, Oxy requests permission to allow deviation from the 0.422" annular clearance requirement from Onshore Order #2 under the following conditions:

1. Annular clearance to meet or exceed 0.422" between intermediate casing ID and production casing coupling only on the first 500' overlap between both casings.
2. Annular clearance less than 0.422" is acceptable for the curve and lateral portions of the production open hole section.

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	Y
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program

Section	Stage	Slurry:	Capacities	ft ³ /ft	Excess:	From	To	Sacks	Volume (ft ³)	Placement
Surface	1	Surface - Tail	OH x Csg	0.5563	100%	521	-	436	580	Circulate
Int.	1	Intermediate 1S - Tail	OH x Csg	0.2148	5%	8,002	5,219	380	628	Circulate
Int.	2	Intermediate 2S - Tail BH	OH x Csg	0.2148	25%	5,219	521	657	1261	Bradenhead
Int.	2	Intermediate 2S - Tail BH	Csg x Csg	0.2338	0%	521	-	63	122	Bradenhead
Prod.	1	Production - Tail	OH x Csg	0.2526	10%	17,381	8,002	1888	2606	Circulate
Prod.	1	Production - Tail	Csg x Csg	0.0999	0%	8,002	7,502	36	50	Circulate

Description	Density (lb/gal)	Yield (ft ³ /sk)	Water (gal/sk)	500psi Time (hh:mm)	Cmt. Class	Accelerator	Retarder	Dispersant	Salt
Surface - Tail	14.8	1.33	6.365	5:26	C	x			
Intermediate 1S - Tail	13.2	1.65	8.64	11:54	H	x	x	x	x
Intermediate 2S - Tail BH	12.9	1.92	10.41	23:10	C	x			
Production - Tail	13.2	1.38	6.686	3:39	H		x	x	x

Offline Cementing

Oxy requests a variance to cement the 9.625" and/or 7.625" intermediate casing strings offline in accordance to the approved variance, EC Tran 461365.

The summarized operational sequence will be as follows:

Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment (float collar and shoe).

Land casing.

Fill pipe with kill weight fluid, and confirm well is static.

If well Oxy requests a variance to cement the 9.625" and/or 7.625" intermediate casing strings offline in accordance to the approved variance, EC Tran 461365.

The summarized operational sequence will be as follows:

1. Run casing as per normal operations. While running casing, conduct negative pressure test and confirm integrity of the float equipment (float collar and shoe).
2. Land casing.
3. Fill pipe with kill weight fluid, and confirm well is static.
 - a. If well is not static notify BLM and kill well.
 - b. Once well is static notify BLM with intent to proceed with nipple down and offline cementing.
4. Set and pressure test annular packoff.
5. After confirmation of both annular barriers and internal barriers, nipple down BOP and install cap flange. If any barrier fails to test, the BOP stack will not be nipped down until after the cement job is completed.
6. Skid rig to next well on pad.
7. Confirm well is static before removing cap flange.
8. If well is not static notify BLM and kill well prior to cementing or nipping up for further remediation.
9. Install offline cement tool.
10. Rig up cement equipment.
 - a. Notify BLM prior to cement job.
11. Perform cement job.
12. Confirm well is static and floats are holding after cement job.
13. Remove cement equipment, offline cement tools and install night cap with pressure gauge for monitoring.

Oxy requests permission to adjust the CBL requirement after bradenhead cement jobs, on 7-5/8" intermediate casings, as per the agreement reached in the OXY/BLM meeting on September 5, 2019.

Three string wells:

- CBL will be required on one well per pad
- If the pumped volume of cement is less than permitted in the APD, BLM will be notified and a CBL may be run
- Echometer will be used after bradenhead cement job to determine TOC before pumping top-out cement

4. Pressure Control Equipment

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Type		✓	Tested to:	Deepest TVD Depth (ft) per Section:
9.875" Hole	13-5/8"	3M	Annular		✓	70% of working pressure	7835
		3M	Blind Ram		✓	250 psi / 3000 psi	
			Pipe Ram				
			Double Ram		✓		
			Other*				
6.75" Hole	13-5/8"	3M	Annular		✓	70% of working pressure	8351
		3M	Blind Ram		✓	250 psi / 3000 psi	
			Pipe Ram				
			Double Ram		✓		
			Other*				

*Specify if additional ram is utilized

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold.

	Formation integrity test will be performed per Onshore Order #2.
	On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.
	A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.
Y	Are anchors required by manufacturer?
	A multibowl or a unionized multibowl wellhead system will be employed. The wellhead and connection to the BOPE will meet all API 6A requirements. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested. We will test the flange connection of the wellhead with a test port that is directly in the flange. We are proposing that we will run the wellhead through the rotary prior to cementing surface casing as discussed with the BLM on October 8, 2015. See attached schematics.

BOP Break Testing Request

Oxy requests permission to adjust the BOP break testing requirements as per the agreement reached in the OXY/BLM meeting on September 5, 2019. A separate sundry will be sent prior to spud that reflects the pad based break testing plan.

BOP break test under the following conditions:

- After a full BOP test is conducted
- When skidding to drill an intermediate section where ICP is set into the third Bone Spring or shallower.
- When skidding to drill a production section that does not penetrate into the third Bone Spring or deeper.

If the kill line is broken prior to skid, two tests will be performed.

- 1) Wellhead flange, co-flex hose, kill line connections and upper pipe rams
- 2) Wellhead flange, HCR valve, check valve, upper pipe rams

If the kill line is not broken prior to skid, only one test will be performed.

- 1) Wellhead flange, co-flex hose, check valve, upper pipe rams

5. Mud Program

Section	Depth - MD		Depth - TVD		Type	Weight (ppg)	Viscosity	Water Loss
	From (ft)	To (ft)	From (ft)	To (ft)				
Surface	0	521	0	521	Water-Based Mud	8.6 - 8.8	40-60	N/C
Intermediate	521	8002	521	7835	Saturated Brine-Based or Oil-Based Mud	8.0 - 10.0	35-45	N/C
Production	8002	17381	7835	8351	Water-Based or Oil-Based Mud	8.0 - 9.6	38-50	N/C

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CACL2. Oxy will use a closed mud system.

What will be used to monitor the loss or gain of fluid?	PVT/MD Totco/Visual Monitoring
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6. Logging and Testing Procedures

Logging, Coring and Testing.	
Yes	Will run GR from TD to surface (horizontal well – vertical portion of hole).
	Stated logs run will be in the Completion Report and submitted to the BLM.
No	Logs are planned based on well control or offset log information.
No	Drill stem test? If yes, explain
No	Coring? If yes, explain

Additional logs planned		Interval
No	Resistivity	
No	Density	
No	CBL	
Yes	Mud log	Bone Spring – TD
No	PEX	

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	4169 psi
Abnormal Temperature	No
BH Temperature at deepest TVD	147°F

Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.

N	H2S is present
Y	H2S Plan attached

8. Other facets of operation

	Yes/No
Will the well be drilled with a walking/skidding operation? If yes, describe. We plan to drill the 2 well pad in batch by section: all surface sections, intermediate sections and production sections. The wellhead will be secured with a night cap whenever the rig is not over the well.	Yes
Will more than one drilling rig be used for drilling operations? If yes, describe. Oxy requests the option to contract a Surface Rig to drill, set surface casing, and cement for this well. If the timing between rigs is such that Oxy would not be able to preset surface, the Primary Rig will MIRU and drill the well in its entirety per the APD. Please see the attached document for information on the spudder rig.	Yes

Total Estimated Cuttings Volume: 1234 bbls

Attachments

- ☒ Directional Plan
- ☒ H2S Contingency Plan
- ☒ Flex III Attachments
- ☒ Spudder Rig Attachment
- ☒ Premium Connection Specs

9. Company Personnel

Name	Title	Office Phone	Mobile Phone
Garrett Granier	Drilling Engineer	713-513-6633	832-265-0581
William Turner	Drilling Engineer Supervisor	713-350-4951	661-817-4586
Simon Benavides	Drilling Superintendent	713-522-8652	281-684-6897
Diego Tellez	Drilling Manager	713-350-4602	713-303-4932

District I
1625 N. French Dr., Hobbs, NM 88240
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District II
811 S. First St., Artesia, NM 88210
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Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

COMMENTS

Action 40723

COMMENTS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 40723
	Action Type: [C-103] NOI Change of Plans (C-103A)

COMMENTS

Created By	Comment	Comment Date
jagarcia	Accepted for Record	8/17/2021

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CONDITIONS

Action 40723

CONDITIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 40723
	Action Type: [C-103] NOI Change of Plans (C-103A)

CONDITIONS

Created By	Condition	Condition Date
jagarcia	None	8/17/2021